

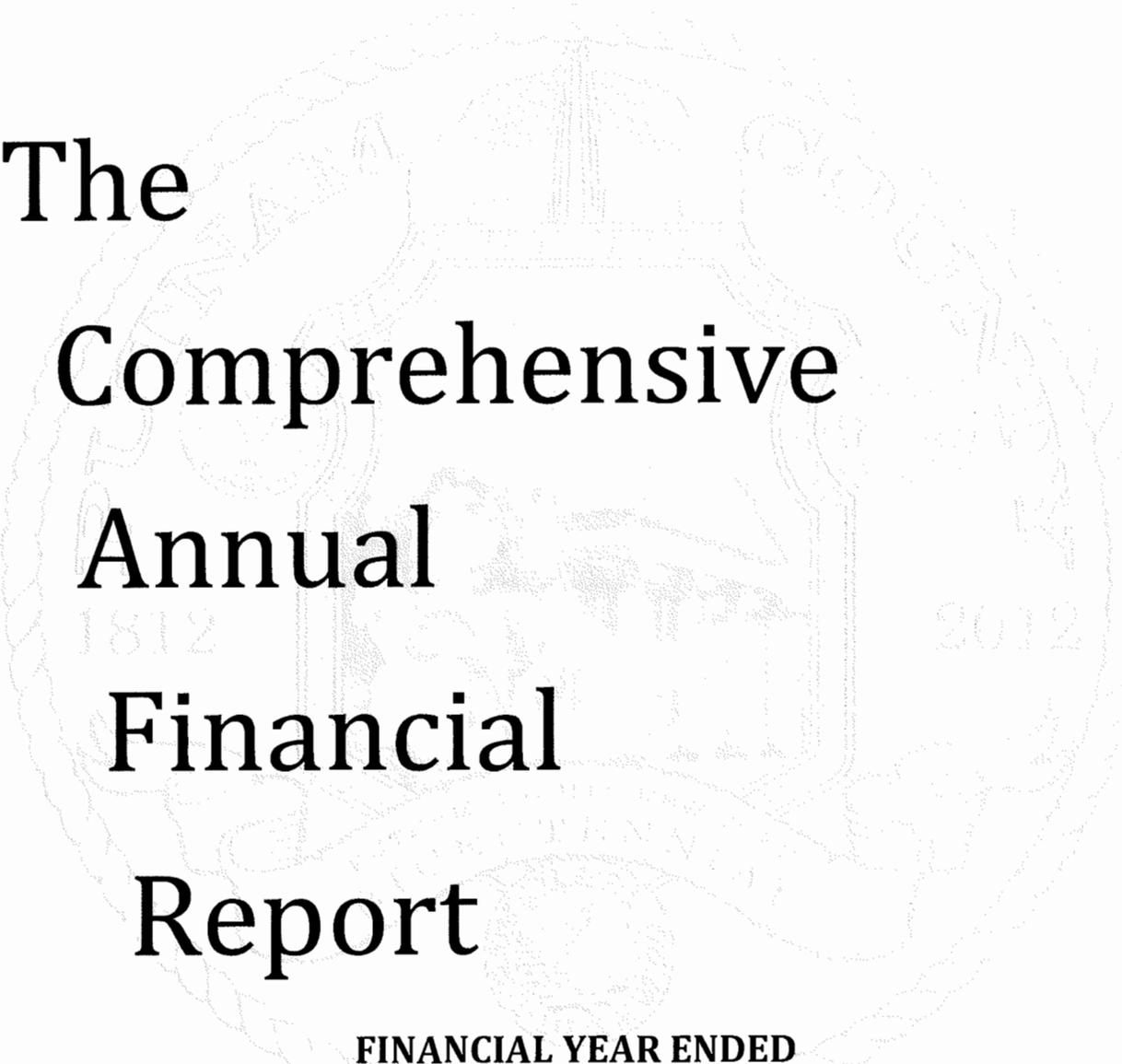
County of Putnam, New York



Comprehensive Annual Financial Report



Year Ended:
December 31, 2019



The
Comprehensive
Annual
Financial
Report

FINANCIAL YEAR ENDED

DECEMBER 31, 2019

MARYELLEN ODELL - County Executive

WILLIAM J. CARLIN, JR. - Commissioner

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<p>STATISTICAL SECTION (Unaudited)</p>

This part of the County’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the County’s overall financial health.

This section includes the following schedules

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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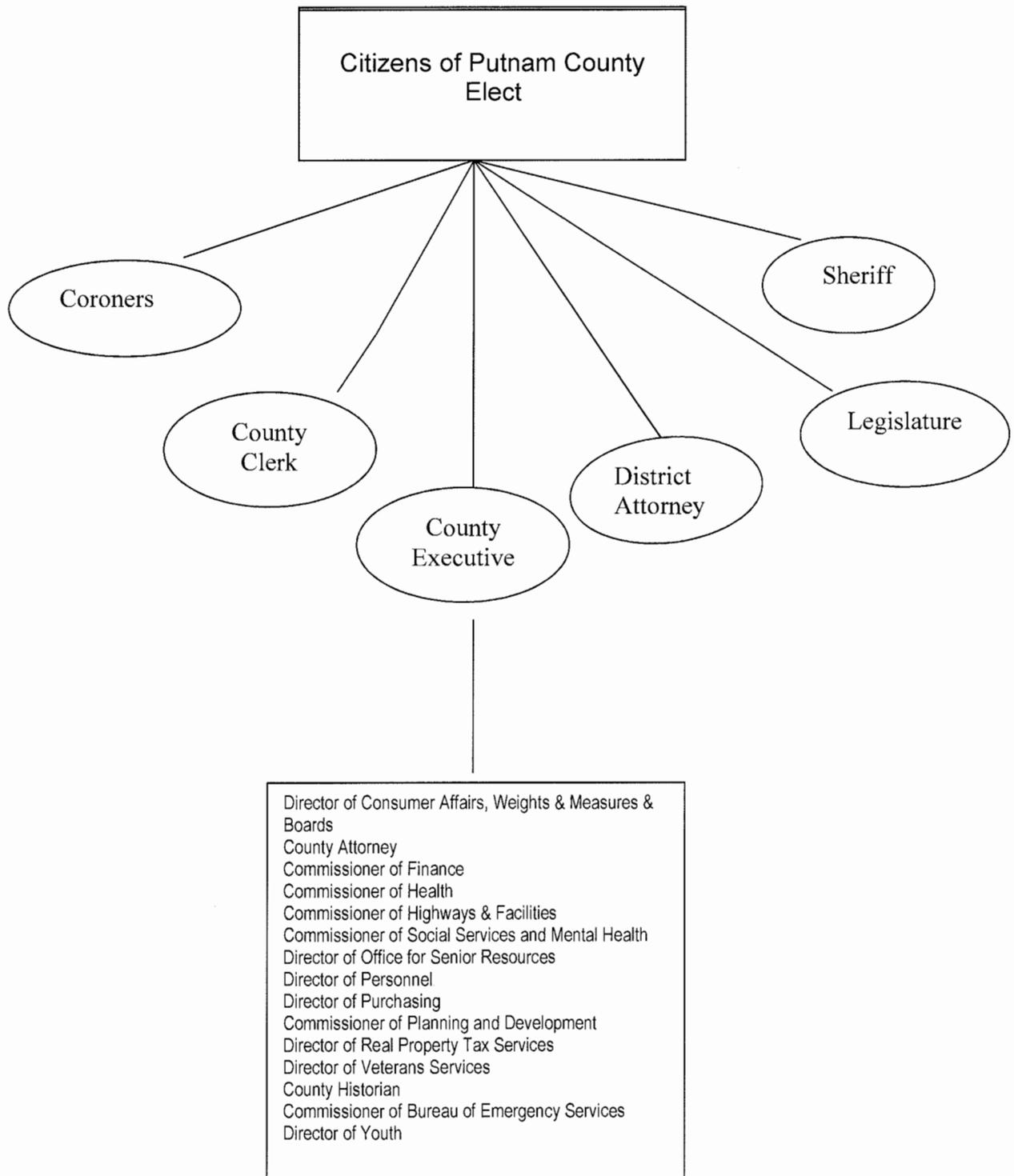
**INTRODUCTORY
SECTION**

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**COUNTY OF PUTNAM,
NEW YORK
PRINCIPAL OFFICIALS**

<u>OFFICE</u>	<u>OFFICE HOLDER</u>	<u>TERM EXPIRES</u>
County Executive	MaryEllen Odell	12/31/22
County Legislators		
District #1	Nancy Montgomery	12/31/21
District #2	William Gouldman.	12/31/20
District #3	Toni Addonizio	12/31/20
District #4	Ginny Nacerino (Chairperson)	12/31/21
District #5	Carl Albano	12/31/19
District #6	Paul Jonke	12/31/19
District #7	Joseph Castellano	12/31/21
District #8	Amy Sayegh	12/31/20
District #9	Neal Sullivan	12/31/19
County Clerk	Michael Bartolotti	12/31/22
District Attorney	Robert Tendy	12/31/19
Sheriff	Robert L. Langley, Jr.	12/31/21
County Attorney	Jennifer Bumgarner	12/31/22
Commissioner of Finance	William J. Carlin Jr.	12/31/22

ORGANIZATIONAL CHART OF PUTNAM COUNTY EXECUTIVE BRANCH



WILLIAM J. CARLIN, Jr. CPA
Commissioner Of Finance



ANITA Z. GILBERT
Chief Deputy Commissioner Of Finance

SHEILA BARRETT
Deputy Commissioner Of Finance

DEPARTMENT OF FINANCE

July 23, 2020

To The Honorable County Executive and County Legislature
of the County of Putnam, New York:

The Comprehensive Annual Financial Report ("CAFR") for the County of Putnam, New York for the fiscal year ended December 31, 2019 is herewith submitted. New York State requires the County to submit an annual report of the financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

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

40 GLENEIDA AVENUE ~ CARMEL NEW YORK 10512 ~ Tel (845) 808-1075 ~ Fax (845) 808-1910

Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by PKF O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2019 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the County's basic financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with GAAP.

In addition, the Governmental Accounting Standards Board ("GASB") requires the County's management to provide a narrative introduction, overview and analysis of the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal complements the MD&A and should be read in conjunction with it. The County's MD&A is included in the financial section of this CAFR immediately following the independent auditor's report.

This report has also been prepared and organized to meet the requirements of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program. In accordance with its guidelines, the report is presented as four major sections; Introductory Section, Financial Section, Statistical Section and Federal Awards Section.

The independent audit of the basic financial statements of the County was part of a broader, Federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the

independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are included in the Federal Awards Section of this CAFR.

PROFILE OF THE COUNTY

Putnam County, established in 1812, is located approximately 56 miles north of New York City and encompasses a land area of 246 square miles. The County is bordered by the County of Dutchess on the north, the County of Westchester on the south, the State of Connecticut on the east and the Hudson River on the west. Within the County are six towns (Carmel, Kent, Patterson, Philipstown, Putnam Valley and Southeast) and three villages (Brewster, Cold Spring and Nelsonville).

Putnam County is principally residential in character and combines suburban and rural settings. A wide range of housing arrangements including country estates, one-family homes, apartment units, condominiums and seasonal dwellings are available in the County. There are 116 lakes and ponds and 8 miles of Hudson River shoreline, which provide recreational activities including boating, swimming and fishing. Businesses located in Putnam County are primarily mercantile in nature with some light manufacturing.

Putnam County is located 56 miles north of New York City with Metro North trains departing at ½ and 1 hour intervals to Grand Central Station. The County is also located conveniently to several airports – 25 miles to Stewart Airport; 25 miles to Westchester County Airport and 45 miles to LaGuardia Airport.

The County operates under a Charter form of government that provides for separate, independent executive and legislative functions with an elected County Executive and a 9-person County Legislature. This current form of Government was adopted to the provisions of Local Law No. 1 of 1977 and became effective on January 1, 1979.

The County Executive, elected from the County at large in an even numbered year for a term of four years, not to exceed 2 four year terms, is the Chief Executive Officer responsible for the administration of all County affairs and also acts as the County's Budget Officer.

The County Legislature is the legislative, appropriating and policy determining body of the County. The nine members represent legislative districts of approximately equal population. Members are elected to serve three year staggered terms and are term limited to 4 three year terms. The current membership of the County Legislature is included on the list of Principal Officials. Duties of the Legislature include review and adoption of the County's annual budget; approval of budgetary modifications during the year; and authorization by resolution for the issuance of debt by the County. Legislative committees have been organized to oversee various aspects of County government. These committees are advisory in nature and formal actions must be approved by a vote of the Legislature as a whole.

The Chief Fiscal Officer of the County is the Commissioner of Finance, who is appointed by the County Executive and confirmed by the County Legislature. The Commissioner of Finance is responsible for the administration of the financial affairs of the County. Duties of this position include: tax collection, financial accounting and reporting, payroll and accounts payable disbursements functions, cash and investment management, debt management, and preparing financial statements.

Other elected officials include the County Clerk, District Attorney, Sheriff and three County Coroners, who serve four-year terms.

Offices in the Executive Department include the Division of Planning and Development as well the departments of Bureau of Emergency Services, Finance and Real Property, Health, Highways and Facilities, Historian, Law, Mental Health, Personnel, Probation, Purchasing, Social Services, Weights and Measures and Consumer Affairs, Veterans, and Office for Senior Resources formerly known as the Office For Aging. All

department heads are appointed by the County Executive and most are subject to approval by the County Legislature.

The County provides a full range of services to its residents, some of which include:

- Public safety and judiciary services including criminal justice, district attorney, corrections, and probation programs.
- Transportation services, which include maintenance of 116 miles of County roads and the operation of the Putnam Area Rapid Transit (“PART”) system.
- Economic Opportunity and Development programs including Social Services programs, Office for Senior Resources, Veterans’ assistance, and Employment and Training services.
- Health services through the County Health and Mental Health Departments.
- Parks and recreation services including 11.85 miles of bikeways after the completion of .92 miles from Putnam Avenue to North Main in the Village of Brewster; a golf course, parks and numerous trails.
- The County also provides general administrative support to all departments and is guarantor of both town and school district taxes

This report includes all of the funds of the County. It includes all County organizations and activities for which the County is financially accountable. The County has considered all potential component units based on criteria set forth in GASB Statement No. 61, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the Putnam Tobacco Asset Securitization Corporation (“PTASC”) is included in the financial statements as a blended component unit.

The County also maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the County Legislature. During the month of June, the various County departments are given notice to prepare their budgets. These preliminary budgets are due no later than August 15th or by a date set by the Commissioner of Finance and include the estimated revenues and expenditures for the

following fiscal year. Budget meetings are scheduled with each department to occur during the months of August and September.

The County Executive prepares and submits a tentative budget for the ensuing year to the Clerk of the Legislature on or before October 1st of each year. Such budget includes an estimate of the expenditures needed to provide County services as well as the sources of revenue expected to fund these expenditures.

Within five days of submitting the tentative budget, the County Executive and Commissioner of Finance review the budget with the Budget and Finance Committee (“Committee”) of the County Legislature. The Committee subsequently holds a public hearing on the tentative budget to obtain comments from the public. The Committee files a report, which includes its recommendations, to the full Legislature on or before October 20th.

A second public hearing before all members of the County Legislature is held no later than October 25th. Taxpayers are given the opportunity to express their views on the proposed budget; however, the County is not required to submit the budget to the taxpayers for their approval. After this hearing and prior to October 28th, the Legislature as a whole meets to consider and adopt the budget. According to the County Charter, the County Executive may veto all line items changed by the Legislature with the exception of those items pertaining to the Legislature’s own budget. An override of an Executive veto requires 2/3 majority vote of the County Legislature. The budget process is completed and the final budget adopted by November 15th.

Beginning with the fiscal year ending December 31, 2011, the County was required to implement GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. These financial statements are issued in full compliance with these standards.

For the year ended December 31, 2013, the County implemented GASB Statement No. 65, *“Items Previously Reported as Assets and Liabilities”*. These financial statements are issued in full compliance with these standards.

For the year ended December 31, 2015, the County implemented the provisions of GASB Statement No. 68, *“Accounting and Financial Reporting for Pensions”*. These financial statements are issued in full compliance with these standards.

For the fiscal year ended December 31, 2016, the County implemented the provisions of GASB Statement No. 77, *“Tax Abatement Disclosures.”* These financial statements are issued in full compliance with these standards.

For fiscal year ending December 31, 2018, the County implemented GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (“OPEB”). This statement addresses accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflow/inflows of resources and expenses/expenditure. This statement supersedes the provisions of GASB Statement No. 45 *“Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions.”* As a result, the net position on the government-wide financial statement for the primary government reflects a cumulative effect of change in the accounting principle in the amount of (\$54,005,595). Additional information can be found in Note 3F, in the notes of the financial statements

For fiscal year ending December 31, 2019, the County implemented GASB Statement No. 84 *“Fiduciary Activities”*. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

FACTORS AFFECTING FINANCIAL CONDITION

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

COVID – 19

Putnam County is not immune from the negative economic effects caused by the COVID-19 pandemic. Sales tax revenue, which were \$ 1.5 million ahead of budget in March, have now fallen \$ 1.3 million below budget as of mid-June. In response, the County will enact initial mid-year budget expenditure/revenue changes resulting in a reduction of the sales tax budget of \$ 2.3 million.

Putnam County will continue to monitor the economic effects of the pandemic, including possible negative changes to sales tax revenue and State Aid, as well as possible positive changes regarding possible stimulus aid from the Federal Government, and make budget changes as further information becomes known

Local Economy

In 2019, the County's sales tax increased by \$3,178,806. This represented a 5% increase in collections over 2018. This increase was due to general conditions as seen in the state and national economies.

The County's annual average unemployment rate (3.7%) continues to remain one of the lowest of all the counties. Single family home sales rose 0.3% from 990 sales in 2018 to 993 sales in 2019. The median sale price of a single-family home decreased from \$367,500 to \$365,000 a 0.68% increase. Home foreclosure filings initiated in Putnam County decreased from 244 in 2018 to 233 in 2019. The actual foreclosure judgments issued were 197 in 2018 and 282 in 2019.

The County's Net Taxable Assessments increased from \$12,511,996,857 in 2018 to \$12,869,725,712 in 2019 an increase of 2.9%.

The New York State Property tax cap law provides that the tax levy increase is capped at 2% or the rate of inflation, whichever is less. In 2019 the County adopted a budget increasing the tax levy by 2.47%, based on the tax cap calculation.

According to Federal statistics Putnam County has a per capita personal income (PCPI) of \$65,883 (2018). This PCPI ranked 6th in the state and was 96% of the state average of \$68,668.00, and 121% of the national average of \$54,446. The 2018 PCPI reflected an increase of 5.1% from 2017.

Putnam County has a median household income of \$102,186 (2018) which is more than the national median household income of \$60,293. This is an increase of 2.59% from 2017 which was \$99,608.

The Census 2010 population count was 99,795. The County's 2018 population of \$98,892 ranked 29th in the state.

The following major initiatives were commenced or were in progress during calendar year 2019 by the various departments and agencies of the Putnam County government:

Tax Cap: For the eighth consecutive year, the County adopted the 2019 budget that was within the tax cap, resulting in property tax rebate checks for Putnam County Homeowners issued by the NYS Department of Taxation and Finance over the past few months.

Short Term Borrowing: For the fourth year in a row the County did not issue a Tax Anticipation Note for cash flow purposes.

Shared Services: The County currently deploys 9 School Resource Officers which are specially trained Sheriff's Deputies and 13 Special Patrol Officers to our schools. They

not only help keep the school secure but provide the students with information and education.

Long-Term Financial Planning

County Bikeways: Putnam County has bid out the construction contract for Bikeway IV, which will encompass a one mile stretch from the Town of Southeast into the Village of Brewster. When completed, the County trailway system will be connected from the Hamlet of Mahopac through the Village of Brewster.

Alternative Energy: Putnam County continues to explore the establishment of alternative energy sources to reduce energy costs. For example, the County is studying the feasibility of establishing a solar energy station on landfill property to supply power which the County can purchase at a lower cost than is currently paid.

Sewer Feasibility Study: The County has commissioned a sewer feasibility study in the towns of Southeast and Carmel that will allow for responsible commercial expansion / development while improving jobs and improving our commercial tax base...

Capital Improvements: The County maintains a Charter-required six-year Capital Improvement Schedule that serves as a planning document to ensure that its facilities, equipment and infrastructure are well maintained and operating in peak condition. Under the guidance of the Capital Projects Committee, this process gives the County the ability to plan for its capital needs and allocate short and long-term resources accordingly.

Relevant Financial Policies

The County operates under a host of comprehensive financial policies. The County maintains an investment policy which emphasizes a conservative financial approach based upon New York State Law. Available funds are invested in certificates of deposits, money market accounts, savings accounts, U.S. Treasury obligations and municipal cooperative investments authorized under New York State General Municipal Law. The County's investment policy is adopted by the Legislature and is reviewed annually and amended as needed or desired. Total investment earnings for the fiscal year ending December 31, 2019 was \$914,030 up from \$682,676 in 2018 due mainly to rising interest rates and an increase in cash balances.

The County prepares its budgets, capital improvement plans and forecasts with various financials policies in mind, and operates in compliance with the policies. The County does not foresee any issues with its ability to comply with the current policies in the implementations of its near and long term initiatives.

The County maintains a procurement policy in accordance with New York State General Municipal Law and adopted by the Legislature. This policy outlines all bidding and procurement procedures that County departments must adhere to when purchasing goods and services. The Department of Purchasing is responsible for the administration of this policy.

AWARDS AND ACKNOWLEDGEMENTS

GFOA – Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report for the fiscal year ended December 31, 2018. The County has received this prestigious award twenty-eight of the

last twenty-nine years. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents must conform to GFOA standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

I would like to thank all of the personnel in the Finance Department along with the account clerks and fiscal managers throughout the County. They are a very competent group of professionals dedicated to their work and the long-term fiscal condition of the County. I would like to thank all County departments for their assistance in providing the data necessary to compile this report. In particular, I want to thank Anita Z. Gilbert, Chief Deputy Commissioner of Finance, and the accounting staff, as well as our independent auditors PKF O'Connor Davies, LLP, who assisted in its preparation. I would also like to thank the County Executive and the members of the County Legislature for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectively Submitted,

A handwritten signature in black ink that reads "William J. Carlin, Jr." The signature is written in a cursive, flowing style.

William J. Carlin, Jr.,
Commissioner of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

County of Putnam
New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

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**FINANCIAL
SECTION**

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Independent Auditors' Report

**The Honorable Legislature of the
County of Putnam, New York**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County of Putnam, New York ("County") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows, thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

We draw attention to Note 2D in the notes to financial statements which disclose the effects of the County's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, "*Fiduciary Activities*". Our opinion is not modified with respect to this matter.

As discussed in Note 6 in the notes to the financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of the COVID-19 ("Coronavirus"). Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, 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 and Other Information

Our audit for the year ended December 31, 2019 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, and the introductory and statistical sections for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2019 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2019.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the County as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated June 27, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2018 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2019 and, accordingly, we do not express an opinion or provide any assurance on them.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

July 23, 2020

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County of Putnam, New York

Management's Discussion and Analysis December 31, 2019

Introduction

As management of the County of Putnam, New York ("County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights for Fiscal Year 2019

Key financial highlights for fiscal year 2019 are as follows:

- The County's total net position, governmental activities and business-type activities, (assets and deferred outflows of resources, less liabilities and deferred inflows of resources) for fiscal year 2019 was a deficit of \$95,545,650. The net position of the governmental activities was a deficit of \$78,797,784 (including an unrestricted net position deficit of \$136,810,909, and the net position of business-type activities was a deficit of \$16,747,866.
- For fiscal year ending December 31, 2019, the County implemented GASB Statement No. 84 "*Fiduciary Activities*". The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.
- The total General Fund revenues and other financing sources exceeded general fund expenditures and other financing uses by \$7,105,511.
- Government Activities expenses of \$160,474,841 reported for fiscal year ended December 31, 2019 had an increase of \$3,323,288 (2.11%) from government expenses of \$157,151,553 reported for the year ended December 31, 2018.
- Net program expenses of \$109.5 million were reported for the governmental activities for the fiscal year ended December 31, 2019. This compares with \$108.5 million of net program expenses reported for fiscal year ended December 31, 2018.
- The General Fund reported an ending total fund balance of \$50,632,139, which represents an increase of \$7,105,511 from fiscal year 2018. The Capital Projects Fund reported an ending fund balance of \$7,388,468 an increase of \$1,363,119 from fiscal year 2018.
- The County continues to maintain a AA2 bond rating from Moody's Investors Services.
- The County's total outstanding bonds payable, exclusive of the business-type activities, at December 31, 2019 were \$52,783,125. During fiscal year 2019, the County retired \$4,973,350 of general obligation debt exclusive of the \$3,495,000 of the refunded bonds. The County issued \$3,315,000 in Refunding Bonds. The County has not issued a Tax Anticipation Note for cash flow purposes since 2015.

- For the year ending December 31, 2015, the County implemented the provisions of the Governmental Accounting Standards Board (“GASB”) Statement No. 68, “Accounting and Financial Reporting for Pensions”. This pronouncement established new accounting and financial reporting requirements associated with the County’s participation in the cost sharing multiple employer pension plans administered by the New York State and Local Retirement System (“ERS”) and the New York State and Local Police and Fire Retirement System (“PFRS”). Under the new standards, cost sharing employers are required to report in their government-wide financial statements a net position liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all municipalities and school districts in the plan. At December 31, 2019, the County reported in its Statement of Net Position a liability of \$15,219,284 for its proportionate share of the ERS net pension liabilities. The net pension liability was measured as of March 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County’s proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At March 31, 2019, the County’s proportion was 0.2148007%, which was an increase of 0.00015458% from its proportion measured as of March 31, 2018.

More detailed information about the County’s pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in the notes to financial statements.

Overview of the Financial Statements

The County’s financial statements are composed of Management’s Discussion and Analysis (“MD&A”) and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the County’s financial activities. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains combining and individual fund statements and schedules in addition to the basic financial statements, along with statistical tables.

Government-Wide Financial Statements

The government-wide financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: statement of net position and statement of activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The statement of net position presents the County’s total assets, deferred outflows of resources, liabilities and deferred inflows of resources with the balance reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the County is improving or deteriorating. As a result of the implementation of the GASB Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*” (“OPEB”), the overall financial condition of the County deteriorated in fiscal year 2019.

The statement of activities presents information showing the change in the County’s net position during the current fiscal year. All revenues and expenses are reported in this statement regardless of the timing of cash flows. The focus of this statement is on the net cost of providing various activities to the citizens of the County.

Both of the financial statements have separate sections for the two different types of activities. These two types of activities are:

Governmental activities - The activities reflected in this section are general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are supported by taxes, charges for services, operating grants and contributions, and capital grants and contributions.

Business-type activities - The business type activities are those activities that are intended to recover all or a significant portion of their costs through user fees and charges. The business-type activities of the County consist entirely of the Putnam Tobacco Asset Securitization Corporation.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is an entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Most of the basic services provided by the County are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the County's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is for the current period, it is useful to compare this information to the data presented in the governmental-wide financial statements so readers may better understand the long-term impact of the County's current 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: General, Capital Projects, County Road, Road Machinery, Transportation, Special Purpose and Debt Service Funds. Of these, the General and Capital Projects funds are reported as major funds and are presented in separate columns on the balance sheet and the statement of revenues, expenditures and changes in fund balances. Data for the other five governmental funds are combined into a single, aggregated column on these statements. Individual fund data for these non-major funds can be found on the combining statements elsewhere in this report.

The County adopts annual budget for its General Fund, certain Special Revenue Funds and the Debt Service Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the respective budget.

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

Proprietary Funds - These funds are used to show activities that operate similar to private business enterprises. Because these funds charge fees for services provided, they are known as proprietary funds.

Proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting, like the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the internal service funds and an enterprise fund.

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

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside of the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the activities of the County. The County maintains one fiduciary fund: The Custodial Fund. The resources of the Custodial Fund are held by the County in a custodial capacity for individuals, private organizations and other governments. The activity in this fund is limited to the receipt temporary investment, and remittance of resources to the appropriate party.

The financial statements for the fiduciary fund can be found in the basic financial statement section of this report.

Notes to Financial Statements

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

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the combining statements for the non-major governmental funds, schedules of budget to actual comparisons and the statistical tables.

Government-Wide Financial Analysis

As indicated previously, net position and changes to net position may serve over time as a useful indicator of the County's financial position. In the case of the County, for the fiscal year ended December 31, 2019, the County's assets plus deferred outflows of resources less liabilities plus deferred inflows of resources equaled (\$95,545,650), inclusive of the business-type activities.

The largest component of the County's net position for governmental activities is its investment in capital assets, (e.g., land, buildings and facilities, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding amounted to \$52,651,372. The County uses these assets to provide a variety of services to its citizens and consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A summary of the County's governmental net position at December 31, 2019 and 2018 is as follows:

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 102,587,535	\$ 102,494,998	\$ 2,272,661	\$ 2,299,718	\$ 104,860,196	\$ 104,794,716
Capital Assets	98,390,650	99,078,836	-	-	98,390,650	99,078,836
Total Assets	200,978,185	201,573,834	2,272,661	2,299,718	203,250,846	203,873,552
Deferred Outflows of Resources	21,461,792	32,321,538	874,343	965,000	22,336,135	33,286,538
Current Liabilities	18,553,803	29,086,296	69,750	69,775	18,623,553	29,156,071
Long-term Liabilities	256,170,355	265,273,218	19,825,120	19,559,794	275,995,475	284,833,012
Total Liabilities	274,724,158	294,359,514	19,894,870	19,629,569	294,619,028	313,989,083
Deferred inflows of Resources	26,513,603	26,376,354	-	-	26,513,603	26,376,354
NET POSITION						
Net investment in capital assets	52,651,372	46,926,061	-	-	52,651,372	46,926,061
Restricted	5,361,753	4,817,914	-	-	5,361,753	4,817,914
Unrestricted	(136,810,909)	(138,584,471)	(16,747,866)	(16,364,851)	(153,558,775)	(154,949,322)
Total Net Position	\$ (78,797,784)	\$ (86,840,496)	\$ (16,747,866)	\$ (16,364,851)	\$ (95,545,650)	\$ (103,205,347)

A portion of the County's net position is restricted net position totaling \$5,361,753 at December 31, 2019. This amount represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

The restrictions are as follows:

Casualty Reserve Benefits	\$ 1,449,440
Workers' Compensation Benefits	650,663
Law Enforcement	565,160
Health	17,583
Driving While Intoxicated Program	57,557
Grants and Obligations	1,735,613
Debt Service	325,566
Special Revenue Funds - Trust	560,171
Total Restricted Net Position	\$ 5,361,753

There was a net increase of \$543,839 in restricted net position reported in connection with the County's governmental activities compared to prior years.

Grants and Obligations increased by \$308,066 mainly due to new Homeland Security Grants for 2019 that were not spent down. Law Enforcement increased by \$159,053, in part, due to increases in the District Attorney's Forfeited Asset Reserve (\$104,390) and the Inmate Commission Reserve (\$22,611). Debt Service increased by \$83,099 due to the refunding of various bonds. These factors combined for the majority of the change in the County's restricted position.

The remaining portion of net position, unrestricted net position, is a negative \$153,558,775 with a deficit of \$136,810,909 reported in governmental activities and a deficit of \$16,747,866 reported in business-type activities. The governmental activities deficit does not mean that the County does not have resources available to meet its obligations in the ensuing year. Rather, it is partly the result of having long-term commitments, including claims payable (\$4,199,514); compensated absences (\$4,515,885), and other postemployment benefit obligations payable ("OPEB") (\$175,948,060). Additional information on all of these long-term liabilities can be found in Note 3F, in the notes to the financial statements.

The activities of the Putnam Tobacco Asset Securitization ("PTASC") are reflected as a business-type blended component unit. The County has no obligation for the debt of PTASC. The business-type activity reflected a deficit balance of \$16,747,866. This represents an increase in the deficit of \$383,015.

Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues						
Charges for Services	\$ 15,947,017	\$ 14,849,191	\$ 836,968	\$ 969,450	\$ 16,783,985	\$ 15,818,641
Operating Grants and Contributions	27,689,882	28,459,366	-	-	27,689,882	28,459,366
Capital Grants and Contributions	7,386,047	5,357,376	-	-	7,386,047	5,357,376
General Revenues						
Real Property Taxes	42,793,970	43,134,059	-	-	42,793,970	43,134,059
Other Tax Items	5,464,888	4,877,949	-	-	5,464,888	4,877,949
Non-Property Taxes	67,710,168	64,525,488	-	-	67,710,168	64,525,488
Unrestricted Use of Money and Property	744,452	465,110	35,532	27,001	779,984	492,111
Sale of Property and Compensation for loss	119,219	111,591	-	-	119,219	111,591
Miscellaneous	661,910	520,599	-	-	661,910	520,599
Total Revenues	168,517,553	162,300,729	872,500	996,451	169,390,053	163,297,180
PROGRAM EXPENSES						
General Government Support	28,623,123	27,004,646	-	-	28,623,123	27,004,646
Education	11,792,890	11,030,390	-	-	11,792,890	11,030,390
Public Safety	43,324,029	40,565,332	-	-	43,324,029	40,565,332
Health	13,165,335	13,991,655	-	-	13,165,335	13,991,655
Transportation	17,033,546	17,785,751	-	-	17,033,546	17,785,751
Economic Opportunity	35,231,120	35,563,347	-	-	35,231,120	35,563,347
Culture and Recreation	7,788,837	7,683,154	-	-	7,788,837	7,683,154
Home and Community Services	1,741,520	1,673,642	-	-	1,741,520	1,673,642
Interest	1,774,441	1,853,636	-	-	1,774,441	1,853,636
Putnam Tobacco Asset Securitization Corp.	-	-	1,255,515	1,247,113	1,255,515	1,247,113
Total Expenses	160,474,841	157,151,553	1,255,515	1,247,113	161,730,356	158,398,666
Change in Net Position	8,042,712	5,149,176	(383,015)	(250,662)	7,659,697	4,898,514
Net Position - Beginning, as reported	(86,840,496)	(37,984,077)	(16,364,851)	(16,114,189)	(103,205,347)	(54,098,266)
Cumulative Effect of Change in Accounting Principle	-	(54,005,595)	-	-	-	(54,005,595)
Net Position - Beginning, as restated	(86,840,496)	(91,989,672)	(16,364,851)	(16,114,189)	(103,205,347)	(108,103,861)
Ending	\$ (78,797,784)	\$ (86,840,496)	\$ (16,747,866)	\$ (16,364,851)	\$ (95,545,650)	\$ (103,205,347)

Governmental activities

For the fiscal year ended December 31, 2019, revenues from governmental activities totaled \$168,517,553. Tax revenues of \$115,969,026, comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (69%). Program Revenues totaled \$51,022,946 (30%) and other general revenues totaled \$1,525,581 (1.0%). The \$6,216,824 increase in total governmental activities revenues from the prior year is the result of a combination of the following factors:

- Non-property taxes and Other tax Items which includes Sales Tax, Automobile Use Tax and E911 Surcharge increased by \$3,771,619 mainly due to an increase in sales tax of \$3.17 million dollars as a trend of the state and national economy and Interest and penalties on Real Property taxes increased by \$618,485.
- Real property taxes had a net decrease of \$340,089 due to an increase in the allowance for uncollected taxes.
- Operating Grants and Contributions decreased by \$769,484 mainly due to settlements in Social Services programs made in 2019.
- Capital Grants and Contributions increased by \$2,028,671. The majority of the increase was due to State revenues of \$2,030,381 for the Morningthorpe Bridge repair
- Charges for Services increased by \$1,097,826. Public Safety increased by \$395,648 mainly due to additional SROs and SPOs added to the existing program (\$164,906) and an increase in the Jail Board in rate from \$90.00 a day to \$150.00 a day effective October 1, 2019 (\$105,190).
- Economic Opportunity and Development increased by \$352,354 mainly due to estate recoveries and satisfaction of liens.
- Culture and Recreation increased by \$302,290, of which \$214,878 was Tilly's Table due to various events held throughout the year and \$82,640 from the Golf Course.
- Unrestricted Use of Money and Property, Sale of Property and Compensation for Loss, and Miscellaneous increased by \$428,281. This included \$263,191 in Interest Earnings due to increased cash and an increase in interest rates. Refund of prior years' expenditures increase by \$90,173.

For the fiscal year ended December 31, 2019, expenses from governmental activities totaled \$160,474,841 an increase of \$3,323,288 over 2018. The largest components of governmental activities included Public Safety \$43,324,029 (27%); Economic Opportunity \$35,231,120 (21.95%); and General Government Support \$28,623,123 (17.84%). Expenses increased from the prior year by \$3,323,288 or 2.1%, primarily as a result of a combination of the following factors:

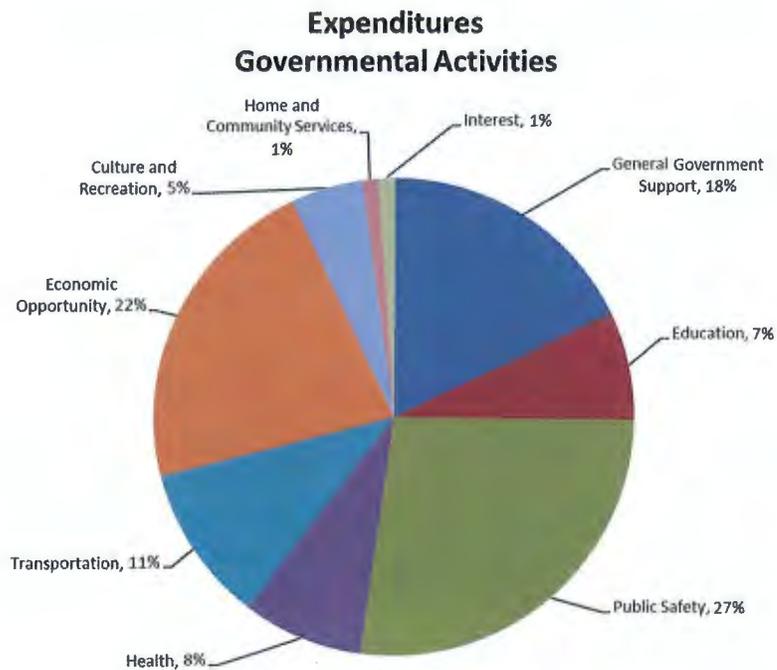
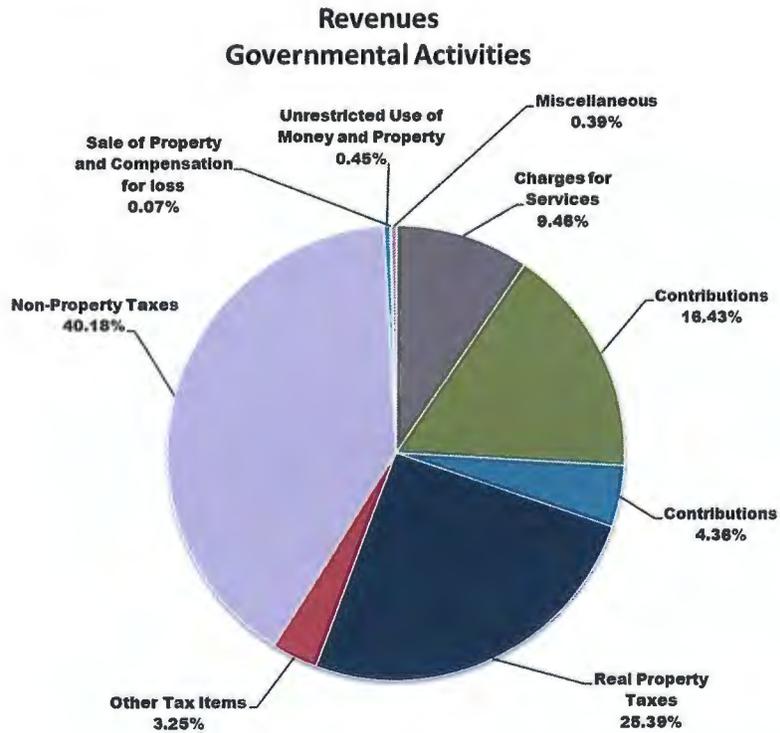
- Public Safety increased by \$2,758,697 of which \$1,843,766 was due to adjusting journal entries in accordance with GASB (Governmental Accounting Standards Board) Statement No. 34. The remainder was due to year end salary accruals for both the Sheriff and the Jail.
- General Government Support increased by \$1,816,477, of which, \$1,057,869 was due to adjusting journal entries in accordance with GASB Statement No. 34 and the balance was due to increases in fringe and various miscellaneous expenses.
- Education increased by \$762,500 mainly due to the Children With Special Needs Program, which saw 13 additional children being serviced and 8 children being transported individually to programs in Westchester County. In addition, Community Colleges increased by \$117,645 as a result of an increase in tuition rates which are established by the state.
- Culture and Recreation increased by \$105,683, of which \$63,966 was for OPEB (Other Post-employment Benefits) and the balance was due to a decrease in the disposal of fully depreciated assets.
- Home and Community Services increased by \$67,878 mainly due to OPEB.

These increases were offset by the following decreases:

- Health, which includes Public Health and Mental Health saw a net decline in expenditures of \$826,320. Mental Health saw the largest decrease in expenditures totaling \$941,880 which included prior year recoveries and adjustments to state aid totaling \$418,259; no contract with PARC for OPWDD funding for current year 2019 (\$253,062); and court orders for NYS OMH facilities which declined from 6 individuals for 645 days in 2018 to 3 individuals for 185 days in 2019 (\$230,036). Public Health decrease by \$259,056 of which \$222,529 was due to the elimination of the WIC program. A WIC program was then opened by a not-for profit. These expenses were offset by \$533,365 for OPEB payables.
- Transportation which includes County Road, Road Maintenance and Transportation decreased by \$752,205. Of this amount, \$251,782 was in the County Road fund. Overall decreases were seen in interfund transfers (\$285,921); road salt and sand (\$78,251); overtime (\$68,037); fringes (\$67,381); personnel costs (\$52,304); and (\$39,964) in various contractual lines. This decrease was offset by increases in transfers to other funds (\$186,346) and various personnel and fringe benefit costs (\$120,024). Transportation decreased by \$54,509 mainly due to the elimination of the Putnam Valley shuttle for lack of use. These decreases were offset by an increase in OPEB payables of \$133,102.
- Economic Opportunity and Development decreased by \$332,227 due to GASB adjustments in employee benefits, OPEB expenses and depreciation.
- Debt Service Interest Expenses decreased by \$79,195 due to a GASB Statement No. 34 entry to record the adjustment for accrued interest on bonds

Business-type activities

Business-type activities net position decreased the County's total net position by \$383,105 mainly due to a decrease in Tobacco Settlement revenues.



Financial Analysis of the Government's Funds

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

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective for financials statements of the County for the fiscal period ending December 31, 2011. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications is as follows:

Nonspendable - consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale and the principal of endowments.

Restricted - consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation, such as the reserve for employee benefit accrued liability.

Committed - consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint, such as the designation for tax certioraris or debt stabilization.

Assigned - consists of amounts that are subject to a purpose constraint that represents an intended use, such as encumbrances, established by the government's highest level of decision making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance,

Unassigned - represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. This pronouncement should result in an improvement in the usefulness of fund balance information.

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 an individual that has been delegated the authority to assign resources for use for particular purposes by the County Legislature.

At the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$61.5 million, an increase of \$8.7 million in comparison with the prior year. Of the total fund balance amount, \$3.9 million is in nonspendable form (prepaid items and long-term receivables). The remaining \$57.5 million of fund balance is in spendable form as follows: \$10.6 million is restricted to specific uses by laws or regulations, debt covenants, grantors, contributors and/or enabling legislation; \$16.9 million has been assigned by the Legislature or Finance for purchases on orders, subsequent year's expenditures, retirement future capital projects, tax stabilization, 6N insurance, leaving \$29.9 million unassigned fund balance, which is available for spending at the County's discretion.

The **General Fund** is the County's primary operating fund and the majority of the County's programs and activities are supported by this fund.

At the end of the current fiscal year, total fund balance of the General Fund was \$50.6 million, an increase of \$7.1 million (16.32%) from the prior fiscal year. Of the \$50.6 million total fund balance, \$3.9 million is in nonspendable form (prepaid items and long-term receivables). The remaining \$46.7 million of fund balance is allocated as follows: \$2.4 million is restricted and includes reserves for DWI, Public Safety, Health and grants and obligations. \$14.5 million has been assigned and includes \$1.1 million assigned by the Legislature for subsequent year's expenditures as part of the 2020 adopted budget; \$4 million assigned for Insurance; \$3.6 for retirement; \$3.5 for tax stabilization; \$1.3 for capital projects and \$1 million for encumbrances. The remaining \$29.9 million represents unassigned fund balance.

The general fund's unassigned fund balance of \$29,864,516 represents 59% of the total General Fund balance of \$50,632,139. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures and total fund balance to total expenditures. At the end of the current fiscal year, the General Fund showed a healthy 22% unassigned fund balance as compared to total expenditures and other financing uses, while total fund balance represents 35.5% of that same amount.

When the fiscal 2019 budget was adopted, it anticipated the use of \$2.7 million of general fund balance. However, actual results of operations resulted in an increase of \$7,105,511 to fund balance. After accounting for specific reserves and \$1.1 million of fund balance appropriated to balance the 2020 budget, the unassigned general fund balance increased from \$21.9 million in 2018 to \$29.9 million in 2019.

The **County Road Fund's** total fund balance at the end of the current fiscal year was \$922,319 a decrease of \$233,924 from the previous year.

The **Road Machinery Fund's** total fund balance at the end of the current fiscal year was \$319,553 a slight decrease of \$5,274 from 2018.

The **Capital Projects Fund** is used to account for capital project activity throughout the County. The Capital Projects Fund ending fund balance was \$7,388,468 for fiscal year 2019. This represents an increase of \$1,363,119 due to the timing of reimbursements for long term projects offset by a decrease in the capital outlay for ongoing projects.

The **Transportation Fund** reported a fund balance of \$1,330,222 an increase of \$465,384 over 2018. This was due to an increase in State and Federal aid collected; an increase in the tax levy from 2018 and the elimination of a bus route.

The **Debt Service Fund** reported a fund balance of \$325,566 at December 31, 2019, an increase of \$83,099 resulting from a planned use of fund balance.

The **Causality Reserve Benefits Fund** reported a fund balance of \$1,449,440 an increase of \$17,936. This increase is due to interest earned for 2019.

General Fund Budgetary Highlights

The General Fund had an original budget for revenues and other financing sources of \$139,132,337 and a final budget of \$149,297,892 a difference of \$10,165,555 primarily as a result of the following factors:

- Sales Tax increased by \$5.5 million due to overall economic conditions.
- An increase of \$3.1 million in fund balance to fund the Article 9 Energy Efficiency program (\$2.3m) and an increase in revenues of \$811,516 in various accounts.
- Economic Opportunity and Development increased by \$979,626 due to a new grant for Unmet Needs for the Office for Senior Resources for \$290,299; grant rollover and additional funding for the Veteran's Peer2Peer Program totaling \$281,260; and \$339,875 for various Social Services Administration programs.
- The Preschool 3-5 program increased by \$463,150 due to a rate increase for Center-based programs and a 23.2% increase in the number of children receiving Special Education Itinerant Teacher services.
- Interest and Earnings increased by \$452,000 due to an increase in cash from 2018 to 2019 and overall higher interest rates for 2019.
- Interest and Penalties increased the budget by \$385,000 due to more people making late payments on their taxes.

The difference between the original budget (\$142,451,399) for expenditures and other financing uses and the final budget (\$150,296,736) was \$7,845,337.

- Increased Other Financing Uses totaling \$2,457,475 for the Capital Projects fund.
- Public Safety increased by \$1,494,216. The Sheriff's budget increased by \$547,123 due to overtime costs (\$210,609); encumbrance rollovers (\$177,138); two new SPOs and two new SRO's (\$113,567); and donations and insurance recoveries (\$42,080). The Bureau of Emergency Services had an increase of \$526,957. This was due to two grants from Homeland Security being established in 2019 (\$287,420); encumbrance rollovers (\$177,138); E911 equipment buyout payment (\$133,000); and grant rollovers (\$94,216). The Jail increased by \$211,068. Of this total, \$130,493 was from Federal SCAAP awards; and \$33,154 was from the Inmate Reserve account. Homeland Security increased by \$192,238 due to new grants being established in 2019 and encumbrance rollovers.
- The increase for Economic Opportunity and Development was \$1,396,589. This increase is attributed to increases in the Veteran's Peer to Peer Program, Mental Health Housing programs and various Social Services programs. These increases were offset by increases in revenue.
- Education - The Program for Children with Special Needs (3-5) increased by \$1,065,320 due to an increase of children in the Center-based programs, an increase in itinerant services due to increased usage and more complex diagnosis, and 6 children being transported individually down to programs in Westchester County, going as far as Yonkers on a daily basis, two round trips per day.
- General Government Support increased by \$538,844 mainly due to a catch-up payment of \$418,602 for the financial reporting system and \$142,287 for Legal Aid for NYS Indigent Legal Services for Hurrell-Harring funding from the State.
- Culture and Recreation increased by \$539,599. Most of the increase was in Parks. \$230,000 was to offset expenses at the golf course; \$115,270 was due to increases from the 2018-19 Severe Weather Index in order to purchase equipment; \$81,562 for Tilly's Table which was offset by an increase in revenues; and \$65,000 from contingency for repairs.

The actual total revenues and other financing sources for December 31, 2019 was \$143,050,222 which was \$6,247,670 less than the final budget due to the following:

- State Aid had a negative variance of \$2,582,156. Of this amount, \$1,186,795 was in Economic Opportunity and Development which included \$671,708 in Social Services Administration and \$202,537 in Juvenile Delinquents. Office for Senior Resources had a variance of \$279,051 due to not spending down the Unmet Needs Grant. \$1,106,977 was in Health which includes Public Health and Mental Health. The decrease was mainly in the Mental Health area which was offset by a decrease in expenditures. Mental Health's decreases were due to the OPWDD contract for PARC and the reduction in the number of Court Ordered days in facilities. General Government Support variance was \$164,388 due mainly to unspent grant funds in Records Management for \$73,110; various miscellaneous state revenues for \$54,945 and \$36,324 in a grant for Indigent Legal Services.
- Federal Aid had a negative variance of \$2,357,169. Of this amount, \$1,585,229 was in Economic Opportunity and Development. \$732,528 was due to a directive from the State to code Day Care revenues as state and not federal revenues and the balance was for various Social Services programs. \$381,045 was for unspent Homeland Security grants for both the Sheriff and the Bureau of Emergency Services. Health had a variance of \$348,485 due to a payment timing for Mental Health (\$268,511) the elimination of the WIC program (\$125,983), which was then opened by a not-for profit agency.
- \$2,232,376 negative variance in Real Property Taxes is due to an audit adjustment to deferred property taxes

This was offset by positive variances in the following areas:

- \$97,456 was for Refund of Prior Year's Expenditures
- \$70,731 for other

Overall, actual General Fund expenditures and Other Financing Uses was \$135,944,711, which was \$14,352,025 less than the final budget of \$150,296,736.

The major areas where spending was less than final budget were (1) Economic Opportunity and Development (\$5.6 million); (2) General Government Support (\$3.9 million); (3) Health (\$2.1 million); (4) Public Safety (\$1.3 million); (5) Culture and Recreation (\$387 thousand); (6) Home and Community Services (\$364 thousand); (7) Education (\$330 thousand); and (8) Employee Benefits – undistributed (\$289 thousand).

The County typically realizes various expenditure savings throughout the year due to its very conservative budgeting practices and its use of a vacancy control account to monitor and control personnel costs.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2019, amounts to \$98,390,650 (net of accumulated depreciation), a decrease of \$688,186. This reflects the County's investment in all of its capital assets including land, building and improvements, machinery and equipment, infrastructure and construction-in-progress.

	Capital Assets (Net of Depreciation) (in thousands)	
	Governmental Activities	
	2019	2018
Land	\$ 6,618	\$ 6,618
Buildings and Improvements	44,089	45,005
Machinery and Equipment	5,867	5,967
Infrastructure	31,765	34,541
Construction-in-Progress	10,052	6,948
Total (Net of Depreciation)	\$ 98,391	\$ 99,079

Major capital activities during the current fiscal year included the following:

- The purchase of various vehicles and equipment totaling \$2,488,180.
- Various Construction In Progress works totaling \$4,794,866
- Numerous projects for infrastructure including bikeways were completed this year for a total cost of \$1,463,040.
- Improvement of several County facilities at a cost of \$2,488,180.
- Depreciation expense of \$4,238,609 charged against infrastructure
- Depreciation expense of \$3,404,544 charged against buildings and improvements
- Depreciation expense of \$2,183,239 charged against machinery and equipment

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

Long-Term debt

At the end of the current fiscal year, the County had total debt outstanding of \$52,783,125 exclusive of the Tobacco Securitization Corporation. As required by New York State Law, all bonds issued by the County are general obligation bonds backed by the full faith and credit of the County.

Outstanding Debt General Obligations Bonds (in thousands)

	Governmental Activities	
	2019	2018
Total general obligation bonds	\$ 52,783	\$ 57,936

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. The County had enjoyed a very favorable bond rating of AA² for over ten years. In 2007 the County was downgraded to AA³ by Moody's "based upon deterioration of the County's cash position and fund balance following two consecutive years of operating deficits". However, in April 2010, the County was upgraded to AA² as a result of Moody's recalibration of all municipal ratings.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years. Certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt," may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit. At December 31, 2019, the County of Putnam had used \$55,903,350 or 5.91% of the constitutional debt limit leaving \$890,511,259 remaining to be used.

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

Economic Factors and Next Year's Budget

According to the United States Bureau of Labor Statistics, the unemployment rate for Putnam County in April 2020 was 14.1%, up from 3.3% in April 2018. The County's unemployment rate compared favorably to the State-wide rate of 15%.

Labor Department data also indicated that the number of people employed in the County decreased by 13.1% from 49,200 to 43,500 between April 2019 and April 2020.

Data compiled by the U.S. Census Bureau shows that the wealth indicators for County residents generally compare favorably to State and national indicators.

The County's estimated median household income for 2018 was \$102,186 an increase of 2.59% from \$99,608 in 2017. New York State's median household income was \$65,323. The median income for the nation as a whole was \$61,937.

The net taxable assessed value of real property in Putnam County increased from \$12,511,996,857 in 2018 to \$12,869,725,712 in 2019, an increase of 2.9%.

The median sales price of a single-family home decreased from \$367,500 in 2018 to \$365,000 in 2019 a .68% decrease. The number of Single-family houses sold in 2019 increased from 990 in 2018 to 993 in 2019 a .3% increase.

Rising Medicaid, Early Intervention/Preschool Programs, health insurance costs, sharp increases in pension costs, and State budget cutbacks will all continue to have a profound effect on the County's future budgets.

The budget will adhere to the requirements of the Property Tax Levy Limit ("Tax Cap") law enacted in 2011.

Declines in the State equalization rate and resulting decreases in property assessments will continue to affect the County's real property tax base.

All these factors were taken into consideration in developing the fiscal 2020 budget.

The County has appropriated \$1,102,689 of the fund balance of the general fund for spending in the 2020 fiscal year. The 2019 County budget increased the real property tax levy by \$1,044,457 for a total tax levy of \$43,409,948 or 2.47% keeping within the real property tax cap authorized by the State of New York.

Additional information on this law can be found in Note 2B in the notes to financial statements.

COVID – 19

Putnam County is not immune from the negative economic effects caused by the COVID-19 pandemic. Sales tax revenue, which were \$ 1.5 million ahead of budget in March, have now fallen \$ 1.3 million below budget as of mid-June. In response, the County will enact initial mid-year budget expenditure/revenue changes resulting in a reduction of the sales tax budget of \$ 2.3 million.

Putnam County will continue to monitor the economic effects of the pandemic, including possible negative changes to sales tax revenue and State Aid, as well as possible positive changes regarding possible stimulus aid from the Federal Government, and make budget changes as further information becomes known.

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 William J. Carlin, Jr., Commissioner of Finance, Putnam County 40 Gleneida Avenue, Carmel, New York 10512, telephone (845) 808-1075, or visit the County's web site at www.putnamcountyny.gov.

**BASIC
FINANCIAL STATEMENTS**

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County of Putnam, New York

Statement of Net Position
December 31, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$ 38,403,988	\$ 111,635	\$ 38,515,623
Investments	4,235,811	-	4,235,811
Receivables			
Taxes, net	18,480,572	-	18,480,572
Accounts	8,839,095	945,940	9,785,035
State and Federal aid	17,888,039	-	17,888,039
Due from other governments	815,594	-	815,594
Prepaid expenses	1,974,965	6,767	1,981,732
Restricted cash and equivalents	-	1,208,319	1,208,319
Due from fiduciary fund	11,949,471	-	11,949,471
Capital assets			
Not being depreciated	16,669,622	-	16,669,622
Being depreciated, net	81,721,028	-	81,721,028
Total Assets	200,978,185	2,272,661	203,250,846
DEFERRED OUTFLOWS OF RESOURCES	21,461,792	874,343	22,336,135
LIABILITIES			
Accounts payable	6,753,741	-	6,753,741
Accrued liabilities	6,478,921	69,750	6,548,671
Unearned revenues	3,758,215	-	3,758,215
Due to other governments	-	-	-
Accrued interest payable	541,818	-	541,818
Deposits	1,020,450	-	1,020,450
Employee tax deductions	658	-	658
Non-current liabilities			
Due within one year	6,404,401	315,000	6,719,401
Due in more than one year	249,765,954	19,510,120	269,276,074
Total Liabilities	274,724,158	19,894,870	294,619,028
DEFERRED INFLOWS OF RESOURCES	26,513,603	-	26,513,603
NET POSITION			
Net investment in capital assets	52,651,372	-	52,651,372
Restricted for			
Casualty reserve benefits	1,449,440	-	1,449,440
Workers' compensation benefits	650,663	-	650,663
Law enforcement	565,160	-	565,160
Health	17,583	-	17,583
Driving while intoxicated program	57,557	-	57,557
Grants and obligations	1,735,613	-	1,735,613
Debt service	325,566	-	325,566
Special Revenue Funds			
Trusts	560,171	-	560,171
Unrestricted	(136,810,909)	(16,747,866)	(153,558,775)
Total Net Position	\$ (78,797,784)	\$ (16,747,866)	\$ (95,545,650)

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

County of Putnam, New York

Statement of Activities
Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 28,623,123	\$ 5,612,413	\$ 912,557	\$ -
Education	11,792,890	-	4,638,694	319,243
Public safety	43,324,029	2,936,152	1,243,341	1,442,494
Health	13,165,335	797,551	6,015,227	-
Transportation	17,033,546	1,463,351	1,833,840	5,032,407
Economic opportunity and development	35,231,120	1,817,343	12,468,460	-
Culture and recreation	7,788,837	3,269,013	292,491	240,572
Home and community services	1,741,520	51,194	285,272	49,320
Interest	1,774,441	-	-	302,011
Total Governmental Activities	160,474,841	15,947,017	27,689,882	7,386,047
Business-type activities				
Putnam Tobacco Asset Securitization Corporation	1,255,515	836,968	-	-
Total	\$ 161,730,356	\$ 16,783,985	\$ 27,689,882	\$ 7,386,047

General revenues

- Real property taxes
- Other tax items
 - Loss from sale of tax acquired property
 - Interest and penalties on real property taxes
 - Payments in lieu of taxes
- Non-property taxes
 - Sales taxes
 - Automobile use tax
 - Emergency telephone system surcharge
 - Unrestricted use of money and property
 - Sale of property and compensation for loss
 - Miscellaneous

Total General Revenues

Change in Net Position

NET POSITION

Beginning

Ending

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

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (22,098,153)	\$ -	\$ (22,098,153)
(6,834,953)	-	(6,834,953)
(37,702,042)	-	(37,702,042)
(6,352,557)	-	(6,352,557)
(8,703,948)	-	(8,703,948)
(20,945,317)	-	(20,945,317)
(3,986,761)	-	(3,986,761)
(1,355,734)	-	(1,355,734)
(1,472,430)	-	(1,472,430)
<hr/>		
(109,451,895)	-	(109,451,895)
-	(418,547)	(418,547)
<hr/>		
(109,451,895)	(418,547)	(109,870,442)
<hr/>		
42,793,970	-	42,793,970
(77,253)	-	(77,253)
5,482,330	-	5,482,330
59,811	-	59,811
66,524,986	-	66,524,986
701,170	-	701,170
484,012	-	484,012
744,452	35,532	779,984
119,219	-	119,219
661,910	-	661,910
<hr/>		
117,494,607	35,532	117,530,139
<hr/>		
8,042,712	(383,015)	7,659,697
(86,840,496)	(16,364,851)	(103,205,347)
<hr/>		
<u>\$ (78,797,784)</u>	<u>\$ (16,747,866)</u>	<u>\$ (95,545,650)</u>

County of Putnam, New York

Balance Sheet
 Governmental Funds
 December 31, 2019

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
ASSETS				
Cash and equivalents	\$ 28,249,753	\$ 4,559,764	\$ 560,471	\$ 33,369,988
Investments	4,235,811	-	-	4,235,811
Taxes receivable, net	18,480,572	-	-	18,480,572
Other receivables				
Accounts	8,827,371	-	11,724	8,839,095
State and Federal aid	11,459,320	5,596,024	832,695	17,888,039
Due from other governments	815,594	-	-	815,594
Due from other funds	-	1,429,278	2,736,159	4,165,437
Due to fiduciary fund	11,949,471	-	-	11,949,471
	<u>33,051,756</u>	<u>7,025,302</u>	<u>3,580,578</u>	<u>43,657,636</u>
Prepaid expenditures	1,881,182	-	93,783	1,974,965
Total Assets	<u>\$ 85,899,074</u>	<u>\$ 11,585,066</u>	<u>\$ 4,234,832</u>	<u>\$ 101,718,972</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 5,066,332	\$ 1,359,706	\$ 327,703	\$ 6,753,741
Accrued liabilities	6,123,623	-	355,298	6,478,921
Unearned revenues	921,323	2,836,892	-	3,758,215
Due to other funds	5,431,054	-	-	5,431,054
Deposits	1,020,450	-	-	1,020,450
Employee tax deductions	658	-	-	658
Total Liabilities	<u>18,563,440</u>	<u>4,196,598</u>	<u>683,001</u>	<u>23,443,039</u>
Deferred inflows of resources				
Deferred tax revenues	16,703,495	-	-	16,703,495
Unavailable revenues	-	-	94,000	94,000
	<u>16,703,495</u>	<u>-</u>	<u>94,000</u>	<u>16,797,495</u>
Total Liabilities and Deferred Inflows of Resources	<u>35,266,935</u>	<u>4,196,598</u>	<u>777,001</u>	<u>40,240,534</u>
Fund balances				
Nonspendable	3,881,182	-	93,783	3,974,965
Restricted	2,375,913	7,388,468	885,737	10,650,118
Assigned	14,510,528	-	2,478,311	16,988,839
Unassigned	29,864,516	-	-	29,864,516
Total Fund Balances	<u>50,632,139</u>	<u>7,388,468</u>	<u>3,457,831</u>	<u>61,478,438</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 85,899,074</u>	<u>\$ 11,585,066</u>	<u>\$ 4,234,832</u>	<u>\$ 101,718,972</u>

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

County of Putnam, New York

Reconciliation of Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position - Governmental Activities
December 31, 2019

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Fund Balances - Total Governmental Funds	<u>\$ 61,478,438</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	<u>98,390,650</u>
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension assets (liabilities) whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on refunding bonds	2,113,018
Deferred amounts on net pension liabilities	6,886,881
Deferred amounts on other postemployment benefit obligations	<u>(14,051,710)</u>
	<u>(5,051,811)</u>
Internal service funds are used by management to charge insurance and dental benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
	<u>2,100,103</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	16,703,495
Unavailable revenues	<u>94,000</u>
	<u>16,797,495</u>
Long-term liabilities that are not due and payable in the current period and are not reported in the funds.	
Accrued interest payable	(541,818)
Bonds payable	(55,240,764)
Compensated absences	(4,515,885)
Net pension liability	(15,219,284)
Other post employment benefit obligations payable	(175,948,060)
Postclosure care costs	<u>(1,046,848)</u>
	<u>(252,512,659)</u>
Net Position of Governmental Activities	<u><u>\$ (78,797,784)</u></u>

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

County of Putnam, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds
Year Ended December 31, 2019

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
REVENUES				
Real property taxes	\$ 27,675,870	\$ -	\$ 13,501,702	\$ 41,177,572
Other tax items	5,464,888	-	-	5,464,888
Non-property taxes	67,710,168	-	-	67,710,168
Departmental income	12,323,649	-	236,594	12,560,243
Intergovernmental charges	-	-	1,230,723	1,230,723
Use of money and property	946,359	-	302,011	1,248,370
Licenses and permits	879,168	-	-	879,168
Fines and forfeitures	312,323	-	-	312,323
Sale of property and compensation for loss	119,219	-	-	119,219
Interfund revenues	-	-	569,536	569,536
State aid	18,138,956	3,585,234	1,297,052	23,021,242
Federal aid	7,774,848	3,449,482	203,689	11,428,019
Miscellaneous	1,508,428	49,320	36,770	1,594,518
Total Revenues	142,853,876	7,084,036	17,378,077	167,315,989
EXPENDITURES				
Current				
General government support	24,869,527	-	-	24,869,527
Education	11,793,506	-	-	11,793,506
Public safety	37,283,566	-	10	37,283,576
Health	11,757,675	-	33,859	11,791,534
Transportation	1,373,071	-	10,073,831	11,446,902
Economic opportunity and development	32,905,063	-	-	32,905,063
Culture and recreation	6,329,687	-	-	6,329,687
Home and community services	1,636,429	-	-	1,636,429
Employee benefits				
Undistributed	5,178,712	-	-	5,178,712
Debt service				
Principal	-	-	4,973,350	4,973,350
Interest	-	-	1,952,089	1,952,089
Refunding bond issuance costs	-	-	63,045	63,045
Capital outlay	-	8,407,212	-	8,407,212
Total Expenditures	133,127,236	8,407,212	17,096,184	158,630,632
Excess (Deficiency) of Revenues Over Expenditures	9,726,640	(1,323,176)	281,893	8,685,357
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	3,315,000	3,315,000
Issuance premium	-	-	239,641	239,641
Payment to refunded bond escrow agent	-	-	(3,491,596)	(3,491,596)
Transfers in	196,346	2,817,475	131,180	3,145,001
Transfers out	(2,817,475)	(131,180)	(196,346)	(3,145,001)
Total Other Financing Sources (Uses)	(2,621,129)	2,686,295	(2,121)	63,045
Net Change in Fund Balances	7,105,511	1,363,119	279,772	8,748,402
FUND BALANCES				
Beginning of Year	43,526,628	6,025,349	3,178,059	52,730,036
End of Year	\$ 50,632,139	\$ 7,388,468	\$ 3,457,831	\$ 61,478,438

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

County of Putnam, New York

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2019

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 8,748,402</u>
<p>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.</p>	
Capital outlay expenditures	9,138,206
Depreciation expense	<u>(9,826,392)</u>
	<u>(688,186)</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	1,616,398
State and Federal aid	<u>94,000</u>
	<u>1,710,398</u>
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of 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 on the statement of activities.</p>	
Refunding bonds issued	(3,315,000)
Payment to refunded bond escrow agent	3,491,596
Principal paid on bonds	4,973,350
Issuance premium	(239,641)
Amortization of loss on refunding bonds and issuance premium	<u>140,073</u>
	<u>5,050,378</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Accrued interest	37,575
Pension obligations	(1,800,574)
Compensated absences	(337,860)
Other post employment benefit obligations	(4,703,396)
Postclosure care costs	<u>7,835</u>
	<u>(6,796,420)</u>
<p>Internal service funds are used by management to charge the costs of risk to individual funds. The net revenue of the internal service funds are reported within governmental activities.</p>	
	<u>18,140</u>
Change in Net Position of Governmental Activities	<u><u>\$ 8,042,712</u></u>

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

County of Putnam, New York

General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 29,908,246	\$ 29,908,246	\$ 27,675,870	\$ (2,232,376)
Other tax items	5,249,600	5,467,658	5,464,888	(2,770)
Non-property taxes	61,604,333	67,123,871	67,710,168	586,297
Departmental income	12,089,135	12,406,251	12,323,649	(82,602)
Use of money and property	488,894	940,894	946,359	5,465
Licenses and permits	792,150	792,150	879,168	87,018
Fines and forfeitures	180,000	171,876	312,323	140,447
Sale of property and compensation for loss	34,300	90,934	119,219	28,285
State aid	18,772,844	20,721,112	18,138,956	(2,582,156)
Federal aid	8,967,476	10,132,017	7,774,848	(2,357,169)
Miscellaneous	1,045,359	1,346,537	1,508,428	161,891
Total Revenues	139,132,337	149,101,546	142,853,876	(6,247,670)
EXPENDITURES				
Current				
General government support	28,281,501	28,820,345	24,869,527	3,950,818
Education	11,058,425	12,123,745	11,793,506	330,239
Public safety	37,135,379	38,629,595	37,283,566	1,346,029
Health	13,658,298	13,858,538	11,757,675	2,100,863
Transportation	1,381,476	1,373,076	1,373,071	5
Economic opportunity and development	37,091,061	38,487,650	32,905,063	5,582,587
Culture and recreation	6,177,395	6,716,994	6,329,687	387,307
Home and community services	1,839,225	2,000,679	1,636,429	364,250
Employee benefits Undistributed	5,468,639	5,468,639	5,178,712	289,927
Total Expenditures	142,091,399	147,479,261	133,127,236	14,352,025
Excess (Deficiency) of Revenues Over Expenditures	(2,959,062)	1,622,285	9,726,640	8,104,355
OTHER FINANCING SOURCES (USES)				
Transfers in	-	196,346	196,346	-
Transfers out	(360,000)	(2,817,475)	(2,817,475)	-
Total Other Financing Uses	(360,000)	(2,621,129)	(2,621,129)	-
Net Change in Fund Balance	(3,319,062)	(998,844)	7,105,511	8,104,355
FUND BALANCE				
Beginning of Year	3,319,062	998,844	43,526,628	42,527,784
End of Year	\$ -	\$ -	\$ 50,632,139	\$ 50,632,139

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

County of Putnam, New York

Statement of Net Position
 Proprietary Funds
 December 31, 2019

	Business -type Activities <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Funds</u>
	Putnam Tobacco Asset Securitization Corporation	
ASSETS		
Current assets		
Cash and equivalents	\$ 111,635	\$ 5,034,000
Accounts receivable	945,940	-
Prepaid expenses	6,767	-
Due from other funds	-	1,265,617
Total Current Assets	<u>1,064,342</u>	<u>6,299,617</u>
Noncurrent assets		
Restricted cash and equivalents	<u>1,208,319</u>	<u>-</u>
Total Assets	<u>2,272,661</u>	<u>6,299,617</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts on refunding bonds	<u>874,343</u>	<u>-</u>
LIABILITIES		
Current liabilities		
Accrued liabilities	69,750	-
Current portion of claims payable	-	420,000
Current maturities of bonds payable	<u>315,000</u>	<u>-</u>
Total Current Liabilities	<u>384,750</u>	<u>420,000</u>
Noncurrent liabilities		
Claims payable, less current portion	-	3,779,514
Bonds payable, less current maturities	<u>19,510,120</u>	<u>-</u>
Total Noncurrent Liabilities	<u>19,510,120</u>	<u>3,779,514</u>
Total Liabilities	<u>19,894,870</u>	<u>4,199,514</u>
NET POSITION		
Restricted for		
Workers' compensation benefits	-	650,663
Casualty reserve benefits	-	1,449,440
Unrestricted	<u>(16,747,866)</u>	<u>-</u>
Total Net Position	<u>\$ (16,747,866)</u>	<u>\$ 2,100,103</u>

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

County of Putnam, New York

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2019

	Business -type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Putnam Tobacco Asset Securitization Corporation	Internal Service Funds
OPERATING REVENUES		
Tobacco settlement revenues	\$ 836,968	\$ -
Charges for services	-	960,243
Miscellaneous	-	5,296
	<u>836,968</u>	<u>965,539</u>
OPERATING EXPENSES		
Administration	-	308,760
Professional fees	15,640	-
Insurance	6,767	-
Administrative charges	35,000	-
Employee benefits	-	699,341
	<u>57,407</u>	<u>1,008,101</u>
Total Operating Expenses	<u>57,407</u>	<u>1,008,101</u>
Income (Loss) from Operations	<u>779,561</u>	<u>(42,562)</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income	35,532	60,702
Interest expense	(1,198,108)	-
	<u>(1,162,576)</u>	<u>60,702</u>
Total Non-Operating Revenues (Expenses)	<u>(1,162,576)</u>	<u>60,702</u>
Change in Net Position	(383,015)	18,140
NET POSITION		
Beginning of Year	<u>(16,364,851)</u>	<u>2,081,963</u>
End of Year	<u>\$ (16,747,866)</u>	<u>\$ 2,100,103</u>

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

County of Putnam, New York

Statement of Cash Flows
 Proprietary Funds
 Year Ended December 31, 2019

	Business -type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Putnam Tobacco Asset Securitization Corporation	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from interfund services provided	\$ -	\$ 892,274
Cash received from miscellaneous	-	5,296
Cash received from tobacco settlement revenues	936,548	-
Cash payments to insurance carriers and claimants	-	(588,826)
Cash payments to vendors	(55,588)	(308,760)
Net Cash From Operating Activities	<u>880,960</u>	<u>(16)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on investments	<u>35,532</u>	<u>60,702</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Repayment of bonds	(5,000)	-
Interest paid	(837,150)	-
Net Cash From Non-Capital Financing Activities	<u>(842,150)</u>	<u>-</u>
Net Change in Cash and Equivalents	74,342	60,686
CASH AND EQUIVALENTS		
Beginning of Year	<u>1,245,612</u>	<u>4,973,314</u>
End of Year	<u>\$ 1,319,954</u>	<u>\$ 5,034,000</u>
RECONCILIATION OF CASH AND EQUIVALENTS TO THE COMPARATIVE STATEMENT OF NET POSITION		
Cash and equivalents	\$ 111,635	\$ 5,034,000
Restricted cash and equivalents	<u>1,208,319</u>	<u>-</u>
	<u>\$ 1,319,954</u>	<u>\$ 5,034,000</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ 779,561	\$ (42,562)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	99,580	-
Prepaid expenses	1,819	-
Due from other funds	-	(67,969)
Claims payable	-	110,515
Net Cash From Operating Activities	<u>\$ 880,960</u>	<u>\$ (16)</u>
NONCASH INVESTING ACTIVITIES		
Increase in bonds payable from amortization of original issue	\$ 25,561	\$ -
Increase in bonds payable from accreted interest on Series 2005 capital appreciation bonds	244,765	-
Decrease in deferred outflows of resources from amortization of loss on refunding bonds	90,657	-

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

County of Putnam, New York

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2019

	<u>Custodial Fund</u>
ASSETS	
Cash and equivalents	\$ 710,443
Real property taxes receivable for other governments	<u>25,445,771</u>
Total Assets	<u>\$ 26,156,214</u>
LIABILITIES	
Deposits	\$ 99,595
Due to other governments	14,107,148
Due to other funds	<u>11,949,471</u>
Total Liabilities	<u>\$ 26,156,214</u>

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

County of Putnam, New York

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
December 31, 2019

	<u>Custodial Fund</u>
ADDITIONS	
Real property taxes collected for other governments	\$ 26,203,726
DEDUCTIONS	
Payments of real property taxes to other governments	<u>26,203,726</u>
Net Increase in Fiduciary Net Position	-
NET POSITION	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

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

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Note 1 - Summary of Significant Accounting Policies

The County of Putnam, New York ("County") was established pursuant to an act of the New York State Legislature on June 12, 1812. The County operates under a Legislature/County Executive form of government in accordance with its Charter approved by the voters on November 8, 1977. The County Legislature is the legislative body responsible for overall operation. The County Executive serves as the chief executive officer and the Commissioner of Finance serves as the chief financial officer. The County provides the following services to its residents: education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the County's more significant accounting policies:

A. Financial Reporting Entity

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

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the County's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following entity is included in the financial statements as a blended component unit.

The Putnam Tobacco Asset Securitization Corporation ("PTASC") is a not-for-profit local development corporation organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York. The sole member of the PTASC is the County Executive of Putnam County, New York. That member shall appoint the Board of Directors of the PTASC. The Board of Directors have complete responsibility for management of the PTASC and accountability for fiscal matters. The County is not liable for any deficits or PTASC bonds or notes. Based on the guidance provided by Governmental Accounting Standards Board ("GASB") Technical Bulletin No. 2004-1, *"Tobacco Settlement Recognition and Financial Reporting Entity Issues"*, as amended and/or superseded by GASB Statement No. 48, *"Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues"*, the PTASC is reported as a blended component unit of the County in its financial statements. The guidance provided for prospective, rather than retrospective treatment, of the intra-entity sale of future revenues. The original sale of the PTASC's future revenue stream was consummated several years prior to the effective date of GASB Statement No. 48, and no additional sale of future revenues has occurred since that time. The revenue from the sale was recognized at that time based on existing guidance. Therefore, there is no deferred inflow of resources to be reported for this purpose on the County's financial statements or a deferred outflow of resources to be reported on the PTASC financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Fund is tobacco settlement revenues and the principal operating expenses are professional fees and insurance. The principal operating revenues of the Internal Service Funds are charges to customers for services and operating expenses include administrative expenses and employee benefits. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

C. Fund Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)

presentation. The County's resources are reflected in the financial statements in three broad fund categories in accordance with generally accepted accounting principles as follows:

Fund Categories

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the County's major governmental funds.

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

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

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The non-major special revenue funds of the County are as follows:

County Road Fund - The County Road Fund is used to account for the maintenance and repair of County roads and bridges and snow removal costs, as defined in New York State Highway Law.

Road Machinery Fund - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the construction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment.

Transportation Fund - The Transportation Fund is used to account for the activities of a County-wide bus system, which is funded in part under the auspices of the Urban Mass Transportation Administration and the New York State Department of Transportation.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the County in accordance with terms of a trust agreement.

Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

Note 1 - Summary of Significant Accounting Policies (Continued)

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Putnam Tobacco Asset Securitization Corporation are recorded as a major enterprise fund. The County has established its Workers' Compensation Benefits and Casualty Reserve Benefits funds as internal service funds.
- c. Fiduciary Funds (Not included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the County on behalf of others. The Custodial Fund is used to account for real property taxes collected for other governments.

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

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

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

The County participates in a joint municipal cooperative investment pool established pursuant to New York State General Municipal Law Article 3-A that meets the definition of a 2a7-like pool as defined by GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*". The sponsoring agency of the pool is another governmental unit which, acting through its chief fiscal officer, is primarily responsible for executing the provisions of the cooperative agreement. This pool is authorized to invest in various securities issued by the United States and its agencies. The amount reported represents the amortized cost of the cooperative shares and is considered to approximate fair value. The County's position in the cooperative is equal to the value of the pool shares. Additional information concerning the cooperative investment pool is presented in the annual report of the New York Liquid Asset Fund (NYLAF), which may be obtained from Bankers Trust Company, N.A., 453 7th Street, P.O. Box 897, Des Moines, IA 50304.

Note 1 - Summary of Significant Accounting Policies (Continued)

NYLAF is rated AAAM by Standard & Poor's Financial Services. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts pursuant to New York State General Municipal Law.

Risk Disclosure

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

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40, "Deposit and Investment Risk Disclosures- an amendment of GASB Statement No. 3", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2019.

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

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

Taxes Receivable - The County levies property taxes for both the County and towns on January 1st, based on an enforceable lien date established November 1st. These taxes are due in March and/or July depending upon the taxpayer's election. These taxes are collected initially by the various towns, and the uncollected taxes are returned to the County on April 1st and/or August 1st depending upon the taxpayer's election to make payment either in full or in two installments. School districts taxes are levied by the school districts, with all uncollected taxes returned to the County on November 1st. Village taxes are levied by the Villages, with all uncollected taxes returned to the County on February 1st. The County guarantees the collection of town, school districts and village taxes and assumes responsibility for the ultimate collection of these receivables. Taxes receivable are reported net of an allowance for uncollectible amounts. Thus the County's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the County must satisfy its obligations regardless of the amounts collected. School districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "Fiduciary Activities", and therefore have been accounted for within the Custodial Fund.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Due From/To Other Funds and Due From/To Fiduciary Fund - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2019, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Due From/To Other Funds - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2019, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the County. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

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

Restricted Cash and Equivalents - The terms of the bond indenture of the Putnam Tobacco Asset Securitization Corporation provide for the establishment of a liquidity reserve. The reserve has been established at the maximum annual debt service requirements in the current and any future fiscal year, assuming principal is paid in accordance with the requirements of the indenture.

The terms of the bond indenture also provide for the establishment of a trapping account. Following the occurrence of a trapping event, amounts that otherwise would have been paid on the residual certificate to the County will be deposited in the trapping account and will be restricted to pay interest, required planned structured principal payments and turbo redemption payments, in such order, to the extent collections or other available amounts are insufficient for such purposes.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as

Note 1 - Summary of Significant Accounting Policies (Continued)

assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the County are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Machinery and equipment	5-10
Infrastructure	30-50

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

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

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported unearned revenues of \$921,323 for State aid and other items received in advance in the General Fund. The County has also reported unearned revenues of \$2,836,892 for water shed aid received in advance in the Capital Projects Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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 represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Note 1 - Summary of Significant Accounting Policies (Continued)

The County reported deferred inflows of resources of \$16,703,495 for real property taxes in the General Fund and unavailable revenues of \$94,000 in the Transportation Fund. This amount is deferred and recognized as an inflow in the period that the amounts become available.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities		
New York State and Local Employees' Retirement System	\$ 12,881,591	\$ 5,994,710
Deferred Loss on Refunding bonds	2,113,018	-
Other postemployment benefit obligations	6,467,183	20,518,893
	<u>21,461,792</u>	<u>26,513,603</u>
Business-type Activities		
Deferred Loss on Refunding bonds	874,343	-
	<u>\$ 22,336,135</u>	<u>\$ 26,513,603</u>

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

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

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Pension Liability - The net pension liability represents the County's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date".

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by

Note 1 - Summary of Significant Accounting Policies (Continued)

the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for casualty reserve benefits, workers' compensation benefits, law enforcement, health, driving while intoxicated program, grants and obligations, debt service and special revenue funds. The balance is classified as unrestricted.

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

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

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

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the County Legislature for amounts assigned for balancing the subsequent year's budget or the County Commissioner of Finance for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts

Note 1 - Summary of Significant Accounting Policies (Continued)

already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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

F. Encumbrances

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

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is July 23, 2020.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) On or before October 1st, the County Executive submits to the County Legislature a tentative operating budget for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the means of financing.
- b) The County Executive and Commissioner of Finance meet with the Budget and Finance Committee of the Legislature within five days after transmittal of the tentative budget to review the budget document.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- c) The Committee conducts a public hearing on the tentative budget to obtain taxpayer comments.
- d) A report of the Committee must be filed by October 20th, which includes the Committee's recommendations.
- e) On or before October 25th, the Legislature conducts a public hearing on the tentative budget.
- f) After the public hearing and prior to October 28th, the Legislature meets to consider and adopt the budget.
- g) All line item changes with the exception of the Legislature's own budget are subject to Executive veto and such vetoes require two thirds majority by the Legislature to override. This process is completed and the final budget is adopted by November 15th.
- h) Formal budgetary integration is employed during the year as a management control device for General, County Road, Road Machinery, Transportation and Debt Service funds.
- i) Budgets for General, County Road, Road Machinery, Transportation and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not legally adopted for the Proprietary or Special Purpose funds.
- j) The County Legislature has established legal control of the budget at the function level of expenditures. The County Auditor, who must approve all expenditures from General, County Road, Road Machinery, Transportation and Capital Projects funds, may not authorize the disbursement of funds by the Commissioner of Finance unless the necessary funds have been appropriated. All functional transfers shall be subject to the following authorization:
 - (1) Transfers less than \$5,000 may be authorized by the Commissioner of Finance.
 - (2) Transfers between \$5,000 and \$10,000 may be authorized by the County Executive.
 - (3) Transfers less than \$10,000 must be approved by the Chairperson of Audit or his/her designee.
 - (4) Transfers between \$10,000 and \$25,000 must be approved by the Audit and Administrative Committee.
 - (5) Transfers over \$25,000 shall require approval of the Legislature.
 - (6) Amendments which increase total fund appropriations require approval by the Legislature.
- k) Appropriations in the General, County Road, Road Machinery, Transportation and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Note 2 - Stewardship, Compliance and Accountability (Continued)

B. Property Tax Limitation

The County is permitted by the Constitution of the State of New York to levy taxes for purposes other than debt service up to 1-1/2% of the five-year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2019 was \$202,740,632, which exceeded the actual levy by \$165,906,031.

Under New York State County Law, the County is not limited as to the maximum amount of real property taxes which may be raised. However, Chapter 97 of the New York State Laws of 2011, as amended ("Tax Levy Limitation Law") modified previous law by imposing a limit on the amount of real property taxes a local government may levy. The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the County to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The County is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the County, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the County. The County Legislature may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the County Legislature first enacts, by a vote of at least sixty percent of the total voting power of the County Legislature, a local law to override such limit for such coming fiscal year.

C. Fund Deficit

The Putnam Tobacco Asset Securitization Corporation Enterprise Fund reflects a deficit at December 31, 2019 of \$16,747,866. This deficit will be reduced annually with the receipt of tobacco revenues.

D. Adoption of Accounting Standard

For the year ended December 31, 2019, the County implemented the provisions of GASB Statement No. 84, "Fiduciary Activities". The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. As a result of the adoption of this standard, certain

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 2 - Stewardship, Compliance and Accountability (Continued)

transactions previously reported within governmental funds are now reflected within the Fiduciary Fund while other transactions previously reported in the Fiduciary Fund are now reflected with government funds.

E. Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified to conform with the current year presentation with respect to the implementation of the provisions of GASB Statement No. 84. These reclassifications had no effect on previously reported fund balance amounts.

Note 3 - Detailed Notes on All Funds

A. Restricted Cash and Equivalents

Restricted cash and equivalents at December 31, 2019 consisted of the following -

US Treasury Money Market	<u>\$ 1,208,319</u>
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B. Taxes Receivable

Taxes receivable at December 31, 2019 consisted of the following:

Returned school and village taxes	\$ 454,260
Tax liens	18,320,781
Taxes receivable - Pending	3,752,008
Property acquired for taxes	<u>8,232,100</u>
	30,759,149
Allowance for uncollectible taxes	<u>(12,278,577)</u>
	<u>\$ 18,480,572</u>

Returned school and village taxes have been relieved in the subsequent year as County taxes. Taxes receivable are also partially offset by deferred tax revenues of \$16,703,495, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

C. Interfund Receivables/Payables

The composition of due from/to other funds at December 31, 2019 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 5,431,054
Capital Projects	1,429,278	-
Non-Major Governmental	2,736,159	-
Internal Service	<u>1,265,617</u>	<u>-</u>
	<u>\$ 5,431,054</u>	<u>\$ 5,431,054</u>

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The composition of due from/to fiduciary fund at December 31, 2019 were as follows:

Fund	Due From	Due To
General	\$ 11,949,471	\$ -
Fiduciary	-	11,949,471
	<u>\$ 11,949,471</u>	<u>\$ 11,949,471</u>

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made. The amounts due from other funds within the Non-Major Governmental Funds is the result of these funds not having bank accounts.

D. Capital Assets

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

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Capital Assets, not being depreciated				
Land	\$ 6,617,653	\$ -	\$ -	\$ 6,617,653
Construction-in-Progress	6,947,782	4,794,866	1,690,679	10,051,969
Total Capital Assets, not being Depreciated	<u>\$ 13,565,435</u>	<u>\$ 4,794,866</u>	<u>\$ 1,690,679</u>	<u>\$ 16,669,622</u>
Capital Assets, being depreciated				
Buildings and Improvements	\$ 108,234,535	\$ 2,488,180	\$ -	\$ 110,722,715
Machinery and Equipment	30,342,769	2,082,799	1,436,215	30,989,353
Infrastructure	80,804,604	1,463,040	-	82,267,644
Total Capital Assets, being Depreciated	<u>219,381,908</u>	<u>6,034,019</u>	<u>1,436,215</u>	<u>223,979,712</u>
Less Accumulated Depreciation for				
Buildings and Improvements	63,229,156	3,404,544	-	66,633,700
Machinery and Equipment	24,375,785	2,183,239	1,436,215	25,122,809
Infrastructure	46,263,566	4,238,609	-	50,502,175
Total Accumulated Depreciation	<u>133,868,507</u>	<u>9,826,392</u>	<u>1,436,215</u>	<u>142,258,684</u>
Capital Assets, being Depreciated, net	<u>\$ 85,513,401</u>	<u>\$ (3,792,373)</u>	<u>\$ -</u>	<u>\$ 81,721,028</u>
Capital Assets, net	<u>\$ 99,078,836</u>	<u>\$ 1,002,493</u>	<u>\$ 1,690,679</u>	<u>\$ 98,390,650</u>

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

Depreciation expense was charged to the County's functions and programs as follows:

Governmental Activities	
General Government Support	\$ 1,307,036
Public Safety	1,768,498
Health	145,362
Transportation	4,870,337
Economic Opportunity and Development	475,425
Culture and Recreation	1,251,673
Home and Community Services	<u>8,061</u>
Total Depreciation Expense	<u>\$ 9,826,392</u>

E. Accrued Liabilities

Accrued Liabilities at December 31, 2019 were as follows:

	Governmental Activities	Business - Type Activities	Total
Payroll and employee benefits	\$ 5,713,451	\$ -	\$ 5,713,451
Other	<u>765,470</u>	<u>69,750</u>	<u>835,220</u>
Total Accrued Liabilities	<u>\$ 6,478,921</u>	<u>\$ 69,750</u>	<u>\$ 6,548,671</u>

F. Long-Term Liabilities

The changes in the County's long-term indebtedness for the year ended December 31, 2019 is as follows:

	Balance January 1, 2019	New Issues and/or Additions	Maturities and/or Payments	Balance December 31, 2019	Due Within One Year
Governmental Activities					
Bonds Payable	\$ 57,936,475	\$ 3,315,000	\$ 8,468,350	\$ 52,783,125	\$ 5,223,125
Plus					
Unamortized premium on bonds	<u>2,484,327</u>	<u>239,641</u>	<u>266,329</u>	<u>2,457,639</u>	<u>301,276</u>
	<u>60,420,802</u>	<u>3,554,641</u>	<u>8,734,679</u>	<u>55,240,764</u>	<u>5,524,401</u>
Other Non-current Liabilities					
Compensated Absences	4,178,025	755,860	418,000	4,515,885	452,000
Net Pension Liability	6,982,464	8,236,820	-	15,219,284	-
Claims Payable	4,088,999	699,341	588,826	4,199,514	420,000
Other Post Employment Benefit					
Obligations Payable	188,548,245	(8,341,782)	4,258,403	175,948,060	-
Postclosure Care Costs	<u>1,054,683</u>	<u>-</u>	<u>7,835</u>	<u>1,046,848</u>	<u>8,000</u>
Total Other Non-Current Liabilities	<u>204,852,416</u>	<u>1,350,239</u>	<u>5,273,064</u>	<u>200,929,591</u>	<u>880,000</u>
Governmental Activities Long-Term Liabilities	<u>\$ 265,273,218</u>	<u>\$ 4,904,880</u>	<u>\$ 14,007,743</u>	<u>\$ 256,170,355</u>	<u>\$ 6,404,401</u>
Business-Type Activities					
Bonds Payable	<u>\$ 22,525,423</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 22,520,423</u>	<u>\$ 315,000</u>

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

Governmental fund liabilities for bonds are liquidated by the Debt Service Fund, which is funded by other governmental funds and property taxes. The liability for compensated absences, net pension liability, claims payable, other post employment benefit obligations and postclosure care costs are liquidated by the General, County Road, Road Machinery, and Worker Compensation funds.

Bonds Payable

Bonds payable at December 31, 2019 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2019
Public improvement	2010	\$ 4,740,000	November, 2028	5.436 - 7.213 %	2,880,000
Refunding	2012	6,446,535	November, 2026	2.000 - 2.375	3,680,000
Public improvement	2012	5,905,000	December, 2023	2.000 - 4.000	2,615,000
Public improvement	2013	3,113,000	November, 2024	2.250 - 3.000	1,800,000
Refunding	2013	19,965,000	January, 2036	3.000 - 5.000	16,585,000
Public improvement	2014	3,478,274	November, 2031	2.125 - 3.000	2,735,000
Refunding	2015	11,060,000	January, 2031	2.750 - 5.000	9,785,000
Public improvement	2016	2,114,575	June, 2031	2.000 - 2.250	1,850,000
Public improvement	2016	2,100,000	June, 2028	2.000 - 2.500	1,755,000
Public improvement	2017	3,333,350	June, 2028	2.000	3,030,000
Public improvement	2017	800,000	June, 2027	2.625 - 2.875	720,000
Public improvement	2018	2,033,125	June, 2030	3.000	2,033,125
Refunding	2019	3,315,000	November, 2025	2.000 - 5.000	3,315,000
					\$ 52,783,125

Interest expenditures of \$1,952,089 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$1,774,441 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2019 including interest payments of \$10,790,695 are as follows:

Year Ended December 31,	Principal	Interest	Total
2020	\$ 5,223,125	\$ 1,802,148	\$ 7,025,273
2021	5,435,000	1,601,960	7,036,960
2022	5,165,000	1,394,946	6,559,946
2023	5,360,000	1,199,167	6,559,167
2024	4,450,000	1,014,176	5,464,176
2025-2029	17,310,000	2,915,444	20,225,444
2030-2034	7,740,000	794,763	8,534,763
2035-2036	2,100,000	68,091	2,168,091
\$ 52,783,125		\$ 10,790,695	\$ 63,573,820

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

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

Bonds payable of the Putnam Tobacco Asset Securitization Corporation ("PTASC") at December 31, 2019 are comprised of the following:

	Balance January 1, 2019	Maturities and/or Payments	Balance December 31, 2019	Due Within One Year
Blended Component Unit				
Bonds Payable	\$ 22,525,423	\$ (5,000)	\$ 22,520,423	\$ 315,000
Less:				
Unamortized Original Issue Discount on Term Bonds	(272,122)	25,561	(246,561)	-
Unaccreted amounts on Turbo Capital Appreciation Bonds	(2,693,507)	244,765	(2,448,742)	-
Business-Type Activities				
Long-Term Liabilities	<u>\$ 19,559,794</u>	<u>\$ 265,326</u>	<u>\$ 19,825,120</u>	<u>\$ 315,000</u>

PTASC issued bonds on August 25, 2005 and June 1, 2010 as follows:

\$3,400,000 of Turbo Term Bonds due June 1, 2041 with interest at 6.25% and a projected final Turbo Redemption date of June 1, 2020.* Balance due at December 31, 2019 is \$3,400,000.

\$9,165,000 of Turbo Term Bonds due June 1, 2042 with interest at 5.0% and a projected final Turbo Redemption date of June 1, 2024.* Balance due at December 31, 2019 is \$9,165,000.

\$3,325,000 of Turbo Term Bonds due June 1, 2045 with interest at 5.0% and a projected final Turbo Redemption date of June 1, 2026.* Balance due at December 31, 2019 is \$3,325,000.

\$2,107,589 (net of unaccreted amounts of \$1,003,405) of Turbo Capital Appreciation Bonds due June 1, 2050 with a yield of 5.875% and a projected final Turbo Redemption date of June 1, 2027.*

\$2,074,095 (net of unaccreted amounts of \$1,445,337) of Turbo Capital Appreciation Bonds due June 1, 2055 with a yield of 6.375% and a projected final Turbo Redemption date of June 1, 2029.*

*Assumes Turbo Redemption payments are made based on the receipt of surplus pledged TSR's in accordance with the Global Insight Base Case Forecast of future tobacco consumption.

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

A payment schedule, based upon planned structured principal maturities, is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 7,330,000 *	\$ 632,500	\$ 7,962,500
2021	1,355,000	394,125	1,749,125
2022	1,440,000	324,250	1,764,250
2023	1,530,000	250,000	1,780,000
2024	1,635,000	170,875	1,805,875
2025 and thereafter	9,230,423	109,000	9,339,423
	<u>22,520,423</u>	<u>\$ 1,880,750</u>	<u>\$ 24,401,173</u>
Unamortized Original Issue Discount on Term Bonds	(246,561)		
Unaccreted amounts on Capital Appreciation Bonds	<u>(2,448,742)</u>		
	<u>\$ 19,825,120</u>		

* Principal payment assumes "catch up" payment is made June 1, 2020.

The required plan structured principal payments are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ 315,000
2021	340,000
2022	355,000
2023	300,000
2024	300,000
2025 and thereafter	<u>20,910,423</u>
	<u>\$ 22,520,423</u>

Compensated Absences

County employees who are members of a labor union earn vacation leave based upon the terms of their particular collective bargaining agreement. Vacation leave is accumulated on a monthly basis up to a maximum of forty days and is payable upon termination. The maximum sick leave accumulation is 180 days. Sick leave accumulates on a monthly basis with all union employees earning twelve days per year. Accumulated sick leave lapses when employees leave the service of the County, with the exception of Deputy Sheriff's Benevolent Association employees. These employees, upon retirement from the County, are entitled to a sick leave buyout at daily rates ranging from \$40 to \$70 per day, depending on the number of days accumulated. The value of compensated absences has been reflected in the government-wide financial statements.

Note 3 - Detailed Notes on All Funds (Continued)

Pension Plans

New York State and Local Retirement System

The County participates in the New York State and Local Employees' Retirement System ("ERS") ("System"). This is a cost-sharing, multiple-employer defined benefit pension plan. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The County also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_/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 after July 2, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2019 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
1 75I	21.6 %
2 75I	19.6
3 553	25.7
3 A14	15.8
4 553	25.7
4 89PBE	18.0
4 A15	15.8
5 553	23.5
5 89PBE	15.4
5 A15	13.0
6 553	18.8
6 89PBE	10.8
6 A15	9.3

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2019, the County reported the following for its proportionate share of the net pension liability for ERS:

Measurement date	March 31, 2019
Net pension liability	\$ 15,219,284
County's proportion of the net pension liability	0.2148007%
Change in proportion since the prior measurement date	(0.00015458%)

The net pension liability was measured as of March 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a computation of the actuarially determined indexed present future value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2019, the County recognized pension expense in the government-wide financial statements of \$9,502,965 for ERS. Pension expenditures of \$7,702,391 for ERS were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>Amount</u>
General	\$ 7,325,358
County Road	292,894
Transportation	1,794
Road Machinery	82,345
	<u>\$ 7,702,391</u>

At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to ERS:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,996,995	\$ 1,021,642
Changes of assumptions	3,825,506	-
Net difference between projected and actual earnings on pension plan investments	-	3,906,109
Changes in proportion and differences between County contributions and proportionate share of contributions	315,364	1,066,959
County contributions subsequent to the measurement date	<u>5,743,726</u>	<u>-</u>
	<u>\$ 12,881,591</u>	<u>\$ 5,994,710</u>

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

\$5,743,726 reported as deferred outflows of resources related to ERS, resulting from the County's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

	<u>Year Ended</u> <u>March 31,</u>	
2020	\$	2,890,645
2021		(3,256,729)
2022		(410,786)
2023		1,920,025

The total pension liability for the ERS measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liability to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

Measurement Date	March 31, 2019
Actuarial valuation date	April 1, 2018
Investment rate of return	7.0% *
Salary scale	4.2%
Inflation rate	2.5%
Cost of living adjustments	1.3%

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

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

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

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.50
Real Estate	10	5.55
Absolute Return Strategies	2	3.75
Opportunistic Portfolio	3	5.68
Real Assets	3	5.29
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.25
	<u>100 %</u>	

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

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Current Assumption (7.0%)</u>	<u>1% Increase (8.0%)</u>
County's proportionate share of the net pension liability (asset)	<u>\$ 66,541,139</u>	<u>\$ 15,219,284</u>	<u>\$ (27,894,714)</u>

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The components of the collective net pension liability for ERS as of the March 31, 2019 measurement date were as follows:

Total pension liability	\$ 189,803,429,000
Fiduciary net position	<u>182,718,124,000</u>
Employers' net pension liability	<u>\$ 7,085,305,000</u>
Fiduciary net position as a percentage of total pension liability	<u>96.27%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2019 represent the employer contribution for the period of April 1, 2019 through December 31, 2019 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2019 were \$5,743,726.

Voluntary Defined Contribution Plan

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

Unpaid Claim Liabilities

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

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

An analysis of the activity of unpaid claim liabilities is as follows:

	<u>2019</u>	<u>2018</u>
Balance - Beginning of Year	\$ 4,088,999	\$ 3,683,000
Provision for Claims and Claims Adjustment Expenses	699,341	849,491
Claims and Claims Adjustment Expenses Paid	<u>(588,826)</u>	<u>(443,492)</u>
Balance - End of Year	<u>\$ 4,199,514</u>	<u>\$ 4,088,999</u>
Due Within One Year	<u>\$ 420,000</u>	<u>\$ 409,000</u>

Other Post Employment Benefit Obligations (“OPEB”)

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

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	383
Active employees	<u>588</u>
	<u>971</u>

The County's total OPEB liability of \$175,948,060 was measured as of December 31, 2019, and was determined by an actuarial valuation as of January 1, 2019.

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.50%, average, including inflation
Discount rate	4.10%
Healthcare cost trend rates	7.0% for 2019, decreasing 0.5% per year to an ultimate rate of 4.8% for 2088 and later years
Retirees' share of benefit-related costs	Varies from 0% to 50%, depending on applicable retirement year and bargaining unit

The discount rate was based on Bond Buyer Weekly 20-Bond GO Index.

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

Mortality rates were based on the RP-2014 Healthy Male and Female Tables for both pre and post retirement, projected with mortality improvements using scale MP-2014, and projected forward with scale MP-2018.

The actuarial assumptions used in the January 1, 2019 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS. ERS tables were based on a version released in 2015.

The County's change in the total OPEB liability for the year ended December 31, 2019 is as follows:

Total OPEB Liability - Beginning of Year	\$ 188,548,245
Service cost	6,007,886
Interest	6,619,486
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(20,969,154)
Benefit payments	<u>(4,258,403)</u>
 Total OPEB Liability - End of Year	 <u><u>\$ 175,948,060</u></u>

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current discount rate:

	1% Decrease (3.10%)	Current Assumption (4.10%)	1% Increase (5.10%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability	<u>\$ 209,038,497</u>	<u>\$ 175,948,060</u>	<u>\$ 149,969,039</u>

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.0% decreasing to 3.8%) or 1 percentage point higher (8.0% decreasing to 5.8%) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 3.8%)	Healthcare Cost Trend Rates (7.0% decreasing to 4.8%)	1% Increase (8.0% decreasing to 5.8%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability	<u>\$ 146,367,167</u>	<u>\$ 175,948,060</u>	<u>\$ 214,800,236</u>

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

For the year ended December 31, 2019, the County recognized OPEB expense of \$9,331,608 in the district-wide financial statements. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions or other inputs	\$ -	\$ 20,518,893
Differences between expected and actual experience	1,838,971	-
County's contributions subsequent to the measurement date	<u>4,628,212</u>	<u>-</u>
	<u>\$ 6,467,183</u>	<u>\$ 20,518,893</u>

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

<u>Year Ended December 31,</u>	
2020	\$ (3,295,764)
2021	(3,295,764)
2022	(3,295,764)
2023	(3,295,764)
2024	(3,250,172)
2025 and Thereafter	(2,246,694)

Postclosure Care Costs

In 2008, the County recognized a pollution remediation expense amounting to \$650,000 and a corresponding liability was recorded in the statement of net position. The liability related to future remediation activities associated with the removal of materials and soil contamination of a landfill. The expense provision was measured at its current value utilizing the prescribed expected cash flow method. The pollution remediation obligation is an estimate and is subject to revision due to price increases or reductions, change in technology, or change in applicable laws or regulations and estimated recoveries reducing the liability. In 2009, the liability was decreased to \$265,000 based on the County's intention to move the waste and reclaim and sell the land. In 2010, the liability was increased to \$1,200,000 based on the County's revised plan to continue operating the landfill and capping it. In 2012 the landfill was capped. The remaining liability of \$1,046,688 at December 31, 2019 is the estimated postclosure care costs that will be paid in the future for certain maintenance and monitoring costs at the site for the next 30 years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

G. Significant Commitments - Encumbrances

As discussed in Note 1F, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2019, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 1,011,064
Non-Major Governmental	251,148
	<hr/>
Total	<u>\$ 1,262,212</u>

H. Revenues and Expenditures

Interfund Transfers

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

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Total</u>
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	
General Fund	\$ -	\$ 2,817,475	\$ -	\$ 2,817,475
Capital Projects Fund	-	-	131,180	131,180
Non-Major Governmental Funds	196,346	-	-	196,346
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>\$ 196,346</u>	<u>\$ 2,817,475</u>	<u>\$ 131,180</u>	<u>\$ 3,145,001</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and to move funds from the fund with collection authorization to the funds where additional amounts are needed and 2) move unexpended Capital Projects Fund balances to the operating funds that originally provided the funding.

I. Net Position

The components of net position are detailed below:

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

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Casualty Reserve Benefits and Workers' Compensation Benefits - the component of net position that have been established to set aside funds to be used for a specific purpose in accordance with Section 6N and 6J of General Municipal Law.

Restricted for Law Enforcement - the component of net position that represents the unexpended proceeds of seized funds which are restricted by New York State Law for use in law enforcement activities.

Restricted for Health - Adolescent Tobacco Use Prevention Act - the component of net position restricted by state regulations representing 50% of collections of tobacco related infractions to be used to support health education related activities.

Restricted for Driving While Intoxicated Program - the component of net position that represents State revenues that are limited by State directive to be used in accordance with the parameters of the Driving While Intoxicated Program.

Restricted for Grants and Obligations - the component of net position that represents a segregation of fund balance to fund shortfalls of outstanding grants and obligations.

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

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

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

County of Putnam, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2019				2018			
	General Fund	Capital Projects Fund	Non-Major Governmental	Total	General Fund	Capital Projects Fund	Non-Major Governmental	Total
Nonspendable								
Prepaid expenditures	\$ 1,881,182	\$ -	\$ 93,783	\$ 1,974,965	\$ 1,929,419	\$ -	\$ 95,281	\$ 2,024,700
Long-term receivables	2,000,000	-	-	2,000,000	2,000,000	-	-	2,000,000
Total Nonspendable	3,881,182	-	93,783	3,974,965	3,929,419	-	95,281	4,024,700
Restricted								
Law enforcement	565,160	-	-	565,160	406,107	-	-	406,107
Health	17,583	-	-	17,583	17,583	-	-	17,583
Driving while intoxicated program	57,557	-	-	57,557	52,563	-	-	52,563
Grants and obligations	1,735,613	-	-	1,735,613	1,427,547	-	-	1,427,547
Capital projects	-	7,388,468	-	7,388,468	-	6,025,349	-	6,025,349
Debt service	-	-	241,566	241,566	-	-	158,467	158,467
Debt service for subsequent year's expenditures	-	-	84,000	84,000	-	-	84,000	84,000
Trusts	-	-	560,171	560,171	-	-	589,684	589,684
Total Restricted	2,375,913	7,388,468	885,737	10,650,118	1,903,800	6,025,349	832,151	8,761,300
Assigned								
Purchases on order								
General government support	301,055	-	-	301,055	145,772	-	-	145,772
Education	118,039	-	-	118,039	0	-	-	-
Public safety	407,219	-	-	407,219	325,938	-	2,770	328,708
Health	3,356	-	-	3,356	5,747	-	-	5,747
Transportation	130,394	-	251,148	381,542	21,533	-	104,468	126,001
Economic opportunity	6,662	-	-	6,662	8,631	-	-	8,631
Culture and recreation	42,379	-	-	42,379	22,427	-	-	22,427
Home and community services	1,960	-	-	1,960	46,363	-	-	46,363
	1,011,064	-	251,148	1,262,212	576,411	-	107,238	683,649
For subsequent year's expenditures								
General Fund	1,102,689	-	-	1,102,689	2,742,651	-	-	2,742,651
County Road Fund	-	-	175,000	175,000	-	-	326,864	326,864
Road Machinery Fund	-	-	51,500	51,500	-	-	97,475	97,475
Transportation Fund	-	-	174,000	174,000	-	-	210,000	210,000
Retirement	3,568,196	-	-	3,568,196	3,568,196	-	-	3,568,196
Future Capital projects	1,290,896	-	-	1,290,896	1,290,896	-	-	1,290,896
Tax stabilization	3,537,683	-	-	3,537,683	3,537,683	-	-	3,537,683
Insurance	4,000,000	-	-	4,000,000	4,000,000	-	-	4,000,000
County Road Fund	-	-	479,284	479,284	-	-	698,413	698,413
Road Machinery Fund	-	-	191,644	191,644	-	-	156,130	156,130
Transportation Fund	-	-	1,155,735	1,155,735	-	-	654,507	654,507
Total Assigned	14,510,528	-	2,478,311	16,988,839	15,715,837	-	2,250,627	17,966,464
Unassigned	29,864,516	-	-	29,864,516	21,977,572	-	-	21,977,572
Total Fund Balances	\$ 50,632,139	\$ 7,388,468	\$ 3,457,831	\$ 61,478,438	\$ 43,526,628	\$ 6,025,349	\$ 3,178,059	\$ 52,730,036

Note 3 - Detailed Notes on All Funds (Continued)

K. Fund Balances

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

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

Long-Term Receivables represents funds set aside to indicate that certain receivables will not be collected in sufficient time to use the funds to satisfy liabilities of the period. A reserve has been established to indicate that the funds are not "available" for appropriation or expenditure even though the amounts are a component of current assets.

The amounts restricted for trusts have been established to set aside funds in accordance with the terms of the grants.

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

Subsequent year's expenditures represent that at December 31, 2019, the County Legislature has assigned the above amounts to be appropriated for the ensuing year's budget.

Assigned for Retirement represents funds set aside for the purpose of financing retirement contributions to the New York State and Local Employees' Retirement System.

Assigned for Future Capital Projects represents funds set aside for the purpose of financing future capital projects.

Assigned for Tax Stabilization represents funds set aside for an emergency to prevent a large tax increase.

Assigned for Insurance has been established to fund uninsured losses, claims, actions, or judgments that the County is authorized or required to purchase or maintain insurance.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The County receives numerous notices of claims for damages arising generally from personal injury, wrongful death, false arrest, negligence, bodily injury, breach of contract, defamation of character and invasion of privacy. The County currently carries both conventional general liability insurance to cover possible losses arising from these actions. In the opinion of the County Attorney, and apart from matters provided for by applicable insurance coverage, there are four (4) claims or actions pending which, if determined against the County, would have an adverse material effect on the financial condition of the County; (1) This is a claim alleging violations of various constitutional rights, including unlawful search and seizure, false arrest, defamation, denial of due process and malicious prosecution. The case was presented to the grand jury by the Putnam County District Attorney's Office twice, and twice the indictments were thrown out by a federal court judge. Given this fact, there is a moderate level of concern that the County will be subject to significant liability in this case. The Plaintiff is seeking compensatory damages in an estimated amount of \$10,000,000. Insurance coverage is afforded, with a reservation of rights, under the County's Municipal Public Official's Policy, which has a limit of \$1 million per occurrence with a \$250,000 deductible per claim. The County's insurer has set an indemnity reserve of \$100,000. (2) This is a claim alleging a violation of constitutional rights which resulted in the wrongful conviction and 20 year incarceration of the Plaintiff. Given the fact that the average jury verdicts for false imprisonment range from \$1,000,000 to \$1,500,000 per year of incarceration, the County's maximum exposure could be upwards of \$30,000,000 if the Plaintiff were to prevail. Insurance coverage is afforded, with a reservation of rights, under the County's Municipal Law Enforcement Policy, which has a limit of \$1 million per occurrence with a \$250,000 deductible per claim. The County's insurer has set an indemnity reserve of \$100,000. (3) This is a claim by a general contractor overseeing a project for the construction of a portion of the County's bikeway. They are suing for breach of contract, quantum meruit and unjust enrichment. No insurance coverage is afforded for this claim and the County's exposure could potentially reach the contract cost of \$6,689,897. (4) This is claim alleging negligence and wrongful death, including negligent supervision and training allegedly occurring at the Putnam County Correctional Facility. Plaintiff has made a settlement demand of \$5,500,000. Insurance coverage is afforded, with a reservation of rights, under the County's Municipal Law Enforcement Policy, which has a limit of \$1 million per occurrence with a \$250,000 deductible per claim.

The County is also a defendant in numerous pending tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year in which the payments are made.

B. Contingencies

The County participates in various Federal grant programs, principal of which are programs of the Department of Health and Human Services. These programs are subject to program compliance audits pursuant to the Uniform Guidance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County anticipates such amounts, if any, to be immaterial.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

C. Significant Contingencies - Putnam County Tobacco Asset Securitization Corporation

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

The bonds are payable only from the assets of PTASC. The bonds are neither legal nor moral obligations of the County or the State of New York, and no recourse may be had thereto for payment of amounts owing on the bonds. PTASC's only source of funds for payments on the bonds is the collections and amounts on deposit in pledged accounts pursuant to the indenture. PTASC has no taxing power and no significant assets other than the rights to receive tobacco settlement revenues.

D. Risk Management

The County and other villages, counties, towns, cities and district corporations within the State have formed a reciprocal insurance company to be owned by these municipalities. This reciprocal operates under an agreement effective September 1, 1993. The purpose of this reciprocal is to provide local governments with the opportunity to gain control over their insurance programs and bring stability to their insurance costs. The reciprocal provides general liability, automobile, property, umbrella and police and public officials' liability coverage. The reciprocal retains a management company, which is responsible for the overall supervision and management of the reciprocal. The reciprocal is managed by a Board of Governors and an Attorney-in-fact. The Board of Governors is comprised of employees of the subscribers. The subscribers have elected those who sit on the board and each subscriber has a single vote. The Attorney-in-fact derives all of its authority from the Board of Governors and New York State Insurance Laws, and is the entity which enters into contracts on behalf of the reciprocal. The reciprocal is an "assessable" insurance company, in that, the subscribers are severally liable for any financial shortfall of the reciprocal and can be assessed their proportionate share by the State Insurance Department if the funds of the reciprocal are less than what is required to satisfy its liabilities. The subscribers are required to pay premiums as well as a minimal capital contribution.

The County purchases various insurance coverages from the reciprocal to reduce its exposure to loss. The County maintains general liability and automobile liability policies with coverage of \$1 million per occurrence and \$2 million in the aggregate, bodily injury and property damage are subject to a \$250,000 deductible. The County maintains public officials and law enforcement liability policies with coverage of \$1 million per occurrence and \$2 million in the aggregate. The County also maintains an umbrella policy with coverage up to \$10 million per occurrence and \$20 million in the aggregate. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The County is self-insured for workers' compensation. The County purchases a stop loss policy which limits the County's exposure to \$1.5 million per occurrence. The policy is excess workers' compensation over the County's self- insurance subject to a \$1,000,000 Self-Insured Retention. The policy covers over the Self Insured Retention Part One, Workers Compensation for Statutory Limits and Part Two, Employers Liability of \$1,000,000 each accident & Each Employee. The Employer's Liability portion is "unlimited" in New York. The limit refers to any other state.

Note 5 - Tax Abatements

The County has real property tax abatement agreements exempt under Real Property Tax Law, Section 412-a and General Municipal Law, Section 874. The total tax abatement for the year ended December 31, 2019 was determined not to be material.

Note 6 - Subsequent Events

Subsequent to year end, the COVID-19 (coronavirus) pandemic has resulted in substantial economic volatility on a global scale. As a result, the County's economically sensitive revenues (i.e. sales taxes, interest earnings, fees, state and federal aid) might be negatively impacted. Collection rates on real property taxes might be slowed as unemployment rates are expected to spike. Meanwhile, the County's expenditures for public safety and health service functions and pension benefits (due to stock market declines) would all be expected to increase. None of these factors were taken into consideration in the development of the 2020 adopted budget. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relation of protective measures, management cannot reasonably estimate the actual impact on the County's financial position at the time.

**REQUIRED SUPPLEMENTARY
INFORMATION**

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County of Putnam, New York

Required Supplementary Information - Schedule of Changes in the
County's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1) (2)

	2019	2018
Total OPEB Liability:		
Service cost	\$ 6,007,886	\$ 5,198,127
Interest	6,619,486	7,158,707
Changes of benefit terms	-	(4,628,868)
Differences between expected and actual experience	-	2,614,909
Changes of assumptions or other inputs	(20,969,154)	(3,796,795)
Benefit payments	(4,258,403)	(4,366,980)
Net Change in Total OPEB Liability	(12,600,185)	2,179,100
Total OPEB Liability – Beginning of Year	188,548,245	186,369,145 (3)
Total OPEB Liability – End of Year	<u>\$ 175,948,060</u>	<u>\$ 188,548,245</u>
County's covered-employee payroll	<u>\$ 43,699,125</u>	<u>\$ 47,001,125</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>403%</u>	<u>401%</u>

Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

See independent auditors' report.

County of Putnam, New York

Required Supplementary Information
 New York State and Local Employees' Retirement System
 Last Ten Fiscal Years (1)

Schedule of the County's Proportionate Share of the Net Pension Liability (2)

	2019	2018	2017	2016 (3)	2015
County's proportion of the net pension liability	0.2148007%	0.2163465%	0.2080991%	0.2116106%	0.2035676%
County's proportionate share of the net pension liability	\$ 15,219,284	\$ 6,982,464	\$ 19,553,458	\$ 33,964,087	\$ 6,877,010
County's covered payroll	\$ 45,978,543	\$ 46,596,425	\$ 46,735,501	\$ 43,741,198	\$ 42,545,018
County's proportionate share of the net pension liability as a percentage of its covered payroll	33.10%	14.98%	41.84%	77.65%	16.16%
Plan fiduciary net position as a percentage of the total pension liability	96.27%	98.20%	94.70%	90.70%	97.90%

Schedule of Contributions

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 7,655,574	\$ 7,841,062	\$ 8,573,018	\$ 7,689,383	\$ 8,952,292
Contributions in relation to the contractually required contribution	(7,655,574)	(7,841,062)	(8,573,018)	(7,689,383)	(8,952,292)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 46,001,051	\$ 45,824,106	\$ 46,576,602	\$ 44,716,201	\$ 43,768,828
Contributions as a percentage of covered payroll	16.64%	17.11%	18.41%	17.20%	20.45%

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

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

(3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

CAPITAL PROJECTS FUND

The Capital Projects Fund is utilized to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

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County of Putnam, New York

General Fund
Comparative Balance Sheet
December 31,

	2019	2018
ASSETS		
Cash and equivalents	\$ 28,249,753	\$ 25,483,432
Investments	4,235,811	921,294
Taxes receivable		
Returned school and village taxes	454,260	620,518
Tax liens	18,320,781	19,425,202
Taxes receivable - Pending	3,752,008	2,157,849
Property acquired for taxes	8,232,100	6,674,660
	30,759,149	28,878,229
Allowance for uncollectible taxes	(12,278,577)	(11,404,627)
	18,480,572	17,473,602
Other receivables		
Accounts	8,827,371	8,425,550
State and Federal aid	11,459,320	7,803,229
Due from other governments	815,594	575,173
Due from fiduciary fund	11,949,471	11,139,308
	33,051,756	27,943,260
Prepaid expenditures	1,881,182	1,929,419
Total Assets	<u>\$ 85,899,074</u>	<u>\$ 73,751,007</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 5,066,332	\$ 4,782,259
Accrued liabilities	6,123,623	4,764,212
Unearned revenues	921,323	698,687
Due to other funds	5,431,054	4,892,124
Deposits	1,020,450	-
Employee tax deductions	658	-
Total Liabilities	18,563,440	15,137,282
Deferred inflows of resources		
Deferred tax revenues	16,703,495	15,087,097
Total Liabilities and Deferred Inflows of Resources	35,266,935	30,224,379
Fund balance		
Nonspendable	3,881,182	3,929,419
Restricted	2,375,913	1,903,800
Assigned	14,510,528	15,715,837
Unassigned	29,864,516	21,977,572
Total Fund Balance	50,632,139	43,526,628
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 85,899,074</u>	<u>\$ 73,751,007</u>

See independent auditors' report.

County of Putnam, New York

General Fund
 Comparative Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Years Ended December 31,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 29,908,246	\$ 29,908,246	\$ 27,675,870	\$ (2,232,376)
Other tax items	5,249,600	5,467,658	5,464,888	(2,770)
Non-property taxes	61,604,333	67,123,871	67,710,168	586,297
Departmental income	12,089,135	12,406,251	12,323,649	(82,602)
Use of money and property	488,894	940,894	946,359	5,465
Licenses and permits	792,150	792,150	879,168	87,018
Fines and forfeitures	180,000	171,876	312,323	140,447
Sale of property and compensation for loss	34,300	90,934	119,219	28,285
State aid	18,772,844	20,721,112	18,138,956	(2,582,156)
Federal aid	8,967,476	10,132,017	7,774,848	(2,357,169)
Miscellaneous	1,045,359	1,346,537	1,508,428	161,891
Total Revenues	139,132,337	149,101,546	142,853,876	(6,247,670)
EXPENDITURES				
Current				
General government support	28,281,501	28,820,345	24,869,527	3,950,818
Education	11,058,425	12,123,745	11,793,506	330,239
Public safety	37,135,379	38,629,595	37,283,566	1,346,029
Health	13,658,298	13,858,538	11,757,675	2,100,863
Transportation	1,381,476	1,373,076	1,373,071	5
Economic opportunity and development	37,091,061	38,487,650	32,905,063	5,582,587
Culture and recreation	6,177,395	6,716,994	6,329,687	387,307
Home and community services	1,839,225	2,000,679	1,636,429	364,250
Employee benefits Undistributed	5,468,639	5,468,639	5,178,712	289,927
Total Expenditures	142,091,399	147,479,261	133,127,236	14,352,025
Excess (Deficiency) of Revenues Over Expenditures	(2,959,062)	1,622,285	9,726,640	8,104,355
OTHER FINANCING SOURCES (USES)				
Transfers in	-	196,346	196,346	-
Transfers out	(360,000)	(2,817,475)	(2,817,475)	-
Total Other Financing Uses	(360,000)	(2,621,129)	(2,621,129)	-
Net Change in Fund Balance	(3,319,062)	(998,844)	7,105,511	8,104,355
FUND BALANCE				
Beginning of Year	3,319,062	998,844	43,526,628	42,527,784
End of Year	\$ -	\$ -	\$ 50,632,139	\$ 50,632,139

See independent auditors' report.

2018

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 29,351,327	\$ 29,351,327	\$ 27,217,677	\$ (2,133,650)
5,229,200	4,882,889	4,877,949	(4,940)
59,633,608	64,294,550	64,525,488	230,938
11,234,707	11,433,158	11,183,011	(250,147)
358,894	681,953	726,960	45,007
847,100	847,100	924,395	77,295
173,500	173,500	218,697	45,197
10,130	84,745	111,591	26,846
17,112,106	18,546,227	17,960,011	(586,216)
8,738,596	9,734,937	8,874,448	(860,489)
963,715	1,053,112	1,500,749	447,637
<u>133,652,883</u>	<u>141,083,498</u>	<u>138,120,976</u>	<u>(2,962,522)</u>
27,768,872	27,835,175	23,863,181	3,971,994
10,708,306	11,353,932	11,030,625	323,307
36,951,750	38,660,464	36,368,645	2,291,819
13,317,585	13,722,613	12,878,133	844,480
1,372,276	1,372,276	1,360,871	11,405
36,424,398	37,511,900	33,492,969	4,018,931
5,627,092	6,264,814	5,916,734	348,080
1,911,638	1,961,977	1,593,484	368,493
<u>5,165,808</u>	<u>5,165,808</u>	<u>5,053,139</u>	<u>112,669</u>
<u>139,247,725</u>	<u>143,848,959</u>	<u>131,557,781</u>	<u>12,291,178</u>
<u>(5,594,842)</u>	<u>(2,765,461)</u>	<u>6,563,195</u>	<u>9,328,656</u>
-	10,000	10,000	-
<u>(110,000)</u>	<u>(2,828,102)</u>	<u>(2,828,101)</u>	<u>1</u>
<u>(110,000)</u>	<u>(2,818,102)</u>	<u>(2,818,101)</u>	<u>1</u>
(5,704,842)	(5,583,563)	3,745,094	9,328,657
<u>5,704,842</u>	<u>5,583,563</u>	<u>39,781,534</u>	<u>34,197,971</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,526,628</u>	<u>\$ 43,526,628</u>

County of Putnam, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
REAL PROPERTY TAXES	\$ 29,908,246	\$ 29,908,246	\$ 27,675,870	\$ (2,232,376)	\$ 27,217,677
OTHER TAX ITEMS					
Loss from sale of tax acquired property	100,000	(77,253)	(77,253)	-	(4,765)
Interest and penalties on real property taxes	5,100,000	5,485,000	5,482,330	(2,670)	4,863,845
Payments in lieu of taxes	49,600	59,911	59,811	(100)	18,869
Total Other Tax Items	5,249,600	5,467,658	5,464,888	(2,770)	4,877,949
NON-PROPERTY TAXES					
Sales taxes	60,484,333	66,003,871	66,524,986	521,115	63,346,180
Automobile use tax	670,000	670,000	701,170	31,170	699,457
Emergency telephone system surcharge	450,000	450,000	484,012	34,012	479,851
Total Non-Property Taxes	61,604,333	67,123,871	67,710,168	586,297	64,525,488
DEPARTMENTAL INCOME					
General					
Clerk fees	951,500	868,901	868,417	(484)	850,887
Board of elections	300	300	667	367	266
Planning Board fees	100	100	-	(100)	15
Motor vehicle fees	1,500,000	1,818,000	1,829,224	11,224	1,756,977
Vacancy factor	300,000	-	-	-	-
Real property tax services - Computer	43,000	43,000	43,684	684	43,649
Commissioner of Finance fees	3,000	-	13,663	13,663	2,405
County share - Examination fees	25,000	25,000	20,309	(4,691)	14,974
Department fees - Other	115,200	116,125	127,380	11,255	70,169
Charges for tax advertising	76,000	76,000	78,200	2,200	75,100
Central services chargebacks	512,722	513,722	435,122	(78,600)	433,170
Mortgage tax fees	352,019	352,019	352,019	-	352,019
	3,878,841	3,813,167	3,768,685	(44,482)	3,599,631

Public safety					
Sheriff fees	65,000	99,500	116,369	16,869	70,071
Prisoner board	550,600	659,010	659,010	-	553,820
Restitution surcharge	35,000	35,000	24,157	(10,843)	28,745
SRO/SPO program	1,159,692	1,273,259	1,202,778	(70,481)	1,037,872
Deputy outside services	80,000	180,642	130,980	(49,662)	143,206
Court protection	17,000	17,000	22,313	5,313	18,045
Child Advocacy Center Grant	25,247	25,247	25,247	-	25,247
Stop DWI contributions	282,375	282,375	225,795	(56,580)	255,559
Other	189,575	204,575	213,214	8,639	185,408
	<u>2,404,489</u>	<u>2,776,608</u>	<u>2,619,863</u>	<u>(156,745)</u>	<u>2,317,973</u>
Health					
Public health fees	287,850	287,850	275,151	(12,699)	281,962
Early Learning fees for service	90,200	90,200	71,510	(18,690)	64,914
Mental health fees	85,899	85,899	59,099	(26,800)	67,649
Home nursing charges	5,000	5,000	1,570	(3,430)	4,135
Local conservation grant	180,000	180,000	181,733	1,733	181,105
New York City Department of Environmental Protection	186,000	186,000	182,848	(3,152)	183,690
Health - Other	25,720	26,270	25,640	(630)	24,861
	<u>860,669</u>	<u>861,219</u>	<u>797,551</u>	<u>(63,668)</u>	<u>808,316</u>
Economic Opportunity and Development					
Medical assistance	300,000	300,000	401,164	101,164	158,226
Aid to dependent children	-	-	4,876	4,876	11,763
Child support	44,520	44,520	46,926	2,406	96,523
Child care	10,000	10,000	64,699	54,699	56,143
Home relief	75,000	75,000	131,891	56,891	108,502
Home Energy Assistance Program	10,011	10,011	36,711	26,700	25,779
Contribution from schools	847,104	847,104	881,782	34,678	701,436
Temporary Assistance for Needy Families	100,000	100,000	55,369	(44,631)	95,624
Juvenile Delinquent Repayments	-	-	4,902	4,902	4,852
Inspection fees	25,000	25,000	22,890	(2,110)	25,770
Outreach	45,000	45,000	45,000	-	45,000
Nutrition	130,050	130,050	121,133	(8,917)	135,371
	<u>1,586,685</u>	<u>1,586,685</u>	<u>1,817,343</u>	<u>230,658</u>	<u>1,464,989</u>
Culture and Recreation					
Parks and recreation	798,201	929,258	926,506	(2,752)	709,900
Tree program	17,000	17,000	20,293	3,293	17,249
Putnam National	2,518,150	2,322,214	2,322,214	-	2,239,574
	<u>3,333,351</u>	<u>3,268,472</u>	<u>3,269,013</u>	<u>541</u>	<u>2,966,723</u>

(Continued)

County of Putnam, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
Home and Community Services					
Waste haulers permit fees	\$ 25,000	\$ 25,000	\$ 24,800	\$ (200)	\$ 24,501
Recycling	-	-	-	-	28
Other	100	75,100	26,394	(48,706)	850
	25,100	100,100	51,194	(48,906)	25,379
Total Departmental Income	12,089,135	12,406,251	12,323,649	(82,602)	11,183,011
USE OF MONEY AND PROPERTY					
Earnings on investments	227,500	679,500	683,750	4,250	429,383
Rental income - Co-op extension	261,394	261,394	262,609	1,215	297,189
Commissions	-	-	-	-	388
Total Use of Money and Property	488,894	940,894	946,359	5,465	726,960
LICENSES AND PERMITS					
Business and occupational licenses	792,150	792,150	879,168	87,018	924,395
FINES AND FORFEITURES					
Fines and forfeited bail	25,000	16,876	130,785	113,909	47,514
Fines and penalties - other	5,000	5,000	15,700	10,700	14,850
Stop DWI fines	150,000	150,000	165,838	15,838	156,333
Total Fines and Forfeitures	180,000	171,876	312,323	140,447	218,697
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Minor sales	34,300	71,044	99,329	28,285	44,176
Insurance recoveries	-	19,890	19,890	-	67,415
Total Sale of Property and Compensation for Loss	34,300	90,934	119,219	28,285	111,591

STATE AID

General

Records management	-	76,035	2,916	(73,119)	95,972
Court facilities	290,000	220,000	220,000	-	295,000
District attorney salary	111,868	77,934	77,934	-	77,934
Criminal justice grant	33,934	33,934	33,934	-	33,934
Miscellaneous	-	177,705	122,760	(54,945)	-
Indigent Legal Services	349,050	491,337	455,013	(36,324)	349,490
	<u>784,852</u>	<u>1,076,945</u>	<u>912,557</u>	<u>(164,388)</u>	<u>852,330</u>

Education

Education and transportation of handicapped children	<u>4,038,000</u>	<u>4,501,150</u>	<u>4,525,558</u>	<u>24,408</u>	<u>4,220,554</u>
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Public safety

Probation services	206,462	206,462	206,462	-	206,462
Raise the age	10,000	10,000	-	(10,000)	-
Alternatives to incarceration	12,811	12,811	14,721	1,910	11,794
Grants	222,636	230,536	205,303	(25,233)	230,659
Civil defense	294,000	294,000	294,000	-	294,000
	<u>745,909</u>	<u>753,809</u>	<u>720,486</u>	<u>(33,323)</u>	<u>742,915</u>

Health

Public health	1,478,154	1,485,154	1,474,448	(10,706)	1,487,121
Early intervention	557,000	557,000	432,190	(124,810)	469,257
Mental Health OASIS	237,627	353,956	215,207	(138,749)	296,413
Mental health administration	198,567	156,276	135,050	(21,226)	164,185
Mental health Local Governmental Unit SPOA	126,884	126,884	126,884	-	127,843
Environmental conservation	27,431	27,431	28,219	788	44,132
Mental Health - PARC	190,562	190,562	-	(190,562)	190,562
Rabies	28,128	28,128	24,410	(3,718)	27,041
Women, Infants, Children	13,396	13,689	32,795	19,106	47,798
Communicable diseases	38,195	38,195	35,000	(3,195)	35,001
Mental health services	1,157,024	1,214,784	766,448	(448,336)	917,113
Mental health - Local Governmental Unit	120,074	120,074	117,786	(2,288)	120,074
Mental health - Commissioner's performance	1,238,471	1,281,423	1,174,906	(106,517)	1,160,630
Mental Health - CSS Int case management	494,188	504,888	442,312	(62,576)	478,195
Drinking supply	247,430	247,430	233,242	(14,188)	218,315
Other	-	-	-	-	55,500
	<u>6,153,131</u>	<u>6,345,874</u>	<u>5,238,897</u>	<u>(1,106,977)</u>	<u>5,839,180</u>

Transportation

Transportation grants	<u>10,400</u>	<u>10,400</u>	<u>9,293</u>	<u>(1,107)</u>	<u>9,927</u>
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(Continued)

County of Putnam, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
Economic Opportunity and Development					
Social Services administration	\$ 3,318,142	\$ 3,548,205	\$ 2,876,497	\$ (671,708)	\$ 2,585,496
Child care	1,036,858	1,036,858	1,034,443	(2,415)	999,171
Child advocacy center	149,022	174,055	168,291	(5,764)	213,577
Day care	61,172	61,172	542,860	481,688	52,440
Juvenile delinquents	174,085	258,864	56,327	(202,537)	94,339
Emergency aid for adults	6,000	6,000	1,975	(4,025)	(2,270)
Petro Octane testing	2,500	2,500	3,250	750	3,397
Veterans' service agency	8,529	289,789	194,763	(95,026)	152,646
Caregiver's grants	19,611	19,611	20,438	827	17,586
Office for Senior resources	418,272	418,272	444,808	26,536	368,506
TANF	410,471	410,471	170,677	(239,794)	337,440
RSVP grant	6,014	6,014	6,014	-	6,575
Unmet needs - OSR	-	290,299	11,248	(279,051)	-
Safety Net	209,250	209,250	106,925	(102,325)	120,235
I Love New York - Tourism	-	68,192	-	(68,192)	-
Refund prior year's expenditures	-	-	(53,382)	(53,382)	(11,727)
Medical assistance	(140,000)	(140,000)	(188,348)	(48,348)	(80,149)
Long term care	-	-	-	-	11,171
Expanded services	255,323	255,323	210,254	(45,069)	232,030
Services to the elderly	81,205	81,205	83,607	2,402	80,228
Services for recipients	500,389	500,389	619,027	118,638	640,198
	<u>6,516,843</u>	<u>7,496,469</u>	<u>6,309,674</u>	<u>(1,186,795)</u>	<u>5,820,889</u>
Culture and Recreation					
Programs for the aging	144,612	144,612	160,566	15,954	128,658
Youth programs	119,165	131,921	131,925	4	126,676
	<u>263,777</u>	<u>276,533</u>	<u>292,491</u>	<u>15,958</u>	<u>255,334</u>
Home and Community Services					
Soil and water	66,000	66,000	60,000	(6,000)	66,000
County planning	52,162	52,162	10,000	(42,162)	10,000
Waste water DEP grant	61,770	61,770	60,000	(1,770)	55,000
Environmental conservation	80,000	80,000	-	(80,000)	87,882
	<u>259,932</u>	<u>259,932</u>	<u>130,000</u>	<u>(129,932)</u>	<u>218,882</u>
Total State Aid	<u>18,772,844</u>	<u>20,721,112</u>	<u>18,138,956</u>	<u>(2,582,156)</u>	<u>17,960,011</u>

FEDERAL AID

General

Criminal justice grant	-	-	-	-	37,979
Miscellaneous	-	-	-	-	17,577

	-	-	-	-	55,556
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Education

Medicaid 3-5	120,000	120,000	113,136	(6,864)	197,849
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Public Safety

Homeland security grant	-	461,376	253,741	(207,635)	296,698
Public safety other	65,371	89,814	103,453	13,639	102,278
Grants	3,500	248,030	60,981	(187,049)	17,811

	68,871	799,220	418,175	(381,045)	416,787
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Health

Bio Terrorism grant	149,423	149,423	142,971	(6,452)	139,661
Council on Alcohol	409,343	409,343	140,832	(268,511)	312,004
Early intervention	92,000	92,000	115,713	23,713	142,558
Women, Infants, Children	405,216	407,448	281,465	(125,983)	389,941
Wellness grant	3,021	3,021	3,389	368	3,451
Early intervention	63,580	63,580	65,959	2,379	62,839
Mental Health - Local Governmental Unit	-	-	26,001	26,001	34,210

	1,122,583	1,124,815	776,330	(348,485)	1,084,664
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Transportation

Transportation grants	121,600	263,054	193,036	(70,018)	119,706
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Economic Opportunity and Development

Social Services administration	2,791,946	2,791,946	2,514,447	(277,499)	2,455,219
Food stamp program administration	782,105	807,105	700,774	(106,331)	863,785
Services for recipients	48,175	48,175	45,660	(2,515)	88,225
Child care	116,418	116,418	108,413	(8,005)	75,345
Safety net	-	-	16,756	16,756	-
Day care	732,528	732,528	-	(732,528)	701,031
Nutrition	178,317	178,317	183,427	5,110	178,701
Fuel crisis - Home Energy Assistance Program	-	81,314	55,583	(25,731)	51,463
Community service elderly	32,677	32,677	33,121	444	32,677
Workforce Investment Act	137,187	137,187	192,099	54,912	203,399
Incentive program	1,311,938	1,311,938	1,313,740	1,802	1,309,324
Temporary Assistance for Needy Families	798,570	929,748	657,506	(272,242)	605,358
Caregiver grant	406,104	406,104	207,396	(198,708)	110,762

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County of Putnam, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)

Year Ended December 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
Economic Opportunity and Development (Continued)					
OSR - MIPPA	\$ 10,035	\$ 10,035	\$ 15,562	\$ 5,527	\$ 13,347
Medical assistance	(140,000)	(140,000)	(187,283)	(47,283)	(79,654)
Crime victims	135,459	187,973	183,366	(4,607)	150,696
Supplemental Nutrition Assistance Program	31,148	31,148	31,143	(5)	32,668
Retired Senior Volunteer Program	41,015	41,515	47,189	5,674	44,515
	<u>7,413,622</u>	<u>7,704,128</u>	<u>6,118,899</u>	<u>(1,585,229)</u>	<u>6,836,861</u>
Home and Community Services					
Planning	120,800	120,800	155,272	34,472	163,025
	<u>8,967,476</u>	<u>10,132,017</u>	<u>7,774,848</u>	<u>(2,357,169)</u>	<u>8,874,448</u>
MISCELLANEOUS					
Refund of prior year's expenditures	-	441,468	538,924	97,456	448,751
Gift and donations	101,927	74,648	39,887	(34,761)	128,554
Other	40,071	91,189	161,920	70,731	81,932
OTB distributed earnings	63,000	(358)	(3,934)	(3,576)	24,916
Retiree health contribution	791,361	666,961	666,951	(10)	676,622
Proceeds of seized property	49,000	72,629	104,680	32,051	139,974
	<u>1,045,359</u>	<u>1,346,537</u>	<u>1,508,428</u>	<u>161,891</u>	<u>1,500,749</u>
TOTAL REVENUES	<u>139,132,337</u>	<u>149,101,546</u>	<u>142,853,876</u>	<u>(6,247,670)</u>	<u>138,120,976</u>
OTHER FINANCING SOURCES					
Transfers in					
County Road Fund	-	196,346	196,346	-	10,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 139,132,337</u>	<u>\$ 149,297,892</u>	<u>\$ 143,050,222</u>	<u>\$ (6,247,670)</u>	<u>\$ 138,130,976</u>

See independent auditors' report.

County of Putnam, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
GENERAL GOVERNMENT SUPPORT					
County Legislature	\$ 1,112,521	\$ 1,137,285	\$ 1,093,366	\$ 43,919	\$ 1,062,808
County share of judicial expenditures	321,485	321,485	270,958	50,527	275,131
District Attorney	2,407,984	2,454,697	2,240,794	213,903	2,178,610
Legal Aid Society	965,609	1,107,896	1,107,896	-	1,012,891
Audit	524,300	524,300	494,287	30,013	487,326
Court appointed legal defense of indigents	425,000	425,000	424,084	916	494,986
Justice of the Peace and Constables	4,000	4,000	3,190	810	3,290
Coroners	372,576	377,437	318,100	59,337	323,097
County Executive	620,495	629,036	585,633	43,403	612,008
Department of Finance	1,954,187	2,354,344	2,294,692	59,652	1,879,730
Division of Purchasing - Central services	361,374	361,374	355,451	5,923	287,851
Real property tax services	298,502	385,858	352,929	32,929	275,767
Tax advertising and expense	76,000	76,400	76,388	12	77,109
Expenditures on property acquired for taxes	210,000	466,036	466,036	-	350,837
County Clerk as Registrar	1,615,070	1,615,070	1,424,599	190,471	1,516,049
County Clerk as Motor Vehicles Commissioner	1,352,697	1,372,445	1,347,816	24,629	1,305,511
Department of Law	1,498,699	1,502,192	1,440,180	62,012	1,361,856
Personnel Department	1,142,603	1,151,273	1,049,558	101,715	1,065,829
Board of Elections	1,665,060	1,782,766	1,597,679	185,087	1,588,107
Records Management	328,585	406,777	327,315	79,462	419,112
Department of Highway and Facilities	4,946,429	4,927,768	4,358,426	569,342	4,432,433
Central services administration	258,011	255,511	167,416	88,095	199,447
Insurance	734,650	735,575	721,158	14,417	704,402
Dues	32,248	32,248	31,050	1,198	30,732
Taxes on County property	180,000	171,200	162,427	8,773	145,850
Judgments and claims	250,000	710,000	577,757	132,243	142,006
Metropolitan Commuter Transportation Mobility Tax	185,393	185,393	164,627	20,766	162,503
Information Technology and GIS	1,620,223	1,672,323	1,379,649	292,674	1,432,859
Office for Disabled	45,742	45,742	36,066	9,676	35,044
Contingency fund	2,772,058	1,628,914	-	1,628,914	-
Total General Government Support	28,281,501	28,820,345	24,869,527	3,950,818	23,863,181

EDUCATION

Community college tuition	3,150,000	3,150,000	2,947,327	202,673	2,829,682
Education of handicapped children	7,908,425	8,973,745	8,846,179	127,566	8,200,943
Total Education	11,058,425	12,123,745	11,793,506	330,239	11,030,625

PUBLIC SAFETY

Bureau of Emergency Services	4,502,055	5,029,012	4,365,536	663,476	4,343,223
Sheriff	19,222,322	19,769,445	19,734,233	35,212	19,114,149
Probation Department	2,394,379	2,403,109	2,225,593	177,516	2,391,691
Jail	10,809,353	11,020,421	10,680,723	339,698	10,288,599
Stop DWI	174,549	182,649	179,682	2,967	169,642
Homeland Security Grant	32,721	224,959	97,799	127,160	61,341
Total Public Safety	37,135,379	38,629,595	37,283,566	1,346,029	36,368,645

HEALTH

Public health	5,267,930	5,360,058	5,034,595	325,463	5,054,196
Early Intervention Program	1,978,278	1,911,695	1,886,298	25,397	1,842,224
Communicable disease treatment	20,000	20,000	12,492	7,508	17,448
Substance abuse	339,482	339,482	286,241	53,241	296,953
Alcoholism	264,565	264,565	227,166	37,399	242,692
WIC	506,402	508,927	317,868	191,059	539,861
Mental health administration	632,613	632,313	389,774	242,539	624,020
Mental health - Clinic	692,755	661,164	517,196	143,968	647,707
Mental health - Eliot House	1,157,024	1,214,784	629,610	585,174	917,113
Family Support Services	566,246	578,966	542,895	36,071	533,927
Mental health - PARC	253,062	253,062	-	253,062	253,062
Mental health - Reinvestment	689,179	719,411	691,023	28,388	678,631
Mental health - County Contribution	443,480	443,480	443,480	-	417,366
Mental health - LGU Services	515,741	632,070	467,328	164,742	528,293
Mental health - LGU SPOA	230,541	238,561	235,185	3,376	232,202
Litter program	101,000	80,000	76,524	3,476	52,438
Total Health	13,658,298	13,858,538	11,757,675	2,100,863	12,878,133

TRANSPORTATION

Metropolitan Transportation Authority subsidy	380,276	380,276	380,276	-	380,276
Metropolitan Transportation Authority station maintenance	1,001,200	992,800	992,795	5	980,595
Total Transportation	1,381,476	1,373,076	1,373,071	5	1,360,871

(Continued)

County of Putnam, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Social services administration	\$ 9,565,145	\$ 9,892,846	\$ 8,717,953	\$ 1,174,893	\$ 8,894,836
Purchase of services	1,490,000	1,476,699	1,008,039	468,660	1,153,606
Medical assistance	20,000	33,301	25,690	7,611	860
Medical assistance - MMIS	9,585,757	9,585,757	9,262,708	323,049	9,487,936
Aid to dependent children	2,330,000	2,288,812	1,396,198	892,614	1,585,649
Child care	3,612,265	3,551,583	3,499,934	51,649	3,186,769
Juvenile delinquents	316,024	400,803	93,069	307,734	96,944
Safety net	850,000	850,000	475,436	374,564	537,291
State fuel assistance	-	81,314	74,912	6,402	67,254
Emergency aid for adults	25,000	25,000	6,055	18,945	7,968
Grants	90,378	317,434	285,615	31,819	179,991
Child advocacy center	152,598	177,138	168,718	8,420	171,164
Day care	885,000	885,000	608,220	276,780	779,880
Putnam Industrial Development Agency	50,000	50,000	-	50,000	30,000
Putnam workforce partnership	198,619	198,619	194,920	3,699	208,893
Putnam tourism promotional agency	405,192	452,473	375,164	77,309	392,983
SNAP program	710,542	695,457	510,399	185,058	584,136
Veterans' Service Agency	204,428	499,639	387,669	111,970	316,803
Veterans' Home	50,270	49,870	32,725	17,145	31,915
Consumer affairs and weights and measures	504,635	516,510	505,061	11,449	470,129
Office for Senior Resources - Title III	1,639,111	1,713,689	1,573,572	140,117	1,590,691
Office for Senior Resources - RSVP	518,693	526,154	500,300	25,854	445,023
Nutrition for the elderly	2,385,200	2,661,613	1,796,345	865,268	1,781,374
In-Home Service Program	346,840	347,805	277,485	70,320	326,174
Workforce Partnership	700	700	565	135	570
Community services for the elderly	996,312	994,159	929,960	64,199	906,007
Victim of crimes	137,206	191,571	178,694	12,877	195,359
Child fatality review	9,146	11,704	7,657	4,047	50,764
Community Action Program Cap	12,000	12,000	12,000	-	12,000
Total Economic Opportunity and Development	37,091,061	38,487,650	32,905,063	5,582,587	33,492,969

CULTURE AND RECREATION

Parks and recreation administration	3,237,462	3,607,256	3,477,478	129,778	3,124,877
Youth Bureau	662,171	676,626	637,130	39,496	631,819
Library board	435,707	435,707	435,707	-	435,707
County Historian	161,101	123,329	75,147	48,182	146,582
Arts Council	62,000	62,000	62,000	-	61,000
County Museum	53,040	53,040	53,040	-	53,040
Southeast Museum	32,640	32,640	32,640	-	32,640
Recreation for the elderly	144,627	149,627	121,234	28,393	112,444
Department of Highway Parks and Recreation	1,388,647	1,576,769	1,435,311	141,458	1,318,625
Total Culture and Recreation	6,177,395	6,716,994	6,329,687	387,307	5,916,734

HOME AND COMMUNITY SERVICES

Planning	1,082,256	1,223,710	882,819	340,891	818,683
Soil and water	165,770	165,770	160,955	4,815	160,246
Recycling	44,929	64,929	57,080	7,849	97,732
Humane Society	143,738	143,738	143,738	-	143,738
Fish and game	22,347	22,347	11,652	10,695	7,900
Extension	330,185	330,185	330,185	-	325,185
SPCA	50,000	50,000	50,000	-	40,000
Total Home and Community Services	1,839,225	2,000,679	1,636,429	364,250	1,593,484

**EMPLOYEE BENEFITS -
UNDISTRIBUTED**

Unemployment benefits	30,000	30,000	20,190	9,810	17,177
Disability, accident and health insurance	5,438,639	5,438,639	5,158,522	280,117	5,035,962
Total Employee Benefits - Undistributed	5,468,639	5,468,639	5,178,712	289,927	5,053,139

TOTAL EXPENDITURES

142,091,399	147,479,261	133,127,236	14,352,025	131,557,781
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OTHER FINANCING USES

Transfers out					
Capital Projects Fund	360,000	2,817,475	2,817,475	-	2,690,179
County Road Fund	-	-	-	-	87,157
Road Machinery Fund	-	-	-	-	40,000
Transportation Fund	-	-	-	-	10,765

TOTAL OTHER FINANCING USES

360,000	2,817,475	2,817,475	-	2,828,101
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**TOTAL EXPENDITURES AND OTHER
FINANCING USES**

\$ 142,451,399	\$ 150,296,736	\$ 135,944,711	\$ 14,352,025	\$ 134,385,882
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See independent auditors' report.

County of Putnam, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 4,559,764	\$ 5,849,314
State and Federal aid receivable	5,596,024	2,944,750
Due from other funds	<u>1,429,278</u>	<u>845,820</u>
Total Assets	<u>\$ 11,585,066</u>	<u>\$ 9,639,884</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,359,706	\$ 788,252
Unearned revenues	<u>2,836,892</u>	<u>2,826,283</u>
Total Liabilities	<u>4,196,598</u>	<u>3,614,535</u>
Fund balance		
Restricted	<u>7,388,468</u>	<u>6,025,349</u>
Total Liabilities and Fund Balance	<u>\$ 11,585,066</u>	<u>\$ 9,639,884</u>

See independent auditors' report.

County of Putnam, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
REVENUES		
State aid	\$ 3,585,234	\$ 3,016,017
Federal aid	3,449,482	1,940,101
Miscellaneous	<u>49,320</u>	<u>101,363</u>
Total Revenues	7,084,036	5,057,481
EXPENDITURES		
Capital outlay	<u>8,407,212</u>	<u>8,732,562</u>
Deficiency of Revenues Over Expenditures	<u>(1,323,176)</u>	<u>(3,675,081)</u>
OTHER FINANCING SOURCES		
Bonds issued	-	2,033,125
Transfers in	2,817,475	2,938,600
Transfers out	<u>(131,180)</u>	<u>(24,179)</u>
Total Other Financing Sources	<u>2,686,295</u>	<u>4,947,546</u>
Net Change in Fund Balance	1,363,119	1,272,465
FUND BALANCE		
Beginning of Year	<u>6,025,349</u>	<u>4,752,884</u>
End of Year	<u>\$ 7,388,468</u>	<u>\$ 6,025,349</u>

See independent auditors' report.

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

- **County Road Fund** - The County Road Fund is established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.
- **Road Machinery Fund** - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.
- **Transportation Fund** - The Transportation Fund is used to account for the activities of a County-wide bus system funded under the auspices of the Urban Mass Transportation Administration and the New York State Department of Transportation.
- **Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the County in accordance with the terms of a trust agreement.

DEBT SERVICE FUND

- The Debt Service Fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on long-term debt.

County of Putnam, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 Year Ended December 31, 2019
 (With Comparative Totals for 2018)

	County Road	Road Machinery	Transportation	Special Purpose
ASSETS				
Cash and equivalents	\$ 300	\$ -	\$ -	\$ 560,171
Receivables				
Accounts	10,926	798	-	-
State and Federal aid	387,443	-	445,252	-
Due from other funds	804,827	437,640	1,168,126	-
	<u>1,203,196</u>	<u>438,438</u>	<u>1,613,378</u>	<u>-</u>
Prepaid expenditures	72,878	20,418	487	-
Total Assets	<u>\$ 1,276,374</u>	<u>\$ 458,856</u>	<u>\$ 1,613,865</u>	<u>\$ 560,171</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 66,269	\$ 71,791	\$ 189,643	\$ -
Accrued liabilities	287,786	67,512	-	-
Unearned revenues	-	-	-	-
Total Liabilities	354,055	139,303	189,643	-
Deferred inflows of resources				
Unavailable revenues	-	-	94,000	-
Total Liabilities and Deferred Inflows of Resources	<u>354,055</u>	<u>139,303</u>	<u>283,643</u>	<u>-</u>
Fund balances				
Nonspendable	72,878	20,418	487	-
Restricted	-	-	-	560,171
Assigned	849,441	299,135	1,329,735	-
Total Fund Balances	<u>922,319</u>	<u>319,553</u>	<u>1,330,222</u>	<u>560,171</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 1,276,374</u>	<u>\$ 458,856</u>	<u>\$ 1,613,865</u>	<u>\$ 560,171</u>

See independent auditors' report.

Debt Service	Total Non-Major Governmental Funds	
	2019	2018
\$ -	\$ 560,471	\$ 589,984
-	11,724	11,015
-	832,695	716,067
325,566	2,736,159	2,848,656
325,566	3,580,578	3,575,738
-	93,783	95,281
\$ 325,566	\$ 4,234,832	\$ 4,261,003
\$ -	\$ 327,703	\$ 512,212
-	355,298	306,220
-	-	264,512
-	683,001	1,082,944
-	94,000	-
-	777,001	1,082,944
-	93,783	95,281
325,566	885,737	832,151
-	2,478,311	2,250,627
325,566	3,457,831	3,178,059
\$ 325,566	\$ 4,234,832	\$ 4,261,003

County of Putnam, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2019
(With Comparative Totals for 2018)

	County Road	Road Machinery	Transportation	Special Purpose
REVENUES				
Real property taxes	\$ 4,320,784	\$ 1,567,253	\$ 1,038,318	\$ -
Departmental income	-	-	232,238	4,356
Intergovernmental charges	1,230,723	-	-	-
Use of money and property	-	-	-	-
Interfund revenues	-	456,659	112,877	-
State aid	-	-	1,297,052	-
Federal aid	-	-	203,689	-
Miscellaneous	29,172	7,598	-	-
Total Revenues	<u>5,580,679</u>	<u>2,031,510</u>	<u>2,884,174</u>	<u>4,356</u>
EXPENDITURES				
Current				
Public safety	-	-	-	10
Health	-	-	-	33,859
Transportation	5,618,257	2,036,784	2,418,790	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Refunding bond issuance costs	-	-	-	-
Total Expenditures	<u>5,618,257</u>	<u>2,036,784</u>	<u>2,418,790</u>	<u>33,869</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(37,578)</u>	<u>(5,274)</u>	<u>465,384</u>	<u>(29,513)</u>
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	-	-
Issuance premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(196,346)	-	-	-
Total Other Financing Sources (Uses)	<u>(196,346)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(233,924)	(5,274)	465,384	(29,513)
FUND BALANCES				
Beginning of Year	<u>1,156,243</u>	<u>324,827</u>	<u>864,838</u>	<u>589,684</u>
End of Year	<u>\$ 922,319</u>	<u>\$ 319,553</u>	<u>\$ 1,330,222</u>	<u>\$ 560,171</u>

See independent auditors' report.

Debt Service	Total Non-Major Governmental Funds	
	2019	2018
\$ 6,575,347	\$ 13,501,702	\$ 13,014,164
-	236,594	238,707
-	1,230,723	1,275,182
302,011	302,011	299,895
-	569,536	595,917
-	1,297,052	959,013
-	203,689	381,254
-	36,770	16,112
<u>6,877,358</u>	<u>17,378,077</u>	<u>16,780,244</u>
-	10	-
-	33,859	-
-	10,073,831	10,309,282
4,973,350	4,973,350	4,609,575
1,952,089	1,952,089	2,058,557
63,045	63,045	-
<u>6,988,484</u>	<u>17,096,184</u>	<u>16,977,414</u>
(111,126)	281,893	(197,170)
3,315,000	3,315,000	-
239,641	239,641	25,484
(3,491,596)	(3,491,596)	-
131,180	131,180	199,601
-	(196,346)	(295,921)
<u>194,225</u>	<u>(2,121)</u>	<u>(70,836)</u>
83,099	279,772	(268,006)
<u>242,467</u>	<u>3,178,059</u>	<u>3,446,065</u>
<u>\$ 325,566</u>	<u>\$ 3,457,831</u>	<u>\$ 3,178,059</u>

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County of Putnam, New York

County Road Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 300	\$ 300
Receivables		
Accounts	10,926	9,320
State and Federal aid	387,443	257,433
Due from other funds	<u>804,827</u>	<u>1,370,748</u>
	<u>1,203,196</u>	<u>1,637,501</u>
Prepaid expenditures	<u>72,878</u>	<u>73,945</u>
Total Assets	<u>\$ 1,276,374</u>	<u>\$ 1,711,746</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 66,269	\$ 47,575
Accrued liabilities	287,786	243,416
Unearned revenues	<u>-</u>	<u>264,512</u>
Total Liabilities	<u>354,055</u>	<u>555,503</u>
Fund balance		
Nonspendable	72,878	73,945
Assigned	<u>849,441</u>	<u>1,082,298</u>
Total Fund Balance	<u>922,319</u>	<u>1,156,243</u>
Total Liabilities and Fund Balance	<u>\$ 1,276,374</u>	<u>\$ 1,711,746</u>

See independent auditors' report.

County of Putnam, New York

County Road Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 4,320,784	\$ 4,320,784	\$ 4,320,784	\$ -
Intergovernmental charges	790,000	1,108,204	1,230,723	122,519
Miscellaneous	17,850	29,155	29,172	17
Total Revenues	5,128,634	5,458,143	5,580,679	122,536
EXPENDITURES				
Current				
Transportation	5,512,519	6,118,517	5,618,257	500,260
Deficiency of Revenues Over Expenditures	(383,885)	(660,374)	(37,578)	622,796
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(196,346)	(196,346)	-
Total Other Financing Uses	-	(196,346)	(196,346)	-
Net Change in Fund Balance	(383,885)	(856,720)	(233,924)	622,796
FUND BALANCE				
Beginning of Year	383,885	856,720	1,156,243	299,523
End of Year	\$ -	\$ -	\$ 922,319	\$ 922,319

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,263,327	\$ 4,263,327	\$ 4,263,327	\$ -
780,000	1,271,904	1,275,182	3,278
18,450	18,450	15,767	(2,683)
5,061,777	5,553,681	5,554,276	595
5,737,519	6,374,424	5,770,460	603,964
(675,742)	(820,743)	(216,184)	604,559
-	87,157	87,157	-
-	(295,921)	(295,921)	-
-	(208,764)	(208,764)	-
(675,742)	(1,029,507)	(424,948)	604,559
675,742	1,029,507	1,581,191	551,684
\$ -	\$ -	\$ 1,156,243	\$ 1,156,243

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County of Putnam, New York

Road Machinery Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Receivables		
Accounts	\$ 798	\$ 1,695
Due from other funds	<u>437,640</u>	<u>453,015</u>
	438,438	454,710
Prepaid expenditures	<u>20,418</u>	<u>21,005</u>
Total Assets	<u><u>\$ 458,856</u></u>	<u><u>\$ 475,715</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 71,791	\$ 89,101
Accrued liabilities	<u>67,512</u>	<u>61,787</u>
Total Liabilities	<u>139,303</u>	<u>150,888</u>
Fund balance		
Nonspendable	20,418	21,005
Assigned	<u>299,135</u>	<u>303,822</u>
Total Fund Balance	<u>319,553</u>	<u>324,827</u>
Total Liabilities and Fund Balance	<u><u>\$ 458,856</u></u>	<u><u>\$ 475,715</u></u>

See independent auditors' report.

County of Putnam, New York

Road Machinery Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 1,567,253	\$ 1,567,253	\$ 1,567,253	\$ -
Interfund revenues	461,900	461,900	456,659	(5,241)
Miscellaneous	-	6,130	7,598	1,468
Total Revenues	2,029,153	2,035,283	2,031,510	(3,773)
EXPENDITURES				
Current				
Transportation	2,176,845	2,182,975	2,036,784	146,191
Deficiency of Revenues Over Expenditures	(147,692)	(147,692)	(5,274)	142,418
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Net Change in Fund Balance	(147,692)	(147,692)	(5,274)	142,418
FUND BALANCE				
Beginning of Year	147,692	147,692	324,827	177,135
End of Year	\$ -	\$ -	\$ 319,553	\$ 319,553

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,497,652	\$ 1,497,652	\$ 1,497,652	\$ -
455,250	455,250	487,306	32,056
-	-	345	345
1,952,902	1,952,902	1,985,303	32,401
2,103,452	2,180,952	2,065,525	115,427
(150,550)	(228,050)	(80,222)	147,828
-	77,500	77,500	-
(150,550)	(150,550)	(2,722)	147,828
150,550	150,550	327,549	176,999
\$ -	\$ -	\$ 324,827	\$ 324,827

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County of Putnam, New York

Transportation Fund
 Comparative Balance Sheet
 December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Receivables		
State and Federal aid	\$ 445,252	\$ 458,634
Due from other funds	<u>1,168,126</u>	<u>782,426</u>
	1,613,378	1,241,060
Prepaid expenditures	<u>487</u>	<u>331</u>
Total Assets	<u><u>\$ 1,613,865</u></u>	<u><u>\$ 1,241,391</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 189,643	\$ 375,536
Accrued liabilities	<u>-</u>	<u>1,017</u>
Total Liabilities	189,643	376,553
Deferred inflows of resources		
Unavailable revenues	<u>94,000</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>283,643</u>	<u>376,553</u>
Fund balance		
Nonspendable	487	331
Assigned	<u>1,329,735</u>	<u>864,507</u>
Total Fund Balance	<u>1,330,222</u>	<u>864,838</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u><u>\$ 1,613,865</u></u>	<u><u>\$ 1,241,391</u></u>

See independent auditors' report.

County of Putnam, New York

Transportation Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 1,038,318	\$ 1,038,318	\$ 1,038,318	\$ -
Departmental income	257,500	228,707	232,238	3,531
Interfund revenues	103,300	103,300	112,877	9,577
State aid	1,269,000	1,269,000	1,297,052	28,052
Federal aid	94,000	94,000	203,689	109,689
Total Revenues	2,762,118	2,733,325	2,884,174	150,849
EXPENDITURES				
Current				
Transportation	2,972,118	2,973,843	2,418,790	555,053
Excess (Deficiency) of Revenues Over Expenditures	(210,000)	(240,518)	465,384	705,902
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Net Change in Fund Balance	(210,000)	(240,518)	465,384	705,902
FUND BALANCE				
Beginning of Year	210,000	240,518	864,838	624,320
End of Year	\$ -	\$ -	\$ 1,330,222	\$ 1,330,222

See independent auditors' report.

2018

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 973,131	\$ 973,131	\$ 973,131	\$ -
330,000	330,000	234,668	(95,332)
103,300	103,300	108,611	5,311
1,257,000	1,257,000	959,013	(297,987)
25,000	25,000	381,254	356,254
2,688,431	2,688,431	2,656,677	(31,754)
2,897,431	2,909,787	2,473,297	436,490
(209,000)	(221,356)	183,380	404,736
-	10,765	10,765	-
(209,000)	(210,591)	194,145	404,736
209,000	210,591	670,693	460,102
\$ -	\$ -	\$ 864,838	\$ 864,838

County of Putnam, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 560,171</u>	<u>\$ 589,684</u>
FUND BALANCE		
Restricted	<u>\$ 560,171</u>	<u>\$ 589,684</u>

See independent auditors' report.

County of Putnam, New York

Special Purpose Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
REVENUES		
Departmental income	<u>\$ 4,356</u>	<u>\$ 4,039</u>
EXPENDITURES		
Current		
Public Safety	10	-
Health	<u>33,859</u>	<u>-</u>
Total Expenditures	<u>33,869</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(29,513)	4,039
FUND BALANCE		
Beginning of Year	<u>589,684</u>	<u>585,645</u>
End of Year	<u><u>\$ 560,171</u></u>	<u><u>\$ 589,684</u></u>

See independent auditors' report.

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County of Putnam, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Due from other funds	<u>\$ 325,566</u>	<u>\$ 242,467</u>
FUND BALANCE		
Restricted	<u>\$ 325,566</u>	<u>\$ 242,467</u>

See independent auditors' report.

County of Putnam, New York

Debt Service Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 6,575,347	\$ 6,575,347	\$ 6,575,347	\$ -
Use of money and property	275,442	285,442	302,011	16,569
Total Revenues	6,850,789	6,860,789	6,877,358	16,569
EXPENDITURES				
Debt service				
Serial bonds				
Principal	4,973,350	4,973,350	4,973,350	-
Interest	1,961,439	1,961,439	1,952,089	9,350
Refunding bond issuance costs	-	63,045	63,045	-
Total Expenditures	6,934,789	6,997,834	6,988,484	9,350
Deficiency of Revenues Over Expenditures	(84,000)	(137,045)	(111,126)	25,919
OTHER FINANCING SOURCES				
Refunding bonds issued	-	3,315,000	3,315,000	-
Issuance premium	-	239,641	239,641	-
Payment to refunded bond escrow agent	-	(3,491,596)	(3,491,596)	-
Transfers in	-	131,180	131,180	-
Total Other Financing Sources	-	194,225	194,225	-
Net Change in Fund Balance	(84,000)	57,180	83,099	25,919
FUND BALANCE				
Beginning of Year	84,000	(57,180)	242,467	299,647
End of Year	\$ -	\$ -	\$ 325,566	\$ 325,566

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,280,054	\$ 6,280,054	\$ 6,280,054	\$ -
275,081	295,081	299,895	4,814
<u>6,555,135</u>	<u>6,575,135</u>	<u>6,579,949</u>	<u>4,814</u>
4,609,575	4,609,575	4,609,575	-
2,058,560	2,058,560	2,058,557	3
-	-	-	-
<u>6,668,135</u>	<u>6,668,135</u>	<u>6,668,132</u>	<u>3</u>
(113,000)	(93,000)	(88,183)	4,817
-	-	-	-
-	25,484	25,484	-
-	-	-	-
<u>-</u>	<u>24,179</u>	<u>24,179</u>	<u>-</u>
-	49,663	49,663	-
(113,000)	(43,337)	(38,520)	4,817
<u>113,000</u>	<u>43,337</u>	<u>280,987</u>	<u>237,650</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242,467</u>	<u>\$ 242,467</u>

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ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. The operations of the Putnam Tobacco Asset Securitization Corporation, a blended component unit, are recorded as an enterprise fund.

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County of Putnam, New York

Enterprise Fund -
Putnam Tobacco Asset Securitization Corporation
Comparative Statement of Net Position
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash and equivalents	\$ 111,635	\$ 36,626
Accounts receivable	945,940	1,045,520
Prepaid expenses	<u>6,767</u>	<u>8,586</u>
Total Current Assets	1,064,342	1,090,732
Noncurrent assets		
Restricted cash and equivalents	<u>1,208,319</u>	<u>1,208,986</u>
Total Assets	<u>2,272,661</u>	<u>2,299,718</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding bonds	<u>874,343</u>	<u>965,000</u>
LIABILITIES		
Current liabilities		
Accrued liabilities	69,750	69,775
Current maturities of bonds payable	<u>315,000</u>	<u>295,000</u>
Total Current Liabilities	384,750	364,775
Noncurrent liabilities		
Bonds payable, less current maturities	<u>19,510,120</u>	<u>19,264,794</u>
Total Liabilities	<u>19,894,870</u>	<u>19,629,569</u>
NET POSITION		
Unrestricted	<u>\$ (16,747,866)</u>	<u>\$ (16,364,851)</u>

See independent auditors' report.

County of Putnam, New York

Enterprise Fund -

Putnam Tobacco Asset Securitization Corporation

Comparative Statement of Revenues, Expenses and Changes in Net Position

Years Ended December 31,

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
Tobacco settlement revenues	<u>\$ 836,968</u>	<u>\$ 969,450</u>
OPERATING EXPENSES		
Professional fees	15,640	16,247
Insurance	6,767	8,587
Administrative charges	<u>35,000</u>	<u>35,000</u>
Total Operating Expenses	<u>57,407</u>	<u>59,834</u>
Income from Operations	<u>779,561</u>	<u>909,616</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income	35,532	27,001
Interest expense	<u>(1,198,108)</u>	<u>(1,187,279)</u>
Total Non-Operating Expenses	<u>(1,162,576)</u>	<u>(1,160,278)</u>
Change in Net Position	(383,015)	(250,662)
NET POSITION		
Beginning of Year	<u>(16,364,851)</u>	<u>(16,114,189)</u>
End of Year	<u>\$ (16,747,866)</u>	<u>\$ (16,364,851)</u>

See independent auditors' report.

County of Putnam, New York

Enterprise Fund -
Putnam Tobacco Asset Securitization Corporation
Comparative Statement of Cash Flows
Years Ended December 31,

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from tobacco settlement revenues	\$ 936,548	\$ 988,467
Cash payments to vendors	(55,588)	(59,834)
Net Cash From Operating Activities	<u>880,960</u>	<u>928,633</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>35,532</u>	<u>27,001</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Repayment of bonds	(5,000)	(130,000)
Interest paid	<u>(837,150)</u>	<u>(841,200)</u>
Net Cash From Non-Capital Financing Activities	<u>(842,150)</u>	<u>(971,200)</u>
Net Change in Cash and Equivalents	74,342	(15,566)
CASH AND EQUIVALENTS		
Beginning of Year	<u>1,245,612</u>	<u>1,261,178</u>
End of Year	<u>\$ 1,319,954</u>	<u>\$ 1,245,612</u>
RECONCILIATION OF CASH AND EQUIVALENTS TO THE COMPARATIVE STATEMENT OF NET POSITION		
Cash and Equivalents	\$ 111,635	\$ 36,626
Restricted Cash and Equivalents	<u>1,208,319</u>	<u>1,208,986</u>
	<u>\$ 1,319,954</u>	<u>\$ 1,245,612</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 779,561	\$ 909,616
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	99,580	19,017
Prepaid expenses	1,819	-
Net Cash From Operating Activities	<u>\$ 880,960</u>	<u>\$ 928,633</u>
NONCASH INVESTING ACTIVITIES		
Increase in bonds payable from amortization of original issue discount	\$ 25,561	\$ 25,564
Increase in bonds payable from accreted interest on Series 2005 capital appreciation bonds	244,765	230,508
Decrease in deferred outflows of resources from amortization of loss on refunding bonds	90,657	90,657

See independent auditors' report.

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INTERNAL SERVICE FUNDS

Internal Service Funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The County has established its Workers' Compensation Benefits and Casualty Reserve Benefits funds as internal service funds.

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County of Putnam, New York

Internal Service Funds
 Combining Statement of Net Position
 Year Ended December 31, 2019
 (With Comparative Totals for 2018)

	Workers' Compensation Benefits	Casualty Reserve Benefits	Totals	
			2019	2018
ASSETS				
Cash and equivalents	\$ 3,584,560	\$ 1,449,440	\$ 5,034,000	\$ 4,973,314
Due from other funds	1,265,617	-	1,265,617	1,197,648
Total Assets	<u>4,850,177</u>	<u>1,449,440</u>	<u>6,299,617</u>	<u>6,170,962</u>
LIABILITIES				
Current liabilities				
Current portion of claims payable	420,000	-	420,000	409,000
Noncurrent liabilities				
Claims payable, less current portion	<u>3,779,514</u>	<u>-</u>	<u>3,779,514</u>	<u>3,679,999</u>
Total Liabilities	<u>4,199,514</u>	<u>-</u>	<u>4,199,514</u>	<u>4,088,999</u>
NET POSITION				
Restricted	<u>\$ 650,663</u>	<u>\$ 1,449,440</u>	<u>\$ 2,100,103</u>	<u>\$ 2,081,963</u>

See independent auditors' report.

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County of Putnam, New York

Internal Service Funds
 Combining Statement of Revenues, Expenses and
 Changes in Net Position
 Year Ended December 31, 2019
 (With Comparative Totals for 2018)

	Workers' Compensation Benefits	Casualty Reserve Benefits	Totals	
			2019	2018
OPERATING REVENUES				
Charges for services	\$ 960,243	\$ -	\$ 960,243	\$ 1,044,579
Miscellaneous	5,296	-	5,296	600
Total Operating Revenues	<u>965,539</u>	<u>-</u>	<u>965,539</u>	<u>1,045,179</u>
OPERATING EXPENSES				
Administration	308,760	-	308,760	310,990
Employee benefits	<u>699,341</u>	<u>-</u>	<u>699,341</u>	<u>849,491</u>
Total Operating Expenses	<u>1,008,101</u>	<u>-</u>	<u>1,008,101</u>	<u>1,160,481</u>
Income (Loss) from Operations	(42,562)	-	(42,562)	(115,302)
NON-OPERATING REVENUES				
Interest income	<u>42,766</u>	<u>17,936</u>	<u>60,702</u>	<u>35,727</u>
Change in Net Position	204	17,936	18,140	(79,575)
NET POSITION				
Beginning of Year	<u>650,459</u>	<u>1,431,504</u>	<u>2,081,963</u>	<u>2,161,538</u>
End of Year	<u>\$ 650,663</u>	<u>\$ 1,449,440</u>	<u>\$ 2,100,103</u>	<u>\$ 2,081,963</u>

See independent auditors' report.

County of Putnam, New York

Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended December 31, 2019
 (With Comparative Totals for 2018)

	Workers' Compensation Benefits	Casualty Reserve Benefits
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from interfund services provided	\$ 892,274	\$ -
Cash received from miscellaneous	5,296	-
Cash payments to insurance carriers and claimants	(588,826)	-
Cash payments to vendors	(308,760)	-
	<u>(16)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	42,766	17,936
	<u>42,750</u>	<u>17,936</u>
CASH AND EQUIVALENTS		
Beginning of Year	3,541,810	1,431,504
End of Year	<u>\$ 3,584,560</u>	<u>\$ 1,449,440</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ (42,562)	\$ -
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Due from other funds	(67,969)	-
Claims payable	110,515	-
	<u>(16)</u>	<u>-</u>
Net Cash From Operating Activities	<u>\$ (16)</u>	<u>\$ -</u>

See independent auditors' report.

Totals	
2019	2018
\$ 892,274	\$ 63,587
5,296	600
(588,826)	(443,492)
<u>(308,760)</u>	<u>(310,990)</u>
(16)	(690,295)
<u>60,702</u>	<u>35,727</u>
60,686	(654,568)
<u>4,973,314</u>	<u>5,627,882</u>
<u>\$ 5,034,000</u>	<u>\$ 4,973,314</u>
\$ (42,562)	\$ (115,302)
(67,969)	(980,992)
<u>110,515</u>	<u>405,999</u>
<u>\$ (16)</u>	<u>\$ (690,295)</u>

County of Putnam, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 3,584,560	\$ 3,541,810
Due from other funds	<u>1,265,617</u>	<u>1,197,648</u>
Total Assets	<u>4,850,177</u>	<u>4,739,458</u>
LIABILITIES		
Current liabilities		
Current portion of claims payable	420,000	409,000
Noncurrent liabilities		
Claims payable, less current portion	<u>3,779,514</u>	<u>3,679,999</u>
Total Liabilities	<u>4,199,514</u>	<u>4,088,999</u>
NET POSITION		
Restricted	<u>\$ 650,663</u>	<u>\$ 650,459</u>

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
Charges for services	\$ 960,243	\$ 1,044,579
Miscellaneous	5,296	600
Total Operating Revenues	<u>965,539</u>	<u>1,045,179</u>
OPERATING EXPENSES		
Administration	308,760	310,990
Employee benefits	<u>699,341</u>	<u>849,491</u>
Total Operating Expenses	<u>1,008,101</u>	<u>1,160,481</u>
Loss from Operations	(42,562)	(115,302)
NON-OPERATING REVENUES		
Interest income	<u>42,766</u>	<u>30,314</u>
Change in Net Position	204	(84,988)
NET POSITION		
Beginning of Year	<u>650,459</u>	<u>735,447</u>
End of Year	<u>\$ 650,663</u>	<u>\$ 650,459</u>

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from interfund services provided	\$ 892,274	\$ 63,587
Cash received from miscellaneous	5,296	600
Cash payments to insurance carriers and claimants	(588,826)	(443,492)
Cash payments to vendors	<u>(308,760)</u>	<u>(310,990)</u>
Net Cash From Operating Activities	<u>(16)</u>	<u>(690,295)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>42,766</u>	<u>30,314</u>
Net Change in Cash and Equivalents	42,750	(659,981)
CASH AND EQUIVALENTS		
Beginning of Year	<u>3,541,810</u>	<u>4,201,791</u>
End of Year	<u>\$ 3,584,560</u>	<u>\$ 3,541,810</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (42,562)	\$ (115,302)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Due from other funds	(67,969)	(980,992)
Claims payable	<u>110,515</u>	<u>405,999</u>
Net Cash From Operating Activities	<u>\$ (16)</u>	<u>\$ (690,295)</u>

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Casualty Reserve Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 1,449,440</u>	<u>\$ 1,431,504</u>
NET POSITION		
Restricted	<u>\$ 1,449,440</u>	<u>\$ 1,431,504</u>

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Casualty Reserve Benefits Fund
Comparative Statement of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES	\$ -	\$ -
OPERATING EXPENSES	<u>-</u>	<u>-</u>
Income from Operations	-	-
NON-OPERATING REVENUES		
Interest income	<u>17,936</u>	<u>5,413</u>
Change in Net Position	17,936	5,413
NET POSITION		
Beginning of Year	<u>1,431,504</u>	<u>1,426,091</u>
End of Year	<u><u>\$ 1,449,440</u></u>	<u><u>\$ 1,431,504</u></u>

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Casualty Reserve Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	\$ 17,936	\$ 5,413
CASH AND EQUIVALENTS		
Beginning of Year	<u>1,431,504</u>	<u>1,426,091</u>
End of Year	<u>\$ 1,449,440</u>	<u>\$ 1,431,504</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

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**STATISTICAL
SECTION**

(Unaudited)

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Financial Trends

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

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

County of Putnam, New York

Net Position By Component
Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 45,318,653	\$ 45,649,962	\$ 42,242,348	\$ 45,072,133
Restricted	5,842,999	5,983,772	8,980,231	6,463,642
Unrestricted	<u>(4,630,592)</u>	<u>(17,271,167)</u>	<u>(29,477,604)</u>	<u>(47,364,903)</u>
Total Governmental Activities				
Net Position	<u>\$ 46,531,060</u>	<u>\$ 34,362,567</u>	<u>\$ 21,744,975</u>	<u>\$ 4,170,872</u>
Business - Type Activities (1) -				
Unrestricted	<u>\$ (15,414,319)</u>	<u>\$ (15,740,614)</u>	<u>\$ (16,151,171)</u>	<u>\$ (16,353,577)</u>
Primary Government:				
Invested in Capital Assets,				
Net of Related Debt	\$ 45,318,653	\$ 45,649,962	\$ 42,242,348	\$ 45,072,133
Restricted	5,842,999	5,983,772	8,980,231	6,463,642
Unrestricted	<u>(20,044,911)</u>	<u>(33,011,781)</u>	<u>(45,628,775)</u>	<u>(63,718,480)</u>
Total Primary Government				
Net Position	<u>\$ 31,116,741</u>	<u>\$ 18,621,953</u>	<u>\$ 5,593,804</u>	<u>\$ (12,182,705)</u>

(1) The activities of the Putnam Tobacco Asset Securitization Corporation have been included as a blended component unit effective with the 2004 fiscal year in accordance with Governmental Accounting Standards Board Technical Bulletin 2004-1.

2014	2015	2016	2017	2018	2019
\$ 43,155,200	\$ 43,227,146	\$ 43,366,761	\$ 44,759,518	\$ 46,926,061	\$ 52,651,372
7,092,530	3,997,935	4,941,107	5,546,032	4,817,914	5,361,753
<u>(61,742,858)</u>	<u>(69,542,557)</u>	<u>(80,343,037)</u>	<u>(88,289,627)</u>	<u>(138,584,471)</u>	<u>(136,810,909)</u>
<u>\$ (11,495,128)</u>	<u>\$ (22,317,476)</u>	<u>\$ (32,035,169)</u>	<u>\$ (37,984,077)</u>	<u>\$ (86,840,496)</u>	<u>\$ (78,797,784)</u>
<u>\$ (16,363,877)</u>	<u>\$ (15,781,169)</u>	<u>\$ (15,712,150)</u>	<u>\$ (16,114,189)</u>	<u>\$ (16,364,851)</u>	<u>\$ (16,747,866)</u>
\$ 43,155,200	\$ 43,227,146	\$ 43,366,761	\$ 44,759,518	\$ 46,926,061	\$ 52,651,372
7,092,530	3,997,935	4,941,107	5,546,032	4,817,914	5,361,753
<u>(78,106,735)</u>	<u>(85,323,726)</u>	<u>(96,055,187)</u>	<u>(104,403,816)</u>	<u>(154,949,322)</u>	<u>(153,558,775)</u>
<u>\$ (27,859,005)</u>	<u>\$ (38,098,645)</u>	<u>\$ (47,747,319)</u>	<u>\$ (54,098,266)</u>	<u>\$ (103,205,347)</u>	<u>\$ (95,545,650)</u>

County of Putnam, New York

Changes In Net Position
Last Ten Fiscal Years

	2010	2011	2012	2013
Expenses				
Governmental Activities:				
General government support	\$ 24,927,519	\$ 25,997,916	\$ 26,453,722	\$ 29,010,140
Education	10,054,837	9,849,831	10,172,476	10,201,595
Public safety	35,366,964	38,692,325	42,845,562	39,752,916
Health	15,919,935	14,142,348	14,217,985	13,394,756
Transportation	13,714,854	15,408,159	14,786,291	17,916,455
Economic opportunity and development	32,980,631	34,918,860	35,270,894	37,271,454
Culture and recreation	4,631,669	3,508,682	3,759,514	4,275,442
Home and community services	6,126,995	3,317,020	10,533,633	4,352,084
Interest	2,528,179	2,751,683	3,249,964	2,703,395
Total Governmental Activities Expenses	146,251,583	148,586,824	161,290,041	158,878,237
Business-type Activities (1) -				
Putnam Tobacco Asset Securitization Corporation	1,276,358	1,259,421	1,262,446	1,247,211
Total Primary Government Expenses	\$ 147,527,941	\$ 149,846,245	\$ 162,552,487	\$ 160,125,448
Program Revenues				
Governmental Activities:				
Charges for Services:				
General government support	\$ 4,955,678	\$ 5,827,297	\$ 5,417,539	\$ 6,228,521
Public safety	1,161,519	1,294,538	1,256,026	1,886,017
Health	3,032,359	1,137,899	1,210,768	1,059,363
Transportation	948,089	1,052,542	931,674	1,160,914
Economic opportunity and development	2,973,886	2,606,592	2,720,570	1,866,177
Culture and recreation	1,646,192	1,341,600	1,584,626	1,767,649
Home and community services	34,635	44,377	44,148	168,781
Operating Grants and Contributions	24,656,770	25,396,717	24,420,622	25,608,248
Capital Grants and Contributions	6,323,613	5,455,881	12,630,473	3,284,480
Total Governmental Activities Program Revenues	45,732,741	44,157,443	50,216,446	43,030,150
Business-type Activities -				
Charges for Services - Putnam Tobacco Asset Securitization Corporation	1,076,594	932,963	1,047,718	1,069,644
Total Primary Government Program Revenues	\$ 46,809,335	\$ 45,090,406	\$ 51,264,164	\$ 44,099,794

2014	2015	2016	2017	2018	2019
\$ 32,353,661	\$ 29,090,717	\$ 28,652,223	\$ 27,992,898	\$ 27,004,646	\$ 28,623,123
9,378,964	9,406,579	9,617,363	10,423,919	11,030,390	11,792,890
39,778,386	40,422,619	40,992,057	42,110,925	40,565,332	43,324,029
13,669,801	13,424,309	15,173,052	14,694,859	13,991,655	13,165,335
17,636,756	18,177,587	17,657,346	16,749,862	17,785,751	17,033,546
35,934,835	36,112,568	36,955,938	36,666,894	35,563,347	35,231,120
5,085,712	5,622,633	5,619,737	6,049,103	7,683,154	7,788,837
2,671,019	2,031,015	1,706,362	1,893,965	1,673,642	1,741,520
1,963,765	2,152,974	2,074,647	1,993,587	1,853,636	1,774,441
158,472,899	156,441,001	158,448,725	158,576,012	157,151,553	160,474,841
1,244,728	1,248,860	1,219,183	1,199,494	1,247,113	1,255,515
<u>\$ 159,717,627</u>	<u>\$ 157,689,861</u>	<u>\$ 159,667,908</u>	<u>\$ 159,775,506</u>	<u>\$ 158,398,666</u>	<u>\$ 161,730,356</u>
\$ 5,707,939	\$ 4,920,516	\$ 5,205,591	\$ 5,614,047	\$ 5,533,225	\$ 5,612,413
1,927,751	1,938,396	2,329,177	2,431,110	2,540,504	2,936,152
883,497	981,362	889,807	860,578	808,316	797,551
1,471,585	1,606,913	1,053,074	1,391,748	1,510,055	1,463,351
2,066,278	1,930,935	1,695,010	1,681,662	1,464,989	1,817,343
2,116,042	2,394,896	2,493,753	2,480,154	2,966,723	3,269,013
192,699	25,442	26,205	25,232	25,379	51,194
25,153,744	25,909,207	27,796,595	26,756,792	28,459,366	27,689,882
3,357,947	5,248,262	5,205,333	3,670,446	5,357,376	7,386,047
42,877,482	44,955,929	46,694,545	44,911,769	48,665,933	51,022,946
1,259,418	1,856,566	1,309,584	815,054	969,450	836,968
<u>\$ 44,136,900</u>	<u>\$ 46,812,495</u>	<u>\$ 48,004,129</u>	<u>\$ 45,726,823</u>	<u>\$ 49,635,383</u>	<u>\$ 51,859,914</u>

(Continued)

CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS

	2010	2011	2012	2013
Net Expense/Revenue:				
Governmental Activities	\$ (100,518,842)	\$ (104,429,381)	\$ (111,073,595)	\$ (115,848,087)
Business-type Activities	(199,764)	(326,458)	(214,728)	(177,567)
Total Primary Government Net Expense	<u>\$ (100,718,606)</u>	<u>\$ (104,755,839)</u>	<u>\$ (111,288,323)</u>	<u>\$ (116,025,654)</u>
General Revenues				
Governmental Activities:				
Taxes:				
Real Property Taxes	\$ 37,416,775	\$ 37,248,786	\$ 38,084,798	\$ 35,107,514
Other Tax Items	4,073,276	4,696,118	5,148,031	4,940,649
Non-property Taxes	47,943,822	50,048,010	51,907,116	53,330,206
Unrestricted Use of Money and Property	1,283,155	681,908	956,416	69,557
Sale of Property and				
Compensation for Loss	170,354	243,328	204,612	129,251
Miscellaneous	1,201,131	(657,262)	-	315,148
Transfers	-	-	2,155,030	25,000
Total Governmental Activities	<u>92,088,513</u>	<u>92,260,888</u>	<u>98,456,003</u>	<u>93,917,325</u>
Business-type Activities:				
Unrestricted Use of Money and Property	160	163	185	161
Transfers	-	-	-	(25,000)
Total Business-type Activities	<u>160</u>	<u>163</u>	<u>185</u>	<u>(24,839)</u>
Total Primary Government				
General Revenues	<u>\$ 92,088,673</u>	<u>\$ 92,261,051</u>	<u>\$ 98,456,188</u>	<u>\$ 93,892,486</u>
Change in Net Position				
Governmental Activities	\$ (8,430,329)	\$ (12,168,493)	\$ (12,617,592)	\$ (21,930,762)
Business-type Activities	(199,604)	(326,295)	(214,543)	(202,406)
Total Primary Government	<u>\$ (8,629,933)</u>	<u>\$ (12,494,788)</u>	<u>\$ (12,832,135)</u>	<u>\$ (22,133,168)</u>

(1) The activities of the Putnam Tobacco Asset Securitization Corporation have been included as a blended component unit effective with the 2004 fiscal year in accordance with Governmental Accounting Standards Board Technical Bulletin 2004-1.

2014	2015	2016	2017	2018	2019
\$ (115,595,417)	\$ (111,485,072)	\$ (111,754,180)	\$ (113,664,243)	\$ (108,485,620)	\$ (109,451,895)
14,690	607,706	90,401	(384,440)	(277,663)	(418,547)
<u>\$ (115,580,727)</u>	<u>\$ (110,877,366)</u>	<u>\$ (111,663,779)</u>	<u>\$ (114,048,683)</u>	<u>\$ (108,763,283)</u>	<u>\$ (109,870,442)</u>
\$ 37,835,861	\$ 41,083,016	\$ 35,664,434	\$ 41,792,992	\$ 43,134,059	\$ 42,793,970
5,041,598	5,035,733	5,479,429	4,692,425	4,877,949	5,464,888
56,105,827	55,080,624	60,120,626	60,000,569	64,525,488	67,710,168
73,494	64,357	103,012	215,857	465,110	744,452
111,315	55,389	107,346	57,812	111,591	119,219
736,322	944,903	536,640	925,680	520,599	661,910
25,000	25,000	25,000	30,000	-	-
<u>99,929,417</u>	<u>102,289,022</u>	<u>102,036,487</u>	<u>107,715,335</u>	<u>113,634,796</u>	<u>117,494,607</u>
10	2	3,618	12,401	27,001	35,532
(25,000)	(25,000)	(25,000)	(30,000)	-	-
<u>(24,990)</u>	<u>(24,998)</u>	<u>(21,382)</u>	<u>(17,599)</u>	<u>27,001</u>	<u>35,532</u>
<u>\$ 99,904,427</u>	<u>\$ 102,264,024</u>	<u>\$ 102,015,105</u>	<u>\$ 107,697,736</u>	<u>\$ 113,661,797</u>	<u>\$ 117,530,139</u>
\$ (15,666,000)	\$ (9,196,050)	\$ (9,717,693)	\$ (5,948,908)	\$ 5,149,176	\$ 8,042,712
(10,300)	582,708	69,019	(402,039)	(250,662)	(383,015)
<u>\$ (15,676,300)</u>	<u>\$ (8,613,342)</u>	<u>\$ (9,648,674)</u>	<u>\$ (6,350,947)</u>	<u>\$ 4,898,514</u>	<u>\$ 7,659,697</u>

County of Putnam, New York

**Fund Balances of Governmental Funds
Last Ten Fiscal Years**

	<u>2010 (1)</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund				
Nonspendable	\$ 1,000,000	\$ 692,737	\$ 696,805	\$ 2,415,521
Restricted	302,889	433,291	2,657,689	3,919,221
Committed	-	-	-	-
Assigned	8,824,856	7,575,615	6,936,148	11,365,343
Unassigned	18,260,773	18,142,836	18,762,962	18,825,288
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Total General Fund	<u>\$ 28,388,518</u>	<u>\$ 26,844,479</u>	<u>\$ 29,053,604</u>	<u>\$ 36,525,373</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ 48,045	\$ -	\$ -
Restricted	3,658,402	4,227,992	6,935,275	6,376,769
Assigned	2,483,663	1,898,412	2,155,565	2,275,430
Unassigned	(601,955)	(284,293)	(110,609)	-
Reserved	N/A	N/A	N/A	N/A
Unreserved, Reported In:				
Special Revenue Funds	N/A	N/A	N/A	N/A
Capital Projects Fund	N/A	N/A	N/A	N/A
Total All Other Governmental Funds	<u>\$ 5,540,110</u>	<u>\$ 5,890,156</u>	<u>\$ 8,980,231</u>	<u>\$ 8,652,199</u>
Total Governmental Funds	<u>\$ 33,928,628</u>	<u>\$ 32,734,635</u>	<u>\$ 38,033,835</u>	<u>\$ 45,177,572</u>

(1) - The County implemented the provisions of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", for the fiscal year ended December 31, 2010.

2014	2015	2016	2017	2018	2019
\$ 2,003,733	\$ 4,386,166	\$ 3,848,189	\$ 3,986,893	\$ 3,929,419	\$ 3,881,182
3,781,919	3,916,163	1,870,489	1,847,169	1,903,800	2,375,913
-	5,719,436	-	-	-	-
8,963,563	8,857,851	18,057,991	18,101,617	15,715,837	14,510,528
20,129,757	12,476,739	13,869,403	15,845,855	21,977,572	29,864,516
N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	N/A	
<u>\$ 34,878,972</u>	<u>\$ 35,356,355</u>	<u>\$ 37,646,072</u>	<u>\$ 39,781,534</u>	<u>\$ 43,526,628</u>	<u>\$ 50,632,139</u>
\$ -	\$ 141,323	\$ 127,105	\$ 109,101	\$ 95,281	\$ 93,783
5,942,998	3,847,638	5,412,111	5,505,991	6,857,500	8,274,205
2,083,484	1,990,264	2,580,944	2,583,857	2,250,627	2,478,311
-	-	-	-	-	-
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
<u>\$ 8,026,482</u>	<u>\$ 5,979,225</u>	<u>\$ 8,120,160</u>	<u>\$ 8,198,949</u>	<u>\$ 9,203,408</u>	<u>\$ 10,846,299</u>
<u>\$ 42,905,454</u>	<u>\$ 41,335,580</u>	<u>\$ 45,766,232</u>	<u>\$ 47,980,483</u>	<u>\$ 52,730,036</u>	<u>\$ 61,478,438</u>

County of Putnam, New York

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2010	2011	2012	2013
Revenues				
Real property taxes	\$ 36,457,275	\$ 33,980,375	\$ 36,415,549	\$ 38,627,329
Other tax items	4,073,276	4,528,129	5,148,031	4,940,649
Non-property taxes	47,943,822	50,048,010	51,907,116	53,330,206
Departmental income	13,205,278	11,165,142	11,359,962	11,762,688
Intergovernmental charges	656,761	753,406	666,366	816,455
Use of money and property	985,088	1,063,093	953,008	624,530
Licenses and permits	896,933	697,290	883,673	845,309
Fines and forfeitures	254,399	258,400	255,350	218,880
Sale of property and compensation for loss	170,354	243,328	204,612	129,251
Interfund revenues	405,648	376,795	310,045	306,735
State aid	13,807,903	16,549,878	16,207,528	16,441,729
Federal aid	13,958,530	11,896,430	11,323,669	9,576,958
Miscellaneous	4,441,206	1,794,109	11,674,928	3,127,022
Total Revenues	137,256,473	133,354,385	147,309,837	140,747,741
Expenditures				
Current				
General government support	20,124,332	21,123,199	21,377,731	22,480,066
Education	10,037,084	9,829,285	10,152,873	10,196,769
Public safety	28,771,601	30,928,919	32,032,454	32,804,565
Health	13,711,581	12,027,580	12,304,232	10,538,785
Transportation	9,638,870	10,708,266	10,037,138	10,471,149
Economic opportunity and development	29,611,726	31,087,737	31,649,422	32,665,550
Culture and recreation	3,689,492	2,526,283	2,755,808	3,140,717
Home and community services	1,774,721	1,894,014	1,704,197	1,753,532
Employee benefits	3,369,554	3,784,913	3,766,453	3,855,901
Debt Service:				
Principal	2,950,000	3,015,401	3,320,000	2,910,181
Interest	2,529,126	2,754,671	2,646,049	2,462,757
Refunding bond issuance costs	-	-	-	145,747
Capital Outlay	11,453,142	8,549,167	16,710,815	7,266,229
Total Expenditures	137,661,229	138,229,435	148,457,172	140,691,948
Excess (Deficiency) of Revenues Over Expenditures	(404,756)	(4,875,050)	(1,147,335)	55,793
Other Financing Sources (Uses)				
Bonds issued	4,888,110	3,680,181	12,351,535	3,113,000
Refunding bonds issued	-	-	730,127	19,965,000
Issuance premium	-	-	-	1,419,607
Payment to refunded bond escrow agent	-	-	(6,635,127)	(21,191,322)
Transfers in	605,889	200,975	903,577	487,280
Transfers out	(605,889)	(200,099)	(903,577)	(462,280)
Total Other Financing Sources	4,888,110	3,681,057	6,446,535	3,331,285
Net Change in Fund Balances	\$ 4,483,354	\$ (1,193,993)	\$ 5,299,200	\$ 3,387,078
Debt Service as a Percentage of Non-Capital Expenditures	4.5%	4.7%	4.7%	4.0%

	2014	2015	2016	2017	2018	2019
\$	38,400,507	\$ 38,771,702	\$ 39,304,229	\$ 41,793,023	\$ 40,231,841	\$ 41,177,572
	5,041,598	5,035,733	5,479,429	4,692,425	4,877,949	5,464,888
	56,105,827	55,080,624	60,120,626	60,000,569	64,525,488	67,710,168
	11,715,452	10,963,865	11,111,171	11,348,444	11,421,718	12,560,243
	1,174,922	1,308,496	753,928	1,124,919	1,275,182	1,230,723
	625,687	584,850	638,292	872,168	1,026,855	1,248,370
	741,059	775,203	861,486	805,881	924,395	879,168
	195,607	224,407	249,508	201,658	218,697	312,323
	111,528	55,389	107,346	57,812	111,591	119,219
	411,117	428,071	372,217	385,281	595,917	569,536
	16,474,187	18,175,724	19,323,125	19,738,249	21,935,041	23,021,242
	9,962,601	10,525,090	12,418,266	9,937,788	11,195,803	11,428,019
	2,788,748	3,400,237	1,970,646	2,004,772	1,618,224	1,594,518
	<u>143,748,840</u>	<u>145,329,391</u>	<u>152,710,269</u>	<u>152,962,989</u>	<u>159,958,701</u>	<u>167,315,989</u>
	27,219,313	24,043,863	24,070,985	23,754,954	23,863,181	24,869,527
	9,379,106	9,408,513	9,618,908	10,423,919	11,030,625	11,793,506
	34,541,586	35,198,063	36,303,280	36,767,396	36,368,645	37,283,576
	11,464,578	11,522,277	12,945,287	13,026,106	12,878,133	11,791,534
	11,457,884	11,808,058	10,642,584	10,890,372	11,670,153	11,446,902
	32,481,284	32,420,370	34,241,746	33,639,289	33,492,969	32,905,063
	3,429,702	3,601,424	4,686,558	4,983,259	5,916,734	6,329,687
	1,768,927	1,721,015	1,640,432	1,742,315	1,593,484	1,636,429
	4,045,623	4,202,823	4,578,254	4,750,314	5,053,139	5,178,712
	3,396,535	3,848,000	4,063,274	4,210,000	4,609,575	4,973,350
	2,456,043	2,320,914	2,203,331	2,134,655	2,058,557	1,952,089
	-	108,412	-	-	-	63,045
	6,883,651	6,828,945	7,524,553	8,628,997	8,732,562	8,407,212
	<u>148,524,232</u>	<u>147,032,677</u>	<u>152,519,192</u>	<u>154,951,576</u>	<u>157,267,757</u>	<u>158,630,632</u>
	<u>(4,775,392)</u>	<u>(1,703,286)</u>	<u>191,077</u>	<u>(1,988,587)</u>	<u>2,690,944</u>	<u>8,685,357</u>
	3,478,274	-	4,214,575	4,133,350	2,033,125	-
	-	11,060,000	-	-	-	3,315,000
	-	1,544,523	-	39,488	25,484	239,641
	-	(12,496,111)	-	-	-	(3,491,596)
	924,161	935,756	936,561	2,151,816	3,148,201	3,145,001
	(1,899,161)	(910,756)	(911,561)	(2,121,816)	(3,148,201)	(3,145,001)
	<u>2,503,274</u>	<u>133,412</u>	<u>4,239,575</u>	<u>4,202,838</u>	<u>2,058,609</u>	<u>63,045</u>
\$	<u>(2,272,118)</u>	<u>(1,569,874)</u>	<u>4,430,652</u>	<u>2,214,251</u>	<u>4,749,553</u>	<u>8,748,402</u>

4.1%

4.4%

4.3%

4.4%

4.5%

4.6%

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Revenue Capacity

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

Sales Tax Rates

Taxable Sales by Industry

Assessed Value and Estimated Actual Value
of Taxable Property

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

Principal Taxpayers

Property Tax Levies and Collections

County of Putnam, New York

Sales Tax Rates Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
New York State *	4.000 %	4.000 %	4.000 %	4.000 %
MTA (1) **	0.375	0.375	0.375	0.375
County ***	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>
Total	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>

(1) Metropolitan Transit Authority

* Effective June 1, 2003 - May 31, 2005 the NYS rate increased from 4% to 4 1/2%

Effective June 1, 2005 the NYS rate decreased from 4 1/2% to 4%.

** Effective June 1, 2005 the MTA rate increased from 1/4% to 3/8%

*** Effective September 1, 2005 the County rate increased from 3% to 3.5%

Effective September 1, 2007 the County rate increased from 3.5% to 4%.

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
4.000 %	4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
0.375	0.375	0.375	0.375	0.375	0.375
<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>
<u>8.375 %</u>					

County of Putnam, New York

Taxable Sales By Industry
Ten Years Stated

Industry	March 2009 to February 2010	March 2010 to February 2011	March 2011 to February 2012	March 2012 to February 2013
Utilities (excluding residential energy)	\$ 19,872	\$ 30,561	\$ 26,889	\$ 27,067
Construction	20,430	21,294	23,181	22,260
Manufacturing	22,320	21,773	33,092	32,495
Wholesale Trade	68,786	76,608	57,342	55,205
Retail Trade:				
Motor Vehicles and Parts	166,081	176,025	169,533	167,642
Furniture and Home Furnishings	16,394	16,060	17,292	16,966
Electronics and Appliances	8,655	10,068	10,532	11,101
Building Materials and Garden Equipment	80,603	86,213	83,211	86,182
Food and Beverage	78,290	95,298	80,189	81,987
Health and Personal Care	16,570	17,121	16,544	16,444
Gasoline Stations	17,334	17,607	22,294	22,697
Clothing	6,348	10,250	13,934	11,577
Sporting Goods, Hobby, Book and Music Stores	10,345	11,411	7,853	7,758
General Merchandise	32,643	35,361	22,416	20,847
Miscellaneous Retail	22,746	22,505	56,324	57,917
Nonstore Retail	29,344	31,302	34,287	35,914
Information	77,014	76,244	71,003	69,350
Professional, Scientific, and Technical	7,666	13,479	10,873	11,240
Administrative/Support Services	32,522	33,468	34,483	34,738
Health Care	1,207	1,151	1,842	1,410
Arts, Entertainment, and Recreation	13,221	14,465	13,488	14,586
Accommodation and Food Services:				
Food Services	74,464	78,893	86,198	88,872
Accommodation	1,414	1,456	1,527	1,526
Other Services:	N/A			
Repair and Maintenance	39,879	37,774	46,189	45,356
Personal and Laundry Services	7,123	6,156	7,160	5,590
All Other Services	670	589	531	524
Ag., Mining, Trans., Fire, Educ., Govt.	39,238	44,647	42,512	40,602
Unclassified by Industry	9,800	4,394	940	1,730
Grand Total	\$ 920,979	\$ 992,173	\$ 991,659	\$ 989,583

Source: New York State Department of Taxation and Finance

* Preliminary

** Revised

<u>March 2013 to February 2014</u>	<u>March 2014 to February 2015</u>	<u>March 2015 to February 2016</u>	<u>March 2016 to Feb-17</u>	<u>March 2017 to February 2018**</u>	<u>March 2018 to February 2019*</u>
\$ 30,784	\$ 28,496	\$ 24,298	\$ 24,815	\$ 28,617	\$ 34,821
25,570	28,290	29,108	34,852	37,287	45,230
35,798	35,585	41,628	65,696	48,895	57,372
82,481	81,939	81,830	90,728	92,545	105,148
190,250	208,174	226,475	228,186	235,809	250,540
17,545	18,364	19,851	23,857	25,652	25,093
11,209	11,191	12,084	12,703	12,253	13,105
90,845	91,508	98,053	100,704	105,540	112,352
87,256	89,562	89,625	87,001	92,895	106,511
16,826	16,115	16,646	17,097	17,471	17,882
170,905	157,072	122,539	118,981	123,321	121,929
22,176	25,869	27,384	29,570	32,474	35,229
9,455	14,268	16,118	15,878	15,373	15,685
38,215	38,609	39,383	37,506	37,647	36,790
46,035	44,409	40,740	44,646	43,766	44,700
49,966	52,268	54,252	59,051	68,107	76,929
72,960	74,899	76,778	74,351	71,183	69,813
10,752	11,540	11,934	14,045	13,493	15,879
32,244	34,574	37,402	40,776	41,004	47,483
1,804	1,194	1,468	2,231	2,293	3,745
15,448	17,718	18,834	18,337	19,174	20,623
97,678	101,091	110,632	115,983	118,603	119,962
1,729	1,691	1,923	1,753	1,590	1,939
44,991	46,604	49,562	52,362	53,803	56,748
5,602	5,985	6,577	6,097	7,841	7,884
705	578	615	646	618	579
42,496	42,836	52,024	128,661	125,770	132,148
5,302	3,812	287	500	353	476
<u>\$ 1,257,027</u>	<u>\$ 1,284,241</u>	<u>\$ 1,308,050</u>	<u>\$ 1,447,013</u>	<u>\$ 1,473,377</u>	<u>\$ 1,576,595</u>

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County of Putnam, New York

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

<u>Year</u>	<u>Commercial Property (3)</u>	<u>Residential Property (3)</u>	<u>Total Net Taxable Assessed Value (1)</u>	<u>State Special Equalization Rate (2)</u>	<u>Estimated Actual Taxable Value</u>	<u>Total Direct Tax Rate</u>
2010	N/A	N/A	\$ 11,693,214,268	75.89 %	\$ 15,408,109,458	\$ 3.20
2011	N/A	N/A	11,133,206,698	78.31	14,216,839,098	3.30
2012	\$ 2,324,509,404	\$ 8,668,102,251	10,992,611,655	78.28	14,042,682,237	3.46
2013	2,104,054,697	8,591,649,861	10,695,704,558	79.11	13,520,041,155	3.62
2014	2,024,797,218	8,451,494,698	10,476,291,916	79.56	13,167,787,728	3.75
2015	2,088,710,755	8,256,117,153	10,344,827,908	78.61	13,159,684,401	3.91
2016	1,824,882,385	8,577,549,147	10,402,431,532	77.89	13,355,285,058	3.88
2017	1,904,362,639	8,500,005,949	10,404,368,588	77.55	13,416,336,026	3.08
2018	2,297,915,761	10,214,081,096	12,511,996,857	91.48	13,677,303,079	3.09
2019	2,318,696,605	10,822,488,745	13,141,185,350	91.16	14,415,517,058	3.10

(1) Assessed valuations are established by the Town governments comprising the County.

(2) The equalization rate is the average of the equalization rates for each of the six towns within the County.

The Town's equalization rates are established by the New York State Board of Equalization and Assessment.

(3) Real Property Department

N/A Breakout of total taxable assessed value between commercial and residential is not readily available

Note: Estimated actual taxable value is calculated by dividing taxable assessed value by the state special equalization rate. Tax rates are per \$1,000 of assessed value.

County of Putnam, New York

Direct and Overlapping Property Tax Rates,
Per \$1,000 Of Assessed Valuation
Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
County Direct Rates	\$ 3.20	\$ 3.30	\$ 3.46	\$ 3.62	\$ 3.75
Town Rates	.92-6.05	1.36-6.29	1.70-6.87	1.32-7.41	1.34 - 7.83
Village Rates	3.43-9.55	3.56-7.68	4.04-10.11	4.37-10.37	4.60 - 10.68
School Districts	7.66-45.54	8.98-52.65	9.33-53.09	9.54-54.58	9.16 - 58.47

Source: State of New York, Office of the State Comptroller.

2015	2016	2017	2018	2019
\$ 3.91	\$ 3.88	\$ 3.08	\$ 3.09	\$ 3.10
1.41-8.03	1.42 - 8.20	1.42 - 8.34	1.46 - 8.08	1.95-7.52
4.73-10.81	4.69 - 10.97	4.76 - 11.03	4.76 - 12.04	4.65-11.36
9.46-52.29	9.45 - 57.31	9.64 - 67.50	9.85 - 53.95	9.96-52.22

County of Putnam, New York

Principal Taxpayers
Current Year and Nine Years Ago

2019				
Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	City of New York	Government	\$ 693,624,773.00	5.28 %
2	State of New York	Government	171,254,324.00	1.30
3	NYS Electric & Gas Corporation	Public Utility	145,184,882.00	1.10
4	Algonquin Gas Transmission Company	Public Utility	100,931,205.00	0.77
5	Verizon New York, Inc.	Public Utility	35,196,227.00	0.27
6	Consolidated Edison	Public Utility	25,895,431.00	0.20
7	Central Hudson	Public Utility	23,389,366.00	0.18
8	UB Brewste LLC	Private Corp.	21,951,700.00	0.17
9	Highlands Center	Private Corp.	21,855,200.00	0.17
10	Putnam Ridge Real Estate	Private Corp.	19,816,710.00	0.15
	Total		\$ 1,259,099,818	9.58 %

2010				
Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	NYC D.E.P	Government	\$ 220,323,489	3.32 %
2	NYS Electric & Gas Corporation	Government	88,394,427	1.33
3	NY Telephone	Public Utility	55,846,920	0.84
4	Algonquin Gas	Public Utility	29,528,190	0.45
5	Consolidated Edison	Public Utility	27,274,414	0.41
6	Lakeview Associates	Private Corp.	17,442,600	0.26
7	Centennial Golf	Private Corp.	14,603,896	0.22
8	Gandol	Private Corp.	13,400,000	0.20
9	Mahopac Drive IN	Private Corp.	10,000,000	0.15
10	Triple C Associates	Private Corp.	10,000,000	0.15
	Total		\$ 486,813,936	7.33 %

County of Putnam, New York

Property Tax Levies and Collections
Last Ten Fiscal Years

Year	County Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 123,196,494	\$ 116,593,162	94.64 %	\$ 6,422,523	\$ 123,015,685	99.85 %
2011	124,070,276	118,983,395	95.90	4,459,061	123,442,456	99.49
2012	128,752,271	122,971,294	95.51	5,622,250	128,593,544	99.88
2013	134,431,543	128,261,135	95.41	5,956,812	134,217,947	99.84
2014	137,606,543	131,015,190	95.21	4,902,857	135,918,047	98.77
2015	141,461,972	134,459,604	95.05	4,545,134	139,004,738	98.26
2016	141,120,725	134,230,717	95.12	3,322,651	137,553,368	97.47
2017	142,130,612	135,232,547	95.15	2,277,461	137,510,008	96.75
2018	145,037,281	138,975,993	95.82	1,978,452	140,954,445	97.18
2019	149,166,923	142,212,778	95.34	-	142,212,778	95.34

(1) The total tax levy includes County taxes, as well as relieved school taxes and that portion of current school tax returned to the County for collection and enforcement in November of the previous year.

Source: Putnam County Finance Department

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Debt Capacity

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

Ratios of Outstanding Debt by Type

Direct and Underlying Governmental Activities Debt

Legal Debt Margin Information

County of Putnam, New York

**Ratios of Outstanding Debt By Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Percentage of Actual Taxable Value of Property	Business-type Activities
	General Obligation Bonds	Less Debt Service Funds Available	Net		Tobacco Securitization Bonds (2)
2010	\$ 60,128,511	\$ 162,942	\$ 59,965,569	0.39 %	\$ 17,993,677
2011	60,774,777	415,400	60,359,377	0.43	18,200,859
2012	64,362,498	630,433	63,732,065	0.46	18,396,974
2013	66,790,833	430,823	66,360,010	0.49	20,016,893
2014	66,715,014	522,020	66,192,994	0.51	19,993,540
2015	63,629,516	437,144	63,192,372	0.48	20,141,437
2016	63,525,194	226,176	63,299,018	0.48	19,246,192
2017	63,231,512	167,987	63,063,525	0.47	19,433,722
2018	60,420,802	158,467	60,262,335	0.44	19,559,794
2019	55,240,764	241,566	54,999,198	0.38	22,520,423

(1) - Population and personal income data can be found in the schedule of demographic and economic statistics

(2) - The financial statements of the Putnam Tobacco Asset Securitization Corporation have been reflected as a blended component unit of the County beginning in 2004 in accordance with the Governmental Accounting Standards Board Technical Bulletin 2004-1.

(3) - Personal income and population divided by gross general obligations and tobacco securitization bonds.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

*Data not available

<u>Total Primary Government, Net</u>	<u>Gross Percentage of Personal Income (1)(3)</u>	<u>Gross Per Capita (1)(3)</u>	<u>Gross Percentage of Personal Income (1)(3)</u>	<u>Gross Per Capita (1)(3)</u>
\$ 77,959,246	1.56 %	\$ 782.83	1.56 %	\$ 781.19
78,560,236	1.50	790.49	1.50	786.33
82,129,039	1.35	830.89	1.34	824.56
86,376,903	1.59	871.60	1.58	867.27
86,186,534	1.53	873.62	1.52	868.36
83,333,809	1.44	843.91	1.43	839.51
82,545,210	1.40	836.92	1.40	834.63
82,497,247	1.31	832.29	1.31	830.60
79,822,129	1.23	808.77	1.23	807.16
77,519,621	*	790.90	*	788.44

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County of Putnam, New York

Direct and Underlying Governmental Activities Debt
As of December 31, 2019

UNDERLYING DEBT

<u>Municipality or School District</u>	<u>Gross Long-Term Debt (1)</u>	<u>Exclusions (2)</u>	<u>Amount Applicable To County (3)</u>
Towns: (as of December 31, 2019)			
Carmel	\$ 31,568,000	\$ 10,268,584	\$ 21,299,416
Kent	2,522,674	190,482	2,332,192
Patterson	4,665,000	65,000	4,600,000
Philipstown	*	*	-
Putnam Valley	1,830,000	-	1,830,000
Southeast	11,691,000	3,095,814	8,595,186
Villages: (as of May 31, 2019)			
Brewster	9,910,000	9,910,000	-
Cold Spring	274,919	225,000	49,919
Nelsonville	-	-	-
Schools: (as of June 30, 2019)			
Brewster	22,925,000	6,221,810	16,703,190
Carmel	21,941,507	2,057,806	19,883,701
Garrison	1,119,351	606,059	513,292
Haldane	9,681,447	610,730	9,070,717
Mahopac	*	*	-
Putnam Valley	8,862,326	-	<u>8,862,326</u>
Total Underlying Debt			93,739,939
Direct Bonded Debt of the County			<u>55,240,764</u>
Direct and Underlying Debt			<u>\$ 148,980,703</u>

(1) Excludes proprietary funds.

(2) Exclusions reflect the amount available for repayment in the Debt Service Fund.
For School Districts, the State School building aid has also been excluded.

(3) County percentage is 100% since all of the above municipalities and School Districts fall within the boundaries of the County.

* Not Available at time of Audit

County of Putnam, New York

Legal Debt Margin Information
Last Ten Fiscal Years

	2010	2011	2012	2013
Debt Limit	\$ 1,019,431,927	\$ 1,022,630,297	\$ 1,014,337,290	\$ 1,027,867,561
Total Net Debt Applicable to Limit	58,545,401	57,340,181	61,732,317	59,902,458
Legal Debt Margin	<u>\$ 960,886,526</u>	<u>\$ 965,290,116</u>	<u>\$ 952,604,973</u>	<u>\$ 967,965,103</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.74%	5.61%	6.09%	5.83%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessment Roll			State Special Equalization Ratio	Full Valuation
Year	Budget Year	Assessed Valuation		
2015	2015	\$ 10,344,827,908	78.61 %	\$ 13,159,684,401
2016	2016	10,402,431,532	77.89	13,355,285,058
2017	2017	10,404,368,588	77.55	13,416,336,026
2018	2018	12,511,996,857	91.48	13,677,303,079
2019	2019	12,869,725,712	91.67	14,039,190,261
Total Five Year Full Valuation				<u>\$ 67,647,798,825</u>
Five Year Average Full Valuation of Taxable Real Property				<u>\$ 13,529,559,765</u>
Debt Limit - 7% of Five Year Average Full Valuation				<u>947,069,184</u>
Outstanding County Debt:				
Serial Bonds			52,783,125	
Bond Anticipation Notes			<u>-</u>	52,783,125
Less:				
Exclusion for Water and Sewer Districts Appropriations in 2019 Budget, Exclusive of Water and Sewer Districts				<u>6,575,347</u>
Net Indebtedness Subject to Debt Limit				<u>46,207,778</u>
Net Debt Contracting Margin				<u>\$ 900,861,406</u>

(1) Full valuations are furnished by the State Comptroller based on finalized town assessment rolls at the time of determination. Full valuations presented differ from values in other tables due to timing differences for establishing final rolls in the County's six component towns.

(2) Excludes enterprise fund bonds.

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2,019</u>
\$ 985,907,962	\$ 954,312,902	\$ 941,949,445	\$ 933,741,066	\$ 934,869,548	\$ 947,069,184
<u>59,542,148</u>	<u>54,911,767</u>	<u>55,063,068</u>	<u>54,537,478</u>	<u>51,656,421</u>	<u>46,207,778</u>
<u>\$ 926,365,814</u>	<u>\$ 899,401,135</u>	<u>\$ 886,886,377</u>	<u>\$ 879,203,588</u>	<u>\$ 883,213,127</u>	<u>\$ 900,861,406</u>
6.04%	5.75%	5.85%	5.84%	5.53%	4.88%

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Demographic and Economic Information

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

Demographic Statistics

County of Putnam, New York

Demographic Statistics Last Ten Fiscal Years

<u>Fiscal Year Ended June 30,</u>	<u>Population (1)</u>	<u>Personal Income (1)</u>	<u>Per Capita Income (1)</u>	<u>Annual Ave Unemployment Rate (2)</u>
2010	99,795	\$ 5,009,577,000	\$ 50,199	7.2 %
2011	99,907	5,247,819,000	52,527	7.0
2012	99,604	6,128,224,000	61,501	7.2
2013	99,596	5,467,134,000	54,893	6.1
2014	99,252	5,655,367,000	56,980	4.9
2015	99,265	5,822,347,000	58,655	4.3
2016	98,900	5,903,623,000	59,693	4.0
2017	99,323	6,303,935,000	63,469	4.2
2018	98,892	6,510,366,000	65,833	3.7
2019	98,320	*	*	3.7

Sources:

- (1) U.S. Bureau of Economic Analysis
- (2) New York State Department of Labor

*Data not available

Operating Information

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

Construction Permit Data

Principal Employers

Full-Time Equivalent Town Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function

County of Putnam, New York

Construction Permit Data
Last Ten Fiscal Years

<u>Year</u>	<u>Value of Residential Construction (1)</u>	<u>Number of Building Permits (1)</u>
2010	\$ 24,427,410	67
2011	27,952,050	138
2012	11,721,445	38
2013	14,419,500	52
2014	13,233,825	58
2015	11,562,070	50
2016	12,369,758	41
2017	12,859,223	36
2018	11,725,068	45
2019	14,263,050	36

Sources:

(1) U.S Census Bureau

County of Putnam, New York

Principal Employers
Current Year and Nine Years Ago

<u>EMPLOYER</u>	2019	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
Putnam Hospital Center	900	2.14 %
Putnam County	794	1.89
Mahopac Central School District	773	1.84
Carmel Central School District	712	1.70
Brewster Central School District	600	1.43
Green Chimneys	502	1.20
Ace Endico	438	1.04
Putnam Associated Resource Center	375	0.89
Putnam Valley Central School District	290	0.69
Putnam Precision Products, Inc.	290	0.69
	<u>5,674</u>	<u>13.52 %</u>

<u>EMPLOYER</u>	2010	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL EMPLOYMENT</u>
Putnam Hospital Center	1,200	3.06 %
Carmel Central School District	900	2.30
Mahopac Central School District	839	2.14
Putnam County	645	1.65
Brewster Central School District	620	1.58
Green Chimneys	570	1.46
Putnam Associated Resource Center	375	0.96
Arms Acres	297	0.76
Putnam Valley Central School District	292	0.75
A&P	285	0.73
	<u>6,023</u>	<u>15.38 %</u>

County of Putnam, New York

Full-Time Equivalent County Government Employees By Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of December 31,			
	2010	2011	2012	2013
General Government	143	144	153	155
Education	1	1	1	1
Public Safety	200	200	206	198
Health	71	71	58	56
Transportation	39	39	34	33
Economic Opportunity and Development	161	160	161	158
Culture and Recreation	17	17	19	20
Home and Community Services	9	9	7	7
Total	641	641	639	628

Source: Putnam County Finance Department

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
156	141	153	144	152	165
1	1	1	1	1	1
200	195	196	203	206	215
52	54	54	49	50	48
35	34	38	36	37	38
156	143	157	153	156	168
21	11	14	13	17	20
<u>8</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>8</u>	<u>8</u>
<u><u>629</u></u>	<u><u>586</u></u>	<u><u>620</u></u>	<u><u>606</u></u>	<u><u>627</u></u>	<u><u>663</u></u>

County of Putnam, New York

Operating Indicators by Function/Program Last Ten Fiscal Years

	2010	2011	2012	2013
Function:				
General Government:				
Motor Vehicles				
Number of drivers' licenses issued	N/A	23,609	16,197	10,660
County Clerk				
Number of mortgages recorded	3,101	3,154	3,402	3,595
Number of foreclosures initiated	480	285	331	551
Finance				
Number of certificates of residence issued	2,490	2,523	2,153	2,106
Highway:				
Number of permits issued	12	14	13	25
Public Safety:				
Emergency Services				
Number of calls at 911 center	35,601	36,742	41,782	42,795
Corrections				
Total Inmate admissions	930	936	894	746
Probation				
Average Monthly # Criminal Court Supervision Cases	609	600	600	600
Health:				
Number of Home Health Aid Visits	1,470	*	*	*
Number of Vaccines (Immunization & flu)	5,977	4,829	5,801	5,657
Culture and Recreation:				
Number of rounds of golf played	32,898	25,462	31,335	30,088
Home and Community Services:				
Transportation				
Ridership on public buses	186,867	172,781	168,331	160,464
Economic Assistance and Opportunity				
OFA				
Meals				
Homebound	22,713	26,606	33,095	30,247
Senior Centers	60,324	62,321	66,462	59,440

* Home Health agency was sold in 2010.

N/A - Information not available

Source: Various County Departments

2014	2015	2016	2017	2018	2019
11,458	11,521	11,861	21,250	30,190	35,000
2,391	2,601	2,808	2,655	2,414	2,946
477	410	303	276	244	233
1,666	1,488	1,786	1,816	1,720	1,604
26	24	16	22	13	13
33,060	34,625	35,173	36,688	36,599	35,781
720	662	680	628	608	435
600	575	517	453	431	406
*	*	*	*	*	*
5,041	4,522	4,375	4,153	4,635	4,063
30,221	32,428	32,917	30,515	26,815	26,297
144,151	134,381	143,681	132,931	120,711	121,212
32,240	33,928	33,298	34,608	36,589	31,843
52,787	52,943	53,078	56,747	52,034	49,174

County of Putnam, New York

Capital Asset Statistics By Function
Last Ten Fiscal Years

Function	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Government - Buildings	7	7	8	8
Public Safety - Buildings	3	3	3	4
Health - Buildings	3	3	3	3
Transportation - Buildings	1	1	1	1
Culture and Recreation - Parks acreage	2,698	2,698	2,698	2,698
Buildings	8	8	8	8
Economic Opportunity - Buildings	5	5	5	5
Home & Community Services - Buildings	1	1	1	1

Source - Various County departments

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
8	8	8	8	8	8
4	4	5	5	5	5
3	3	3	3	3	3
1	1	1	1	1	1
2,698	2,698	2,698	2,698	2,698	2,698
8	8	8	8	8	8
5	5	5	5	5	5
1	1	1	1	1	1