

September 25, 2020

**SUPPLEMENTAL NOTICE TO THE  
PRELIMINARY OFFICIAL STATEMENT  
DATED SEPTEMBER 17, 2020**



**\$50,395,000  
COUNTY OF ONONDAGA, NEW YORK**

**\$50,395,000 General Obligation (Serial) Bonds, 2020  
(the "Bonds")**

**CUSIP BASE NO. 68277D**

**Dated: October 15, 2020**

**Due: October 15, 2022-2041**

**PLEASE BE ADVISED that a section entitled "STATUS OF  
INDEBTEDNESS - Cash Flow Borrowings" is being added as follows:**

**Cash Flow Borrowings**

The County, historically, does not issue Tax Anticipation Notes or Revenue Anticipation Notes for cash flow purposes however, with the impacts of the COVID-19 global pandemic may consider such borrowings should the need arise. See "MARKET AND RISK FACTORS" herein.

**PLEASE BE ADVISED that the section entitled "FINANCIAL  
STRUCTURE – The State Comptroller's Fiscal Stress Monitoring  
System" has been revised to include the 2019 Fiscal Stress Score:**

**The State Comptroller's Fiscal Stress Monitoring System**

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past four fiscal years of the County are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2019	Susceptible Fiscal Stress	48.3
2018	Susceptible Fiscal Stress	45.0
2017	Susceptible Fiscal Stress	48.3
2016	No Designation	38.3

Source: Website of the Office of the New York State Comptroller (accessed September 25, 2020).

Note: Reference to website implies no warranty of accuracy of information therein. Unless otherwise noted such website is not intended to be incorporated into this Official Statement.

# PRELIMINARY OFFICIAL STATEMENT

**RATINGS:** (See 'RATINGS' herein)  
**Fitch Ratings:** "AA+/Negative Outlook"  
**S&P Global Ratings:** "AA/Stable Outlook"  
**Moody's Investors Service:** "Aa3/Stable Outlook"

## NEW ISSUE

## SERIAL BONDS

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.*



# \$50,395,000 COUNTY OF ONONDAGA, NEW YORK

## \$50,395,000 General Obligation (Serial) Bonds, 2020 (the "Bonds")

CUSIP BASE NO. 68277D<sup>†</sup>

Dated: October 15, 2020

Due: October 15, 2022-2041

### MATURITIES

Year	Amount	Interest Rate	Yield	CUSIP <sup>†</sup>	Year	Amount	Interest Rate	Yield	CUSIP <sup>†</sup>	Year	Amount	Interest Rate	Yield	CUSIP <sup>†</sup>
2022	\$2,125,000	%	%		2029	\$2,400,000*	%	%		2036	\$2,710,000*	%	%	
2023	2,160,000				2030	2,445,000*				2037	2,760,000*			
2024	2,200,000				2031	2,485,000*				2038	2,805,000*			
2025	2,240,000				2032	2,530,000*				2039	2,855,000*			
2026	2,280,000				2033	2,575,000*				2040	2,905,000*			
2027	2,320,000				2034	2,620,000*				2041	2,955,000*			
2028	2,360,000				2035	2,665,000*								

\* The Bonds maturing in the years 2029-2041 are subject to redemption prior to maturity as described herein under "THE BONDS - Optional Redemption".

The Bonds are general obligations of the County of Onondaga, New York (the "County"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, and subject to applicable statutory limitations. See "THE BONDS - Nature of the Obligation" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be issued as registered bonds and, may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable semi-annually on April 15 and October 15 in each year until maturity commencing April 15, 2021. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

Proposals for the Bonds shall be for not less than \$50,395,000 and accrued interest, if any, on the total principal amount of the Bonds. Proposals shall be accompanied by a good faith deposit in the form of a certified or cashier's check or wire transfer, payable to the order of the County of Onondaga, New York, in the amount of \$1,007,900.

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the approving legal opinion as to the validity of the Bonds of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon by the purchaser, on or about October 15, 2020.

**ELECTRONIC BIDS for the Bonds must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via [www.FiscalAdvisorsAuction.com](http://www.FiscalAdvisorsAuction.com), on September 29, 2020 by no later than 11:00 A.M. EDT. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the County, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Bond Sale.**

September 17, 2020

THE COUNTY DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER, AS MORE FULLY DESCRIBED IN THE NOTICE OF BOND SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE COUNTY WILL COVENANT IN AN UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE AS DEFINED IN THE RULE WITH RESPECT TO THE BONDS. SEE "APPENDIX C - CONTINUING DISCLOSURE UNDERTAKING" HEREIN.

<sup>†</sup> Copyright 2009, American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. The CUSIP number is provided for convenience of reference only. Neither the County, nor the Municipal Advisor take any responsibility for the accuracy of such CUSIP.

# COUNTY OFFICIALS

J. RYAN MCMAHON II  
County Executive



DAVID H. KNAPP  
Chairman, County Legislature

BRIAN DONNELLY  
Deputy County Executive

MARTIN MASTERPOLE  
County Comptroller

STEVEN P. MORGAN  
Chief Fiscal Officer

LISA DELL  
County Clerk

EUGENE CONWAY  
Sheriff



ROBERT DURR, ESQ.  
County Attorney

WILLIAM J. FITZPATRICK, ESQ.  
District Attorney

## MUNICIPAL ADVISOR



Fiscal Advisors & Marketing, Inc.  
250 South Clinton Street, Suite 502  
Syracuse, New York 13202  
(315) 752-0051

## BOND COUNSEL



Orrick, Herrington & Sutcliffe LLP  
51 West 52<sup>nd</sup> Street  
New York, New York 10019  
(212) 506-5151

No person has been authorized by the County of Onondaga to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County of Onondaga.

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OFFICIAL STATEMENT  
of the  
**COUNTY OF ONONDAGA  
NEW YORK**

Relating To  
**\$50,395,000 General Obligation (Serial) Bonds, 2020**

This Official Statement, which includes the cover page, has been prepared by the County of Onondaga, New York (the "County"), in connection with the sale by the County of \$50,395,000 principal amount of General Obligation (Serial) Bonds, 2020 (hereinafter referred to as the "Bonds").

The factors affecting the County's financial condition and the Bonds are described throughout this Official Statement. In as much as many of these factors, including economic and demographic factors, are complex and may influence the County tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the County contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Bonds and the proceedings of the County relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and such proceedings.

**This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the County's overall economic situation and outlook (and all of the specific County-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "MARKET AND RISK FACTORS - COVID-19" herein.**

**THE BONDS**

**Description of the Bonds**

The Bonds are general obligations of the County, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State of New York (the "State") (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the County is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations (see "TAX INFORMATION – Tax Levy Limitation Law" herein).

The Bonds will be dated the date of delivery and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of the Depository Trust Company ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. The "Record Date" of the Bonds will be the last business day of the calendar month preceding each such interest payment date. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable semi-annually on April 15 and October 15 in each year until maturity commencing April 15, 2021. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof, and the County will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

**Optional Redemption**

The Bonds that mature on or before October 15, 2028 are not subject to optional redemption prior to their stated maturities. The Bonds that mature on or after October 15, 2029 will be subject to redemption in whole or in part at any time on or after October 15, 2028 at the option of the County, at 100% of the par amount plus accrued interest through the date of redemption. If less than all of the Bonds of a particular maturity are called for redemption, DTC or any successor securities depository will select the Bonds to be redeemed pursuant to its rules and procedures or, if book-entry system is discontinued, will be selected by the County's Chief Fiscal Officer, who has been appointed registrar (the "Registrar"), by lot in such manner as the Registrar in its discretion may determine. The County will cause notice of the call for redemption identifying the Bonds

or portions thereof to be redeemed to be sent by facsimile transmission, email, registered or certified mail or overnight express delivery, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner thereof. The County shall not be responsible for mailing notice of redemption to anyone other than DTC or another qualified securities depository or its nominee unless no qualified securities depository is the registered owner of the Bonds. If no qualified securities depository is the registered owner of the Bonds, notice of redemption shall be mailed to the registered owners of the Bonds. If a portion of a Bond is called for redemption, a new Bond in principal amount equal to the unredeemed portion shall be issued to the registered owner upon the surrender thereof.

### **Purposes of Issue**

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the County Charter and the Local Finance Law, for the following purposes and amounts:

<u>Project No.</u>	<u>Project Description</u>	<u>Amount</u>
512592005	Downtown Campus Various Imp	\$ 800,701
512600001	Courthouse HVAC Renov.	400,000
512603001	Downtown Steam Plant Improvements	350,000
512604001	LED Lighting Upgrades	100,000
592680001	Technology Refresh Improvements	1,581,000
592681001	Evidence Management System Upgrades	200,000
591795001	STEAM SCHOOL	10,000,000
522737001	Zoo Boardwalk Replacement	56,565
522739001	Parks Shoreline Stabilization	310,998
522740001	Parks Roof Replacement	15,322
522743001	Carpenters Brook FH Pond Repair	2,000
522746001	Parks Infrastructure Improvements	901,000
522748001	Beaver Lake Boardwalk Replacement	917,500
522750001	Oneida Shores Boat Launch	320,000
522751001	Hopkins Road Park Improvements	150,000
535044001	NAMF Maintenance Facility Improv	2,500,000
535048001	DOT Maintenance Jamesville Marcellus Improv	1,000,000
535070012	Maintenance Reconstr. Hinsdale/2008 Road improv	350,000
535167003	Oran Delphi Bridge Design	60,500
535172003	Old Rt 5 & Warners Paving Design	164,739
535177003	Taft Rd 2R Paving Design	35,000
535184001	West Taft Road Paving (1R)	20,000
535185003	Old Rt 57 1R Paving Design	92,500
535186001	Old Liverpool Rd 2R, Design	55,000
535189003	South Street Bridge Design	45,000
535191002	Canalway Trail Extension Phase II ROW	10,000
535191003	Canalway Trail Extension Phase II Constr	42,500
535191003	Canalway Trail Extension Phase II Constr	145,500
535196001	Canalway Trail - Salina Extension	85,000
535265001	Traffic Signal Upgrades	300,000
535286001	2019 Cold Mix Bituminious Reco	1,480,000
535336001	Bridges 2019	880,000
535361001	2019 Hot Mix Bituminious Reco	4,892,000
535459001	Drainage '17	275,000

(CONTINUED ON THE NEXT PAGE)

<u>Project No.</u>	<u>Project Description</u>	<u>Amount</u>
535460001	Drainage '18	\$ 330,000
536031001	EAB Strategic Implementation	150,000
536031001	EAB Strategic Implementation	600,000
551526001	Main Center HVAC System Replacement	31,271
551532001	Computer Aided Dispatch Refresh Improv	903,000
551533001	Aerial Digital Imagery Refresh	92,816
551534001	Makeys Radio Tower Replacement	212,000
551535001	Auxiliary Power Systems Replacement	550,400
551536001	Engineering Next Gen 011	106,000
551537001	Replacement of Mobile Data	2,880,000
551571001	Correction Facility Improvements	442,000
552330003	Hillbrook Detention Fac Improvements	1,500,000
552330003	Hillbrook Detention Fac Improvements	141,000
552330003	Hillbrook Detention Fac Improvements	153,000
561875001	W. Quad Renov:Ferrante/Coulter	500,000
575104001	Comprehensive Energy and Asset Renewal	1,725,000
587564002	Brewerton WPCP Asset Renewal	5,261,106
587601001	Metro WWTP Phos Treatment Sys	1,210,971
587605002	MBL WWTP Disinfection System	490,600
587614001	Baldwinsville Seneca Knolls WWTP	504,759
587622001	WEP Energy Projects (ESCO)	869,056
587636001	Metro WWTP-Biosolids Drying System	647,696
587948001	LP ACJ Midland Ave	2,486,500
587960001	LP ACJ Clinton St RTF	45,000
587963001	LP ACJ Sewer Separation	25,000
<b>TOTAL</b>		<b>\$ 50,395,000</b>

The proceeds of the Bonds will provide new monies for the aforementioned purposes.

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## Nature of Obligation

Each of the Bonds when duly issued and paid for will constitute a contract between the County and the holder thereof.

Holders of any series of notes or bonds of the County may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Bonds will be general obligations of the County and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the County has power and statutory authorization to levy ad valorem taxes on all real property within the County subject to such taxation by the County, subject to applicable statutory limitations.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay “interest on or principal of indebtedness theretofore contracted” prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the County’s power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See “TAX INFORMATION - Tax Levy Limitation Law,” herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State’s highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the city’s faith and credit is both a commitment to pay and a commitment of the City’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the City’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit” are used and they are not tautological. That is what the words say and this is what the courts have held they mean. . . So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted. . . While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way”. Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in Quirk, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority was to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.



In Quirk, the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold. See “TAX INFORMATION - Tax Levy Limitation Law” herein.

## **BOOK-ENTRY-ONLY SYSTEM**

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing

instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the County, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE COUNTY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE BONDS; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE COUNTY MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

### **Certificated Bonds**

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the purchaser if the purchaser requests certificated bonds or the County upon termination of the book-entry-only system. Interest on the Bonds will be payable semi-annually on April 15 and October 15 in each year until maturity commencing April 15, 2021. Such interest will remain payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Determinations Certificate of the Chief Fiscal Officer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

## THE COUNTY

### General Information

The County of Onondaga is located in the central New York region, has a land area of 793.5 square miles and is approximately 35 miles in length and 30 miles in width. The County is governed under a home rule charter, which provides for the separation of the executive and legislative functions. This charter was approved by voter referendum in 1961. The estimated population in 2019, per the U.S. Census, is 460,528 for the County. The City of Syracuse is situated in the approximate center of the County and serves as the focus for commercial and business activities.

Pursuant to New York State Law, the County is responsible for the local funding of mandated social service programs, such as Medicaid. The County, in conjunction with its underlying units, is responsible for providing police, fire, sanitation and water services, as well as the maintenance of streets, parks and recreational facilities.

### Governmental Organization

The County was established in 1794 and is comprised of separate municipalities, which include the City of Syracuse, 19 towns and 15 villages. The Onondaga Indian Reservation is also located in the County. In 1962, a County Charter became effective which divided the County into 24 legislative districts with an elected legislator representing each district in the County Legislature. Under the County Charter, a County Executive was established to administer county government. The County Executive is the Chief Executive Officer and Chief Budget Officer of County government. The County Comptroller has responsibility for accounting and auditing of receipts and disbursements and is the Chief Accounting Officer. The County Executive and County Comptroller are elected to four-year terms and their current terms began in 2020. The County Clerk, Sheriff, and District Attorney are constitutional officials and are also elected to four-year terms. By Local Law No. 9 of 1995, the County merged the Division of Management and Budget into the Department of Finance, to be administered by the position of Chief Fiscal Officer. The Chief Fiscal Officer, who is appointed by and serves at the pleasure of the County Executive, is responsible for collection of taxes and other revenues, the custody and disbursement of all public funds of the County, and for the issuance of bonds, bond anticipation notes, and other financial offerings as provided for in the State Local Finance Law.

Pursuant to Local Law No. 11 of 1996, twenty-four legislative districts were reduced to nineteen districts effective January 1, 2002. Pursuant to Local Law No. 26 of 2010, nineteen legislative districts were further reduced to seventeen districts effective January 1, 2012.

### Transportation

Cities within a 350-mile radius of the County include Boston, New York City, Philadelphia, Baltimore, Pittsburgh, Toronto, and Montreal. The County's central location is enhanced by its excellent transportation infrastructure and systems.

**Air.** The Syracuse Hancock International Airport provides the air passenger service for six major airlines and seven commuter airlines, offering approximately 117 daily arrivals and departures. The County is also served by three major air cargo carriers. Passenger traffic for 2019 was up 12.42% over 2018. The Airport saw its busiest month since 1990 in August 2019 with 250,207 passengers. This was a 13.3% increase over August of 2018. In 2018, Allegiant Airlines announced new nonstop service to Nashville, Tennessee while Frontier Airlines announced nonstop service to Denver, Raleigh-Durham, and Chicago's O'Hare Airport. In February of 2019, United Airlines announced it will be providing daily nonstop service to Denver starting in the summer of 2019. A renovation of the airport, totaling \$48.8 million, was completed in October of 2018. This renovation included a new façade, flooring and furniture in the terminal, a glass pedestrian walkway and an eco-friendly roof over the main entrance. Additionally, the airport has secured a federal grant of \$6.6 million in 2019 to improve the facility's taxiway. The Governor of New York announced in February of 2019 an additional \$1.5 million in funding to the airport for upgrades to security, infrastructure as well as operational improvements. This funding is part of the Governor's initiatives to keep the County connected to global markets.

**Rail.** The County is served by the railroad facilities of CSX (formerly Conrail) and Amtrak, which maintain terminals within the County. On a daily basis CSX's computerized rail yard handles approximately 96 trains, while Amtrak Rail serves Central New York travelers with daily departures from William F. Walsh Regional Transportation Center.

**Water.** Water transportation is provided by the New York State Canal Corporation, a subsidiary of the New York State Thruway Authority. The system, designated as a National Heritage Corridor by the U.S. Congress, carries boaters from the Niagara River with the Hudson River and the St. Lawrence Seaway, encompassing 524 miles. A major Barge Canal Terminal, also known as the Inner Harbor, located just one mile from downtown Syracuse, is being redeveloped for recreational boating uses by the New York State Thruway Authority, the City and private developers. The region is also served by the Port of Oswego, a deep-water port on Lake Ontario.

**Highways.** The County has been appropriately named the “Crossroads of New York State” because the State’s two major interstate routes – the east-west New York State Thruway (I-90) and the north-south Interstate 81 intersect just north of the City of Syracuse. The New York State Thruway is accessed by six interchanges within the County. Interstate 690 forms an east-west axis through the County and Interstate 481 links the City of Fulton and surrounding towns. There are more than 808 miles of highways, roads, and streets throughout the County. The State has helped the County maintain safety on the roadways by instituting a free roadside service that helps stranded drivers with minor repairs such as changing tires and battery jump starts. The State deploys two active trucks and one backup truck on County roads during rush hours. The State has started rehabilitation of I-690 roads and bridges. It was announced in December of 2019 that a \$4 million project of resurfacing of bridges through the County had been completed. Additionally, plans are being reviewed for the replacement of Interstate 81 through downtown Syracuse which could include dismantling the bridges completely. These discussions are continuing with New York State Department of Transportation. (See also “Interstate 81” herein). More than 150 trucking companies, including the nation’s top 12 carriers of general freight, service the Onondaga County area.

**Bus.** Bus service is provided by independent carriers, as well as by Centro, which is operated by the Central New York Regional Transportation Authority and provides a high level of public transportation service to the County. Inter-city service is provided by several bus lines including Greyhound, Trailways and Stagecoach’s Megabus. In April of 2018, OurBus started low cost direct bus service from Syracuse to New York City with reclining seats, free WiFi and water. Centro operates an inter-modal transportation center adjacent to the regional market and near NBT Bank Stadium, Destiny USA and The St. Joseph’s Lakeview Amphitheater. The transportation center provides mass transit lineage for rail and bus service. Centro also provides shuttle service for a variety of events at the New York State Fairgrounds as well as many other community events throughout the County.

## **Higher Education**

The County is a center for higher learning, with over 42,500 students currently attending colleges and universities located within the County.

Syracuse University (“SU”) is a highly regarded private college, offering a diverse portfolio of undergraduate and graduate degrees to its approximately 22,850 students. SU is organized into 13 schools and colleges. SU’s Maxwell School of Citizenship and Public Affairs and Newhouse School of Communications are recognized as leaders in the field of public administration and journalism, respectively. The Whitman School of Management’s MBA program is recognized as one of the best graduate programs at SU. SU has also committed to helping veterans by investing in its Institute for Veterans and Military Families. This organization helps veterans’ transition to academic life with peer orientation and special advisors. These advisors perform a variety of functions including finding ways to obtain academic credit for military service. In February of 2018, a 1968 graduate of SU donated \$20 million to help pay for its National Veteran’s Resource Center. This Center is expected to open in 2020 and has pledged to place 30,000 veterans, transitioning service members and military spouses in desirable jobs by 2022. Additionally, the University received a federal grant in the Fall of 2019 which will be used to develop an Entrepreneurship Bootcamp for Veterans.

The University opened a new \$50 million gym and wellness center in September of 2019. The “Barnes Center at the Arch” is equipped with traditional fitness equipment as well as more innovative features like a pet therapy room with puppies. The “Arch” was designed to be a one-stop shop for wellness for the University students.

Peak Campus student housing project, which was started in the Spring of 2017 at a cost of \$66 million, includes a 601-bed community comprised of one, two, three, and four-bedroom apartments. This complex opened in the fall of 2018 for student housing. Also, just two-tenths of a mile from Peak Campus, construction is completed on a 126-unit housing development of luxury student apartments to be known as “505 on Walnut”. This development is also currently available for student rental. Additionally, in January of 2020, Landmark Properties submitted drawings to Syracuse Landmark Preservation Board to build a 202 apartment development for University students. This complex would be built around the 109 year old Temple Concord and would be using materials that are a complement to the current Temple structure.

SU has also invested \$9 million in classroom enhancements and technology upgrades. In May of 2017, a donation of \$5 million was made by SU’s Chairman of the Board of Trustees to be used for creating a state-of-the-art student-focused health and wellness center noted above as the “Barnes Center at the Arch.” This facility features multi-use courts, elevated running track and health and counseling services to the student body of SU. The SU Shine Student Center is also undergoing a major renovation with construction started in the Spring of 2019.

In May, 2018, the SU announced plans to spend \$118 million on improvements to the Carrier Dome that will include a permanent roof, a vertically hung scoreboard, air conditioning and other amenities. Parts of the project, including the new roof, are expected to be in place for the Fall of 2020. Other improvements are scheduled to be in place by the Fall of 2022.

The Samuel I Newhouse Foundation announced in January of 2020 a pledge of \$75 million to benefit the programs at the University's SI Newhouse School of Communications. No specific use of the funds was announced.

In June of 2019, SU was recognized by the federal government as one of eight national "Intelligence Community Centers". This recognition is followed by a \$1.5 million grant for the University to recruit for careers in the intelligence field.

SU also generates a great deal of activity for local businesses. The University hosted a local procurement fair in May of 2019 to allow these businesses to learn how to tap into the \$250 million spending a year that SU generates on goods and services.

Also located within the County is LeMoyne College, a private Jesuit-run liberal arts college, with approximately 3,500 graduate and undergraduate students. There are over 30 undergraduate majors and six major areas of post graduate studies. In April of 2017, LeMoyne was awarded a \$1.2 million grant from the National Science Foundation to be used in teaching undergraduates in the STEM disciplines. They also announced an agreement with SU for collaboration between its "iSchool" and LeMoyne's Madden School of Business. Students can take classes at either college and earn credits towards advanced degrees to the college which they are admitted. In August of 2018, it was announced that The Pomeroy College of Nursing at Crouse Hospital was partnering with LeMoyne College to create an accelerated "Degree in 3" program that would give nursing students a bachelor's degree in 3 years. In the Spring of 2019, LeMoyne received a \$1.5 million grant from the Health Resources and Services Administration (HRSA) for its Physician Assistant program. This grant will be used to recruit more students to work in rural and underserved communities.

In December of 2019, LeMoyne College announced New York State funding to help build an Entrepreneurial Lab and Marketplace Plaza. This plaza will be an incubator and collaborative workspace for entrepreneurs across all industries. The workspace will include items such as a 3-D printer, a woodshop and a virtual laboratory.

The State University of New York's Upstate Medical University ("SUNY Upstate"), the largest medical school in upstate New York with 1,547 graduate and undergraduate students, as well as, 348 interns and residents, includes four academic divisions in medicine, nursing, health professions, and graduate studies. In September of 2016, the SUNY Upstate opened a new academic building which will house the College of Nursing as well as the College of Health Professions. There are additional plans to renovate the College of Health Professions to provide students with the most current technology.

St. Joseph's Hospital Health Center is also a center of teaching for the health professions with their School of Nursing earning the prestigious Center of Excellence in Nursing Education for 2016 through 2019. This is a designation awarded by the National League of Nursing.

The SUNY College of Environmental Science and Forestry ("SUNY ESF") currently has 2,250 graduate and undergraduate students with 24 undergraduate and 30 graduate degrees. Their partnership with SU allows students to take classes and use all facilities at both colleges. Construction on a new \$30 million research building began in the fall of 2017. In January of 2018, SUNY ESF announced it will spend approximately \$17 million to upgrade its labs and will set aside another \$35 million for upgrades to its second oldest building on campus.

SUNY ESF received, in January of 2020, its largest charitable donation in its history from Templeton Charitable Foundation. The \$3.2 million gift will fund three years of research on Chestnut tree restoration and the health of forests where they were lost.

In addition to the above, over 9,800 students attend Onondaga Community College ("OCC"), a two-year college that is part of the State University of New York system. In December of 2017, the OCC reached an agreement with Tesla to train student technicians to service the electric car industry. OCC will have one of the very few programs in the State training students for this new industry. OCC has also created 'The Workforce Development Program' which gives students an opportunity to work in the field alongside experienced professionals. This program helps students with technical and soft workplace skills. Some of the career options offered are medical assistant, medical billing, manufacturing and line cook.

Over 90% of County residents over the age of 25 have a high school education or higher, with 35% possessing a bachelor's degree or higher (Source: US Census Bureau, 2017 Quickfacts), thereby putting the County at or above State and national levels.

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## **Health and Medicine**

Five of the County's largest employers are in the health care sector and three of the four major hospitals have recently completed or are continuing construction plans in 2020.

### ***University Hospital***

University Hospital in Syracuse is part of SUNY Upstate Medical University and is the only academic medical center in Central New York. This institution has 735 staffed beds and in 2019 inpatient discharges totaled 31,023. The hospital has 388 interns and residents. The largest employer in the County, it is the home of the regional neurosurgery center and one of the country's eleven Joslin Centers for Diabetes. Upstate Medical Center also includes a 90,000 square foot facility to consolidate all cancer patient services. This includes groundbreaking technologies for certain types of advanced cancers. It is also the region's Level 1 trauma center, burn center, kidney transplant and pediatric emergency center. Upstate Hospital expanded its east wing to include a two-story, 87,000 square foot children's health facility known as Golisano Children's Hospital. This is known as a hospital within a hospital to meet the special needs of children and their families. The Children's Hospital received a \$3 million donation in 2019 from Thomas Golisano to establish a new program aimed at providing more services for kids with developmental and intellectual disabilities. This program is meant to deplete the staggering waiting list of families needing these types of diagnoses.

In 2018, the Upstate Cancer Center underwent renovations totaling \$21.5 million for a patient exam floor and a clinical pathology lab.

The hospital is also in the discussion phase with two companies in their CNY Biotech Accelerator to create a lab that would develop and test prototype medical devices. (See also "Economic Development" herein.)

The Medical Center opened the Leica Microsystems Center of Excellence in November of 2019. This center provides state-of-the-art- imaging systems including microscope technology for super resolution of images of cell life and surfaces. There are only a few such Centers of Excellence in the country.

Another achievement for Upstate Medical Center is the opening, in September of 2019, of a state-of-the-art simulation center. Staff will train in this \$11 million unit to learn techniques to improve patient safety and quality of care in medical emergency situations.

Upstate Medical Center has begun the planning process for a \$140 million addition to its health system that will be built in the next three to five years. This facility will incorporate an urgent care facility where no appointment would be needed. The hospital also hopes to partner with other care providers in the community such as nutritionists, housing and transportation specialists to address all needs of the community.

In November of 2017, a local family donated \$8 million to Upstate Medical Center to be used for a new hospital complex, The Longevity Institute at Upstate Medical University, which will expand the hospital's focus on neurosciences such as Alzheimer's disease and dementia. Upstate Medical Center also received a \$70.6 million grant as part of the Capital Restructuring Financing Program and Essential Health Care Provider Support Program, and an additional \$75 million was allocated by the State for the project. The project was redesigned in 2019 to a smaller scale of 200,000 square feet and five floors and is to be located at East Adams and Almond Streets, across from the Upstate Cancer Center in downtown Syracuse. Construction is scheduled to begin the Fall of 2020 and continue through 2023.

In January of 2018, the State approved a plan by Upstate University Hospital to open an eight-patient inpatient psychiatric unit for teenagers. The unit cost approximately \$3.2 million and is located in Upstate's main hospital plant in downtown Syracuse. Upstate held the grand opening in January of 2020.

### ***St. Joseph's Hospital Health Center***

St. Joseph's Hospital Health Center is a facility with 435 staffed beds and in 2019 had 25,614 inpatient discharges and is part of Trinity Health. Trinity is a Catholic national health system located in Michigan. The center also includes a School of Nursing as well as accepting residents from the Upstate Medical Center.

In March of 2017, St. Joseph's opened The Heartburn Center which is dedicated to the treatment of all reflux diseases. The Center is intended to be a one-stop facility with a full team of all necessary specialists on staff. St. Joseph's Health Center was also awarded a \$90 million grant from New York State for debt restructuring and program investment.

In June of 2017, St. Joseph's Hospital also announced plans to build a \$31 million cardiovascular center to consolidate the various cardiac services located in the different areas of the hospital. The project will be paid for through hospital funds as well as donations. The center will be named after a physician who donated \$3 million to the project.

St. Joseph's opened a roof-top air medical transport helipad in October of 2018. This Care Flight received over 70 transports in its first year. The helipad has been credited with shortening the wait times for cardiac and stroke patients, thereby increasing the number of full recoveries for these patients.

St. Joseph's is known for its dialysis program and in January 2019, the hospital partnered with Fresenius Kidney Care to open a new home therapies dialysis center to train patients to perform home dialysis. In the same month, the hospital joined with the University of Rochester to create Concordia Healthcare which is an integrated healthcare and billing system. This venture was created to help health systems transition to a value-based care system that comprehensively monitors and manages the overall health of its clients.

St Joseph's cut the ribbon, in October of 2019, on The Innovative Medical Center in the Western suburbs of Syracuse. This center is a 16,000 square foot facility will offer primary care, cardiology and obstetric care services. This building also has the capacity to expand its services in the future.

### ***Crouse Hospital***

Crouse Hospital, with 19,181 discharges and 502 staffed beds in 2019, provides a regional referral center for neonatal care and high-risk obstetrics center. In July of 2017, the \$38 million expansion to the Emergency Department was completed and opened. The expansion tripled the size of the current emergency room and is a state-of-the-art facility. It includes a rapid evaluation area to allow patients to be seen as quickly as possible. At the same time the hospital announced a donation that will be used to upgrade equipment and staff education in its Crouse Breast Health Center.

Crouse Hospital is also a leader in the community in the treatment and prevention of opiate and heroin abuse. As a result of their work in this field, the State awarded funding of \$400,000 to continue the battle against this epidemic.

In September of 2018, the hospital announced that it is planning a \$31 million expansion to its neonatal intensive care unit. Crouse staff noted that the need for neonatal care has grown due to the increase in premature and multiple births. This expansion will grow the current unit from 15,000 to 24,000 square feet and provide a more comfortable and private environment for families.

Crouse Hospital launched a first of its kind clinic in the Spring of 2019 to help new moms dealing with potentially deadly mental health issues. The clinic will provide psychiatric evaluations, medication management and counseling as well non-traditional therapies such as yoga. This clinic is open to all families, regardless of when their baby was delivered.

A \$2.5 million renovation and upgrade to the Crouse pediatric catheterization suite was started in the summer of 2019 with completion of the work in November of 2019. The upgrades to the catheterization lab were necessary as this unit was reaching the end of its useful life. Crouse Health is home to this region's only pediatric catheterization program.

### ***Syracuse Veterans Medical Center***

Syracuse Veterans Medical Center ("VMC") is a 106-bed general medical and surgical facility servicing the County's veterans. A \$3.6 million surgery ward was completed in 2016 with a second \$3.8 million ward completed in 2017. Additionally, the Syracuse VMC operates a 48-bed Community Care Center that provides a day program, mental health care and a homeless veteran program. In 2018, the VMC invested \$9 million into upgraded infrastructure and improvements in patient care areas. Also, December of 2018 saw a new pain management clinic open in a free-standing building close to the VMC.

VMC also offers a "telehealth" service which allows Veterans access to nurses and doctors from the comfort of their homes. This is especially key to individuals who live far from the VMC or have mobility difficulties.

### ***Hutchings Psychiatric Center***

Hutchings Psychiatric Center is a community-based mental health facility providing an integrated network of inpatient/outpatient services to adults and children. This facility has 105 adult inpatient beds in three distinct units and thirty inpatient beds for children and adolescents. Additionally, Hutchings has 1,250 adult outpatients and 110 adolescent outpatients treating them through a system of clinical, vocational, residential and social rehabilitation services.

In 2018, Hutchings began a \$54 million renovation project including upgraded campus facilities and adult patient services area with 200 beds.

In 2017, Nascentia Health was created from the combination of a variety of home care and home aid organizations into a unified system. This new structure resulted in an \$11 million capital investment. The major piece to this was the opening of a new headquarters that provided a centralized location for all of its employees which service not only the County but 47 other counties.

## **Culture and Recreation**

The County offers a variety of cultural, recreational and entertainment opportunities.

Syracuse Stage is the premier regional professional theatre serving Syracuse and the Greater Central New York Community. Syracuse Stage, a professional theatre in residence at Syracuse University ("SU"), creates innovative, adventurous and entertaining productions, including new plays and bold interpretations of classics and musicals. Founded in 1974, Syracuse Stage produces six to seven productions, one of which is collaboration with SU Drama. SU Drama also performs five annual shows at this shared venue. The education department produces one touring production for elementary and middle school students, in addition to the student matinee series of mainstage productions. Additionally, Syracuse Stage hosts a "Young Playwrights Festival". High school students are invited to write original ten-minute plays which are then critiqued with the winners seeing their plays performed by SU drama students.

Syracuse Opera enriches the lives of the people of upstate New York through locally produced opera. Offering three main stage productions each season and year-round community performances and education programs, Syracuse Opera reaches over 60,000 people each year.

Downtown Syracuse has also seen the opening of the Redhouse Arts Center in 2018. The Center has a large main stage theater with seating for 350 people as well as a smaller stage area with seating for 250 individuals. This was a \$10 million project which will see a mix of play presentation, concerts, and comedy acts as well as many other varieties of performance art. The Center has also hosted camps for children and teens to teach them how to launch their own music careers.

Another venue for concerts, plays and other performances is the Landmark Theater in Downtown Syracuse. This theater is listed on the United States National Register of Historical Places and is noted for its historical and cultural significance. The landmark was built in 1927 by Marcus Loew at a total cost of land and construction of about \$3.3 million. The furnishings included a chandelier designed by Louis Tiffany and a 1,400 pipe Wurlitzer organ. After the theater fell into disrepair in the 1950s and 1960s, a group of community volunteers established a committee to save the theater from demolition in the 1970s. In 1976, the US Department of Interior gave the theater its historic places designation which provided federal protection from demolition or commercial development. Today, the Landmark is thriving with many Broadway plays, concerts and other top-level national acts performing in the theater. It was just announced that The Landmark received a \$2 million grant to replace the marquee and all seats in the auditorium, many of which were original from the opening of the theater.

The Everson Museum of Art, located in downtown Syracuse, is the first museum to dedicate itself to American art. In October of 2018, the Museum celebrated its 50-year anniversary. The current building that houses the museum was designed by internationally acclaimed architect I.M. Pei and was completed in 1968. This structure itself is considered a work of art and the first Museum Pei ever designed. In 1911, the Syracuse Museum now known as the Everson was the first in the country to declare it would focus on collecting works of art by American artists. The Everson holds approximately 11,000 pieces of art and hosts a popular film series in the summer months. The Museum has also become a venue for educating the public on the various works of art in the museum with events such as Lunch and Learns throughout the year.

Downtown Syracuse also plays hosts to a wide variety of festivals, fairs and concerts throughout the summer months. The Taste of Syracuse, a festival that features foods from local restaurants and many concerts, was once again held for two days in June 2019 in Downtown Syracuse. It has become Central New York's largest and fastest growing festival with an estimated 225,000 visitors in 2019 and over 80 vendors. Additionally, each year in July, a three-day arts and crafts festival is hosted by AmeriCU. This event attracts more than 50,000 each year with 160 artists and crafters from 25 states and Canada and is considered a great opportunity for visitors to experience the vitality of Downtown Syracuse. This festival is one of several events of ArtsWeek which is a partnership among several organizations committed to showcasing the arts in Downtown Syracuse. Anchored at the other end of downtown on that same weekend is the Northeast Jazz and Wine Festival. This fest includes nationally known jazz performers with an eclectic mix of musical styles with an urban flair and features wines made in the New York State Finger Lakes region.

The Jamesville Beach Balloon fest is Syracuse's premier kick off to summer. The 2019 version marked the 40<sup>th</sup> festival which occurs at the end of June each year. This event features concerts, amusement rides and hot air balloon flights each morning and evening.



Areas throughout the County feature many additional festivals during the summer and fall months that reflect the diverse cultural communities in Central New York. These include Polish Fest, St. Sophia's Greek Festival, Empire BrewFest, NYS Blues Festival, The CNY Scottish Games, La Fiesta Italiana, and Irish Fest.

NBT Stadium is home of the former Syracuse Chiefs, which had been the Triple-A affiliate of the Washington Nationals since the 2009 season and was purchased by the New York Mets in 2017. The Stadium has 11,117 seats. Starting in 2019, the Chiefs became the Mets minor league affiliate and will continue to play at NBT Stadium. NBT Stadium, which opened in 1997, was designed by HOK - the architects of Camden Yards in Baltimore and the new Yankee Stadium in New York. NBT Stadium was designed to serve as a multi-purpose facility for a variety of area sporting and entertainment events. Work began in December of 2019 on upgrades to the Stadium totaling \$25 million. These improvements will be completed in phases throughout 2020 and 2021.

The Syracuse Crunch brought professional hockey back to the County in 1994 in the 6,099-seat Onondaga County War Memorial. The Crunch is the American Hockey League affiliate of the Tampa Bay Lightning and averaged fans 5,900 per game. In 2019, the Crunch celebrated 25 years as a professional hockey team and continues to maintain a strong commitment to the Syracuse community.

The Museum of Science and Technology, known as the MOST, is located in the Armory Square area of downtown Syracuse. It is a museum geared to science and technology for children of middle school age and adults. This museum includes 35,000 square feet of more than 200 exhibits, a domed IMAX theater, a 50-seat planetarium and a state-of-the-art interactive exhibit called 'Life Sciences'. Staff from the MOST also visits schools bringing science demonstrations into the classroom. They also host a variety of events including summer camps, sleep-in camps, a science fair, numerous lectures and other learning events.

Syracuse University sports provide upstate New York with nationally ranked men and women's collegiate athletics, featuring 20 intercollegiate teams. The 49,262-seat Carrier Dome, America's only on-campus domed stadium, is the home of Syracuse University football, basketball, and lacrosse. In addition to Syracuse University sports, the Carrier Dome is the venue for Central New York's major concert events. In May of 2018, the University announced that \$118 million in renovations are coming to the Carrier Dome to include a new fixed roof to replace the archaic air supported roof and concrete interior, and the installation of a new center hung scoreboard. Improvements will also include state-of-the-art sound and lighting systems as well as an air-conditioning system. These various upgrades started in 2019 and will continue through 2022. A former Syracuse football player, John Lally, announced in the fall of 2019 a \$25 million gift to the Athletics department. While there are no definitive plans for the funds, Mr. Lally indicated first class facilities, operations and support will be needed for the University to compete in the ACC.

Onondaga County Parks provides over 3 million annual visitors recreational, cultural, educational, and environmental opportunities in a 6,500-acre system. The County Parks system provides the community with a nature center, beaches, forested areas and natural feature parks, a centrally located multi-use park with intensive recreational opportunities, a marina and boat launches, athletic fields and a professional sports stadium, a fish hatchery, dog park, historic facilities and memorial areas, as well as an array of special events and programs which have significant impact upon tourism and quality of life. In April of 2019, the County Parks Department received some top awards from the New York Recreation & Parks Society including an Exceptional Facility Design Award for Beaver Lake Nature Center.

Onondaga Lake Park was named "one of America's top ten national heritage parks" after renovations added Wegmans boundless playground, the region's premier skate park, the Griffin Visitor Center, and various sports courts. In 2019, the Park hosted the 30<sup>th</sup> annual Lights on the Lake display which is open November through the Holiday Season and features numerous brightly lit exhibits. Trails on the east and west shores have created ten miles of recreation area for walking, running, skating and biking and are currently being extended around Onondaga Lake.

The County's lakes have become destinations in the world of fishing, as evidenced by the national acclaim generated by major BASSMaster, Fishing League Worldwide and CARP Tournament Series events at Oneida Shores and Onondaga Lake since 2007.

The Tourism and Culture industry in the County has proven to be an economic driver. An Economic Impact Study developed by LeMoyne College and Americans for The Arts has shown that for each local resident audience member an additional \$21.66 is generated in event related spending such as dinner, coffee and dessert. For non- resident, that jumps to \$37.57 in additional spending.

## Conventions and Tourism

The County has recognized the economic importance of conventions and tourism as a net wealth generator for the community. The County is at the crossroads of three major interstates and is drivable from every metropolitan area in the Northeast.

The OnCenter Convention Complex (the “OnCenter”) is an integrated convention center complex consisting of three venues. Centrally located in downtown Syracuse, it attracts both regional and national events that contribute to the economic and cultural development the County. This complex includes in-house box office management, connective corridors and an award-winning in-house chef for catered events. The Nicholas J. Pirro Convention Center is available for major conventions, meetings, banquets, consumer and trade shows. The space includes a multi-purpose exhibit hall with 65,000 square feet, the 15,000 square feet grand ballroom and ten meeting rooms and atrium space. There is an enclosed walkway that attaches to a 1,000-space parking garage as well as covered underground access to The OnCenter War Memorial Arena. The Convention Center has undergone a green-roofing project and recently completed its meeting room renovations to upgrade the sound, lighting and technology systems.

This venue is an award-winning facility that has continually been recognized for its outstanding level of customer service, flexibility of function space, quality of food and the hospitality of its staff. Managed by the international venue management company ASM Global, The OnCenter, is advantageously positioned to offer clients creative and flexible options for their groups.

The versatility of the OnCenter has led to the annual attraction of over a half million visitors and thousands of room nights to the County. It encompasses 200,000 square feet of meeting, theater, exhibition and arena space. A wide variety of events including numerous theater, concert, sporting, tradeshow, and catered events are held at the OnCenter complex.

The War Memorial has the versatility to accommodate numerous large-scale events, including ice shows, family shows, car shows, concerts, sports events and conventions. It offers over 91,000 square feet on three levels and can accommodate over 7,000 guests in the arena. Telescopic seating was recently installed in the arena along with a state-of-the-art digital scoreboard. The War Memorial has four meeting rooms and is directly connected to the Convention Center.

The John H. Mulroy Civic Center is home to three distinct theaters that host a diverse variety of events, from stage productions and lecture series, to symphonies and business meetings, and can accommodate between 20 and 2,100 guests. The Civic Center also includes a spacious lobby area that can host receptions and pre-theater events.

Currently, VisitSyracuse has 41 conventions planned for Onondaga County this year. These events will result in approximately 16,152 room nights at area hotels as well as add a value to the area of over \$14 million.

The managers of the Syracuse Crunch and the County worked together to obtain a sponsor for the War Memorial. It was announced on December 20, 2019 that Upstate Medical University will be the sponsor for the War Memorial. The new name will be “Upstate Medical University Arena at the War Memorial”. The revenue from the naming rights would be shared by the Crunch and the County. In October 2018, the County undertook \$8.5 million in renovations at the War Memorial. These upgrades included a VIP Suite, LED screens and scoreboard.

The new Hotel Syracuse underwent a \$70 million renovation and opened in August of 2016 as part of the Marriott family of hotels. This Marriott Downtown Syracuse is the official hotel headquarters for the OnCenter Convention Complex. It houses 261 guest rooms, three restaurants and three cocktail lounges as well a modern conference center with innovative meeting technology. The Hotel continues to make improvements with the return of the art-deco fashioned Rainbow Lounge later this year. The Lounge will be restored to its original 1937 style with a terrazzo floor, circular bar and glass block windows. Historic Hotels of America named the Marriott Syracuse Downtown as the “Best City Center Historic Hotel” in the nation for 2017. The hotel also joined the list of AAA’s Four Diamond hotels in 2018.

The New York State Fair (“NYS Fair”) has received \$50 million in funding from New York State over the past few years to renovate the fairgrounds, which included destruction of the old Grandstand, enlarging the midway and creating an RV camping area. There is also an updated New York experience center with ponds and paths as well as a new front entrance. This \$62 million building was completed in July 2018 and encompasses 110,000 square feet with the capacity for 500 trade show booths and 4,000 retractable seats. The NYS Fair broke another attendance record in 2019 for the fourth year in a row with over 1.3 million visitors.

The New York State Fairgrounds (“NYS Fairgrounds”) attract an additional two million visitors to a wide variety of non-Fair events throughout the year. With more than 100 structures, 21 major buildings, and parking for 23,000 cars, the Empire Expo Center hosts many events. The annual economic impact of these events is an estimated \$200 million to Central New York. In 2019, it hosted the 20<sup>th</sup> annual Syracuse Nationals Auto Show. This show attracts more than 90,000 people from the US and Canada and over 8,000 cars and 450 vendors. The Nationals is estimated to bring in \$14.5 million in tourism revenue

to the area. Additionally, the NYS Fairgrounds is the venue for events such as The Central New York Home Show, Irish Fest, Food Truck / Brewfest Festivals, and the Chinese Lantern Festival.

The County marketing group, VisitSyracuse, launched an “Official Home of Winter” campaign in 2017. This season long event featured the County’s strong connection to winter by sending a message out to the country about the advantages of it through a marketing campaign. The campaign promoted Central New York as a winter tourist destination featuring skiing, snowmobiling, skating and a variety of other cold weather activities. In 2018, the marketing group extended this to promote the County and surrounding area as a four season destination.

In September 2018, Destiny USA in conjunction with Syracuse University, Syracuse Athletics, and its onsite Embassy Suites Hotel, announced a multi-year strategic tourism partnership designed to drive travel and tourism to Central New York and the County. They will work together on collaborative marketing efforts promoting all partners. This group will work together with VisitSyracuse to promote the area to outer markets worldwide.

### ***St Joseph’s Health Amphitheater at Lakeview***

The St. Joseph’s Health Amphitheater at Lakeview is located on the shores of Onondaga Lake in the Town of Geddes, near the western edge of Syracuse. The Amphitheater is a state-of-the-art venue with 5,000 seats as well as room for approximately 17,000 more people on the spacious lawn for viewing the performances.

In 2018, the naming rights for the Lakeview Amphitheater were awarded to St. Joseph’s Hospital Health Center. The County will receive \$750,000 over a five-year term for this agreement.

The County Legislature approved the construction of water dockage which was completed in the fall of 2017 at the Amphitheater. There are 30 to 40 slips for boats to dock at Lakeview Park and which enhances the ability for boaters to dock at the Amphitheater and attend concerts. Discussions are continuing to take place for a water taxi service to bring concert goers from around different areas of the lake to the Amphitheater to add to the positive concert experience.

For the 2019 season, there were 23 events held at the Ampitheater. The economic impact of just one concert has been calculated at a 13% spike in hotel occupancy with additional businesses such as restaurants and shops reporting significant increases in visitors.

### ***Destiny USA***

Destiny USA is a six-story 2.45 million square foot shopping dining and entertainment destination that is the largest of its kind in the State as well as the sixth largest shopping center in the nation according to WorldAtlas.com (April 25, 2017). This complex includes entertainment venues such as a 19-screen Regal Cinemas, Pole Position Go-Kart Raceway, Wonderworks, Funny Bones Comedy Club, and 5 WITS. The mall also includes the “Muzium”. This is a traveling exhibition of arts, science and history. An interactive mystery-solving attraction called the Museum of Intrigue is another popular destination.. This “museum” includes up to seven different stories to solve varying in difficulty using actors and real-life artifacts as clues. In January of 2019, Apex entertainment hosted a job fair that resulted in the hiring of 100 new employees for the 55,000 square foot venue which features laser tag, bowling and arcade games, and opened at the end of January. Trombi’s Tower, a five-level vertical obstacle course, was built in Destiny in the Summer of 2019. The Tower is aimed at children ages 5-12 years old. Destiny also just announced a trampoline park called “Get Air” will be opening at the Mall in 2020. This Park is geared for either bouncing or playing a sports game such as basketball utilizing the trampolines.

Destiny USA also hosts a wide variety of events from fashion shows and charity events, to job fairs, and Trivia night. This destination spot also includes an Embassy Suites Hotel which is located steps away from Destiny.

### ***Inner Harbor***

The revitalization of the Inner Harbor of Onondaga Lake continues with many projects planned. COR Development Company LLC has a \$324 million plan to transform the area and bring residential as well as commercial ventures as a part of this plan. Site preparation has started on the western shore for the residential component of this plan. According to COR Development management, the full build out of the Harbor will take approximately five to twelve years. Construction is complete on the Iron Pier Apartments with 112 apartments and 30,000 square feet of street level retail and restaurants. The Onondaga Creekwalk is a riverwalk style trail for walking, running and biking that currently connects Downtown Syracuse with Onondaga Lake, and also runs through the Inner Harbor region. A second and third phase are also planned to extend the Creekwalk further into the city of Syracuse. The Inner Harbor is also home to many events and festivals throughout the year.

## ***Township Five***

Township Five is a shopping, dining and recreation center located just minutes to the west of Downtown Syracuse. This strip mall-like area is the result of a \$58 million project with 500,000 square feet designated for many diverse uses that also includes housing and medical offices. This site is also the location of the Movie Tavern, a combined dining and movie theater venue. New to this site is a ninja warrior facility for both children and adults. This location offers an interactive, state of the art unit packed with professionally designed ninja obstacles.

Township 5 is also the venue for many concerts on Wednesdays during the summer featuring a variety of local bands.

## **Population Trends**

<u>Year</u>	<u>Onondaga County</u>	<u>New York State</u>	<u>United States</u>
1990	468,973	17,990,455	249,632,692
2000	458,336	18,976,457	281,421,906
2010	467,026	19,378,102	308,745,538
2013	468,387	19,651,127	317,135,349
2015 (Estimate)	468,463	19,795,791	321,418,820
2016 (Estimate)	466,194	19,745,289	323,127,513
2017 (Estimate)	465,398	19,849,399	325,719,178
2018 (Estimate)	461,809	19,542,209	327,167,434
2019 (Estimate)	460,528	19,453,561	328,239,523

Source: U.S. Census Bureau Quickfacts.

## **Commercial Banking**

There are ten major commercial banks with 100 branches within the County. The five savings institutions have an additional 8 branches. Offices of the following commercial and savings banks are within the County:

<u>Commercial Banks</u>	<u>Number of Offices</u>	<u>Savings Institutions</u>	<u>Number of Offices</u>
Bank of America, N.A.	8	Berkshire Bank	2
Citizens Bank, N.A.	4	Fulton Savings Bank	2
Community Bank, N.A.	4	Geddes Federal Savings & Loan Assn	1
JP Morgan Chase Bank, N.A.	10	Seneca Federal Savings & Loan Assn	3
Key Bank, N.A.	21	Tompkins Trust Company	1
M & T Bank	28		
NBT Bank, N.A.	12		
Pathfinder Bank	3		
Solvay Bank	9		
The Lyons National Bank	1		

Source: Federal Deposit Insurance Corporation (FDIC) Details and Financials – Institution Directory (ID), <https://www.fdic.gov/> (accessed September 2, 2020).

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## Major Employers

Listed below are the major industrial and service-related employers in the County and the number of employees:

<u>Rank</u>	<u>Name</u>	<u>Employees</u>
1.	SUNY Upstate Medical University	7,523
2.	St. Joseph's Hospital Health Center	4,824
3.	Syracuse University	4,765
4.	Walmart	4,600
5.	Lockheed Martin Mission Systems & Training	4,100
6.	Price Chopper - Market 32	3,900
7.	Crouse Health Center	3,300
8.	Tops Friendly Markets	3,170
9.	National Grid	2,500
10.	Loretto Health Group	1,537
11.	Wegmans Food Markets	1,485
12.	Spectrum (formerly Time Warner)	1,400 <sup>(1)</sup>
13.	Excellus BlueCross BlueShield	1,216
14.	Tessy Plastics Corporation	1,120
15.	Syracuse Research Company	1,100
16.	Verizon Communications	1,100 <sup>(1)</sup>
17.	Welch Allyn	1,000
18.	Raymour & Flanigan	739
19.	Onondaga Community College	629
20.	Syracuse Orthopedics Specialists	592
21.	Elmcrest Children's Center, Inc.	550
22.	Carrols Restaurant Corp.	550
23.	AccessCNY	504
24.	Byrne Dairy, Inc.	500
25.	Driver's Village, Inc.	500

<sup>(1)</sup> Data from 2016.

Note: These figures pre-date the emergence of the COVID-19 pandemic whose impact hereon is not predictable at this time.

Source: Central New York Business Journal published April 2019.

## Unemployment Rate Statistics

### Annual Average Unemployment Rates (%)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Onondaga County	5.2	7.6	8.0	7.7	7.9	6.8	5.6	5.9	4.9	4.5	4.7	3.9
New York State	5.4	8.3	8.6	8.2	8.5	7.7	6.3	5.3	4.9	4.7	4.1	4.0
United States	7.3	9.9	9.3	8.5	7.9	6.7	5.6	5.0	4.9	4.9	3.9	3.7

### 2020 Monthly Unemployment Rates (%)

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>
Onondaga County	4.4	4.2	4.3	16.1	11.8	12.0	13.2	N/A	N/A
New York State	4.1	3.9	4.2	15.1	14.2	15.5	16.0	N/A	N/A
United States	3.6	3.5	4.4	14.7	13.3	11.1	10.2	N/A	N/A

Note: Data are not seasonally adjusted. Data are preliminary and subject to revision.

Note: Unemployment rates for August and September 2020 are not available as of the date of this Official Statement. Due to the impact of the COVID-19 pandemic, unemployment rates for April, May, June and July 2020 were substantially higher than for previous periods and unemployment rate are expected to remain higher for the foreseeable future.

Source: New York State Department of Labor and the U.S. Bureau of Labor Statistics (accessed September 2, 2020).

## Labor Force Statistics in Onondaga County

Persons in the labor force and persons employed (annual average) in the County for the past ten years and 2020 YTD<sup>1</sup> are as follows (in thousands):

<u>Year</u>	<u>Labor Force</u>	<u>Employment</u>
2010	237.0	218.0
2011	232.6	214.7
2012	233.0	214.6
2013	231.7	215.9
2014	224.6	212.1
2015	222.5	211.5
2016	222.1	211.1
2017	219.7	209.5
2018	219.8	211.0
2019	220.5	211.9
2020	221.9	201.1

<sup>1</sup> Data shown is for the months of January through July of 2020 only.

Source: New York State Department of Labor, Local Area Unemployment Statistics Program (LAUS) (accessed September 2, 2020).

Note: Data are not seasonally adjusted. Data are preliminary and subject to revision.

## Labor Market Statistics

The following tables present the distribution of employment in the County and employment trends for 2000, 2015, 2016, 2017, 2018 and 2019 <sup>(1)</sup>.

### Trend of Total Employment Total Employment and Employment as a % of Total Employment 2000, 2015, 2016, 2017, 2018 and 2019 <sup>(1)</sup>

Industry	2000	% of Total	2015	% of Total	2016	% of Total	2017	% of Total	2018	% of Total	2019	% of Total <sup>(1)</sup>
Agriculture, Forestry, Fishing Hunting	578	0.23%	756	0.31%	727	0.30%	848	0.35%	851	0.35%	891	0.36%
Mining	126	0.05%	135	0.06%	117	0.05%	96	0.04%	108	0.04%	137	0.06%
Construction	10,272	4.12%	9,353	3.89%	9,681	4.00%	9,768	4.04%	10,133	4.16%	10,132	4.11%
Manufacturing	35,126	14.08%	18,489	7.70%	18,588	7.68%	19,113	7.91%	19,692	8.08%	19,881	8.07%
Wholesale Trade	14,277	5.72%	12,583	5.24%	12,585	5.20%	12,368	5.12%	11,610	4.76%	11,393	4.63%
Retail Trade	29,852	11.97%	28,966	12.06%	28,373	11.73%	27,459	11.36%	27,126	11.13%	26,164	10.62%
Transportation and Warehousing	8,049	3.23%	8,843	3.68%	8,879	3.67%	8,418	3.48%	8,627	3.54%	8,911	3.62%
Information	7,044	2.82%	3,837	1.60%	4,052	1.67%	4,114	1.70%	4,000	1.64%	3,841	1.56%
Finance and Insurance	12,474	5.00%	10,440	4.35%	9,993	4.13%	9,458	3.91%	9,024	3.70%	8,905	3.62%
Real Estate and Rental Leasing	3,331	1.34%	3,205	1.33%	3,362	1.39%	3,218	1.33%	3,386	1.39%	3,369	1.37%
Professional, Scientific and Technical Services	11,033	4.42%	14,263	5.94%	14,009	5.79%	14,216	5.88%	14,300	5.87%	14,443	5.86%
Management of Companies and Enterprises	3,841	1.54%	2,716	1.13%	3,749	1.55%	4,126	1.71%	4,387	1.80%	4,326	1.76%
Administrative and Waste Services	11,959	4.79%	12,042	5.01%	11,606	4.80%	12,260	5.07%	12,996	5.33%	13,071	5.31%
Educational Services	8,213	3.29%	9,189	3.83%	9,190	3.80%	9,123	3.77%	9,428	3.87%	10,722	4.35%
Health Care and Social Assistance	26,253	10.52%	34,326	14.29%	35,526	14.68%	35,857	14.84%	36,352	14.91%	37,665	15.29%
Arts, Entertainment, and Recreation	2,645	1.06%	3,657	1.52%	3,686	1.52%	3,818	1.58%	3,780	1.55%	3,881	1.58%
Accommodation and Food Services	16,080	6.45%	19,561	8.14%	19,491	8.05%	19,236	7.96%	19,460	7.98%	19,377	7.87%
Other Services	9,412	3.77%	8,417	3.50%	8,296	3.43%	8,513	3.52%	8,431	3.46%	8,339	3.39%
Total, All Government	38,819	15.56%	39,116	16.28%	39,587	16.36%	39,490	16.34%	39,940	16.38%	40,643	16.50%
Unclassified	86	0.03%	306	0.13%	478	0.20%	176	0.07%	135	0.06%	208	0.08%
Total, All Industries	249,470	100.00%	240,200	100.00%	241,975	100.00%	241,675	100.00%	243,766	100.00%	246,299	100.00%

<sup>(1)</sup> Data for 2019 are preliminary and subject to revision.

Notes: Column totals may not foot due to rounding.

Source: New York State Department of Labor, Quarterly Census of Employment and Wages Survey (QCEW). <https://labor.ny.gov/stats/LSQCEW.shtm> (accessed September 2, 2020).

## Economic Development

A centerpiece of Governor Cuomo's strategy to jumpstart the economy and create jobs, the Regional Economic Development Councils ("REDC") were put in place to redesign the State's approach to economic development from a top-down model to a community-based, performance-driven approach. The initiative empowers community, business, and academic leaders, as well as members of the public in each region of the State, to develop strategic plans specifically tailored to their region's unique strengths and resources in order to create jobs and support economic growth.

In 2015, the CNY REDC was one of three regions in the State selected to receive \$500 million through the State's Upstate Revitalization Initiative ("URI"), for its bold and visionary plan to bring jobs, private investment and greater prosperity to all the region's residents. This NYS investment continues into 2020. To date, our region has incentivized over \$2.5 billion in private investment. In over six rounds of the REDC program, Central New York has received nearly \$1 billion, including the Revitalization money, to support 475 projects designed to grow jobs and strengthen companies.

The plan, CNY Rising, includes six Signature Investments that draw on its core strengths and global market potential in the areas of unmanned aerial systems, agriculture, shipping and logistics, and respond to region's needs, particularly related to service to returning veterans, job skills training and more efficient local government.

As government modernization was identified as a priority for economic development, Consensus was created, a local commission to lead New York's first comprehensive, countywide review of local governance. Establishing the commission was among the strategies outlined in the region's Metropolitan Business Plan created by CenterState CEO and the Brookings Institution. Consensus was also named as a signature investment area of the URI in 2015.

CenterState CEO serves as the region's independent and forward-thinking economic development strategist, business leadership organization and chamber of commerce; dedicated to the success of its members and the prosperity of the region.

Recent initiatives on which CenterState CEO and the County have collaborated include:

- In partnership with the Brookings Institution, the County and other regional partners, CenterState CEO developed the CenterState Agenda for Economic Opportunity, the CenterState New York Export Plan, and the CenterState New York Global Investment Initiative (foreign direct investment strategies) to advance economic development and business growth strategies for the CenterState New York region. The CenterState NY Export Plan is designed to improve regional competitiveness in the global marketplace. Its core strategies to increase export activity of the region's top exporters, build export capacity of small and medium-sized enterprises, and expand exports of the region's key service providers are being realized through the efforts of the Central New York International Business Alliance.
- The CenterState Agenda for Economic Opportunity's initiatives are designed to build on and strengthen the region's distinctive assets while addressing critical needs to achieve long-term economic success. The Agenda's key initiatives, which are to establish the Data to Decisions Innovation Alliance, create a regional seed and venture fund, establish a commission on government modernization, and implement the CenterState export initiative, have helped lay the foundation for other strategic initiatives to follow, including the CNY REDC's regional strategic plans and URI.
- The CenterState New York Global Investment Initiative is a comprehensive plan that outlines why local business, civic, and government leaders should leverage exports and foreign direct investment to grow global engagement. This strategy is an integral stage of CenterState New York's ongoing participation in the Global Cities Initiative (GCI), a joint project of the Brookings Institution and JPMorgan Chase. The plan integrates and builds on lessons learned from the region's previous GCI endeavors, including a market assessment and the development of the CenterState NY Export Plan.
- The Alliance for Economic Inclusion (AEI), Central New York's anti-poverty initiative is administered by Onondaga County. Centerstate is implementing an AEI Worktrain program, sponsored by United Way of CNY, to increase job access and career pathways to underemployed and unemployed residents of the Central New York area.

Onondaga County has become a national model for sustainable stormwater management through its use of innovative gray and green infrastructure solutions to manage stormwater runoff. In 2019, the Onondaga County Save the Rain (STR) program continued to construct green and gray infrastructure projects, expanded its partnerships in the community, and further developed robust education and outreach initiatives focused on restoring Onondaga Lake and its tributaries. Through 2018, the County implemented 234 green infrastructure projects. The projects have an excellent performance record and represent robust, resilient designs with good safety margins for stormwater capture and CSO reduction. It is estimated by the County's stormwater management model (SWMM) that the completed 234 green infrastructure projects are reducing stormwater runoff by 184 million gallons (MG) per year at a construction cost of \$88 million.

Over the last 30 years, the County has invested approximately \$680 million - toward completing the requirements of the amended consent judgment (ACJ) imposed in 1998 (as of December 31, 2019) on both green and gray infrastructure to reduce CSOs. Water quality in Onondaga Lake, Onondaga Creek, and Harbor Brook has significantly improved due to the efforts of the County and other entities within the Community.

Another successful initiative of CenterState CEO's Innovation and Entrepreneurship portfolio is the Clean Tech Center, which develops renewable and clean energy technology companies in New York State. The Tech Garden is a clean technology incubator funded by NYSERDA to develop emerging businesses and commercializing technologies in renewable energy, alternative fuels, system integration and smart grid technologies, transportation and buildings and construction technologies. The Clean Tech Garden has awarded over \$8 million to startups and hosts over 150 connection building events a year. In an average year, the Garden will invest over \$600,000 via many competitive programs. Building on this success, CenterState CEO and Syracuse University partnered on a successful grant application for the Economic Development Administration's 6 challenge to foster stronger entrepreneurship in the region's thermal and environmental controls.

The City of Syracuse announced, in April of 2019, that it had been awarded a \$3 million grant from JPMorgan Chase. Syracuse beat out 250 cities for this grant which was also awarded to Chicago, Louisville, San Diego and Miami. The grant is to be used for tech infrastructure and training for women, minorities and veterans for jobs in the areas utilized in the current economy with emphasis on the tech sector. A deciding factor for JPMorgan in awarding this grant to Syracuse was the collaboration of various community organizations and municipalities in applying for this grant. Centerstate CEO, City of Syracuse, Onondaga County, Syracuse University, LeMoyne College and the Allyn Foundation were all involved in completion of this grant application.

It is expected that this grant will help infuse funds into the "Syracuse Surge", an initiative advanced by the Mayor as a group of projects with the goal of bringing back impoverished neighborhoods.

The County has been a partner to the region's efforts to grow the Unmanned Aerial Systems (UAS) industry in Central New York. The area is one of the leading regions driving the development of a corridor of innovation and testing that will take the unmanned systems industry to new heights. New York Governor Cuomo recently announced the completion of the first-in-the nation 50-mile unmanned drone corridor which runs between Central New York and the Mohawk Valley. With this infrastructure in place, companies will be able to test in real world settings and generate data that will help both the drone industry and regulators.

A squadron of unmanned aircraft (drones) continues to be based at the Air National Guard base in Mattydale. Hancock International Airport became the first commercial airport with federal permission to launch and land unmanned aircraft. This has given rise to many opportunities for this industry in Central New York. This will be significant to the growth of the industry in Central New York with the creation of "Drone Zones". These are geographic areas where drone related companies and startups will become business incubators and accelerators. This drone test corridor has attracted an Israeli company, Blue White Robotics, to the Syracuse based Tech Garden. Blue White Robotics is developing software that allows one drone operator to remotely operate multiple unmanned aerial or ground vehicles.

The Northeast UAS Airspace Integration Research Alliance (NUAIR) is a nonprofit New York coalition of public and private organizations as well as academic institutions that provides expertise in aeronautical research and drone operations and safety management. This organization is headquartered in Syracuse, New York. NUAIR is just one of seven sites in the US authorized by the FAA to conduct drone operations and testing.

The Tech Garden supports a variety of CEO initiatives to build economic development in Central New York. CenterState's GENIUS NY is the world's largest business accelerator competition that awards six UAS startups a total of \$3 million in investment. Finalists are selected from a competitive pool of submissions from across the globe. The program also provides UAS startups all the tools they need for success, including stipends, resources, programming and connections. The program is currently in its third year.

The \$23 million Central New York Biotech Accelerator ("CNYBAC") is an incubator providing the environment to accelerate biological and medical products to market. This 60,000 square foot LEED Silver-certified facility includes lab space, mentoring services and education for companies involved in the commercialization of biotech innovation. It is a joint venture of State University of New York College of Environmental Science and Forestry ("SUNY ESF") and Upstate Medical University ("Upstate"). New and existing tenants include Upstate Pathology Molecular Diagnostics Lab, National Grid Creation Garage and six other clients.

Another tenant, Quadrant Biosciences developed laboratory tests that can identify autism, concussions and Parkinson's disease. They have raised \$30 million in venture capital.

The University Hill area is home to Syracuse University, SUNY ESF, Upstate Medical University, and a concentration of the region's health care and hospital facilities. This concentration of talented researchers, graduate students and medical/academic expertise has helped to grow the research and development organizations in this area. There has been capital investment of more than \$600 million in the University Hill in the last three years. The projects for 2018 and 2019 include



three residential housing for \$153 million completed in 2018, renovations to Hutchings Psychiatric Center for \$54 million, and renovation to SUNY Upstate Cancer Center for \$21.5 million.

Additionally, the Syracuse Housing Authority has begun the process of transforming low rent housing with the construction of Freedom Commons in the University Hill area. Of the total 54 apartments, 9 will be permanent supportive housing units for formerly homeless individuals, while the remaining units will provide affordable housing for individuals and families. In 2019, the City of Syracuse, the County and private foundations collaborated to revitalize the downtown Syracuse area by continuing the renovation and replacement of buildings into mixed use, mixed income homes. This project is based on a blueprint of initiatives taken on by other cities that has resulted in higher incomes and lower crime. The University Hill Corporation, which coordinates with and is associated with CenterState CEO, is the facilitator for these connections. It should be noted that investment in this area is anticipated for the future with \$350 million being spent on projects, many of which are to be started in 2020.

New York State announced in February of 2020 thirty-nine projects for Central New York that will target the fight against poverty. The funds for these projects will come from the \$500 million Upstate Revitalization Initiative award. The Alliance for Economic Inclusion will approve the projects for funding. Some of these projects include funding for reliable transportation for rides to jobs for the underserved and job training and readiness programs.

Downtown Syracuse continues to see development and renovation of older buildings into condominiums and retail space. Currently, there are 115 units under construction and 78 units completed from 2018 into the first quarter of 2019 in the metropolitan Syracuse area. The overall occupancy rate is 99% for the 2,180 residential units available in urban Syracuse. The investment in projects completed in 2018 was over \$59 million while construction in the first half of 2019 totals over \$74 million.

In early 2019, a venture capital group, Armory Square Ventures, launched a \$31 million fund to invest in about 15-20 businesses that focus on automotive technology, agriculture, health information and other high-growth sectors. The group will invest up \$2 million in each of these companies and are focused on Upstate New York regions that traditionally have lagged in venture capital funds. In addition to investing, this group will assist companies in recruiting senior talent as well as obtaining additional investors.

Several of the area's largest innovative tech and knowledge-based industries are reporting significant growth, as described below and on the following page.

- Amazon Warehouse-Trammell Crow Developer- through collaborative effort of the Town of Clay, City of Syracuse and Onondaga County received approval for a \$350 million 3.8-million-square-foot facility which will generate 1,000 new jobs. Additional jobs are anticipated through ancillary businesses such as transportation and packaging. Construction started in the Spring of 2020 with an expected completion date in September 2021. Additionally, a smaller complimentary e-commerce distribution center is being developed by Montante Construction in the Town of Dewitt which will generate an additional 200 new jobs and act as support facility for the Town of Clay warehouse. The project is planned to be completed on a similar timeline to the Clay Facility.
- Lockheed Martin Naval Electronics and Surveillance Systems-Radar Systems, a unit of Lockheed Martin Corporation ("Lockheed"), is a leader in the design, development and integration of radar systems, vessel traffic management, simulation and training systems, and other complex electronic systems. The firm employs 1,600 people at its Syracuse headquarters. The company continues to win numerous defense contracts for radar units at their Central New York plant. In February of 2018, it was announced that the US Navy selected them to supply two sonar systems for a contract valued at \$51 million. In March, Lockheed entered a joint venture with a European firm to supply Germany with surveillance radar (known as MEADS) as well as new air and missile defense systems. This total contract including both firms totals \$4.9 billion. The United States Senate approved spending \$324.6 million on radar units for the Army which are specifically manufactured at the Salina plant. This is the largest contract ever for this Salina plant. It was announced in December of 2018 that the Navy awarded Lockheed a \$184.1 million contract for a warfare system to protect Navy vessels from anti-ship missiles. As a result of this activity, Lockheed held a job fair in Syracuse to hire 200 more people to fill open positions. Lockheed saw additional business in 2019 as it was awarded a \$600 million contract with the Navy for radar in early warning surveillance planes. The Navy also contracted with Lockheed for sub-hunting sonars for an award worth up to \$297 million over the next seven years. It was announced in September of 2019 that the Army awarded a contract to Lockheed for development and production of the Sentinel a4 radar system. This contract has the potential to be worth up to \$3 billion which would make it the largest contract ever for Lockheed Martin. It was announced in January of 2020 that the Navy selected Lockheed for a contract that could be worth up to \$812 million, if all four one-year options are exercised, for electronic systems to defend their carriers and cruisers from anti-ship missiles. Lockheed is also a partial beneficiary, as a subcontractor for Northrup Grumman, of a \$404 million Navy contract for early warning radar for their aircraft. These contracts will support continued employment for the Lockheed Martin workforce.

- *SRC, Inc., formerly Syracuse Research Corporation*, is a not-for-profit research and development company with more than 55 years of experience in defense, environment and intelligence. SRC currently employs around 900 people in the Syracuse area. Due to its success in creating a lightweight counter-mortar radar system for the U.S. Army, its growth in manufacturing led to a for-profit SRCtec subsidiary, which provides manufacturing and lifecycle support for complex electronics systems and employs an additional 230 people in its North Syracuse location. SRC also saw increase in military contracts through 2020. The Army awarded SRC a \$65 million contract in February to develop a system that can detect and defeat small, slow and low-flying drones like those used in the battlefield by the Islamic State in Iraq. That contract is one of the 10 largest in the company's history. SRC announced plans in October of 2018 to hire 300 more people due to their surge in sales to both U.S. military and international customers. This was followed in January of 2019 with a \$108 million contract from the Army for a mobile system to defeat enemy drones in the battlefield. In May of 2019, the US EPA awarded a contract worth up to \$100 million to SRC to determine if new or existing chemicals pose environmental hazards. SRC won a contract from the Air Force worth up to \$376 million as announced in October 2019. They are planning on expanding its local workforce by 300 people and are purchasing another building in the office park it currently inhabits. The US Army announced in January of 2020, it had awarded a \$22 million contract to SRC for technology to counter small, low flying drones on the battlefield. In July of 2020, The Army announced SRC would supply them with mobile systems that use radar, jamming technology and other sensors to detect, track, identify and defeat hostile drones on the battlefield. This contract is worth \$426 million, one of the largest in company history.
- *Saab* (purchased local Sensis in 2011) is moving its North American headquarters for its defense company to the County which is anticipated to bring 260 new high-tech positions to the area. They plan to significantly expand their defense business in the United States through the plant in East Syracuse, New York. This shift is to integrate unmanned drones into this new business which is encouraged by the FAA. In June 2017, the Navy awarded a \$584 million contract to Saab for a radar system to be installed in a new ship built in 2017. Saab was also awarded, at the same time as SRC, a defense department contract to develop technology to detect swarms of small drones. In May of 2019, the Navy awarded a modification of an additional \$17.2 million to his contract. The U.S. Coast Guard awarded a \$16.8 million contract to Saab to produce a radar system to be installed in their offshore patrol cutters. This contract includes options that bring the cumulative value of this project to \$118 million.
- *Welch Allyn*, an internationally known manufacturer of medical and dental diagnostic instruments continues to serve as an industry leader and major force in the area's economy. The firm employs over 900 people locally. Welch Allyn was purchased by Hill-Rom in September of 2015 with a purchase price of \$2.05 billion. They continue to manufacture products as Welch Allyn. In February of 2017, the Onondaga County Industrial Development Agency approved \$3.1 million in tax breaks for an expansion of the Welch Skaneateles plant. In May of 2018, the ribbon was cut on the \$12.7 million expansion that will be used as a warehouse and distribution center as well maintaining a campus for research and development. Welch Allyn was awarded a Department of Defense contract in the Spring of 2019 to supply all branches of the service with patient monitoring devices. The contract expands to 2024 with an option for a five-year renewal.
- *Steri-Pharma* is an antibiotic manufacturing plant located west of downtown Syracuse and currently employs 48 people. In 2019, they were approved for \$1.8 million in tax breaks from Syracuse IDA. This will include a \$50 million expansion, 18,500 square-foot addition to its current building and increase employment to 120 people. Construction was completed in 2018.
- *Feldmeier Equipment*, a maker of stainless-steel tanks for pharmaceutical as well as other industries, announced plans in 2017 to build a \$12.7 million factory as it has outgrown its current facility. This expansion is a key item in retaining the company's 128 positions in the County. Feldmeier teamed up with Onondaga Community College in September of 2018 to offer an Apprenticeship Accelerator program that will train workers to perform the job functions needed by this company. Feldmeier is in dire need of these trained workers to keep up with demand for their products. This was followed by an announcement that their new stainless-steel tank factory opened in Dewitt. This is a \$15 million factory with 133,000 square feet of space.
- *Carrier Corporation* has invested \$25 million in redeveloping its Dewitt campus and continues its position as the company's largest research and development center. The Dewitt site develops refrigeration systems for shipping containers and trucks cooling systems for store display cases and air conditioning, as well as software. In November of 2018, Carrier was split off from its parent company, United Technologies, and is once again an independent company.
- *Anheuser Busch* continues to invest in its Baldwinsville facility. The firm employs 430 full-time workers at its plant northwest of Syracuse and expects to continue its operations at full capacity. The company is a wholly-owned subsidiary of Anheuser-Busch InBev, the leading global brewer, and continues to operate under the Anheuser-Busch name and logo. In May of 2017, it was announced that Anheuser-Busch will invest \$10 million in their facility to produce and package a high-end tea through the Teavana Brand. In January 2020, Busch announced their entrance into the hard seltzer market. The Baldwinsville plant will be the site for this new product being launched by Anheuser

in 2020. As part of their goal to use 100% renewable energy by 2025, Anheuser is currently using a 2.76-megawatt solar panel installation to generate power at the plant.

- Tessy Plastics Corporation is a plastic parts manufacturer as well as a tool and automation design and build organization with plants in Elbridge, Skaneateles, Van Buren and Auburn, New York. Tessy operates in 1.6 million square feet of manufacturing, cleanroom and warehouse space.
- Inficon, Inc., another technology-based company located in the County is an organization specializing in sensor technologies. Their headquarters are located in Switzerland but employ approximately 260 people in Dewitt, New York. In April of 2015, they were awarded a \$46.8 million contract by the Department of Defense to supply product to all branches of the military. This contract extends to April of 2020. The Department of Defense awarded Inficon a five-year contract worth \$45 million in April of 2020 to supply medical equipment to all branches of service.
- Byrne Dairy is a fourth-generation owned family business that works with various dairy products such as milk, yogurt, and ice cream. They are an innovator in milk processing and two years ago created an ultra- pasteurization process that pushed the life of its milk out to seventy days. This has allowed Byrne to extend its market to other areas of the country. They are also continually expanding their convenience store business by building numerous new stores throughout the Central New York area over the past two to three years. Byrne announced in December of 2018 the third expansion in its 15-year history. The \$24 million project was completed in August of 2019. The CEO of Byrne indicated, at the same time, that a fourth expansion is also being planned that will double the total Byrne manufacturing space. In July of 2020, Byrne announced a \$28million expansion of its Ultra Dairy plant which will create 64 jobs. This expansion will include a 22,000 square foot addition to its current facility. This expansion will create an "aseptic" processing area where dairy products and packaging will be sterilized to give these products a shelf life of one year without refrigeration.
- G&C Foods, a distributor of fresh, frozen and dry foods to retailers and wholesalers, has a "sky's the limit" attitude. In January of 2016, plans were announced to build an \$18 million expansion to their food distribution center in Central New York. They will be creating a frozen-food packaging line as well as expansion of freezer and dry storage space. Since the company currently does not package food, this will add a whole new area with opportunity for significant growth. G&C has also partnered with many producers such as Tyson Foods to integrate supplier to customer distribution.
- TCG Player, an online marketplace for collectible gaming cards such as Yu-Gi-Oh and Pokemon is located in downtown Syracuse and opened in 2014. This company has experienced explosive growth since its inception. The offices started on one floor of an office building and completed, in December of 2018, a 44,000 square foot expansion that features a 110-foot-long dragon with a tail that doubles as a slide, a pirate ship and a castle. Their staff has grown from 40 to 230 employees.
- Microsoft-Smart Cities Technology plans to open a hub in the City of Syracuse as part of the Mayor's Syracuse Surge program. This hub is aimed at developing uses for new technology, aiding tech start-ups and training workforce in technology. This is the third hub that Microsoft has started and the first in the Northeast. This, again, is the result of collaboration between municipalities and the area's higher learning institutions.

The County has also seen growth with new facilities or expansions in other companies such as Morse Manufacturing Co., Inc., a maker of industrial drum-handling equipment, and Cryomech Inc., a maker of very low temperature coolers.

In March 2019, the County Legislature passed a resolution requesting State lawmakers to enact legislation regarding the County's ability to finance and otherwise assist in the development of a regional STEAM (Science, Technology, Engineering, the Arts and Mathematics) School. With the adoption of such State legislation, which occurred as part of the 2020 – 2021 State budget, the County may now finance the renovation of the Syracuse City School District's vacant Central Tech School which will support the creation of the new regional high school at an estimated cost of \$75 - \$80 million. On May 5, 2020, the County Legislature authorized the issuance of \$74 million of general obligation serial bonds to support the renovation of the former Central Tech School. The STEAM School would be run by the Syracuse City School District and serve students from Syracuse and the suburbs. Debt service on the bonds would be paid with a combination of State aid, grant monies, City and City School District funds. Although general obligations of the County, debt service on the bonds, in the first instance, would be paid by the City of Syracuse and the Syracuse City School District.

Another generator to the workforce in the County is the influx of "millennials" to the region. According to the National Association of Realtors, nearly three in four new Syracuse residents in 2017 were millennials. No one reason was given for this influx of young people, however, the affordability of living in this region is considered one of the highlights.

Regionally, the County continues to participate in the 12-county Central Upstate Regional Alliance, which is a partnership of public, academic and non-profit organizations convened by the CenterState CEO. The partners work collaboratively to address common challenges and advance unique opportunities for the benefit of the entire region.

The Onondaga County Office of Economic Development works closely with the many other organizations in the area whose goals are to make doing business in the region easier. In addition to CenterState CEO and the City of Syracuse, the County also collaborates with the following partners:

- Empire State Development and its New York State Excelsior Jobs Program – provides capital grants and tax credits for up to ten years, including job tax, R&D tax, real property tax credits. National Grid, the local utility offers utility discounts to NYS Excelsior designated companies. NYSEDA, a state authority which encourages energy alternatives, offers a wide array of utility incentives for residential, business and institutional facilities. Empire State Development offers a wide variety of financial incentives to qualified business attraction and retention projects that create wealth within New York State.
- Central New York Regional Planning Board provides planning services to spur business investment in the five County CNY-regions.
- Central New York Technology Development Organization works with technology and manufacturing companies to improve an existing company's processes, productivity and competitiveness or to transition a startup company to a successful business.
- Manufacturers' Association of Central New York provides members with the tools, information, and resources they need to compete.
- Greater Syracuse Business Development Center offers a variety of financing packages for small to medium-sized businesses located in Central New York.
- In an effort to train and prepare the local workforce, the New York State Small Business Development Center at OCC, Onondaga-Cortland-Madison BOCES and CNY Works and Workforce Investment Board provides small business assistance, customized training especially in mechanical, engineering, computer and customer service skills and job placement, respectively.

The County has made maximum use of available economic development tools. The Onondaga Civic Development Corporation (“OCDC”), a not-for profit local development corporation, was established in October 2009. The corporation, which can provide tax-exempt financing for not-for-profit corporations, was formed with the purpose of encouraging the development or retention of industries that provide employment and job-related training opportunities in the community. During 2015, the OCDC issued bonds for building renovations at Le Moyne College and refinancing of Onondaga Community College (“OCC”) Housing Development debt. OCDC also participated in a Quasi Equity Loan program with the Greater Syracuse Business Development Corporation.

The Onondaga County Industrial Development Agency (“OCIDA”), a public benefit corporation created in 1970, uses its statutory powers to work with local businesses to build or expand their businesses in the County. In 2018, OCIDA completed two Payments in Lieu of Tax agreements and induced eight projects with a capital investment of approximately \$68.5 million.

The County has authorized funding \$1.6 million to design a sewer system for the White Pine industrial site to attract a tenant to the 450 acre site. The full cost for constructing the sewerage system is approximately \$16 million which would require further approval of the County Legislature.

## **Interstate 81**

Interstate 81 (I-81) is important to the Syracuse area. The highway serves as a major commuter route, providing access to jobs, businesses and services in downtown Syracuse and the hospitals and institutions on University Hill. It also serves as a national and international north-south trade route from Tennessee to the Canadian border. This connectivity is essential and influences the livability, economic vitality, and sustainability of the Syracuse metropolitan region.

Portions of I-81, which was built in the 1950s and 1960s, are deteriorating and nearing the end of their useful life. Also, sections of I-81 do not meet current standards and are experiencing high accident rates. This is especially true of the 1.4-mile elevated section, or “viaduct,” near downtown Syracuse. Now is the time to address I-81’s safety concerns and the structural integrity of the viaduct. In order to do this, the New York State Department of Transportation (NYSDOT) and the Federal Highway Administration (FHWA) are following an environmental review process. The purpose of the I-81 Viaduct Project is to address the structural deficiencies and non-standard highway features in the I-81 corridor while creating an improved corridor through the City of Syracuse that meets transportation needs and provides the transportation infrastructure to support long-range planning efforts (such as SMTC LRTP, Syracuse Comprehensive Plan, and others).

Roads have the ability to shape the character of a community. This project presents the Syracuse region with an opportunity to formulate a vision, evaluate the community’s transportation system needs, consider the alternatives for I-81, and develop a plan for the future that best serves the community. While it is important that the highway fulfill its primary charge of moving people and goods safely and efficiently, it is also important for NYSDOT to consider the extent to which the transportation infrastructure can enhance economic growth and vitality in the city. With the project needs and local plans in mind, NYSDOT has developed the goals for the I-81 Viaduct Project.

#### Project Goals:

- Improve safety and create an efficient regional and local transportation system within and through greater Syracuse
- Provide transportation solutions that enhance the livability, visual quality, sustainability, and economic vitality of greater Syracuse

To meet the project's purpose, five project objectives have been established. The purpose, need, and objectives are the basis to determine the range of alternatives that have been developed for the I-81 Viaduct Project.

#### Project Objectives:

- Address vehicular, pedestrian, and bicycle geometric and operational deficiencies in the I-81 viaduct priority area
- Maintain or enhance vehicle access to the interstate highway network and key destinations (i.e., downtown business district, hospitals, and institutions) within neighborhoods along the I-81 viaduct priority area
- Address structural deficiencies in the I-81 viaduct priority area
- Maintain or enhance the vehicle, pedestrian, and bicycle connections in the local street network within the project area to allow for connectivity between neighborhoods, the downtown business district, and other key destinations
- Maintain access to the existing bus system and enhance transit amenities (i.e., bus stops, bus shelters, etc.) within and adjacent to the I-81 viaduct priority area

Source: <https://www.dot.ny.gov/i81opportunities/about> (accessed September 16, 2020)

Note: Reference to website implies no warranty of accuracy of information therein. Unless otherwise noted such website is not intended to be incorporated into this Official Statement.

## **FINANCIAL STRUCTURE**

### **Budgetary Procedures**

The County Executive submits an operating budget each year, which, after the public hearing, is adopted by the County Legislature. Expenditures during the fiscal year may only be made pursuant to appropriations from the General Fund and other special purpose funds established by the County.

However, during the fiscal year, the County Legislature, on the recommendation of the County Executive, may, by resolution, make additional appropriations from any unencumbered balances in appropriations, contingency funds or unanticipated revenues, and to a limited extent by the issuance of budget notes.

Historically, the County adopted its budget in October. However, the County has modified the 2021 budget process timeline to conclude in December 2020 to better evaluate major year-to-date revenue and expenditure categories.

### **Budget Monitoring and Fiscal Controls**

Budget analysts regularly meet with fiscal officers in line departments to collect data on expenditures, revenues, and caseload trends and to discuss potential budgetary issues in upcoming months. The indicators in the database are updated at least monthly based on both the information submitted and discussions at these meetings. The data that has been collected is used to produce a number of reports projecting short and long-term budget performance. These reports include:

*Appropriation/Revenue Forecasts.* Monthly reports on key expenditure and revenue accounts are produced and these reports are the most important component of budget monitoring activities. The County's Budget Office staff meets monthly to review the status of all of the major revenue and expense items, and trends in the national and local economy that may impact County finances.

Quarterly reports on the status and forecast of key expenditure and revenue accounts, along with a profile of area economic conditions, are developed collaboratively by the County's Budget Office and departmental fiscal officers and are presented to the County Executive and County Legislature. The report is intended to provide decision-makers with the best available information regarding the condition of County finances. This information is the basis for fiscal and programmatic policy decisions during the course of the year and establishes the financial foundation for the development of the County's annual operating budget in the early fall.

*Three-Year Budget Projection.* This document is intended to be an early warning system for budget officials. It is driven from the database of key indicators. This document is designed to permit officials to formulate plans to address major budget issues confronting the County on a timely basis.

Ensuing Year Departmental Budgets. These forecasts are used to project incremental growth of departmental budget accounts during the budget request process.

The County's Budget Process. Onondaga County has established an in-depth annual budget process, which is an important component of the County's overall commitment to disciplined financial management. In early June, the County's Budget Office receives requests for the upcoming fiscal (calendar) year from departments and spends the summer developing and refining revenue and expenditure estimates based on these requests. On or about September 15, the County Executive presents the executive budget to the County Legislature. The Legislature's Ways and Means Committee then undertakes a two to three week review process dominated by budget hearings in which each department presents and explains the executive budget. This review of departmental budget requests by the Legislature is designed to result in financial accountability and attentiveness by every County department, and a legislative body familiar with the details of County finances and programs.

## **County Budget**

### *2020 Budget*

The County Executive presented the 2020 budget in September 2019. As the budget was developed, rising salary, human services program, and other operating costs were significant contributors to the projected budget gap of \$19 million. To partially overcome this gap, the County Executive held headcount to a minimal increase, as well as all other discretionary spending. Sales tax growth as well as a property tax increase of \$4 million were factored into the budget gap reconciliation.

The County Legislature adopted the 2020 Budget on October 8, 2019. The 2020 all funds budget supports \$1.3 billion in total expenditures, a decrease of approximately 2% when compared to the 2019 budget as modified. The General Fund budget included an adopted property tax levy of \$149.6 million, a \$4 million increase compared to the 2019 budget. After accounting for budgeted and subsequent fund balance appropriations, and encumbrances of \$1.8 million, the current unassigned fund balance is \$77 million or 11.6% of adjusted General Fund revenues.

Consumption based user fees in the Water Environment Protection Department (Sanitary District Fund) increased \$10 or 2.3% from 2019.

## **Consolidation of Water Operations**

The County owns property, both real and personal, constituting water district assets (the "Water Assets") for the Onondaga County Water District, the Southwood – Jamesville Water District and the Warner's Water District (collectively the "District"). Pursuant to the County Executive's 2017 budget that was adopted by the County Legislature, the County transferred operations of the County assets to the Onondaga County Water Authority ("OCWA") in January of 2017.

Historically, the County run Metropolitan Water Board had been responsible for operating and maintaining the County's Water Assets, including a pipeline that brings water from Lake Ontario to the Central New York region. Previously, the County, through the Metropolitan Water Board, sold that water wholesale to OCWA, which then retailed that water to homes and businesses. OCWA is a Public Benefit Corporation authorized and enabled under New York State Law to supply water to the residents and businesses in the Central New York region.

The County entered into a cooperation agreement with OCWA to consolidate the parties' respective networks of public water supply systems for the benefit of all local users. The cooperation agreement contemplates that OCWA shall provide capital improvements and operations and maintenance services in connection with the use and access to the Water Assets for a term not to exceed thirty years, allowing for the continued benefit to the public of a long-term, strong and sustainable water supply.

Outstanding County debt allocable to the Water Assets will continue to be the obligation of the County and the County intends to continue the special district assessments for the 17 towns that comprise the District. However, under the cooperation agreement, OCWA agrees to remit to the County a portion of OCWA's revenues generated from water sales and through supplier agreements with its retail customers as may be needed to pay the debt service on such County debt as well as other County expenses allocable to the Water Assets.

Except for certain limited improvements to the Water Assets that the County undertook to finance and complete in 2017, all future improvements to the Water Assets during the term of the cooperation agreement will be undertaken and financed by OCWA. OCWA indebtedness are special obligations of OCWA and do not constitute a debt or pledge of the faith and credit of the County.

## **Investment Policy**

Pursuant to Article IV of the Onondaga County Charter, the Chief Fiscal Officer is the custodian of all County funds and is charged with the responsibility for creating and administering an investment policy, which is consistent with the Investment Policies and Procedures guidelines promulgated by the Office of the State Comptroller.

Pursuant to the Chief Fiscal Officer's investment policy, investments of monies not required for immediate expenditure may be made in certain obligations authorized by Sections 10 and 11 of the General Municipal Law of the State: a) Special time deposit accounts; b) Certificates of deposit; c) Reciprocal deposit programs d) Obligations of the United States of America or obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; d) Obligations of the State of New York; and e) Subject to approval of the State Comptroller, tax or revenue anticipation notes of any municipality, school district or district corporation of the State, other than Onondaga County.

The Chief Fiscal Officer's investment policy further provides that, in accordance with the provisions of Section 10 of the General Municipal Law of the State, all deposits, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by a pledge of "eligible securities" with an aggregate "market value" equal to the aggregate amount of such deposits. Eligible securities used for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreements. The County also accepts Irrevocable Stand-By Letters of Credit from Federal Home Loan Bank which guarantees that the County could draw funds for the financial institutions that choose to collateralize County funds in that manner.

The Chief Fiscal Officer's investment policy also authorizes the County to enter into repurchase agreements, subject to the following restrictions: a) all repurchase agreements must be entered into subject to a master repurchase agreement; b) obligations shall be limited to obligations of the United States of America and obligations of agencies of the United States of America; and c) the custodian shall be a party other than the trading partner.

As of July 1, 2020, the County's portfolio consists of money market deposits, certificates of deposit and U.S. government agency bonds, which range in maturity from one day to five years. The Chief Fiscal Officer's investment policy does not permit the County to invest in derivatives or reverse repurchase agreements and the County has never invested in derivatives or reverse repurchase agreements.

## **State Aid**

In 2020, budgeted State aid represents approximately 14% of the County's General Fund revenues. Nearly all of the State Aid received by the County is formula-based assistance for specific mandated human service programs. Conservative estimates for State revenues were included in the County's 2020 budget. The County constantly monitors State budget actions which might negatively impact its operations and endeavors to undertake appropriate measures to mitigate these impacts where possible.

The State budget for the fiscal year beginning April 1, 2020 was enacted in April 2020. This year's state budget was enacted in one of the most difficult periods in our lifetimes, given the public health, social, and economic uncertainties that are accompanying the COVID-19 pandemic and its impact on the state of New York and its counties. The budget addresses the economic uncertainty through a combination of new authority to make mid-year cuts, expand the state's borrowing capacity, and accept federal stimulus funding. While the continuity of County government operations is protected through the preservation of local Medicaid caps and the extension of local home rule revenue authority, there could be significant mid-year cuts associated with reductions in state reimbursement tied to the loss of state and local revenue. In addition, counties will contribute to a new fiscally distressed hospital and nursing home pool.

### **Executive Authority to Cut State Spending**

The 2020-2021 enacted state budget allows the budget director to adjust all appropriations, including capital and operating aid, based on whether the Financial Plan is out of balance by more than one percent (about \$1 billion) during any measurement period. If this threshold is breached, the executive will have authority to make spending cuts as necessary to bring the Financial Plan back into balance.

The reductions “...shall be done uniformly across-the-board to the extent practicable or by specific appropriations as needed.” This appears to provide the budget director some discretion in applying spending cuts. If the budget is out of balance by 10 percent in a measurement period, then spending would be cut by 10 percent in that period. If the budget is out of balance by 20 percent in a period, then spending would be cut by 20 percent.

The measurement periods are defined as follows:

- April 1, 2020 to April 30, 2020
- May 1, 2020 to June 30, 2020
- July 1, 2020 to December 31, 2020

As of now, the Governor is projecting a revenue shortfall between \$10 billion and \$15 billion for the 2020-2021 state fiscal year. If accurate, then state aid provided to counties, local governments and all others that receive reimbursements, aid or grants from the state could see a reduction of about 15 percent on a full annual basis. It is important to note that these discretionary executive spending cuts could apply to any amount appropriated in the Aid to Localities or Capital Budget bills – even if they already show a cut compared to last year’s appropriation.

The following appropriations are protected from spending cuts:

- Public assistance payments for families and individuals and payments for eligible aged, blind and disabled persons related to supplemental social security;
- Any reductions that would violate federal law;
- Payments of debt service and related expenses for which the state is constitutionally obligated to pay debt service or is contractually obligated to pay debt service; and
- Payments the state is obligated to make pursuant to court orders or judgments.

When a cut is triggered, the executive must notify the legislature 10 days in advance and allow the legislature to offer their own plan, if no plan from the legislature is provided, then the executive’s cut proposal will be implemented.

#### Possible Restorations

Spending cuts could be restored in whole or in part if one or both of the following happens:

1. Actual tax receipts in State Operating Funds is 98 percent of the budgeted amount through February 28, 2021; or
2. The federal government provides aid that the director of the budget deems sufficient to reduce or eliminate the imbalance in the General Fund for fiscal year 2020-2021 and does not adversely impact the budget gap in fiscal year 2021-2022. These full or partial restorations will only occur if the budget director also certifies that all required payments for state fiscal year 2020-2021 will be made, including tax refunds, and state reserves are equal to what they were at the start of the state fiscal year.

#### Executive Authority to Borrow

The adopted budget also increases state authority to bond for additional expenses and to ensure debt service and other contractual payments are met. General obligation and revenue bond authority is increased by about \$14 billion across a variety of accounts and purposes.

#### Expanded Appropriations Authority to Receive Federal Assistance

The budget also includes large lump sum federal appropriations to draw down federal stimulus and emergency funding to address the COVID-19 pandemic. More than \$70 billion in lump sum appropriations are provided, including:

- \$25 billion - All Funds Special Emergency Appropriation Account
- \$4 billion - Special Public Health Emergency Appropriation Account
- \$40 billion – Unemployment Insurance Benefits

#### Home Rule Changes and Extenders

The Transportation, Economic Development and Environmental Conservation Article VII bill included a variety of home rule bill updates and revenue extenders including all county sales tax extenders through 2023.



## Other Notable Reforms, Initiatives and Appropriations

### Aid and Incentives to Municipalities (AIM)

Maintains the existing law requiring counties to pay AIM costs to towns and villages.

### Extending and Expanding the New York State Fair

Includes \$26.6 million for the State Fair, an increase of \$5.3 million over last year to support an additional 5 days of operation.

### Community Colleges

Reduces aid for community colleges by \$31 million. The budget continues funding Community College Base Aid at \$2,947 per full-time equivalent (FTE) student, maintaining the same level of FTE support as AY 2019-20. However, the budget eliminates the 98 percent funding floor that was instituted for AY 2019-20. The budget includes \$431.2 million to support Base Aid, which is a decrease of \$22.7 million from AY 2019-20, due to enrollment decreases and the elimination of the 98 percent save-harmless. Funding of \$3 million for the Next Generation NY Job Linkage Program is continued, as well as \$3 million for the SUNY Apprenticeship Program.

### Early Childhood Development and Children with Special Needs

The room and board costs for children with severe disabilities placed by Committees on Special Education are shared between local social services districts, school districts and, for placements made by committees outside of New York City, by the State. This action eliminates the 18.424% State share for placement by districts outside of New York City, and increases the school district's share by an equal amount from 38.424% to 56.848%. This amounts to a \$22 million cost shift from the state to school districts.

### Economic Development

Regional Economic Development Councils - includes \$150 million to support a 10th round of REDC awards.

Downtown Revitalization - provides \$100 million for a 5th round of the Downtown Revitalization Initiative.

Syracuse Comprehensive Education and Workforce Training Center - establishes the Syracuse Comprehensive Education and Workforce Training Center to focus on science, technology, engineering, arts, and math. The intent of the school is to provide instruction for students in grades 9-12 that reside within the Onondaga, Cortland, and Madison county Boards of Cooperative Educational Services ("BOCES") region and central New York, as well as provide workforce training for residents of the area.

### Elections

*Early Voting* - does not include funding for early voting implementation.

*Time off to Vote* - reduce the amount of paid time off that an employer must provide to their employees to vote on Election Day. Currently, employers are required to give their employees up to 3 hours of paid time off either at the beginning or end of the employee's shift to vote on Election Day. This would reduce the paid time off from 3 hours to 2 hours. If an employee has 4 consecutive hours either between the opening of the polls and the beginning of their working shift, or between the end of their working shift and the closing of the polls, they shall be deemed to have sufficient time outside of working hours to vote. If an employee has less than 4 consecutive hours, they may take off so much working time as necessary to vote, but not more than 2 hours of which shall be paid. Lastly, employees would be required to provide notice at least 2 days, but not more than 10 days, prior to Election Day of their intention to take time off.

## Human Services

*Childcare* - adds \$200 million in federal stimulus funding for additional childcare needs.

*Code Blue Investment* - in 2016, Governor Cuomo issued an Executive Order to direct local social services districts, working in consultation with State and local law enforcement and community-based organizations, to protect individuals experiencing homelessness from inclement winter weather when temperatures, including wind chill, decline to 32 degrees or below. To support continued implementation of Code Blue efforts across the State, the SFY 21 Enacted Budget includes a \$13 million stand-alone appropriation.

*Summer Youth Employment Program* - increases funding for the Summer Youth Employment Program by \$1 million, to \$45 million. In 2019, approximately 19,000 youths were employed through the program.

*Increase Use of Federal Grant for Child Welfare Services* - the State currently requires at least \$342 million of the \$964 million Federal Temporary Assistance for Needy Families (TANF) Flexible Fund for Family Services (FFFS) grant be spent on child welfare services. The Budget increases that threshold by \$40 million to \$382 million. It's estimated this will reduce state reimbursements to counties by \$25 million.

*Family First Prevention Services Act (FFPSA)* - includes \$75 million in federal appropriations to assist with implementation of the federal Family First Prevention Services Act. Of this amount, \$25 million will assist with statewide FFPSA compliance, and \$50 million will provide temporary grants to New York City, which has an expired demonstration project.

## Judiciary and Court Related Matters

*Continue Phase-in of Hurrell-Harring Settlement (HHS) Statewide Implementation* - provides \$150M in Local Assistance funding for increased support for the Office of Indigent Legal Services. This funding provides for the continued expansion of the Hurrell-Harring Settlement reforms to every county in order to improve the quality of indigent criminal defense statewide through three initiatives: counsel at arraignment, caseload relief, and quality improvement.

*Continue Implementation of Raise the Age* - the age of criminal responsibility was increased from 16 to 17 on October 1, 2018 and from 17 to 18 on October 1, 2019. The Budget continues support for implementation, including comprehensive diversion, probation, and programming services for 16- and 17-year old youth in the juvenile justice system. The budget includes \$250 million in appropriations along with \$221 million in re-appropriations to fully fund the implementation of raise the age.

## Medicaid

The adopted budget does not include the Executive's original Medicaid budget proposals to shift significant new costs to counties by:

1. Intercepting enhanced federal FMAP savings that counties receive under the Affordable Care Act. As originally proposed, the county federal fiscal benefit would be capped, and those savings would effectively be transferred to the benefit of the state financial plan. This proposal placed at risk hundreds of millions of dollars for the counties and New York City;
2. Requiring counties to stay under the 2 percent property tax cap in order to continue benefitting from the current local Medicaid growth caps that have effectively frozen the local share; and
3. Requiring counties to adhere to a local Medicaid share cost growth limit of three percent annually or pay any excess back to the state above that amount.

## Federal Stimulus FMAP Increase

The budget accepts the enhanced FMAP (Federal Medicaid Assistance) of 6.2 percent that was in the first federal stimulus package, based on comments from members of the legislature, combined with statements from the Budget Director regarding MRT II reforms included in the budget that can be adjusted in regard to their effective dates. According to Senator Charles Schumer's office, this could provide as much as \$6.7 billion in federal fiscal relief to New York State and its counties, including New York City, if the increase is in effect for an entire year. The federal legislation says that the enhanced federal Medicaid matching rate will be provided to states for each quarter the national public health emergency remains in place. Based on the full annual estimate this would equal about \$1.68 billion per quarter for New York State. Based on current federal sharing requirements we estimate that about 20% of the savings each quarter will be shared with counties and New York City.

### Creation of a Fiscally Distressed Hospital and Nursing Home Pool

The budget includes the creation of a new fund to help fiscally distressed health care facilities that will be partially funded through the diversion of county and New York City sales tax. The new law would divert \$50 million in county sales tax and \$200 million in New York City sales tax per year for two years at which time the law is scheduled to sunset. The funds would be diverted quarterly on January 15th, April 15th, July 15th and October 15th. The Comptroller shall defer any quarterly payments due in 2020 until January 2021, when the full \$50 million and \$200 million will be deferred. The formula defined in the law would divert funds from each county based on their proportionate share of total sales tax collected outside of New York City multiplied by \$50 million. Onondaga County's annual share is estimated at \$2.2 million.

### Medicaid Redesign Team II

The budget also includes numerous MRT II redesign proposals as recommended by the Team. The budget will stagger effective dates on these proposals as necessary to comply with federal and state requirements.

### Public Safety

#### *Bail Reform*

The list of crimes that are now eligible for monetary bail have expanded to include:

- Burgary in the 2nd degree when "the defendant is charged with entering the living area of the dwelling."
- Criminal Sale of a Controlled Substance in the 1st degree, and Criminal Possession of a Controlled Substance in the 1st Degree
- Sex Trafficking (B felony) and Sex Trafficking of a Child
- Money Laundering in Support of Terrorism in the 3rd and 4th Degrees
- Promoting an Obscene Sexual Performance by a Child, or Promoting a Sexual Performance by a Child
- DV Criminal Obstruction of Breathing or Blood Circulation, Strangulation in the Second Degree, or Unlawful Imprisonment in the 1st Degree
- Any crime that is alleged to have caused the death of another person
- Aggravated Vehicular Assault and Vehicular Assault in the 1st Degree
- Assault 3rd or Arson 3rd when such offense is charged as a hate crime
- Aggravated Assault upon a person less than 11 years old
- Criminal Possession of a Weapon on School Grounds
- Grand Larceny 1st, Enterprise Corruption, or Money Laundering 1st
- Failure to register as a sex offender or endangering the welfare of a child, while designated a level three offender
- Bail Jumping 1st, 2nd and 3rd, and Escape 1st, 2nd and 3rd

#### *Repeated Arrest*

- Any felony offense committed while a defendant is serving a sentence of probation or post release supervision.
- Persistent felony offender facing a life sentence.

#### *Electronic Monitor:*

Counties may contract with private, for-profit entities to provide electronic monitoring services, provided that "any interaction with persons under electronic monitoring or the data produced by such monitoring shall be conducted solely by employees of the locality."

Appearance tickets may now be made returnable "at the next scheduled session of the appropriate local criminal justice court if such session is scheduled to occur more than twenty days from the date of issuance."

#### *Discovery Reform*

- Discovery material
  1. When there is a large amount of discovery material, or the material (such as lab test) takes a long time to get back to the District Attorney's office, the prosecution can file a motion in court.
  2. A written transcript of a 911 call may be submitted in lieu of the recording and satisfy discovery requirements.
- Traffic Tickets
  1. Discoverable material now must be turned over to the defendant in a traffic ticket related matter within 15 days of trial as opposed to within 15 days of from time of the ticket. This change will allow for the

traffic ticket prosecution system to flow in a similar manner to pre-2019 discovery changes as most tickets are plead or paid prior to a trial or even a set trial date.

- **Criminal Charges**

1. The time frame for automatic discovery is now dependent on if the defendant is detained pretrial.
2. When a defendant is detained pretrial awaiting the criminal case, the prosecution must meet its discovery obligations within 20 days of arraignment. When the defendant is not in custody during the pendency of the criminal case, the prosecution must meet its discovery obligations within 35 days of arraignment.

### Shared Services

#### *Enhance Flexibility Within the County-Wide Shared Services Initiative*

The Executive Budget re-appropriates over \$200 million in funding for the state match of first-year savings from county-wide shared services plans. Counties that implemented shared services plans in 2019 are eligible to receive matching funds from the State in calendar year 2020.

### Transportation

#### *Increase the Consolidated Local Street and Highway Improvement Program (CHIPS) Competitive-Bid Threshold*

Increases the CHIPS competitive-bid threshold from \$250,000 to \$350,000, allowing municipalities the option to perform any projects at or under the \$350,000 threshold with their own workforce rather than bidding out the contract competitively. Last adjusted in 2011, the increase in the threshold is intended to mitigate the inflationary impacts of materials, labor, equipment and other construction-related costs. This proposal would allow municipalities more flexibility and control in the way they complete local street, highway, and bridge projects.

### Highways and Bridges

Continues Governor Cuomo's record commitment to funding local highway and bridge projects. Funding for the Consolidated Highway Improvement Program (CHIPS) and the Marchiselli program is maintained at last year's level of \$477.8 million. The Budget also continues \$100 million in highway aid through the PAVE NY program, and \$100 million to fund local bridge projects from the BRIDGE NY program. These programs are further improving conditions on State and local roads and bridges.

## **County Receipt of Indian Casino Revenues**

Under the Upstate New York Gaming and Economic Development Act, for the first time, every county in an Indian exclusivity zone, which includes the County, will share in Indian gaming facility revenues. Ten percent of the net gaming revenue retained by the State from Native American gaming facilities will be distributed to the counties in each respective exclusivity zone, and existing tribal payments will be preserved. The County is part of the Central New York/Mohawk Valley Region exclusivity zone. The County received \$3.6 million in exclusivity payments for 2019. These payments are earmarked to fund the debt service associated with the borrowing for construction of the Lakeview Amphitheater.

## **Tax Levy Limitation Law**

Chapter 97 of the New York Laws of 2011, as amended, (the "Tax Levy Limitation Law") applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo which are indirectly affected by applications to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in

the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the Tax Levy Limitation Law (June 24, 2011).

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation is not clear.

Certain additional restrictions on the amount of the real property tax rebate are set forth in Chapter 59 in order for the tax cap to qualify as one which will provide the tax rebate benefit to such real property taxpayers. The refundable real property tax amount is increased in the second year if compliance occurs in both taxable years. Municipalities, school districts and independent special districts must provide certification of compliance with the requirements of the new provisions to certain state officials in order to render their real property taxpayers eligible for the real property tax rebate.

For the second taxable year of the program being 2015-16 for school districts and 2016 for other municipal units of government; the property tax rebate for real property taxpayers is additionally contingent upon adoption by the school district or municipal unit a State approved "shared services and government efficiency plan" which demonstrates three year savings and efficiencies of at least one percent of the combined 2014 levy of participating municipalities in each of the years 2017, 2018 and 2019 from shared services, cooperation agreements and/or mergers or efficiencies. The State will also be required to consider past shared services arrangements or government efficiency programs to be deemed applicable in demonstrating the targeted savings. There is no requirement that these efficiencies are to be used to reduce future tax levies. Should the savings targeted not be met by a school district or municipal unit of government there is no authority granted for the State to withhold State aid due to each respective entity.

A tax credit would be made available in municipalities that reduce or hold steady their property tax levy. The rebate payable would be equal to the allowable tax levy growth factor for that year; including adjustments for inflation, economic growth, pensions, PILOTS, etc. This initiative is currently a two-year temporary initiative.

While the provisions of Chapter 59 do not directly further restrict the taxing power of the affected municipalities, school districts and special districts, they do provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Levy Limitation Law. The implications of this for future tax levies and for operations and services of the County are uncertain at this time.

The County was compliant with the requirements under this program in both applicable years which resulted in rebates of county taxes to eligible taxpayers.

**2020 Levy Limit Calculation.** Pursuant to law, the County's Levy Limit calculation pertains to property tax levied for the general fund, city abstract, water fund (capital projects), and special drainage districts. The Levy Limit calculation does not apply to the Water Environment Protection (sewer) fund, as revenues raised in this fund are established solely through fees based on use. The 2019 adopted levy, including the city abstract, water fund and special districts was \$170 million. The tax base growth factor of 0.84%, as determined by the Office of State Comptroller, was applied to the 2019 levy and 2019 pilot revenue was added to establish a beginning base levy of \$174 million used in the levy limit calculation. The levy growth factor of 2% was applied to the base levy and 2020 pilot revenue was subtracted from the base levy to determine a 2019 levy limit before exclusions of \$175 million. No adjustments or exclusions were applicable for determining the 2020 levy limit. However, a carryover of \$2.6 million due to being under the 2019 levy limit resulted in a total 2020 levy limit of \$177 million. The combined 2020 adopted levy of \$173 million was \$4.1 million under the allowable levy. The County is allowed to "carryover" 1.5% of the 2020 levy limit, or the amount actually levied under the levy limit, whichever is less. As a result of the actual levy being under the 2020 levy limit, approximately \$2.7 million will carryover to be added to the 2021 levy limit resulting in additional flexibility if the County needs to raise property taxes.

## Employees

The County provides services through the employment of approximately 2,957 full time employees, excluding those employed at Onondaga Community College. The County's 2019 workforce represented no increase in headcount over 2018.

The following table sets forth the number of employees in each bargaining unit and the labor organization that represents them. There are 309 Management/Confidential employees not represented by a labor organization. There are currently four collective bargaining agreements that are under negotiation for a successor agreement at this time and two new collective bargaining agreements being negotiated.

<u>Number of Employees</u>	<u>Labor Organization</u>	<u>Contract Expiration Date</u>
1,961	Civil Service Employees Association (CSEA)	December 31, 2019 <sup>(1)</sup>
188	Onondaga County Sheriff's Police Association (OCSPA)	December 31, 2020
248	Deputy Sheriff's Benevolent Association (DSBA)	December 31, 2018 <sup>(1)</sup>
	NYS Nurses Association (NYSNA)	December 31, 2020
25	International Union of Operating Engineers (IUOE)	December 31, 2018 <sup>(1)</sup>
30	Central and Northern New York Building Trades Council (BTC)	December 31, 2018 <sup>(2)</sup>
7	Onondaga Sheriffs Captains Association (OSCA)	December 31, 2020
153	CSEA – Correction Officers Unit (CSEA-COU)	N/A <sup>(1)(3)(4)</sup>
2	Onondaga Corrections Captains Association (OCCA)	N/A <sup>(1)(3)</sup>

<sup>(1)</sup> Currently in negotiations.

<sup>(2)</sup> Negotiations yet to commence.

<sup>(3)</sup> New union recognized on January 30, 2019.

<sup>(4)</sup> Members of unit covered by CSEA contract to expiration on December 31, 2019.

Source: County officials.

## Pension Payments

Substantially all employees of the County are members of the New York State and Local Employees' Retirement System ("ERS"). The ERS is generally known as the "Common Retirement Fund". The Retirement System is a cost-sharing multiple public employee retirement system. The obligation of employers and employees to contribute, and the benefits to employees, are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers several plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. Tiers I - IV benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 must contribute 3% of gross annual salary towards the cost of retirement programs during their first ten years of service.

On December 10, 2009, Tier V was signed into law. The law is effective for new ERS hires beginning on January 1, 2010. Tier V employees will become fully vested after ten years of service and will contribute 3%. There is no provision for these contributions to cease after a certain period of service. Key components of Tier V included:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police and firefighters at 15% of non-overtime wages.

On March 16, 2012, Tier VI was signed into law. The law is effective for new ERS hires beginning on April 1, 2012. New ERS employees will become fully vested after ten years of service and will contribute a minimum of 3%. Depending on salary, the minimum contribution will range from 3 - 6% beginning April 1, 2013. Tier VI also provides for an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years.

On August 29, 2018, Comptroller Thomas P. DiNapoli announced that employer contribution rates for the New York State and Local Retirement System will decrease in Fiscal Year 2019-2020 as compared to Fiscal Year 2018-2019. The estimated average contribution rate for participating employers in the ERS will decrease by 0.3 percent of payroll, from 14.9 percent to 14.6 percent.

The County's December 15<sup>th</sup> contributions to the ERS for the past ten completed fiscal years and the budgeted contribution for the current fiscal year are shown in the table below (includes Onondaga Community College):

<u>Year</u>	<u>Amount Contributed to ERS</u>	<u>Percentage of Reported Salaries</u>
2010	\$ 24,622,685	11.75%
2011	42,155,931 <sup>(1)</sup>	21.40
2012	42,788,760	19.92
2013	44,459,788	20.59
2014	38,937,131 <sup>(2)</sup>	18.80
2015	33,214,687 <sup>(2)</sup>	17.30
2016	31,845,040	16.10
2017	33,734,041	15.81
2018	30,837,971	15.25
2019	30,972,268	15.06
2020 (Budgeted)	31,994,254	15.60

<sup>(1)</sup> Includes a payment of \$11,933,848 for the 2010 Early Retirement Incentive (ERI) costs. The County appropriated excess 2010 fund balances to make a lump sum payment in 2011 to pay off this entire liability on December 15, 2011. The percentage of salaries would have been 15.34% without the ERI costs.

<sup>(2)</sup> The County's December 2014 and 2015 pre-paid pension contribution included an approximately \$3 million reconciling item of prior year salaries.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The County offered a retirement incentive in 2016 to employees already eligible to retire from the State Retirement System. The incentive was a one-time lump sum payment of \$10,000 if the employee agreed to leave the County service by December 31, 2016. Approximately 200 employees took the incentive at a cost of \$2 million to the County and projected savings of \$7-8 million annually. The County offered a retirement incentive in 2020 to employees who were at least age 55 with at least 5 years of service. The incentive was a onetime payment of \$5,000 along with guaranteed retiree health insurance at 15% of cost. Approximately 160 employees participated at a cost to the County of \$800,000 with an annual projected savings of \$9 million.

The investment of monies and assumptions underlying same, of the Retirement System covering the County's employees is not subject to the direction of the County. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement System ("UAALs"). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the County potentially affecting other budgetary matters. While Tier V and Tier VI which were implemented in 2009 and 2011, respectively may help alleviate some of this liability in the long-term, it is uncertain at this time the extent to which they may do so subsequent to 2013. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

Historical Trends and Contribution Rates: Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% of payroll for the ERS and the Police and Fire Retirement Systems ("PFRS"), respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and PFRS rates (2018 to 2022) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2018	15.3	24.4
2019	14.9	23.5
2020	14.6	23.5
2021	14.6	24.4
2022	16.2	28.3

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and the Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program for the ERS. The reform program established a minimum contribution for any local governmental employer equal to 4.5% of pensionable salaries for bills which were due December 15, 2003 and for all fiscal years thereafter, as a minimum annual contribution where the actual rate would otherwise be 4.5% or less due to the investment performance of the fund. In addition, the reform program instituted a billing system to match the budget cycle of municipalities and school districts that will advise such employers over one year in advance concerning the actual pension contribution rates for the next annual billing cycle. Under the previous method, the requisite ERS contributions for a fiscal year could not be determined until after the local budget adoption process was complete. Under the new system, a contribution for a given fiscal year will be based on the valuation of the pension fund on the prior April 1 of the calendar year preceding the contribution due date instead of the following April 1 in the year of contribution so that the predetermined amount may now be included in a budget. The County expects the 2020 amount at over 15.00%.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a "graded" rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year's amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer's graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

*Stable Rate Pension Contribution Option:* The 2013-14 Adopted State Budget included a provision that authorized local governments, including the County, with the option to "lock-in" long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS. For 2014 and 2015 the rate is 12.0% for ERS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The County is not amortizing or smoothing any pension payments nor does it intend to do so in the foreseeable future.

### **Other Post-Employment Benefits (OPEB)**

*Healthcare Benefits.* The County provides post-retirement healthcare benefits to various categories of former employees. Those benefits are funded on a pay-as-you-go basis. Under the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 45 (GASB 45), all governmental entities are required to report the estimated cost of the accrued liability for such post-retirement healthcare costs. Governments, including the County with budgeted revenues in excess of \$100 million, began reporting that liability in its 2007 year-end statements.

*OPEB.* Other Post-Employment Benefits ("OPEB") refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

*GASB 75.* In June 2015, the Governmental Accounting Standards Board ("GASB") released new accounting standards for public Other Post-Employment Benefits ("OPEB") plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The County implemented GASB 75 for the fiscal year ended December 31, 2018. The implementation of this statement requires the County to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required the County to calculate and report a net OPEB obligation. However, under GASB 45 counties could amortize the OPEB liability over a period of years, whereas GASB 75 requires counties to report the entire OPEB liability on the statement of net position.



Summary of Changes from the Last Valuation. The County contracted with Armory Associates, LLC, an actuarial firm, to calculate its first actuarial valuation under GASB 75 for the fiscal year ending December 31, 2018.

The following outlines the changes to the Total OPEB Liability during the fiscal year, by source.

	<b>2018</b>	<b>2019</b>
Balance at Beginning of Fiscal Year	\$ 854,690,367	\$ 740,580,079
<u>Changes for the year:</u>		
Service cost	\$ 24,804,963	\$ 24,010,225
Interest	32,792,052	25,872,348
Differences between expected and actual experience	(190,323,065)	0
Changes in assumptions	42,577,267	(72,773,987)
Benefit payments	<u>(23,961,505)</u>	<u>(24,974,332)</u>
Balance at End of Fiscal Year:	<u>\$ 740,580,079</u>	<u>\$ 692,714,333</u>

Note: The above table is not audited. For additional information see "APPENDIX - D" attached hereto.

The County continues to identify ways to reduce its OPEB liability and implements strategies accordingly. The County is currently in the process of addressing the growth of this liability in the following ways. Health benefit plan design changes were implemented with the passage of the Civil Service Employees Association (CSEA) 2016-2019 collective bargaining agreement. The new plan design is expected to save approximately \$800,000 in annual costs through changes including increased office visit co-pays and increased prescription co-pays for mail order fills. Also, as part of the new CSEA collective bargaining agreement, employees are required to pay an increased share of their health care. The new agreement requires employees to increase contributions from the current 11% of the cost up to 20% by the end of the four-year agreement.

GASB 45. Prior to GASB 75, GASB Statement No. 45 ("GASB 45") required municipalities and school districts to account for OPEB liabilities much like they already accounted for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. Unlike GASB 27, which covered accounting for pensions, GASB 45 did not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution (ARC) was determined for each municipality. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributed an amount less than the ARC, a net OPEB obligation would result, which was required to be recorded as a liability on its financial statements.

GASB 45 did not require that the unfunded liability actually be amortized nor that it be advance funded, only that the municipality or school district account for its unfunded accrued liability and compliance in meeting its ARC.

The County's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the County's finances and could force the County to reduce services, raise taxes or both.

Under GASB 75, an actuarial valuation will be required every 2 years for all plans, however, the Alternative Measurement Method continues to be available for plans with less than 100 members.

There is no authority under present State law to establish a trust account or reserve fund for this liability.

## Other Information

The statutory authority for the power to spend money for the objects or purposes, or to accomplish the objects or purposes for which the Bonds are to be issued, is the County Charter and the Local Finance Law.

The County has complied with the procedure for the validation of the Bonds provided in Title 6 of Article 2 of the Local Finance Law.

No principal or interest upon any obligation of the County has ever been past due.

The fiscal year of the County is the calendar year.

Except for as shown under "STATUS OF INDEBTEDNESS – Bonded Debt of Political Subdivisions within the County", this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the County.

## **Data Security**

The County has had systems in place for several years to ensure the continuity of governmental operations and security of critical information in the event of a disaster or major emergency. Data for core governmental systems is backed up daily and disaster tapes are stored offsite weekly per contract with Iron Mountain. Open systems servers and data are backed-up; the backups are stored on site. In the event of a disaster, servers would need to be rebuilt and data would be restored manually from tape backups.

## *Cybersecurity*

The County has a Security Advisory Board which prioritizes cyber security initiatives and implements policies to address areas of risk. Some examples of improvements under the guidance of the Security Advisory Board are the following:

- Stronger password and account expiration policies;
- Next generation firewalls with intrusion detection services, advanced malware protection and URL filtering;
- Phishing Training Programs for County employees;
- Scheduled server patching;
- Penetration testing and remediation plans;
- Umbrella OpenDNS services which blocks users from visiting know malicious websites;
- Procedures to monitor potential threat alerts, investigate them and to block and remove the threats; and
- Hired dedicated Information Security Analyst;
- Implemented a new zero-day and machine learning end point protection solution to complement anti-virus and malware protection platforms;
- Currently implementing an advanced email threat protection solution which tests attachments and links for threats and quarantines the emails if they are found to be malicious.

Last July 2019, the Onondaga County Public Library suffered a ransomware attack. The Library at the time was maintaining its own network and end points. The County IT Department stepped in to help the Library rebuild its network, end points, storage and associated applications. The network rebuild was done without paying any ransom. County IT has since taken over the administration of the Library's domain and have put them on its firewalls and applied its security standards to their environment. The County worked with the Library to greatly improve their security posture by overseeing the upgrade of their email system, the implementation of advanced threat protection for email, and the roll the new zero-day end point protection.

## **Financial Statements**

The County's financial statements are reported in conformance with generally accepted accounting principles and requirements as dictated by The Governmental Accounting Standards Board. GASB promulgates accounting principles and guidelines for financial reporting for use by State and local governments throughout the United States.

The County retains an independent certified public accounting firm for a continuous independent audit of all financial transactions of the County. The last such audit covers the fiscal year ending December 31, 2019 and is attached hereto as "APPENDIX – D" to this Official Statement.

## **Accounting Practices**

The County's fiscal year is a calendar year, from January 1 through December 31. The County uses the modified accrual basis of accounting for all funds except the internal service fund. Revenues are recorded when they become susceptible to accrual, meaning they are both measurable and available. Revenues not considered available are recorded as deferred revenues. Expenditures are recorded when a liability is incurred if it is expected to be paid within the next twelve months, except interest on general long-term obligations, which is recorded when due. Liabilities expected to be paid after twelve months are considered long-term. Enterprise and internal service funds use the accrual basis of accounting. Under the accrual basis, accounting transactions are recorded when the underlying economic event takes place without regard for when the cash receipt or cash disbursement takes place.

The financial affairs of the County are subject to periodic audit by the State Comptroller and the County Comptroller conducts an annual audit of the County's finances. Since 1976, the County has retained independent certified public accountants to audit its financial statements. The County engaged an independent certified public accountant to audit the County's financial statements for 2018 and subsequent years.

## Fund Structure

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The various funds are summarized by type in the financial statements.

The following fund types and account groups are used by the County:

*General Fund:* accounts for all financial resources except those required to be accounted for in another fund. Sources of revenue include: Countywide Real Property Taxes, State and Federal Aid, Sales Tax, User Fees, etc.

*Special Revenue Funds:* account for revenues from specific taxes or other earmarked revenue sources, which are required by law or regulation to be accounted for in special funds. Grants, County Road Fund, Road Machinery Fund, Water, Water Environment Protection, Van Duyn, Library, ONCENTER Revenue and Community Development are included in Special Revenue Funds. The only special revenue fund considered a major fund at this time is the Water Environment Protection Fund.

*Debt Service Fund:* accounts for resources for payment of principal and interest on short and long-term debt.

*Proprietary Fund Types:* Proprietary fund types are used to account for the County's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. Revenues are recognized in the period incurred, if measurable. The County reports the activities of Onondaga Convention Center Hotel Development Corporation (OCCHDC), a blended component unit, as an Enterprise Fund. The County utilizes the Internal Service Fund to account principally for the County's risk management activities. The County is self-insured for certain risks including workers' compensation risks, general liability risks (judgments and claims), dental and medical benefits.

*Capital Projects Fund:* The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of capital assets. Expenditures are transferred on an annual basis to the construction-in-progress account and the Community College.

*Trust and Agency Funds:* The Agency Fund is used to account for money and property received and held by the County acting as an agent with only custodial responsibility. An asset and liability are recorded in equal amounts. Private purpose trust funds are used to account for expendable trust funds in which the trust principal and earnings thereon may be expended for the purposes of the trust. Private purpose trust funds are accounted for in essentially the same manner as the governmental funds.

*Included in the Combining Statement of the County are the Component Units:* Onondaga Community College, Housing Development Fund Company, Industrial Development Agency, Onondaga Civic Development Corporation, Friends of Rosamond Gifford Zoo and the Greater Syracuse Soundstage Development Corporation. Onondaga Tobacco Asset Securitization Corporation ("OTASC"), established to sell the tobacco bonds, is blended as a Non-major Debt Service Fund. The Onondaga Convention Center Hotel Development Corporation is blended as an Enterprise Fund

## Revenues

General Fund revenues are comprised of locally-derived income and aid provided by New York State and the Federal government. According to the County's 2019 Audited Financial Statements as reported under the generally accepted accounting principles (GAAP) framework of guidelines for financial accounting, the total general fund only revenues increased from \$627.8 million in 2014 to \$667.0 million in 2019 for a total five-year increase of 6.2%. These numbers reflect the sales tax accounting pass-through adjustment, which totaled \$85.6 million in 2014 and \$92.7 million in 2019. From 2018 to 2019, general fund revenues adjusted by the sales tax accounting change increased by 2.3%. Again in 2019, gross sales tax cash receipts offset a property tax levy reduced to a low of \$139.7 million in 2016. The property tax levy kept flat at \$141.1 million in 2018 was increased to \$145.5 million in 2019. In total dollars, State and Federal aid for 2019 were \$5.1 million higher than 2018 levels, and comprised 26.6% of the total adjusted revenues in 2019, only slightly higher than the 2018 level of 26.4%.

## **Local Revenue**

More than half of the County's General Fund revenues are derived from sales and use tax plus real property taxes and related tax items. In 2019, these revenues reported under GAAP standards combined to total \$435.4 million or 65.3% of the total General Fund revenues of \$667.0 million (adjusted by \$92.7 million for the sales tax accounting adjustment). Between 2010 and 2019 the County-wide property tax levy went from \$184.0 to \$145.5 million, a decrease of over \$38.5 million or 20.9%. During the same time period, the County's share of sales tax revenues grew from \$145.9 to \$276.5 million, an increase of \$130.6 million or 89.5%. The sales tax collections after the funds for aid to municipalities was withheld for distribution grew under 2% in 2019. The allocation of sales tax collections to municipalities as per the current sharing agreement did not change in 2019 over 2018.

## **Expenditures**

Operating Fund expenditures include all General Fund expenditures. Total general fund expenditures reported under GAAP standards increased 3.9% from \$580.5 million in 2014 to \$603.0 million in 2019 after the sales tax accounting adjustment in both years. This was 2.8% higher than the 2018 level of \$586.0 million on an adjusted basis.

## **Fund Balance (non – GAAP)**

In December 1999, the County Legislature adopted a resolution of intent to maintain an unreserved General Fund balance equal to 10% of its General Fund revenues. This goal was reaffirmed in December 2009 with a commitment to restore reserves to 10% within three years, should it fall below. The County ended 2019 with its total fund balance at \$79.0 million. Initial and subsequent appropriations in the 2020 budget assigned \$1.8 million in fund balance of which none was appropriated to balance the budget and \$1.8 million was set aside for encumbrances. The remaining \$77.2 million or 11.6% of adjusted General Fund revenues was unassigned. Since its adoption in December 1999, legislation has passed to permanently adjust the general fund calculation for the sales tax pass-thru accounting change, for prepaid expenses and for interdepartmental expenses. (See "FINANCIAL STRUCTURE - County Budget", herein.)

## **Van Duyn Home and Hospital**

In 2012, the County declared its intent that, after November 30, 2013, the County would no longer provide skilled nursing facility services at Van Duyn Home and Hospital, the County's 513-bed skilled nursing facility. The sale of the facility was completed in 2013.

The County does retain certain legacy costs which are facility debt service, retiree expenses and extraneous costs. These expenses are paid out of the remains of the sale proceeds and fund balance of Van Duyn and the County.

## **New York State Comptroller Report of Examination**

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the District has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

The State Comptroller's office released an audit report of the Onondaga County Probation Department - Financial Operations (2018M-147) on November 16, 2018. The purpose of the audit was to determine whether internal controls over the Probation Department's (Department) collection, disbursement and enforcement of restitution, fees and surcharges were adequately designed and operating effectively.

### Key Findings:

Department officials did not:

- Properly assess County fees or adequately monitor and enforce fee collection.
- Establish adequate cash receipt and disbursement procedures.
- Disburse more than \$60,000 in restitution payments to crime victims.

### Key Recommendations:

- Review and update policies and procedures for the enforcement of County fees and ensure staff properly assess fees and monitor and enforce fee collection.
- Establish adequate cash collection and disbursement procedures for restitution and County fees.
- Establish procedures to disburse undistributed restitution payments in a timely manner.

The County officials generally agreed with the recommendations and indicated they planned to initiate corrective action. The County's Probation Commissioner provided a response to the State Comptroller's office on November 2, 2018. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

There are no other State Comptrollers audits of the County that are currently in progress or pending release.

Source: Website of the Office of the New York State Comptroller (accessed December 18, 2019).

Note: Reference to website implies no warranty of accuracy of information therein. Unless otherwise noted such website is not intended to be incorporated into this Official Statement.

### **The State Comptroller's Fiscal Stress Monitoring System**

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past three fiscal years of the County are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2018	Susceptible Fiscal Stress	45.0
2017	Susceptible Fiscal Stress	48.3
2016	No Designation	38.3

Source: Website of the Office of the New York State Comptroller (accessed December 18, 2019).

Note: Reference to website implies no warranty of accuracy of information therein. Unless otherwise noted such website is not intended to be incorporated into this Official Statement.

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## 2020-2025 Capital Improvement Plan

In addition to the budget monitoring process for the operating budget, the six-year Capital Improvement Plan (“CIP”) is designed to balance the need for public facilities with the fiscal capacity of the County to provide for these needs. The CIP provides the basis for the development of reliable capital expenditure, debt service and revenue estimates, as well as impacts on future operating budgets.

In conjunction with the County’s land use plan, currently the 2010 Development Guide but soon to be replaced by the Sustainable Development Plan, a draft of which has been released for public review and feedback, the CIP serves as a general guide for the planning and construction of major capital projects facilities in the County. The County adopts a six-year capital plan, which sets forth the capital projects – both new and previously authorized, which are anticipated to be either authorized or continued in the ensuing six fiscal years. The County Legislature adopted the 2020-2025 Capital Improvement Plan on October 8, 2019.

The adoption of the capital plan does not constitute an authorization to proceed with a project nor the financing thereof. Each project must be voted on individually by the County Legislature and passed by a two-thirds majority to authorize the issuance of obligations. Accordingly, it is difficult to exactly forecast which projects and the total amount of bonds outlined by the capital plan that may be authorized by the County Legislature during 2020-2025.

The 2020-2025 Capital Plan outlined \$332.5 million of proposed county wide projects, \$329.4 million of sewer projects, for a total of \$661.9 million projected to be funded by borrowing during the 6-year period 2020-2025. The figures below estimate when the CIP Projects will be funded with County debt (000’s omitted) for years 2020 to 2025:

<u>Department</u>	<u>2020-2025</u>	<u>Total</u>
Emergency Communications	9,947	\$ 9,947
Facilities Management	29,167	29,167
Parks	15,898	15,898
Finance	75,000	75,000
Office of Environment	3,600	3,600
Sheriff/Corrections	1,132	1,132
Library	1,145	1,145
OCC	16,632	16,632
Transportation	179,410	179,410
Information Tech	630	630
Metropolitan Water Board <sup>(1)</sup>	0	0
Water Environmental Protection <sup>(2)</sup>	<u>329,374</u>	<u>329,374</u>
Totals	\$ 661,935	\$ 661,935

<sup>(1)</sup> The 2017 budget included a transfer of the Metropolitan Water Board (Water Fund) operations and staff to the Onondaga County Water Authority (OCWA). The Metropolitan Water Board will still exist, but the operations and infrastructure maintenance will be the responsibility of OCWA. OCWA will be required to fund all legacy expenses of the Metropolitan Water Board that the water district tax levy doesn’t cover. The County will continue to issue general obligations for one existing capital project with all future capital improvements being the responsibility of OCWA.

<sup>(2)</sup> In addition to the numbers presented above, there \$51.2 million remains authorized and unissued debt for County-wide General Fund and Water Fund that the County plans to issue as general obligation bonds during the period 2020-2025. In addition, approximately \$137.9 million authorization for debt in the Sewer Fund, part of which qualifies for Environmental Facilities Corporation (EFC) loans for the same period of time. Financing through EFC will provide for subsidized interest payments.

Source: County officials.

## TAX INFORMATION

### Municipal Subdivisions in the County

There are 19 towns in the County as well as the City of Syracuse. Real property is assessed for taxation by local assessors in each town within the County and in the City of Syracuse and is placed on the respective tax rolls. The 2019 assessed and full valuations listed below were used to apportion the 2020 County property tax levy. Of the 20 taxing jurisdictions in the County, 10 have adopted a full market value assessment standard, representing approximately 55% of the County's full market value.

### 2019 for 2020

Towns	2019 Assessed Value for 2020 County Tax <sup>(1)</sup>	2019 State Equalization Rates (%) <sup>(2)</sup>	2019 Municipalities Full Valuation <sup>(3)</sup>	Percent Full Value (%)
Camillus	\$ 1,736,626,388	100.00%	\$ 1,736,626,388	5.96%
Cicero	2,280,030,630	100.00%	2,280,030,630	7.82%
Clay	152,166,027	4.00%	3,804,150,675	13.05%
Dewitt	2,656,563,644	100.00%	2,656,563,644	9.11%
Elbridge	343,511,669	100.00%	343,511,669	1.18%
Fabius	123,286,982	94.00%	131,156,364	0.45%
Geddes	833,991,284	87.50%	953,132,896	3.27%
LaFayette	323,675,932	93.00%	348,038,637	1.19%
Lysander	1,712,634,589	100.00%	1,712,634,589	5.87%
Manlius	2,698,944,062	100.00%	2,698,944,062	9.26%
Marcellus	413,385,100	95.00%	435,142,211	1.49%
Onondaga	1,460,504,955	94.50%	1,545,507,889	5.30%
Otisco	4,250,689	1.93%	220,242,953	0.76%
Pompey	643,471,761	94.00%	684,544,427	2.35%
Salina	1,719,524,875	100.00%	1,719,524,875	5.90%
Skaneateles	1,471,139,934	91.00%	1,616,637,290	5.54%
Spafford	373,129,148	85.00%	438,975,468	1.51%
Tully	249,537,508	100.00%	249,537,508	0.86%
Van Buren	714,788,263	100.00%	714,788,263	2.45%
Town Total	\$ 19,911,163,440		\$ 24,289,690,437	83.30%
Syracuse	\$ 3,799,027,915	78.00%	\$ 4,870,548,609	16.70%
<b>GRAND TOTAL</b>	<b>\$ 23,710,191,355</b>		<b>\$ 29,160,239,046</b>	<b>100.00%</b>

<sup>(1)</sup> Assessed value is the value placed on the property by town or city assessors.

<sup>(2)</sup> As a result of different assessing practices in each municipality, there is a different relationship of assessed value to full value. In order to apportion the County tax levy across jurisdictions, the different assessed values are "equalized" to full value. The 2019 equalization rates and 2019 full valuations used to apportion the 2020 adopted County property tax levy to the municipalities were established by the N.Y.S. Office of Real Property Services

<sup>(3)</sup> Full value represents the true value of a property at some prior point in time. Full value is based on actual field appraisals and surveys conducted by the N.Y.S. Office of Real Property Services, and, from that information, equalization rates were established to convert assessed value to full value.

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## Full Value and County Property Tax Levy

The table below sets forth the County assessed and full valuations for the past ten fiscal years used for the apportionment of County taxes, the amount of the County tax levy, and the assessed and full value tax rate:

FULL VALUE AND COUNTY PROPERTY TAX LEVY				
Year of Tax Levy	Assessed Value <sup>(1)</sup>	Total Full Value <sup>(2)</sup>	Property Tax Levy <sup>(3)</sup>	Tax Rate Per \$1,000 Full Value
2020	\$ 23,710,191,355	\$ 29,160,239,047	\$ 149,590,731	\$ 5.13
2019	23,129,721,189	27,998,642,754	145,590,731	5.20
2018	22,655,196,161	27,258,543,681	141,690,731	5.20
2017	22,389,618,394	26,934,389,489	141,096,060	5.24
2016	22,122,508,721	26,505,526,262	139,691,159	5.27
2015	21,940,598,621	26,244,286,170	139,891,159	5.33
2014	22,540,933,339	26,918,210,215	140,891,159	5.23
2013	22,516,540,642	26,704,901,403	140,998,859	5.28
2012	22,391,182,944	26,666,826,135	148,216,571	5.56
2011	20,168,205,458	26,420,301,254	153,821,817	5.82

<sup>(1)</sup> Assessed value for the previous year is utilized for purposes of levying County taxes.

<sup>(2)</sup> Total full value figures are calculated using the taxable assessed full value for County purposes and State Equalization rates. The amount of assessed full value takes into account properties that are partially exempt from County taxation pursuant to Real Property Tax Law, Section 458 (veterans), Section 460 (clergy), Section 464 (volunteer firemen), and Section 467 (aged). This procedure is set forth in Title 2 of Article 8 of the Real Property Tax Law. The New York State Office of Real Property Services assigns an equalization rate for the assessing jurisdictions within the County.

<sup>(3)</sup> The County tax levy is apportioned using full value figures obtained from the municipality's preceding year assessment roll. For example, the 2020 County tax levy is apportioned using the 2019 total full value figures, which are obtained from the municipality's preceding 2019

<sup>(4)</sup> assessment roll.

## Tax Collection Record

COUNTY TAX COLLECTION RATES FOR TOWNS					
Year	County Levy	First Year Unpaid <sup>(1)</sup>	% Unpaid Year-end	Unpaid 12/31/2019	% Unpaid 12/31/2019
2020	370,211,196	NA	NA	NA	NA
2019	361,970,458	12,015,104	3.32%	12,015,104	3.32%
2018	348,125,925	13,768,539	3.96%	8,757,447	2.52%
2017	339,786,357	11,362,933	3.34%	4,525,963	1.33%
2016	335,802,929	12,188,136	3.63%	3,405,961	1.01%
2015	333,509,544	12,359,323	3.71%	2,870,707	0.86%
2014	326,463,729	9,791,371	3.00%	539,642	0.17%
2013	319,290,719	10,116,290	3.17%	347,452	0.11%
2012	318,555,842	10,723,425	3.37%	221,671	0.07%
2011	310,719,182	10,220,139	3.29%	183,658	0.06%
2010	284,262,783	10,440,848	3.67%	85,814	0.03%
2009	274,562,462	9,915,331 <sup>(2)</sup>	3.16% <sup>(2)</sup>	60,229	0.02%
2008	268,336,983	8,365,860	3.12%	58,024	0.02%
2007	260,313,637	6,074,852	2.33%	88,524	0.03%
2006	244,920,971	5,337,994	2.18%	36,109	0.01%
2005	235,417,115	5,078,579	2.16%	31,049	0.01%

<sup>(1)</sup> Reflects payments made through February in the year following the year of levy.

<sup>(2)</sup> Unpays including tax liens sold. County-only first year unpays is \$1,889,577 (0.69%).



**COUNTY TAX COLLECTION RATES FOR THE CITY OF SYRACUSE<sup>(1)</sup>**

Year	County Levy	First Year Unpaid <sup>(2)</sup>	% Unpaid Year-end	Unpaid 12/31/2019	% Unpaid 12/31/2019
2020	77,162,721	NA	NA	NA	NA
2019	75,992,178	4,341,977	5.71%	4,341,977	5.71%
2018	74,544,822	5,131,190	6.88%	2,370,662	3.18%
2017	73,402,801	5,599,299	7.63%	1,821,782	2.48%
2016	71,573,920	5,360,958	7.49%	680,590	0.95%
2015	71,923,422	4,396,073	6.11%	515,291	0.72%
2014	69,503,686	4,497,585	6.47%	435,745	0.63%
2013	66,984,842	4,035,921	6.03%	363,655	0.54%
2012	68,683,460	4,450,687	6.48%	377,515	0.55%
2011	67,037,234	4,677,041	6.98%	333,629	0.50%
2010	69,062,961	4,892,294	7.08%	351,839	0.51%
2009	66,934,981	5,064,608	7.57%	347,104	0.52%
2008	66,311,802	4,404,469	6.64%	308,489	0.47%
2007	66,708,506	4,357,763	6.53%	265,128	0.40%
2006	66,718,244	4,412,782	6.61%	232,662	0.35%
2005	65,443,753	4,426,380	6.76%	183,942	0.28%

(1) The City of Syracuse allows for quarterly payment of current year taxes.

(2) Reflects payments made through December in the year following the year of levy.

**ACCUMULATED TAX COLLECTION RATES FOR THE COUNTY AND CITY<sup>(1)</sup>**

Year	County Levy	First Year Unpaid <sup>(2)</sup>	% Unpaid Year-end	Unpaid 12/31/2019	% Unpaid 12/31/2019
2020	447,373,916	NA	NA	NA	NA
2019	437,962,636	16,357,081	3.73%	16,357,081	3.73%
2018	422,670,747	18,899,729	4.47%	11,128,109	2.63%
2017	413,189,158	16,962,232	4.11%	6,347,745	1.54%
2016	407,376,849	17,549,094	4.31%	4,086,551	1.00%
2015	405,432,966	16,755,396	4.13%	3,385,998	0.84%
2014	395,967,415	14,288,956	3.61%	975,387	0.25%
2013	386,275,561	14,152,211	3.66%	711,107	0.18%
2012	387,239,302	15,174,112	3.92%	599,185	0.15%
2011	377,756,416	14,897,180	3.94%	517,287	0.14%
2010	353,325,744	15,333,142	4.34%	437,653	0.12%
2009	341,497,443	6,954,185	2.04%	407,333	0.12%
2008	334,648,785	12,770,329	3.82%	366,513	0.11%
2007	327,022,143	10,432,615	3.19%	353,653	0.11%
2006	311,639,215	9,750,776	3.13%	268,771	0.09%
2005	300,860,868	9,504,959	3.16%	214,991	0.07%

(1) The City of Syracuse allows for quarterly payment of current year taxes.

(2) Reflects payments made through February in the year following the year of levy.

## Largest Taxpayers – 2019 Assessment Roll for 2020

<u>Name</u>	<u>Type</u>	<u>Estimated Full Valuation</u>
National Grid	Utility	\$938,230,076
Verizon	Utility	100,093,792
Wegmans Food Market	Retail/Grocery	77,926,129
Allied Corp	Utility	72,016,404
BVSHSSF Syracuse LLC	Apartments	63,653,846
CSX	Rail Road	62,368,485
Dominion Pipeline	Utility	48,779,265
Bristol Myer Squibb	Manufacturing	38,797,800
Shoppingtown Mall NY LLC <sup>(1)</sup>	Retail	36,996,400
NYSEG	Utility	36,586,149

<sup>(1)</sup> Legal action was filed by the County in 2018. The mall owes more than \$10.5 million in taxes dating back to 2015. In August 2019, the mall owners filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code. The case is currently pending litigation.

The ten largest taxpayers listed above have a total estimated full valuation of \$1,475,448,346, which represents 5.06% of the County's 2020 full value tax base used for County tax apportionment.

Source: County tax rolls.

## Constitutional Tax Margin

In accordance with Section 10 of Article VIII of the State Constitution, the amount which may be raised in the County by taxes on real estate in any fiscal year for County purposes, in addition to providing for the interest on and the principal of all indebtedness, may not exceed an amount equal to 1.5 per centum of the five-year average full valuation of taxable real estate of the County, less certain exclusions as prescribed therein.

Below is a summary of the computation of the Constitutional Tax Margin for the fiscal years ending December 31, 2016 through 2020, which incorporates State adjustments for final equalization rates:

<u>Fiscal Year Ending December 31:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Five Year Average Full Valuation.....	\$ 394,550,591	\$ 398,243,929	\$ 402,784,450	\$ 405,456,635	\$ 410,681,534
Total Tax Levy.....	143,201,833	144,564,957	145,177,794	147,399,792	151,311,937
Total Exclusions.....	39,808,488	40,037,286	38,697,619	39,980,657	41,392,764
Total Tax Levy (subject to limit).....	103,393,345	104,527,671	106,480,175	107,419,135	109,919,173
Tax Margin.....	\$ 291,157,246	\$ 293,716,258	\$ 296,304,275	\$ 298,037,500	\$ 300,762,361
% Tax Power Exhausted.....	26.21%	26.25%	26.44%	26.49%	26.77%

Source: County officials.

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## **Tax Collection Procedure**

Real property taxes levied for County purposes are collected and enforced in accordance with the Onondaga County Special Tax Act. County, town, special district and re-levied unpaid village and school district taxes are levied on or about December 24 and are due through January 31 without penalty. All towns within the County, and the City of Syracuse, have the responsibility for collecting County real property taxes during the warrant period (January 1 - March 31).

Each town tax receiver is required to pay the full amount levied for town and town special district purposes to the town supervisor. The balance of collected taxes is remitted to the County's Chief Fiscal Officer. After March 31, uncollected taxes relating to property located outside the City of Syracuse becomes the responsibility of the County's Chief Fiscal Officer. The City of Syracuse retains responsibility for collecting County taxes on property within the City.

After the return of the town tax rolls to the Chief Fiscal Officer on April 1, the following penalties accrue with respect to delinquent taxes: 6% for April; 6.5% for May; 7% for June; 7.5% for July, plus \$0.25 for filing a notice of lien in the office of the Chief Fiscal Officer and \$5.00 to discharge any such filed lien; and 8% for August. Delinquent taxes of the current year are advertised once each week for two weeks on or about September 1. Penalty fees for September are 8%, \$5.25 filing fee, plus a \$70.00 charge added to cover advertising and administrative expenses. On or about October 1, the Chief Fiscal Officer conducts a tax certificate sale. The County purchases most or all of the available tax sale certificates ("Certificates"), covering the amount of tax due, plus penalties.

A small portion of the Certificates purchased on behalf of the County are subsequently sold to private individuals. Certificates sold at the annual tax sale may be redeemed at any time within a three-year period following such sale. Interest at the rate of 12% per annum is added to the face amount of the Certificate.

In 1995, the County Legislature passed a local law, which allowed for installment payment of delinquent property taxes that are the responsibility of the Chief Fiscal Officer. Provisions in the local law enable a property owner to make a 25% down payment of all delinquent taxes and finance the balance over a two-year period with twenty-four equal monthly payments. This legislation followed the County enactment of the partial payment program of current year taxes in 1994. In 2018 the Legislature passed another local law allowing partial payments to be made toward delinquent taxes. These programs have met with overwhelming success and have played a significant role in reducing the number of properties included in the annual delinquent tax auction.

The City of Syracuse Commissioner of Finance acts as the collector of County taxes levied on real property located within the City. Prior to January 1, 1978, the City's Commissioner of Finance remitted to the County's Commissioner of Finance, now the Chief Fiscal Officer, the entirety of such county tax levy. Since 1978, however, the City's Commissioner of Finance has been remitting to the County's Chief Fiscal Officer only the amount of such County tax levy actually collected by the City. The City remains responsible for the enforcement of uncollected tax liens, and periodically, uncollected tax liens of the prior year are sold at tax sale and the proceeds of such sale are remitted to the Chief Fiscal Officer. The County maintains a reserve for uncollected taxes to provide for any deficiency in such remittance.

In 2012, the New York State Legislature enacted Article 16 of Chapter 35 of the Not-For-Profit Corporation Law (also known as the "land bank act") in order to address growing concerns about vacant, abandoned and tax delinquent properties and to serve as a tool to return these properties to productive use. On March 27, 2012, the County and the City of Syracuse created the Greater Syracuse Property Development Corporation, a non-profit corporation, to serve as the region's land bank. The threat of foreclosure by the City and acquisition by the land bank has resulted in increased tax collection revenue for the both the City and County. Since its creation, the land bank has acquired title to hundreds of properties and is working to ensure that properties are redeveloped in a responsible manner, by qualified developers, for purposes that benefit the surrounding community and reverse the decline of property values in blighted areas.

## **Payments In-Lieu of Taxes**

The County received \$2,469,409 and \$2,201,797 from Payments In Lieu of Taxes ("PILOTs") for the fiscal years ending 2018 and 2019, respectively. For the fiscal year ending 2020 the County has budgeted \$2,673,523 in PILOTs. PILOTs are received from various economic development agreements negotiated by the County. Although these properties are not on the tax roll, each property has an assessed valuation determined in the same manner as real property taxes.

## Onondaga County Sales Tax

In September 2004, the County raised its local sales tax rate to 4% from 3%. New York State law previously required a reauthorization of local sales rates in excess of 3% every two years. The County's "additional" 1% rate was reauthorized by the State in 2017 for a three-year period December 1, 2017 - November 30, 2020. The County Legislature determines the allocation of sales tax every ten years and on May 4, 2010 the County Legislature unanimously approved a sales tax sharing agreement for the years 2011-2020. On January 2, 2019, the County Legislature approved the extension of the current sales tax sharing agreement for an additional ten-year period through December 31, 2030. This agreement covers the entire 4% local share and acknowledges the "additional" 1% rate must be reauthorized by the New York State Legislature every two years.

For 2019, under the sharing agreement the City received 24.4% of the total, while the County retained 74.9% of the total sales tax collections. Towns no longer received any allocation and the Schools' share is at 0.7%. Since 2013, the sharing agreement distributes approximately 25% to other municipalities while the County retains approximately 75% of revenues from sales taxes.

In 2019, local sales tax revenues were allocated as follows:

Unit	3% Formula		1% Formula		Total	
	Dollar	Percent	Dollar	Percent	Dollar	Percent
County	\$275,067,234	99.3%	\$ 1,458,148	1.6%	\$276,525,382	74.9%
City	0	0.0%	90,248,315	97.8%	90,248,315	24.4%
Schools	1,853,430	0.7%	581,414	0.6%	2,434,844	0.7%
	<u>\$276,920,664</u>		<u>\$92,287,877</u>		<u>\$369,208,541</u>	

Source: County officials.

## STATUS OF INDEBTEDNESS

### Constitutional Requirements

The New York State Constitution limits the power of the County (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the County and the Bonds, include the following:

**Purpose and Pledge.** Subject to certain enumerated exceptions, the County shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The County may contract indebtedness only for a County purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

**Payment and Maturity.** Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid in one of the two fiscal years succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statutes or in the alternative, the weighted average maturity of the several objects or purposes for which such indebtedness is to be contracted. Unless substantially level or declining debt service is utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The County is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

**Debt Limit.** Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the County is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

The County has the power to contract indebtedness for any County purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the five year average full valuation of taxable real estate of the County and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the New York State Office of Real Property Services. The New York State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

## Statutory Procedure

In general, the New York State Legislature has authorized the power for the County to borrow and incur indebtedness by the enactment of the Local Finance Law subject, to the provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the County Charter and the General Municipal Law.

Pursuant to the Local Finance Law and its Charter, the County authorizes the issuance of bonds by the adoption of a bond resolution approved by at least two-thirds of the members of the County Legislature, the Finance Board of the County. The County Legislature has delegated to the Chief Fiscal Officer of the County the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- 1) Such obligations are authorized for a purpose which the County is not authorized to expend money; or,
- 2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations and an action contesting such validity is commenced within twenty days after the date of such publication; or,
- 3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions, the County complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto. The County has authorized bonds for a variety of County objects or purposes.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made to reduce the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Indebtedness of the County" herein). In general, the Local Finance Law contains provisions providing the County with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes, deficiency notes and budget and capital notes.

## Debt Outstanding End of Fiscal Year

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Bonds <sup>(1)</sup>	\$ 641,467,456	\$ 626,912,023	\$ 646,680,700	\$ 650,238,004	\$ 668,490,376
Bond Anticipation Notes <sup>(2)</sup>	<u>1,510,523</u>	<u>25,173,272</u>	<u>0</u>	<u>8,098,083</u>	<u>3,129,621</u>
Total	\$ 642,977,979	\$ 652,085,295	\$ 646,680,700	\$ 658,336,087	\$ 671,619,997

<sup>(1)</sup> After defeasance, including tobacco bond defeasances initially totaling \$95,197,600 and \$19,919,754 which occurred in 2001 and 2005, respectively.

<sup>(2)</sup> Represents amounts drawn down by the County for EFC Grid Notes.

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## Debt Management

The County has been proactive in making debt management a priority. The County actively monitors its outstanding debt, reviewing candidates for refunding. Within the past five years the County has refunded approximately \$33.88 million in November 2016 saving \$3.75 million through 2030, \$36 million in October 2017 saving \$3.39 million through 2033, \$24.39 million in June 2019 saving an additional \$1.93 million through 2030 and \$24.75 million in February 2020 saving an additional \$2.86 million through 2037.

In 2009, the County took advantage of the available incentives and issued Build America Bonds (BAB's) and Recovery Zone Bonds (RZ's) totaling \$22.4 million. Over the 16 year life of the BAB's the County expected to realize the Federal Government's 35% interest subsidy of \$3.7 million and for the 20 years of the RZ's, a 45% subsidy totaling over \$2.3 million. The Federal Government's sequestration has eliminated a percentage of the annual subsidy beginning in March 2013 extending through September 30, 2023. Such bonds were refunded with the issuance of \$24,395,000 General Obligation Refunding (Serial) Bonds, 2019 which closed on June 19, 2019.

Although all of the County's debt is "full faith and credit", certain of the County's general fund debt service are supported by sources outside of local tax assessments. Emergency 911 Center's debt - for its upgrades and interoperable system - is supported by the landline and wireless surcharge revenue. The County petitioned New York State and was granted an increase in its landline surcharge effective December 1, 2009 to enable continued debt service to offset for its emergency communications radio equipment. New York State Office of Court Administration subsidizes interest on debt for upgrades to the County courthouse. The Community College debt is partially supported with college chargeback revenues.

The County's debt policies were formalized in 2002 and were again ratified by the County Legislature during the 2018 Budget process. The debt management goals are:

<u>Goal Statement</u> (General Fund)	<u>Numerical Goal</u>	<u>2020 Budget</u>	<u>2020 Pro-forma</u> <sup>(2)</sup>
Debt Service/General Funds Revenue <sup>(1)</sup>	5.5%	4.00%	4.38%
Minimize debt service of County residents			
Maximum total net indebtedness	\$700/capita	\$551/capita	576/capita
Full valuation taxable property	1.5%	0.95%	0.98%
Rapid debt repayment –			
Retire debt within 10 years	65%	73%	72%

<sup>(1)</sup> Adjusted revenues to reflect the sales tax accounting change. See "Onondaga County Sales Tax", herein.

<sup>(2)</sup> Pro forma includes the addition of the Bonds to total outstanding debt, adding subsequent year debt service to current levels.

## Details of Outstanding Indebtedness

The following table sets forth the short-term and bonded indebtedness of the County as of September 4, 2020 and October 15, 2020 (Proforma):

	<u>Amount Outstanding</u> <u>September 4, 2020</u>	<u>Amount Outstanding</u> <u>October 15, 2020 (Proforma)</u> <sup>(1)</sup>
Short-Term Indebtedness <sup>(2)</sup>	\$ 12,451,421	\$ 12,451,421
Bonded Indebtedness <sup>(3)</sup>	\$ 619,140,587	\$ 668,774,703
Total Indebtedness	\$ 631,592,008	\$ 681,226,124

<sup>(1)</sup> Pro forma includes the issuance of the Bonds.

<sup>(2)</sup> Drawdown of EFC grid notes.

<sup>(3)</sup> See "Bonded Indebtedness as of September 4, 2020", herein.

## Estimate of Obligations to be Issued

After the issuance of the Bonds, there will be \$106 million in County Wide Funds that is authorized and unissued.

The County has obtained and is continuing to pursue low-interest financing from the State through the Environmental Facilities Corporation ("EFC") for various sewer improvements including those relating to the Onondaga Lake Amended Consent Judgment (ACJ). The County has financed \$363 million in projects with EFC long-term financing bonds. The EFC's short-term zero-interest loan program is an attractive source of funding that the County takes advantage of. When available, short-term financing is used for up to three years during construction before permanent grant and subsidized loan funding is obtained.

The County anticipates issuing \$2.2 million in State Revolving Fund (SRF) long-term financings in 2020.

## Rate of Principal Retirement

The following table represents the net amounts and percentage of principal of general obligation long-term debt to be retired over the following periods.

<u>Fiscal Years Ending December 31<sup>st</sup></u>	<u>Accumulated Term</u>	<u>Total Amount</u> <sup>(1)</sup>	<u>Percent Retired (%)</u>	<u>Accumulated Percentage (%)</u>
2020 – 2024	5 Years	\$ 107,294,002	44%	44%
2025 – 2029	10 Years	67,746,257	28	72
2030 – 2034	15 Years	43,433,432	18	90
2035 – 2039	20 Years	<u>23,383,600</u>	10	100
Total		\$ 241,857,291		

<sup>(1)</sup> Represents only General Fund long-term debt.

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**Bonded Indebtedness as of September 4, 2020**

<u>Bond Issue</u>	<u>Date of Bonds</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	
General Obligation (Serial) Bonds, 2013	06/28/2013	4.000-5.000%	\$4,075,000	
General Obligation (Serial) Bonds, 2014	06/27/2014	2.500-5.000%	\$21,400,000	
General Obligation (Serial) Bonds, 2015	05/28/2015	3.000-5.000%	\$70,035,000	
General Obligation (Serial) Bonds, 2016	07/13/2016	2.000-5.000%	\$20,610,000	
General Obligation (Serial) Bonds, 2017	07/12/2017	2.000-5.000%	\$19,460,000	
General Obligation (Serial) Bonds, 2018	10/11/2018	3.000-5.000%	\$49,220,000	
General Obligation (Serial) Bonds, 2019	07/03/2019	3.000-5.000%	\$44,777,388	
General Obligation Refunding (Serial) Bonds, 2012	07/11/2012	2.000-5.000%	\$3,575,000	
General Obligation Refunding (Serial) Bonds, 2014	07/14/2014	2.000-5.000%	\$10,240,000	
General Obligation Refunding (Serial) Bonds, 2015	06/24/2015	2.000-5.000%	\$7,515,000	
General Obligation Refunding (Serial) Bonds, 2016	11/16/2016	1.000-5.00%	\$30,235,000	
General Obligation Refunding (Serial) Bonds, 2017	10/5/2017	1.000-5.00%	\$33,215,000	
General Obligation Refunding (Serial) Bonds, 2019	06/19/2019	1.000-5.00%	\$20,170,000	
General Obligation Refunding (Serial) Bonds, 2020	02/10/2020	1.000-5.00%	\$24,750,000	
NYS Environmental Facilities Corp Series 2001A	03/08/2001	3.430-5.130%	\$535,000	(1)
NYS Environmental Facilities Corp Series 2001B	07/26/2001	2.619-5.154%	\$125,000	(1)
NYS Environmental Facilities Corp Series 2002A	03/14/2002	1.362-4.982%	\$221,768	(1)
NYS Environmental Facilities Corp Series 2002G	07/25/2002	1.533-5.795%	\$4,865,000	(1)
NYS Environmental Facilities Corp Series 2003A	03/13/2003	1.031-4.711%	\$120,000	(1)
NYS Environmental Facilities Corp Series 2003F	07/14/2003	0.721-4.500%	\$810,000	(1)
NYS Environmental Facilities Corp Series 2004D	07/22/2004	1.581-4.964%	\$2,205,000	(1)
NYS Environmental Facilities Corp Series 2005A	03/03/2005	1.564-4.399%	\$4,070,000	(1)
NYS Environmental Facilities Corp Series 2005B	07/14/2005	2.489-3.999%	\$1,575,000	(1)
NYS Environmental Facilities Corp Series 2006C	07/13/2006	3.626-4.861%	\$25,620,000	(1)
NYS Environmental Facilities Corp Series 2007D	07/01/2007	3.630-4.789%	\$21,175,000	(1)
NYS Environmental Facilities Corp Series 2008A&B	06/19/2008	4.270%	\$820,000	(1)
NYS Environmental Facilities Corp Series 2010C	05/01/2010	0.286-4.226%	\$1,705,000	(1)
NYS Environmental Facilities Corp Series 2011C	06/01/2011	0.281-4.113%	\$9,400,000	(1)
NYS Environmental Facilities Corp Series 2012B	05/24/2012	0.445-4.169%	\$8,115,000	(1)
NYS Environmental Facilities Corp Series 2012E	10/07/2012	0.269-3.539%	\$2,860,000	(1)
NYS Environmental Facilities Corp Series 2014B	07/02/2014	0.1815-4.292%	\$107,240,000	(1)
NYS Environmental Facilities Corp Series 2016B	8/1/2016	0.5480-3.115%	\$3,255,000	(1)
NYS Environmental Facilities Corp Series 2017C	10/25/17	1.031-3.641%	\$40,635,000	(1)
NYS Environmental Facilities Corp Series 2019A	06/13/19	1.287-3.391%	\$22,586,431	(1)
Qualified Energy Conservation Bonds	12/15/2016	3.500%	1,590,000	
<i>Total Serial Bonds Outstanding as of September 4, 2020</i>			<u>\$618,805,587</u>	(2)

(1) Represents the County's portion for NYS Environmental Facilities Corporation. Interest expense is subsidized by the New York State Revolving Loan Fund Program for Clean Water.

(2) As of September 4, 2020, \$335,000 is defeased with proceeds from Tobacco Bonds. The defeased amount is not part of the total above.



## Calculation of Total Net Indebtedness (As of September 4, 2020)

The following table sets forth the debt limit of the County and its debt-contracting margin as of September 4, 2020:

5-Year Average Full Valuation of Taxable Real Property.....	\$ 27,571,468,247
Debt Limit-7% thereof <sup>(1)</sup> .....	\$ 1,930,002,777

### Outstanding Indebtedness:

Bonds .....	\$ 619,140,587
Bond Anticipation Notes.....	<u>12,451,421</u>
Outstanding Gross Indebtedness.....	\$ 631,592,008

### Less Exclusions:

Appropriations <sup>(2)</sup> .....	\$ 265,000
Sewer Debt (Bonds) <sup>(3)</sup> .....	291,794,621
Sewer Debt (Notes) <sup>(3)</sup> .....	0
Water Debt (Bonds) <sup>(4)</sup> .....	29,768,591
Defeased Bonds <sup>(5)</sup> .....	<u>335,000</u>
Total Exclusions .....	\$ 322,163,212

Total Net Indebtedness .....	\$ 309,428,796
Net Debt-Contracting Margin.....	\$ 1,620,573,981
Percentage of Debt-Contracting Power Exhausted .....	16.03%

- <sup>(1)</sup> The Debt Limit of the County is computed in accordance with the provisions of Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law.
- <sup>(2)</sup> Appropriations from adopted 2018 Budget on principal for indebtedness not otherwise excluded.
- <sup>(3)</sup> Pursuant to Section 124.10 of the Local Finance Law
- <sup>(4)</sup> Pursuant to Section 136.00 of the Local Finance Law.
- <sup>(5)</sup> Debt defeased with Tobacco Revenue Bonds in August 2001 and November 2005.

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## Bonded Debt of Political Subdivisions Within the County

The approximate gross bonded debt of political subdivisions within the County is as follows:

City of Syracuse including the City School District (as of June 30, 2019).....	\$ 590,141,863
Other School Districts (as of June 30, 2019).....	516,394,470
Towns (as of December 31, 2018).....	69,054,749
Villages (as of May 31, 2019).....	45,995,100
Fire Districts (as of December 31, 2018).....	17,837,470
Gross Total.....	<u>\$ 1,239,423,652</u>

The approximate amount of the above gross bonded debt, which is excludable from various debt limitations, is as follows:

State Aid - Support of School Bonds.....	\$ 715,039,869
Town Water & Sewer Bonds.....	7,702,480
Village Water & Sewer Bonds.....	7,351,585
City of Syracuse.....	104,191,610
Total Excludable.....	<u>\$ 834,285,544</u>
Net Bonded Debt.....	<u>\$ 405,138,108</u>

(1) Does not include Revenue or Tax Anticipation Notes.

(2) Includes Debt Reserves comprised of funds received from the sale of Parking Garage Facilities which have outstanding bonds and reserves for special assessment debt, Water Debt, Revenue Anticipation Notes, refunded bonds, and appropriations not otherwise excluded.

Source: Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2018 and 2019.

Note: The Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2019 for the City, Towns and Fire Districts is not available as of the date of this Official Statement.

## Debt Ratios

The following table sets forth certain ratios related to the County's gross and net direct indebtedness as of September 4, 2020 and October 15, 2020 (Pro forma):

	As of September 4, 2020			As of October 15, 2020 (Proforma)		
	Amount of Indebtedness	Per Capita <sup>(2)</sup>	% of Full Valuation <sup>(3)</sup>	Amount of Indebtedness	Per Capita <sup>(2)</sup>	% of Full Valuation <sup>(3)</sup>
Gross Direct Indebtedness <sup>(4)</sup> .....	\$ 631,592,008	\$ 1,371.45	2.17%	\$ 681,226,124	\$ 1,479.23	2.34%
Net Direct Indebtedness <sup>(4)</sup> .....	\$ 309,428,796	\$ 671.90	1.06%	\$ 359,062,912	\$ 779.68	1.23%
Gross Direct Plus Net Underlying Indebtedness <sup>(4)</sup> .....	\$ 1,036,730,116	\$ 2,251.18	3.56%	\$ 1,086,364,232	\$ 2,358.95	3.73%
Net Direct Plus Net Underlying Indebtedness <sup>(4)</sup> .....	\$ 714,566,904	\$ 1,551.63	2.45%	\$ 764,201,020	\$ 1,659.40	2.62%

(1) The County's 2019 estimated population is 460,528 according to the U.S. Census. (See also "THE COUNTY – Population Trends" herein.)

(2) The County's full valuation of taxable real estate for the 2020 fiscal year is \$29,160,239,047. (See "Municipal Subdivisions in the County" herein.)

(3) See "Calculation of Total Net Indebtedness (as of September 4, 2020)" herein.

(4) The County's applicable share of net underlying indebtedness is estimated to be \$405,138,108. (See "Bonded Debt of Political Subdivisions within the County" herein.)

## **Bonded Debt Service**

A schedule of Bonded Debt Service, including principal on the Bonds, may be found in “APPENDIX – B” to this Official Statement.

### **SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT**

**General Municipal Law Contract Creditors’ Provision.** Each Bond when duly issued and paid for will constitute a contract between the County and the holder thereof. Under current law, provision is made for contract creditors of the County to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the County upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

**Execution/Attachment of Municipal Property.** As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the County may not be enforced by levy and execution against property owned by the County.

**Authority to File For Municipal Bankruptcy.** The Federal Bankruptcy Code allows public bodies, such as the County, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Bonds should the County be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Bonds to receive interest and principal from the County could be adversely affected by the restructuring of the County’s debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the County (including the Bonds) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the County under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors’ rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality’s debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

**State Debt Moratorium Law.** There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State’s highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the County

**Constitutional Non-Appropriation Provision.** There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: “If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness.” This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See “General Municipal Law Contract Creditors’ Provision” herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

**Default Litigation.** In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See “THE BONDS - Nature of the Obligation” and “State Debt Moratorium Law” herein.

**No Past Due Debt.** No principal of or interest on County indebtedness is past due. The County has never defaulted in the payment of the principal of and interest on any indebtedness.

## MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Bonds. The following is a discussion of certain events that could affect the risk of investing in the Bonds. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

The financial and economic condition of the County as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the County’s control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Bonds. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the County to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds could be adversely affected.

The County is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the County, in any year, the County may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the County. In some years, the County has received delayed payments of State aid which resulted from the State’s delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also “FINANCIAL STRUCTURE - State Aid”).

There are a number of general factors which could have a detrimental effect on the ability of the County to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the County. Unforeseen developments could also result in substantial increases in County expenditures, thus placing strain on the County’s financial condition. These factors may have an effect on the market price of the Bonds.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Bonds should elect to sell a Bond prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Bonds. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and other debt issued by the County. Any such future legislation would have an adverse effect on the market value of the Bonds (See “TAX MATTERS” herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the County and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the County and hence upon the market price of the Bonds. See “TAX INFORMATION - Tax Levy Limitation Law” herein

### COVID-19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the county’s financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State’s economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the county’s operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the county. The county is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See “State Aid” herein).

As of August 28, 2020, the county’s sales tax collections are \$19 million less, a 10% decrease, on a comparative basis with the previous year. Sales tax is projected to decrease between 10% and 15% in 2020 resulting in a \$38 million to \$51 million shortfall in revenue when compared to the county’s budget. As discussed, state aid payments to the county this year may be reduced as a result of the state’s fiscal position and lack of federal assistance to date (see “State Aid” herein). The county estimates it could see a reduction of \$20 million in state aid if the state’s finances don’t improve. These two revenue items combined could result in a \$71 million revenue shortfall on a worst case scenario. The county has taken action to address this potential shortfall in revenue by reducing spending, implementing a retirement incentive, generating additional sales tax revenue, a potential employee involuntary separation, and a possible draw on reserves. Through a hiring freeze and enacting austerity on various non-salary accounts, \$32 million in spending has been avoided to date. The county offered a voluntary retirement incentive in an attempt to reduce the county workforce on a voluntary basis resulting in an estimated salary savings of \$3.5 million this year and \$9 million in subsequent years. An involuntary employee separation has been approved with the potential of cutting the workforce by an additional 250 employees. From a revenue perspective, the county administration working with the legislature implemented a 4% sales tax on residential energy purchases with the potential of generating \$3.7 million this year. General fund reserves stand at \$79 million as of December 31, 2019 allowing for a draw of \$11 million while staying within the county legislature’s policy of maintaining fund balance at 10% of general fund revenues. Other expenditure and program reductions will be implemented as necessary to balance the county’s 2020 budget.

### Cybersecurity

The County, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the County will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. (See also “THE COUNTY – Data Security” herein).

## TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe, LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel for the Bonds is set forth in “APPENDIX – E”, hereto.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The County has made certain representations and covenanted to comply with certain restrictions designed to insure that interest on the Bonds will not be included in gross income for federal income tax purposes. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of the representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon, in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds may otherwise affect a Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Owner or the Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislative proposal, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel’s judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service (“IRS”) or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the County or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The County has covenanted, however, to comply with the requirements of the Code.

Bond Counsel’s engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the County or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the County and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt obligations is difficult, obtaining an independent review of IRS positions with which the County legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, of the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the County or Beneficial Owners to incur significant expense.

## LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe, LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as "APPENDIX - E".

## LITIGATION

The County is subject to a number of lawsuits in the ordinary conduct of its affairs. The County does not believe that these suits or any other existing or threatened suits individually, or in the aggregate, will have a material adverse effect on the financial condition of the County. Set forth below is a discussion of the County's insurance against certain risks of loss and a summary of larger claims brought against the County.

### Self-Insurance

The County has elected to self-insure certain risks of loss, including workers' compensation, liability risks and certain physical damage risks. The County's self-insurance program also provides certain medical benefits to all active and retired employees, which is administered by a third-party. In addition, to limit self-insurance exposure, the County has purchased an Excess Liability Insurance Policy, subject to certain exclusions, for claims in excess of the County's self-insured retention of \$2,000,000. Since 1996, the County has contracted out the administration of its workers' compensation program. The County has established an internal service fund to account for all self-insurance activities, including liability judgments. The fund is supported by annual budget appropriations, which are charged back to the specific departments.

### Tax Certiorari Claims

There are a number of tax certiorari proceedings pending involving properties that are subject to the levy of County taxes. The plaintiffs in these matters have asserted that their properties are over-assessed and are seeking assessment reductions. A refund of excess taxes is also generally requested. Tax certiorari claims are administered by the City of Syracuse and by the towns, which assess property in the County. Historically, certiorari claims have been settled through negotiations, resulting in amounts, at times, substantially less than originally claimed. Many settlements provide for future adjustments with no direct outlay of money. The County, however, is responsible for its portion of any certiorari tax refunds. The County's certiorari claims for 2015 through 2019 were \$370,794, \$376,715, \$204,181, \$21,887 and \$67,212 respectively. The County has not found it necessary to borrow funds for tax certiorari refunds since budgeted amounts, together with other available funds, have been sufficient to meet such requirements.

### Onondaga Lake

On January 20, 1998, the County entered into an Amended Consent Judgment ("ACJ") with the New York State Department of Environmental Conservation ("DEC") and the Atlantic States Legal Foundation ("ASLF") as settlement of litigation commenced in 1988 which alleged violations of the Clean Water Act in the discharge of wastewater into Onondaga Lake from the Metropolitan Sewage Treatment Plant ("Metro") and combined sewer overflow ("CSO") outfalls. The settlement set forth a plan of required upgrades and other measures to address bacteria, ammonia and phosphorus in lake waters contributed to by said discharges. The ACJ was filed in the U.S. District Court for the Northern District of New York.

Under the ACJ, the County has been required to undertake a number of capital projects and related monitoring activities intended to meet the effluent limits specified therein. Construction of these ACJ projects commenced in 1998. To date, over 30 ACJ projects have been completed. These projects have focused on abatement of overflow from combined sewers in portions of the consolidated sanitary district and the reduction of effluents primarily from Metro. The entire ACJ program was expected to be completed within the final ACJ milestone date of January 1, 2012. However, in 2008, the ACJ parties agreed to extend the final major milestone dates for the Clinton and Harbor Brook CSO projects from January 1, 2012 to January 1, 2013 and to complete a review process on these and related CSO projects remaining to be completed under the ACJ. The review included extensive analysis of the use of green infrastructure technologies as alternatives to the current ACJ planned projects and the impacts of the use of these green technologies on the need for and sizing of collection, treatment and storage (gray) facilities when they are installed upstream of CSO discharges. The analysis illustrated the benefits of a gray/green program.

In September of 2009, the parties presented to the U.S. District Court Judge for the Northern District of New York proposed amendments to the ACJ (the Fourth Stipulation to the ACJ). The modifications were endorsed by the United States Environmental Protection Agency ("EPA") and the Department of Justice ("DOJ"). The Onondaga Nation and a number of community groups that had opposed implementation of the remaining ACJ CSO projects expressed strong support for the modifications. The modifications to the ACJ, approved by the U.S. District Court for the Northern District of New York on November 16, 2009, replaced the existing CSO program with a combination of gray and green infrastructure programs to be implemented in phases, which were completed by December 31, 2018. The revised program requires 95% system wide annual average combined sewage volume capture by more environmentally beneficial methods. Projects incorporating these methods, as outlined above, are commonly referred to as "gray" and "green" projects.

The 1998 ACJ also required the County to comply with very stringent Stage III phosphorus limits set at .02 mg/l. Water quality improvements realized by implementation of the Stage II phosphorus upgrades and compliance costs to construct facilities capable of meeting the Stage III phosphorus limits resulted in a reassessment of the need to comply with the very stringent limit. Data collected by DWEP through the ACJ-mandated Ambient Monitoring Program from 2007 through 2011, and the result of studies required to be performed by the County pursuant to the Fourth Stipulation and Order, enabled the County to aggressively explore attainment of the ACJ effluent goals without implementing additional major upgrades at Metro or diverting the Metro effluent to the Seneca River. These efforts built upon the Fourth Stipulation and Order provisions requiring additional studies to enable the State to make a more informed decision on the need for additional phosphorus limit reductions at Metro.

The additional studies focused on developing data and approaches to support alternative means of compliance and reviewing the potential benefits and costs of going forward or seeking relief from Stage III compliance standards. The studies required by the Fourth Stipulation and Order included:

- a) A study to determine the extent to which the phosphorus currently discharged by Metro is a readily available source of aquatic plant nutrient;
- b) An additional hydrologic study to assist in evaluating the impact that phosphorus from Onondaga Creek has on Onondaga Lake;
- c) An evaluation of potential additional opportunities at Metro to further maximize the plant's current capacity to more effectively remove phosphorus and a commitment to implement any resulting recommendations; and
- d) A further evaluation of available technologies that could be used to reduce phosphorus discharges from Metro, including implementation feasibility, costs and applicable implementation time frames.

A July 2007 engineering report on the ACJ Pilot Project for meeting Stage III phosphorus limits indicated that construction of facilities needed to approach those limits could exceed \$146 million. Studies completed by DWEP in 2011 to evaluate optimization of the Metro plant to more reliably meet the current .1 mg/l phosphorus limit, and to evaluate the current limit of technology for further reducing phosphorus effluence to meet the ACJ goal of a .02 mg/l phosphorus limit for a continued in-lake discharge produced planning level capital cost estimates that ranged from \$6 million for implementation of the proposed optimization program to an estimated \$900 million for construction of a reverse osmosis facility, all exclusive of post construction operation and maintenance costs. An evaluation of the water quality benefits of constructing advanced treatment facilities or diverting all or a portion of Metro's flow to the Seneca River indicated that water quality improvements to be realized from such undertakings appear to be marginal and thus not justified by the costs.

In March 2012, the DEC released a draft phosphorus Total Maximum Daily Load ("TMDL") that incorporated the results of the studies conducted pursuant to the requirements of the Fourth Stipulation and Order and the approved Onondaga Lake Water Quality Model. The draft TMDL confirmed that significant investments in capital projects to meet the 0.02 mg/l final effluent limit for phosphorus would not yield significant additional phosphorus related water quality improvements and incorporated recommendations that the County proceed with plans to optimize current phosphorus treatment technology and bypass reduction efforts. The draft TMDL recommended that the current Metro interim effluent limit of 0.1 mg/l, based on a twelve month rolling average, be confirmed as the final effluent limit. After a 30-day period of public comment, the DEC adopted the draft TMDL as the recommended final TMDL and submitted it to the EPA for review.

On June 29, 2012, the EPA approved the TMDL. DWEP estimates that the cost of complying with the optimization and bypass reduction program required to assure that phosphorus discharges from Metro remain below the maximum loadings to Onondaga Lake allowed by the TMDL will be in the range of \$41.4 million. It is worth noting that these costs include an estimated \$20.2 million bypass reduction project also required to enable the Metro plant to comply with revised effluent limits for chlorine residuals.

In its 2015 Annual Report regarding ACJ compliance, required to be delivered to the DEC on April 1, 2016, the County reported compliance with all major construction milestones and all required CSO capture milestones. DEC confirmed compliance with the final 95% capture rate in the approved 2018 Annual Report.

**FINANCIAL CONSIDERATIONS:** DWEP has advised that in today's dollars, the estimated cost of the improvements and studies required by the revised ACJ is \$703 million, excluding interest expenses.

All regulatory mandates associated with the 2009 ACJ amendment have thus far been met and all necessary approvals have been received. Construction has been completed within compliance due dates for several large-scale CSO projects, including Clinton CSO Storage, Harbor Brook CSO Storage, and CSO 003 and 004 Conveyances. Construction of the CSO 063 conveyance pipeline within the Harbor Brook sewer shed and the CSO 061 sewer separation project located in the Midland sewer shed area have also been completed. Planning level costs are known for the majority of all other ACJ projects (including green infrastructure).



With respect to the phosphorous removal project identified in the Metro WWTP Optimization report, the design was completed in 2016, construction began in 2017, and substantial completion was achieved in 2019. This project shall serve to further assist Onondaga County in consistently complying with its Metro WWTP SPDES permit – which was modified to reflect DEC’s recently promulgated TMDL for phosphorus for Onondaga Lake (June 2012) as well as revised disinfection requirements.

The State has appropriated \$74.9 million of the Clean Water/Clean Air Environmental Bond Act funds for projects covered under the ACJ. In addition to aid through the Environmental Bond Act, based on pledges by State officials, the County also planned on receiving approximately \$85 million in supplemental funding over the 15 years of the project as initially scheduled in the 1998 ACJ. To date, \$94.70 million has been received from other New York State sources. The federal government has already appropriated \$122.6 million in federal funds (inclusive of assistance from the U.S. Army Corps of Engineers). The Harbor Brook project received ARRA funds of \$11.8 million in loan forgiveness. In addition, the County has received \$12.4 million in funds from other sources (City and National Grid, formerly the Niagara Mohawk Power Corporation) and has cash on hand of \$9.1 million.

To date, the County has closed on \$296.1 million in long term loans to fund lake projects. The County anticipates \$80.83 million in local funding for the now remaining capital costs associated with the ACJ in its Capital Improvement Plan.

Despite complying with all mandates of the ACJ, water quality issues in certain tributaries related to bacteria exceedances from CSOs and other non-CSO and non-County sources remain a hindrance to termination of the ACJ. To that end, in November 2019 the County and ASLF entered into a settlement agreement resolving any remaining issues between the parties with respect to the ACJ and in support of ACJ termination. The County and DEC are in the process of negotiating a State Consent Order and Long-term Control Plan to replace the ACJ once terminated, and all parties currently support the termination of the ACJ.

## **CERCLA Claims**

Onondaga Lake is a New York State-owned waterway held in trust by the State. In 1989, the State of New York initiated litigation against AlliedSignal, which resulted in a Consent Decree in 1992 pursuant to which AlliedSignal agreed to conduct an extensive remedial investigation of industrial contaminants in Onondaga Lake and portions of the Geddes Brook/Nine Mile Creek system.

In 1994, the Onondaga Lake sediments were listed in the National Priorities List (NPL) as a Superfund Site under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”).

Also, in 1994, AlliedSignal commenced a contribution action against the County contending that the County may be liable for some share of any CERCLA and other response costs, as well as an unspecified percentage of any natural resources damages, which ultimately may be assessed against AlliedSignal. As such, AlliedSignal contended that the County is a potentially responsible party (“PRP”). AlliedSignal merged with Honeywell International, Inc. in 1999 and now operates under the Honeywell name.

On August 6, 2004, pursuant to a settlement, Honeywell agreed to withdraw its lawsuit against the County with prejudice. By its terms, the settlement creates a contingent liability, which requires the County to pay a total sum of \$1 million if, and only if, Honeywell spends more than \$200 million on mercury-related remediation in Onondaga Lake within twelve years of entry of the settlement. Honeywell has formally advised the County that such remediation costs have exceeded \$200 million and has filed a claim for payment. The County rejected the claim alleging that supporting documentation failed to comply with applicable settlement provisions. Honeywell and the County are working to resolve this matter.

On July 1, 2005, the State issued a Record of Decision outlining the selected remedies for Onondaga Lake. In September 2005, the New York State Department of Environmental Conservation (“DEC”) notified the County and sixteen other entities that the State and the Environmental Protection Agency (“EPA”) had incurred oversight costs with respect to the Onondaga Lake NPL site in the amount of \$16 million. Thereafter, the County and others entered into Tolling Agreements with the DEC. The present tolling agreement expired on December 7, 2016. While it is possible that the DEC and EPA will argue that their claims against the County are still timely, the prospect appears less likely given the lodging of a proposed federal Consent Decree between the DEC, EPA, Honeywell and other PRPs who previously settled with Honeywell which would resolve such oversight cost claims against Honeywell and the other PRPs and contains a covenant not to sue. Under such Consent Decree, Honeywell will pay \$7.3 million in reimbursement and the U.S. will reimburse \$6.25 million to Honeywell in relation to the disposal of contaminants by federal agencies during WWII.

In January 2007 the U.S. District Court for the Northern District of New York approved a Consent Decree which requires Honeywell to implement the agreed remediation plan within nine years. Documents accompanying the proposal estimate Honeywell's cost of implementing the agreed plan for remediation at \$451 million.

In early 2007, Honeywell and the State requested that the court extend the time for selection of a remedy for the Geddes Brook/Nine Mile Creek site for an additional two years. On or about November 19, 2008, New York State released a Proposed Remedial Action Plan ("PRAP") for Operable Unit 1 (OU1) of the Geddes Brook/Nine Mile system, a sub-site of the Onondaga Lake Superfund Site. The PRAP describes OU1 as extending upstream in Nine Mile Creek, from a point approximately 3,000 feet upstream of Onondaga Lake to a point approximately 600 feet upstream of Nine Mile Creek's confluence with Geddes Brook. OU1 also includes a portion of Geddes Brook from Geddes Brook's confluence with Nine Mile Creek upstream to Geddes Brook's confluence with the West Flume, an artificial water body which was part of the Allied complex. In January 2011, New York State and Honeywell reached an agreement for the clean-up of areas in and around Geddes Brook and Nine Mile Creek, to be completed by 2014. Upon information and belief, such work has been completed.

On October 31, 2008, the EPA and the DEC served a Demand for Payment letter upon seventeen PRP's, including the County. The Demand letter addressed to the County identifies the County's PRP status as related to the Town of Salina Landfill, a sub-site of the Onondaga Lake NPL site. The agencies demand reimbursement of CERCLA-related oversight costs in the amount of \$12,498,818.63. The County disclaims liability and has identified a number of defenses. Further, in 2008 the County and Town of Salina arrived at an agreement whereby the Town released the County from all claims with respect to past County activities at the Town of Salina Landfill in exchange for the County accepting leachate from the site. Should the relevant parties reach a negotiated settlement; the County will address with the Town the extent to which the oversight costs are covered by the release and indemnification provision of this agreement.

Settlement negotiations of the EPA and DEC demands are continuing. These negotiations were complicated by the bankruptcy proceedings instituted by Crucible Specialty Metals and General Motors, two principal PRPs. The County filed claims in these proceedings.

In November 2009, the County filed a claim in the Crucible bankruptcy proceeding, contending, inter alia, that the debtor and the trustee in bankruptcy remain statutorily obligated to provide for the post-closure care and maintenance of the Geddes Landfill, which obligation must be satisfied from the proceeds of the debtor's estate. In August 2010, the State and the Crucible Estate in Bankruptcy settled the State's claim under the Resource Conservation and Recovery Act. Post-closure care costs and the County's claim were dismissed as duplicative.

By letter dated October 30, 2009, the EPA requested that the County and other alleged PRPs enter into negotiations with the EPA to conduct a Remedial Investigation and Feasibility Study ("RIFS") of the Lower Ley Creek site, beginning at the Route 11 bridge (a.k.a. Brewerton Road) and ending downstream at Onondaga Lake. Subsequently, the EPA completed the RIFS and, based on the results, issued a Record of Decision on September 30, 2014. The estimated costs for the selected remedy range from \$17,662,400 to \$25,271,000. In July 2016, after prolonged negotiations and discussions with 6 other named PRPs and the EPA, the parties were able to reach agreement on a Remedial Design Order with the EPA and PRP participation that enables the PRPs to equally share the costs of developing a design for a proposed remedy, thereby providing the framework for arriving at a more precise estimate of the costs of the remedy. The estimate for work associated with a remedial design is now in the realm of \$1.7 million based on work undertaken by consultants retained by the PRPs to date. The Remedial Design Order does not commit the signatory PRPs to implement any remedial action, but does provide a means by which the PRPs could be reimbursed for expenditures from the proceeds of the GM Bankruptcy settlement. Once the remedial design is complete, any proposed Remedial Action Order with the EPA would be the subject of further extensive negotiations. Remedial Design work is ongoing.

The County filed a claim to recover costs that may be incurred as a result of the EPA's demands in the General Motors Liquidation bankruptcy proceedings. By Agreement, the County's claim was included within the larger reserve for Federal unsecured claims in an amount of no less than \$70 million to address the County's Lower Ley Creek Claim. In June 2012, the Court approved a settlement which secured approximately \$22 million from the General Motors bankruptcy estate to be used to finance response actions at or in connection with Lower Ley Creek. The County is prepared to assert defenses to claims for contribution.

By amended complaint filed March 31, 2017 in the U.S. District Court, Northern District of New York, Cooper Crouse-Hinds, LLC and Cooper Industries, LLC asserted CERCLA, state environmental conservation, state navigation, and state common law contract claims action against the City of Syracuse (City) and County to recover contribution for the costs incurred by Plaintiffs in remediating and closing its landfill. The landfill was used by Plaintiff for disposal of industrial waste, including foundry sand. By agreements with Plaintiff, both City and County had access to the landfill and both City and County utilized the landfill, or portions thereof, to varying degrees. City and County each moved to dismiss Plaintiff's complaint for failure to state a claim upon which relief can be granted. The court dismissed all of Plaintiff's claims, except CERCLA claims against City and CERCLA and state common law contractual indemnification claims against County. The complaint has been answered and litigation is in the expert discovery phase, with dispositive motions currently due July 2020.

The Cooper Crouse-Hinds ("CCH") landfill is situated along the northern bank of Ley Creek. The northern part of the landfill is located in the Town of Salina while the southern portion is located within the City of Syracuse. The landfill was used by CCH for disposal of industrial waste, including foundry sand. Pursuant to an agreement with the City of Syracuse, the southern portion of the landfill was used by the City for solid waste disposal. In 2015, CCH advised the City and County of its intent to pursue each party for contribution for costs incurred by CCH for remediation and closure of the landfill. CCH asserts that PCB contaminated dredge spoils were disposed of at the landfill. The County disclaims liability but entered into a Tolling Agreement with CCH, to which the City is also a party, so that the parties could exchange relevant documents, assess the impact of the Lower Ley Creek negotiations, if any, on resolution of this matter and/or proceed with litigation or focused settlement negotiations. The Tolling Agreement expired on October 3, 2016. On October 4, 2016, CCH filed a complaint against the City and County alleging causes of action under, inter alia, CERCLA and State contract law, Superfund Law, and Navigation Law. Subsequently, the City and County filed pre-answer partial motions to dismiss and, on February 2, 2018, the court dismissed all of CCH's claims except CERCLA claims against the City and CERCLA and state common law contractual indemnification claims against the County. The lawsuit is currently in the expert discovery phase, with dispositive motions due July 2020.

In January 2012, the County received notice from the Natural Resource Damage Trustee, which included the Dept. of Interior and the State of New York, of their intention to pursue additional Natural Resource Damage assessments for the Onondaga Lake superfund site. That notice identified the County as a PRP. Honeywell, the County, and the Trustees subsequently executed a Consent Decree, entered in the Federal Court on March 14, 2018, which resolved the County's and Honeywell's natural resource damages liability for the superfund site, including all subsites, in exchange for the County's commitment to, inter alia, provide access to its property and undertake certain operation and maintenance obligations.

By letter dated March 11, 2010, the EPA advised National Grid of the Agency's determination to designate National Grid as a PRP with respect to the Onondaga Lake Superfund site due to releases from property formally owned by Niagara Mohawk Power Corp., National Grid's predecessor in interest, at 600 Hiawatha Boulevard. The EPA alleges that the property is contaminated with hazardous substances generated by Niagara Mohawk in the course of operating a manufactured gas plant. In 2001, the County acquired the property from Niagara Mohawk. Therefore, the EPA's letter advised National Grid and the County that the agency was evaluating whether to list the County as a PRP as well. Pursuant to an agreement between the County and Niagara Mohawk at the time of transfer of the property, the County contends that National Grid, as successor in interest to Niagara Mohawk, retains liability for the site. By letter dated March 25, 2010, the County gave National Grid notice of a potential claim as required by the agreement. According to the PRAP released by New York State in February 2015, National Grid is the only listed PRP.

**WASTEBEDS 1-8:** Located on the southwest shore of Onondaga Lake, the County acquired Wastebeds 1-6 from the State of New York in the early 1980's. Wastebeds 7-8 are comprised of the adjoining State Fair parking lots. This site is covered by the terms of the settlement between Onondaga County and Honeywell and as such the County contends that ownership of this site should not generate additional potential liability for the County. It is the County's position that any liability that the County might otherwise have as the current site owner has been fully addressed in the Stipulated Judgment resolving Honeywell's contribution action against the County. It is worth noting that in December 2014, DEC issued a Record of Decision approving the remedy for Wastebeds 1-8. The County recently constructed an Amphitheater on Lakeview Point, which is primarily located within Wastebeds 5 and 6, and construction took place in conjunction with implementation of the selected remedy.

**MURPHY'S ISLAND:** This is a site along Onondaga Lake acquired by the County in the early 1980's for use as park land. The site is now the subject of a RIFS being conducted by Honeywell to determine the extent of CERCLA related contamination and remedial options. In 2011, the Onondaga County Legislature passed a memorializing resolution expressing the desire to enter into discussions with the Onondaga Nation at some point in the future to explore the transfer of the site to the Nation. The Resolution has recently been cited as a basis by the EPA and DEC to request that Honeywell revise a Human Health Risk Assessment to address the site's potential for use for farming, hunting and gathering. Honeywell has advised the County that it is willing to revise the report, but that its studies of the site have led the company to conclude that no contaminants now present at the site are related to Honeywell's past industrial operations. However, the NYSDEC has disputed this assertion. By Resolution 064, adopted May 3, 2016, the County Legislature superseded the 2011 memorializing resolution and stated that Murphy's Island will not be considered for transfer to the Nation, reconfirming its intent to hold the property as dedicated park land. In December 2017, the County Legislature approved funding to construct a trail on Murphy's Island. Trail construction is consistent with the Site HHRA and will require some limited remediation by the County within the trail footprint. However, the County is under no obligation to remediate the entire Site and will vigorously defend any assertion that it is liable as a PRP or has any remedial obligations beyond those undertaken pursuant to trail construction. Trail design and construction will be done in coordination with the DEC and the United States Fish and Wildlife Services ("USFWS") to avoid any disturbances to the Bald Eagles protected under the Bald and Golden Eagle Protection Act (Eagle Act) and State law.

## ONONDAGA COUNTY RESOURCE RECOVERY AGENCY

In November 1990, the Onondaga County Resource Recovery Agency (“OCRRA” or the “Agency”) assumed responsibility for solid waste management for all of the County except the Town and Village of Skaneateles. The solid waste management system was to consist of a Waste to Energy (“WTE”) facility, an in-county landfill, an active recycling program and compost sites. Covanta Onondaga LLP (“Covanta”) was retained to build and operate the facility for twenty years. The Agency executed delivery agreements with all thirty-three member municipalities wherein they agreed to direct waste from their communities to the OCRRA System.

In order to construct and implement the OCRRA WTE facility and purchase System assets, \$184 million in bonds were issued in 1992. These bonds were refinanced in 2003 consisting of \$82 million in senior lien debt and \$30 million in subordinate lien debt. The senior lien debt was defeased in 2015. The subordinate lien debt has been refinanced.

In November 2014, OCRRA and Covanta entered into a twenty (20) year extension of the 1990 Service Agreement under which Covanta will continue to operate the plant and be the beneficial owner for tax purposes while OCRRA retains legal ownership. The Agency assumed responsibility for the subordinate lien bonds and in mid-2015 issued \$15 million in additional revenue bonds (the “2015 Bonds”) to finance capital projects at the WTE facility.

In April 2019, OCRRA issued \$10,835,000 revenue bonds to pay a portion of the costs of renovations and upgrades at the Agency’s Rock Cut Road Transfer Facility which serves as a transfer point for municipal solid waste taken to the Agency’s mass burn resource recovery and electric generation facility. The lien on System Revenues is subordinate to the lien in favor of the 2015 Bonds and to the Covanta’s second lien on System Revenues as a result of the Agency’s contractual obligations under the service agreement.

The OCRRA bonds continue to be secured by the new delivery agreements that all of the member municipalities recently signed with OCRRA. Both by State legislation and agreement, the County is not liable for OCRRA debts. As an additional means of securing these revenues, OCRRA has secured contracts with major haulers operating in the member municipalities requiring the haulers to deliver waste to OCRRA. The Agency secured 1-year agreements with all of the major haulers and it is the expectation of the Agency that such agreements will be renewed for the foreseeable future.

## CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the County will enter into a Continuing Disclosure Undertaking, the description of which is attached hereto as “APPENDIX – C”.

### Historical Compliance

Other than as stated below, the County is in compliance, in all material respects, within the last five years with all previous undertakings made pursuant to the Rule 15c2-12:

The County failed to file its Audited Financial Statements for the fiscal year ending December 31, 2016, on or before 180 days after the end of the fiscal year, as required by the County’s undertaking agreement for its Public Finance Authority Revenue Bonds (New York State Association of Counties Qualified Energy Conservation Bond Financing Program), Series 2015A (Federally Taxable) (the “QECB Bond”). A notice disclosing such failure was timely filed to the MSRB’s Electronic Municipal Market Access (EMMA) website on June 30, 2017. The County’s Audited Financial Statements for the fiscal year ending December 31, 2016 became publicly available and was promptly posted to the MSRB’s EMMA website on June 30, 2017, which is one day after the filing requirement deadline for the QECB Bond. The County’s Annual Financial Information and Operating Data (“AFIOD”) was timely filed on June 29, 2017.

The County’s AFIOD for the fiscal year ending December 31, 2016 was timely filed with EMMA on June 29, 2017. The filing did not include a chart listing ‘average ERS and PFRS rates’ under the section heading “Pension Payments”. The average ERS and PFRS rates are released by the New York State Comptroller and publicly available information, such rates are not considered financial or operating data of the County; however, the rates omitted in the AFIOD filing made on June 29, 2017 were included in a subsequent AFIOD filing made by the County on June 29, 2018.

The County failed to file its Audited Financial Statements for the fiscal year ending December 31, 2017, on or before 180 days after the end of the fiscal year, as required by the County’s undertaking agreement for its QECB Bond. A notice disclosing such failure was timely filed to the MSRB’s EMMA website on July 5, 2018. The County’s Audited Financial Statements for the fiscal year ending December 31, 2017 became publicly available and was promptly posted to the MSRB’s EMMA website on August 15, 2018, which is forty-seven days after the filing requirement deadline for the QECB Bond. The County’s Annual Financial Information and Operating Data was timely filed on June 29, 2018.

## **MUNICIPAL ADVISOR**

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the County on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the County and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the County or the information set forth in this Official Statement or any other information available to the County warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the County to the Municipal Advisor are partially contingent on the successful closing of the Bonds.

## **CUSIP IDENTIFICATION NUMBERS**

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the County provided, however; the County assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed on the Underwriter for the assignment of such numbers.

## **RATINGS**

Fitch Ratings, S&P Global Ratings and Moody's Investors Service, Inc. have assigned their municipal bond ratings of "AA+/Negative Outlook", "AA/Stable Outlook" and "Aa3/Stable Outlook", respectively, to the Bonds.

Such ratings reflect only the view of such organizations, and an explanation of the significance of such ratings may be obtained from: Fitch Ratings, One State Street Plaza, New York, New York 10004, (212) 908-0500, Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, 23<sup>rd</sup> Floor, New York, New York 10007, (212) 553-0300 and S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, 55 Water Street, 38<sup>th</sup> Floor, New York, New York 10041, Phone: (212) 438-2118. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised or withdrawn by such rating agency, if in its judgment, circumstances so warrant. A revision or withdrawal of such ratings may have an effect on the market price of the outstanding bonds or the Bonds.

## **ADDITIONAL INFORMATION**

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the County's management's beliefs as well as assumptions made by, and information currently available to, the County's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the County's files with the repositories. When used in County's documents or oral presentation, the words "anticipate", "believe", "intend", "plan", "foresee", "likely", "estimate", "expect", "objective", "projection", "forecast", "goal", "will", or "should", or similar words or phrases are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds.

Orrick, Herrington & Sutcliffe, LLP, New York, New York, Bond Counsel to the County, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the County for use in connection with the offer and sale of the Bonds, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Bonds, the County will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to limitation as to information in the Official Statement obtained from sources other than the County, as to which no representation can be made.

The Official Statement is submitted only in connection with the sale of the Bonds by the County and may not be reproduced or used in whole or in part for any other purpose.

The County hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Any statements made in this Official Statement and indicated to involve matters of opinion or estimates are represented to be opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds.

Fiscal Advisors & Marketing, Inc. and the County may place a copy of this Official Statement on their websites at [www.fiscaladvisors.com](http://www.fiscaladvisors.com) / [www.FiscalAdvisorsAuction.com](http://www.FiscalAdvisorsAuction.com) and [www.ongov.net](http://www.ongov.net), respectively. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. and the County have prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the County nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the County disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the County also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

Additional copies of this Official Statement may be obtained upon request from the office of the Chief Fiscal Officer, John H. Mulroy Civic Center, 421 Montgomery Street, Syracuse, New York 13202, Phone: (315) 435-3346 x4111, or from Fiscal Advisors & Marketing, Inc., 250 South Clinton Street, Suite 502, Syracuse, New York 13202, Phone: (315) 752-0051, downloaded from Fiscal Advisors & Marketing, Inc.'s Internet address: <http://www.fiscaladvisors.com> or Auction Portal website: [www.FiscalAdvisorsAuction.com](http://www.FiscalAdvisorsAuction.com).

The County will act as Paying Agent for the Bonds. The County's contact information is as follows: Chief Fiscal Officer, John H. Mulroy Civic Center, 421 Montgomery Street, Syracuse, New York 13202-2998, Phone: (315) 435-3346 x4111, Telefax: (315) 435-3439.

This Official Statement has been duly executed and delivered by the Chief Fiscal Officer of the County of Onondaga, New York.

**Dated: September 17, 2020**

**/s/ \_\_\_\_\_  
Chief Fiscal Officer**

**GENERAL FUND**

**Balance Sheets**

Fiscal Years Ending December 31:

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b><u>ASSETS</u></b>					
Cash and Investments	\$ 75,380,845	\$ 57,181,976	\$ 25,788,035	\$27,765,416	\$9,767,614
Receivables:					
Property Taxes	44,399,990	45,452,758	46,711,216	51,363,888	50,989,160
Accounts Receivable	42,498,837	43,108,761	46,500,030	45,326,454	47,738,413
Due from Federal and State Governments	61,657,920	61,761,531	73,801,197	76,864,144	101,008,350
Due from Other Governments	2,986,802	2,734,338	2,677,982	2,717,403	8,724,145
Due from Other Funds	964,302	5,690,847	17,861,664	21,093,748	15,996,611
Prepaid Expenditures & Other Assets	6,646,513	6,028,457	6,456,136	5,900,420	5,981,094
<b>TOTAL ASSETS</b>	<b>\$ 234,535,209</b>	<b>\$ 221,958,668</b>	<b>\$ 219,796,260</b>	<b>\$ 231,031,473</b>	<b>\$ 240,205,387</b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Accounts Payable and Accrued Liabilities	\$ 54,452,321	\$ 52,653,290	\$ 53,283,194	\$ 52,240,445	\$ 56,690,883
Due to Other Governments	60,578,790	59,493,588	62,089,298	65,290,863	62,478,389
Due to Other Funds	800,000	800,000	800,000	800,000	
Deferred Property Tax Revenues	-	-	-	-	
Other Deferred Revenues	-	-	-	-	
Contracts Payable - Retainage	2,457	2,457	-	-	
Other Liabilities	7,817,998	12,029,297	14,071,728	14,754,880	15,185,550
<b>TOTAL LIABILITIES</b>	<b>\$ 123,651,566</b>	<b>\$ 124,978,632</b>	<b>\$ 130,244,220</b>	<b>\$ 133,086,188</b>	<b>\$ 134,354,822</b>
<b><u>DEFERRED INFLOW OF RESOURCES</u></b> <sup>(1)</sup>					
	\$ 20,372,927	\$ 22,315,183	\$ 22,577,946	\$ 25,845,508	\$ 26,816,975
<b><u>FUND EQUITY</u></b>					
Reserved:					
Non-spendable (prior: Prepaids)	\$ 6,646,513	\$ 6,028,457	\$ 6,456,136	\$ 5,900,420	\$ 5,981,094
Unreserved:					
Committed	5,000,000	5,000,000	-	-	
Assigned (prior: Appropriated)	17,451,521	13,335,100	8,388,852	1,724,462	1,791,457
Unassigned (prior: Unappropriated)	61,412,682	50,301,296	52,129,106	64,474,895	71,261,039
<b>TOTAL FUND EQUITY</b>	<b>\$ 90,510,716</b>	<b>\$ 74,664,853</b>	<b>\$ 66,974,094</b>	<b>\$ 72,099,777</b>	<b>\$ 79,033,590</b>
<b>TOTAL LIABILITIES and FUND EQUITY</b>	<b>\$ 234,535,209</b>	<b>\$ 221,958,668</b>	<b>\$ 219,796,260</b>	<b>\$ 231,031,473</b>	<b>\$ 240,205,387</b>

<sup>(1)</sup> With the 2013 implementation of GASB 65, *Items Previously Reported as Assets and Liabilities*, deferred revenues are reported as Deferred Inflows of Revenues.

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance**

Fiscal Years Ending December 31:

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b><u>REVENUES</u></b>					
Real Property Taxes and Tax Items	\$ 148,446,562	\$ 145,715,446	\$ 150,015,410	\$148,289,954	\$151,280,057
Non-Property (Sales) Taxes	343,592,826	340,202,715	347,441,798	371,393,324	376,842,671
Revenues from Federal Sources	89,189,397	90,088,544	85,354,099	85,654,444	85,831,030
Revenues from State Sources	84,729,426	88,996,539	85,474,197	86,809,721	91,701,020
Departmental Income	21,353,292	23,167,985	22,607,500	21,112,941	21,583,113
Service for Other Governments	20,214,619	21,458,384	22,368,948	24,385,928	25,640,919
Interest Earned	456,522	525,809	570,676	1,075,265	1,558,318
Miscellaneous	5,926,431	6,219,966	7,396,422	5,898,706	5,269,395
Total Revenues	<u>\$ 713,909,075</u>	<u>\$ 716,375,388</u>	<u>\$ 721,229,050</u>	<u>\$ 744,620,283</u>	<u>\$ 759,706,523</u>
<b><u>EXPENDITURES</u></b>					
General Government Support	\$ 149,298,087	\$ 140,964,365	\$ 145,388,004	\$149,876,960	\$151,207,467
Economic Assistance and Opportunity	266,793,434	282,892,224	274,426,740	272,620,581	275,797,347
Health	40,064,820	41,990,956	36,954,140	36,071,652	40,522,577
Public Safety	131,589,992	138,420,423	141,496,965	143,107,147	147,446,596
Culture and Recreation	15,353,239	17,610,020	19,711,111	20,555,989	21,059,776
Education	45,292,138	49,568,469	51,568,295	50,815,565	54,671,540
Home and Community Services	1,837,540	2,407,567	2,488,203	2,606,746	2,442,483
Transportation	3,758,260	2,409,877	2,409,877	2,409,877	2,559,396
Total Expenditures	<u>\$ 653,987,510</u>	<u>\$ 676,263,901</u>	<u>\$ 674,443,335</u>	<u>\$ 678,064,517</u>	<u>\$ 695,707,182</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 59,921,565</u>	<u>\$ 40,111,487</u>	<u>\$ 46,785,715</u>	<u>\$ 66,555,766</u>	<u>\$ 63,999,341</u>
Other Financing Sources (Uses):					
Operating Transfers In	198,138	-	-	-	1,300,000
Operating Transfers Out	(57,314,903)	(55,957,350)	(54,476,474)	(61,430,083)	(58,365,528)
Proceeds of Long Term Borrowing	-	-	-	-	-
Other	-	-	-	-	-
Total Other Financing	<u>(57,116,765)</u>	<u>(55,957,350)</u>	<u>(54,476,474)</u>	<u>(61,430,083)</u>	<u>(57,065,528)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>2,804,800</u>	<u>(15,845,863)</u>	<u>(7,690,759)</u>	<u>5,125,683</u>	<u>6,933,813</u>
<b><u>FUND BALANCE</u></b>					
Fund Balance - Beginning of Year	87,705,916	90,510,716	74,664,853	66,974,094	\$ 72,099,777
Residual Equity Transfers (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 90,510,716</u>	<u>\$ 74,664,853</u>	<u>\$ 66,974,094</u>	<u>\$ 72,099,777</u>	<u>\$ 79,033,590</u>

Source: Audited financial reports of the County. This Appendix is not itself audited.



**ALL FUNDS**

**Revenues, Expenditures and Changes in Fund Balance - Budget**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
<b>REVENUES</b>					
Real Property Tax Levy	\$ 139,691,159	\$ 141,096,060	\$ 141,690,731	\$ 145,590,731	\$ 149,590,731
Special District Tax Levies	77,741,125	77,740,504	80,099,020	85,132,527	84,002,147
Services for Other Governments	32,943,510	34,939,411	35,669,454	35,612,451	36,310,996
Non-Property (Sales) Taxes <sup>(1)</sup>	349,753,832	347,753,638	358,315,417	375,085,397	382,486,014
Revenues from State Sources	142,959,933	153,053,586	161,451,888	179,386,678	164,217,458
Revenues from Federal Sources	120,095,024	118,164,508	119,508,947	115,254,368	115,923,789
Other Receipts, Etc.	380,802,091	396,253,072	376,640,947	377,439,848	403,162,325
Total Revenues	<u>\$ 1,243,986,674</u>	<u>\$ 1,269,000,779</u>	<u>\$ 1,273,376,404</u>	<u>\$ 1,313,502,000</u>	<u>\$ 1,335,693,460</u>
<b>EXPENDITURES</b>					
General Government Support <sup>(2)</sup>	\$ 794,589,353	\$ 802,422,095	\$ 797,753,040	\$ 818,750,858	\$ 842,879,365
Community College	90,627,773	90,856,237	94,302,434	89,721,127	83,570,394
Community Development	7,919,424	6,613,563	7,609,942	8,901,586	4,657,111
Van Duyn Hospital	5,500,375	5,169,785	3,840,382	-	-
Grant	45,111,346	51,099,565	59,499,137	71,201,949	67,574,518
County Road	43,876,780	44,633,806	43,130,441	43,954,713	46,161,866
Road Machinery	7,729,275	6,893,051	6,318,904	8,928,191	8,897,801
Oncenter Revenue Fund <sup>(2)</sup>	2,603,493	2,789,192	2,785,580	2,639,192	2,664,192
Water	11,068,899	3,019,780	3,311,795	2,919,599	3,071,385
Water Environment Protection	87,918,087	91,317,577	94,772,000	98,861,529	99,363,016
Library	14,573,193	14,693,219	15,337,015	14,888,201	14,621,943
Debt Service	62,346,095	71,065,662	66,828,049	66,925,712	68,967,649
Insurance	89,332,832	100,575,494	95,655,082	94,899,795	93,264,220
Total Expenditures	<u>\$ 1,263,196,925</u>	<u>\$ 1,291,149,026</u>	<u>\$ 1,291,143,801</u>	<u>\$ 1,322,592,452</u>	<u>\$ 1,335,693,460</u>
Excess of Revenues Over (Under) Expenditures/ Budgetary Fund Balance Used	<u>\$ (19,210,251)</u>	<u>\$ (22,148,247)</u>	<u>\$ (17,767,397)</u>	<u>\$ (9,090,452)</u>	<u>\$ -</u>

<sup>(1)</sup> Includes sales tax gross up of \$87,775,755, \$87,227,127, \$89,937,170 and \$96,043,621 for 2016, 2017, 2018 and 2019 respectively, due to accounting changes. See "Onondaga County Sales Tax" section of Official Statement.

<sup>(2)</sup> Prior to 2012 the OnCenter was a Component Unit. In 2012 it was reclassified as a Primary Government Component and, as such, the County's 2018, 2017, 2016, 2015, and 2014 budgets reflect this reclassification.

Source: Unaudited annual financial budgets of the County. This Appendix is not itself audited.

**BONDED DEBT SERVICE**

Fiscal Year Ending December 31st	Excluding the Bonds to be Issued			Total Principal Bonds to be Issued	Total Principal All Bonds
	Principal	Interest	Total		
2020	\$ 47,340,673	\$ 26,650,545.76	\$ 73,991,218.76	\$ -	\$ 47,340,673
2021	48,779,703	23,277,397.67	72,057,100.67	-	48,779,703
2022	45,945,000	21,341,171.05	67,286,171.05	2,125,000	48,070,000
2023	45,480,000	19,416,815.74	64,896,815.74	2,160,000	47,640,000
2024	42,695,000	17,553,249.26	60,248,249.26	2,200,000	44,895,000
2025	39,065,000	15,844,533.96	54,909,533.96	2,240,000	41,305,000
2026	37,440,000	14,149,465.76	51,589,465.76	2,280,000	39,720,000
2027	34,730,000	12,657,540.42	47,387,540.42	2,320,000	37,050,000
2028	31,735,000	11,365,716.36	43,100,716.36	2,360,000	34,095,000
2029	30,625,000	10,199,989.74	40,824,989.74	2,400,000	33,025,000
2030	30,245,000	9,094,951.10	39,339,951.10	2,445,000	32,690,000
2031	28,370,000	8,054,604.05	36,424,604.05	2,485,000	30,855,000
2032	27,375,000	7,074,314.12	34,449,314.12	2,530,000	29,905,000
2033	26,070,000	6,100,642.81	32,170,642.81	2,575,000	28,645,000
2034	24,035,000	5,194,769.20	29,229,769.20	2,620,000	26,655,000
2035	22,110,000	4,375,621.76	26,485,621.76	2,665,000	24,775,000
2036	20,350,000	3,618,773.83	23,968,773.83	2,710,000	23,060,000
2037	16,935,000	2,926,652.69	19,861,652.69	2,760,000	19,695,000
2038	15,810,000	2,335,404.50	18,145,404.50	2,805,000	18,615,000
2039	10,330,000	1,803,096.13	12,133,096.13	2,855,000	13,185,000
2040	7,055,000	1,467,371.95	8,522,371.95	2,905,000	9,960,000
2041	7,180,000	1,174,902.48	8,354,902.48	2,955,000	10,135,000
2042	7,300,000	876,168.98	8,176,168.98	-	7,300,000
2043	7,415,000	569,837.12	7,984,837.12	-	7,415,000
2044	7,530,000	255,939.18	7,785,939.18	-	7,530,000
2045	2,445,000	48,900.00	2,493,900.00	-	2,445,000
<b>TOTALS</b>	<b>\$ 664,390,376</b>	<b>\$ 227,428,375.61</b>	<b>\$ 891,818,751.61</b>	<b>\$ 50,395,000</b>	<b>\$714,785,376</b>

## CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 (the "Rule"), as the same may be amended or officially interpreted from time to time, promulgated by the Securities and Exchange Commission (the "Commission"), the County has agreed to provide, or cause to be provided,

- (i) during each fiscal year in which the Bonds are outstanding, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB"), or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule certain annual financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced under the headings: "THE COUNTY", "FINANCIAL STRUCTURE", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION", and a copy of the audited financial statement (prepared in accordance with generally accepted accounting principles in effect at the time of the audit) for the preceding fiscal year, if any; such information, data and audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each fiscal year or, if audited financial statements are prepared, sixty days following receipt by the County of audited financial statements for the preceding fiscal year, but, in no event, not later than the last business day of each fiscal year.
- (ii) in a timely manner, not in excess of ten (10) business days after the occurrence of the event, to the MSRB or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Bonds:
  - (a) principal and interest payment delinquencies
  - (b) non-payment related defaults, if material
  - (c) unscheduled draws on debt service reserves reflecting financial difficulties
  - (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Bonds, unscheduled draws on credit enhancements reflecting financial difficulties
  - (e) substitution of credit or liquidity providers, or their failure to perform
  - (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax- status of the Bonds
  - (g) modifications to rights of Bondholders, if material
  - (h) bond calls, if material and tender offers
  - (i) defeasances
  - (j) release, substitution, or sale of property securing repayment of the Bonds
  - (k) rating changes
  - (l) bankruptcy, insolvency, receivership or similar event of the County
  - (m) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
  - (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
  - (o) incurrence of a financial obligation (as defined in the Rule) of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect Bond holders, if material; and
  - (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Bonds.

With respect to event (d) the County does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

The County may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, if the County determines that any such other event is material with respect to the Bonds; but the County does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

- (iii) in a timely manner, to the MSRB or any other facility designated or authorized by the commissioner to receive Reports pursuant to the Rule, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

The Annual Information and the Material Event Notices, if any, will be filed with the Municipal Securities Rulemaking Board and its Electronic Municipal Market Access system for municipal securities disclosures.

The County reserves the right to terminate its obligations to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the County no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The County acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the County's obligations under its continuing disclosure undertaking and any failure by the County to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds to recover monetary damages.

The County reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County; provided that, the County agrees that any such modification will be done in a manner consistent with the Rule.

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the Underwriter at closing.

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**COUNTY OF ONONDAGA, NEW YORK**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
For the Fiscal Year Ending December 31, 2019**

**Such Audited Financial Statement and opinion were prepared as of the date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.**

# **ONONDAGA COUNTY NEW YORK**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDING DECEMBER 31, 2019**

**DEPARTMENT OF AUDIT & CONTROL**

**MARTIN D. MASTERPOLE**

**COMPTROLLER**

**JAMES V. MATURO**

**PHILIP M. BRITT**

**DEPUTY COMPTROLLER/ACCOUNTING**

**COUNTY OF ONONDAGA, NEW YORK  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
EFFECTIVE JANUARY 1, 2020**

**PREPARED BY THE COMPTROLLER'S OFFICE**

**COUNTY COMPTROLLER  
MARTIN D. MASTERPOLE**

**CHIEF OF STAFF  
WILLIAM M. RYAN**

**DEPUTY COMPTROLLER/ACCOUNTING  
JAMES V. MATURO  
PHILIP M. BRITT**

**DEPUTY COMPTROLLER/AUDITING  
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JULIUS F. PERROTTA

**INDEPENDENT AUDITORS**

BONADIO & COMPANY, LLP

COUNTY OF ONONDAGA, NEW YORK  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED DECEMBER 31, 2019  
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COUNTY OF ONONDAGA, NEW YORK  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED DECEMBER 31, 2019  
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**INTRODUCTORY**

**SECTION**

**(UNAUDITED)**

# **COUNTY OF ONONDAGA, NEW YORK**

## **LIST OF PRINCIPAL OFFICIALS**

### **COUNTY LEGISLATURE**

EFFECTIVE JANUARY 1, 2020

CHAIRMAN: DAVID H. KNAPP

JULIE R. ABBOTT-KENAN

LINDA R. ERVIN \*

JOHN D. MCBRIDE

TIM T. BURTIS\*\*

KEVIN A. HOLMQUIST

JAMES J. ROWLEY

KEN L. BUSH, JR.

CASEY E. JORDAN

CHRISTOPHER J. RYAN

PEGGY CHASE

WILLIAM T. KINNE

JUDITH A. TASSONE

DEBRA J. CODY

MARY T. KUHN

VERNON M. WILLIAMS

BRIAN F. MAY \*

\* FLOOR LEADERS

\*\* CHAIR, WAYS & MEANS COMMITTEE

**COUNTY COMPTROLLER**  
MARTIN D. MASTERPOLE

**COUNTY EXECUTIVE**  
J. RYAN MCMAHON II

**CHIEF FISCAL OFFICER**  
STEVEN MORGAN

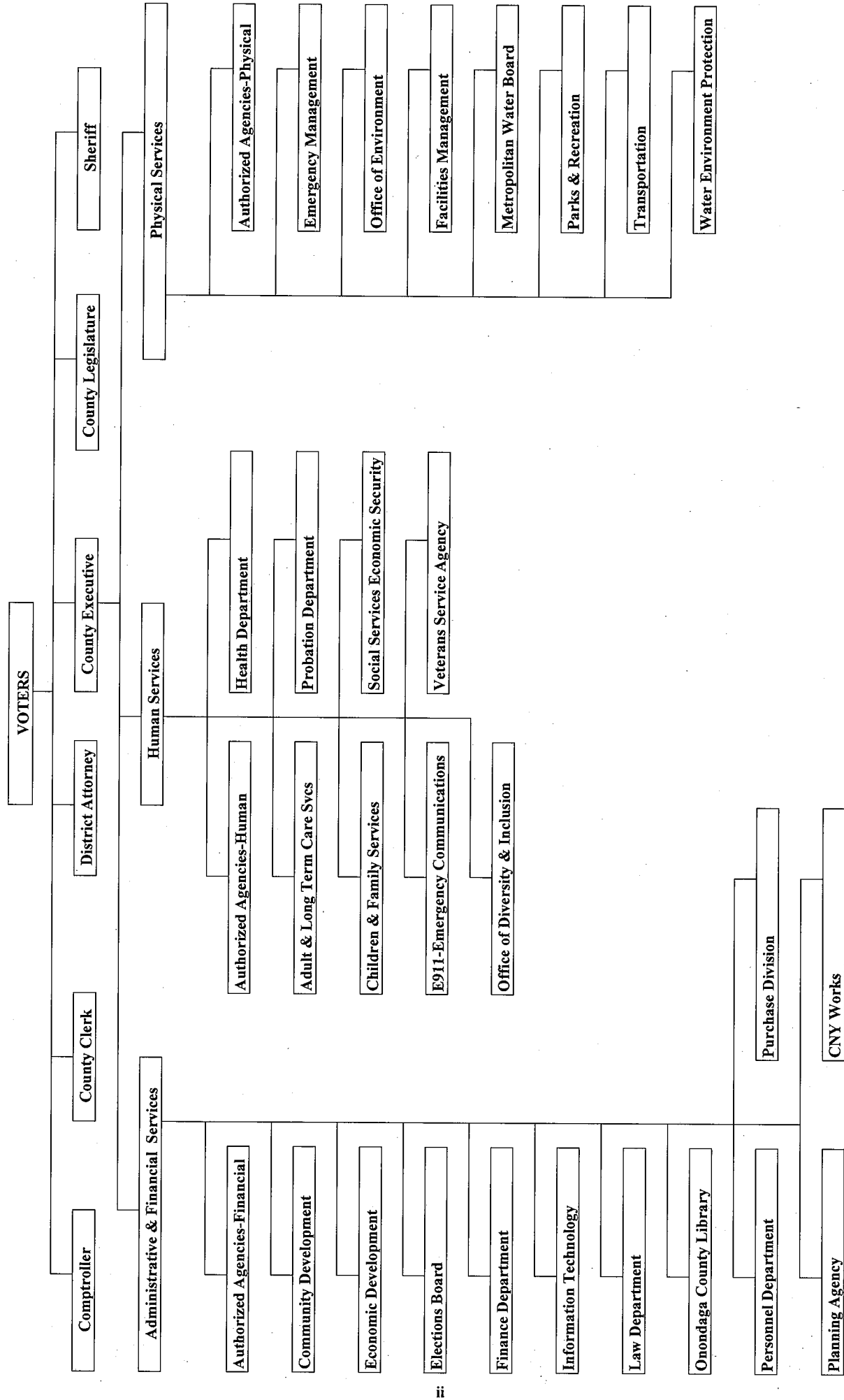
**COUNTY SHERIFF**  
EUGENE J. CONWAY

**DISTRICT ATTORNEY**  
WILLIAM J. FITZPATRICK

**COUNTY CLERK**  
LISA DELL

# COUNTY OF ONONDAGA

## ORGANIZATION CHART





COUNTY OF ONONDAGA

*Office of the  
County Comptroller*

Martin D. Masterpole  
*Comptroller*

William M. Ryan  
*Chief of Staff*

*John H. Mulroy Civic Center, 14th Floor  
421 Montgomery Street  
Syracuse, New York 13202-2998  
(315) 435-2130 • Fax (315) 435-2250  
[www.ongov.net](http://www.ongov.net)*

James V. Maturo  
*Deputy Comptroller/Accounting*

Peter J. Headd  
*Deputy Comptroller/Audit*

May 18, 2020

To the Citizens of Onondaga County:

I am pleased to submit the Comprehensive Annual Financial Report of Onondaga County for the year ended December 31, 2019. Responsibility for accuracy of the data as well as the completeness and fairness of its presentation, including all disclosures, rests with the management of this government. To provide a reasonable basis for making these representations, the County has established a comprehensive set of internal controls that is designed to protect the government's assets from loss, theft, or misuse. These controls also allow the County reliable information for the preparation of these financial statements. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of financial operations of the County in accordance with accounting policies generally accepted in the United States of America. All disclosures considered necessary for the reader to gain an understanding of the County's financial activities have been included.

The County has engaged independent auditors who have audited the basic financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors have concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's basic financial statements for the fiscal year ended December 31, 2019, are fairly presented in conformity with U.S. generally accepted accounting policies. The report of the independent auditors can be found on page viii of the financial section of this report.

The independent audit of the financial statements was part of a broader, federally mandated "Single Audit". The County is required to undergo an annual audit in conformity with the provision of the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Single Audit Report includes the schedule of federal financial assistance, the independent auditors' report on the internal control structure and compliance with applicable laws and regulations, and findings and recommendations. The Single Audit Report is not included in this CAFR, however, when available, it is a public record and available to all interested parties upon request.

Generally accepted accounting principles require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's

Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

### **Government Profile**

Onondaga County is located in close proximity to the geographic center of upstate New York approximately midway between Albany and Buffalo. Onondaga County has a land area of 793.5 square miles and a 2010 U.S. Census population of 467,026. The most significant municipal entity within the County is the City of Syracuse, which has a 2010 U.S. Census population of 145,170 and which also serves as the County seat. The County's population is concentrated along two interstate highway corridors that intersect in the middle of the County. The County's industrial, and to a lesser extent its commercial establishments, are similarly concentrated within the same corridors.

Onondaga County was established in 1794 by an act of the New York State Legislature. The current county executive form of government was adopted by voter referendum in 1961. The County Executive is elected by direct vote for a term of four years. The County Executive is the chief executive officer of the County with, among other powers, authority to appoint heads of County departments conditional to legislative confirmation, to appoint other executive officers as provided by law, to supervise the administration of every department except as otherwise provided, to propose the annual operating budget plan, to approve or disapprove every local law or ordinance adopted by the County Legislature, to authorize all contracts on behalf of the County, and shall be the chief budget officer of the County. The County Legislature is the policy making, appropriating and governing body of Onondaga County. The County Legislature is comprised of members elected from seventeen legislative districts for two-year terms. The County Legislature is vested with the power to enact local laws, ordinances and resolutions, to adopt budgets and levy taxes, to override by a two-thirds vote any veto by the County Executive of any legalized act, to fix compensation for all County officers and employees, and to authorize the issuance of capital debt obligations where a two-thirds majority so approves. The offices of County Comptroller, Sheriff, District Attorney and County Clerk are elected by general direct vote, and each serves a four-year term. The Comptroller is the chief accounting and auditing officer for the County and, as such, has major responsibility for the internal financial controls and financial reporting. The County Clerk is the custodian of all legal, real property and court documents. The Sheriff is the chief law enforcement officer for the County. In addition to the above officials, the Chief Fiscal Officer has responsibility for the collection and custody of County monies, administration of real property and sales taxes, and the sale of County indebtedness. The Chief Fiscal Officer is appointed by the County Executive, subject to County Legislature ratification.

Onondaga County provides a full range of public services to its residents including public safety, health, transportation, education, economic assistance, home and community, culture and recreation, and general administrative support. This report includes all funds and account groups over which Onondaga County exerts substantial control, significant influence and accountability as defined by the Governmental Accounting Standards Board (GASB). Based on GASB statements, Onondaga Community College, Onondaga County Industrial Development Agency, Friends of Rosamond Gifford Zoo, Onondaga Civic Development Corporation and the Housing Development Fund Company meet the requirements for recognition as component units and accordingly their financial information is presented in a discrete format in the Financial Section of this report. The Onondaga Tobacco Asset Securitization Corporation (OTASC), Greater Syracuse Soundstage Development Corporation (GSSDC) and Onondaga Convention Center Hotel Development Corporation (OCCHDC) meet these requirements for recognition as a component unit and their financial information is blended, OTASC is a Nonmajor Debt Service Fund and OCCHDC and GSSDC as Enterprise Funds respectively in the Financial Section of this report.

The County maintains a budgetary control system to ensure compliance with the annual adopted budget and with other applicable laws. Budgetary control is achieved by use of a pre-encumbrance system that reserves available appropriations prior to the initiation of the contract process. This system has the advantage of centrally accounting for a County department's expenditure plans prior to actual development of contracts. Upon finalization of contracts, the pre-encumbrance is replaced by an encumbrance. Encumbered amounts do not lapse at year-end, but are re-appropriated into the ensuing year's budget as prescribed by Onondaga County Law. The County Comptroller submits to the Legislature a monthly report of revenues and expenses compared to budget. Additionally, the Executive Department's Division of Management and Budget submits to the Legislature a quarterly report of budgetary projections.

Onondaga County employs an internal audit staff that reports to the County Comptroller. This internal audit staff conducts periodic financial, operational and compliance audits of County departments and other related entities. The internal control structure is subject to evaluation during these internal audits.

### **Factors Affecting Financial Condition**

**Local Economy:** The County budget is affected by the condition of the local economy. Expenditures such as public assistance, Medicaid, and other mandated human service costs vary directly with the condition of the local economy, as do some major County revenues such as sales tax.

The unemployment rate for Onondaga County averaged 3.9% in 2019 compared with 4.0% in 2018, 4.7% in 2017, and 4.5% in 2016. For the 12-month period ending December 2019, the private sector job count in the Syracuse metro area grew over the year by 1,000, or 0.4 percent, to 262,900 over 2018.

Onondaga County ended 2019 with revenues exceeding expenditures by \$6.9 million resulting in the use of no reserves to balance the 2019 budget. Lower than budgeted expenditures for wages, benefits, and other non-personnel costs drove this surplus.

In July 2019, Onondaga County issued \$45 million in General Obligation (GO) Serial Bonds. Borrowing rates are at historically low rates and the true interest cost of the GO's was 2.59%. The rating agencies continue to recognize Onondaga County's solid financial position and Moody's, Standard & Poor's, and Fitch rated the County Aa3, AA and AAA respectively. This distinguishes Onondaga as one of the highest-rated New York State counties.

The County Legislature adopted a new 10-year sales tax sharing formula in May of 2010 that took effect beginning January 2011. The agreement includes provisions to share both the 3% portion (permanent tax) and 1% portion (temporary tax renewable by the State legislature every two years under a formula significantly different from the past agreement). Under the new formula, 2012 was the final year that towns and villages shared in sales tax collections. The County will retain most of the 3% portion and share slightly in the 1% portion; with the overall percentage retained by the County increasing from 45% in 2010 to approximately 74% after the agreement is fully phased in beginning in 2013. The City will retain most of the 1% portion. Schools will share less than 1% of the overall tax in 2013, now that the agreement is fully phased in. In January 2019, the County Legislature approved a 10 year extension of the current sales tax sharing formula through December 31, 2030. The extension puts in place, for the duration of the agreement, a sharing formula that mirrors the one existing in the final year of the current agreement.



**Long Term Financial Planning:** Each year the County prepares a six-year Capital Improvement Plan (CIP). The CIP process is both a programmatic and fiscal tool, providing an opportunity for decision makers to regularly evaluate infrastructure needs and competing capital investments within a fiscal framework that includes debt service projections and future operating costs. For 2019 the County considered only those projects that could be initiated during the six year capital planning period. The current capital plan outlines 53 projects totaling \$662 million with \$329 million of the resources targeted for Water Environment improvements and \$179 million for road infrastructure and maintenance.

The County has established debt policies that form the fiscal parameters for the capital planning process. The policies are included in the County's annual operating budget document and authorized annually by the County Legislature as part of the budget review process. The debt policies call for General Fund debt service to remain below 5.5% of General Fund revenue; for overall net direct indebtedness to remain below \$700 per capita and 1.5% of the full value of taxable property; and to maintain a debt payment schedule in which 65% or more of the outstanding debt will be retired within ten years.

In addition the County Legislature has established a General Fund balance policy that establishes a fund balance goal of 10% of net revenues and calls for amounts in excess of 10% to be applied to avoid future debt or for tax relief. Net revenues are calculated as gross revenues less sales tax pass through revenue for municipalities, and interdepartmental revenue.

**Onondaga Lake.** Onondaga County entered into an Amended Consent Judgment (ACJ) in 1998 that established a plan to reduce sewage outflows into Onondaga Lake through specific improvements to the Metropolitan Wastewater Treatment Plant and abatement of combined sewer overflows. Total project costs are currently estimated at \$703 million. The project is being supported through a combination of state and federal grants and debt covered by local user fees. The State has appropriated \$74.9 million of the Clean Water/Clean Air Environmental Bond Act funds for projects covered under the ACJ. In addition to aid through the Environmental Bond Act, based on pledges by state officials, the County also planned on receiving approximately \$85 million in supplemental funding over the 15 years of the project as initially scheduled in the 1998 ACJ. To date, \$94.7 million has been received from other New York State sources. The Federal government has already appropriated \$122.6 million in Federal funds (inclusive of assistance from the U.S. Army Corps of Engineers). The Harbor Brook project received ARRA funds of \$11.8 million in loan forgiveness. In addition, the County has received \$12.4 million in funds from other sources (City and the Niagara Mohawk Power Corporation [now National Grid]) and has cash on hand of \$9.1 million.

To date, the County has closed on \$291.1 million in EFC long term loans to fund lake projects. The County anticipates \$86.3 million in local funding for the gross capital costs associated with the ACJ in its Capital Improvement Plan.

In the event that the ACJ projects do not bring the County in compliance with applicable water quality standards, the County will be required to undertake additional measures. Additional information regarding this commitment can be found in Note 14 to the financial statements.

**Cash management.** New York State Law directs which type of investments its counties may use to invest idle cash. Those types of investments are more fully described in Note 3 to the financial statements. Income as a result of these investments was \$3,052,738 in 2019.

**Risk management.** Onondaga County is self-insured for general liability, employee health benefits, unemployment, workers' compensation, and vehicle related losses. The County utilizes an internal service fund to account for its self-insurance activities. The County purchases insurance for property losses. The County employs loss control and safety specialists and also conducts a variety of worker safety programs. Additional information on the County's risk management activities can be found in Note 12 to the financial statements.

**Retirement and other postemployment benefits.** The County participates in the New York State and Local Employees' Retirement System (ERS). The ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the ERS. Under the authority of the NYSRSSL, the State Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

In addition to providing pension benefits, the County provides certain health insurance benefits to retired employees and survivors under its self-insured health program. Substantially all of the County's employees may become eligible for these benefits if they reach normal retirement age while working for the County. As of the end of the year, there were 4,333 retirees and survivors receiving these benefits.

Additional information on the County's retirement and postemployment benefits can be found in Note 9 to the financial statements.

### **Acknowledgments**

This Comprehensive Annual Financial Report could not have been completed without the dedication and teamwork of my entire staff. I would like to express my appreciation to my staff and thank them for a job well done.

Sincerely,

A handwritten signature in cursive script that reads "Martin D. Masterpole". The signature is written in dark ink and is positioned above the printed name.

Martin D. Masterpole

**FINANCIAL**  
**SECTION**

## INDEPENDENT AUDITOR'S REPORT

May 18, 2020

The Honorable J. Ryan McMahon II, County Executive, Honorable Members of the County Legislature and The Honorable Martin D. Masterpole, County Comptroller  
County of Onondaga, New York:

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Onondaga, New York (the 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Onondaga Civic Development Corporation (OCDC), Friends of the Rosamond Gifford Zoo (The Friends) and Onondaga County Industrial Development Agency (OCIDA), which together represent approximately 8% of assets, approximately 6% of operating revenues, and approximately 14% of net position of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for OCDC, The Friends and OCIDA is based solely upon the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of The Friends were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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(Continued)

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**Auditor's Responsibility (Continued)**

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Onondaga, New York as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters*****Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of Changes in Employer's Total Other Postemployment Benefit Liability and Related Ratios, Schedule of Proportionate Share of Net Pension Liability (Asset), and Schedule of Contributions – Pension Plans be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Onondaga, New York's basic financial statements. The introductory section, combining financial statements, nonmajor fund budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section, the nonmajor fund budgetary comparison schedules, and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2020, on our consideration of the County of Onondaga, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Onondaga, New York's internal control over financial reporting and compliance.

*Bonadio & Co., LLP*

As management of Onondaga 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, which can be found beginning on page iii of this report.

## Financial Highlights

- The assets of Onondaga County exceeded its liabilities at the close of the most recent fiscal year by \$74,608,117 (*net position*).
- The government's total net position increased by \$34,585,119.
- As of the close of the current fiscal year, Onondaga County's governmental funds reported combined ending fund balances of \$178,162,069, an increase of \$26,929,519 in comparison with the prior year.
- At the end of the current fiscal year, total fund balance for the general fund was \$79,033,590, or 9.7% of total budgetary basis general fund revenues.
- Onondaga County's governmental activities long-term liabilities, including premium and issuance discounts on debt, decreased by \$6,569,723 or .4%, during the current fiscal year.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, home and community services, and culture and recreation.

The government-wide financial statements include the County as the primary government, and Onondaga Community College, Onondaga County Housing Development Fund Company, Friends of Rosamond Gifford Zoo, Onondaga Civic Development Corporation, and Onondaga County Industrial Development as component units. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Onondaga Tobacco Asset Securitization Corporation (OTASC) Agency, Greater Syracuse Soundstage Development Corporation (GSSDC) and Onondaga Convention Center Hotel Development Corporation (OCCHDC), although also legally separate, function for all practical purposes as a department of the County, and therefore have been blended as an integral part of the primary government.

The government-wide financial statements can be found on pages 1-4 of this report.

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

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

Onondaga County maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, water environment protection and the capital projects fund, all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its governmental funds, with the exception of the Capital Projects Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 5-10 of this report.

**Proprietary Fund Types:** Proprietary fund types are used to account for the County's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. Revenues are recognized in the period incurred, if measurable.

**Enterprise Fund.** The Enterprise Fund is used to account for the activities of OCCHDC and GSSDC, blended component units.

**Internal Service Fund.** Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its risk management activities. Because these services predominantly benefit the County, the internal service fund has



been included within governmental activities in the government-wide financial statements. The basic internal service fund financial statements can be found on pages 11-13 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is the economic resources measurement focus and accrual basis of accounting.

The basic fiduciary fund financial statements can be found on page 14 of this report.

**Component Units.** As discussed above, component units are legally separate entities. The component units addressed above, excluding OTASC, GSSDC and OCCHDC, are reported in aggregate in the government-wide financial statements.

The combining statements for the component units can be found on pages 15-18.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 19 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the budget and actual schedules for the major governmental funds and funding progress for postemployment benefits and required pension disclosures. These required schedules and notes to the schedules can be found on pages 50-54.

Combining statements for nonmajor governmental funds are presented immediately following the required supplementary information on pages 55-58 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County Governmental Activities, assets and deferred outflows exceeded liabilities and deferred inflows by \$52,949,417 at the close of the 2019 fiscal year.

The portion of the County's net position represented by its investment in capital assets, e.g., land, buildings, and equipment, less any related debt used to acquire those assets that is still outstanding is \$891,786,800. The County uses these capital assets to provide services to citizens; 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, as the capital assets themselves cannot be used to liquidate these liabilities.

The portion of the County's net position that represents resources that are subject to external restrictions on how they may be used is \$85,103,223. The remaining (\$923,940,606) is unrestricted net deficit.

## County of Onondaga's Net Position

	Governmental activities	
	2018	2019
Current and other assets	\$ 393,247,793	\$ 433,685,007
Capital assets	1,540,454,923	1,534,481,088
<b>Total assets</b>	<b>\$ 1,933,702,716</b>	<b>\$ 1,968,166,095</b>
Deferred Outflow of Resources	152,532,692	101,263,857
Long-term liabilities	1,613,178,891	1,606,609,168
Other liabilities	186,020,841	184,862,480
<b>Total liabilities</b>	<b>1,799,199,732</b>	<b>1,791,471,648</b>
Deferred Inflow of Resources	268,896,080	225,008,887
<b>Net Position:</b>		
Net investment in capital assets	904,870,170	891,786,800
Restricted	50,798,992	85,103,223
Unrestricted	(937,529,566)	(923,940,606)
<b>Total net position</b>	<b>\$ 18,139,596</b>	<b>\$ 52,949,417</b>

**Governmental Activities.** The County's Governmental Activities net position increased by \$34,809,821. This increase is mainly due to a reduction of \$6.6 million in long-term liabilities. This is the primary reason behind the increase in the \$26.9 million surplus reported at the fund level.

**Business-Type Activities.** In 2017, the County implemented the GASB issues Statement No. 80, *Blending Requirements for Certain Component Units; an Amendment of GASB Statement No. 14*. This Statement dictated changes to the financial statement presentation requirements for certain component units. This Statement amends the blending requirement established in Statement No. 14, *The Financial Reporting Entity*. Under the new standards, the OCCHDC and GSSDC are reported as blended proprietary funds at December 31, 2019. Information regarding the financial activity of these component units are available upon request. See Note 1 for contact information.

## County of Onondaga's Changes in Net Position

	Governmental activities	
	2018	2019
Revenues:		
Program Revenue:		
Charges for services	\$ 174,984,224	\$ 171,360,684
Operating grants and contributions	237,244,046	237,325,342
Capital grants and contributions	14,490,209	20,134,678
General Revenue:		
Property taxes	153,282,948	153,976,956
Other taxes	377,337,825	384,628,014
Other	8,475,864	9,360,263
Total revenues	<u>\$ 965,815,116</u>	<u>\$ 976,785,937</u>
Expenses:		
General government support	159,652,977	165,551,135
Education	52,324,767	55,053,294
Public Safety	167,181,790	160,112,399
Health	33,619,424	43,908,644
Transportation	48,332,477	47,246,527
Economic assistance and opportunity	290,580,851	293,437,104
Culture and recreation	56,835,210	55,587,558
Home and community services	89,991,351	100,796,157
Interest on long-term debt	21,532,080	20,283,298
Total expenses	<u>920,050,927</u>	<u>941,976,116</u>
Increase in net position	45,764,189	34,809,821
Net position - Beginning	(27,624,593)	18,139,596
Net position - Ending	<u>\$ 18,139,596</u>	<u>\$ 52,949,417</u>

## Financial Analysis of the Government's Funds

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

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

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund is \$71,261,039 while total fund balance is \$79,033,590. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 8.8% of total budgetary basis general fund expenditures, while total fund balance represents 9.8% of that same amount.

Onondaga County ended 2019 with revenues exceeding expenditures by \$6,933,813. Lower than budgeted expenditures for wages, benefits, and other non-personnel costs drove this surplus.

Water Environment Protection appropriated approximately \$7.2 million in prior years fund balance into 2019 operations. Budget surplus in expenditures of \$4.7 million, including \$1.3 million in utilities and \$1.7 million in supplies, offset the use of \$5.0 million of the appropriated fund balance. The result was an operating deficit of \$2,186,996.

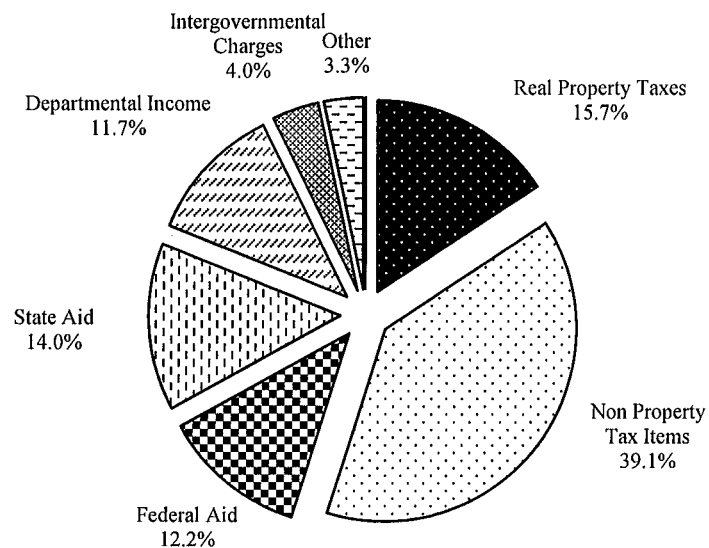
The County's 2019 Debt Service Fund budget authorized an appropriation of \$9.2 million from reserve for bonded debt. Due to unbudgeted revenue of \$4.4 million from bond premium and \$4.4 million from exclusivity payments and other sources, the County offset \$8.5 million of that appropriation and reported an operating deficit of \$539,655.

**Proprietary Funds.** The proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

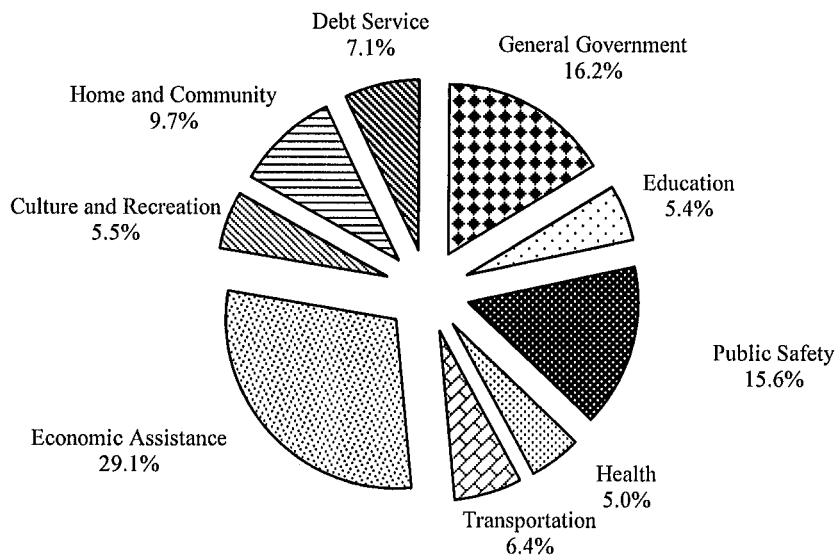
The Enterprise Fund has already been addressed in the discussion of the County's business-type activities.

**Internal Service Fund.** Unrestricted net position of the Internal Service Fund increased \$12,755,619 increasing net position to \$30,105,915. This surplus is due to decreased health costs. As stated earlier, the activity of the Internal Service Fund predominantly benefits the County. It has been included within governmental activities in the government-wide financial statements.

## County Revenues Governmental Funds



## County Expenditures Governmental Funds



## General Fund Budgetary Highlights

**Appropriations:** \$5.0 million increase in appropriations can be summarized as follows:

- \$1.3 million increase in transfers to other funds to support a program of aid for community and economic development projects within Onondaga County
- \$2 million increase in Sales Tax to Other Governments to support the distribution of sales tax receipts to municipalities based on the sales tax sharing agreement
- The remaining \$1.7 million is the increase for the carryover of encumbrances from 2018 to 2019

**Revenues:** \$3.3 million increase in the revenue budget can be summarized as follows:

- \$2 million increase in Sales Tax to Other Governments to support the distribution of sales tax receipts to municipalities based on the sales tax sharing agreement
- \$1.3 million increase in transfers to other funds to support a program of aid for community and economic development projects within Onondaga County

## 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 \$1,534,481,088 (net of accumulated depreciation). This investment in capital assets includes construction in progress, land, buildings, improvements, equipment, park facilities, roads, highways, water rights, drainage and sewage treatment, and bridges.

### County of Onondaga's Capital Assets (net of depreciation)

	Governmental Activities	
	2018	2019
Land	\$ 20,500,002	\$ 20,500,002
Intangible Assets	29,750,000	29,750,000
Land Improvements	9,514,993	8,351,186
Building and Improvements	214,545,216	230,004,340
Equipment	26,290,420	20,627,618
Infrastructure	867,561,557	840,507,595
Construction in progress	372,292,735	384,740,347
Total	<u>\$ 1,540,454,923</u>	<u>\$ 1,534,481,088</u>

Major capital asset events during the current fiscal year included the following:

A number of Capital Projects were completed during the year. These include \$28.8 million in water projects and \$16.8 million for road improvements reducing the construction in progress account and increasing infrastructure and other capital assets. In addition, the County added approximately \$76.5 million to the construction in progress account including \$36.1 million in road improvements, \$25.5 million in WEP and water related projects.

**Long-term debt.** At the end of the current fiscal year, the County had total bonded debt outstanding of \$502,761,909 and loans payable of \$271,632,988. This debt increased by \$12,202,218 during the current fiscal year.

	Activities	
	2018	2019
Serial bonds	\$ 388,185,000	\$ 396,857,388
OTASC tobacco settlement bonds	106,069,202	105,904,521
Loans	267,938,477	271,632,988
<b>Total</b>	<b>\$ 762,192,679</b>	<b>\$ 774,394,897</b>

Additional information on the County's debt can be found in Note 7 to the financial statements.

The County maintains a "AAA" rating from Fitch, a "AA" rating from Standard & Poor's and a "Aa3" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7% of its five-year average full valuation of taxable real property. The County has utilized 15.55% of its statutory debt limit at December 31, 2019.

### Economic Factors and Next Year's Budget and Rates

According to the New York State Department of Labor, the unemployment rate for Onondaga County averaged 3.9% in 2019 compared with 4.0% the previous year. For the 12-month period ending December 2019, the private sector job count in the Syracuse metro area grew over the year by 1,000, or 0.4 percent, to 262,900 over 2018.

The Syracuse MSA region has a highly skilled, well educated, productive workforce of nearly 300,000 employed with reported average annual wages of close to \$50,000. Having emerged from a traditional manufacturing base of employment, the area is now dominated by new-economy business sectors.

Collaboration is the key to Economic Development in the Onondaga County region. The Syracuse Chamber of Commerce and the Metropolitan Development Corporation combined in May 2010 to form the CenterState Corporation for Economic Opportunity (Centerstate CEO). This is a 12- county business leadership and economic development organization.

Centerstate CEO in its economic forecast for 2020 identified several opportunities and reasons for optimism within the region. According to the 2020 Economic Forecast for Central New York's survey results, the area's major industry forecasters reported the growth experienced in 2019 and projections for 2020 as follows:

- 77% described their business in 2019 as being strong or very strong.
- 76% described their outlook for the strength of their business in 2020 as strong or very strong.
- 70% anticipate increased sales or revenue in 2020; down 5% from 2019 projections.
- 60% expect to expand product and services in 2020, the same as 2019 projections.
- 49% expect to increase capital investments, the same as 2019 projections.
- 65% expect an increase in jobs and hiring in 2020, up 10% from 2019 projections

The forecast also identified opportunities for the area to include:

- Growth in exporting opportunities
- Use of technology advancements to manage data and data analytics
- Overall strong economy
- Targeted support of the unmanned aircraft systems industry, aerospace and cybersecurity
- Product and revenue diversification
- Investments to improve performance, efficiency and profitability

## **Onondaga 2020 Budget**

The County Executive presented the 2020 budget in September 2019. As the budget was developed, rising salary, human services program, and other operating costs were significant contributors to the projected budget gap of \$19 million. To partially overcome this gap, the County Executive held headcount to a minimal increase, as well as all other discretionary spending. In addition, sales tax growth and a property tax increase of \$4 million were factored into the budget gap reconciliation.

The County Legislature adopted the 2020 Budget on October 8, 2019; making additional appropriations cuts and modifying revenue assumptions. The 2020 all funds budget supports \$1.3 billion in total expenditures, a decrease of approximately 2% when compared to the 2019 budget as modified. The General Fund budget included an adopted property tax levy of \$149.6 million, a \$4 million increase compared to the 2019 budget. After accounting for budgeted and subsequent fund balance appropriations, and encumbrances of \$1.8 million, the current unassigned fund balance is \$77 million or 11.6% of adjusted General Fund revenues.

Consumption based user fees in the Water Environment Protection Department (Sanitary District Fund) increased \$10 or 2.3% from 2019.

## **Subsequent Events**

Like the rest of the Country, the County is in the midst of dealing with the financial fallout from COVID-19. The true impact of the crisis on the County's future financial position is undeterminable at this point in time. See Note 16 for additional discussion.

## **Requests for Information**

This financial report is designed to provide a general overview of the County of Onondaga's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Comptroller's Office, 14<sup>th</sup> Floor Civic Center, 421 Montgomery Street, Syracuse, New York, 13202.



## **BASIC FINANCIAL STATEMENTS**

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Net Position**  
**December 31, 2019**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 128,886,502	\$ 139,987	\$ 129,026,489	\$ 32,983,307
Property taxes receivable (net of \$13,134,086 reserve)	50,989,160	-	50,989,160	-
Accounts receivable (net of \$9,480,270 reserve)	67,698,628	122,394	67,821,022	8,205,219
Due from state and federal governments	142,405,041	-	142,405,041	723,867
Due from Onondaga County	-	-	-	1,337,000
Due from other governments	9,727,706	-	9,727,706	-
Others assets - deposits with facility manager	4,878,810	-	4,878,810	-
Restricted cash - held by fiscal agent	12,766,003	-	12,766,003	-
Inventories	8,996,503	-	8,996,503	1,269,664
Prepaid items and other assets	7,336,654	2,000	7,338,654	388,850
Notes receivable	-	13,900,000	13,900,000	12,203
Endowment assets:				
Investments	-	-	-	3,780,566
Net pension asset - proportionate share	-	-	-	1,417,232
Capital assets net of accumulated depreciation	1,534,481,088	8,196,938	1,542,678,026	134,300,883
Total assets	1,968,166,095	22,361,319	1,990,527,414	184,418,791
<b>DEFERRED OUTFLOW OF RESOURCES</b>	101,263,857	-	101,263,857	13,294,458

*See notes to financial statements.*

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Net Position**  
**December 31, 2019**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>LIABILITIES</b>				
Accounts payable	25,691,774	68,223	25,759,997	4,876,820
Accrued liabilities	75,615,233	634,396	76,249,629	1,942,342
Other liabilities	20,819,901	-	20,819,901	5,973,363
Due to other governments	62,735,572	-	62,735,572	353,095
Due to Onondaga County	-	-	-	1,826,614
Long term obligations and unpaid liabilities:				
Due within one year	57,967,168	-	57,967,168	-
Due in more than one year	1,548,642,000	-	1,548,642,000	48,513,424
Total liabilities	<u>1,791,471,648</u>	<u>702,619</u>	<u>1,792,174,267</u>	<u>63,485,658</u>
<b>DEFERRED INFLOW OF RESOURCES</b>	<u>225,008,887</u>	<u>-</u>	<u>225,008,887</u>	<u>34,274,816</u>
<b>NET POSITION</b>				
Net investment in capital assets	891,786,800	7,927,749	899,714,549	134,259,437
Restricted for:				
Capital projects	42,840,969	-	42,840,969	4,893,608
Special revenue funds	25,516,218	-	25,516,218	-
Debt service	16,746,036	-	16,746,036	-
Endowments	-	-	-	3,924,121
Hancock Airpark	-	-	-	350,894
Unrestricted	(923,940,606)	13,730,951	(910,209,655)	(43,475,285)
Total net position	<u>\$ 52,949,417</u>	<u>\$ 21,658,700</u>	<u>\$ 74,608,117</u>	<u>\$ 99,952,775</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Activities**  
**Year Ended December 31, 2019**

		Indirect Expenses Allocation	Program Revenues Charges for Services
<u>Functions/Programs</u>	<u>Expenses</u>		
<b>Primary government:</b>			
Governmental activities:			
General government support	\$ 175,421,056	\$ (9,869,921)	\$ 19,310,527
Education	55,053,294	-	363,878
Public safety	157,514,525	2,597,874	11,106,270
Health	42,175,421	1,733,223	10,461,682
Transportation	46,537,740	708,787	6,809,794
Economic assistance and opportunity	291,000,289	2,436,815	11,342,454
Culture and recreation	54,742,270	845,288	17,241,851
Home and community services	99,248,223	1,547,934	94,724,228
Interest on long-term debt	20,283,298	-	-
Total governmental activities	<u>\$ 941,976,116</u>	<u>\$ -</u>	<u>\$ 171,360,684</u>
Business-type activities:			
GSSDC	\$ 512,983	\$ -	\$ 288,281
Total business-type activities	<u>512,983</u>	<u>-</u>	<u>288,281</u>
Total primary government	<u>\$ 942,489,099</u>	<u>\$ -</u>	<u>\$ 171,648,965</u>
<b>Component units:</b>			
OCC	\$ 94,864,383		\$ 24,213,439
OCDC	500,757		786,899
Fund Company	896,872		560,124
The Friends	2,871,036		2,412,559
OCIDA	1,462,500		3,420,875
Total component units	<u>\$ 100,595,548</u>		<u>\$ 31,393,896</u>

*See notes to financial statements.*

Program Revenues		Net (Expense) Revenue and Changes in Net Position			
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
\$ 9,350,818	\$ -	\$ (136,889,790)	\$ -	\$ (136,889,790)	\$ -
18,380,932	432,960	(35,875,524)	-	(35,875,524)	-
10,179,644	12,525	(138,813,960)	-	(138,813,960)	-
38,015,352	-	4,568,390	-	4,568,390	-
7,853,597	17,540,336	(15,042,800)	-	(15,042,800)	-
145,585,833	-	(136,508,817)	-	(136,508,817)	-
3,840,448	(790,155)	(35,295,414)	-	(35,295,414)	-
4,118,718	2,939,012	985,801	-	985,801	-
-	-	(20,283,298)	-	(20,283,298)	-
<u>\$ 237,325,342</u>	<u>\$ 20,134,678</u>	<u>\$ (513,155,412)</u>	<u>\$ -</u>	<u>\$ (513,155,412)</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (224,702)	\$ (224,702)	\$ -
-	-	-	(224,702)	(224,702)	-
<u>\$ 237,325,342</u>	<u>\$ 20,134,678</u>	<u>\$ (513,155,412)</u>	<u>\$ (224,702)</u>	<u>\$ (513,380,114)</u>	<u>\$ -</u>
\$ 13,586,268	\$ 1,326,435	\$ -	\$ -	\$ -	\$ (55,738,241)
-	-	-	-	-	286,142
193,000	-	-	-	-	(143,748)
436,334	-	-	-	-	(22,143)
130,119	-	-	-	-	2,088,494
<u>\$ 14,345,721</u>	<u>\$ 1,326,435</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,529,496)</u>
General revenues:					
Real property taxes and tax items		153,976,956	-	153,976,956	-
Sales tax and use tax		384,628,014	-	384,628,014	-
Investment earnings		3,052,738	-	3,052,738	124,253
Tobacco settlement proceeds		5,988,977	-	5,988,977	-
Participation in debt service-external sources		318,548	-	318,548	-
Contributions other		-	-	-	22,856,615
Other revenue		-	-	-	22,721,802
County contributions		-	-	-	10,015,748
Total general revenues and special items		<u>547,965,233</u>	<u>-</u>	<u>547,965,233</u>	<u>55,718,418</u>
Change in net position		34,809,821	(224,702)	34,585,119	2,188,922
Net position-beginning		18,139,596	21,883,402	40,022,998	97,763,853
Net position-ending		<u>\$ 52,949,417</u>	<u>\$ 21,658,700</u>	<u>\$ 74,608,117</u>	<u>\$ 99,952,775</u>

# COUNTY OF ONONDAGA, NEW YORK

## Balance Sheet Governmental Funds December 31, 2019

	<u>General</u>	<u>Water Environment Protection</u>
<b>ASSETS</b>		
Cash, cash equivalents and investments	\$ 9,767,614	\$ 24,043,979
Property taxes receivable (net of \$13,134,086 reserve)	50,989,160	-
Accounts receivable (net of \$4,184,908 reserve)	47,738,413	10,222,988
Due from state and federal governments	101,008,350	-
Due from other funds	15,996,611	-
Due from other governments	8,724,145	2,323
Inventories	-	-
Prepaid items	5,981,094	720,286
Other assets, deposits with facility manager	-	-
Restricted cash - held by fiscal agent	-	-
Total assets	<u>\$ 240,205,387</u>	<u>\$ 34,989,576</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 11,741,203	\$ 2,414,920
Accrued liabilities	44,949,680	715,776
Other liabilities	15,185,550	350,000
Due to other funds	-	-
Due to other governments	62,478,389	-
Total liabilities	<u>134,354,822</u>	<u>3,480,696</u>
<b>DEFERRED INFLOW OF RESOURCES</b>	<u>26,816,975</u>	<u>5,272,376</u>
<b>FUND BALANCES</b>		
Nonspendable	5,981,094	720,286
Restricted	-	25,516,218
Assigned	1,791,457	-
Unassigned	71,261,039	-
Total fund balances	<u>79,033,590</u>	<u>26,236,504</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 240,205,387</u>	<u>\$ 34,989,576</u>

See notes to financial statements.

<u>Debt Service</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 14,227,478	\$ 36,791,084	\$ 8,889,991	\$ 93,720,146
-	-	-	50,989,160
863,658	536,475	2,541,984	61,903,518
-	19,019,796	22,376,895	142,405,041
-	-	-	15,996,611
-	-	1,001,238	9,727,706
-	-	112,372	112,372
-	-	605,274	7,306,654
-	-	4,878,810	4,878,810
-	6,283,356	6,482,647	12,766,003
<u>\$ 15,091,136</u>	<u>\$ 62,630,711</u>	<u>\$ 46,889,211</u>	<u>\$ 399,806,021</u>
\$ 9,900	\$ 8,633,856	\$ 2,891,895	\$ 25,691,774
-	5,807,363	7,433,894	58,906,713
-	84,323	5,200,028	20,819,901
-	-	15,996,611	15,996,611
-	-	257,183	62,735,572
<u>9,900</u>	<u>14,525,542</u>	<u>31,779,611</u>	<u>184,150,571</u>
<u>-</u>	<u>5,264,200</u>	<u>139,830</u>	<u>37,493,381</u>
-	-	5,596,456	12,297,836
10,263,389	42,840,969	16,399,431	95,020,007
4,817,847	-	1,866,082	8,475,386
-	-	(8,892,199)	62,368,840
<u>15,081,236</u>	<u>42,840,969</u>	<u>14,969,770</u>	<u>178,162,069</u>
<u>\$ 15,091,136</u>	<u>\$ 62,630,711</u>	<u>\$ 46,889,211</u>	<u>\$ 399,806,021</u>

**County of Onondaga, New York**  
**Reconciliation of Governmental Funds Balance Sheet**  
**To the Statement of Net Position**  
**December 31, 2019**

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

Total fund balances - governmental funds (page 6)	\$ 178,162,069
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,534,481,088
Inventories of automotive parts and road materials expensed as acquired in the funds.	8,884,131
Internal service fund used by management to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	30,105,915
Deferred inflow related to defeased debt and pension not reported in the funds.	(187,515,506)
Deferred outflow on defeased debt and pension related transactions not reported in the funds.	101,263,857
Accrued interest not reported in the funds.	(5,822,969)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(1,606,609,168)</u>
Net position of governmental activities (page 2)	<u>\$ 52,949,417</u>

*See notes to financial statements*



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**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2019**

	<u>General</u>	<u>Water Environment Protection</u>
<b>REVENUES</b>		
Taxes:		
Real property taxes and tax items	\$ 151,280,057	\$ 1,725,432
Sales tax and use tax	376,842,671	-
Federal aid	85,831,030	-
State aid	91,701,020	-
Departmental	21,583,113	87,271,642
Service for other governments	25,640,919	2,027,429
Tobacco settlement proceeds	-	-
Interest on investments	1,558,318	289,564
Miscellaneous	5,269,395	853,598
Total revenues	<u>759,706,523</u>	<u>92,167,665</u>
<b>EXPENDITURES</b>		
Current:		
General government support	151,207,467	-
Education	54,671,540	-
Public safety	147,446,596	-
Health	40,522,577	-
Transportation	2,559,396	-
Economic assistance and opportunity	275,797,347	-
Culture and recreation	21,059,776	-
Home and community services	2,442,483	59,671,645
Debt service:		
Principal	-	-
Interest	-	-
Total expenditures	<u>695,707,182</u>	<u>59,671,645</u>
Excess (deficiency) of revenues over expenditures	<u>63,999,341</u>	<u>32,496,020</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	1,300,000	-
Transfers out	(58,365,528)	(34,683,016)
Proceeds of long-term borrowings	-	-
Refunding Bond	-	-
Payments to Escrow Agent	-	-
Participation in debt service-external sources	-	-
Bond premium	-	-
Total other financing sources (uses)	<u>(57,065,528)</u>	<u>(34,683,016)</u>
Net change in fund balance	6,933,813	(2,186,996)
Fund balances- beginning	72,099,777	28,423,500
Fund balances- ending	<u>\$ 79,033,590</u>	<u>\$ 26,236,504</u>

*See notes to financial statements.*

<b>Debt Service</b>	<b>Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 153,005,489
-	1,302,168	6,483,175	384,628,014
-	15,343,714	18,992,493	120,167,237
-	4,790,964	40,800,800	137,292,784
-	116,114	5,848,875	114,819,744
-	-	11,309,385	38,977,733
-	-	5,988,977	5,988,977
867,893	-	236,589	2,952,364
<u>3,087,742</u>	<u>333,666</u>	<u>13,624,624</u>	<u>23,169,025</u>
<u>3,955,635</u>	<u>21,886,626</u>	<u>103,284,918</u>	<u>981,001,367</u>
809,732	4,582,349	8,615,415	165,214,963
-	395,610	-	55,067,150
-	420,578	11,247,512	159,114,686
-	-	10,069,672	50,592,249
-	33,315,695	29,737,697	65,612,788
-	1,506,865	21,260,969	298,565,181
-	8,082,905	27,052,887	56,195,568
-	29,944,896	6,808,970	98,867,994
47,199,722	-	1,000,000	48,199,722
<u>19,150,855</u>	<u>-</u>	<u>5,045,981</u>	<u>24,196,836</u>
<u>67,160,309</u>	<u>78,248,898</u>	<u>120,839,103</u>	<u>1,021,627,137</u>
<u>(63,204,674)</u>	<u>(56,362,272)</u>	<u>(17,554,185)</u>	<u>(40,625,770)</u>
57,805,526	16,926,004	43,038,334	119,069,864
-	(2,811,838)	(23,209,482)	(119,069,864)
-	44,777,388	-	44,777,388
24,395,000	-	-	24,395,000
(27,471,681)	-	-	(27,471,681)
318,548	17,330,796	-	17,649,344
<u>7,617,626</u>	<u>587,612</u>	<u>-</u>	<u>8,205,238</u>
<u>62,665,019</u>	<u>76,809,962</u>	<u>19,828,852</u>	<u>67,555,289</u>
(539,655)	20,447,690	2,274,667	26,929,519
<u>15,620,891</u>	<u>22,393,279</u>	<u>12,695,103</u>	<u>151,232,550</u>
<u>\$ 15,081,236</u>	<u>\$ 42,840,969</u>	<u>\$ 14,969,770</u>	<u>\$ 178,162,069</u>

**County of Onondaga, New York**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended December 31, 2019**

Amounts reported for governmental activities in the statement of activities (page 4) are different because:

Net change in fund balances-total governmental funds (page 9)	\$ 26,929,519
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded net capital outlays in the current period.	(5,973,835)
Increase in long-term receivables and deferred property tax revenues resulting in increased revenue in the statement of activities.	1,169,658
Net change in deferred inflows and deferred outflows related to the net pension liability	25,366,183
Net change in deferred inflows and deferred outflows related to the OPEB liability	(32,404,491)
The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(15,910,371)
The net effect of changes in long-term liabilities in the statement of activities	22,260,788
Net changes in inventories	616,751
Internal service funds are used by management to charge risk management activities. The net increase of certain activities of the internal service funds is reported with governmental activities.	<u>12,755,619</u>
Change in net position of governmental activities (page 4)	<u>\$ 34,809,821</u>

*See notes to financial statements*

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**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2019**

	<u>OCCHDC</u>	<u>GSSDC</u>	<u>Total</u>	<u>Internal Service Fund</u>
<b>ASSETS</b>				
Current assets:				
Cash, cash equivalents and investments \$	-	\$ 139,987	\$ 139,987	\$ 35,166,356
Receivables	-	122,394	122,394	175,788
Other assets	-	2,000	2,000	-
Total current assets	-	264,381	264,381	35,342,144
Noncurrent assets:				
Unfunded claims receivable	-	-	-	26,715,132
Promissory note receivable	13,900,000	-	13,900,000	-
Prepaid expenses	-	-	-	30,000
Nondepreciable capital assets	-	1,184,000	1,184,000	-
Depreciable capital assets, net	-	7,012,938	7,012,938	-
Total noncurrent assets	13,900,000	8,196,938	22,096,938	26,745,132
Total assets	13,900,000	8,461,319	22,361,319	62,087,276
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	-	68,223	68,223	1,092,615
Loan payable	-	634,396	634,396	-
Total current liabilities	-	702,619	702,619	1,092,615
Noncurrent liabilities:				
Unpaid claim liabilities	-	-	-	30,888,746
Total noncurrent liabilities	-	-	-	30,888,746
Total liabilities	-	702,619	702,619	31,981,361
<b>NET POSITION</b>				
Net investment in capital assets	-	7,927,749	7,927,749	-
Unrestricted	13,900,000	(169,049)	13,730,951	30,105,915
Total net position	\$ 13,900,000	\$ 7,758,700	\$ 21,658,700	\$ 30,105,915

See notes to financial statements.

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Revenues, Expenses, and Change in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2019**

	<u>OCCHDC</u>	<u>GSSDC</u>	<u>Total</u>	<u>Internal Service Fund</u>
<b>OPERATING REVENUES</b>				
Interdepartmental charges	\$ -	\$ -	\$ -	\$ 70,350,758
Other charges/revenues	-	288,281	288,281	21,497,167
Total operating revenues	<u>-</u>	<u>288,281</u>	<u>288,281</u>	<u>91,847,925</u>
<b>OPERATING EXPENSES</b>				
Insurance premiums and benefits	-	-	-	74,519,950
Personnel service	-	-	-	377,068
Supplies	-	36,276	36,276	1,433
Contractual services	-	49,795	49,795	736,886
General and administrative	-	207,869	207,869	3,557,343
Depreciation	-	193,814	193,814	-
Total operating expenses	<u>-</u>	<u>487,754</u>	<u>487,754</u>	<u>79,192,680</u>
Operating Income (Loss)	<u>-</u>	<u>(199,473)</u>	<u>(199,473)</u>	<u>12,655,245</u>
Nonoperating revenue				
Interest income	-	-	-	100,374
Total nonoperating revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,374</u>
Nonoperating expenses				
Interest expense	-	25,229	25,229	-
Total nonoperating expenses	<u>-</u>	<u>25,229</u>	<u>25,229</u>	<u>-</u>
Change in net position	-	(224,702)	(224,702)	12,755,619
Total net position-beginning	13,900,000	7,983,402	21,883,402	17,350,296
Total net position-end	<u>\$ 13,900,000</u>	<u>\$ 7,758,700</u>	<u>\$ 21,658,700</u>	<u>\$ 30,105,915</u>

See notes to financial statements.

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended December 31, 2019**

	<u>GSSDC</u>	<u>Internal Service Fund</u>
<b>Cash Flows From Operating Activities</b>		
Receipts from interfund services provided	\$ -	\$ 93,854,742
Receipts from grants	100,000	-
Receipts from rental revenue	71,309	-
Payments for professional services	(49,795)	(77,699,602)
Payments for supplies and services	(220,508)	(4,293,631)
Payments for interdepartmental charges	-	(1,977,916)
Net cash from operating activities	<u>(98,994)</u>	<u>9,883,593</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Receipts from loan payable	634,396	-
Payments for due loan payable	(125,000)	-
Payments for capital assets	(294,725)	-
Payments for other assets	-	-
Net cash from capital and related financing activities	<u>214,671</u>	<u>-</u>
<b>Cash Flows From Investing Activities</b>		
Interest and earnings	-	100,374
Net change in cash, cash equivalents and investments	<u>115,677</u>	<u>9,983,967</u>
Cash, cash equivalents and investments -beginning	24,310	25,182,389
Cash, cash equivalents and investments -ending	<u>\$ 139,987</u>	<u>\$ 35,166,356</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash From Operating Activities:</b>		
Operating income (loss)	\$ (199,473)	\$ 12,655,245
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	193,814	-
Changes in assets, liabilities, and deferrals:		
Increase in receivables	(116,972)	2,868,090
Increase in prepaid expenses	-	-
Increase (decrease) in accounts payable	23,637	(209,698)
Decrease in accrued liabilities	-	(526,590)
Increase in overpayments	-	(861,273)
Increase in unpaid claim liabilities	-	(4,042,181)
Net cash from operating activities	<u>\$ (98,994)</u>	<u>\$ 9,883,593</u>

*See notes to financial statements.*



**COUNTY OF ONONDAGA, NEW YORK**

**Statement of Net Position**

**Fiduciary Funds**

**December 31, 2019**

	<b>Cemetery Private Purpose Trust Fund</b>	<b>Pension Trust Fund</b>	<b>Agency</b>
<b>ASSETS</b>			
Cash	\$ 494,213	\$ -	\$ 14,569,807
Guaranteed Investment Contracts	-	30,096,863	-
Cash Pooled Separate Accounts	-	66,685,319	-
Mutual funds	-	6,805,590	-
<b>Total assets</b>	<b>\$ 494,213</b>	<b>\$ 103,587,772</b>	<b>\$ 14,569,807</b>
<b>LIABILITIES</b>			
Liabilities -Agency fund liabilities	-	-	\$ 14,569,807
<b>NET POSITION</b>	<b>\$ 494,213</b>	<b>\$ 103,587,772</b>	

**COUNTY OF ONONDAGA, NEW YORK**

**Statement of Change in Net Position**

**Fiduciary Funds**

**Year Ended December 31, 2019**

	<b>Cemetery Private Purpose Trust Fund</b>	<b>Pension Trust Fund</b>
<b>ADDITIONS</b>		
Investment Income (Loss)	\$ -	\$ (4,504,122)
Departmental	2,950	-
Interest on investments	2,548	-
Contributions	-	5,005,919
<b>Total additions</b>	<b>5,498</b>	<b>501,797</b>
<b>DEDUCTIONS/BENEFITS PAID</b>	<b>563,111</b>	<b>8,483,278</b>
Change in net position	(557,613)	(7,981,481)
Net position - beginning	1,051,826	111,569,253
<b>NET POSITION - ENDING</b>	<b>\$ 494,213</b>	<b>\$ 103,587,772</b>

*See notes to financial statements*

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Statement of Net Position**  
**Component Units**  
**December 31, 2019**

	<u>OCC</u>	<u>OCDC</u>
<b>ASSETS</b>		
Cash, cash equivalents and investments	\$ 27,655,914	\$ 822,771
Accounts receivable (net of \$5,295,362 reserve)	6,915,067	121,692
Due from state and federal governments	723,867	-
Due from Onondaga County	-	-
Inventories	-	-
Prepaid items and other assets	283,090	84
Notes receivable	-	12,203
Endowment assets :		
Investments	-	-
Net pension asset - proportionate share	1,417,232	-
Capital assets net of accumulated depreciation	<u>129,727,093</u>	<u>13,920</u>
Total assets	<u>166,722,263</u>	<u>970,670</u>
Deferred outflow of resources	<u>13,294,458</u>	<u>-</u>
<b>LIABILITIES</b>		
Accounts payable	4,755,289	775
Accrued liabilities	1,735,892	-
Other liabilities	5,973,363	-
Due to other governments and agencies	158,224	-
Due to Onondaga County	323,000	83,382
Long term obligations and unpaid liabilities:		
Due in more than one year	<u>48,513,424</u>	<u>-</u>
Total liabilities	<u>61,459,192</u>	<u>84,157</u>
Deferred inflow of resources	<u>34,220,273</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	129,727,093	13,920
Restricted for:		
Capital projects	4,893,608	-
Endowments	-	-
Hancock Airpark and contracts	-	350,894
Unrestricted	<u>(50,283,445)</u>	<u>521,699</u>
Total net position	<u>\$ 84,337,256</u>	<u>\$ 886,513</u>

*See notes to financial statements.*

<u>Fund Company</u>	<u>The Friends</u>	<u>OCIDA</u>	<u>Total Component Units</u>
\$ 17	\$ 2,298,457	\$ 2,206,148	\$ 32,983,307
-	65,755	1,102,705	8,205,219
-	-	-	723,867
-	-	1,337,000	1,337,000
1,152,940	116,724	-	1,269,664
-	105,676	-	388,850
-	-	-	12,203
-	3,780,566	-	3,780,566
-	-	-	1,417,232
-	41,446	4,518,424	134,300,883
<u>1,152,957</u>	<u>6,408,624</u>	<u>9,164,277</u>	<u>184,418,791</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>13,294,458</u>
45,444	19,119	56,193	4,876,820
106,275	100,175	-	1,942,342
-	-	-	5,973,363
-	-	194,871	353,095
1,001,238	106,013	312,981	1,826,614
-	-	-	48,513,424
<u>1,152,957</u>	<u>225,307</u>	<u>564,045</u>	<u>63,485,658</u>
<u>-</u>	<u>54,543</u>	<u>-</u>	<u>34,274,816</u>
-	-	4,518,424	134,259,437
-	-	-	4,893,608
-	3,924,121	-	3,924,121
-	-	-	350,894
-	2,204,653	4,081,808	(43,475,285)
<u>\$ -</u>	<u>\$ 6,128,774</u>	<u>\$ 8,600,232</u>	<u>\$ 99,952,775</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Statement of Revenues, Expenditures, and Changes in Net Position**  
**Component Units**  
**Year Ended December 31, 2019**

	<u>OCC</u>	<u>OCDC</u>
<b>Expenses:</b>		
Program operations	\$ 86,889,041	\$ 498,743
Depreciation	<u>7,975,342</u>	<u>2,014</u>
Total expenses	<u>94,864,383</u>	<u>500,757</u>
<b>Program revenues:</b>		
Charges for services	24,213,439	786,899
Operating grants and contributions	<u>13,586,268</u>	<u>-</u>
Total program revenues	<u>37,799,707</u>	<u>786,899</u>
Net program (expenses) revenues	<u>(57,064,676)</u>	<u>286,142</u>
<b>General revenues (expenses):</b>		
Contribution from (to) Onondaga County	9,872,000	-
Interest and investment income	281,832	2,238
Change in market value of investments	-	-
Contributions from (to) other governments	22,856,615	-
Federal aid grant revenue	<u>22,721,802</u>	<u>-</u>
Total general revenues (expenses)	<u>55,732,249</u>	<u>2,238</u>
Change in net position before capital contributions	(1,332,427)	288,380
Capital contributions	<u>1,326,435</u>	<u>-</u>
Change in net position after capital contributions	(5,992)	288,380
Net position-beginning	<u>84,343,248</u>	<u>598,133</u>
Net position -end of year	<u>\$ 84,337,256</u>	<u>\$ 886,513</u>

*See notes to financial statements.*

<u>Fund Company</u>	<u>Friends of Rosamond Gifford Zoo</u>	<u>OCIDA</u>	<u>Total Component Units</u>
\$ 896,872	\$ 2,846,982	\$ 1,446,233	\$ 92,577,871
-	24,054	16,267	8,017,677
<u>896,872</u>	<u>2,871,036</u>	<u>1,462,500</u>	<u>100,595,548</u>
560,124	2,412,559	3,420,875	31,393,896
<u>193,000</u>	<u>436,334</u>	<u>130,119</u>	<u>14,345,721</u>
<u>753,124</u>	<u>2,848,893</u>	<u>3,550,994</u>	<u>45,739,617</u>
<u>(143,748)</u>	<u>(22,143)</u>	<u>2,088,494</u>	<u>(54,855,931)</u>
143,748	-	-	10,015,748
-	82,864	8,036	374,970
-	(250,717)	-	(250,717)
-	-	-	22,856,615
-	-	-	22,721,802
<u>143,748</u>	<u>(167,853)</u>	<u>8,036</u>	<u>55,718,418</u>
-	(189,996)	2,096,530	862,487
-	-	-	1,326,435
-	(189,996)	2,096,530	2,188,922
-	6,318,770	6,503,702	97,763,853
<u>\$ -</u>	<u>\$ 6,128,774</u>	<u>\$ 8,600,232</u>	<u>\$ 99,952,775</u>

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Background

The County of Onondaga, New York (the "County") established in 1794, is a municipal corporation which performs local governmental functions within its jurisdiction, including police and law enforcement services, economic assistance, health and nursing services, maintenance of county roads, parks, waste water and clean waters, and among others, operations of Onondaga Community College and Onondaga County Industrial Development Agency. The County is governed by an elected County Executive and seventeen elected members of the County Legislature.

### Financial Reporting Entity

In accordance with Governmental Accounting Standards Board (GASB) the basic financial statements of the County include the primary government and component units that are defined as legally separate organizations that meet the definition of blended or discretely presented component units.

Based on the application of GASB statements, the following is a brief discussion of entities that are included within the County's reporting entity:

#### **Onondaga Community College (OCC or Community College)**

The majority of the College's Board of Trustees are appointed by the County Executive and confirmed by the County Legislature. Substantial funding is provided by the County for the operation of the Community College, and from general obligation bonds of the County resulting in a financial benefit/burden relationship. The Community College has a fiscal year which ends August 31<sup>st</sup>, the accompanying financial statements include financial information for the year ended August 31, 2019. The Community College is presented discretely as a component unit of the County.

#### **Onondaga County Housing Development Fund Company (Fund Company)**

The Fund Company accounts for the Onondaga County Homeownership Program consisting of construction or acquisition and rehabilitation of housing for sale to first time homebuyers of low and moderate income in the County. Under the Homeownership Program, the Fund Company will complete the rehabilitation or construction of houses for sale to qualifying homebuyers. The Fund Company participates in the Federal Community Development Block Grant Program administered by the County.

The funding is reflected as government contributions and enables the Fund Company to partially subsidize the cost of housing to eligible participants. The majority of the Fund Company's governing body is appointed by the County. The entity provides specific financial benefits to the primary government. However, the County is not able to impose its will on the entity nor is the County financially accountable for the entity. The Fund Company is presented discretely as a component unit of the County.

#### **Friends of Rosamond Gifford Zoo (The Friends)**

The Friends organization was established in 1970 to stimulate the interest of the public in the expansion and improvement of the County's Rosamond Gifford Zoo. Membership fees and contributions are solicited to aid in Zoo operations and support additions and upgrades to exhibits. The Friends also recruit, train and coordinate zoo volunteers, operate a gift shop, and sponsor special events. The Friends is presented discretely as a component unit of the County based on a financial benefit/burden relationship. The Friends have a fiscal year that ends December 31, however their 2019 financial statements were not available for incorporation into these financial statements. As a result, their 2018 year-end financial information is presented.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Onondaga County Industrial Development Agency (OCIDA)**

OCIDA was created under the New York State Industrial Development Agency Act of 1969 as a legally separate corporate governmental agency constituting a public benefit corporation. OCIDA was formed to promote and develop the economic growth of Onondaga County and to assist in attracting industry to the County through bond and sale/leaseback financing programs and other activities. The County Legislature appoints the entire governing board and is able to impose its will. OCIDA is presented discretely as a component unit of the County.

**Onondaga Civic Development Corporation (OCDC)**

County Legislature resolution number 192 of 2009 ratified and confirmed the formation of OCDC. OCDC is considered a public authority and is subject to the rules and regulations of the New York State Public Authority Act of 2009. OCDC was organized to stimulate economic growth and lessen the burdens of government through facilitating investments that will promote job creation and retention, improve the quality of life of Onondaga County citizens, generate prosperity, and encourage economic vibrancy for Onondaga County as a whole, by using available incentives including the issuance of negotiable bonds for Onondaga County's non-profit organizations as set forth more fully in Section 1411(a) of the Not-for-Profit Laws of the State of New York. OCDC is managed by a Board of Directors which establishes the general policies governing the organization. The Board of Directors is comprised of seven voting directors whereby three are appointed by the chairman of the Onondaga County Legislature, three are appointed by the Onondaga County Executive and one additional director jointly appointed by the Onondaga County Legislature and County Executive all subject to confirmation by the Onondaga County Legislature and the County can impose its will. OCDC is presented discretely as a component unit of the County.

**Onondaga Tobacco Asset Securitization Corporation (OTASC)**

OTASC is a special purpose local development corporation and is considered by legal counsel to be bankruptcy-remote from the County. However, the majority of OTASC's board of directors is comprised of elected or appointed officials of the County and one independent director. Although legally separate, for financial reporting purposes, OTASC is presented as a Nonmajor Debt Service Fund due to the fact that its purpose is to exclusively serve the County.

**Onondaga Convention Center Hotel Development Corporation (OCCHDC)**

OCCHDC was formed in 2010 by County Legislature Resolution #135. The Corporation was formed and operated for charitable purposes within the meaning of Section 501(c)(e) of the Internal Revenue code of 1986, as amended, to reduce unemployment, promote and provide for additional and maximum employment, improve and maintain job opportunities, and lessen the burden of government and act in the public interest; with a primary purpose of administering grants from the State of New York and assisting related development of a hotel or similar amenities supporting the Onondaga County Convention Center. Although legally separate, for financial reporting purposes, OCHHDC is presented as an Enterprise Fund and Business Type Activity due to the fact it is organized as a not-for-profit corporation and the County is the sole corporate member.

**Greater Syracuse Soundstage Development Corporation (GSSDC)**

In May 2018 the Greater Syracuse Soundstage Development Corporation (GSSDC) received their Certificate of Incorporation as a Not-For-Profit Local Development Corporation Under Section 1411 of the Not-For-Profit Corporation Law of the State of New York and their IRS Employer Identification Number. GSSDC shall serve as a supporting organization for, but operate separate and apart from the County, with a purpose to advance the film industry in the Central New York Region. Although legally separate for financial reporting purposes, GSSDC is presented as an Enterprise Fund and Business Type Activity due to the fact it is organized as a not-for-profit corporation and the County is the sole corporate member.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices.

Onondaga Community College  
Onondaga Hill, Syracuse, New York 13215

Fund Company  
John H. Mulroy Civic Center  
421 Montgomery Street, 11<sup>th</sup> Floor  
Syracuse, New York 13202

Onondaga Civic Development Corporation  
(OCDC)  
333 West Washington Street, Suite 130  
Syracuse, New York 13202

OCIDA  
333 West Washington Street, Suite 130  
Syracuse, New York 13202

The Friends  
One Conservation Place  
Syracuse, New York 13204

OTASC  
John H. Mulroy Civic Center  
421 Montgomery Street, 14<sup>th</sup> Floor  
Syracuse, New York 13202

Onondaga Convention Center Hotel  
Development Corporation (OCCHDC)  
421 Montgomery Street, 14<sup>th</sup> Floor  
Syracuse, New York 13202

GSSDC  
24 Aspen Park Boulevard  
Dewitt, New York 13057

**Government-wide and Fund Financial Statements**

The government-wide financial statements, i.e., the statement of net position and the statement of activities, report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on external support. The primary government is reported separately from certain discretely presented component units.

The statement of activities demonstrates the degree to which the 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, services, or privileges provided by a given function or segment, 2) operating grants and contributions including State and Federal aid, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

As a general rule, administrative overhead is included in the functional expenses on the governmental financial statements, and has been eliminated from the general government support category. The effect of interfund activity has been eliminated from the government-wide financial statements.

Separate fund 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 funds and proprietary funds are reported separately in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds 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.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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 have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues and related receivables or deferred outflows are recorded in the accounting period that they become measurable and available. Available means collectible within the current period or soon enough thereafter, 60 days for real property taxes and 365 days for most other revenue, to be used to pay liabilities of the current period. Revenues not considered available are recorded as deferred inflows. Expenditures are recorded when a fund liability is incurred and is due and payable. Liabilities and deferred inflows expected to be paid after twelve months are considered long-term liabilities.

Intergovernmental revenues (Federal and State aid) are accounted for on a modified accrual basis with consideration given to the legal and contractual requirements of the numerous individual programs involved. These intergovernmental revenues are of essentially two types. In one, County moneys must be expended on the specific purpose or project before any amounts will be reimbursed to the County; therefore, revenues are recognized when the expenditures are incurred. In the other, moneys are virtually unrestricted as to purpose of expenditure and nearly irrevocable (i.e., revocable only for failure to comply with prescribed compliance requirements). These resources are reflected as revenues at the time of receipt or earlier if the measurable and available criteria are met.

The County participates in a number of Federal and New York State grant and assistance programs. The principal operating programs relate to temporary and medical assistance, foster care, community development, and local public works programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial. In addition to the operating programs, the County also receives Federal and State assistance for approved capital projects. These capital projects are also subject to audit prior to a final settlement on amounts originally claimed by the County.

Uncollected property taxes at year end are either reserved for or deferred.

Sales tax revenues are recorded on an accrual basis to include the portion of sales tax revenues attributable to the current year that is remitted to New York State and ultimately paid to the County in the subsequent year.

Investment earnings are recorded on a modified accrual basis since they are measurable and available.

Licenses and permits, charges for services, fines and forfeitures, gain contingencies, and miscellaneous revenues are generally recorded on the cash basis because they are generally not measurable until actually received.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first and then unrestricted resources, as they are needed.

Internal Service funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an internal service fund's principal ongoing operations. Operating expenses for internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Governmental Fund Types:** Governmental funds are those through which most governmental functions of the County are financed. The County's major governmental funds are as follows:

**General Fund**

The General Fund is the County's primary operating fund. It is used to account for all financial resources, except those required to be accounted for in another fund.

**Water Environment Protection**

Water Environment Protection is a special revenue fund used to account for the County's drainage and sanitation operations.

**Debt Service Fund**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. This includes payments of serial bond and bond anticipation notes for debt issued by the County for capital asset acquisitions including those for the Community College.

**Capital Projects Fund**

The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of capital assets. Expenditures are transferred on an annual basis to the construction-in-progress account and the Community College.

The County's Nonmajor governmental funds are as follows:

**Other Governmental Funds**

The Nonmajor Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are intended for expenditures for specified purposes including the general grants, ONCENTER fund, county road, road machinery, water, library, library grants, and community development funds. OTASC is a Nonmajor Debt Service Fund.

**Proprietary Fund Types:** Proprietary fund types are used to account for the County's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. Revenues are recognized in the period incurred, if measurable.

**Enterprise Fund**

The activities of OCCHDC and GSSDC, blended component units, are reported as Major Enterprise Funds.

**Internal Service Fund**

The Internal Service Fund is used to account principally for the County's risk management activities. The County is self-insured for certain risks including workers' compensation risks, general liability risks (judgments and claims), dental and medical benefits.

**Fiduciary Fund Types:** The fiduciary fund type is used to account for assets held by the County in a trustee or safekeeping capacity, or as an agent for individuals, private organizations or other governmental units, and/or other funds or component units.

**Trust and Agency Funds**

The Agency Fund is used to account for money and property received and held by the County acting as an agent with only custodial responsibility in which an asset and liability are recorded in equal amounts. Private purpose trust funds are used to account for expendable trust funds in which the trust principal and earnings thereon may be expended for the purposes of the trust. Trust funds are accounted for in essentially the same manner as the governmental funds. The County's private purpose trust fund relates to the

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

activities of a veteran's cemetery. In 1993, the County established a Pension Trust Fund for its employees. It is a defined contribution plan exempt from income taxes under 457(B) of the Internal Revenue Code and is reported as a trust fund. Since the 2019 financial statement for the plan was not available for incorporation into these financial statements, the information presented for the plan is as of December 31, 2018.

**Inventories**

Inventories recorded in the governmental activities section of the government-wide financial statements represent automotive parts and road materials that are stated at cost.

**Capital Assets**

*Governmental Activities:* Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The County has historical treasures, works of art, and several collections including library books and zoo animals. Acquisitions of these assets are expensed at the time of purchase. These assets are not held for financial gain. They are kept protected, unencumbered, and preserved. Any proceeds from the sales of these assets will be used to acquire other items for the collections. Most animals at the zoo are a part of a successful breeding program. The County's historical treasures, works of art and collections are recorded as an expense at the time of acquisition.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized.

Capital assets of governmental activities are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-40
Building improvements	20-30
Land improvements	10-20
Equipment	3-15
Infrastructure	10-50

*Business Type Activities:* Capital assets of GSSDC include land, building and building improvements, furniture and equipment. Capital assets are defined by the Corporation as assets with an initial individual cost of more than \$5,000 and having an estimated useful life in excess of two years. Assets will be depreciated using the straight-line method. Building and building improvements will be assigned an estimated useful life of 39 years, while all other assets will have an estimated useful life of 10.

*Component Units:* Capital assets of the Community College are recorded at cost, or if donated, at fair market value at the date of donation. Depreciation is recorded on a straight-line basis over the estimated useful lives (5 to 30 years).

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Deferred Inflows/Outflows**

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

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

The County's deferred outflows and inflows at December 31, 2019 are as follows:

	Governmental Fund Level	Governmental Activities Level
<b>Deferred Outflows:</b>		
Difference between reacquisition price and net carrying amount of refunded debt	\$ -	\$ 457,773
Net pension liability and OPEB related transactions	-	100,806,084
Total Deferred Outflows	<u>\$ -</u>	<u>\$ 101,263,857</u>
<b>Deferred Inflows:</b>		
Unavailable Property Taxes and User Fees	\$ 32,229,181	\$ -
Deferred EFC funding for Lake ACJ	5,264,200	5,264,200
Net pension liability and OPEB related transactions	-	208,084,867
Gain on Defeased Debt	-	11,659,820
Total Deferred Inflows	<u>\$ 37,493,381</u>	<u>\$ 225,008,887</u>

**Compensated Absences**

A liability for vacation leave, personal time off, compensatory time off is accrued if (a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. Under the terms of the County's personnel policies and its union agreements, regular permanent employees earn varying amounts of vacation leave, personal time-off and sick leave benefits on the basis of past service. Employees may also earn compensatory time-off in lieu of overtime pay. Compensated absence liabilities relating to the governmental funds are considered long-term liabilities, except those due and payable. Accrued liability amounts are based on wage rates prevailing as of the balance sheet date and include additional estimates for the employer's salary-related costs. Accumulated non-vested sick leave benefits are only payable on the basis of the future event of employee illness, the occurrence of which is indeterminable.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts (if material) are amortized over the life of the bonds. Bond issuance costs are expensed when incurred and are reported in the functional categories of expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures in the functional categories of expense.

**Participation in Debt Service - External Sources**

Included in general revenues in the Statement of Activities and other financing sources in the Debt Service Fund and Capital Projects Fund are funds pertaining to the participation in the County's debt service by local corporations, other governments and other loans payable as described in Note 7.

**Interfund Transactions**

Short-term advances between funds are accounted for in the appropriate due from (to) other fund accounts. Transactions between funds that would be treated as revenues or expenditures if they involved organizations external to the governmental unit are accounted for as revenues or expenditures in the funds involved. Transactions that constitute reimbursements of a fund for expenditures initially made from that fund which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of the expenditure in the fund that is reimbursed. All other legally authorized transfers are treated as operating transfers and are included in the results of operations of both governmental and internal service funds.

**Deficit Fund Balance**

The County is reporting a deficit the Library Grants Fund of \$5,885,233 at December 31, 2019. This was the result of Management's decision to make major renovations to leased property that houses the County's central library. The County then sublet space to SUNY Upstate Medical University, entering into a twenty-year lease. The rent from this lease will be used to fund this deficit in the years to come.

**Equity Classifications**

Fund balance is classified to reflect spending constraints on resources, rather than availability for appropriation to provide users more consistent and understandable information about a fund's net resources. Constraints are broken down into five different classifications: nonspendable, restricted, committed, assigned, and unassigned. The classifications serve to inform readers of the financial statements of the extent to which the government is bound to honor constraints on the specific purposes for which resources in a fund can be spent.

Governmental fund equity is classified as fund balance. In the fund basis statements there are the following classifications of fund balance:

**Nonspendable fund balance** - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes inventory, deposits with facility manager and prepaid expenses recorded in the Governmental Funds.

**Restricted** - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Due to the legal constraints involving the issuance of debt and the accumulation of funds to retire that debt, a portion of the fund balance of the Capital Projects Fund, Debt Service Fund and OTASC is classified as restricted. Due to the enabling legislation, a portion of the fund balance of the Water Environment Protection and Water Funds is classified as restricted.

**Assigned** - Includes amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor nonspendable. All positive amounts related to funds other than the General Fund that are not otherwise classified as nonspendable, restricted or committed are classified as assigned. In the General Fund, the assigned amount is made up of encumbrances at year end 2019 of \$1,791,457.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Unassigned - Includes all other General Fund fund balance that does not meet the definition of the above four classifications and are deemed to be available for general use by the County.

**Government-wide Statements and Proprietary Funds**

Equity is classified as net position and displayed in the following components:

Net investment in capital assets – consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – see definition above under Fund Financial Statements.

Unrestricted – remaining net position that does not meet the definition of “net investment in capital assets” or restricted net position.

**Jointly Governed Organizations**

The County has some level of representation in the Greater Syracuse Property Development Corporation (Land Bank). The Land Bank, a discretely presented component unit of the City of Syracuse, is an independent, nonprofit corporation created by Intermunicipal Agreement between the City of Syracuse and the County of Onondaga. Its mission is to address the problems of vacant, abandoned, or tax delinquent property in the City of Syracuse and the County of Onondaga in a coordinated manner through the acquisition of real property pursuant to New York Not-for-Profit Corporations Law section 1608 and returning that property to productive use in order to strengthen the economy, improve the quality of life, and improve the financial condition of the municipalities, through the use of the powers and tools granted to Land Banks by the Laws of the State of New York. It is governed by a board of directors appointed by the City and the County.

**Use of Estimates**

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferrals and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. Significant estimates made by the County in determination of recorded assets, liabilities and deferrals include, but are not limited to, allowances for uncollectible property taxes and other receivables, reserves for self-insurance claim liabilities, and accruals for environmental, litigation and pending tax certiorari claims.

**2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS****Governmental fund balance sheet and the government-wide statement of net position**

The governmental fund balance sheet includes a reconciliation between total governmental funds fund balance and net position—governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.” The details of this \$1,534,481,088 difference can be found in the Summary of Changes in Capital Assets on page 32. Another element of that reconciliation explains that “Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$1,606,609,168 difference can be found in the Changes in Long-term Obligations section of these notes on page 36.

## 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

### Governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances—total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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.” The details of this difference are as follows:

Net Capital Outlay	\$ 81,973,888
Depreciation Expense	(87,947,723)
Total	<u>\$ (5,973,835)</u>

Another element of that reconciliation states “The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation debt and accreted interest	\$ 70,007,707
Additional loans	17,855,740
Plus Premium	8,205,238
Deferred inflow on defeased debt	562,689
Principal repayments:	
General obligation debt	(61,500,000)
Loan payments	(14,161,229)
Amortization of gain on defeased debt	(719,628)
Amortization of premium (amortized against interest expense)	(4,405,474)
Amortization of deferred outflow	65,328
Total	<u>\$ 15,910,371</u>

Another element of that reconciliation states that “The net effect of changes in long-term liabilities recorded in the statement of activities.” The details of this difference are as follows:

Tax certiorari	\$ (330,000)
Compensated absences	145,923
Judgments and claims	(1,438,020)
Postemployment benefits	(47,865,746)
Net Pension Liability	30,570,031
Workers' compensation	(1,882,085)
Pay to agencies	(1,771,808)
Accrued interest	310,917
Total	<u>\$ (22,260,788)</u>

### 3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include demand deposits accounts and all highly liquid debt instruments purchased with original maturities of three months or less. New York State statutes authorize the County to invest in obligations of the State of New York, the United States Government and its agencies, certificates of deposit, and repurchase agreements collateralized by U.S. obligations.

The County maintains a cash and investment pool, except for the pension trust fund, that is available for use by all governmental and proprietary fund types. Earnings are allocated monthly to each participating fund based on a formula that takes into consideration each fund's average balance in the pool.

#### **Cash and Equity in Pooled Cash and Investments**

The carrying amount of the County's deposits with financial institutions was \$139,796,886 and the bank balance was \$147,234,693. These deposits include certificates of deposit in the amount of \$52,508,984 with original maturities of greater than three months.

The bank balance is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the County or its agent in the County's name	\$ 8,381,388
Amount collateralized with securities held by the pledging financial institution's trust department or its agent in the County's name	138,853,305
Total bank balance	<u>\$ 147,234,693</u>

#### **Fair Value of Investments**

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Fair value measurements of the County's investments in the below table are based on quoted market prices (Level 1 inputs). The County did not have any investments that are measured using Level 2 or Level 3 inputs.

U.S. Government Securities	\$ 4,304,346
U.S. Government Securities - OTASC	6,471,925
Total Investments	<u>\$ 10,776,271</u>

Investments in obligations of the U.S. government are not considered to have credit risk.

### 4. PROPERTY TAXES AND TAX ABATEMENT

The County levies taxes on real property located within the County. Collections are the responsibility of either the city tax collectors of the City of Syracuse or the town receiver or collectors for the towns in the County. As of April 1, the towns retain the full amount of their related town levy and remit the balance of collected taxes to the County. After April 1, uncollected taxes receivable of the towns are turned over to the County for collection. The City of Syracuse remits to the County only the amount of the County tax levy actually collected. The City of Syracuse retains responsibility for collecting County delinquent taxes on property within the City.



**4. PROPERTY TAXES AND TAX ABATEMENT (continued)**

The County's property tax calendar is as follows:

Assessment date.....	July 1, 2018
Levy date .....	December 31, 2018
Lien date .....	July 1, 2019
Due date .....	January 1, 2019
Penalties and interest are added.....	February 1, 2019 1.0%
	March 1, 2019 1.5%
Tax sale-2018 delinquent taxes .....	October 1, 2019
Tax auction-2014 prior delinquent taxes .....	November 15, 2019

Uncollected school taxes assumed by the County as a result of settlement proceedings are reported as receivables in the General Fund to maintain central control and provide for tax settlement and enforcement proceedings. The portion of the receivable that represents taxes relieved for schools in the amount of \$21,454,195 is included in the liability due to other governments at December 31, 2019. The County has the authority to levy taxes up to the New York State Constitutional tax limit which is: (a) up to 1.5% of the five-year average full assessed valuation of taxable real property, for general governmental services other than the payment of principal and interest on long-term debt, (b) in unlimited amounts for the payment of principal and interest on long-term debt, and (c) in unlimited amounts for capital appropriations. The combined tax rate to finance general governmental services other than the payment of principal and interest on long-term debt and capital appropriations for the year ended December 31, 2019 was .40% of the five-year average full assessed valuation of taxable real property.

The County is subject to tax abatements granted by two industrial developments agencies, the City of Syracuse and various towns. The abatements fall into two general categories, economic development and affordable housing. Eligibility is determined on an individual case basis in which participants prepare and submit an application to the designated agency.

The Onondaga County Industrial Development Agency and the Syracuse Industrial Development Agency were created in accordance with The New York State Industrial Development Agency Act of 1969 to promote and develop the economic growth in the County and to assist in attracting industry to the County through bond and sale/leaseback financing programs and other activities.

The participant must prepare a written cost benefit analysis identifying the following:

1. The potential creation or retention of permanent private sector jobs, their salaries and benefit packages;
2. The estimated value of tax exemptions;
3. The amount of private sector investment likely to be generated by this project;
4. The extent to which the project will provide additional sources of revenue for municipalities and school districts; and
5. Any other public benefit that might occur due to the project.

The standard policy is to provide for a graduated abatement to county, municipal and school taxes. For projects providing significant and substantial economic and community benefit to the county, as determined by the agency, the agency, at its sole discretion, may elect to provide up to 100% abatement for a period not to exceed 20 years. In addition, it is policy to grant exemption of state and local sales and use taxes for construction materials, equipment and furnishings for all projects to the full extent permitted by the State of New York and exemption from mortgage recording taxes.

**4. PROPERTY TAXES AND TAX ABATEMENT (continued)**

The City of Syracuse and various Towns utilize several New York State programs to acquire and/or rehabilitate properties that will be used to provide affordable housing.

Information relevant to disclosure of those programs for the year ended December 31, 2019 is:

<u><b>Tax Abatement Program</b></u>	<u><b>Property Tax</b></u>	<u><b>Sales Tax</b></u>	<u><b>Mortgage Tax</b></u>
Economic Development:			
OCIDA	\$ 2,343,431	\$ 25,250,437	\$ 2,178,705
SIDA	5,232,800	3,442,817	702,633
Affordable Housing:			
City of Syracuse	1,096,807	-	-
Various Towns	130,266	-	-
Total Tax Abatement	<u>\$ 8,803,304</u>	<u>\$ 28,693,254</u>	<u>\$ 2,881,338</u>

**5. PROMISSORY NOTE - OCCHDC**

On July 8, 2015, OCCHDC (the Lender) entered into a Promissory Note with Syracuse Community Hotel Restoration Company 1, LLC (the Borrower) in the amount of \$13,900,000 with an annual interest rate of 1.0% and a maturity date of December 31, 2045.

Provided that an event of default has not occurred, the Borrower shall, upon the maturity date, pay the original principal amount and accrued interest thereon, and all other amounts payable pursuant to this note, in one (1) balloon payment.

In the event of a dissolution of the Lender, the County becomes the Holder of the Promissory Note.

Estimated future maturities under this Promissory Note are as follows:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2045	\$ 13,900,000	\$ 4,673,887	\$ 18,573,887

**6. CAPITAL ASSETS**

A summary of changes in the capital assets is as follows:

Governmental Activities	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019
Capital assets, not being depreciated				
Land	\$ 20,500,002	\$ -	\$ -	\$ 20,500,002
Intangible Asset	29,750,000	-	-	29,750,000
Construction in progress	372,292,735	77,853,289	65,405,677	384,740,347
Total capital assets, not being depreciated	422,542,737	77,853,289	65,405,677	434,990,349
Capital assets, being depreciated:				
Land improvements	25,094,697	-	-	25,094,697
Buildings	370,621,292	26,940,592	-	397,561,884
Building improvements	209,466,263	13,794,200	-	223,260,463
Equipment	144,774,815	4,888,947	2,906,690	146,757,072
Infrastructure	1,733,553,767	23,918,319	-	1,757,472,086
Total capital assets, being depreciated	2,483,510,834	69,542,058	2,906,690	2,550,146,202
Less accumulated depreciation for:				
Land improvements	(15,579,704)	(1,163,807)	-	(16,743,511)
Buildings	(253,740,707)	(13,363,946)	-	(267,104,653)
Building improvements	(111,801,632)	(11,911,722)	-	(123,713,354)
Equipment	(118,484,395)	(10,535,967)	(2,890,908)	(126,129,454)
Infrastructure	(865,992,210)	(50,972,281)	-	(916,964,491)
Total accumulated depreciation	(1,365,598,648)	(87,947,723)	(2,890,908)	(1,450,655,463)
Total capital assets, being depreciated, net	1,117,912,186	(18,405,665)	15,782	1,099,490,739
Net capital assets-Governmental activities	\$ 1,540,454,923	\$ 59,447,624	\$ 65,421,459	\$ 1,534,481,088

Depreciation expense was charged to function/programs of the primary government as follows:

**Governmental Activities:**

General government	\$ 14,418,312
Public Safety	8,620,013
Health	149,723
Transportation	22,962,190
Economic assistance and opportunity	13,767
Culture and Recreation	8,170,822
Home and community services	33,612,896
Total depreciation expense-Governmental Activities	\$ 87,947,723

**6. CAPITAL ASSETS (continued)**

	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019
Business Activities				
Capital assets, not being depreciated				
Land	\$ 1,184,000	\$ -	\$ -	\$ 1,184,000
Capital assets, being depreciated:				
Buildings	6,816,000	-	-	6,816,000
Building improvements	14,137	195,157	-	209,294
Furniture	38,316	-	-	38,316
Soundstage lighting equipment	53,317	48,824	-	102,141
Equipment	28,389	744	-	29,133
Vehicles	55,902	50,000	-	105,902
Total capital assets being depreciated	7,006,061	294,725	-	7,300,786
Less accumulated depreciation for:				
Buildings	(87,385)	(174,769)	-	(262,154)
Building improvements	(60)	(362)	-	(422)
Furniture	(2,299)	(4,599)	-	(6,898)
Soundstage lighting equipment	(1,777)	-	-	(1,777)
Equipment	(1,581)	(8,494)	-	(10,075)
Vehicles	(932)	(5,590)	-	(6,522)
Total accumulated depreciation	(94,034)	(193,814)	-	(287,848)
Total capital assets being depreciated, net	6,912,027	100,911	-	7,012,938
Net capital assets - Business activities	\$ 8,096,027	\$ 100,911	\$ -	\$ 8,196,938

A summary of changes in the capital assets of the Community College at August 31, 2019 is as follows:

	Balance September 1, 2018	Additions	Reductions/ Reclassifications	Balance August 31, 2019
Capital assets, being depreciated:				
Land improvements	\$ 27,336,584	\$ 1,743,715	\$ -	\$ 29,080,299
Buildings	121,590,714	81,871	-	121,672,585
Buildings Improvements	99,379,906	1,468,771	-	100,848,677
Equipment	12,133,238	382,446	(1,062,673)	11,453,011
Library books	709,741	28,767	(152,003)	586,505
Total capital assets, being depreciated	261,150,183	3,705,570	(1,214,676)	263,641,077
Less accumulated depreciation for:				
Land Improvements	(10,071,600)	(1,312,798)	-	(11,384,398)
Buildings	(66,823,672)	(2,949,664)	-	(69,773,336)
Building Improvements	(38,658,646)	(3,226,643)	-	(41,885,289)
Equipment	(11,168,602)	(430,250)	1,053,930	(10,544,922)
Library books	(422,055)	(55,987)	152,003	(326,039)
Total accumulated depreciation	(127,144,575)	(7,975,342)	1,205,933	(133,913,984)
Net capital assets-Community College	\$ 134,005,608	\$ (4,269,772)	\$ (8,743)	\$ 129,727,093

**7. GENERAL LONG-TERM OBLIGATIONS**

The County generally borrows funds on a long-term basis for the purpose of financing the acquisition of land, equipment, construction of buildings and improvements, and infrastructure. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized by the County Legislature to be collected in future years from taxpayers and others for

**7. GENERAL LONG-TERM OBLIGATIONS (continued)**

liquidation of the long-term liabilities. Interest associated with long-term debt is recorded as an expenditure when such amounts are paid.

At December 31, 2019, the County had utilized 15.55% of its statutory debt limit. Details relating to bonds payable at December 31, 2019 are summarized as follows:

<u>General Obligation Bonds:</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Total</u>
General Obligation, 2012	2037	3.00-5.00%	\$ 32,150,000
General Obligation, 2012	2025	2.00-5.00%	4,540,000
General Obligation, 2013	2033	4.00-5.00%	8,100,000
General Obligation, 2014	2034	2.50-5.00%	23,750,000
General Obligation, 2014	2026	2.00-5.00%	12,340,000
General Obligation, 2015	2045	3.00-5.00%	72,605,000
General Obligation, 2015	2027	2.00-5.00%	8,790,000
PFA Bonds QECB, 2015	2025	3.65%	1,590,000
General Obligation, 2016	2036	2.00-5.00%	22,615,000
General Obligation, 2016	2030	1.00-5.00%	35,550,000
General Obligation, 2017	2037	3.00-5.30%	20,635,000
General Obligation, 2017	2033	1.00-5.00%	33,220,000
General Obligation, 2018	2038	3.00-5.00%	51,960,000
General Obligation, 2019	2039	3.00-5.00%	44,777,388
General Obligation, 2019	2030	3.00-5.00%	24,235,000
			<u>396,857,388</u>
OTASC:			
Tobacco Settlement Pass-Through Bonds, Series 2005	2054	6.00-7.15%	12,824,521
Tobacco Settlement Pass-Through Bonds, Series 2016	2051	5.00-5.75%	93,080,000
			<u>\$ 502,761,909</u>

The annual requirements and sources to amortize debt on outstanding bonds as of December 31, 2019 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 33,255,000	\$ 21,428,814	\$ 54,683,814
2021	35,587,388	19,080,167	54,667,555
2022	32,855,000	17,457,707	50,312,707
2023	32,530,000	15,885,107	48,415,107
2024	29,810,000	14,419,945	44,229,945
2025-2029	119,060,000	54,247,195	173,307,195
2030-2034	88,670,000	34,036,228	122,706,228
2035-2039	54,230,000	20,477,603	74,707,603
2040-2044	29,445,000	12,071,069	41,516,069
2045-2049	24,340,000	5,399,275	29,739,275
2050-2051	10,155,000	512,375	10,667,375
2054	12,824,521	126,495,480	139,320,001
	<u>\$ 502,761,909</u>	<u>\$ 341,510,965</u>	<u>\$ 844,272,874</u>

**Current Refunding**

The County issued \$24,395,000 of general obligation refunding bonds to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$27,335,000 of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from

**7. GENERAL LONG-TERM OBLIGATIONS (continued)**

the government-wide financial statements. The net carrying amount of the old debt exceeded the reacquisition price by \$136,681. This amount is being recorded as a deferred inflow and amortized over the remaining life of the refunded debt. This current refunding was under-taken to reduce total debt service payments over the next sixteen years by \$2,232,708 and resulted in an economic gain of \$1,924,575.

**Obligations Authorized Unissued**

At December 31, 2019, the County has obligations authorized and unissued of \$232,537,941, the proceeds of which are to be used for sewer, road and general capital purposes.

**Prior Year Defeasance of Debt**

In prior years, the County defeased certain general obligation bonds by placing the proceeds of new bonds and the proceeds for the sale of its future tobacco settlement revenue rights into an irrevocable trust to provide for all future debt service payments on the old debt.

A breakdown of the balance of the principal defeased as of December 31, 2019 by issue is shown below:

<b><u>Issue</u></b>	<b><u>Balance</u></b>
General Obligation Bonds 2001	\$ 670,000
General Obligation Bonds 2002	1,425,000
General Obligation Bonds 2001	930,000
General Obligation Bonds 2002	4,225,000
General Obligation Bonds 2003	2,850,000
General Obligation Bonds 2004	2,275,000
General Obligation Bonds 2006	9,825,000
General Obligation Bonds 2007	9,400,000
General Obligation Bonds 2009	22,075,000
General Obligation Bonds 2009	4,860,000
General Obligation Bonds 2010	17,570,000
General Obligation Bonds 2010	4,905,000
General Obligation Bonds 2011	16,500,000
General Obligation Bonds 2013	36,025,000
Tobacco Settlement Pass Through Bonds 2001	70,030,000
Tobacco Settlement Pass Through Bonds 2005	46,817,124
	<u>\$ 250,382,124</u>

**Other Loans Payable**

The State has made available to the County loans from the State Pollution Control Revolving Fund in the amount of \$577,337,611, of which \$271,632,988 is outstanding at December 31, 2019. The notes mature serially in varying annual amounts through 2044, with interest ranging from 0.181% to 4.96%, payable annually. The County has recorded the full amount of loans made available less any repayments remitted. Proceeds from these loans are recognized as participation in debt-external sources in the Capital Projects Fund when eligible expenditures are reimbursed by the State Pollution Control Revolving Fund.

At December 31, 2019 principal payments required on other loans payable are as follows:

**7. GENERAL LONG-TERM OBLIGATIONS (continued)**

Years	Principal	Interest	Total
2020	\$ 15,185,673	\$ 9,389,872	\$ 24,575,545
2021	14,847,315	8,961,162	23,808,477
2022	14,865,000	8,527,570	23,392,570
2023	14,825,000	8,079,539	22,904,539
2024	14,820,000	7,619,344	22,439,344
2025-2029	65,140,000	31,476,082	96,616,082
2030-2034	60,180,000	20,472,234	80,652,234
2035-2039	46,550,000	9,715,752	56,265,752
2040-2044	25,220,000	2,730,887	27,950,887
	<u>\$ 271,632,988</u>	<u>\$ 106,972,442</u>	<u>\$ 378,605,430</u>

**OCIDA**

Through December 31, 2019, OCIDA has outstanding approximately \$123.2 million of industrial development and pollution control financing on behalf of county businesses. Of this total, none were issued in the year ended December 31, 2019.

**Fund Company**

The Fund Company participates in a revolving loan payable facilitated by Onondaga County, a portion of which is payable upon the sale of each property in the Homeownership Program without interest. The balance at January 1, 2019 was \$505,210. There were additions of \$1,276,177 and reductions of \$780,149 during 2019 resulting in an ending balance as of December 31, 2019 of \$1,001,238.

**Changes in Long-Term Obligations**

Long-Term obligation activity at December 31, 2019, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Serial Bonds	\$ 388,185,000	\$ 69,172,388	\$ (60,500,000)	\$ 396,857,388	\$ 32,155,000
OTASC Tobacco settlement bonds	106,069,202	835,319	(1,000,000)	105,904,521	1,100,000
Plus Premium on serial bonds	40,669,182	8,205,238	(4,405,474)	44,468,946	-
Net bonds payable	534,923,384	78,212,945	(65,905,474)	547,230,855	33,255,000
Tax certiorari	2,300,000	(262,788)	(67,212)	1,970,000	242,000
Compensated absences	13,478,668	15,943,164	(15,797,241)	13,624,591	9,209,495
Judgments and claims	7,367,468	(523,702)	(914,318)	5,929,448	75,000
Loans	267,938,477	17,855,740	(14,161,229)	271,632,988	15,185,673
Postemployment benefits	740,580,079	(22,891,414)	(24,974,332)	692,714,333	-
Net Pension Liability	27,770,560	58,917,753	(28,347,722)	58,340,591	-
Due to agencies	1,771,808	(1,771,808)	-	-	-
Workers Compensation	17,048,447	5,277,838	(7,159,923)	15,166,362	-
Total Governmental activities	<u>\$ 1,613,178,891</u>	<u>\$ 150,757,728</u>	<u>\$ (157,327,451)</u>	<u>\$ 1,606,609,168</u>	<u>\$ 57,967,168</u>
<b>Component Units:</b>					
Community College:					
Net Pension Liability	\$ 2,533,412	\$ 2,872,272	\$ -	\$ 5,405,684	\$ -
Postemployment Benefits	73,689,013	-	(30,859,325)	42,829,688	-
Compensated absences	242,269	35,783	-	278,052	-
Total Component Units	<u>\$ 76,464,694</u>	<u>\$ 2,908,055</u>	<u>\$ (30,859,325)</u>	<u>\$ 48,513,424</u>	<u>\$ -</u>

**8. CAPITAL PROJECTS**

A summary of the County's capital projects in excess of \$5,000,000 that have at least 5% of their total authorization still unexpended at December 31, 2019 is as follows:

	<u>Authorization</u>	<u>Expended</u>
532309 FREMONT RD OVER CSX-CON	\$ 6,062,000	\$ 5,629,200
532309 John Glenn EB & WB Brid	6,280,000	4,788,016
Baldwinsville Sen Knolls WWTP	6,300,000	3,605,652
532309 Willis Ave over CSX	6,516,000	5,355,492
532309 OLD RTE.5 REPAVING-CONS	6,885,000	6,151,643
Zoo Animal Med Care Center	7,200,000	15,613
390070 CENTRAL LIBRARY RECONFI	8,177,978	7,472,542
532309 THOMPSON RD.	8,440,000	7,847,969
Meadowbrook-Limestone WWTP Inf	9,000,000	98,691
NAMF Hwy Maint Fac Improvement	10,000,000	3,610
480087 WEP Energy Project ESCO	10,300,000	1,177,184
MBL WWTP Disinfection System	11,725,000	10,165,703
Brewerton WPCP Asset Renewal	12,575,000	919,125
480087 ACJ-CLINTON ST CONVEYAN	13,100,000	10,089,201
480087 Oak Orch WWTP Improve	13,490,000	10,752,153
500058 COMP ENERY&ASSET RENEWA	14,016,000	12,458,241
Metro WWTP Biosolids Drying Sy	15,106,000	947
480087 WEST SIDE UPGRADES	18,150,000	15,640,264
Metro WWTP Phos Treat Sys Opti	24,195,000	15,114,190
Metro WWTP (002) Bypass Treatm	25,827,294	19,960,100
480087 ACJ-MIDLAND AVE CONV EN	128,782,668	107,276,764

Based on the latest estimates of costs to complete these capital projects, the County does not anticipate the necessity of increasing related authorizations. Commitments for all construction in progress at December 31, 2019 have been reflected as restricted fund balance in the Capital Projects Fund.

**9. RETIREMENT BENEFITS**

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



**9. RETIREMENT BENEFITS (continued)**

enactment of a State statute. The County also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance.

The ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

Under the authority of the NYSRSSL, the Comptroller certifies annually the actuarially determined rates expressed as proportions of payroll of members, which are used to compute the contributions required to be made by employers to the pension accumulation fund. The employee contribution rates are based on ERS membership dates as follows:

	<u>Membership Date</u>	<u>Employee Contribution</u>
Tier 1	Prior to 7/1/73	None
Tier 2	7/1/73 - 7/26/76	None
Tier 3	7/27/76 - 8/31/83	3% of salary for the first 10 years of service
Tier 4	9/1/83 - 12/31/09	3% of salary for the first 10 years of service
Tier 5	1/1/10 - 3/31/12	3% of salary
Tier 6	4/1/12 and after	From 3% to 6% of salary

ERS financial statements from which the ERS's fiduciary respective net position is determined are prepared using the accrual basis of accounting. Plan member contributions are recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan investments are reported at fair value. For detailed information on how investments are valued, please refer to the ERS's annual reports.

The County is required to contribute an actuarially determined rate. The required contributions at December 15 for the years 2019, 2018 and 2017 were \$30,972,268, \$30,837,971 and \$33,734,041 respectively. The County's contributions made to the ERS were equal to 100% of the contributions required for each year.

At December 31, 2019, the County reported the following liability for its proportionate share of the net pension liability. The net liability was measured as of March 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The County's proportionate share, excluding OCC, of the net pension liability was based on a projection of the County's long-term share of contributions to the ERS relative to the projected contributions of all participating members, actuarially determined. This information was derived from reports provided to the County by the ERS.

<u>Actuarial valuation date</u>	<u>April 1, 2018</u>
Plan's total net pension liability	\$ 7,085,304,043
County's proportionate share of the Plan's total net pension liability	\$ 58,340,591

For the year ended December 31, 2019, the County recognized pension expense of \$28,347,722 in the financial statements.

**9. RETIREMENT BENEFITS (continued)**

At December 31, 2019, the County's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,488,483	\$ 3,916,295
Changes in assumptions	14,664,440	-
Net differences between projected and actual earnings on pension plan investments	-	14,973,421
Changes in proportion and differences between the County's contributions and proportionate share of contributions	1,395,227	9,142,076
County's contributions subsequent to the measurement date	21,321,146	-
Total	<u>\$ 48,869,296</u>	<u>\$ 28,031,792</u>

County contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended:	
2020	\$ 8,790,616
2021	(13,514,725)
2022	(2,425,039)
2023	6,665,506

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Measurement date	March 31, 2019
Actuarial valuation date	April 1, 2018
Actuarial Cost Method	Entry age normal
Interest rate	7.00%
Salary Scale	4.20%
Decrement tables	April 1, 2010 - March 31, 2015 ERS's experience
Inflation rate	2.50%

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 ERS's experience with adjustments for mortality improvements based on MP-2014.

The actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

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

**9. RETIREMENT BENEFITS (continued)**

expected rate of return by weighting the expected future real rates of return by estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

	<b>Target Allocations in %</b>	<b>Long-Term Expected real rate of return in %</b>
Measurement date: March 31, 2019		
Asset Type:		
Domestic Equity	36.00%	4.55%
International Equity	14.00%	6.35%
Private Equity	10.00%	7.50%
Real Estate	10.00%	5.55%
Absolute Return	2.00%	3.75%
Opportunistic Portfolio	3.00%	5.68%
Real Assets	3.00%	5.29%
Bonds & Mortgages	17.00%	1.31%
Cash	1.00%	(0.25%)
Inflation Indexed Bonds	4.00%	1.25%
Total	100.00%	

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 current contribution rates and contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the ERS'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 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:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
County's proportionate share of the net pension liability	\$ 255,074,379	\$ 58,340,591	\$ (106,929,743)

**9. RETIREMENT BENEFITS (continued)**

The components of the current-year net pension liability of the employers as of the measurement date are as follows: (in thousands)

Measurement date: March 31, 2019

Employer's total pension liability	\$	189,803,429
Plan net position		(182,718,124)
Employers' net pension liability	\$	<u>7,085,305</u>

Ratio of Plan Net Position to the

Employers' Total Pension Liability 96.27%

ERS employer contributions are paid annually based on the ERS's fiscal year which ends on March 31<sup>st</sup>. Contributions as of December 31, 2019 represent the projected employer contribution for the period of April 1, 2019 through March 31, 2020 based on estimated ERS wages multiplied by the employer's contribution rate, by tier.

**Retiree Benefits**

In addition to providing pension benefits, the County provides certain health insurance benefits to 4,333 retired employees, survivors and dependents under its self-insured health program.

Substantially all of the County's employees may become eligible for these benefits if they reach normal retirement age while working for the County. The County has 1,346 retirees in its self-insurance plan and the cost of providing to these retirees during 2019 was approximately \$29.5 million. The County also instituted a Medicare advantage plan in 2013 and has moved approximately 2,987 Medicare eligible retirees, survivors and dependents into this plan. Retirees' obligation to contribute to these benefits is dependent upon the plan options offered by the County. Total retiree contributions were \$6,271,827 during 2019.

**Other Postemployment Benefits**

*Plan Description.* The County provides OPEB to its employees under a single-employer, self-insured, benefit plan. The plan provides medical and prescription drug coverage to retirees and their covered dependents, although there is no formal obligation to do so. The financial information for the County's plan is contained solely within these financial statements.

To become eligible for OPEB the County requires that the members satisfy one of the following conditions:

- 1) A minimum age of 55 with at least 10 years of service with the County.
- 2) A minimum of 5 years of service with the County and eligibility for retirement benefits through the ERS.
- 3) A minimum of 20 years of service with the County if designated ERS plan 552 or 89b.
- 4) A minimum of 25 years of service with the County if designated ERS plan 89k.

*Funding Policy.* The contribution requirements of plan members and the County are established on an annual premium equivalent rate calculated by a third-party administrator based on projected pay-as-you-go financing requirements.

As of the date of these financial statements, New York State did not yet have legislation that would enable government entities to establish a qualifying trust for the purpose of funding other postemployment benefits.

**9. RETIREMENT BENEFITS (continued)**

As such there are no assets accumulated in a trust that meets all of the criteria in GASB Statement No. 75 paragraph 4, to fund this obligation.

*Total OPEB Liability.* The County's total OPEB liability of \$692,714,333 was measured as of January 1, 2019 and was determined by actuarial valuation January 1, 2018.

*Employees Covered by Benefit Terms.* As of the valuation date, the following employees were covered by benefit terms:

Retirees and Survivors	3,086
Active Employees	3,502
Total	<u>6,588</u>

*Actuarial Assumptions and Other Inputs.* The total OPEB liability was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.40%
Discount rate	4.10%
Healthcare cost trend	0% for 2019, 7% for pre-65 and 7.5% for post 65 in 2020, decreasing to 3.94% in 2088

The discount rate is based on Bond Buyer Weekly 20-Bond GO index.

Mortality rates for active employees are based on the RPH-2014 Mortality Table for employees, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2018. Mortality rates for retirees are based on the RPH-2014 Mortality Table for Healthy Annuitants, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2018.

*Changes in the Total OPEB Liability.*

Balance measured at January 1, 2018	\$ 740,580,079
Changes for the year:	
Service cost	24,010,225
Interest cost	25,872,348
Difference between expected and actual experience	-
Changes in assumptions and other inputs	(72,773,987)
Benefit payments	(24,974,332)
Balance measured at January 1, 2019	<u>\$ 692,714,333</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.44% on January 1, 2018 to 4.10% on January 1, 2019.

**9. RETIREMENT BENEFITS (continued)**

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

	1% Decrease 3.10%	Current 4.10%	1% Increase 5.10%
Total OPEB Liability	\$ 807,504,866	\$ 692,714,333	\$ 600,897,097

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

	1% Decrease	Current	1% Increase
Total OPEB Liability	\$ 587,080,510	\$ 692,714,333	\$ 828,608,275

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.* For the year ended December 31, 2019 the County recognized an OPEB expense of \$9,494,334. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 120,607,657
Changes of assumptions or other inputs	26,981,199	59,445,418
Employer amounts subsequent to the measurement date	24,955,589	-
Total	\$ 51,936,788	\$ 180,053,075

The amortization period for the beginning of the measurement period is 5.46 years for the average expected remaining service life of members. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as detailed below.

Year Ended December 31,	
2020	\$ (40,388,239)
2021	(40,388,239)
2022	(40,388,239)
2023	(25,776,017)
2024 and thereafter	(6,131,142)

The County reported \$24,955,589 in contributions subsequent to the measurement that would be recognized as a reduction in the net pension liability in the year ended December 31, 2020.

**10. OPERATING TRANSFERS**

Operating transfers among funds are provided as part of the annual budget. The General Fund provides operating support from the property tax levy and other resources to certain special revenue funds, capital projects, and to the Debt Service Fund in support of the funds' specified purpose. Water Environment Protection and the County Road Fund provide support to capital projects and the Debt Service Fund for capital acquisition and debt retirement.

The following is a summary of operating transfers for the year ended December 31, 2019:

Operating Transfers To:	Operating Transfers From:						
	Major Funds			Nonmajor Funds			Totals
	General Fund	Water Environment Protection	Capital Projects Fund	County Road Fund	Water Fund	Library Fund	
<b>Major Funds:</b>							
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 1,300,000	\$ -	\$ 1,300,000
Debt Service Fund	18,351,937	26,507,241	4,595	9,717,204	2,747,917	476,632	57,805,526
Capital Projects Fund	7,500	7,950,775	-	8,892,729	-	75,000	16,926,004
<b>Nonmajor Funds:</b>							
General Grants Fund	3,577,950	225,000	-	-	-	-	3,802,950
County Road Fund	29,801,119	-	-	-	-	-	29,801,119
Road Machinery Fund	2,663,499	-	-	-	-	-	2,663,499
Water Fund	-	-	2,807,243	-	-	-	2,807,243
Library Fund	3,963,523	-	-	-	-	-	3,963,523
Community Development	-	-	-	-	1,500,000	-	1,500,000
<b>Total</b>	<b>\$ 58,365,528</b>	<b>\$ 34,683,016</b>	<b>\$ 2,811,838</b>	<b>\$ 18,609,933</b>	<b>\$ 5,547,917</b>	<b>\$ 551,632</b>	<b>\$ 120,569,864</b>

**11. DUE TO/DUE FROM OTHER FUNDS**

As discussed in Note 3, the County maintains a cash and investment pool. Due to/due from other funds exist for cash flow and interest income maximization purposes. These are short-term in nature and are repaid within the next fiscal year.

Due to/due from other funds at December 31, 2019 are summarized as follows:

DUE TO:	Nonmajor Funds			
	General Grants	Oncenter Fund	Library Grants	Total
<b>Major Fund -</b>				
General Fund	\$ 9,829,756	\$ 830,858	\$ 5,335,997	\$ 15,996,611

**12. RISK MANAGEMENT**

The County is self-insured for workers' compensation, health, dental, all general liability and certain physical damage risks. The internal service fund is used to account for the County's self-insurance activities, including general liability claims. The fund is supported by annual budget appropriations that are recorded as revenues in the Internal Service Fund and allocated pro-rata to the various governmental funds within the County.

**12. RISK MANAGEMENT (continued)**

The claims liability of \$30,888,746 reported at December 31, 2019 is based on the requirements of GASB Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the reported liabilities during fiscal year 2019 were as follows:

	Beginning	Claims and Changes in Estimates	Claim Payments	Ending
Workers' Compensation	\$ 23,672,482	\$ 5,441,983	\$ (7,159,923)	\$ 21,954,542
Judgments and Claims	7,367,468	(523,702)	(914,318)	5,929,448
Medical & Dental	3,890,976	75,615,482	(76,501,702)	3,004,756
	<u>\$ 34,930,926</u>	<u>\$ 80,533,763</u>	<u>\$ (84,575,943)</u>	<u>\$ 30,888,746</u>

**Workers' Compensation**

The County is self-insured for workers' compensation claims for all County employees as follows:

Claims incurred prior to 1991	-Fully self-insured
Claims incurred in 1991 and after:	
Type B Coverage	-Self-insured individual claims up to \$100,000, and amounts greater than \$1,000,000
Other than Type B Coverage	-Fully self-insured

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The County also participates in a Second Injury Fund, which is a New York State fund established to reimburse carriers or self-insured employers for a portion of expenses on certain claims made by employees with pre-existing impairments.

**Judgments and Claims**

The County is a defendant in a number of lawsuits in the ordinary conduct of its affairs. The County is self-insured for individual claims up to \$2,000,000 and amounts greater than \$20,000,000 for all liability (including environmental liability) and certain physical damage risks. The County has excess liability insurance that covers all other claim amounts. In the opinion of County management, after considering all relevant facts, such judgments and claims will not individually or in the aggregate, have a material effect on the financial condition of the County. Such estimate is based upon individual cases reported at December 31, 2019 and available information at the time of this report.

**Medical Benefits**

The County has contracted with a third-party administrator to manage its self-insurance program which provides certain medical benefits to all active and retired employees (Note 9). The carrying amount of the liability includes estimates of reported and unreported claims as of December 31, 2019.

**13. TAX CERTIORARI CLAIMS**

The County has accrued \$1,970,000 for pending certiorari claims as a long-term liability in the Governmental Activities column on the Statement of Net Position. Management believes that these estimated provisions are



**13. TAX CERTIORARI CLAIMS (continued)**

adequate to cover the County's liability for claims based on current available information but that these estimates may be more or less than the amount ultimately paid when the claims are settled.

Outstanding claims are not, in the opinion of management, expected to have a material effect on the County's financial position.

**14. COMMITMENTS - ONONDAGA LAKE**

On January 20, 1998 Onondaga County entered into an Amended Consent Judgment ("ACJ") with the New York State Department of Environmental Conservation ("DEC") and the Atlantic States Legal Foundation ("ASLF") as settlement of litigation commenced in 1988 which alleged violations of the Clean Water Act in the discharge of wastewater into Onondaga Lake from the Metropolitan Sewage Treatment Plant ("Metro") and combined sewer overflow ("CSO") outfalls. The settlement set forth a plan of required upgrades and other measures to address bacteria, ammonia and phosphorus in lake waters contributed to by said discharges. The ACJ was filed in the U.S. District Court for the Northern District of New York.

Under the ACJ, the County has been required to undertake a number of capital projects and related monitoring activities intended to meet the effluent limits specified therein. Construction of these ACJ projects commenced in 1998. To date, over 30 ACJ projects have been completed. These projects have focused on abatement of overflow from combined sewers in portions of the consolidated sanitary district and the reduction of effluents primarily from Metro. The entire ACJ program was expected to be completed within the final ACJ milestone date of January 1, 2012. However, in 2008, the ACJ parties agreed to extend the final major milestone dates for the Clinton and Harbor Brook CSO projects from January 1, 2012 to January 1, 2013 and to complete a review process on these and related CSO projects remaining to be completed under the ACJ. The review included extensive analysis of the use of green infrastructure technologies as alternatives to the current ACJ planned projects and the impacts of the use of these green technologies on the need for and sizing of collection, treatment and storage (gray) facilities when they are installed upstream of CSO discharges. The analysis illustrated the benefits of a gray/green program.

In September of 2009, the parties presented to the U.S. District Court Judge for the Northern District of New York proposed amendments to the ACJ (the Fourth Stipulation to the ACJ). The modifications were endorsed by the United States Environmental Protection Agency ("EPA") and the Department of Justice ("DOJ"). The Onondaga Nation and a number of community groups that had opposed implementation of the remaining ACJ CSO projects expressed strong support for the modifications. The modifications to the ACJ, approved by the U.S. District Court for the Northern District of New York on November 16, 2009, replaced the existing CSO program with a combination of gray and green infrastructure programs to be implemented in phases and completed by December 31, 2018. The revised program requires 95% system wide annual average combined sewage volume capture by more environmentally beneficial methods. Projects incorporating these methods, as outlined above, are commonly referred to as "gray" and "green" projects.

The 1998 ACJ also required the County to comply with very stringent Stage III phosphorus limits set at .02 mg/l. Water quality improvements realized by implementation of the Stage II phosphorus upgrades and compliance costs to construct facilities capable of meeting the Stage III phosphorus limits resulted in a reassessment of the need to comply with the very stringent limit. Data collected by DWEP through the ACJ-mandated Ambient Monitoring Program from 2007 through 2011, and the result of studies required to be performed by the County pursuant to the Fourth Stipulation and Order, enabled the County to aggressively explore attainment of the ACJ effluent goals without implementing additional major upgrades at Metro or

**14. COMMITMENTS - ONONDAGA LAKE (continued)**

diverting the Metro effluent to the Seneca River. These efforts built upon the Fourth Stipulation and Order provisions requiring additional studies to enable the State to make a more informed decision on the need for additional phosphorus limit reductions at Metro.

The additional studies focused on developing data and approaches to support alternative means of compliance and reviewing the potential benefits and costs of going forward or seeking relief from Stage III compliance standards. The studies required by the Fourth Stipulation and Order included:

- a) A study to determine the extent to which the phosphorus currently discharged by Metro is a readily available source of aquatic plant nutrient;
- b) An additional hydrologic study to assist in evaluating the impact that phosphorus from Onondaga Creek has on Onondaga Lake;
- c) An evaluation of potential additional opportunities at Metro to further maximize the plant's current capacity to more effectively remove phosphorus and a commitment to implement any resulting recommendations; and
- d) A further evaluation of available technologies that could be used to reduce phosphorus discharges from Metro, including implementation feasibility, costs and applicable implementation time frames.

A July 2007 engineering report on the ACJ Pilot Project for meeting Stage III phosphorus limits indicated that construction of facilities needed to approach those limits could exceed \$146 million. Studies completed by DWEP in 2011 to evaluate optimization of the Metro plant to more reliably meet the current .1 mg/l phosphorus limit, and to evaluate the current limit of technology for further reducing phosphorus effluence to meet the ACJ goal of a .02 mg/l phosphorus limit for a continued in-lake discharge produced planning level capital cost estimates that ranged from \$6 million for implementation of the proposed optimization program to an estimated \$900 million for construction of a reverse osmosis facility, all exclusive of post construction operation and maintenance costs. An evaluation of the water quality benefits of constructing advanced treatment facilities or diverting all or a portion of Metro's flow to the Seneca River indicated that water quality improvements to be realized from such undertakings appear to be marginal and thus not justified by the costs.

In March 2012, the DEC released a draft phosphorus Total Maximum Daily Load ("TMDL") that incorporated the results of the studies conducted pursuant to the requirements of the Fourth Stipulation and Order and the approved Onondaga Lake Water Quality Model. The draft TMDL confirmed that significant investments in capital projects to meet the 0.02 mg/l final effluent limit for phosphorus would not yield significant additional phosphorus related water quality improvements and incorporated recommendations that the County proceed with plans to optimize current phosphorus treatment technology and bypass reduction efforts. The draft TMDL recommended that the current Metro interim effluent limit of 0.1 mg/l, based on a twelve month rolling average, be confirmed as the final effluent limit. After a 30-day period of public comment, the DEC adopted the draft TMDL as the recommended final TMDL and submitted it to the EPA for review.

On June 29, 2012, the EPA approved the TMDL. DWEP estimates that the cost of complying with the optimization and bypass reduction program required to assure that phosphorus discharges from Metro remain below the maximum loadings to Onondaga Lake allowed by the TMDL will be in the range of \$41.4 million. It is worth noting that these costs include an estimated \$20.2 million now completed bypass reduction project also required to enable the Metro plant to comply with revised effluent limits for chlorine residuals.

**14. COMMITMENTS - ONONDAGA LAKE (continued)**

In its 2015 Annual Report regarding ACJ compliance, required to be delivered to the DEC on April 1, 2016, the County reported compliance with all major construction milestones and all required CSO capture milestones. In approving the 2018 Annual Report, DEC confirmed timely compliance with the final 95% capture rate.

FINANCIAL CONSIDERATIONS: DWEP has advised that in today's dollars, the estimated cost of the improvements and studies required by the revised ACJ is \$703 million, excluding interest expenses.

All regulatory mandates associated with the 2009 ACJ amendment have thus far been met and all necessary approvals have been received. Construction has been completed within compliance due dates for several large-scale CSO projects, including Clinton CSO Storage, Harbor Brook CSO Storage, and CSO 003 and 004 Conveyances. Construction of the CSO 063 conveyance pipeline within the Harbor Brook sewer shed and the CSO 061 sewer separation project located in the Midland sewer shed area have also been completed. Planning level costs are known for the majority of all other ACJ projects (including green infrastructure).

With respect to the phosphorous removal project identified in the Metro WWTP Optimization report, the design was completed in 2016, construction began in 2017, and substantial completion achieved in 2019. This project shall serve to further assist Onondaga County in consistently complying with its Metro WWTP SPDES permit – which was modified to reflect DEC's recently promulgated TMDL for phosphorus for Onondaga Lake (June 2012) as well as revised disinfection requirements.

The State has appropriated \$74.9 million of the Clean Water/Clean Air Environmental Bond Act funds for projects covered under the ACJ. In addition to aid through the Environmental Bond Act, based on pledges by State officials, the County also planned on receiving approximately \$85 million in supplemental funding over the 15 years of the project as initially scheduled in the 1998 ACJ. To date, \$94.70 million has been received from other New York State sources. The federal government has already appropriated \$122.6 million in federal funds (inclusive of assistance from the U.S. Army Corps of Engineers). The Harbor Brook project received ARRA funds of \$11.8 million in loan forgiveness. In addition, the County has received \$12.4 million in funds from other sources (City and the Niagara Mohawk Power Corporation (now National Grid)) and has cash on hand of \$9.1 million.

To date, the County has closed on \$291.10 million in long term loans to fund lake projects. The County anticipates \$86.3 million in local funding for the now remaining capital costs associated with the ACJ in its Capital Improvement Plan.

It is anticipated that once the ACJ CSO projects have been completed, discharges from County facilities will not cause or contribute to alleged bacteria exceedances in Onondaga Lake unless applicable standards have been made more restrictive. However, despite the signing and approval of the Fourth Stipulation, in the event that the ACJ projects do not bring the County into compliance with applicable water quality standards, the County could be required to undertake additional measures.

**15. OPERATING LEASE**

In 2016, the County entered into a lease with SUNY Upstate Medical University (SUNY) which allowed SUNY to occupy space at the County's Central Library located in The Galleries of Syracuse. The cost to the County to renovate the occupied space is \$5.1 million to date and will be funded by annual lease payments totaling \$746,778 when space is fully utilized. The Lease expires on September 30, 2026 but may be renewed

**15. OPERATING LEASE (continued)**

twice upon mutual written agreement and is subject to the written approvals of the New York State Attorney General and the New York State Office of the State Comptroller. Each renewal period shall be for five (5) years.

**16. SUBSEQUENT EVENTS**

The United States is presently in the midst of a national health emergency related to a virus, commonly known as Coronavirus (COVID-19). The overall consequences of COVID-19 on a national, regional and local level are unknown, but certainly have the potential to result in a significant economic impact. Consequently, the true impact of this crisis on the County's future financial position is presently undeterminable.

In an effort to abate the anticipated financial impact, Onondaga County has implemented the following austerity and cost cutting measures:

Permanent Employee Hiring Freeze - except where needed to respond to the pandemic, no new staff has been brought onto the County's payroll

Temporary Employee Reduction - approximately 50% of the County's temporary staff has been reduced starting April 1, 2020

Austerity for various non-salary accounts - suspending approximately \$14 million in 2020 spending

All capital projects under review - to determine necessity of continuation

Aside from these immediate expenditure reduction actions, the federal CARES Act is anticipated to provide funding to cover expenses incurred by the County responding to the pandemic in addition to the estimated \$20 million in enhanced Medicaid funding.

**REQUIRED**  
**SUPPLEMENTARY INFORMATION**  
**(UNAUDITED)**

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Fund**  
**Year Ended December 31, 2019**

	<b>Budgeted Amounts</b>		<b>Non-GAAP</b>	<b>Variance From</b>	<b>Variance From</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Original</b>	<b>Final</b>
			<b>Amounts</b>	<b>Favorable</b>	<b>Favorable</b>
				<b>(Unfavorable)</b>	<b>(Unfavorable)</b>
Resources (inflows):					
Real property taxes County wide	\$ 145,978,088	\$ 145,978,088	\$ 142,033,195	\$ (3,944,893)	\$ (3,944,893)
Other real property tax items	10,156,728	10,156,728	9,246,862	(909,866)	(909,866)
Sales tax and use tax	369,599,315	371,570,413	376,842,671	7,243,356	5,272,258
Federal aid	85,745,384	85,745,384	85,831,030	85,646	85,646
State aid	102,080,236	102,080,236	91,701,020	(10,379,216)	(10,379,216)
Charges for services	98,642,399	98,719,686	101,970,161	3,327,762	3,250,475
Miscellaneous	6,005,180	6,005,180	5,269,395	(735,785)	(735,785)
Interest on Investments	543,528	543,528	1,558,318	1,014,790	1,014,790
Transfer from other funds	-	1,300,000	1,300,000	1,300,000	-
Amounts available for appropriation	<u>818,750,858</u>	<u>822,099,243</u>	<u>815,752,652</u>	<u>(2,998,206)</u>	<u>(6,346,591)</u>
Charges to appropriations (outflows):					
General government support:					
Center for forensic science	9,481,514	9,667,211	9,667,211	(185,697)	-
County clerk	3,353,278	3,353,278	3,153,121	200,157	200,157
County comptroller	3,172,682	3,230,182	2,840,293	332,389	389,889
County executive	1,663,079	1,722,290	1,721,633	(58,554)	657
County legislature	2,349,261	2,375,787	1,923,929	425,332	451,858
County special expense	7,558,126	7,108,126	7,092,059	466,067	16,067
District attorney	10,890,680	10,831,230	10,409,794	480,886	421,436
Elections board	2,411,944	2,382,579	2,377,543	34,401	5,036
Facilities management	24,205,937	19,621,095	19,365,183	4,840,754	255,912
Finance, management and budget	103,314,212	105,691,704	105,116,213	(1,802,001)	575,491
Information technology	13,294,839	11,907,110	11,500,789	1,794,050	406,321
Law department	5,333,456	5,597,418	5,275,612	57,844	321,806
Personnel department	3,672,855	3,800,034	3,800,029	(127,174)	5
Public defender	8,341,627	8,335,627	8,171,737	169,890	163,890
Purchasing department	2,712,457	2,640,139	2,640,135	72,322	4
Human Rights	276,958	276,958	250,330	26,628	26,628
	<u>202,032,905</u>	<u>198,540,770</u>	<u>195,305,611</u>	<u>6,727,294</u>	<u>3,235,159</u>
Education:					
Authorized agencies	279,479	279,479	266,979	12,500	12,500
Community college chargebacks	9,872,000	9,872,000	9,872,000	-	-
Education of handicapped children	44,532,133	44,532,561	44,532,561	(428)	-
	<u>54,683,612</u>	<u>54,684,040</u>	<u>54,671,540</u>	<u>12,072</u>	<u>12,500</u>

See notes to required supplementary information

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Fund**  
**Year Ended December 31, 2019**

	<b>Budgeted Amounts</b>		<b>Non-GAAP</b>	<b>Variance From</b>	<i>continued</i> <b>Variance From</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Original</b>	<b>Final</b>
			<b>Amounts</b>	<b>Favorable</b>	<b>Favorable</b>
				<b>(Unfavorable)</b>	<b>(Unfavorable)</b>
Public Safety:					
Corrections	-	-	-	-	-
Emergency communications	22,949,806	18,827,463	18,634,130	4,315,676	193,333
Emergency management	1,183,430	1,198,950	881,274	302,156	317,676
Probation	10,453,302	9,495,983	9,495,983	957,319	-
Hillbrook	8,371,546	8,371,546	8,371,546	-	-
Sheriff	109,188,163	109,925,740	109,183,020	5,143	742,720
STOP DWI	673,303	673,303	600,445	72,858	72,858
	<u>152,819,550</u>	<u>148,492,985</u>	<u>147,166,398</u>	<u>5,653,152</u>	<u>1,326,587</u>
Health:					
Health	16,987,702	16,809,106	16,334,779	652,923	474,327
Mental health	26,466,388	26,759,900	24,212,501	2,253,887	2,547,399
	<u>43,454,090</u>	<u>43,569,006</u>	<u>40,547,280</u>	<u>2,906,810</u>	<u>3,021,726</u>
Transportation	2,409,878	2,559,396	2,559,396	(149,518)	-
Economic Assistance and Opportunity:					
Authorized agencies human	11,282	71,282	23,782	(12,500)	47,500
Economic development	1,216,913	1,063,817	992,011	224,902	71,806
Job training administration	291,070	291,070	278,683	12,387	12,387
Social services - administration	221,193,664	218,681,845	214,295,667	6,897,997	4,386,178
Veterans	706,999	775,165	775,165	(68,166)	-
Childrens Services	73,710,191	70,774,058	69,987,266	3,722,925	786,792
	<u>297,130,119</u>	<u>291,657,237</u>	<u>286,352,574</u>	<u>10,777,545</u>	<u>5,304,663</u>
Culture and Recreation:					
Aging and youth programs	1,214,894	5,093,378	5,093,378	(3,878,484)	-
Authorized agencies	1,669,892	1,675,892	1,614,892	55,000	61,000
Parks and recreation	17,538,916	15,370,297	14,351,506	3,187,410	1,018,791
	<u>20,423,702</u>	<u>22,139,567</u>	<u>21,059,776</u>	<u>(636,074)</u>	<u>1,079,791</u>
Home and Community Services:					
Authorized agencies physical	87,500	87,500	87,500	-	-
Office of environment	641,446	322,896	274,896	366,550	48,000
Onondaga planning agency	2,790,720	2,684,974	2,428,340	362,380	256,634
	<u>3,519,666</u>	<u>3,095,370</u>	<u>2,790,736</u>	<u>728,930</u>	<u>304,634</u>
Other uses:					
Transfer to other funds	42,277,336	59,080,334	58,357,386	(16,080,050)	722,948
Total charges to appropriations	<u>818,750,858</u>	<u>823,818,705</u>	<u>808,810,697</u>	<u>9,940,161</u>	<u>15,008,008</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (1,719,462)</u>	<u>6,941,955</u>	<u>\$ 6,941,955</u>	<u>\$ 8,661,417</u>
Unused project balances treated as expenditures for financial reporting purposes			(8,142)		
Net change in fund balance			<u>\$ 6,933,813</u>		

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Water Environment Protection**  
**Year Ended December 31, 2019**

	Budgeted Amounts		Non-GAAP	Variance From	Variance From
	Original	Final	Actual	Original	Final
			Amounts	Favorable	Favorable
				(Unfavorable)	(Unfavorable)
Budgetary fund balance, January 1	\$ 7,209,872	\$ 7,209,872	\$ 2,186,996	\$ (5,022,876)	\$ (5,022,876)
Resources (inflows):					
Real property taxes County wide	1,725,432	1,725,432	1,725,432	-	-
Charges for services	89,226,022	89,226,022	90,468,109	1,242,087	1,242,087
Interest on investments	57,632	57,632	289,564	231,932	231,932
Miscellaneous	642,571	642,571	853,598	211,027	211,027
Amounts available for appropriation	98,861,529	98,861,529	95,523,699	(3,337,830)	(3,337,830)
Charges to appropriations (outflows):					
Home and Community Services:					
Bear Trap Ley Creek	531,499	531,499	491,192	40,307	40,307
Bloody Brook	164,202	164,202	151,975	12,227	12,227
Consolidated Sanitary District	61,423,472	62,952,357	58,502,004	2,921,468	4,450,353
Flood Control	1,263,092	1,266,675	1,169,445	93,647	97,230
Harbor Brook	315,773	315,773	292,259	23,514	23,514
Meadow Brook	252,618	252,618	233,808	18,810	18,810
Nondepartmental:					
Transfers to other funds	34,910,873	34,722,684	34,683,016	227,857	39,668
Total charges to appropriations	98,861,529	100,205,808	95,523,699	3,337,830	4,682,109
Budgetary fund balance, December 31	\$ -	\$ (1,344,279)	\$ -	\$ -	\$ 1,344,279
Unused project balances treated as revenue for financial reporting purposes					
Budgetary fund balance is not a current year revenue for budgetary purposes			(2,186,996)		
Net change in fund balance			\$ (2,186,996)		

See notes to required supplementary information



**COUNTY OF ONONDAGA, NEW YORK**  
**Other Postemployment Benefits Plan**  
**Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios**  
**Year Ended December 31, 2019**  
**(in millions)**

	2018	2019
Service Cost	\$ 24,805	\$ 24,010
Interest	32,792	25,872
Difference between expected and actual experience	(190,322)	-
Changes of Assumptions or other inputs	42,577	(72,774)
Benefit Payments	(23,962)	(24,974)
Net Change in Total OPEB Liability	(114,110)	(47,866)
Total OPEB Liability - Beginning of year	854,690	740,580
Total OPEB Liability - End of year	<u>\$ 740,580</u>	<u>\$ 692,714</u>
Covered Payroll over Measurement Period	184,405	183,536
Total OPEB Liability as a Percentage of Covered Payroll	402%	377%

Changes of assumptions and other inputs reflect the effects of changes in the discount rate.  
Discount rate in effect at the current measurement date is 4.10%

Plan Assets: No assets are accumulated in a trust that meets all of the criteria of GASB Statement No. 75, paragraph 4, to pay benefits.

**COUNTY OF ONONDAGA, NEW YORK**  
**Required Supplementary Information - Pension**  
**Year Ended December 31, 2019**  
**(in thousands)**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION  
LIABILITY - EXCLUDING COMMUNITY COLLEGE**

	2015	2016	2017	2018	2019
Proportion of the net pension liability	0.86%	0.83%	0.82%	0.86%	0.82%
Proportionate share of the net pension liability	\$ 29,175	\$ 133,014	\$ 77,116	\$ 27,771	\$ 58,341
Covered-employee payroll	\$ 179,600	\$ 180,715	\$ 194,070	\$ 183,268	\$ 186,974
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	16.24%	73.60%	39.74%	15.15%	31.20%
Plan fiduciary net position as a percentage of the total pension liability	97.90%	90.70%	94.70%	98.24%	96.27%

**SCHEDULE OF CONTRIBUTIONS - PENSION PLANS -  
EXCLUDING COMMUNITY COLLEGE**

Contractually required contribution	\$ 35,831	\$ 29,427	\$ 30,504	\$ 28,729	\$ 28,348
Contributions in relation to the contractually required contribution	35,831	29,427	30,504	28,729	28,348
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 179,600	\$ 180,715	\$ 194,070	\$ 183,268	\$ 186,974
Contributions as a percentage of covered-employee payroll	19.95%	16.28%	15.72%	15.68%	15.16%

**NOTE:**

The schedules above are presented to illustrate the requirement to show information for 10 years.  
However, until a full 10 year trend is compiled, the County will present information for  
these years for which information is available.

See notes to required supplementary information

## 1. BUDGET PROCEDURES

The General Fund and Water Environment Protection Fund each have legally adopted annual budgets.

The following is a summary of annual procedures used for establishing the budgetary data reflected in the financial statements:

Prior to September 20, the County Executive submits to the County Legislature a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments.

Prior to October 25, the budget is legally enacted through passage of legislative resolution or by provisions in the County Charter.

Budgets for general, special revenue and debt service funds are adopted and controlled at the department and object of expense level.

The County Executive is authorized to transfer appropriations within payroll and fringe benefit accounts, and up to \$7,500 within non-payroll related accounts. The County Legislature maintains legal responsibility for all remaining budget amendments and transfers.

Appropriations in the governmental funds lapse at the end of the fiscal year except that outstanding encumbrances are reappropriated in the succeeding year by law. Budgeted amounts are as originally adopted, or as amended by the County Legislature. Individual amendments for the current year were not material in relation to the original appropriations.

## 2. BUDGETARY BASIS REPORTS

The "actual" column on the Budgetary Comparison Schedules Budget and Actual (Non-GAAP Budgetary Basis) for the major governmental funds, differs from the amounts reported on the Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds because certain items are reported differently for GAAP than they are treated in the budget. These differences do not have an effect on fund balance and represent elimination of revenues and expenditures. They include interdepartmental reimbursements and refunds of prior years expenditures that are recognized as revenues in the General and Water Environment Protection Funds for budgetary purposes but are recorded as an offset to such current year expenditures for GAAP purposes.

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# **COMBINING FINANCIAL STATEMENTS**

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## ***NON-MAJOR FUNDS***

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### ***SPECIAL REVENUE FUNDS***

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Special Revenue Funds are established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain defined purposes.

The Special Revenue Funds of the County are:

#### **General Grants Fund**

The General Grants Fund accounts for resources associated with multi-year grant funded projects.

#### **ONCENTER Fund**

The ONCENTER Fund accounts for the operation of the County's convention center/war memorial complex.

#### **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 by 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.

#### **Water Fund**

The Water Fund is used to account for the supply, distribution and transmission of the County's available water resources.

#### **Library and Library Grants Funds**

The Library Fund and the Library Grants Fund are used to account for the operation of the County's public library.

#### **Community Development Fund**

The Community Development Fund is used to account for various projects financed by entitlements from the U.S. Department of Housing and Urban Development.

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## ***DEBT SERVICE FUND***

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### **OTASC**

OTASC is a blended component unit used to account for the accumulation of resources for, and the payments of Tobacco Settlement Pass-Through Bonds.

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2019**

	<b>Special Revenue Funds</b>			
	<b>General Grants</b>	<b>Oncenter Fund</b>	<b>County Road</b>	<b>Road Machinery</b>
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 8,000	\$ -	\$ 808,199	\$ 161,597
Accounts receivable (net of \$56,434 reserve)	892,638	396,219	172,400	105,661
Due from state and federal governments	20,478,367	-	-	-
Due from other governments	-	-	-	-
Inventories	-	112,372	-	-
Prepaid items	104,388	97,380	260,206	-
Other assets, deposits with facility manager	1,175,795	3,703,015	-	-
Restricted cash - held by fiscal agent	-	-	-	-
<b>Total assets</b>	<b>\$ 22,659,188</b>	<b>\$ 4,308,986</b>	<b>\$ 1,240,805</b>	<b>\$ 267,258</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,137,092	\$ -	\$ 10,411	\$ 260,041
Accrued liabilities	5,114,465	1,144,251	895,227	-
Other liabilities	2,631,470	1,378,076	-	-
Due to other funds	9,829,756	830,858	-	-
Due to other governments	-	50,000	26,952	-
<b>Total liabilities</b>	<b>19,712,783</b>	<b>3,403,185</b>	<b>932,590</b>	<b>260,041</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>				
Nonspendable	1,280,183	3,912,767	260,206	-
Restricted	-	-	-	-
Assigned	1,666,222	-	48,009	7,217
Unassigned	-	(3,006,966)	-	-
<b>Total fund balances</b>	<b>2,946,405</b>	<b>905,801</b>	<b>308,215</b>	<b>7,217</b>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<b>\$ 22,659,188</b>	<b>\$ 4,308,986</b>	<b>\$ 1,240,805</b>	<b>\$ 267,258</b>

<u>Water Fund</u>	<u>Library Fund</u>	<u>Library Grants Fund</u>	<u>Community Development</u>	<u>Debt Service Fund</u> <u>OTASC</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 4,802,993	\$ 2,542,800	\$ -	\$ 421,768	\$ 144,634	\$ 8,889,991
327,342	123,498	408,262	115,964	-	2,541,984
-	12,934	128,490	1,757,104	-	22,376,895
-	-	-	1,001,238	-	1,001,238
-	-	-	-	-	112,372
-	143,300	-	-	-	605,274
-	-	-	-	-	4,878,810
-	-	-	-	6,482,647	6,482,647
<u>\$ 5,130,335</u>	<u>\$ 2,822,532</u>	<u>\$ 536,752</u>	<u>\$ 3,296,074</u>	<u>\$ 6,627,281</u>	<u>\$ 46,889,211</u>
\$ -	\$ 152,332	\$ 78,278	\$ 253,741	\$ -	\$ 2,891,895
-	195,486	35,248	49,217	-	7,433,894
-	-	972,462	218,020	-	5,200,028
-	-	5,335,997	-	-	15,996,611
-	-	-	180,231	-	257,183
-	347,818	6,421,985	701,209	-	31,779,611
<u>139,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>139,830</u>
-	143,300	-	-	-	5,596,456
4,990,505	2,331,414	-	2,594,865	6,482,647	16,399,431
-	-	-	-	144,634	1,866,082
-	-	(5,885,233)	-	-	(8,892,199)
<u>4,990,505</u>	<u>2,474,714</u>	<u>(5,885,233)</u>	<u>2,594,865</u>	<u>6,627,281</u>	<u>14,969,770</u>
<u>\$ 5,130,335</u>	<u>\$ 2,822,532</u>	<u>\$ 536,752</u>	<u>\$ 3,296,074</u>	<u>\$ 6,627,281</u>	<u>\$ 46,889,211</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2019**

	<b>Special Revenue Funds</b>				
	<b>General Grants</b>	<b>ONCENTER Fund</b>	<b>County Road</b>	<b>Road Machinery</b>	<b>Water Fund</b>
<b>REVENUES</b>					
Sales tax and use tax	\$ 1,085,913	\$ 2,639,192	\$ 2,758,070	\$ -	\$ -
Federal aid	14,411,009	-	-	-	-
State aid	31,544,396	-	7,652,957	-	-
Departmental	1,093,285	1,757,107	8,160	1,049,267	1,677,492
Service for other governments	269,541	-	3,638,474	-	-
Tobacco settlement proceeds	-	-	-	-	-
Interest on investments	1,586	4,106	-	-	45,648
Miscellaneous	6,677,535	5,539,698	54,753	378,545	171,827
Total revenues	<u>55,083,265</u>	<u>9,940,103</u>	<u>14,112,414</u>	<u>1,427,812</u>	<u>1,894,967</u>
<b>EXPENDITURES</b>					
Current:					
General government support	8,494,745	-	-	-	-
Public safety	11,247,512	-	-	-	-
Health	10,069,672	-	-	-	-
Transportation	-	-	25,559,422	4,178,275	-
Economic assistance and opportunity	21,260,969	-	-	-	-
Culture and recreation	4,229,409	9,871,463	-	-	-
Home and community services	2,048,819	-	-	-	347,049
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>57,351,126</u>	<u>9,871,463</u>	<u>25,559,422</u>	<u>4,178,275</u>	<u>347,049</u>
Excess (deficiency) of revenues over expenditures	<u>(2,267,861)</u>	<u>68,640</u>	<u>(11,447,008)</u>	<u>(2,750,463)</u>	<u>1,547,918</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	3,802,950	-	29,801,119	2,663,499	2,807,243
Transfers out	-	-	(18,609,933)	-	(5,547,917)
Total other financing sources and (uses)	<u>3,802,950</u>	<u>-</u>	<u>11,191,186</u>	<u>2,663,499</u>	<u>(2,740,674)</u>
Net change in fund balance	1,535,089	68,640	(255,822)	(86,964)	(1,192,756)
Fund balances- beginning	1,411,316	837,161	564,037	94,181	6,183,261
Fund balances- ending	<u>\$ 2,946,405</u>	<u>\$ 905,801</u>	<u>\$ 308,215</u>	<u>\$ 7,217</u>	<u>\$ 4,990,505</u>



Special Revenue Funds			Debt Service Fund		Total Nonmajor Governmental Funds
Library Fund	Library Grants	Community Development	OTASC	Eliminations	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,483,175
94,008	7,696	4,479,780	-	-	18,992,493
1,030,491	389,108	183,848	-	-	40,800,800
48,844	-	214,720	-	-	5,848,875
7,401,370	-	-	-	-	11,309,385
-	-	-	5,988,977	-	5,988,977
-	-	-	185,249	-	236,589
14,856	786,783	627	-	-	13,624,624
8,589,569	1,183,587	4,878,975	6,174,226	-	103,284,918
-	-	-	120,670	-	8,615,415
-	-	-	-	-	11,247,512
-	-	-	-	-	10,069,672
-	-	-	-	-	29,737,697
-	-	-	-	-	21,260,969
11,855,232	1,096,783	-	-	-	27,052,887
-	-	4,413,102	-	-	6,808,970
-	-	-	1,000,000	-	1,000,000
-	-	-	5,045,981	-	5,045,981
11,855,232	1,096,783	4,413,102	6,166,651	-	120,839,103
(3,265,663)	86,804	465,873	7,575	-	(17,554,185)
3,963,523	-	1,500,000	-	(1,500,000)	43,038,334
(551,632)	-	-	-	1,500,000	(23,209,482)
3,411,891	-	1,500,000	-	-	19,828,852
146,228	86,804	1,965,873	7,575	-	2,274,667
2,328,486	(5,972,037)	628,992	6,619,706	-	12,695,103
\$ 2,474,714	\$ (5,885,233)	\$ 2,594,865	\$ 6,627,281	\$ -	\$ 14,969,770

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## **BUDGETARY COMPARISON SCHEDULES**

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Grants Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance From</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Original</u>	<u>Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Resources (inflows):					
Sales tax and use tax	\$ -	\$ -	\$ 1,085,913	\$ 1,085,913	\$ 1,085,913
Federal Aid					
Education	251,397	730,220	231,854	(19,543)	(498,366)
Public safety	931,285	3,757,994	786,426	(144,859)	(2,971,568)
Health	8,686,536	17,593,295	6,850,245	(1,836,291)	(10,743,050)
Transportation	166,000	1,689,104	117,541	(48,459)	(1,571,563)
Social services	5,881,233	20,915,873	2,155,397	(3,725,836)	(18,760,476)
Other economic assistance	2,327,196	4,196,963	1,319,676	(1,007,520)	(2,877,287)
Culture and recreation	-	-	-	-	-
Home and community services	1,514,182	2,837,354	2,949,870	1,435,688	112,516
Total federal aid	19,757,829	51,720,803	14,411,009	(5,346,820)	(37,309,794)
State Aid					
General government support	11,559,084	22,195,482	7,045,483	(4,513,601)	(15,149,999)
Public safety	9,940,246	19,029,610	2,862,039	(7,078,207)	(16,167,571)
Health	4,968,514	12,279,218	4,059,645	(908,869)	(8,219,573)
Social services	14,472,307	29,756,070	13,627,473	(844,834)	(16,128,597)
Other economic assistance	3,164,000	21,451,427	3,533,134	369,134	(17,918,293)
Culture and recreation	-	64,078	6,600	6,600	(57,478)
Transportation	122,696	778,026	83,099	(39,597)	(694,927)
Home and community services	349,360	4,147,983	326,923	(22,437)	(3,821,060)
Total state aid	44,576,207	109,701,894	31,544,396	(13,031,811)	(78,157,498)
Departmental					
General government support	50,000	63,138	54,174	4,174	(8,964)
Public safety	20,000	158,062	23,972	3,972	(134,090)
Health	265,800	(6,707)	152,702	(113,098)	159,409
Economic Assistance	84,805	(2,009)	84,805	-	86,814
Culture and recreation	-	474,381	560,654	560,654	86,273
Home and community services	675,000	2,506,546	271,117	(403,883)	(2,235,429)
Total departmental	1,095,605	3,193,411	1,147,424	51,819	(2,045,987)

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Grants Fund**  
**Year Ended December 31, 2019**

*continued*

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Original</u>	<u>Final</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u>	<u>Favorable</u>
			<u>Amounts</u>	<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Service for Other Governments					
General Government	210,000	188,327	36,682	(173,318)	(151,645)
Public safety	185,000	171,274	207,859	22,859	36,585
Health	-	138,108	-	-	(138,108)
Other economic assistance	25,000	25,000	25,000	-	-
Home and community services	-	(33,807)	-	-	33,807
Total service for other governments	<u>420,000</u>	<u>488,902</u>	<u>269,541</u>	<u>(150,459)</u>	<u>(219,361)</u>
Interest on Investments	-	83,110	1,586	1,586	(81,524)
Miscellaneous	<u>3,887,500</u>	<u>(1,986,833)</u>	<u>6,677,535</u>	<u>2,790,035</u>	<u>8,664,368</u>
Transfers from other funds	<u>1,464,808</u>	<u>3,167,467</u>	<u>3,802,950</u>	<u>2,338,142</u>	<u>635,483</u>
Amounts available for appropriations	<u>71,201,949</u>	<u>166,368,754</u>	<u>58,940,354</u>	<u>(12,261,595)</u>	<u>(107,428,400)</u>
Charges to appropriations (outflows):					
General Government Support					
Board of elections	-	1,819,564	1,157,147	(1,157,147)	662,417
County clerk	50,000	175,279	106,248	(56,248)	69,031
County legislature	-	3,483,701	93,830	(93,830)	3,389,871
Information Technology	-	851,993	93,205	(93,205)	758,788
District attorney	1,585,522	4,496,191	1,447,209	138,313	3,048,982
Finance, management and budget	50,000	482,204	260,485	(210,485)	221,719
Public defender	11,509,084	19,969,262	5,086,908	6,422,176	14,882,354
Facilities management	-	105,428	60,435	(60,435)	44,993
Purchasing department	210,000	432,655	189,278	20,722	243,377
Total general government support	<u>13,404,606</u>	<u>31,816,277</u>	<u>8,494,745</u>	<u>4,909,861</u>	<u>23,321,532</u>
Public Safety					
Corrections	-	81,799	-	-	81,799
Emergency communications- E911	1,690,000	3,937,248	1,513,451	176,549	2,423,797
Emergency management	750,000	3,285,143	779,207	(29,207)	2,505,936
Probation	514,709	4,384,050	3,478,620	(2,963,911)	905,430
Sheriff	3,346,400	12,318,086	2,790,948	555,452	9,527,138
Special traffic programs	-	44,283	2,775	(2,775)	41,508
Hillbrook	<u>5,100,000</u>	<u>4,821</u>	<u>-</u>	<u>5,100,000</u>	<u>4,821</u>
Total public safety	<u>11,401,109</u>	<u>24,055,430</u>	<u>8,565,001</u>	<u>2,836,108</u>	<u>15,490,429</u>

*continued*

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Grants Fund**  
**Year Ended December 31, 2019**

*continued*

	<b>Budgeted Amounts</b>		<b>Non-GAAP Actual Amounts</b>	<b>Original Favorable (Unfavorable)</b>	<b>Final Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>			
Health					
Health	13,047,494	27,975,138	9,623,121	3,424,373	18,352,017
Mental health	-	634,423	500,690	(500,690)	133,733
Total health	<u>13,047,494</u>	<u>28,609,561</u>	<u>10,123,811</u>	<u>2,923,683</u>	<u>18,485,750</u>
Transportation	<u>-</u>	<u>1,305,930</u>	<u>-</u>	<u>-</u>	<u>1,305,930</u>
Economic Assistance and Opportunity					
Aging and youth	7,863,033	17,362,442	7,115,178	747,855	10,247,264
County Promotion	-	900,911	126,603	(126,603)	774,308
Economic development	70,000	6,740,479	230,161	(160,161)	6,510,318
Children and Family	13,346,098	34,355,567	6,762,571	6,583,527	27,592,996
Social services	<u>10,182,731</u>	<u>25,708,421</u>	<u>9,708,967</u>	<u>473,764</u>	<u>15,999,454</u>
Total economic assistance and opportunity	<u>31,461,862</u>	<u>85,067,820</u>	<u>23,943,480</u>	<u>7,518,382</u>	<u>61,124,340</u>
Culture and Recreation	<u>100,000</u>	<u>(11,487,642)</u>	<u>4,229,409</u>	<u>(4,129,409)</u>	<u>(15,717,051)</u>
Home and Community Services					
Planning agency	1,786,878	5,658,875	1,333,115	453,763	4,325,760
Water environment protection	-	2,218,141	629,989	(629,989)	1,588,152
Office of the environment	<u>-</u>	<u>622,271</u>	<u>85,715</u>	<u>(85,715)</u>	<u>536,556</u>
Total home and community service	<u>1,786,878</u>	<u>8,499,287</u>	<u>2,048,819</u>	<u>(261,941)</u>	<u>6,450,468</u>
Total charges to appropriations	<u>71,201,949</u>	<u>167,866,663</u>	<u>57,405,265</u>	<u>13,796,684</u>	<u>110,461,398</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,497,909)</u>	<u>\$ 1,535,089</u>	<u>\$ 1,535,089</u>	<u>\$ 3,032,998</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**ONCENTER Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance From</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Original</u>	<u>Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Resources (inflows):					
Sales tax and use tax	\$ 2,639,192	\$ 2,639,192	\$ 2,639,192	\$ -	\$ -
State Aid	-	-	-	-	-
Departmental	-	1,692,572	1,757,106	1,757,106	64,534
Interest on Investments	-	-	4,106	4,106	4,106
Miscellaneous	-	5,539,699	5,539,699	5,539,699	-
Amounts available for appropriations	<u>2,639,192</u>	<u>9,871,463</u>	<u>9,940,103</u>	<u>7,300,911</u>	<u>68,640</u>
Charges to appropriations (outflows):					
Transportation	<u>2,639,192</u>	<u>9,871,463</u>	<u>9,871,463</u>	<u>(7,232,271)</u>	<u>-</u>
Total charges to appropriations	<u>2,639,192</u>	<u>9,871,463</u>	<u>9,871,463</u>	<u>(7,232,271)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>68,640</u>	<u>\$ 68,640</u>	<u>\$ 68,640</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**County Road Fund**  
**Year Ended December 31, 2019**

	<b>Budgeted Amounts</b>		<b>Non-GAAP</b>	<b>Variance From</b>	<b>Variance From</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Original</b>	<b>Final</b>
			<b>Amounts</b>	<b>Favorable</b>	<b>Favorable</b>
				<b>(Unfavorable)</b>	<b>(Unfavorable)</b>
Resources (inflows):					
Sales tax and use tax	\$ 2,846,890	\$ 2,846,890	\$ 2,758,070	\$ (88,820)	\$ (88,820)
State Aid					
Transportation	5,637,239	7,677,571	7,652,957	2,015,718	(24,614)
Total state aid	5,637,239	7,677,571	7,652,957	2,015,718	(24,614)
Departmental	3,463,708	3,705,525	3,794,161	330,453	88,636
Services for Other Governments	1,884,675	3,638,474	3,638,474	1,753,799	-
Miscellaneous	56,888	56,888	54,753	(2,135)	(2,135)
Transfers from other funds	30,065,313	30,065,313	29,801,119	(264,194)	(264,194)
Amounts available for appropriations	43,954,713	47,990,661	47,699,534	3,744,821	(291,127)
Charges to appropriations (outflows):					
Transportation	27,240,676	29,357,912	29,345,423	(2,104,747)	12,489
Total charges to appropriations	27,240,676	29,357,912	29,345,423	(2,104,747)	12,489
Other Financing Uses					
Transfer to other funds	16,714,037	18,639,656	18,609,933	(1,895,896)	29,723
Total financing sources and uses	16,714,037	18,639,656	18,609,933	(1,895,896)	29,723
Net change in fund balance	\$ -	\$ (6,907)	\$ (255,822)	\$ (255,822)	\$ (248,915)



**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Road Machinery Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance From</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Original</u>	<u>Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Resources (inflows):					
Departmental	\$ 5,532,985	\$ 5,822,350	\$ 6,122,829	\$ 589,844	\$ 300,479
Miscellaneous	530,538	530,538	378,545	(151,993)	(151,993)
Transfers from other funds	<u>2,864,668</u>	<u>2,864,668</u>	<u>2,663,499</u>	<u>(201,169)</u>	<u>(201,169)</u>
Amounts available for appropriations	<u>8,928,191</u>	<u>9,217,556</u>	<u>9,164,873</u>	<u>236,682</u>	<u>(52,683)</u>
Charges to appropriations (outflows):					
Transportation	<u>8,928,191</u>	<u>9,259,055</u>	<u>9,251,837</u>	<u>(323,646)</u>	<u>7,218</u>
Total charges to appropriations	<u>8,928,191</u>	<u>9,259,055</u>	<u>9,251,837</u>	<u>(323,646)</u>	<u>7,218</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (41,499)</u>	<u>\$ (86,964)</u>	<u>\$ (86,964)</u>	<u>\$ (45,465)</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Water Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance From</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Original</u>	<u>Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	\$ 1,200,000	\$ 4,000,000	\$ 4,000,000	\$ 2,800,000	\$ -
Resources (inflows):					
Departmental	1,679,450	1,679,450	1,677,492	(1,958)	(1,958)
Service for Other Governments	-	-	-	-	-
Interest on Investments	12,535	44,307	45,648	33,113	1,341
Miscellaneous	27,614	171,826	171,827	144,213	1
Amounts available for appropriation	2,919,599	5,895,583	5,894,967	2,975,368	(616)
Charges to appropriations (outflows):					
Home and Community Services	171,682	347,666	347,050	(175,368)	616
Nondepartmental:					
Transfer to other funds	2,747,917	5,547,917	5,547,917	(2,800,000)	-
Total charges to appropriations	2,919,599	5,895,583	5,894,967	(2,975,368)	616
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Budgetary fund balance is not a current year revenue for budgetary purposes			(4,000,000)		
Unused project balances treated as revenue for financial reporting purposes			2,807,244		
Net change in fund balance			\$ (1,192,756)		

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Library Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance From</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Original</u>	<u>Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	\$ 680,580	\$ 680,580	\$ -	\$ (680,580)	\$ (680,580)
Resources (inflows):					
Federal Aid	157,515	157,515	94,008	(63,507)	(63,507)
State Aid	1,106,437	1,106,437	1,030,491	(75,946)	(75,946)
Departmental	48,500	48,500	48,844	344	344
Service for Other Governments	7,399,736	7,399,736	7,401,370	1,634	1,634
Miscellaneous	10,050	10,050	14,856	4,806	4,806
Transfers from other funds	4,554,140	4,554,140	3,963,523	(590,617)	(590,617)
Amounts available for appropriation	13,956,958	13,956,958	12,553,092	(1,403,866)	(1,403,866)
Charges to appropriations (outflows):					
Culture and Recreation	13,556,276	13,438,687	11,855,232	1,701,044	1,583,455
Total charges to appropriations	13,556,276	13,438,687	11,855,232	1,701,044	1,583,455
Other Financing Uses					
Transfer to other funds	400,682	551,632	551,632	(150,950)	-
Total financing sources and uses	400,682	551,632	551,632	(150,950)	-
Net change in fund balance	\$ -	\$ (33,361)	\$ 146,228	\$ 146,228	\$ 179,589

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Library Grants Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance From</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Original</u>	<u>Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Resources (inflows):					
Federal Aid	\$ -	\$ 188,577	\$ 7,696	\$ 7,696	\$ (180,881)
State Aid	556,243	1,166,642	389,108	(167,135)	(777,534)
Service for Other Governments	-	16,681	-	-	(16,681)
Miscellaneous	375,000	7,304,310	786,783	411,783	(6,517,527)
Transfers from other funds	-	100,000	-	-	(100,000)
Amounts available for appropriation	<u>931,243</u>	<u>8,776,210</u>	<u>1,183,587</u>	<u>252,344</u>	<u>(7,592,623)</u>
Charges to appropriations (outflows):					
Culture and Recreation	<u>931,243</u>	<u>2,704,174</u>	<u>1,096,783</u>	<u>(165,540)</u>	<u>1,607,391</u>
Total charges to appropriations	<u>931,243</u>	<u>2,704,174</u>	<u>1,096,783</u>	<u>(165,540)</u>	<u>1,607,391</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 6,072,036</u>	<u>\$ 86,804</u>	<u>\$ 86,804</u>	<u>\$ (5,985,232)</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Community Development Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance From</u>	<u>Variance From</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Original</u>	<u>Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Resources (inflows):					
Health	\$ 4,100,000	\$ 8,696,814	\$ 871,833	\$ (3,228,167)	\$ (7,824,981)
Home and community services	<u>3,043,640</u>	<u>13,052,690</u>	<u>3,607,947</u>	<u>564,307</u>	<u>(9,444,743)</u>
Total federal aid	7,143,640	21,749,504	4,479,780	(2,663,860)	(17,269,724)
State Aid					
Home and community services	1,757,946	6,728,459	183,848	(1,574,098)	(6,544,611)
Departmental	-	170,040	214,720	214,720	44,680
Miscellaneous	-	(24,138)	627	627	24,765
Transfers from other funds	<u>-</u>	<u>4,002,546</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>(2,502,546)</u>
Amounts available for appropriation	8,901,586	32,626,411	6,378,975	(2,522,611)	(26,247,436)
Charges to appropriations (outflows):					
Home and Community Services	<u>8,901,586</u>	<u>32,835,590</u>	<u>4,413,102</u>	<u>4,488,484</u>	<u>28,422,488</u>
Total charges to appropriations	8,901,586	32,835,590	4,413,102	4,488,484	28,422,488
Net change in fund balance	<u>\$ -</u>	<u>\$ (209,179)</u>	<u>\$ 1,965,873</u>	<u>\$ 1,965,873</u>	<u>\$ 2,175,052</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Debt Service Fund**  
**Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>From Original</u>	<u>From Final</u>
			<u>Amounts</u>	<u>Favorable</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	\$ -	\$ 9,166,543	\$ 9,166,543	\$ 9,166,543	\$ -
Resources (inflows):					
Transfers from other funds	66,925,712	85,455,548	85,242,052	18,316,340	(213,496)
Amounts available for appropriation	66,925,712	94,622,091	94,408,595	27,482,883	(213,496)
Charges to appropriations (outflows):					
General government support	8,331,872	14,808,171	14,808,171	(6,476,299)	-
Education	3,802,493	8,461,428	8,461,428	(4,658,935)	-
Public safety	4,801,891	5,187,518	5,187,518	(385,627)	-
Health	504,965	858,120	858,120	(353,155)	-
Transportation	11,116,641	20,315,773	20,315,773	(9,199,132)	-
Culture and recreation	6,263,610	9,031,230	9,031,230	(2,767,620)	-
Home and community services:					
Bear trap/Ley creek	32,810	32,810	32,810	-	-
Bloody brook	86,666	86,666	86,666	-	-
Central sanitary districts	28,501,989	32,335,987	32,335,987	(3,833,998)	-
Harbor brook	147,745	147,745	147,745	-	-
Meadow brook	450,589	448,531	448,528	2,061	3
Water fund	2,884,441	2,908,112	2,908,112	(23,671)	-
Total home and community services	32,104,240	35,959,851	35,959,848	(3,855,608)	3
Total charges to appropriations	66,925,712	94,622,091	94,622,088	(27,696,376)	3
Budgetary fund balance, December 31	\$ -	\$ -	(213,493)	\$ (213,493)	\$ (213,493)
Interest revenue not considered for budgetary purposes			867,893		
Miscellaneous revenue exclusivity payment			3,087,742		
Other financing sources not considered for budgetary purposes:					
Budgetary fund balance is not a current year revenue for budgetary purposes			(9,166,543)		
Bond premium			4,411,604		
Unused project balances treated as revenue for financial reporting purposes			154,594		
Unbudgeted participation in debt service ext			318,548		
Net change in fund balance			\$ (539,655)		

# **STATISTICAL SECTION**

**(UNAUDITED)**

**County of Onondaga, New York**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*  
**Schedule 1**

	<b>Fiscal Year</b>			
	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>
Governmental activities				
Net invested in capital assets	\$ 842,791,377	\$ 776,806,016	\$ 943,407,659	\$ 934,565,871
Restricted	24,359,185	24,805,553	24,925,639	29,882,211
Unrestricted	<u>(165,018,646)</u>	<u>(120,866,799)</u>	<u>(291,587,619)</u>	<u>(375,254,568)</u>
Total governmental activities net position	<u>\$ 702,131,916</u>	<u>\$ 680,744,770</u>	<u>\$ 676,745,679</u>	<u>\$ 589,193,514</u>
Business-type activities				
Net invested in capital assets	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government				
Net invested in capital assets	\$ 842,791,377	\$ 776,806,016	\$ 943,407,659	\$ 934,565,871
Restricted	24,359,185	24,805,553	24,925,639	29,882,211
Unrestricted	<u>(165,018,646)</u>	<u>(120,866,799)</u>	<u>(291,587,619)</u>	<u>(375,254,568)</u>
Total primary government net position	<u>\$ 702,131,916</u>	<u>\$ 680,744,770</u>	<u>\$ 676,745,679</u>	<u>\$ 589,193,514</u>



Fiscal Year					
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 887,775,290	\$ 903,030,795	\$ 907,560,538	\$ 894,278,606	\$ 904,870,170	\$ 891,786,800
32,399,308	29,400,591	21,994,413	17,815,148	50,798,992	85,103,223
<u>(371,702,041)</u>	<u>(392,991,891)</u>	<u>(469,470,000)</u>	<u>(548,532,611)</u>	<u>(937,529,566)</u>	<u>(923,940,606)</u>
\$ <u><u>548,472,557</u></u>	\$ <u><u>539,439,495</u></u>	\$ <u><u>460,084,951</u></u>	\$ <u><u>363,561,143</u></u>	\$ <u><u>18,139,596</u></u>	\$ <u><u>52,949,417</u></u>
\$ -	\$ -	\$ -	\$ -	\$ 7,986,808	\$ 7,927,749
<u>-</u>	<u>-</u>	<u>-</u>	<u>13,900,000</u>	<u>13,896,594</u>	<u>13,730,951</u>
\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>13,900,000</u></u>	\$ <u><u>21,883,402</u></u>	\$ <u><u>21,658,700</u></u>
\$ 887,775,290	\$ 903,030,795	\$ 907,560,538	\$ 894,278,606	\$ 912,856,978	\$ 899,714,549
32,399,308	29,400,591	21,994,413	17,815,148	50,798,992	85,103,223
<u>(371,702,041)</u>	<u>(392,991,891)</u>	<u>(469,470,000)</u>	<u>(939,718,347)</u>	<u>(923,632,972)</u>	<u>(910,209,655)</u>
\$ <u><u>548,472,557</u></u>	\$ <u><u>539,439,495</u></u>	\$ <u><u>460,084,951</u></u>	\$ <u><u>(27,624,593)</u></u>	\$ <u><u>40,022,998</u></u>	\$ <u><u>74,608,117</u></u>

**County of Onondaga, New York**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*  
**Schedule 2**

	<b>Fiscal Year</b>		
	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>
<b>Expenses</b>			
Governmental activities:			
General government support	\$ 230,998,064	\$ 168,264,794	\$ 167,937,434
Education	65,147,736	67,898,863	51,230,463
Public safety	139,640,552	141,546,415	151,420,062
Health	100,695,505	109,899,660	123,164,947
Transportation	35,937,447	41,477,441	44,554,903
Economic assistance and opportunity	258,479,081	283,357,681	304,096,029
Culture and recreation	35,214,223	35,394,512	38,422,777
Home and community services	60,919,353	85,755,517	85,256,094
Interest on long-term debt	19,072,029	22,144,792	21,816,079
Total governmental activities expenses	<u>946,103,990</u>	<u>955,739,675</u>	<u>987,898,788</u>
Business-type activities:			
GSSDC	-	-	-
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$ 946,103,990</u>	<u>\$ 955,739,675</u>	<u>\$ 987,898,788</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services	\$ 179,931,127	\$ 200,299,414	\$ 211,473,766
Operating grants and contributions	213,038,907	213,197,032	214,295,520
Capital grants and contributions	17,979,648	30,235,526	55,211,478
Total governmental activities program revenues	<u>410,949,682</u>	<u>443,731,972</u>	<u>480,980,764</u>
Business-type activities:			
Capital grants and contributions	-	-	-
Total business-type activities program revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government program revenues	<u>\$ 410,949,682</u>	<u>\$ 443,731,972</u>	<u>\$ 480,980,764</u>
<b>Net (Expense)/Revenue</b>			
Governmental activities	\$ (535,154,308)	\$ (512,007,703)	\$ (506,918,024)
Business-type activities	-	-	-
Total primary government net expense	<u>\$ (535,154,308)</u>	<u>\$ (512,007,703)</u>	<u>\$ (506,918,024)</u>
<b>General Revenues and Other Changes in Net Position</b>			
Governmental activities:			
Real property taxes	\$ 192,525,831	\$ 164,188,059	\$ 161,254,615
Sales tax and use tax	304,589,655	316,703,720	332,217,015
Investment earnings	2,349,606	2,146,754	1,757,948
Tobacco settlement proceeds	7,055,112	6,688,826	6,821,381
Termination payments	-	-	-
Participation in debt service-external sources	404,804	893,198	666,894
Special item (ONCENTER and Van Duyn transfer)	-	-	201,080
Total governmental activities	<u>506,925,008</u>	<u>490,620,557</u>	<u>502,918,933</u>
Business-type activities:			
Other revenue	-	-	-
Promissory note	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 506,925,008</u>	<u>\$ 490,620,557</u>	<u>\$ 502,918,933</u>
<b>Change in Net Position</b>			
Governmental activities	\$ (28,229,300)	\$ (21,387,146)	\$ (3,999,091)
Business-type activities	-	-	-
Total primary government	<u>\$ (28,229,300)</u>	<u>\$ (21,387,146)</u>	<u>\$ (3,999,091)</u>

Fiscal Year						
2013	2014	2015	2016	2017	2018	2019
\$ 163,070,675	\$ 163,395,435	\$ 171,239,059	\$ 175,648,579	\$ 170,949,357	\$ 159,652,977	\$ 165,551,135
58,500,840	50,010,541	46,408,925	57,731,128	55,382,890	52,324,767	55,053,294
160,050,080	155,199,410	153,257,764	168,709,135	176,714,172	167,181,790	160,112,399
122,005,552	53,777,244	55,532,742	59,729,022	93,669,595	33,619,424	43,908,644
52,391,343	50,653,570	49,413,037	49,679,564	45,991,780	48,332,477	47,246,527
304,315,508	317,196,014	291,562,500	315,744,468	306,058,543	290,580,851	293,437,104
46,524,048	45,693,981	42,325,012	58,764,647	58,025,792	56,835,210	55,587,558
88,411,166	99,626,016	78,331,049	105,410,196	75,716,865	89,991,351	100,796,157
21,967,688	25,015,840	26,876,170	22,301,230	16,514,253	21,532,080	20,283,298
1,017,236,900	960,568,051	914,946,258	1,013,717,969	999,023,247	920,050,927	941,976,116
-	-	-	-	-	325,690	512,983
-	-	-	-	-	325,690	512,983
\$ 1,017,236,900	\$ 960,568,051	\$ 914,946,258	\$ 1,013,717,969	\$ 999,023,247	\$ 920,376,617	\$ 942,489,099
\$ 196,227,634	\$ 169,451,827	\$ 166,420,336	\$ 185,696,599	\$ 163,715,284	\$ 174,984,224	\$ 171,360,684
217,515,933	213,713,841	214,564,050	220,038,512	216,930,071	237,244,046	237,325,342
26,009,155	11,735,005	10,579,987	18,988,179	9,383,977	14,490,209	20,134,678
439,752,722	394,900,673	391,564,373	424,723,290	390,029,332	426,718,479	428,820,704
-	-	-	-	-	8,066,705	-
-	-	-	-	-	8,066,705	-
\$ 439,752,722	\$ 394,900,673	\$ 391,564,373	\$ 424,723,290	\$ 390,029,332	\$ 434,785,184	\$ 428,820,704
\$ (577,484,178)	\$ (565,667,378)	\$ (523,381,885)	\$ (588,994,679)	\$ (608,993,915)	\$ (493,332,448)	\$ (513,155,412)
-	-	-	-	-	(325,690)	(512,983)
\$ (577,484,178)	\$ (565,667,378)	\$ (523,381,885)	\$ (588,994,679)	\$ (608,993,915)	\$ (493,658,138)	\$ (513,668,395)
\$ 150,423,597	\$ 150,635,859	\$ 151,649,933	\$ 149,383,389	\$ 152,003,605	\$ 153,282,948	\$ 153,976,956
339,658,462	349,646,335	348,914,909	345,552,868	353,069,549	377,337,825	384,628,014
1,553,584	1,282,756	1,178,423	1,022,492	962,689	1,695,335	3,052,738
6,817,145	7,712,439	11,946,032	7,985,119	5,837,151	6,320,988	5,988,977
-	-	-	5,069,500	-	-	-
656,747	15,669,032	659,526	626,767	597,113	459,541	318,548
(7,046,875)	-	-	-	-	-	-
492,062,660	524,946,421	514,348,823	509,640,135	512,470,107	539,096,637	547,965,233
-	-	-	-	-	242,387	288,281
-	-	-	-	13,900,000	-	-
-	-	-	-	13,900,000	242,387	288,281
\$ 492,062,660	\$ 524,946,421	\$ 514,348,823	\$ 509,640,135	\$ 526,370,107	\$ 539,339,024	\$ 548,253,514
\$ (85,421,518)	\$ (40,720,957)	\$ (9,033,062)	\$ (79,354,544)	\$ (96,523,808)	\$ 45,764,189	\$ 34,809,821
-	-	-	-	13,900,000	7,983,402	(224,702)
\$ (85,421,518)	\$ (40,720,957)	\$ (9,033,062)	\$ (79,354,544)	\$ (82,623,808)	\$ 53,747,591	\$ 34,585,119

**County of Onondaga, New York**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
**Schedule 3**

	<b>Fiscal Year</b>			
	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>
General Fund				
Reserved	\$ 7,808,464	\$ -	\$ -	\$ -
Unreserved	76,719,455	-	-	-
Nonspendable	-	5,286,175	7,434,194	7,942,774
Committed	-	-	-	5,000,000
Assigned	-	28,919,636	25,068,778	16,326,067
Unassigned	-	64,988,261	67,287,910	67,682,890
Total general fund	<u>\$ 84,527,919</u>	<u>\$ 99,194,072</u>	<u>\$ 99,790,882</u>	<u>\$ 96,951,731</u>
Water Environment Protection Fund				
Reserved	\$ 1,503,554	\$ -	\$ -	\$ -
Unreserved	35,307,697	-	-	-
Nonspendable	-	638,350	920,616	1,002,740
Restricted	-	-	-	-
Assigned	-	34,737,761	36,693,395	40,631,949
Total water environment protection fund	<u>\$ 36,811,251</u>	<u>\$ 35,376,111</u>	<u>\$ 37,614,011</u>	<u>\$ 41,634,689</u>
Debt Service Fund				
Reserved	\$ 42,165,109	\$ -	\$ -	\$ -
Restricted	-	40,817,343	14,073,346	18,740,055
Assigned	-	-	22,728,788	18,284,782
Total debt service fund	<u>\$ 42,165,109</u>	<u>\$ 40,817,343</u>	<u>\$ 36,802,134</u>	<u>\$ 37,024,837</u>
Capital Projects Fund				
Reserved	\$ 60,284,561	\$ -	\$ -	\$ -
Unreserved	(35,138,763)	-	-	-
Nonspendable	-	-	2,807	-
Restricted	-	7,436,576	2,222,194	2,517,575
Assigned	-	-	-	-
Unassigned	-	-	(26,333,991)	(27,033,703)
Total capital projects fund	<u>\$ 25,145,798</u>	<u>\$ 7,436,576</u>	<u>\$ (24,108,990)</u>	<u>\$ (24,516,128)</u>
All Other Governmental Funds				
Reserved	\$ 15,213,437	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	5,587,796	-	-	-
Debt service funds	103,728	-	2,064,580	1,019,785
Nonspendable	-	1,430,751	8,630,099	8,624,581
Restricted	-	-	26,012,076	-
Assigned	-	26,301,155	(202,727)	15,338,688
Unassigned	-	-	-	(368,538)
Total all other governmental funds	<u>\$ 20,904,961</u>	<u>\$ 27,731,906</u>	<u>\$ 36,504,028</u>	<u>\$ 24,614,516</u>

**Fiscal Year**

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
7,309,456	6,646,513	6,028,457	6,456,136	5,900,420	5,981,094
5,000,000	5,000,000	5,000,000	-	-	-
7,325,091	17,451,521	13,335,100	8,388,852	1,724,462	1,791,457
68,071,369	61,412,682	50,301,296	52,129,106	64,474,895	71,261,039
<u>\$ 87,705,916</u>	<u>\$ 90,510,716</u>	<u>\$ 74,664,853</u>	<u>\$ 66,974,094</u>	<u>\$ 72,099,777</u>	<u>\$ 79,033,590</u>
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
891,232	786,274	752,517	769,431	714,827	720,286
-	-	-	-	27,708,673	25,516,218
42,923,834	42,109,751	35,658,580	31,775,091	-	-
<u>\$ 43,815,066</u>	<u>\$ 42,896,025</u>	<u>\$ 36,411,097</u>	<u>\$ 32,544,522</u>	<u>\$ 28,423,500</u>	<u>\$ 26,236,504</u>
\$ -	\$ -	\$ -	\$ -	\$ -	-
21,570,884	19,168,007	14,399,015	10,634,411	10,056,558	10,263,389
13,491,314	9,952,399	9,406,152	7,150,279	5,564,333	4,817,847
<u>\$ 35,062,198</u>	<u>\$ 29,120,406</u>	<u>\$ 23,805,167</u>	<u>\$ 17,784,690</u>	<u>\$ 15,620,891</u>	<u>\$ 15,081,236</u>
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
-	-	-	-	-	-
2,204,425	1,541,206	1,092,837	760,290	372,832	42,840,969
29,480,015	32,892,665	40,726,204	29,270,354	22,020,447	-
-	-	-	-	-	-
<u>\$ 31,684,440</u>	<u>\$ 34,433,871</u>	<u>\$ 41,819,041</u>	<u>\$ 30,030,644</u>	<u>\$ 22,393,279</u>	<u>\$ 42,840,969</u>
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
934,191	-	-	-	-	-
8,624,000	809,788	795,470	660,489	4,587,480	5,596,456
-	8,691,378	6,502,561	6,420,447	12,660,929	16,399,431
23,646,492	19,541,557	14,914,130	9,999,546	3,952,534	1,866,082
(460,412)	(23,705)	(4,558,473)	(12,848,506)	(8,505,840)	(8,892,199)
<u>\$ 32,744,271</u>	<u>\$ 29,019,018</u>	<u>\$ 17,653,688</u>	<u>\$ 4,231,976</u>	<u>\$ 12,695,103</u>	<u>\$ 14,969,770</u>

**County of Onondaga, New York**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
**Schedule 4**

	<b>Fiscal Year</b>			
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Revenues</b>				
Real property taxes and tax items	\$ 185,255,928	\$ 159,906,576	\$ 157,356,977	\$ 152,822,237
Sales tax and use tax	304,589,655	316,703,720	332,217,015	339,658,462
Federal aid	114,096,923	118,766,975	127,052,967	126,443,049
State aid	116,921,632	124,665,583	142,454,031	117,082,039
Departmental	109,832,564	119,803,507	124,833,575	123,236,938
Services for other governments	48,435,161	67,633,604	70,159,905	44,563,260
Tobacco settlement proceeds	7,055,112	6,688,826	6,821,381	6,817,145
Interest on investments	2,273,276	2,075,438	1,699,737	1,514,778
Miscellaneous	9,769,465	14,213,726	13,388,065	17,336,148
Total revenues	<u>898,229,716</u>	<u>930,457,955</u>	<u>975,983,653</u>	<u>929,474,056</u>
<b>Expenditures</b>				
General government	195,855,982	150,645,016	143,436,270	134,856,773
Education	51,284,124	47,952,884	39,572,323	44,611,060
Public safety	123,386,485	122,444,760	131,927,650	134,371,600
Health	87,784,835	99,230,390	114,665,022	108,522,081
Transportation	24,364,447	26,982,740	25,696,539	28,688,474
Economic assistance and opportunity	250,929,288	276,596,788	296,129,276	295,591,563
Culture and recreation	29,252,876	29,150,063	30,352,729	37,241,630
Home and community services	67,870,619	70,676,114	66,608,800	69,678,033
Capital outlay	91,379,812	104,939,126	167,688,051	152,184,373
Debt service:				
Principal	24,080,873	27,381,800	33,136,216	33,069,102
Interest	17,846,002	19,857,818	19,206,417	20,384,574
Total expenditures	<u>964,035,343</u>	<u>975,857,499</u>	<u>1,068,419,293</u>	<u>1,059,199,263</u>
Excess of revenues over (under) expenditures	<u>(65,805,627)</u>	<u>(45,399,544)</u>	<u>(92,435,640)</u>	<u>(129,725,207)</u>
Other Financing Sources (Uses)				
Transfers in	66,137,762	73,898,633	84,253,948	89,343,668
Transfers out	(66,137,762)	(73,898,633)	(84,253,948)	(89,343,668)
Termination payments	-	-	-	-
Proceeds of long-term borrowings	53,625,000	33,755,000	51,425,000	67,870,000
Refunding bond	-	-	20,615,000	-
Payments to refund bond escrow agent	-	-	(22,680,624)	-
Participation in debt service-external sources	19,087,111	9,987,427	13,301,703	42,585,021
Bond premium	4,025,795	2,658,087	5,619,538	8,451,437
Principal Forgiveness	-	-	-	-
Special item (ONCENTER and Van Duyn transfer)	-	-	201,080	(73,671)
Total other financing sources (uses)	<u>76,737,906</u>	<u>46,400,514</u>	<u>68,481,697</u>	<u>118,832,787</u>
Net change in fund balance	<u>\$ 10,932,279</u>	<u>\$ 1,000,970</u>	<u>\$ (23,953,943)</u>	<u>\$ (10,892,420)</u>
Debt service as a percentage of noncapital expenditures	4.8%	5.4%	5.8%	5.9%

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 151,709,781	\$ 150,178,378	\$ 147,441,133	\$ 151,740,842	\$ 150,015,386	\$ 153,005,489
349,646,335	348,914,909	345,552,868	353,069,549	377,337,825	384,628,014
108,983,638	113,355,117	118,117,030	106,214,358	110,480,943	120,167,237
116,465,208	111,788,920	120,909,661	120,099,690	141,253,312	137,292,784
111,214,381	114,928,901	118,970,958	107,884,110	109,266,088	114,819,744
45,662,870	31,434,986	36,458,050	33,521,752	41,515,061	38,977,733
7,712,439	6,600,032	13,331,119	5,837,151	6,320,988	5,988,977
1,239,555	1,148,738	1,008,066	958,681	1,668,814	2,952,364
18,222,449	19,106,398	24,516,977	26,903,709	26,760,801	23,169,025
<u>910,856,656</u>	<u>897,456,379</u>	<u>926,305,862</u>	<u>906,229,842</u>	<u>964,619,218</u>	<u>981,001,367</u>
145,255,951	152,473,885	146,494,024	151,364,453	158,581,399	160,632,614
48,502,886	45,292,138	49,568,469	51,568,295	50,815,565	54,671,540
133,386,620	135,293,980	143,802,737	152,946,037	151,068,033	158,694,108
60,486,588	56,412,886	56,607,515	51,664,433	49,897,795	50,592,249
30,542,745	29,377,796	27,785,554	26,804,415	32,314,824	32,297,093
301,568,110	284,851,745	301,809,696	295,173,754	298,564,944	297,058,316
37,067,086	39,388,316	51,348,892	47,671,025	51,738,619	48,112,663
71,163,559	69,091,114	74,381,500	65,923,016	65,458,841	68,923,098
78,803,290	118,429,089	88,563,305	74,313,946	100,833,362	78,248,898
49,926,669	44,154,474	51,322,148	46,706,180	49,402,895	48,199,722
23,246,312	24,166,107	26,270,621	24,551,685	24,389,224	24,196,836
<u>979,949,816</u>	<u>998,931,530</u>	<u>1,017,954,461</u>	<u>988,687,239</u>	<u>1,033,065,501</u>	<u>1,021,627,137</u>
<u>(69,093,160)</u>	<u>(101,475,151)</u>	<u>(91,648,599)</u>	<u>(82,457,397)</u>	<u>(68,446,283)</u>	<u>(40,625,770)</u>
101,402,949	107,239,115	114,070,480	107,703,724	115,567,933	119,069,864
(101,402,949)	(107,239,115)	(114,070,480)	(107,703,724)	(115,567,933)	(119,069,864)
-	-	5,069,500	-	-	-
34,800,000	82,550,000	26,500,000	21,780,000	51,960,000	44,777,388
19,600,000	11,370,000	131,475,000	33,835,000	-	24,395,000
(22,333,870)	(12,932,472)	(149,930,121)	(40,797,119)	-	(27,471,681)
74,265,173	11,007,443	28,190,261	15,759,692	14,150,524	17,649,344
6,298,202	4,448,325	18,717,769	9,091,904	2,002,383	8,205,238
11,765,901	-	-	-	-	-
-	-	-	-	-	-
<u>124,395,406</u>	<u>96,443,296</u>	<u>60,022,409</u>	<u>39,669,477</u>	<u>68,112,907</u>	<u>67,555,289</u>
<u>\$ 55,302,246</u>	<u>\$ (5,031,855)</u>	<u>\$ (31,626,190)</u>	<u>\$ (42,787,920)</u>	<u>\$ (333,376)</u>	<u>\$ 26,929,519</u>
8.1%	7.8%	8.3%	7.8%	7.9%	7.7%

**COUNTY OF ONONDAGA, NEW YORK**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
*(in thousands of dollars)*  
**Schedule 5**

<u>Fiscal Year</u> <u>Ended</u>	<u>REAL PROPERTY</u>		<u>EXEMPTIONS</u>		<u>TAXABLE</u>		<u>Taxable</u> <u>Assessed Value</u> <u>To Full Value</u>	<u>Per \$1,000</u> <u>Full Value</u> <u>Tax Rate</u>
	<u>Assessed</u> <u>Value</u>	<u>Full</u> <u>Value</u>	<u>Assessed</u> <u>Value</u>	<u>Full</u> <u>Value</u>	<u>Assessed</u> <u>Value</u>	<u>Full</u> <u>Value</u>		
2010	\$ 25,954,729	\$ 31,971,757	\$ 6,228,214	\$ 7,084,921	\$ 19,726,515	\$ 24,886,836	79.26%	\$ 7.04
2011	28,510,192	32,283,535	6,507,879	7,244,642	22,002,313	25,038,893	87.87%	5.82
2012	28,839,884	32,727,383	7,302,159	7,302,159	21,537,725	25,425,224	84.71%	5.56
2013	28,913,376	34,461,789	7,328,614	8,678,972	21,584,762	25,782,817	83.72%	5.46
2014	29,119,967	34,777,467	7,333,120	8,719,333	21,786,847	26,058,134	83.61%	5.37
2015	29,320,386	35,079,232	7,369,203	8,783,993	21,951,184	26,295,238	83.48%	5.31
2016	29,609,363	35,611,353	7,387,032	8,881,605	22,222,361	26,729,748	83.14%	5.28
2017	30,025,581	36,152,550	7,526,622	9,085,608	22,498,959	27,066,942	83.12%	5.23
2018	30,175,876	36,354,286	7,194,395	8,538,600	22,981,481	27,815,686	82.62%	5.23
2019	31,365,592	38,628,729	7,793,952	9,644,430	23,571,640	28,895,937	81.32%	5.13



**COUNTY OF ONONDAGA, NEW YORK**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**  
**Schedule 6**

<b>TAXPAYER</b>	<b>2019</b>			<b>2010</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage Of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage Of Total Taxable Assessed Value</b>
National Grid / Niagra Mohawk	\$ 938,230,076	1	3.28%	\$ 810,979,291	1	2.87%
Verizon / NY Telephone Co.	100,093,792	2	0.36%	216,272,036	2	0.81%
Wegmans Food Market	77,926,129	3	0.28%	49,361,100	6	0.19%
Allied Corp	72,016,404	4	0.23%	-	-	-
BVSHSSF Syracuse LLC	63,653,846	5	-	-	-	-
CSX Rail Road	62,368,485	6	0.19%	-	-	-
Dominion Pipeline	48,779,265	7	0.17%	-	-	-
Bristol Myers Squibb	38,797,800	8	0.14%	44,691,800	7	0.17%
Shoppingtown Mall	36,996,400	9	0.13%	53,621,400	5	0.21%
NYSEG	36,586,149	10	0.12%	38,756,700	8	0.15%
HUB Properties Trust	-	-	-	62,003,700	3	0.32%
Syracuse University	-	-	-	55,560,733	4	0.22%
Aldi Inc.	-	-	-	35,715,000	9	0.14%
Nob Hill of Syracuse Apartments	-	-	-	21,548,994	10	0.08%
Total	<u>\$1,475,448,346</u>		<u>4.90%</u>	<u>\$1,388,510,754</u>		<u>5.16%</u>

# COUNTY OF ONONDAGA, NEW YORK

## Property Tax Levies and Collections

### Last Ten Fiscal Years

#### Schedule 7

<u>Fiscal Year Ended</u>	<u>Taxes Levied for the Fiscal Year</u>		<u>Collected within the Fiscal Year of the Levy</u>			<u>Total Collections to Date</u>		
			<u>Amount</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years</u>	<u>Amount</u>	<u>Percentage of Levy</u>	
2010	\$	353,325,744	\$	337,992,603	95.66%	\$	14,895,489	\$ 352,888,091 99.88%
2011		377,756,416		362,859,235	96.06%		14,378,893	377,239,129 99.86%
2012		387,239,302		372,065,190	96.08%		14,574,927	386,640,117 99.85%
2013		386,275,561		372,123,350	96.34%		13,441,104	385,564,454 99.82%
2014		395,967,415		381,678,459	96.39%		13,313,569	394,992,028 99.75%
2015		405,432,966		389,240,124	96.01%		13,369,398	402,046,968 99.16%
2016		407,376,849		389,827,755	96.13%		13,462,543	403,290,298 99.00%
2017		413,189,158		396,226,926	95.89%		10,614,487	406,841,413 98.46%
2018		422,670,747		403,778,566	95.53%		7,771,620	411,542,638 97.37%
2019		437,962,636		421,605,555	96.27%		NA	NA NA

**COUNTY OF ONONDAGA, NEW YORK**  
**Overlapping and Underlying Governmental Activities Debt**  
**As of December 31, 2019**  
*(dollars in thousands)*  
**Schedule 8**

<b><u>GOVERNMENTAL UNIT</u></b>	<b><u>Debt Outstanding</u></b>	<b><u>Estimated Percentage Applicable</u></b>
County of Onondaga	\$ 668,490	35.78%
Total Overlapping Debt	<u>\$ 668,490</u>	<u>35.78%</u>
<b>Political subdivisions within Onondaga County:</b>		
Towns (as of 12/31/2015)	\$ 69,111	3.70%
Villages (as of 5/31/2016)	35,389	1.89%
School districts (as of 6/30/2016)	461,876	24.72%
City of Syracuse and city schools (as of 6/30/2016)	425,293	22.76%
Fire districts (as of 12/31/2015)	208,434	11.15%
Total Underlying Debt	<u>\$ 1,200,103</u>	<u>64.22%</u>
<b>Total Overlapping and Underlying Debt</b>	<b>\$ 1,868,593</b>	<b>100.00%</b>

# COUNTY OF ONONDAGA, NEW YORK

## Legal Debt Margin Information

Last Ten Fiscal Years

(dollars in thousands)

### Schedule 9

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 1,632,193	\$ 1,701,089	\$ 1,747,508	\$ 1,776,162	\$ 1,795,016	\$ 1,826,391	\$ 1,841,236	\$ 1,858,472	\$ 1,879,661	\$ 1,892,131
Total net debt applicable to limit	184,570	192,911	218,412	237,955	238,377	282,702	274,989	263,502	281,916	294,257
Legal debt margin	\$ 1,447,623	\$ 1,508,178	\$ 1,529,096	\$ 1,538,207	\$ 1,556,639	\$ 1,543,689	\$ 1,566,247	\$ 1,594,970	\$ 1,597,745	\$ 1,597,874
Total net debt applicable to the limit as a percentage of debt limit	11.31%	11.34%	12.50%	13.40%	13.28%	15.48%	14.94%	14.18%	15.00%	15.55%

### Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value - 5 year average \$27,030,442

#### Legal debt margin:

Debt limit (7% of total assessed value)

Debt applicable to limit:

General obligation bonds

Bond Anticipation Notes

Less: Excludable debt

Total net debt applicable to limit

Legal debt margin

	1,892,131
	668,490
	-
	(374,233)
	294,257
	<u>\$1,597,874</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
*(dollars in thousands, except per capita)*  
**Schedule 10**

**General Bonded Debt Outstanding**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2010	\$ 247,195	0.99%	\$ 529
2011	262,222	1.05%	561
2012	289,604	1.14%	620
2013	333,656	1.29%	712
2014	340,318	1.31%	727
2015	391,530	1.49%	836
2016	384,795	1.44%	822
2017	370,580	1.40%	796
2018	388,185	1.45%	830
2019	396,857	1.47%	859

**Other Governmental Activities Debt**

<u>Fiscal Year</u>	<u>OTASC Bonds</u>	<u>EFC Loans</u>	<u>Total Other Bonds and Loans</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
2010	\$ 134,349	\$ 163,294	\$ 297,643	\$ 544,838	1.34%	\$ 1,165
2011	135,228	164,892	300,120	562,342	1.31%	1,204
2012	136,056	171,444	307,500	597,104	1.34%	1,275
2013	136,963	200,943	337,906	671,562	1.50%	1,434
2014	137,037	263,444	400,481	740,799	1.66%	1,586
2015	138,380	252,448	390,828	782,358	1.75%	1,671
2016	106,068	267,290	373,358	758,153	1.70%	1,623
2017	106,473	276,101	382,574	753,154	1.57%	1,618
2018	106,069	267,938	374,007	762,192	2.42%	1,638
2019	105,905	271,633	377,538	774,395	N/A	1,677

**COUNTY OF ONONDAGA, NEW YORK**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**  
**Schedule 11**

<u>Year</u>	<u>Population</u>		<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2010	467,026	\$	40,721	69,891	8.0%
2011	467,525		42,943	70,650	7.7%
2012	467,038		44,700	67,881	7.9%
2013	468,387		45,093	66,884	6.8%
2014	468,196		44,800	70,090	5.6%
2015	467,026		46,892	69,573	4.9%
2016	468,463		47,865	68,933	4.5%
2017	465,398		31,436	68,197	4.7%
2018	467,669		32,678	67,924	4.0%
2019	461,809		N/A	67,144	3.9%

Source: US Census Bureau

# COUNTY OF ONONDAGA, NEW YORK

## Principal Employers Current Year and Ten Years Ago Schedule 12

<u>Employer</u>	<u>2019</u>			<u>2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Employment</u>
SUNY Upstate Medical University	7,651	1	3.07%	7,938	1	3.07%
St. Joseph's Hospital Health Center	4,755	2	1.91%	3,142	4	1.39%
Syracuse University	4,536	3	1.82%	6,504	2	2.97%
Lockheed Martin Corporation	4,100	4	1.64%	2,350	7	1.07%
P & C Food Markets	3,900	5	1.56%	-		
Crouse Hospital	3,351	6	1.34%	2,700	5	1.23%
National Grid/Niagara Mohawk	2,500	7	1.00%	1,856	8	0.85%
The Raymond Corporation	1,800	8	0.72%	-		0.00%
Wegmans Food Markets	1,459	9	0.59%	4,100	3	1.87%
Loretto	1,429	10	0.57%	2,427	6	1.11%
Raymour and Flannigan	-		0.00%	1,400	9	0.64%
Syracuse V.A. Medical Center	-		0.00%	1,400	9	0.64%
Total	<u>35,481</u>		<u>14.23%</u>	<u>33,817</u>		<u>14.84%</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Full-time Equivalent County Government Employees by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 13**

**Full -time Employees as of January 1**

<b>Function/Program</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
County clerk	37	35	35	34	36
County comptroller	33	31	31	31	32
County executive	10	11	11	12	12
County legislature	27	24	24	23	26
District attorney	94	93	93	93	94
Elections board	15	16	16	15	16
Facilities management	92	103	103	107	107
Finance, management and budget	28	27	27	27	61
Information technology	74	74	74	73	69
Law department	40	38	38	37	43
Personnel department	21	27	27	23	28
Purchasing department	13	16	16	17	19
<b>General Government Support</b>	<b>484</b>	<b>495</b>	<b>495</b>	<b>492</b>	<b>543</b>
Corrections	192	180	180	179	177
Emergency communications	148	137	137	140	145
Emergency management	5	6	6	7	7
Probation	119	87	107	108	78
Sheriff	578	540	540	533	534
STOP DWI	0	0	0	0	0
<b>Public Safety</b>	<b>1,042</b>	<b>950</b>	<b>970</b>	<b>967</b>	<b>941</b>
Health	359	297	297	280	290
LTC community services	15	0	0	0	0
LTC Van Duyn	525	504	504	495	0
Adult and LTC Care	0	0	0	0	54
Mental health department	80	53	53	51	0
<b>Health</b>	<b>979</b>	<b>854</b>	<b>854</b>	<b>826</b>	<b>344</b>
Transportation	177	163	163	169	159
<b>Transportation</b>	<b>177</b>	<b>163</b>	<b>163</b>	<b>169</b>	<b>159</b>
Economic development	5	6	6	7	7
Job training administration	4	2	2	2	2
Social services department	683	690	690	690	422
Children & Family	0	0	0	0	271
Veterans service agency	3	3	3	2	0
<b>Economic Assistance</b>	<b>695</b>	<b>701</b>	<b>701</b>	<b>701</b>	<b>702</b>
Aging and youth	17	18	18	17	0
Onondaga public libraries	57	55	55	53	53
Syracuse branch libraries	59	53	53	53	53
Parks and recreation	103	86	86	93	101
<b>Culture &amp; Recreation</b>	<b>236</b>	<b>212</b>	<b>212</b>	<b>216</b>	<b>207</b>
Community development	16	17	17	17	14
Human rights commission	0	0	0	0	0
Office of the environment	1	1	1	1	1
Onondaga planning agency	16	14	14	14	18
Water board	37	25	25	23	30
Water environment protection	377	370	370	369	380
<b>Home &amp; Community Services</b>	<b>447</b>	<b>427</b>	<b>427</b>	<b>424</b>	<b>443</b>
<b>Total</b>	<b>4,060</b>	<b>3,802</b>	<b>3,822</b>	<b>3,822</b>	<b>3,339</b>

Source: Management and Budget



**COUNTY OF ONONDAGA, NEW YORK**

**Full-time Equivalent County Government Employees by Function/Program**

**Last Ten Fiscal Years**

**Schedule 13**

**Full -time Employees as of January 1**

<b>Function/Program</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
County Clerk	36	36	31	32	32
County Comptroller	32	32	29	28	24
County Executive	12	13	10	11	11
County Legislature	26	26	24	23	24
District Attorney	96	102	91	94	97
Elections Board	16	16	13	16	16
Facilities Management	119	120	113	115	116
Finance	88	94	78	81	82
Information Technology	76	75	58	58	58
Law Department	44	40	35	36	37
Personnel Department	30	31	36	33	33
Purchasing Department	19	23	22	22	22
<b>General Government Support</b>	<b>594</b>	<b>608</b>	<b>540</b>	<b>549</b>	<b>552</b>
Corrections	181	183	175	0	0
Emergency Communications	145	145	135	135	135
Emergency Management	7	7	7	5	6
Probation	77	76	77	79	77
Sheriff	538	535	529	689	686
STOP DWI	0	0	0	0	0
<b>Public Safety</b>	<b>948</b>	<b>946</b>	<b>923</b>	<b>908</b>	<b>904</b>
Health	274	275	239	232	235
LTC Community Services	0	0	0	0	0
LTC Van Duyn	0	0	0	0	0
Adult and LTC Care	57	59	50	49	50
Mental Health Department	0	0	0	0	0
<b>Health</b>	<b>331</b>	<b>334</b>	<b>289</b>	<b>281</b>	<b>285</b>
Transportation	159	161	157	157	150
<b>Transportation</b>	<b>159</b>	<b>161</b>	<b>157</b>	<b>157</b>	<b>150</b>
Economic Development	7	7	8	8	6
Job Training Administration	2	2	2	2	2
Social Services Department-Economic Se	413	402	369	370	375
Children & Family Services	271	276	252	242	247
Veterans Service Agency	0	0	0	0	0
<b>Economic Assistance</b>	<b>693</b>	<b>687</b>	<b>631</b>	<b>622</b>	<b>630</b>
Aging and Youth	0	0	0	0	0
Onondaga Public Libraries	44	43	26	24	24
Syracuse Branch Libraries	51	48	48	48	48
Parks and recreation	98	98	81	84	86
<b>Culture &amp; Recreation</b>	<b>193</b>	<b>189</b>	<b>155</b>	<b>156</b>	<b>158</b>
Community development	15	13	13	11	14
Human rights commission	0	2	2	2	2
Office of the environment	1	2	2	2	2
Onondaga planning agency	18	18	13	16	16
Water board	31	33	0	0	0
Water environment protection	382	388	336	350	366
<b>Home &amp; Community Services</b>	<b>447</b>	<b>456</b>	<b>366</b>	<b>381</b>	<b>400</b>
<b>Total</b>	<b>3,365</b>	<b>3,381</b>	<b>3,061</b>	<b>3,054</b>	<b>3,079</b>

Source: Management and Budget

**COUNTY OF ONONDAGA, NEW YORK**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 14**

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Police protection										
Number of police personnel and officers	516	502	499	498	498	496	497	483	481	481
Number of police vehicles	209	208	210	211	211	211	211	211	211	211
Number of Stations	8	7	7	7	7	7	8	8	9	9
Highways										
Miles of streets maintained	792	793	793	793	793	793	793	793	793	793
Road signs installed	923	1,168	1,180	1,180	1,300	1,600	1,375	1,375	1,150	826
Signal lights	101	102	102	104	108	108	112	113	113	114
Parks and recreation										
Athletic fields	14	14	14	14	14	14	14	14	14	14
Miles of hiking trails	56	56	56	56	107	107	107	107	107	107
Park acreage	6,580	6,580	6,580	6,580	6,636	6,636	6,636	6,636	6,636	6,636
Parks and museums	13	13	13	13	13	13	13	13	13	13
Water environment protection										
Average design capacity of treatment plants in gallons ( in thousands)	119,700	119,700	119,700	119,700	119,700	119,700	119,700	119,700	119,700	119,700
Miles of sanitary sewers	3,065	3,067	3,072	3,076	3,079	3,082	3,083	3,087	3,089	3,091
Number of pumping stations	149	151	153	157	157	157	157	165	165	166
Number of sewer units	181,269	179,863	180,967	180,326	180,765	180,741	180,741	181,814	183,849	190,793
Number of wastewater treatment facilities	6	6	6	6	6	6	6	6	6	6
Water operations										
Maximum daily capacity of plants in gallons (in thousands)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Miles of water mains	92	92	92	92	96	96	96	96	96	96
Number of service connections	51	51	47	47	47	47	47	47	47	47

## FORM OF BOND COUNSEL'S OPINION

\$50,395,000 General Obligation (Serial) Bonds, 2020

October 15, 2020

County of Onondaga,  
State of New York

Re: County of Onondaga, New York  
\$50,395,000 General Obligation (Serial) Bonds, 2020

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$50,395,000 General Obligation (Serial) Bonds, 2020 (the "Obligations"), of the County of Onondaga, State of New York (the "Obligor"), dated October 15, 2020, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds, in such amounts as hereinafter set forth, bearing interest at the rate of \_\_\_\_\_ per centum (\_\_\_\_\_% ) per annum, payable on April 15, 2021, October 15, 2021 and semi-annually thereafter on April 15 and October 15, and maturing in the amount of \$\_\_\_\_\_ on October 15, 2022, \$\_\_\_\_\_ on October 15, 2023, \$\_\_\_\_\_ on October 15, 2024, \$\_\_\_\_\_ on October 15, 2025, \$\_\_\_\_\_ on October 15, 2026, \$\_\_\_\_\_ on October 15, 2027, \$\_\_\_\_\_ on October 15, 2028, \$\_\_\_\_\_ on October 15, 2029, \$\_\_\_\_\_ on October 15, 2030, \$\_\_\_\_\_ on October 15, 2031, \$\_\_\_\_\_ on October 15, 2032, \$\_\_\_\_\_ on October 15, 2033, \$\_\_\_\_\_ on October 15, 2034, \$\_\_\_\_\_ on October 15, 2035, \$\_\_\_\_\_ on October 15, 2036, \$\_\_\_\_\_ on October 15, 2037, \$\_\_\_\_\_ on October 15, 2038, \$\_\_\_\_\_ on October 15, 2039, \$\_\_\_\_\_ on October 15, 2040 and \$\_\_\_\_\_ on October 15, 2041.

The Obligations maturing on or before October 15, 2028 shall not be subject to redemption prior to maturity. The Obligations maturing on or after October 15, 2029 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the County on October 15, 2028 or on any date thereafter at par, plus accrued interest to the date of redemption.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligations, including the form of the Obligations. In rendering the opinions expressed herein we have assumed the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Obligations.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligations has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the fifth paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations, the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

Orrick, Herrington & Sutcliffe LLP