

COUNTY OF SCHUYLER

Watkins Glen, New York

FINANCIAL REPORT

**For the Year Ended
December 31, 2024**



COUNTY OF SCHUYLER

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INDEPENDENT AUDITORS' REPORT

To the Chairperson and
Members of the Legislature
County of Schuyler
Watkins Glen, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Schuyler (the County) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Schuyler, as of December 31, 2024, 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.

Basis for Opinions

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

Emphasis of a Matter

During the year ended December 31, 2024, the County implemented Government Accounting Standards Board (GASB) Statement No. 101, "Compensated Absences." As discussed in Note 21 to the financial statements, governmental activities net position as of December 31, 2023, was restated to reflect this change in accounting principle. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; Budgetary Comparison Schedules; the Schedule of Changes in the County's Total Other Postemployment Benefits (OPEB) Liability and Related Ratios; Schedule of County's Contributions - New York State and Local Retirement System (NYSLRS) Pension Plan; Schedule of the County's Proportionate Share of the Net Pension (Asset)/Liability; and the related notes to required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2025 on our consideration of the County of Schuyler's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 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 Schuyler's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
July 21, 2025

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

Our discussion and analysis of the financial performance of the County of Schuyler (the County) provides an overview of the County's financial activities for the fiscal year ended December 31, 2024. Please read this information in conjunction with the County's financial statements, which begin on page 6.

USING THIS ANNUAL REPORT

This annual report consists of a series of basic financial statements. The Statement of Net Position and the Statement of Activities (on pages 6 through 8) provide information about the County as a whole and present a longer-term view of the County's finances. Governmental Fund financial statements start on page 8. Governmental Activities these statements tell how these services were financed in the short term, as well as what remains for future spending. Governmental Fund financial statements also report the County's operations in greater detail than the Government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside the government. Following these statements are notes that provide additional information that is essential to a full understanding of the data provided in the financial statements. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the County's General and Major Special Revenue Fund budgets for the year; a Schedule of Changes in the County's Total OPEB Liability and Related Ratios related to the County's other postemployment benefits; a Schedule of County's Contributions - NYSLRS Pension Plan; and a Schedule of the County's Proportionate Share of Net Pension (Asset)/Liability.

In addition to the basic financial statements, the annual report contains other information in the form of combining statements for those funds that are not considered Major Funds and, therefore, are not presented individually in the basic financial statements.

Reporting the County as a Whole

Analysis of the County as a whole begins on page 6, with the Government-wide statements. The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer the question of whether the County, as a whole, is better off or worse off as a result of the year's activities. These statements include *all* assets; deferred outflows of resources, liabilities; and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the County's net position and changes in it. The County's net position (the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources) is one way to measure the County's financial health or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. One needs to consider other nonfinancial factors, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall health of the County.

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

In the Statement of Net Position and the Statement of Activities, the County reports:

Governmental Activities: Most of the County's services are reported in this category, including public safety, public health, transportation, economic assistance and opportunity, culture and recreation, home and community services, and general administration. Property and sales taxes, and state and federal grants, finance most of these activities.

Component Units: The County includes four separate legal entities in its report - the Schuyler County Industrial Development Agency; the Soil and Water Conservation District; the Schuyler County Human Services Development Corporation (HSDC); and the Schuyler Tobacco Asset Securitization Corporation (STASC). STASC is reported as a blended component unit with the County's Governmental Activities. HSDC is reported as an Internal Service Fund and blended with the County's Governmental Activities. The other two component units are reported discretely. Although legally separate, these component units are important because the County is financially accountable for them. Complete financial statements for the Industrial Development Agency can be obtained from their administrative office at 216 North Franklin Street, Watkins Glen, New York 14891. Financial statements for STASC and HSDC can be obtained from Schuyler County, 105 9th Street, Watkins Glen, New York 14891. Soil and Water Conservation District financial information may be obtained from Schuyler County Soil and Water Conservation District, P.O. Box 326, Montour Falls, New York 14865.

Reporting the County's Most Significant Funds

Fund Financial Statements

Analysis of the County's Major Funds begins on page 9. The Fund financial statements provide detailed information about the most significant funds and not on the County as a whole. Some funds are required to be established by State law. However, management establishes many other funds to help it control and manage money for particular purposes or to show it is meeting legal responsibilities for using certain taxes and grants. The County reports its activities in Funds.

Governmental Funds: With the exception of Internal Service Funds, the County's services are reported in the Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called *modified accrual accounting* which measures cash and all other financial assets that can be readily converted to cash. The Governmental Fund financial statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides. Governmental Fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. The relationship (or differences) between Governmental *Activities* (reported in the Government-wide financial statements) and Governmental *Funds* is explained in a reconciliation following the Governmental Fund financial statements.

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

Proprietary Funds: When the County charges customers for the services it provides, whether to outside customers or to other units of the County, these services are generally reported in Proprietary Funds. Proprietary Funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. Internal Service Funds (a component of Proprietary Funds) are used to report activities that provide supplies and services for other programs and activities directly benefiting the County.

The County as Trustee: The County is the trustee, or fiduciary, for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All the County's Fiduciary Activities are reported in a separate Statement of Fiduciary Net Position on page 16. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE COUNTY AS A WHOLE

The County's net position for the fiscal year ended December 31, 2024 decreased from \$18,861,093 to \$17,276,755.

A large portion of the County's net position, \$42,232,119, reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; 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 by other sources, as the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the County's net position, \$9,712,600, represents resources subject to external restrictions on how they may be used and is reported as restricted. These net resources consist of unspent funds restricted for public safety, community development, and debt service.

The remaining category of total net position, unrestricted net deficit, may generally be used to meet the government's ongoing obligations and services to creditors and citizens.

Our analysis below focuses on the net position (*Figure 1*), and changes in net position (*Figure 2*), of the County's Governmental Activities.

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

*Figure 1
Net Position*

Governmental Activities	2024	2023	Dollar Change
Current Assets	\$ 40,426,093	\$ 38,845,201	\$ 1,580,892
Capital Assets, Net	46,785,273	45,872,223	913,050
Other Noncurrent Assets	989,268	1,042,998	(53,730)
Total Assets	88,200,634	85,760,422	2,440,212
Total Deferred Outflows of Resources	11,511,536	13,707,472	(2,195,936)
Current Liabilities	11,316,476	11,398,371	(81,895)
Noncurrent Liabilities	42,858,908	41,427,629	1,431,279
Total Liabilities	54,175,384	52,826,000	1,349,384
Total Deferred Inflows of Resources	28,260,031	27,780,801	479,230
Net Investment in Capital Assets	42,232,119	40,824,861	1,407,258
Restricted	9,712,600	7,175,215	2,537,385
Unrestricted	(34,667,964)	(29,138,983)	(5,528,981)
Total Net Position	\$ 17,276,755	\$ 18,861,093	\$ (1,584,338)

Significant changes from the prior year are as follows:

- Current assets increased during the year due to increases in amounts due from State and Federal governments along with increases in cash related to reserves. Noncurrent assets decreased during the year due to amortization of lease receivables. The increase in reserves also resulted in an increase in restricted net position.
- Capital outlay exceeded depreciation/amortization expense and net book value of disposals, resulting in increases in both capital assets, net, and net investment in capital assets. The majority of the capital outlay consists of street reconstruction, bridge rehabilitation, and other miscellaneous projects.
- Changes in total deferred inflows and outflows of resources related to changes in actuarial assumptions for the NYSLRS pension plan, as well as the County's other postemployment benefits plan, due to differences between expected and actual earning on the NYSLRS pension plan.
- Noncurrent liabilities increased mainly due to the change in the net pension liability referred to above, as well as an increase in the County's OPEB liability.
- Liabilities and net position were both restated to reflect a change in accounting principle associated with the County's adoption of GASB 101, "Compensated Absences."

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

*Figure 2
Changes in Net Position*

Governmental Activities	2024	2023	Dollar Change
REVENUES			
Program Revenues			
Charges for Services	\$ 10,236,653	\$ 9,414,267	\$ 822,386
Operating Grants and Contributions	16,794,789	13,974,614	2,820,175
Capital Grants and Contributions	1,557,206	1,998,964	(441,758)
General Revenues			
Property Taxes and Tax Items	11,635,781	11,880,452	(244,671)
Sales and Other Taxes	17,985,133	17,463,828	521,305
Tobacco Settlement Payments	222,814	271,523	(48,709)
Use of Money and Property	1,223,077	691,047	532,030
Other	344,809	416,261	(71,452)
Total Revenues	\$ 60,000,262	\$ 56,110,956	\$ 3,889,306
PROGRAM EXPENSES			
General Governmental Support	\$ 14,541,444	\$ 11,378,996	\$ 3,162,448
Education	1,646,216	1,590,281	55,935
Public Safety	10,232,815	7,145,037	3,087,778
Public Health	8,360,564	6,838,339	1,522,225
Transportation	6,265,047	4,878,342	1,386,705
Economic Assistance and Opportunity	18,824,944	16,590,321	2,234,623
Culture and Recreation	374,170	289,553	84,617
Home and Community Services	894,817	801,515	93,302
Interest on Debt	444,583	599,739	(155,156)
Total Expenses	\$ 61,584,600	\$ 50,112,123	\$ 11,472,477
CHANGE IN NET POSITION	\$ (1,584,338)	\$ 5,998,833	\$ (7,583,171)

Significant changes from prior year are as follows:

- Operating Grants and Contributions increased mainly due to increases in public health grants received during the current year, as well as increases in economic assistance grants.
- Capital Grants and Contributions decreased due to a decrease in expenses associated with reimbursable grants and capital projects.
- The County also experienced increases in sales tax received, as well as additional charges for services for ambulance fees. Furthermore, the County took advantage of rising interest rates and earned additional interest on deposits within use of money and property.
- Public Health, Economic Assistance and Opportunity, and Public Safety expenses increased significantly due to additional monies and contractual expenditures. Overall, total expenses fluctuated based on an increase in the net OPEB liability for the County.

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

The prior period information presented in the MD&A for the fiscal year 2023 is not consistent with the information presented for 2024 due to the change in accounting principle associated with the County's adoption of GASB Statement No. 101.

As shown in the Statement of Activities, the amount that our taxpayers ultimately financed through County property and other tax revenues was \$33,054,875, as some of the costs were paid by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions. Overall, the County's governmental program revenues were \$28,588,648.

THE COUNTY'S FUNDS

As the County completed the year, its Governmental Funds, as presented in the balance sheet on page 9, reported combined fund balances greater than the prior year's total fund balance. Of this amount, \$575,688 is nonspendable; \$9,367,012 is restricted for future expenditures; \$5,516,632 is committed for future expenditures; and \$3,590,930 is assigned; leaving \$11,016,984 in unassigned fund balance. *Figure 3* shows the changes in fund balance for the County's Governmental Funds.

Figure 3
Governmental Funds
Fund Balances

Governmental Funds	2024	2023	Dollar Change
Major Funds			
General Fund	\$ 26,403,447	\$ 24,934,944	\$ 1,468,503
Non-Major Funds			
Special Revenue Funds			
County Road Fund	2,015,591	1,775,797	239,794
Road Machinery Fund	1,027,709	969,038	58,671
Capital Projects Fund	(1,265)	161,794	(163,059)
STASC Debt Service Fund	621,764	626,556	(4,792)
Totals	\$ 30,067,246	\$ 28,468,129	\$ 1,599,117

Significant changes from prior year are as follows:

- General Fund fund balance increases are partly due to departmental income as a result of additional ambulance fees and timing of when work was actually performed and earned.
- General Fund fund balance also increased as the result of significant sales and use tax, along with hotel room occupancy taxes.

General Fund Budgetary Highlights

Over the course of the year, the County Legislature revised the County budget several times. These budget amendments consist of budget transfers between functions, which did not increase the overall budget. In addition to these transfers, the County Legislature increased the overall budget to provide for unspent appropriations from the previous year (encumbrances) and various grants for which the majority of funding came from federal and state sources.

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

*Figure 4
Budgetary Comparison Schedule - General Fund
December 31, 2024*

	Original Budget	Final Budget	Actual w/ Encumbrances	Variance Fav.(Unfav.)
REVENUES AND OTHER FINANCING SOURCES				
Real Property Taxes and Tax Items	\$ 11,631,355	\$ 11,631,355	\$ 11,135,382	\$ (495,973)
Nonproperty Tax Items	18,770,000	18,770,000	18,051,108	(718,892)
Departmental Income and Intergovernmental Charges	8,807,945	8,845,470	7,990,646	(854,824)
Use of Money and Property	1,316,547	1,316,547	1,645,484	328,937
State Sources	10,529,210	10,070,861	11,393,013	1,322,152
Federal Sources	5,089,898	7,965,174	5,797,380	(2,167,794)
Other Revenues and Financing Sources	350,657	3,804,989	596,648	(3,208,341)
Total Revenues and Other Financing Sources	\$ 56,495,612	\$ 62,404,396	\$ 56,609,661	\$ (5,794,735)
Appropriated Reserves and Fund Balance	\$ -	\$ 509,997	\$ -	\$ -
EXPENDITURES AND OTHER FINANCING USES				
General Governmental Support	\$ 10,310,750	\$ 11,107,947	\$ 10,922,874	\$ 185,073
Education	1,775,000	1,775,000	1,646,216	128,784
Public Safety	5,303,552	8,408,904	7,511,680	897,224
Public Health	6,602,943	7,546,346	6,461,147	1,085,199
Transportation	1,122,238	994,502	994,502	-
Economic Assistance and Opportunity	19,009,410	19,371,196	15,937,564	3,433,632
Culture and Recreation	245,460	262,356	221,215	41,141
Home and Community Services	782,219	807,219	708,291	98,928
Employee Benefits	7,605,000	7,924,291	6,887,663	1,036,628
Debt Service	106,000	369,766	319,937	49,829
Other Financing Uses	3,633,040	4,346,866	3,728,040	618,826
Total Expenditures and Other Financing Uses	\$ 56,495,612	\$ 62,914,393	\$ 55,339,129	\$ 7,575,264
Excess of Revenues and Other Financing Sources	\$ -	\$ -	\$ 1,270,532	\$ 1,780,529

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

Significant changes from prior year are as follows:

- Revenue was less than anticipated as a result of significant decreases in Federal Sources and Other Revenues and Financing Sources during the year. This was partially offset by an increase in state sources, in particular, other public safety grants that were received.
- Expenditures were a favorable variance as less monies were spent on Public Health and Economic Assistance and Opportunity than originally budgeted for, as less Federal funding was awarded. Additionally, less spending was required for the County's health insurance premiums within Employee Benefits.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2024, the County had capital assets of \$101,936,972, net of accumulated depreciation and amortization, of \$55,151,699. This amount represents an investment in a broad range of capital assets, including buildings, machinery and equipment, roads, and bridges.

*Figure 5
Capital Assets, Net of Depreciation*

Governmental Activities	2024	2023	Dollar Change
Land	\$ 428,839	\$ 428,839	\$ -
Construction-in-Progress	474,286	2,407,220	(1,932,934)
Buildings and Improvements	10,488,196	8,474,001	2,014,195
Land Improvements	1,797,499	1,869,823	(72,324)
Machinery and Equipment	8,620,116	8,230,218	389,898
Infrastructure	24,322,408	23,941,315	381,093
Intangible Lease Assets	153,060	172,309	(19,249)
Subscription Assets	500,869	348,498	152,371
Totals	\$ 46,785,273	\$ 45,872,223	\$ 913,050

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

This year's additions consisted of:

Sugarhill Site Tower	\$ 308,630
HSC Building Updates	5,714
Other Construction in Progress	247,345
County Bridge Projects	37,260
County Road Projects	2,098,318
Machinery and Equipment	1,198,179
Intangible Lease Assets	5,120
Subscription Assets	381,146
Total Additions	<u>4,281,712</u>
Less: Depreciation	(3,105,152)
HSDC Depreciation	(129,976)
Amortization	(253,144)
Net Book Value of Disposed Assets	<u>119,610</u>
Total Net Change	<u>\$ 913,050</u>

Debt Administration

Of the total outstanding debt, \$1,348,559 was subject to the constitutional debt limit and represented 1.2% of the County's statutory debt limit.

Tobacco settlement pass-through bonds are debt of STASC, under which the County's future tobacco settlement proceeds were securitized. The County is not responsible for this debt in the event the STASC were to default in repayment of the bonds. The HSDC bonds are debt of the Human Services Development Corporation. The County is not responsible in the event the HSDC were to default in repayment of the bonds. *Figure 6* shows the changes in outstanding debt.

COUNTY OF SCHUYLER

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

*Figure 6
Outstanding Debt at Years Ended*

Governmental Activities	2024	2023	Dollar Change
Bonds	\$ 6,400,261	\$ 7,037,324	\$ (637,063)
Tobacco Settlement Pass-Through Bonds			
Accreted Interest	3,954,285	3,673,918	280,367
Installment Purchase Debt	58,559	101,992	(43,433)
Lease Liabilities	138,109	148,649	(10,540)
Subscription Liabilities	315,429	231,857	83,572
Totals	\$ 10,866,643	\$11,193,740	\$ (327,097)

The County's Moody's bond rating is currently A, which did not change from the prior year. More detailed information about the County's debt is presented in Note 10 to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Schuyler County continues to experience an improving financial and liquidity position subsequent to the implementation of additional accounting and management protocols and additional efficiency initiatives. Due to the unforeseen financial position of the economy due to the COVID-19 pandemic and upcoming tariff changes, it is unknown what the specific effects on the County will be for 2025. The status of ongoing federal funding is also an area of concern for the county. Continuing inflation has put a strain on the economy that has affected the County on many levels. The County will continue to make adjustments to spending as necessary should revenue sources be diminished and will seek to fund mandated increases in expenditures without proportionately increasing property taxes. Uncertainty with respect to the state budget and policy changes and the potential negative financial impact associated with same drive a continued conservative approach to budgeting and spending by the County. County administration has successfully reduced local tax burden by securing state and federal funding opportunities through grants and maximization of cost sharing. Should those funding sources be reduced, corresponding reductions in expenditures will also occur.

Effective January 1, 2016 the County enacted a change in sales tax distribution, capping the amount of revenue shared with local municipalities, reserving a greater portion for County purposes. New York State pension contributions are leveling off and are expected to remain stable in 2024 and beyond. This, coupled with continued conservative fiscal management should result in future tax levies that not only stay within the New York State tax cap legislative mandate but result in tax reductions to our property taxpayers.

COUNTY OF SCHUYLER

STATEMENT OF NET POSITION DECEMBER 31, 2024

	Primary Government	Component Units	
	Governmental Activities	Soil and Water Conservation District	Industrial Development Agency
ASSETS			
Current Assets			
Cash and Cash Equivalents - Unrestricted	\$ 18,017,725	\$ 1,062,012	\$ 79,564
Cash and Cash Equivalents - Restricted	9,367,012	-	-
Temporary Investments - Unrestricted	54,380	331,605	-
Temporary Investments - Restricted	325,175	-	-
Taxes Receivable, Net	3,395,725	-	-
Other Receivables	1,034,223	38,000	-
Leases Receivable, Current Portion	137,167	-	20,320
Accrued Interest Receivable, Current Portion	-	-	234
Due From State and Federal Governments	7,518,138	-	-
Due From Other Governments	860	8,899	-
Prepaid Expenses	568,444	-	-
Inventories	7,244	-	-
Total Current Assets	40,426,093	1,440,516	100,118
Noncurrent Assets			
Cash and Cash Equivalents - Restricted	20,413	-	-
Temporary Investments	-	-	500,872
Leases Receivable, Long-Term Portion	968,855	-	398,240
Accrued Interest Receivable, Long-Term Portion	-	-	3,483
Intangible Lease Asset, Net	153,060	-	175,536
Subscription Asset, Net	500,869	-	-
Land and Construction-in-Progress	903,125	37,000	-
Depreciable Capital Assets, Net	45,228,219	613,129	-
Total Noncurrent Assets	47,774,541	650,129	1,078,131
Total Assets	88,200,634	2,090,645	1,178,249
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	7,097,690	93,715	-
Other Postemployment Benefits	4,413,846	-	-
Total Deferred Outflows of Resources	11,511,536	93,715	-
LIABILITIES			
Current Liabilities			
Accounts Payable	2,381,702	34	-
Accrued Liabilities	1,365,130	60	-
Interest Payable	42,174	-	-
Due to Other Governments	1,896,309	-	-
Unearned Revenue	2,721,091	-	-
Long-Term Obligations Due Within One Year:			
Accrued Interest Liability	-	-	3,530
Installment Purchase Debt Payable	33,817	-	-
Bonds Payable	1,344,627	-	-
Lease Liability	13,509	-	8,475
Subscription Liability	109,913	-	-
Compensated Absences	1,408,204	-	-
Total Current Liabilities	11,316,476	94	12,005

See Notes to Financial Statements

COUNTY OF SCHUYLER

STATEMENT OF NET POSITION (Continued) DECEMBER 31, 2024

	Primary Government	Component Units	
	Governmental Activities	Soil and Water Conservation District	Industrial Development Agency
Total Current Liabilities Brought Forward	\$ 11,316,476	\$ 94	\$ 12,005
Noncurrent Liabilities			
Long-Term Obligations Due After One Year:			
Accreted Interest Payable	3,954,285	-	-
Installment Purchase Debt Payable	24,742	-	-
Bonds Payable	5,055,634	-	-
Lease Liability	124,600		125,848
Subscription Liability	205,516	-	-
Other Postemployment Benefits Payable	25,504,540	-	-
Compensated Absences	334,863	38,589	-
Net Pension Liability - Proportionate Share	7,654,728	87,670	-
Total Noncurrent Liabilities	42,858,908	126,259	125,848
Total Liabilities	54,175,384	126,353	137,853
DEFERRED INFLOWS OF RESOURCES			
Pensions	4,447,290	53,431	-
Other Postemployment Benefits	22,590,347	-	-
Leases	1,222,394	-	409,313
Total Deferred Inflows of Resources	28,260,031	53,431	409,313
NET POSITION			
Net Investment in Capital Assets	42,232,119	650,129	41,213
Restricted	9,712,600	-	-
Unrestricted (Deficit)	(34,667,964)	1,354,447	589,870
Total Net Position	\$ 17,276,755	\$ 2,004,576	\$ 631,083

See Notes to Financial Statements

COUNTY OF SCHUYLER

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2024

	Major Funds		Total Governmental Funds
	General Fund	Non-Major Funds	
ASSETS			
Cash and Cash Equivalents - Unrestricted	\$ 14,856,641	\$ 3,117,319	\$ 17,973,960
Cash and Cash Equivalents - Restricted	9,094,907	272,105	9,367,012
Temporary Investments - Unrestricted	-	54,380	54,380
Taxes Receivable, Net	3,395,725	-	3,395,725
Due From Other Funds	264,670	531	265,201
Due From State and Federal Governments	7,230,369	287,769	7,518,138
Other Receivables	579,906	274,660	854,566
Prepaid Expenses	568,444	-	568,444
Inventories	7,244	-	7,244
Leases Receivable	1,106,022	-	1,106,022
Total Assets	\$ 37,103,928	\$ 4,006,764	\$ 41,110,692
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 2,312,693	\$ 69,009	\$ 2,381,702
Accrued Liabilities	650,316	9,286	659,602
Due to Other Funds	531	264,670	265,201
Due to Other Governments	1,895,449	-	1,895,449
Unearned Revenue	2,721,091	-	2,721,091
Other Liabilities	705,528	-	705,528
Total Liabilities	8,285,608	342,965	8,628,573
Deferred Inflows of Resources			
Unavailable Tax Revenue	1,372,136	-	1,372,136
Leases	1,042,737	-	1,042,737
Total Deferred Inflows of Resources	2,414,873	-	2,414,873
Fund Balances			
Nonspendable	575,688	-	575,688
Restricted	9,094,907	272,105	9,367,012
Committed	5,516,632	-	5,516,632
Assigned	197,971	3,392,959	3,590,930
Unassigned (Deficit)	11,018,249	(1,265)	11,016,984
Total Fund Balances	26,403,447	3,663,799	30,067,246
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 37,103,928	\$ 4,006,764	\$ 41,110,692

See Notes to Financial Statements

COUNTY OF SCHUYLER

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2024

Total Governmental Fund Balances **\$ 30,067,246**

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets of the Governmental Activities, net of accumulated depreciation, are not financial resources and, therefore, are not reported in the funds.

Land and Construction in Progress	\$	862,486	
Depreciable Capital Assets		95,032,121	
Accumulated Depreciation		(52,545,478)	
Intangible Lease Assets		210,441	
Subscription Assets		805,626	
Accumulated Amortization		(362,138)	44,003,058

The County's proportionate share of the net pension (asset)/liability is not reported in the funds. (7,654,728)

Certain accrued expenses, such as interest on debt, reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in Governmental Funds.

Accrued Interest Payable	\$	(26,307)	
Accreted Interest Payable		(3,954,285)	(3,980,592)

Deferred outflows of resources represent a consumption of net position that applies to future periods and, therefore, is not reported in the Governmental Funds. Deferred inflows of resources represent an acquisition of net position that applies to future periods and, therefore, is not reported in the Governmental Funds.

Unavailable Tax Revenue	\$	1,372,136	
ERS Deferred Inflows of Resources - Pensions		(4,447,290)	
ERS Deferred Outflows of Resources - Pensions		7,097,690	
Deferred Outflows of Resources - OPEB		4,413,846	
Deferred Inflows of Resources - OPEB		(22,590,347)	(14,153,965)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds Payable	\$	(1,290,000)	
Bond Premium		(89,995)	
Installment Purchase Debt Payable		(58,559)	
Lease Liabilities		(138,109)	
Subscription Liabilities		(315,429)	
Tobacco Settlement Pass-Through Bonds		(2,359,204)	
Other Postemployment Benefits Payable		(25,504,540)	
Compensated Absences		(1,743,067)	(31,498,903)

The assets and liabilities of the Internal Service Funds are included in Governmental Activities in the Statement of Net Position. 494,639

Net Position of Governmental Activities **\$ 17,276,755**

See Notes to Financial Statements

COUNTY OF SCHUYLER

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Major Funds</u>		<u>Total</u>
	<u>General</u>	<u>Non-Major</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
REVENUES			
Real Property Taxes	\$ 10,470,137	\$ -	\$ 10,470,137
Real Property Tax Items	665,245	-	665,245
Nonproperty Tax Items	18,051,108	-	18,051,108
Departmental Income	7,694,870	26,140	7,721,010
Intergovernmental Charges	295,776	639,878	935,654
Use of Money and Property	1,645,484	132,105	1,777,589
Fines and Forfeitures	45,466	-	45,466
Sale of Property and Compensation for Loss	12,186	41,049	53,235
Miscellaneous Local Sources	293,303	222,814	516,117
State Sources	11,393,013	1,519,408	12,912,421
Federal Sources	5,797,380	37,798	5,835,178
Total Revenues	<u>56,363,968</u>	<u>2,619,192</u>	<u>58,983,160</u>
EXPENDITURES			
General Governmental Support	10,817,370	30,415	10,847,785
Education	1,646,216	-	1,646,216
Public Safety	7,431,045	-	7,431,045
Public Health	6,461,147	-	6,461,147
Transportation	994,502	4,977,754	5,972,256
Economic Assistance and Opportunity	15,933,672	-	15,933,672
Culture and Recreation	221,215	-	221,215
Home and Community Services	700,351	-	700,351
Employee Benefits	6,887,663	602,919	7,490,582
Debt Service - Principal and Interest	319,937	318,924	638,861
Capital Outlay	-	258,179	258,179
Total Expenditures	<u>51,413,118</u>	<u>6,188,191</u>	<u>57,601,309</u>
Excess of Revenues (Expenditures)	<u>4,950,850</u>	<u>(3,568,999)</u>	<u>1,381,851</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers In	33,547	3,728,040	3,761,587
Interfund Transfers (Out)	(3,728,040)	(33,547)	(3,761,587)
Proceeds of Obligations	212,146	5,120	217,266
Total Other Financing (Uses) Sources	<u>(3,482,347)</u>	<u>3,699,613</u>	<u>217,266</u>
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	<u>1,468,503</u>	<u>130,614</u>	<u>1,599,117</u>
Fund Balances, Beginning of Year	24,934,944	3,533,185	28,468,129
Fund Balances, End of Year	<u>\$ 26,403,447</u>	<u>\$ 3,663,799</u>	<u>\$ 30,067,246</u>

See Notes to Financial Statements

COUNTY OF SCHUYLER

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

Net Change in Fund Balances - Total Governmental Funds **\$ 1,599,117**

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded the net book value of disposed assets and depreciation expense in the current period.

Capital Outlay	\$ 4,281,712	
Net Book Value of Disposed Assets	119,610	
Depreciation Expense	(3,105,152)	
Amortization Expense	<u>(253,144)</u>	1,043,026

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Change in Unavailable Tax Revenue	635,048
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Proceeds of long-term debt are recognized as revenue in Governmental Funds, but increases liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Amortization of bond discounts increases expenses in the Statement of Activities.

Bond, BAN, and IPD Repayments	\$ 348,433	
Proceeds of Subscription Assets	(212,146)	
Subscription Liability Repayments	128,574	
Proceeds of Lease Assets	(5,120)	
Lease Repayments	15,660	
Amortization of Bond Premiums	18,472	
Amortization of Bond Discounts	<u>(6,744)</u>	287,129

Net revenue of the Internal Service Fund component unit is reported with Governmental Activities. 209,876

Changes in the County's proportionate share of net pension (asset)/liability and other postemployment benefits liabilities have no effect on current financial resources and, therefore, are not reported in the Governmental Funds. In addition, changes in the County's deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits do not affect current financial resources and are, also, not reported in the Governmental Funds.

Pensions	\$ (986,497)	
Other Postemployment Benefits	<u>(3,905,053)</u>	(4,891,550)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the Governmental Funds. These expenses include changes in compensated absences and interest payable.

Compensated Absences	\$ (185,067)	
Change in Accrued Interest Payable	(1,550)	
Change in Accreted Interest Payable	<u>(280,367)</u>	<u>(466,984)</u>

Change in Net Position of Governmental Activities **\$ (1,584,338)**

See Notes to Financial Statements

COUNTY OF SCHUYLER

STATEMENT OF PROPRIETARY NET POSITION DECEMBER 31, 2024

	Internal Service Fund Component Unit HSDC Fund
ASSETS	
Current Assets	
Cash and Cash Equivalents - Unrestricted	\$ 43,765
Investments - Restricted	325,175
Leases Receivable - Current Portion	179,657
Total Current Assets	548,597
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	5,026,298
Depreciable Capital Assets, Net of Accumulated Depreciation	(2,244,083)
Total Capital Assets	2,782,215
Cash and Cash Equivalents - Restricted	20,413
Total Noncurrent Assets	2,802,628
Total Assets	3,351,225
LIABILITIES	
Current Liabilities	
Interest Payable	15,867
Current Portion of Noncurrent Liabilities:	
Bonds Payable	260,000
Unamortized Bond Premium	63,175
Total Current Liabilities	339,042
Noncurrent Liabilities	
Bonds Payable	2,120,000
Unamortized Bond Premium	217,887
Total Noncurrent Liabilities	2,337,887
Total Liabilities	2,676,929
Deferred Inflows of Resources	
Leases	179,657
NET POSITION	
Net Investment in Capital Assets	121,153
Restricted	345,588
Unrestricted	27,898
Total Net Position	\$ 494,639

See Notes to Financial Statements

COUNTY OF SCHUYLER

STATEMENT OF PROPRIETARY REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2024

	Internal Service Fund Component Unit HSDC Fund
Operating Revenues	
Rent	\$ 358,654
In-Kind Contribution	3,137
Total Operating Revenues	<u>361,791</u>
Operating Expenses	
Contractual Expenses	10,865
In-Kind Administrative Expense	3,137
Depreciation Expense	129,976
Total Operating Expenses	<u>143,978</u>
Operating Income	<u>217,813</u>
Nonoperating Income (Expense)	
Interest and Dividends	10
Investment Income	20,253
Interest (Expense)	(28,200)
Total Nonoperating Income (Expense)	<u>(7,937)</u>
Total Net Income - Revenues Over (Expenses)	209,876
Net Position, January 1,	<u>284,763</u>
Net Position, December 31,	<u><u>\$ 494,639</u></u>

See Notes to Financial Statements

COUNTY OF SCHUYLER

STATEMENT OF PROPRIETARY CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024

	Internal Service Fund Component Unit HSDC Fund
Cash Flows From Operating Activities	
Cash Received From Providing Services	\$ 358,654
Cash Payments - Contractual Expenses	(10,865)
Net Cash Provided (Used) by Operating Activities	<u>347,789</u>
Cash Flows From Noncapital Financing Activities	<u>-</u>
Cash Flows From Capital and Related Financing Activities	
Bond Principal	(250,000)
Interest Paid	(100,201)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(350,201)</u>
Cash Flows From Investing Activities	
Interest and Dividend Income Received	10
Sale of Investments	308,933
Purchase of Investments	(321,113)
Investment Earnings	20,253
Net Cash Provided (Used) by Investing Activities	<u>8,083</u>
Change in Cash and Cash Equivalents	5,671
Cash and Cash Equivalents, January 1,	<u>58,507</u>
Cash and Cash Equivalents, December 31,	<u><u>\$ 64,178</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income	\$ 217,813
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	129,976
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 347,789</u></u>
Supplemental Disclosures	
Noncash Operating Activities	
In-Kind Contributions	\$ 3,137
In-Kind Administrative Expenses	3,137

See Notes to Financial Statements

COUNTY OF SCHUYLER

STATEMENT OF FIDUCIARY NET POSITION DECEMBER 31, 2024

	Custodial Fund
ASSETS	
Cash and Cash Equivalents - Unrestricted	\$ 202,445
Total Assets	\$ 202,445
LIABILITIES	
Agency Liabilities	\$ 1,580
Due to Other Governments	26,652
Total Liabilities	28,232
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	174,213
Total Liabilities and Net Position	\$ 202,445

See Notes to Financial Statements

COUNTY OF SCHUYLER

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION DECEMBER 31, 2024

	Custodial Fund
ADDITIONS	
Social Services	\$ 234,313
Court and Trust	2,145
Other	30,050
Total Additions	<u>266,508</u>
DEDUCTIONS	
Bail Payments	19,100
Court and Trust	12,265
Social Services	281,408
Total Deductions	<u>312,773</u>
Net Change in Net Position	<u>(46,265)</u>
Net Position, Beginning of Year	<u>220,478</u>
Net Position, End of Year	<u>\$ 174,213</u>

See Notes to Financial Statements

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies**

The financial statements of the County of Schuyler (the County) have been prepared in conformity with generally accepted accounting principles (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the County's accounting policies are described below.

Financial Reporting Entity

The County, which was incorporated in 1854, is governed by County Law and other laws of the State of New York and various local laws and ordinances. The County Legislature, which is the legislative body responsible for the overall operation of the County, consists of eight legislators. The Chairman of the Legislature serves as Chief Executive Officer of the County and the Treasurer serves as Chief Fiscal Officer.

The County provides the following basic services: public safety (including district attorney, assigned counsel, sheriff, probation, and jail), education (partial tuition to community colleges and tuition and transportation of handicapped children), public health, mental health, social services, highway maintenance, culture, and recreation programs.

All Governmental Activities and functions performed for the County are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial reporting entity consists of (a) the primary government which is the County; (b) organizations for which the primary government is financially accountable; and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's statements to be misleading or incomplete, as set forth in GASB Statement No. 14, "The Financial Entity," as amended.

The decision to include a component unit in the County's reporting entity is based on several criteria set forth in GASB Statement No. 14, "The Financial Entity," as amended, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities considered in determining the County's reporting entity.

Included in the Reporting Entity

Based on the foregoing criteria and the significant factors presented below, the following organizations are included in the reporting entity.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Discretely Presented Component Units

The Schuyler County Industrial Development Agency

The Schuyler County Industrial Development Agency (the Agency) was created in 1971 by the Schuyler County Legislature under the provisions of Chapter 535 of the 1971 Laws of New York State for the purpose of encouraging economic growth in Schuyler County. The Agency is exempt from federal, state, and local income taxes. The Agency, although established by the Schuyler County Legislature, is a separate entity and operates independently of the County. A separate audit report dated March 26, 2025 has been issued for the Agency for the year ended December 31, 2024. The Agency is considered a component unit of the County and is discretely presented. Complete financial statements for the Schuyler County Industrial Development Agency may be obtained by writing their administrative office at 216 N Franklin Street, Watkins Glen, New York 14891.

§870 of General Municipal Law (GML) indicates that the bonds or notes and other obligations of the Agency are not the debt of the County, and the payment of such is payable out of the funds of the Agency.

The Schuyler County Soil and Water Conservation District

The Schuyler County Soil and Water Conservation District (the District) was established in October 1940, in accordance with the Soil and Water Conservation District's Law, to provide for the conservation of soil and water resources. Members of the District's Board of Directors are appointed by the County Board of Supervisors and 10% of the District's General Fund revenue is provided via County appropriation. The District is considered a component unit of the County and is discretely presented. Complete financial information for the Schuyler County Soil and Water Conservation District may be obtained by writing their administrative office at P.O. Box 326, Montour Falls, New York 14865.

Blended Component Units

The Schuyler Tobacco Asset Securitization Corporation

The Schuyler Tobacco Asset Securitization Corporation (STASC) is a local development corporation organized pursuant to §1411 of the Not-for-Profit Corporation Law of New York State. STASC is one of 17 New York County TASCs created in 2000 for the purpose of purchasing the tobacco settlement rights from each respective county with the net proceeds of bonds issued to the New York Counties Tobacco Trust I (NYCTT). The trust in-turn issued \$227,130,000 aggregate principal amounts of Tobacco Settlement Pass-Through Bonds - Series 2000, dated December 7, 2000. The Trust bonds represent a direct, pass-through interest in the corresponding TASC bonds. All payments of the TASC bonds will be made directly by the Trust with the future proceeds of the Tobacco Settlement Revenues (TSRs).

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Blended Component Units - Continued

The Schuyler Tobacco Asset Securitization Corporation - Continued

STASC, along with 23 other TASCs, created a trust known as the New York Counties Tobacco Trust V (NYCTTV) in order to issue \$199,375,348 aggregate principal amount of Tobacco Settlement Pass-Through Bonds (Series 2005 NYCTT Bonds). Series 2005 NYCTT Bonds, issued on November 29, 2005, represent a direct, pass-through interest in corresponding TASC bonds held by the trust and are subordinate to the prior bonds issued. The Series 2005 TASC bonds are subject to the rights of holders of the prior bonds, payable solely from, and secured solely by, the Collections and the funds and accounts pledged by the respective TASC Indenture. The Collections of the STASC will be comprised of the TSRs remaining after payment of the prior bonds and investment earnings on funds and accounts established under the STASC's Indenture. The STASC Series 2005 TASC Bonds are also payable from certain amounts released from Liquidity Reserve Accounts upon retirement of the prior bonds and amounts released from Trapping Accounts.

STASC is controlled by a group of four directors who are appointed by the Chair of the Schuyler County Legislature. At this time, two directors are members of the County Legislature, one of whom is a member of the management team of the County and one who has no affiliation with the County. STASC is deemed to be a component unit of the County and is presented in the annual financial statements of the County as a blended component unit, reported as a Non-Major Debt Service Fund. A separate audit report dated March 12, 2025 has been issued for the STASC for the year ended December 31, 2024. Complete financial statements for Schuyler Tobacco Asset Securitization Corporation may be obtained from Schuyler County, 105 9th Street, Watkins Glen, New York 14891.

The Schuyler County Human Services Development Corporation

The Schuyler County Human Services Development Corporation (HSDC) was created in 2006 by the Schuyler County Legislature under the provisions of §1411 of the Not-For-Profit Corporation Law of New York State for the purpose of encouraging economic growth in Schuyler County. HSDC is exempt from federal, state, and local income taxes. HSDC, although established by the Schuyler County Board of Legislators, is a separate entity and operates independently of the County. HSDC is considered a component unit of the County and is presented in the annual financial statements of the County as an internal service fund. A separate audit report dated March 12, 2025 has been issued for the HSDC for the year ended December 31, 2024. Complete financial statements for Human Services Development Corporation may be obtained from Schuyler County, 105 9th Street, Watkins Glen, New York 14891.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Excluded from the Reporting Entity

The Counties of Steuben, Chemung, and Schuyler are participants in the joint Southern Tier Central Regional Planning and Development Board. The municipal agreement provides that each County's share of the cost shall be prorated as agreed upon by the member counties. In 2024, the County's share aggregated \$35,400. As none of the member Counties have sole control over the Board's operation, the activity of the Board is excluded from the reporting entity of all member Counties. Complete financial statements for the Southern Tier Central Regional Planning and Development Board may be obtained by writing their administrative office at 8 Denison Parkway East, Suite 310, Corning, New York 14830.

Basic Financial Statements

The County's basic financial statements include both Government-wide (reporting the County as a whole) and Governmental Fund financial statements (reporting the County's Major Funds). Both the Government-wide and Governmental Fund financial statements categorize primary activities as either Governmental or Business type. The County's general governmental support, education, public safety, public health, transportation, highways and streets, economic assistance and opportunity, culture and recreation, and home and community services are classified as Governmental Activities. The County currently has no funds classified as Business-type Activities.

Government-Wide Financial Statements

The Government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of activities for the primary government and for the County's discretely presented component units.

Government-wide financial statements do not include the activities reported in the Fiduciary Funds or fiduciary component units. This Government-wide focus is more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

In the Government-wide Statement of Net Position, the Governmental Activities column is presented on a consolidated basis, and is reported on a full accrual, economic resource basis, which recognizes all long-term assets, receivables, and deferred outflows of resources as well as long-term debt, obligations, and deferred inflows of resources. The County's net position is reported in three parts: net investment in capital assets, restricted, and unrestricted. The County first utilizes restricted resources to finance qualifying activities.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Government-Wide Financial Statements - Continued

The Statement of Activities reports both the gross and net cost for each of the County's functions or programs. Gross expenses are direct expenses, including depreciation, specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. These expenses are offset by program revenues - charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the program or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. The net cost represents the extent to which each function or program is self-financing or draws from the general revenues of the County. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include charges paid by the recipients of goods or services offered by the programs, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Governmental Fund Financial Statements

The financial transactions of the County are reported in individual funds in the Governmental Fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Governmental Funds

Governmental Funds are those through which most governmental functions are financed. The acquisition use and balances of expendable financial resources, and the related liabilities, are accounted for through Governmental Funds. The measurement focus of the Governmental Funds is based upon determination of financial position and changes in financial position. The following are the County's Governmental Funds.

Major Funds

- General Fund - Principal operating fund which includes all operations not required to be recorded in other funds.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Non-Major Funds

- Capital Projects Fund - Accounts for financial resources to be used for the acquisition, construction, or renovation of major capital assets.

- **Special Revenue Funds**
 - County Road Fund - Accounts for expenditures for highway purposes authorized by Highway Law §114.
 - Road Machinery Fund - Accounts for the purchase, repair, maintenance, and storage of highway machinery, tools, and equipment pursuant to Highway Law §133.

- **Debt Service Fund**
 - STASC Debt Service Fund - Accounts for accumulation of resources from tobacco settlement payments and payment of principal and interest on the tobacco settlement pass-through bonds.

Proprietary Fund - Accounts for ongoing organizations or activities similar to those found in the private sector. The measurement focus is based on determination of net income, financial position, and changes in financial position. The following propriety fund is utilized:

- **Internal Service Fund**
 - HSDC Internal Service Fund - Accounts for accumulation of rent and interest revenue and payment of principal and interest on Human Services Development Corporation bonds.

Fiduciary Fund - Accounts for assets held by the local government in a trustee or custodial capacity. The following is the County's fiduciary fund:

- Custodial Fund - Accounts for money and/or property received and held in the capacity of trustee, custodian, or agent.

Basis of Accounting/Measurement Focus

Basis of accounting refers to when revenues and expenditures/expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus. Measurement focus is the determination of what is measured, such as expenditures or expenses.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Accrual Basis

The Government-wide financial statements and the Proprietary and Fiduciary Fund financial statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all the County's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, deferred outflows of resources and deferred inflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual Basis

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Material revenues that are accrued include real property taxes, state and federal aid, sales tax, and certain user charges. The County considers property tax receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. All other revenues that are deemed collectible within one year after year end are recognized as revenues in the current year. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made.

Expenditures are recorded when incurred. The cost of capital assets is recognized as an expenditure when received. Exceptions to this general rule are that 1) principal and interest on indebtedness are not recognized as an expenditure until due; and 2) compensated absences, such as vacation and sick leave, which vest or accumulate, are charged as an expenditure when paid.

Property Taxes

The authority of levying taxes for the support of County and town governments, inclusive of special districts, and for re-levying unpaid school taxes, has been delegated by the State Legislature to the governing board of the County through various provisions of the Real Property Tax Law. For purposes of both County and town taxes, the value of real property is listed and established by the towns for each parcel of real property therein. Amounts to be raised by tax are determined from balanced budgets of towns and the County and levied on or before December 31, each year. Unpaid school taxes are purchased from each school district and added to tax levies and, until paid, are counted among the assets of the County; the County thus acquires all rights, title, and interest in any unpaid school taxes. Any such taxes remaining unpaid at the time of the tax sale are sold along with any other unpaid taxes subject to County enforcement.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Property Taxes - Continued

Property taxes are levied each December 31, on the assessed value of all real property located within the County, and become a lien on January 1. Taxes are payable during January without penalty. Beginning in February a 1% penalty is added. Property tax payments may be made in installments, which carry a 1% fee, payable on January 30, and on or before July 1. The initial responsibility of collecting County property taxes rests with the towns located within the County. The tax rolls are delivered to the Treasurer on or before the 15th of April at which time a 5% fee plus 12% per annum from February 1, to date of payment are added. The towns retain the full amount of their related town levy and remit the balance of collected taxes to the County. Responsibility for collection of delinquent taxes is then transferred to the County.

Property taxes are recorded as receivables and revenues at the time the tax levy is billed. Uncollected amounts estimated to be collected subsequent to the first 60 days after year end are recorded as deferred inflows of resources.

Non-city school district taxes are turned over to the County for enforcement on November 15. The County collects the second installment of school taxes on or before November 30. Payment to school districts for second installments is required to be remitted within ten days of collection. On December 1, any such taxes remaining unpaid are relieved as County taxes in the subsequent year. The balance of uncollected school taxes is required to be remitted by April 1.

Corning City school taxes are turned over to the County for enforcement on April 15 and are enforced as a separate tax until the time of tax sale at which time they become part of the County's lien. The balance of uncollected city school taxes is remitted by December 31.

Constitutional Tax Limit

The amount that may be raised by the County-wide tax levy on real estate in any fiscal year (for purposes other than debt service on County indebtedness) is limited to one and one-half per centum (subject to increase up to two per centum by resolution of the County Legislature) of the five-year average full valuation of taxable real estate of the County, per New York State statutes.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 1 Summary of Significant Accounting Policies - Continued

Constitutional Tax Limit - Continued

The County's constitutional tax limit (per New York State statutes) for the fiscal year ended December 31, 2024 is computed as follows:

Five-Year Average Full Valuation of Taxable Real Estate (2020-2024)	\$ 1,639,976,259
Tax Limit @ 1.5%	24,599,644
Less:	
Tax Levy	10,360,094
Less: Exclusions	<u>(534,588)</u>
Tax Levy Subject to Tax Limit	<u>9,825,506</u>
Tax Margin	<u><u>\$ 14,774,138</u></u>

Receivables

Amounts due from state and federal governments represent amounts owed to the County to reimburse it for expenditures incurred pursuant to state and federally funded programs. Other receivables represent amounts owed to the County for billed services, health insurance, and medical loans. No provision has been made for uncollectible accounts for amounts reported as Other Receivables, as it is believed such amounts would be immaterial.

Compensated Absences

A compensated absence is leave for which employees may receive one or more (a) cash payments when the leave is used for time off; (b) other cash payments, such as payment for unused leave upon termination of employment; or (c) noncash settlements, such as conversion to defined benefit postemployment benefits. The payment or settlement could occur during employment or upon termination of employment. Examples of compensated absences include vacation leave, sick leave, and other paid time off. The rate at which different leave types are earned, the maximum amount of those leave types allowed to be accumulated, and the eligibility to earn the leave types are generally specified in negotiated labor contracts or are outlined in individual employment contracts. Consistent with GASB Statement No. 101, "Compensated Absences," a liability is recognized when the leave is attributed to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability for compensated absences is measured using the pay rates in effect as of the financial statement date and includes salary-related payments, where applicable.

Cash and Cash Equivalents

For financial statement purposes, the County considers all highly liquid investments of three months or less as cash equivalents.

Investments

Investments are valued at fair value.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 1 Summary of Significant Accounting Policies - Continued

Inventory

Inventory is recorded at cost on a first-in, first-out basis.

Capital Assets

All capital assets, including right to use assets acquired through financed lease agreements, are valued at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives of the assets. Amortization expense is recorded in line with payments on lease liabilities.

Governmental capital assets purchased or acquired with minimum value of \$2,500 for equipment; \$5,000 for land, buildings and building improvements; and \$10,000 for infrastructure and having a useful life of greater than one year are capitalized. The estimated useful lives for governmental capital assets are as follows:

Real Property (Buildings)	50 Years
Machinery and Equipment	10 Years
Infrastructure	10 Years
Vehicles	5 Years
Police Vehicles	3 Years
Computers	5 Years

Leases

The County determines if an arrangement is or contains a lease at inception. The County records assets and lease obligations for leases, in which they are the lessee, and lease receivables and deferred inflows of resources for leases in which they are the lessor, which are initially based on the discounted future minimum lease payments over the term of the lease. The County uses the rate implicit in the lease agreements. In some case the implicit rate is not easily determinable, and the County elects to use its incremental borrowing rate in calculating present value of lease payments.

Lease term is defined as the non-cancelable period of the lease plus any options to extend the lease when it is reasonably certain that it will be exercised. For leases with a term, including renewals, of 12 months or less, no intangible lease assets or lease obligations are recorded on the Statement of Net Position and the County will recognize short-term lease expense for these leases on a straight-line basis over the lease term.

The County's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Amortization expense for leases is recognized on the same basis as payments on the lease liabilities and is included in the public safety expense function. Interest expense is recognized using the effective interest method. Variable payments, short-term rentals, and payments associated with non-lease components are expensed as incurred.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Subscription-Based Information Technology Arrangements

The County has entered into contracts granting the County the right to use vendor-provided information technology for various terms under long-term, non-cancelable subscription agreements, referred to as Subscription-Based Information Technology Arrangements (SBITAs). The County records a subscription liability and subscription asset in its financial statements. The subscriptions expired at various dates. The County initially calculates the subscription liability based on the present value of expected payments during the lease term, reducing it as payments are made. The value of the subscription asset is determined similarly, adjusted for payments and implementation costs, and is amortized over the lesser of its useful life or the lease term. Key considerations include discount rate determination, subscription term assessment, and payment evaluation. The County monitors changes that may impact subscription liabilities and adjusts asset and liability values accordingly. Assets are reported alongside long-term capital assets and liabilities with long-term debts.

Other Postemployment Benefits

In addition to providing pension benefits as described in Note 6, the County provides other postemployment benefits for health insurance coverage and survivor benefits for retired employees and their survivors. The benefits provided are in accordance with County ordinances, collective bargaining agreements, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), and New York State General Municipal Law (GML §207(a)). The criterion to determine eligibility includes years of service, employee age, and disability due to line of duty.

The County follows GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." The County's liability for other postemployment benefits has been recorded in the Statement of Net Position in accordance with that statement. See Note 7 for additional information.

Sales Tax

Pursuant to local law, the County levies a 4% tax in accordance with the Tax Law §1210. The County retains 80% of such taxes for County purposes and distributes the remainder to the towns and villages in the County up to a maximum of \$2,000,000.

Unearned Revenues

The County reports unearned revenues on its Statement of Net Position and its Balance Sheet. Unearned revenue arises when resources are received by the County before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the County has legal claim to resources, the liability is removed, and revenue is recognized.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows related to pensions and other postemployment benefits in the Statement of Net Position. The types of deferred outflows related to pensions and other postemployment benefits are described in Notes 6 and 7.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports deferred inflows of resources related to unavailable revenues in the Balance Sheet. The County reports deferred inflows related to pensions and other postemployment benefits in the Statement of Net Position. These are further described in Notes 6 and 7.

Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, it is the County's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements.

Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between Governmental and Proprietary Funds are netted as part of the reconciliation to the Government-wide financial statements.

Insurance

The County assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired, or a liability has been incurred and the amount of loss can be reasonably estimated.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Equity Classifications - Government-Wide Financial Statements

Equity is classified as net assets and displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets including restricted 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 - Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - All other resources that do not meet the definition of "restricted" or "net investment in capital assets."

Equity Classifications - Governmental Fund Financial Statements

The County follows GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." Terminology and classification of fund balance reflect spending constraints on resources, rather than availability for appropriation, which provides users more consistent and understandable information about a fund's net resources.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Equity Classifications - Governmental Fund Financial Statements - Continued

Constraints are broken into five classifications: nonspendable, restricted, committed, assigned, and unassigned. These classifications serve to inform readers of the financial statements of the extent to which the government is bound to honor any constraints on specific purposes for which resources in a fund can be spent.

- **Nonspendable** - Consists of assets inherently nonspendable in the current period either because of their form or because they must be maintained intact; including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and endowment principal.
- **Restricted** - Consists of amounts subject to legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and enforced externally; or through constitutional provisions or enabling legislation.
- **Committed** - Consists of amounts subject to a purpose constraint imposed by formal action of the government's highest level of decision-making authority prior to the end of the fiscal year and requires the same level of formal action to remove said constraint.
- **Assigned** - Consists of amounts subject to a purpose constraint representing an intended use established by the government's highest level of decision-making authority or their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund. In funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.
- **Unassigned** - Represents the residual classification of the government's General Fund and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance resulting from overspending amounts restricted, committed, or assigned for specific purposes.

The County does have a policy listing the Legislature as the highest level of authority able to assign fund balance. The Legislature, by resolution, approves fund balance appropriations for next year's budget, and fund balance is assigned by the County Treasurer for encumbrances. Expenditures which affect more than one fund balance type are applied against fund balance in the following order: non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balance, respectively.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Fund Balance Policy

It is the policy of the County Legislature to maintain the following:

- Unappropriated unassigned fund balance in the General Fund at a minimum of 20% of the following year's General Fund appropriations.
- Assigned unappropriated fund balance in the County Road Fund at a minimum of \$1,500,000.
- Assigned unappropriated fund balance in the Road Machinery Fund at a minimum of \$750,000.

The County Administrator and Treasurer have been designated to disburse excess fund balance in accordance with the policy.

Legally Adopted Reserves

Fund balance reserves are created to satisfy legal restrictions, plan for future expenditures, or relate to resources not available for general use or appropriation. With the exception of the encumbrance reserve, reserve funds are established through Legislative action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund. Reserves currently in use by the County include the following.

- Contingency and Tax Stabilization Reserve Fund (GML §6-e) - Established for financing certain unanticipated revenue losses and expenditures or to lessen or prevent projected property tax levy increases. Additions and appropriations to this reserve are subject to the County's fund balance policy.
- Reserve for Repairs (GML §6-d) - Used to pay the cost of repairs to capital improvements or equipment of a type not recurring annually. The County Legislature may establish a repair reserve fund by a majority vote of its members. Expenditures from this reserve may be made only after a public hearing is held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the General Fund.
- Other Reserves - Accounts for funds restricted for miscellaneous projects, as authorized by County Resolution.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 1* Summary of Significant Accounting Policies - Continued**

Legally Adopted Reserves - Continued

- Mandatory Reserve for Debt Service (GML §6-1) - Used to establish a reserve for the purpose of retiring outstanding obligations upon the sale of County property or capital improvements financed by obligations which remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of County property or capital improvements. This reserve is accounted for in the HSDC Fund and STASC Debt Service Fund.

New Accounting Standards

The County adopted and implemented the following current Statements of the GASB effective for the year ended December 31, 2024:

- GASB Statement No. 100, "Accounting Changes and Error Corrections."
- GASB Statement No. 101, "Compensated Absences."

Future Changes in Accounting Standards

- GASB Statement No. 102, "Certain Risk Disclosures," effective for the year ending December 31, 2025.
- GASB Statement No. 103, "Financial Reporting Model Improvements," effective for the year ending December 31, 2026.
- GASB Statement No. 104, "Disclosure of Certain Capital Assets," effective for the year ending December 31, 2026.

The County will evaluate the impact future pronouncements may have on its financial statements and will implement as applicable and when material.

***Note 2* Cash and Investments**

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. While the County does not have a specific policy for custodial credit risk, New York State statutes govern the County's investment policies. The County has its own written investment policy. The County's monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. The Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. Collateral (security) is required for demand and time deposits and certificates of deposit not covered by FDIC. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts, obligations of Puerto Rico, obligations of municipalities of other states, obligations of domestic corporations, mortgage related securities, commercial paper and bankers acceptances, and zero coupon obligations of the United States.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 2 **Cash and Investments - Continued**

GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits were either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the County's name.

The County's aggregate bank balances of \$27,840,921 are either insured or collateralized with securities held by the pledging financial institution in the County's name.

Total financial institution (bank) balances, including investments, of the HSDC and STASC at December 31, 2024, per the bank, were \$348,588 and \$413,261, respectively, and were fully collateralized.

Total bank balances of Schuyler County Industrial Development Agency (SCIDA), including long-term certificates of deposit, totaled \$598,216 at December 31, 2024, and were entirely insured or collateralized with securities held by SCIDA's agent in the Agency's name.

The Soil and Water Conservation District's aggregate bank balances totaled \$1,391,985 at December 31, 2024 and were entirely insured or collateralized with securities held by the pledging financial institution in the District's name.

Restricted cash, cash equivalents, and investments of the primary government and its blended component units at December 31, 2024 consisted of the following.

<u>Purpose</u>	<u>Amount</u>
Public Safety Funds	\$ 698,808
Human Services Funds	263,949
Lamoka-Waneta Lakes District Funds	85,641
Repair Reserve Funds	6,542,706
Contingency and Tax Stabilization Funds	1,503,803
STASC Debt Service Fund	272,105
HSDC Funds	345,588
Total	\$ 9,712,600

Note 3 **Property Taxes**

Property taxes levied for 2024 are recorded as revenue and receivables, net of estimated uncollectible amounts. In the fund financial statements, the net receivables collected during 2024 and expected to be collected within the first 60 days of 2024 are recognized as revenues in 2024.

Net receivables estimated to be collectible subsequent to the first 60 days of 2025 are reflected as deferred revenue. At December 31, 2024, the County recognized \$1,372,136 of unavailable tax revenue.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 3 Property Taxes - Continued

Taxes receivable at December 31, 2024 are summarized as follows:

Returned School Taxes Receivable	\$ 1,629,522
Taxes Receivable - Overdue	1,688,810
Other	<u>77,393</u>
Total	<u>\$ 3,395,725</u>

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 re-levied for schools in the amount of \$1,629,522 is reflected as part of a liability, due to other governments, in the accompanying basic financial statements.

Note 4 Due From State and Federal Governments

State and Federal aid receivables at December 31, 2024 consisted of the following, which are stated at net realizable value. The County has deemed the amounts to be fully collectible.

<u>Description</u>	<u>Amount</u>
Social Services	\$ 1,736,920
Sales Tax	1,364,298
Highway Reimbursement	287,769
Public Health	291,426
Public Safety	1,572,454
Other	<u>2,265,271</u>
Total	<u>\$ 7,518,138</u>

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 5 Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Balance at December 31, 2023	Additions	Disposals/ Reclassifications	Balance at December 31, 2024
Governmental Activities				
Land	\$ 388,200	\$ -	\$ -	\$ 388,200
Construction in Progress	2,407,220	561,689	(2,494,623)	474,286
Total Non-Depreciable Capital Assets	2,795,420	561,689	(2,494,623)	862,486
Buildings	15,479,852	-	2,494,623	17,974,475
Machinery and Equipment	18,013,904	1,198,179	(804,109)	18,407,974
Land Improvements	3,418,081	-	-	3,418,081
Infrastructure	53,258,051	2,135,578	(162,038)	55,231,591
Total Depreciable Capital Assets	90,169,888	3,333,757	1,528,476	95,032,121
Intangible Lease Assets - Equipment	205,321	5,120	-	210,441
Subscription Assets	424,480	381,146	-	805,626
Total Historical Cost	93,595,109	4,281,712	(966,147)	96,910,674
(Less) Accumulated Depreciation:				
Buildings	(9,839,758)	(360,857)	-	(10,200,615)
Machinery and Equipment	(9,783,686)	(1,089,929)	1,085,757	(9,787,858)
Land Improvements	(1,585,903)	(61,919)	-	(1,647,822)
Infrastructure	(29,316,736)	(1,592,447)	-	(30,909,183)
Total Accumulated Depreciation	(50,526,083)	(3,105,152)	1,085,757	(52,545,478)
Intangible Lease Assets - Equipment	(33,012)	(24,369)	-	(57,381)
Subscription Assets	(75,982)	(228,775)	-	(304,757)
Governmental Activities Capital Assets, Net	\$ 42,960,032	\$ 923,416	\$ 119,610	\$ 44,003,058

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 5 Capital Assets - Continued

Depreciation and amortization expense was charged to functions as follows:

Governmental Activities

General Governmental Support	\$ 711,755
Public Safety	473,037
Public Health	122,321
Transportation	1,927,610
Economic Assistance and Opportunity	54,345
Culture and Recreation	68,827
Home and Community Services	401
	401

Total	\$ 3,358,296
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	Balance at December 31, 2023	Additions	Disposals/ Reclassifications	Balance at December 31, 2024
HSDC Fund				
Land	\$ 40,639	\$ -	\$ -	\$ 40,639
Total Non-Depreciable Capital Assets	40,639	-	-	40,639
Buildings	4,775,596			4,775,596
Land Improvements	210,063	-	-	210,063
Total Depreciable Capital Assets	4,985,659	-	-	4,985,659
Total Historical Cost	5,026,298	-	-	5,026,298
Less: Accumulated Depreciation:				
Buildings	(1,941,689)	(119,571)	-	(2,061,260)
Land Improvements	(172,418)	(10,405)	-	(182,823)
Total Accumulated Depreciation	(2,114,107)	(129,976)	-	(2,244,083)
HSDC Fund Capital Assets, Net	\$ 2,912,191	\$ (129,976)	\$ -	\$ 2,782,215

Depreciation expense for the year ended December 31, 2024 for HSDC totaled \$129,976 and was charged to economic assistance and opportunity in the Statement of Activities.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 6 Pension Obligations - New York State and Local Employees' Retirement System (ERS)

Plan Descriptions and Benefits Provided

Employees' Retirement System (ERS) (the System)

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

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3.0 to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

The County reports the following percentages of its employees within the following tiers:

Tier 3: 0.85%, Tier 4: 47.49%, Tier 5: 3.57%, and Tier 6: 48.09%.

Summary of Significant Accounting Policies

The System's financial statements from which the System'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 System's annual reports.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 6 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Contributions

Contributions for the current year and two preceding Plan years were equal to 100% of the contributions required under the program and were as follows:

	2024	2023	2022
ERS	\$ 2,216,854	\$ 1,794,983	\$ 1,563,853

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

At December 31, 2024, the County reported the following (asset)/liability for its proportionate share of the net pension (asset)/liability for the System. The net pension (asset)/liability was measured as of March 31, 2024. The total pension liability used to calculate the net pension (asset)/liability was determined by an actuarial valuation. The County's proportionate share of the net pension (asset)/liability was based on a projection of the County's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was derived from a report provided to the County by the ERS System.

	ERS
Actuarial Valuation Date	April 1, 2023
Net Pension (Asset)/Liability	\$14,724,050,185
County's Proportionate Share of the	
Plan's Total Net Pension (Asset)/Liability	7,654,728
County's Share of the Net Pension (Asset)/Liability	0.0519879%

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 6 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

For the year ended December 31, 2024, the County recognized pension expense of \$3,110,115 for ERS in the financial statements. At December 31, 2024, the County's reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources:

	ERS
Deferred Outflows of Resources	
Differences Between Expected and Actual Experience	\$ 2,465,582
Changes of Assumptions	2,894,081
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	75,387
County's Contributions Subsequent to the Measurement Date	1,662,640
Total	\$ 7,097,690
 Deferred Inflows of Resources	
Differences Between Expected and Actual Experience	\$ 208,724
Changes of Assumptions	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	3,739,294
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	499,272
Total	\$ 4,447,290

County contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the net pension (asset)/liability in the year ending December 31, 2025. 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	ERS
2025	\$ (1,570,351)
2026	1,334,862
2027	2,110,923
2028	(887,674)
2029	-
Thereafter	-

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 6 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Actuarial Assumptions

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. Significant actuarial assumptions used in the valuation were as follows:

	<u>ERS</u>
Measurement Date	March 31, 2024
Actuarial Valuation Date	April 1, 2023
Interest Rate of Return	5.9%
Salary Increases	4.4%
Cost of Living Adjustments	1.5%
Inflation Rate	2.9%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021.

The actuarial assumptions used in the April 1, 2023 valuation are based on the results of an actuarial experience study for the period April 1, 2016 - March 31, 2020.

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

	<u>ERS</u>
Measurement Date	March 31, 2024
Asset Type:	
Domestic Equities	4.0%
International Equities	6.7%
Real Estate	4.6%
Private Equity	7.3%
Opportunistic/ARC Portfolio	5.3%
Real Assets	5.8%
Credit	5.4%
Fixed Income	1.5%
Cash	0.3%

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 6 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Discount Rate

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

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

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
County's Proportionate Share of the Net Pension (Asset)/Liability	\$ 24,067,248	\$ 7,654,728	\$ (6,053,131)

Pension Plan Fiduciary Net Position

The components of the current year net pension (asset)/liability of the employers as of the respective valuation dates were as follows:

	Dollars in Thousands	
	ERS	
Measurement Date	March 31, 2024	
Employers' Total Pension Liability	\$	240,696,851
Plan Net Position		(225,972,801)
Employers' Net Pension (Asset)/Liability	\$	14,724,050
Ratio of Plan Net Position to the Employers' Total Pension Liability		93.9%

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of December 31, 2024 represent the projected employer contribution for the period of April 1, 2024 through December 31, 2024 based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of December 31, 2024 amounted to \$-0-.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 6 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
Net Pension (Asset)/Liability	\$ 11,319,245	\$ (3,664,517)	\$ 7,654,728
Deferred Outflows of Resources	(8,172,497)	1,074,807	(7,097,690)
Deferred Inflows of Resources	871,083	3,576,207	4,447,290
Total	\$ 4,017,831	\$ 986,497	\$ 5,004,328

Note 7 Postemployment Benefits Other Than Pensions (OPEB)

General Information About the OPEB Plan

Plan Description

The County provides postemployment (health insurance, etc.) coverage to retired employees in accordance with the provisions of various employment contracts. The County's plan is a single-employer postemployment benefit plan (the Plan). No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements because there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided

Health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The County offers the benefit, with related premiums funded 50% by participating retirees. The retiree also pays 65% of the premium covering the retiree's spouse.

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries		
Currently Receiving Benefit Payments		74
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments		-
Active Employees		214
Total		288

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 7* Postemployment Benefits Other Than Pensions (OPEB) - Continued**

Total OPEB Liability

The County's total OPEB liability of \$25,504,540 was measured as of December 31, 2024 and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Single Discount Rate	4.16%
Rate of Compensation Increase	2.50%
Rate of Inflation	2.50%

The long-term bond rate is based on the Fidelity General Obligation AA 20-Year Bond rate as of the measurement date (or the nearest business day thereto).

The salary scale was based on the County's review of historical experience as well as future expectations.

The mortality assumption was updated to the sex-distinct and job category-specific headcount weighted Pub-2010 Public Plans Mortality Tables for employees and health retirees, adjusted for mortality improvements with the Scale MP-2021 mortality improvement scale on a generational basis.

Turnover rates are based on experience under the New York State Employees' Retirement System (ERS).

Healthcare Cost Trend Rates were based on a review of published national trend survey data in relation to the retiree health plan offerings and updated long-term rates based on the Society of Actuaries Long Term Healthcare Cost Trends Model v2023_1f (the Getzen model).

CPI inflation rates were based on future increases in limits corresponding to the excise tax of the Affordable Care Act on high cost employer-sponsored health plans.

The actuarial assumptions used in the January 1, 2023 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 7 Postemployment Benefits Other Than Pensions (OPEB) - Continued

Changes in the Total OPEB Liability

	Liability
Balance at December 31, 2023	\$ 19,648,876
Changes for the Year	
Service Cost	922,702
Interest Cost	765,064
Changes of Benefit Terms	5,951,668
Differences Between Expected and Actual Experience	-
Changes in Assumptions	(1,227,548)
Benefit Payments	(556,222)
Net Change	5,855,664
Balance at December 31, 2024	<u>\$ 25,504,540</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.77% percent in 2023 to 4.16% in 2024.

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 or higher than the current discount rate:

	1% Decrease (3.16%)	Discount Rate (4.16%)	1% Increase (5.16%)
Total OPEB Liability	\$ 29,810,094	\$ 25,504,540	\$ 22,042,361

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend 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 healthcare cost trend rate that is 1 percentage point lower or higher than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 21,448,124	\$ 25,504,540	\$ 30,785,748

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 7 Postemployment Benefits Other Than Pensions (OPEB) - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the County recognized OPEB expense of \$4,461,275.

At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 12,698,063
Changes in Assumptions or Other Inputs	4,413,846	9,892,284
Total	\$ 4,413,846	\$ 22,590,347

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

Fiscal Year Ending December 31,	Amount
2025	\$ (3,178,159)
2026	(3,178,159)
2027	(3,014,694)
2028	(2,438,099)
2029	(2,965,835)
Thereafter	(3,401,555)

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB Liability	\$ 19,648,876	\$ 5,855,664	\$ 25,504,540
Deferred Outflows of Resources	(5,534,975)	1,121,129	(4,413,846)
Deferred Inflows of Resources	25,662,087	(3,071,740)	22,590,347
Total	\$ 39,775,988	\$ 3,905,053	\$ 43,681,041

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 8* Constitutional Debt Limit**

At December 31, 2024, the total outstanding indebtedness of the County, excluding TASC and HSDC, aggregated \$1,348,559. Of this amount, \$1,348,559 was subject to constitutional limitations on indebtedness and represented 1.2% of the County's statutory debt limit.

***Note 9* Short-Term Debt**

Bond Anticipation Notes

Bond Anticipation Notes (BANs) are reflected as current or long-term liabilities depending on the refinancing status. For Governmental Funds, if all legal steps have been taken to refinance the BANs, the intent is supported by an ability to consummate refinancing the short-term note on a long-term basis in the operating statement of the recipient fund. Such notes are recorded as liabilities in the Government-wide financial statements.

State law requires BANs issued for capital purposes be converted to long-term obligations or paid off within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided stipulated annual reductions of principal are made.

The County did not issue or redeem any BANs during the year ended December 31, 2024.

Revenue Anticipation Notes and Tax Anticipation Notes

The County may issue Revenue Anticipation Notes (RANs) and Tax Anticipation Notes (TANs), in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will receive the proceeds from the issuance of the notes. The RANs and TANs represent a liability that will be extinguished by the use of expendable, available resources of the fund. During the year ended December 31, 2024, the County did not issue or redeem any short-term RANs or TANs.

***Note 10* Noncurrent Liabilities**

Serial Bonds

The County borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are full faith and credit debt of the local government, are recorded in the Statement of Net Position.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 10 Noncurrent Liabilities - Continued

In addition to the above debt, the County had the following noncurrent liabilities:

- Compensated Absences - Represents the value of accumulated hours earned that will be used or paid out to employees.
- Installment Purchase Debt - Represents principal balance of equipment leases. This liability is liquidated from the General Fund.

Summary of Debt

The following is a summary of serial bonds and installment purchase debt payable:

<u>Description</u>	<u>Original Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Date of Final Maturity</u>	<u>Balance December 31, 2024</u>
Serial Bonds:					
2021 Refunded Shared Services Construction	01/2021	\$ 945,000	2.00-4.00%	01/2034	\$ 770,000
Unamortized Bond Premium					89,995
Carrying Value of 2021 Bonds					<u>859,995</u>
Shared Services Construction	05/2016	1,405,000	1.50-2.00%	05/2028	520,000
STASC Pass-Through Bonds:					
Tobacco Settlement Bonds (2000)	12/2000	3,280,000	5.25-6.30%	06/2023	880,000
Less: Unamortized Bond Discount					(4,857)
Carrying Value of Series 2000 Bonds					<u>875,143</u>
Tobacco Settlement Bonds (2005)	11/2005	1,573,852	6.00-7.85%	06/2060	1,497,013
(Less): Unamortized Bond Discount					(12,952)
Interest Accretion					3,954,285
Carrying Value of Series 2005 Bonds					<u>5,438,346</u>
HSDC 2021 Refunding Bonds	03/2021	3,330,000	4.00%	05/2032	2,380,000
Unamortized Bond Premium					281,062
Carrying Value of HSDC Bonds					<u>2,661,062</u>
Installment Purchase Debt:					
2021 Sheriff Vehicles Lease	05/2021	37,986	10.41%	05/2026	13,292
2022 Sheriff Vehicles Lease	09/2022	27,216	10.41%	09/2026	13,292
2022 Sheriff Vehicles Lease	08/2022	22,838	15.86%	08/2026	10,875
2022 Sheriff Vehicles Lease	08/2022	22,838	15.86%	08/2026	10,875
2022 Sheriff Vehicles Lease	10/2022	20,450	14.87%	10/2026	10,225
Total Installment Purchase Debt					<u>58,559</u>
Total					<u>\$ 10,413,105</u>

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 10 Noncurrent Liabilities - Continued

Change in Indebtedness

The following represents changes in the County's indebtedness during the year ended December 31, 2024:

	Balance December 31, 2023	Additions	Deletions	Balance December 31, 2024	Amount Due Within One Year
Serial Bonds	\$ 1,475,000	\$ -	\$ (185,000)	\$ 1,290,000	\$ 190,000
Bond Premium	108,467	-	(18,472)	89,995	17,029
STASC Bonds	2,497,013	-	(120,000)	2,377,013	820,916
Accreted Interest Payable	3,673,918	280,367	-	3,954,285	-
Less: Unamortized Bond Discount	(24,553)	6,744	-	(17,809)	(6,493)
HSDC Bonds	2,630,000	-	(250,000)	2,380,000	260,000
Unamortized Bond Premium	351,397	-	(70,335)	281,062	63,175
Installment Purchase Debt	101,992	-	(43,433)	58,559	33,817
Compensated Absences	1,558,000	185,067	-	1,743,067	1,408,204
Totals	<u>\$ 12,371,234</u>	<u>\$ 472,178</u>	<u>\$ (687,240)</u>	<u>\$ 12,156,172</u>	<u>\$ 2,786,648</u>

Additions and deletions to compensated absences are shown net, as it is impractical to determine these amounts separately. The County paid \$83,920 in interest on bonds, installment purchase debt and leases during the year ended December 31, 2024. STASC paid \$62,274 in interest on bonds during the year. HSDC paid \$100,201 in interest on bonds during the year. Interest paid on the Serial Bonds varies from year to year, in accordance with the interest rates specified in the bond agreements.

Interest expense on long-term debt during the year was comprised of:

Interest Paid	\$ 246,395
Less: Interest Accrued in Prior Year	(42,290)
Interest Accrued in Current Year	42,174
Less: Prior Year Accreted Interest	(3,673,918)
Current Year Accreted Interest	3,954,285
Less: Amortization of Bond Discount/(Premium)	<u>(82,063)</u>
Total	<u>\$ 444,583</u>

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 10 Noncurrent Liabilities - Continued

Change in Indebtedness - Continued

During January 2021, the County issued \$945,000 in general obligation bonds, with interest rates of 2% to 4%. The County issued the bonds to advance refund the \$1,020,000 of outstanding various general obligation bonds with interest rates ranging from 3.5% to 5%. The County used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the bonds. As a result, the \$1,020,000 in bonds is considered defeased and the liability has been removed from the financial statements. The outstanding principal of the defeased bonds was \$835,000 at December 31, 2024.

Debt Service Requirements

The following tables summarize the County's future debt service requirements as of December 31, 2024:

Year	Governmental Funds							
	County Serial Bonds		HSDC Fund		STASC Bonds		Total Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 190,000	\$ 38,650	\$ 260,000	\$ 90,000	\$ 820,916	\$ 1,684,881	\$ 1,270,916	\$ 1,813,531
2026	195,000	33,500	265,000	79,500	96,557	364,977	556,557	477,977
2027	200,000	28,200	280,000	68,600	77,204	383,324	557,204	480,124
2028	210,000	22,650	290,000	57,200	69,184	399,459	569,184	479,309
2029	75,000	18,300	305,000	45,300	64,672	407,727	444,672	471,327
2030-2034	420,000	42,800	980,000	59,800	266,208	2,158,269	1,666,208	2,260,869
2035-2039	-	-	-	-	367,272	1,287,799	367,272	1,287,799
2040-2042	-	-	-	-	615,000	47,700	615,000	47,700
Totals	\$ 1,290,000	\$ 184,100	\$ 2,380,000	\$ 400,400	\$ 2,377,013	\$ 6,734,136	\$ 6,047,013	\$ 7,318,636

Year	Installment Purchase Debt		
	Principal	Interest	Total
2025	\$ 33,817	\$ 5,198	\$ 39,015
2026	24,742	3,773	28,515
Totals	\$ 58,559	\$ 8,971	\$ 67,530

Installment Purchase Debt

The cost and net book value of capital assets procured through installment purchase debt amounts the following:

Cost	\$ 131,328
Accumulated Depreciation	<u>(50,082)</u>
Net Book Value	<u>\$ 81,246</u>

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 10 Noncurrent Liabilities - Continued

STASC Bonds

The County's future right, title, and interest in the Tobacco Settlement Revenues were financed through the issuance of bonds in the amount of \$3,280,000 and bearing interest rates ranging from 5.25% to 6.3% in December 2000. STASC elected the 25-year flexible amortization option.

STASC Series 2005 bonds are capital appreciation bonds, upon which the investment return on the initial principal amount is reinvested at a compounded rate until maturity. There are no scheduled principal and interest payments on the Series 2005 bonds other than on their respective maturity dates, at which time a single payment is made representing both the initial principal amount and the total investment return.

The Series 2005 bonds are subject to redemption prior to maturity through turbo redemption payments which are to be made from surplus collections on deposit, as provided in the Bond Indenture. The amounts and timing of the turbo redemption payments are based on projections of future tobacco settlement receipts less amounts needed to satisfy debt service on the Series 2000 bonds and to satisfy operating requirements. Failure to make such turbo redemption payments will not, however, constitute an event of default.

Note 11 Leases

Lessee - Lease Liabilities

The County enters into lease agreements for certain equipment and vehicles that are considered leases. The County is not party to any material short-term leases, and current leases do not require any variable payments.

Lease liabilities as of December 31, 2024 are as follows:

<u>Description of Lease</u>	<u>Final Maturity</u>	<u>Discount Rate</u>	<u>Outstanding December 31,</u>
Equipment	07/31/2026	10.22%	\$ 252
Equipment	08/31/2027	5.94%	380
Equipment	11/30/2027	6.25%	404
Equipment	12/7/2026	8.94%	804
Equipment	03/31/2028	8.58%	10,413
Office Space	06/30/2033	7.85%	125,856
			<u>\$ 138,109</u>

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 11 Leases - Continued

Lessee - Lease Liabilities - Continued

The following is a summary of the maturity of lease liabilities:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 13,509	\$ 11,165	\$ 24,674
2026	15,156	10,032	25,188
2027	16,366	8,785	25,151
2028	15,286	7,536	22,822
2029	16,238	6,331	22,569
2030-2032	61,554	10,399	71,953
	<u>\$ 138,109</u>	<u>\$ 54,248</u>	<u>\$ 192,357</u>

Interest paid for the current year amount to \$12,137.

Lessor - Lease Receivable

The County enters into lease agreements for equipment and office space that are considered leases. The County is not party to any short-term leases, and current leases do not require any variable payments.

Lease receivables as of December 31, 2024 are as follows:

<u>Description of Lease</u>	<u>Term of Lease</u>	<u>Discount Rate</u>	<u>Outstanding December 31,</u>
Office Space	10/01/2017-09/30/2027	7.01%	\$ 5,987
Office Space	01/01/2010-01/31/2034	7.85%	420,405
Office Space	06/01/2018-05/31/2023	5.55%	86,719
Office Space	01/01/2010-01/31/2034	7.85%	3,511
Office Space	07/01/2013-06/30/2033	7.85%	29,345
Office Space	12/01/2014-12/31/2043	8.56%	18,006
Office Space	01/01/2010-01/31/2034	7.85%	164,864
Office Space	01/01/2010-01/31/2034	7.85%	27,963
Office Space	07/01/2013-06/30/2033	7.85%	103,134
Office Space	01/01/2024-12/31/2025	9.46%	5,704
Waterfront Property	08/12/2013-06/16/2033	7.85%	125,856
Waterfront Property	01/01/2023-03/14/2027	8.60%	44,868
Waterfront Property	05/01/2024-03/31/2027	9.13%	41,131
Other	03/01/2024-06/16/2033	8.85%	28,529
			<u>\$ 1,106,022</u>

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 11 Leases - Continued

Lessor - Lease Receivable - Continued

The following is a summary of future lease receivables:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 137,167	\$ 88,449	\$ 225,616
2026	144,951	76,674	221,625
2027	120,280	65,384	185,664
2028	110,119	56,134	166,253
2029	103,330	47,962	151,292
2030-2034	478,143	99,761	577,904
2035-2039	5,542	4,458	10,000
2040-2043	6,490	1,508	7,998
	<u>\$1,106,022</u>	<u>\$440,330</u>	<u>\$1,546,352</u>

The County recognized lease revenue of \$156,813 and interest income of \$34,832 for the year ended December 31, 2024. The total of leases receivable is offset by a deferred inflow of resources totaling \$1,042,737.

Note 12 Subscription-Based Information Technology Arrangements

The County enters into contracts for the right to use vendor-provided information technology.

Subscription liabilities as of December 31, 2024 are as follows:

<u>Description of Arrangement</u>	<u>Final Maturity</u>	<u>Discount Rate</u>	<u>Outstanding December 31, 2024</u>
Subscription	05/20/2027	9.13%	\$ 26,598
Subscription	12/31/2026	8.94%	35,046
Subscription	04/16/2028	8.97%	62,012
Subscription	12/22/2027	8.35%	168,458
Subscription	12/31/2025	8.86%	6,133
Subscription	11/30/2025	8.86%	2,221
Subscription	12/31/2028	8.59%	11,353
Subscription	04/30/2029	8.81%	3,608
			<u>\$ 315,429</u>

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 12 Subscription-Based Information Technology Arrangements - Continued

The following is a summary of future subscription liabilities:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 109,913	\$ 24,883	\$ 134,796
2026	112,636	15,060	127,696
2027	88,408	5,707	94,115
2028	4,143	361	4,504
2029	329	6	335
	<u>\$ 315,429</u>	<u>\$ 46,017</u>	<u>\$ 361,446</u>

Interest paid for the current year amounted to \$21,874.

Note 13 Interfund Activity

During the course of normal operations, the County has numerous transactions between funds including expenditures and transfers of resources primarily to subsidize other funds. The Governmental Funds financial statements generally reflect such transactions as transfers. Interfund receivables and payables and interfund transfer revenues and expenditures at December 31, 2024 were as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 264,670	\$ 531
Non-Major Funds	531	264,670
Totals	<u>\$ 265,201</u>	<u>\$ 265,201</u>

	<u>Interfund Revenues</u>	<u>Interfund Expenditures</u>
General Fund	\$ 33,547	\$ 3,728,040
Non-Major Funds	3,728,040	33,547
Totals	<u>\$ 3,761,587</u>	<u>\$ 3,761,587</u>

Note 14 Summary of Significant Commitments and Contingencies

State and Federally Assisted Programs

The County receives many different state and federal grants to be used for specific purposes. These grants are generally conditioned on compliance with certain statutory, regulatory, and/or contractual requirements. The County makes every effort to comply with all applicable requirements. However, because these grants are audited from time to time, it is possible that the County will be required, upon audit, to repay portions of the grant monies received and recorded as revenue in a prior year. County officials do not anticipate material grant-in-aid disallowances, and no provision, therefore, is reflected in the financial statements.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

***Note 15* Other Litigation**

The County and/or its agencies are named in several minor lawsuits arising in the ordinary course of the County's operations. These claims and lawsuits, in the opinion of management, are either adequately covered by insurance or will not result in a material impact on the financial position of the County and therefore are not reflected in the accompanying financial statements. In the past three years, no settlements exceeded insurance coverage.

***Note 16* Other Disclosures**

Schuyler County Community Services Board

The Schuyler County Community Services Board was formed under Mental Hygiene Law §41 to enable and encourage the County to develop preventive, rehabilitative, and treatment services for the mentally ill, the mentally retarded, the developmentally disabled, and those suffering from the diseases of alcoholism and substance abuse in the community.

The Board was formed to be a policy-making body with regard to the services provided to the community. During 1996, the Board applied for and received funding to build a new building. Bonding was obtained through the Local Government Services Corporation (LGSC) and various other state grants were received to supplement the funding stream. Because the bonding was obtained through the LGSC, the LGSC will retain title to the building for the life of the bonds, and at maturity will be transferred to an entity selected by the County Legislature. During 2018, the title was transferred to the County.

***Note 17* Transactions With Component Units**

Schuyler County Soil and Water Conservation District

The County contributed \$160,000 for operating assistance and \$30,000 for stream stabilization services to the Soil and Water Conservation District during the year ended December 31, 2024.

Schuyler County Human Services Development Corporation

The HSDC leases office space to Schuyler County. During the year ended December 31, 2024, the County paid \$208,845 on their lease rental commitment. In addition, the Corporation's records are maintained by County employees at no charge to the Corporation for these services. In-kind contributions totaled \$3,137 for the year ended December 31, 2024. The HSDC is reported as a blended component unit, and, pursuant to GASB Statement No. 87, leases between the County and HSDC have not been recorded in the financial statements.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 18 Fund Balance Detail

At December 31, 2024, fund balance in the governmental funds was comprised of the following:

	General Fund	Non-Major Funds
Nonspendable		
Prepaid Expenses	\$ 568,444	\$ -
Inventory	7,244	-
	\$ 575,688	\$ -
Restricted		
E-911 Reserve	\$ 574,444	\$ -
Seized Assets	56,190	-
Stop-DWI Reserve	68,174	-
Lamoka/Waneta Lakes Reserve	85,641	-
Human Services Reserve	263,949	-
Contingency and Tax Stabilization Reserve	1,503,803	-
Repair Reserve	6,542,706	-
Debt Service	-	272,105
	\$ 9,094,907	\$ 272,105
Committed		
Facilities and Grounds Capital Reserve	\$ 399,336	\$ -
Voice and Data Reserve	191,166	-
Economic Development Reserve	4,926,130	-
	\$ 5,516,632	\$ -
Assigned		
Encumbered for:		
General Support	\$ 105,504	\$ -
Public Safety	80,635	-
Economic Assistance and Opportunity	3,892	-
Home and Community Services	7,940	-
TASC Debt Service	-	349,659
Transportation	-	3,043,300
	\$ 197,971	\$ 3,392,959
Unassigned	\$ 11,018,249	\$ (1,265)
Total Fund Balances	\$ 26,403,447	\$ 3,663,799

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 19 Tax Abatements

For the year ended December 31, 2024, the County was subject to tax abatements negotiated by the Schuylers County Industrial Development Agency (SCIDA), a discretely presented component unit.

Under SCIDA, companies from outside the County can apply for sales tax exemptions under eligible spending related to relocating to the County. Companies accepted into the program document the sales tax paid on eligible spending and receive a rebate up to a maximum of 100%. Through this program, companies promise to expand or maintain facilities or employment in the County, to establish new business in the County, or to relocate an existing business to the County. Economic development agreements entered into by SCIDA can include the abatement of county, local, and school district taxes. In this case, negotiated abatements have resulted in reductions of property taxes, which SCIDA administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100%.

Information relevant to disclosure of the program for the year ended December 31, 2024 is as follows:

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated</u>
Economic Development:	
Real Property Tax	\$ 225,501
Total	\$ 225,501

Note 20 Stewardship, Compliance, and Accountability

Deficit Net Position

At December 31, 2024, the Statement of Net Position had an unrestricted deficit net position of \$34,667,964 for Governmental Activities. This is the result of the requirement to record other postemployment benefit liability with no requirement or mechanism to fund this liability (see Note 7). This deficit is not expected to be eliminated during the normal course of operations.

Deficit Fund Balance

At December 31, 2024, the Capital Projects Fund had an unrestricted deficit of \$1,265. This deficit is expected to be eliminated through transfers from the General Fund.

COUNTY OF SCHUYLER

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

Note 21 **Restatement**

During the year the County implemented GASB Statement No. 101, “Compensated Absences,” resulting in a change in accounting principle. In accordance with GASB No. 100, beginning net position and compensated absences have been restated for a change in accounting principle. The following is a summary of the changes in net position and compensated absences as of December 31, 2023:

	Governmental Activities	
	Net Position	Compensated Absences
Balance Beginning of Year, as Previously Reported	\$ 19,157,819	\$ 1,261,274
Compensated Absences Adjustment	<u>(296,726)</u>	<u>296,726</u>
Balance Beginning of Year, as Restated	<u>\$ 18,861,093</u>	<u>\$ 1,558,000</u>

COUNTY OF SCHUYLER

BUDGETARY COMPARISON SCHEDULE (NON-U.S. GAAP) GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2024

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
REVENUES					
Real Property Taxes	\$ 11,006,355	\$ 11,006,355	\$ 10,470,137	\$ -	\$ (536,218)
Real Property Tax Items	625,000	625,000	665,245	-	40,245
Nonproperty Tax Items	18,770,000	18,770,000	18,051,108	-	(718,892)
Departmental Income	8,486,537	8,524,062	7,694,870	-	(829,192)
Intergovernmental Charges	321,408	321,408	295,776	-	(25,632)
Use of Money and Property	1,316,547	1,316,547	1,645,484	-	328,937
Fines and Forfeitures	42,607	3,496,939	45,466	-	(3,451,473)
Sale of Property and Compensation for Loss	6,750	6,750	12,186	-	5,436
Miscellaneous Local Sources	301,300	301,300	293,303	-	(7,997)
State Sources	10,529,210	10,070,861	11,393,013	-	1,322,152
Federal Sources	5,089,898	7,965,174	5,797,380	-	(2,167,794)
Total Revenues	56,495,612	62,404,396	56,363,968	-	(6,040,428)
EXPENDITURES					
General Governmental Support	10,310,750	11,107,947	10,817,370	105,504	185,073
Education	1,775,000	1,775,000	1,646,216	-	128,784
Public Safety	5,303,552	8,408,904	7,431,045	80,635	897,224
Public Health	6,602,943	7,546,346	6,461,147	-	1,085,199
Transportation	1,122,238	994,502	994,502	-	-
Economic Assistance and Opportunity	19,009,410	19,371,196	15,933,672	3,892	3,433,632
Culture and Recreation	245,460	262,356	221,215	-	41,141
Home and Community Services	782,219	807,219	700,351	7,940	98,928
Employee Benefits	7,605,000	7,924,291	6,887,663	-	1,036,628
Debt Service - Principal and Interest	106,000	369,766	319,937	-	49,829
Total Expenditures	52,862,572	58,567,527	51,413,118	197,971	6,956,438
Excess of Revenues (Expenditures)	3,633,040	3,836,869	4,950,850	(197,971)	916,010
OTHER FINANCING SOURCES (USES)					
Interfund Transfers In	-	-	33,547	-	33,547
Interfund Transfers (Out)	(3,633,040)	(4,346,866)	(3,728,040)	-	618,826
Proceeds of Obligations	-	-	212,146	-	212,146
Total Other Financing Sources (Uses)	(3,633,040)	(4,346,866)	(3,482,347)	-	864,519
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	-	(509,997)	1,468,503	\$ (197,971)	\$ 1,780,529
Appropriated Fund Balance	-	509,997			
Net Increase (Decrease)	\$ -	\$ -			
Fund Balance, Beginning of Year			24,934,944		
Fund Balance, End of Year			\$ 26,403,447		

See Notes to Required Supplementary Information

COUNTY OF SCHUYLER

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS FOR THE LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service Cost	\$ 922,702	\$ 812,685	\$ 2,056,168	\$ 1,870,831	\$ 1,908,064	\$ 1,648,285	\$ 2,215,722	\$	\$	\$
Interest Cost	765,064	724,418	648,226	628,451	958,827	1,175,363	1,247,038	*	*	*
Changes of Benefit Terms	5,951,668	-	-	159,608	-	(314,183)	-	*	*	*
Differences Between Expected and Actual Experience	-	(7,762,478)	-	(7,967,051)	-	(6,661,226)	-	*	*	*
Changes in Assumptions or Other Inputs	(1,227,548)	1,308,409	(10,435,568)	(998,783)	4,925,568	3,762,182	(4,232,286)	*	*	*
Benefit Payments	(556,222)	(541,648)	(669,670)	(610,512)	(650,111)	(689,070)	(655,050)	*	*	*
	5,855,664	(5,458,614)	(8,400,844)	(6,917,456)	7,142,348	(1,078,649)	(1,424,576)	*	*	*
Total OPEB Liability - Beginning of Year	19,648,876	25,107,490	33,508,334	40,425,790	33,283,442	34,362,091	35,786,667	*	*	*
Total OPEB Liability - End of Year	\$ 25,504,540	\$ 19,648,876	\$ 25,107,490	\$ 33,508,334	\$ 40,425,790	\$ 33,283,442	\$ 34,362,091	\$ 35,786,667	\$	\$
Covered Employee Payroll	\$ 16,956,207	\$ 15,048,883	\$ 14,335,884	\$ 13,687,791	\$ 12,769,695	\$ 12,801,462	\$ 11,790,856	\$	\$	\$
Total OPEB Liability as a Percentage of Covered Payroll	150%	131%	175%	245%	317%	260%	291%	*	*	*

The following is a Summary of Changes of Assumptions:

Healthcare Cost Trend Rates	7.75% - 4.04%	7.75% - 4.04%	7.75% - 4.04%	7.00% - 3.78%	7.00% - 3.78%	6.75% - 3.78%	7.00% - 3.78%	*	*	*
Salary Increases	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	*	*	*
Inflation Rate	2.50%	2.50%	2.25%	2.25%	2.25%	2.25%	2.25%	*	*	*
Discount Rate	4.16%	3.77%	4.05%	1.84%	2.00%	2.75%	3.71%	*	*	*

* Information for periods prior to implementation of GASB Statement No. 75 is unavailable and will be completed for each year going forward as it becomes available.

See Notes to Required Supplementary Information

COUNTY OF SCHUYLER

SCHEDULE OF COUNTY'S CONTRIBUTIONS NYSLRS PENSION PLAN FOR THE LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 2,216,854	\$ 1,794,983	\$ 1,563,853	\$ 2,127,943	\$ 1,830,959	\$ 1,769,857	\$ 1,739,864	\$ 1,653,496	\$ 1,920,310	\$ 1,921,917
Contributions in Relation to the Contractually Required Contribution	(2,216,854)	(1,794,983)	(1,563,853)	(2,127,943)	(1,830,959)	(1,769,857)	(1,739,864)	(1,653,496)	(1,920,310)	(1,921,917)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
County's Covered Employee Payroll	13,644,320	13,146,928	12,773,216	12,335,330	11,945,363	11,119,720	10,986,070	10,305,437	9,787,386	9,516,886
Contributions as a Percentage of Covered Employee Payroll	16.2%	13.7%	12.2%	17.3%	15.3%	15.9%	15.8%	16.0%	19.6%	20.2%

See Notes to Required Supplementary Information

COUNTY OF SCHUYLER

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET)/LIABILITY NYSLRS PENSION PLAN

FOR THE YEARS ENDED DECEMBER 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension (Asset)/Liability	0.0519879%	0.0527851%	0.0527117%	0.0511669%	0.0505382%	0.0505280%	0.0493251%	0.0660670%	0.0473124%	0.0458941%
County's Proportionate Share of the Net Pension (Asset)/Liability	\$ 7,654,728	\$ 11,319,245	\$ (4,308,962)	\$ 50,949	\$ 13,382,817	\$ 3,560,561	\$ 1,591,941	\$ 4,379,266	\$ 7,953,776	\$ 1,550,413
County's Covered Employee Payroll During the Measurement Period	13,466,611	13,040,366	12,684,166	12,219,051	11,854,134	11,319,532	10,874,916	10,115,611	9,677,978	9,463,189
County's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered Employee Payroll	56.8%	86.8%	34.0%	0.4%	112.9%	31.5%	14.6%	43.3%	82.2%	16.4%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.9%	90.8%	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
The following is a Summary of Changes of Assumptions:										
Inflation	2.90%	2.90%	2.70%	2.70%	2.50%	2.50%	2.50%	2.50%	2.50%	2.70%
Salary Increases	4.40%	4.40%	4.40%	4.40%	4.20%	4.20%	3.80%	3.80%	3.80%	4.90%
Cost of Living Adjustments	1.50%	1.50%	1.40%	1.40%	1.30%	1.30%	1.30%	1.30%	1.30%	1.40%
Investment Rate of Return	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Discount Rate	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Society of Actuaries' Mortality Scale	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014

See Notes to Required Supplementary Information

COUNTY OF SCHUYLER

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2024

***Note 1* Budgetary Data**

Budget Policies

Budget policies are as follows:

1. No later than November 15, the budget officer submits a tentative budget to the County Legislature for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for the following funds:
 - General Fund
 - County Road Fund
 - Road Machinery Fund
2. After public hearings are conducted to obtain taxpayer comments, no later than December 20, the governing Board adopts the budget.
3. All modifications of the budget must be approved by the County Legislature. During 2023, the budget was modified for unanticipated grants and revenues, use of reserve funds, and carryover encumbrances.
4. Appropriations are adopted at the functional level by department.
5. Budgetary controls are established for the Capital Projects Fund through resolutions authorizing individual projects, which remain in effect for the life of the project.
6. An annual legal budget is not adopted for the STASC, a debt service fund. Budgetary controls for the STASC are established in accordance with the applicable debt service schedules.
7. Appropriations lapse at year end.

Encumbrances

Encumbrances are recorded to reserve a portion of fund balance for outstanding commitments to be financed from current appropriations. Encumbrance accounting, under which contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the General and Special Revenue Funds. Encumbrances are reported as assignments of fund balances, as they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

COUNTY OF SCHUYLER

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2024

***Note 1* Budgetary Data - Continued**

Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America (U.S. GAAP) for the General, County Road, and Road Machinery Funds. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year. Encumbrances are not considered disbursements in the financial plan or expenditures in U.S. GAAP-based financial statements. Encumbrances reserve a portion of the applicable appropriation for purchase orders, contracts, and other commitments not expended at year end, thereby ensuring that appropriations are not exceeded. The accompanying Budgetary Comparison Schedules for the budgeted major Governmental Funds (General and County Road Funds) present comparisons of the legally adopted budget with actual data.

***Note 2* Reconciliation of the General Fund Budget Basis to U.S. GAAP**

No adjustment is necessary to convert excess of revenues and other sources over expenditures and other uses on the U.S. GAAP basis to the budget basis as there were no encumbrances added to the actual expenditures recorded in the budgetary comparison schedules.

COUNTY OF SCHUYLER

BALANCE SHEET NON-MAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2024

	Special Revenue Fund		Capital Projects Fund	STASC Debt Service Fund	Total Non-Major Governmental Funds
	County Road Fund	Road Machinery Fund			
ASSETS					
Cash and Cash Equivalents - Unrestricted	\$ 2,000,607	\$ 1,055,047	\$ 11,386	\$ 50,279	\$ 3,117,319
Cash and Cash Equivalents - Restricted	-	-	-	272,105	272,105
Temporary Investments - Unrestricted	-	-	-	54,380	54,380
Due From Other Funds	501	-	30	-	531
Due From State and Federal Governments	287,769	-	-	-	287,769
Other Receivables, Net	320	29,340	-	245,000	274,660
Total Assets	\$ 2,289,197	\$ 1,084,387	\$ 11,416	\$ 621,764	\$ 4,006,764
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 40,006	\$ 29,003	\$ -	\$ -	\$ 69,009
Accrued Liabilities	7,709	1,577	-	-	9,286
Due to Other Funds	225,891	26,098	12,681	-	264,670
Total Liabilities	273,606	56,678	12,681	-	342,965
Fund Balances					
Restricted	-	-	-	272,105	272,105
Assigned	2,015,591	1,027,709	-	349,659	3,392,959
Unassigned (Deficit)	-	-	(1,265)	-	(1,265)
Total Fund Balances	2,015,591	1,027,709	(1,265)	621,764	3,663,799
Total Liabilities and Fund Balances	\$ 2,289,197	\$ 1,084,387	\$ 11,416	\$ 621,764	\$ 4,006,764

COUNTY OF SCHUYLER

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Special Revenue Fund</u>			STASC Debt Service Fund	Total Non-Major Governmental Funds
	<u>County Road Fund</u>	<u>Road Machinery Fund</u>	<u>Capital Projects Fund</u>		
REVENUES					
Departmental Income	\$ 26,140	\$ -	\$ -	\$ -	\$ 26,140
Intergovernmental Charges	-	639,878	-	-	639,878
Use of Money and Property	74,623	38,852	-	18,630	132,105
Sale of Property and Compensation for Loss	22,902	18,147	-	-	41,049
Miscellaneous Local Sources	-	-	-	222,814	222,814
State Sources	1,481,758	37,650	-	-	1,519,408
Federal Sources	37,798	-	-	-	37,798
Total Revenues	1,643,221	734,527	-	241,444	2,619,192
EXPENDITURES					
General Governmental Support	-	-	-	30,415	30,415
Transportation	3,640,057	1,337,697	-	-	4,977,754
Employee Benefits	533,789	69,130	-	-	602,919
Capital Outlay	-	-	258,179	-	258,179
Debt Service - Principal and Interest	136,650	-	-	182,274	318,924
Total Expenditures	4,310,496	1,406,827	258,179	212,689	6,188,191
Excess of Revenues (Expenditures)	(2,667,275)	(672,300)	(258,179)	28,755	(3,568,999)
OTHER FINANCING SOURCES (USES)					
Interfund Transfers In	2,907,069	730,971	90,000	-	3,728,040
Interfund Transfers (Out)	-	-	-	(33,547)	(33,547)
Proceeds of Obligations	-	-	5,120	-	5,120
Total Other Financing Sources (Uses)	2,907,069	730,971	95,120	(33,547)	3,699,613
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	239,794	58,671	(163,059)	(4,792)	130,614
Fund Balances, Beginning of Year	1,775,797	969,038	161,794	626,556	3,533,185
Fund Balances, End of Year	\$ 2,015,591	\$ 1,027,709	\$ (1,265)	\$ 621,764	\$ 3,663,799

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

County Legislature
County of Schuyler
Watkins Glen, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Schuyler, New York (the County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 21, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
July 21, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

County Legislature
County of Schuyler
Watkins Glen, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Schuyler's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2024. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
July 21, 2025

COUNTY OF SCHUYLER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/ Pass - Through Grantor/ Program Title	Assistance Listing #	Pass- Grantor #	Passed Through to Subrecipients	Expenditures
Department of Agriculture				
Passed Through NYS Office of Temporary and Disability Assistance:				
SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	(1)	\$ -	\$ 139,604
Total SNAP Cluster			-	139,604
Total Department of Agriculture			-	139,604
Department of Justice				
Passed Through NYS Division of Criminal Justice Services:				
Violence Against Women Formula Grants	16.588	C11369	-	267,730
Total Department of Justice			-	267,730
Department of Transportation				
Passed Through NYS Department of Transportation:				
Highway Planning and Construction:				
Highway Planning and Construction	20.205	D040639	-	37,798
Total Highway Planning and Construction			-	37,798
Federal Transit Formula Grants for Rural Areas	20.509	(1)	-	29,251
National Highway Safety Administration Discretionary Safety Grants	20.600	(1)	-	3,467
Total Department of Transportation			-	70,516
Department of Treasury				
COVID-19 State and Local Fiscal Recovery Funds	21.027	N/A	-	735,575
Total Department of Treasury			-	735,575
Department of Education				
Passed Through NYS Department of Health:				
Migrant Education High School Equivalency Program	84.181A	C36433GG	-	16,764
Total Department of Education			-	16,764
Department of Health and Human Services				
Passed Through NYS Office for the Aging:				
Aging Cluster:				
Seniors' Health Improvement and Nutrition Education (SHINE)	93.044	(1)	-	75,832
SSC6 of the American Rescue Plan	93.044	(1)	-	22,861
Title III-B Supportive Services Program	93.044	(1)	-	39,273
Special Programs for the Aging, Title III, Part C - Nutrition Services	93.045	(1)	1,631	48,774
COVID-19 American Rescue Plan for Congregate Meals Title IIIC1	93.045	(1)	-	11,149
COVID-19 American Rescue Plan for Home Delivered Meals under Title III-C2	93.045	(1)	-	24,007
COVID-19 Nutrition Services Incentive Program	93.053	(1)	-	10,334
Total Aging Cluster			1,631	232,230
Subtotal			1,631	1,462,419

(1) Denotes - Unable to Obtain from Pass - Through Entity

See Notes to Schedule of Expenditures of Federal Awards

COUNTY OF SCHUYLER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued) FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/ Pass - Through Grantor/ Program Title	Assistance Listing #	Pass-Through Grantor #	Passed Through to Subrecipients	Expenditures
Subtotal Carried Forward			\$ 1,631	\$ 1,462,419
Department of Health and Human Services (Continued)				
Passed Through National Association of County and City Health Officials:				
Special Programs for the Aging, Title III, Part D - Disease Prevention and Health Promotion Services	93.043	(1)	-	3,561
National Family Caregiver Support, Title III, Part E	93.052	(1)	13,610	26,838
COVID-19 National Family Caregiver Support, Title III, Part E	93.052	(1)	4,013	14,046
Medicare Enrollment Assistance Program	93.071	(1)	-	11,488
CMS Research, Demonstrations, and Evaluations	93.779	(1)	-	24,944
Passed Through NYS Department of Health:				
COVID-19 MRC RISE Grant	93.268	(1)	-	4,500
COVID-19 Immunization Cooperative Agreements	93.268	C36957GG	-	168,793
COVID-19 Immunization Cooperative Agreements	93.268	C38470GG	-	14,742
COVID-19 Drug Free Communities Support Program	93.276	H79SP020428	-	24,165
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	6419-01	-	53,583
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	7052-01	-	103,685
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	7575-01	-	128,812
Maternal and Child Health Services Block Grant to the States:				
Maternal and Child Health Services Block Grant to the States	93.994	C37014GG	-	6,638
Maternal and Child Health Services Block Grant to the States	93.994	C35743GG	-	46,100
Total Maternal and Child Health Services Block Grant to the States			-	52,738
Medicaid Cluster:				
Medical Assistance Program	93.778	(1)	-	387,393
Total Medicaid Cluster			-	387,393
Passed Through Health Research, Inc.:				
Public Health Emergency Preparedness	93.069	001609-17	-	24,854
Public Health Emergency Preparedness	93.069	001609-18	-	25,772
Public Health Emergency Preparedness Total			-	50,626
Passed Through NYS Office of Temporary and Disability Assistance:				
Temporary Assistance for Needy Families	93.558	(1)	-	186,298
Child Support Enforcement	93.563	(1)	-	152,254
Low-Income Home Energy Assistance	93.568	(1)	5,000	1,511,689
Passed Through NYS Office of Children and Family Services:				
CCDF Cluster:				
Child Care and Development Block Grant	93.575	(1)	-	286,805
Total CCDF Cluster			-	286,805
Foster Care - Title IV-E	93.658	(1)	-	101,771
Adoption Assistance	93.659	(1)	-	154,738
Social Services Block Grant	93.667	(1)	-	170,506
Total Department of Health and Human Services			24,254	3,866,205
Department of Homeland Security				
Passed Through NYS Office of Homeland Security:				
Emergency Management Performance Grants	97.042	T185221	-	5,358
Emergency Management Performance Grants	97.042	T185162	-	8,622
Homeland Security Grant Program:				
Homeland Security Grant Program	97.067	C160017	-	79,412
Homeland Security Grant Program	97.067	C160192	-	4,624
Homeland Security Grant Program	97.067	C120211	-	9,697
Homeland Security Grant Program	97.067	T190311	-	21,127
Homeland Security Grant Program	97.067	T190450	-	10,000
Homeland Security Grant Program	97.067	T190176	-	11,326
Homeland Security Grant Program	97.067	T150710	-	3,644
Total Homeland Security Grant Program			-	139,830
Total Department of Homeland Security			-	153,810
Total Expenditures of Federal Awards			\$ 24,254	\$ 5,250,204

(1) Denotes - Unable to Obtain from Pass - Through Entity

See Notes to Schedule of Expenditures of Federal Awards

COUNTY OF SCHUYLER

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2024

Note 1 **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs administered by the County, an entity as defined in Note 1 to the County's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other government agencies, are included on the Schedule of Expenditures of Federal Awards.

Note 2 **Basis of Accounting**

The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program.

The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable program and periods. The amounts reported in these federal financial reports are prepared from records maintained for each program. These records are periodically reconciled to the general ledger which is the source of the basic financial statements.

Note 3 **Indirect Costs**

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented. The County has not elected to use the 10% de minimus cost rate.

Note 4 **Matching Costs**

Matching costs, such as the County's share of certain program costs, are not included in the reported expenditures.

Note 5 **Department of Social Services - Administrative Costs**

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

Note 6 **Low-Income Home Energy Assistance**

Differences between the amounts reflected in the Schedule of Expenditures of Federal Awards and the Department of Social Services' federal financial reports (RF-2 claims) are due to payments distributed by New York State directly to recipients. The difference amounted to \$1,511,689 for the year ended December 31, 2024.

COUNTY OF SCHUYLER

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2024

Section I Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? yes no

Identification of major programs:

<u>ALN Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>21.027</u>	<u>(COVID-19) State and Local Fiscal Recovery Funds</u>
<u>93.568</u>	<u>Low-Income Home Energy Assistance</u>

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

COUNTY OF SCHUYLER

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED FOR THE YEAR ENDED DECEMBER 31, 2024

Section II Financial Statement Findings: None noted.

Section III Federal Award Findings and Questioned Costs: None noted.