

COUNTY OF MADISON, NEW YORK

**Financial Statements as of
December 31, 2023
Together with
Independent Auditor's Report,
Reports Required by the Uniform Guidance and
*Government Auditing Standards***

COUNTY OF MADISON, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

August 14, 2024

To the Board of Supervisors of the
County of Madison, New York

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Madison, New York (the County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2023, 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.

We did not audit the financial statements of the Madison County Industrial Development Agency (IDA), which represents 100% of the assets, net position, and revenues of the aggregate discretely presented component unit as of December 31, 2023. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the IDA, is based solely on the report of the other auditor.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's 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.

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INDEPENDENT AUDITOR'S REPORT

(Continued)

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 20 to the financial statements, in 2023, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

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INDEPENDENT AUDITOR'S REPORT

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and nonmajor governmental and special revenue fund financial statements and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor governmental and special revenue fund financial statements and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 14, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Bonadio & Co., LLP

COUNTY OF MADISON, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

As management of the County of Madison, New York (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County as of and for the fiscal year ended December 31, 2023.

Overview of Financial Statements

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

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

- **Governmental Funds**

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

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

Fund Financial Statements (Continued)

The County maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, County Road and the Capital Projects Funds, which are considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Supplementary Information section of the financial statements.

- **Proprietary Funds**

- **Enterprise Funds** - account for those operations that are financed and operated in a manner similar to private business. The County's major enterprise fund is the Environmental Landfill Fund.
- **Internal Service Funds** - account for activities that provide goods or services to other funds, departments or agencies of the primary government, or to other governments, on a cost-reimbursement basis. The County reports a Self-Insured Health Insurance Internal Service Fund.

Notes to Financial Statements

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

Component Units

The government-wide financial statements include the primary government, the County, as well as its component unit, the Madison County Industrial Development Agency. Financial information for this entity is reported separately from the financial information presented for the primary government itself.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets/deferred outflow of resources of the County's governmental activities exceeded liabilities/deferred inflow of resources by \$86,417,044 at the close of 2023.

Table 1 – Summary Statement of Net Position

	Governmental 2023	Business- Type 2023	Governmental 2022	Business- Type 2022
Assets:				
Current assets	\$ 99,726,764	\$ 7,494,711	\$ 97,347,044	\$ 10,870,122
Net pension asset	-	-	10,674,977	436,411
Capital assets, net	<u>164,278,525</u>	<u>12,931,969</u>	<u>160,476,946</u>	<u>8,894,313</u>
Total assets	<u>264,005,289</u>	<u>20,426,680</u>	<u>268,498,967</u>	<u>20,200,846</u>
Deferred outflows of resources	<u>44,146,730</u>	<u>1,828,403</u>	<u>49,801,766</u>	<u>2,035,980</u>
Liabilities:				
Current liabilities	39,490,487	1,013,974	42,915,542	565,674
Long-term liabilities	<u>139,864,502</u>	<u>23,540,703</u>	<u>133,050,681</u>	<u>21,858,872</u>
Total liabilities	<u>179,354,989</u>	<u>24,554,677</u>	<u>175,966,223</u>	<u>22,424,546</u>
Deferred inflows of resources	<u>42,209,370</u>	<u>1,736,475</u>	<u>60,621,535</u>	<u>2,465,503</u>

Government-Wide Financial Analysis (Continued)

	Governmental 2023	Business- Type 2023	Governmental 2022	Business- Type 2022
Net Position:				
Net investment in capital assets	123,369,601	7,041,593	117,249,828	2,665,637
Restricted	12,260,085	43,711	12,606,460	20,843
Unrestricted	<u>(49,042,026)</u>	<u>(11,121,373)</u>	<u>(48,143,313)</u>	<u>(5,339,703)</u>
Total net position	<u>\$ 86,587,660</u>	<u>\$ (4,036,069)</u>	<u>\$ 81,712,975</u>	<u>\$ (2,653,223)</u>

Total assets decreased by \$4,267,844. This was mainly due to the decrease in net pension asset. Total liabilities increased by \$1,258,635. This was mainly due to increases in long-term liabilities. Total net position increased by \$6,257,531. This was mainly due to decreases in deferred inflows of resources, partially offset by a decrease in deferred outflows of resources and the changes described above.

See the Summary Statement of Activities (Table 2) below for a comparative look at the governmental and business-type activities from 2022 to 2023.

Table 2 – Summary Statement of Activities

	Governmental 2023	Business- Type 2023	Governmental 2022	Business- Type 2022
Revenues				
Program revenue:				
Charges for services	\$ 10,888,624	\$ 5,311,508	\$ 10,138,427	\$ 5,046,451
Operating grants and contributions	37,652,747	-	31,970,503	-
Capital grants and contributions	2,685,715	-	340,237	-
General revenue:				
Taxes and other tax items	88,725,764	-	83,576,568	-
Tobacco settlement	970,515	-	1,027,053	-
Off-track betting	84,499	-	81,247	-
OIN State aid – tribal compact	3,500,000	-	3,500,000	-
OIN State aid – host community benefit	3,750,000	-	3,750,000	-
OIN reacquired land payment	198,569	-	230,177	-
Sale of property and compensation loss	-	340,861	-	641,275
Use of money and property	3,217,816	321,399	792,744	94,998
State aid - landfill	-	-	-	46,604
Opioid settlement revenues	811,680	-	-	-
Miscellaneous local sources	1,048,987	3,773	640,404	471,037
Transfer of capital assets	-	-	3,375,149	(3,375,149)
Transfers	<u>1,413</u>	<u>(1,413)</u>	<u>129,001</u>	<u>(129,001)</u>
Total revenue	<u>153,536,329</u>	<u>5,976,128</u>	<u>139,551,510</u>	<u>2,796,215</u>

Government-Wide Financial Analysis (Continued)

Table 2 – Summary Statement of Activities				
	Governmental 2023	Business- Type 2023	Governmental 2022	Business- Type 2022
Expenses				
General governmental support	43,826,643	-	38,361,199	-
Education	6,823,959	-	6,792,829	-
Public safety	24,238,614	-	21,360,396	-
Public health	10,990,579	-	8,303,589	-
Transportation	23,577,843	-	19,829,691	-
Economic assistance and opportunity	33,976,229	-	31,475,231	-
Culture and recreation	915,335	-	874,432	-
Home and community services	2,470,611	-	999,557	-
Interest on long-term debt	1,012,447	-	1,265,270	-
Environmental landfill	<u>-</u>	<u>7,358,974</u>	<u>-</u>	<u>6,794,889</u>
Total expenses	<u>148,661,644</u>	<u>7,358,974</u>	<u>129,262,194</u>	<u>6,794,889</u>
Change in net position	<u>\$ 4,874,685</u>	<u>\$ (1,382,846)</u>	<u>\$ 10,289,316</u>	<u>\$ (3,998,674)</u>

Governmental Activities

- Revenues increased approximately \$14 million in the current year due to an increase in sales tax funds received, use of money of property and operating grants and contributions.
- Expenses increased approximately \$19.4 million in the current year.

Business-Type Activities

- Revenues increased by approximately \$3.2 million. This was due to no net capital asset transfers in the current year.
- Expenses increased approximately \$0.6 million. This was primarily due to the Closure/Post Closure calculation for the year ended December 31, 2023.

General Fund Financial Analysis

General Fund Budget Analysis

Revenues

- Revenues (including transfers in and intrafund revenues) were originally budgeted at \$119,796,567 while actual was \$140,498,043. Revenues came in over budget partly as a result of state aid, federal aid and sales tax.

Expenditures

- Expenditures (including transfers out and intrafund expenditures) were originally budgeted at \$124,814,287 while actual was \$133,473,833.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets (including right to use lease assets) for its governmental activities as of December 31, 2023 amounted to \$164,278,525 (net of accumulated depreciation and amortization). The amount for business-type activities at December 31, 2023 is \$12,931,969. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, roads, highways and bridges.

	Governmental 2023	Business- Type 2023	Governmental 2022	Business- Type 2022
Land	\$ 2,236,271	\$ 715,031	\$ 2,236,271	\$ 715,031
Construction in progress	8,036,231	5,314,369	25,642,942	175,206
Buildings	70,469,434	1,467,936	55,710,813	1,467,936
Improvements	2,976,601	15,875,300	2,290,254	15,875,300
Infrastructure	184,257,309	1,197,446	183,371,190	1,197,446
Machinery and equipment	38,621,886	6,005,800	28,380,689	6,002,835
Right to use lease assets	2,817,857	144,274	2,422,829	144,274
Subscription-based information technology arrangements (SBITAs)	573,709	-	61,342	-
Total cost	309,989,298	30,720,156	300,116,330	25,578,028
Accumulated depreciation and amortization	<u>(145,710,773)</u>	<u>(17,788,187)</u>	<u>(139,578,042)</u>	<u>(16,683,715)</u>
Total capital assets, net	<u>\$ 164,278,525</u>	<u>\$ 12,931,969</u>	<u>\$ 160,538,288</u>	<u>\$ 8,894,313</u>

Governmental Activities:

During 2023, the increase in buildings and machinery and equipment and decrease in construction in progress was due to the completion of the Highway Facilities and Radio Communications System projects.

Business-type Activities:

During 2023, construction in progress increased by \$5,139,163 due to work performed on the Landfill Expansion project.

Debt Administration

	Governmental 2023	Business- Type 2023	Governmental 2022	Business- Type 2022
Beginning outstanding debt	\$ 41,362,552	\$ 6,123,920	\$ 42,494,524	\$ 6,415,607
Debt issued				
Short Term	1,216,000	-	2,680,000	-
Long Term	-	-	-	-
Scheduled debt payments	<u>(4,130,415)</u>	<u>(299,000)</u>	<u>(3,811,972)</u>	<u>(291,687)</u>
Ending outstanding debt	<u>\$ 38,448,137</u>	<u>\$ 5,824,920</u>	<u>\$ 41,362,552</u>	<u>\$ 6,123,920</u>

Debt Administration (Continued)

The County's statutory debt limitation is \$339,711,626 The County has used -% of its limitation at the end of 2023, compared with 13.71% at the end of 2022.

The County renewed \$2,680,000 BANs for the Clockville water project in the amount of \$1,216,000 on November 23, 2023.

Economic Factors and Future Trends

The unemployment rate for the County as of May 2024 is 4%, which compares to 1 % for the previous year. The New York State average is 4.2% and the national unemployment rate is 4.1% as of June 2024. (Source: New York State Department of Labor).

As of June 2024, the Consumer Price Index for the area has decreased .6% compared to the previous year which was 1.3%. The national average for the same period has decreased to -.01%. This is due to the ongoing issue of our economy. (Source: Bureau of Labor Statistics).

General Fund unassigned fund balance amounted to \$29,727,848 as of December 31, 2023. The County appropriated \$7,750,000 of 2023 unassigned fund balance for spending in the 2024 budget.

The tax levy for the tax year 2023 was \$47,089,326 At December 31, 2023 the County had a maximum taxing power of \$90,018,476 and had used 41.63% of its limit which was 42.15% for the previous year.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance & Payroll Office, 138 N. Court Street, Wampsville, New York 13163. Mailing address is P.O Box 575, Wampsville, NY 13163.

COUNTY OF MADISON, NEW YORK

Statement of Net Position

December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents, unrestricted	\$ 37,432,012	\$ 6,865,283	\$ 44,297,295	\$ 530,703
Cash and cash equivalents, restricted	10,243,434	43,711	10,287,145	-
Investments	19,868,013	-	19,868,013	2,261,907
Taxes receivable, net	7,615,276	-	7,615,276	-
Accounts receivable, net	4,882,176	403,108	5,285,284	-
Loans receivable	318,744	-	318,744	-
State and federal receivables	13,432,900	39,146	13,472,046	-
Opioid settlement receivable	1,416,229	-	1,416,229	-
Lease receivable	294,501	-	294,501	-
Due from other funds	68,046	-	68,046	-
Prepaid expense	1,256,030	21,688	1,277,718	-
Inventories	2,899,403	121,775	3,021,178	-
Capital assets, nondepreciable	10,272,502	6,029,400	16,301,902	69,290
Capital assets, depreciable, net	154,006,023	6,902,569	160,908,592	217,536
Total assets	264,005,289	20,426,680	284,431,969	3,079,436
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - relating to pensions	21,230,693	879,301	22,109,994	106,976
Deferred outflows - relating to OPEB	22,916,037	949,102	23,865,139	-
Total deferred outflows of resources	44,146,730	1,828,403	45,975,133	106,976
LIABILITIES				
Accounts payable and other accrued liabilities	9,895,309	369,723	10,265,032	10,859
Due to other governments	17,630,832	-	17,630,832	-
Bond anticipation notes	1,216,000	-	1,216,000	-
Other liabilities	2,871,090	-	2,871,090	-
Unearned revenue	5,375,787	-	5,375,787	-
Due to other funds	-	68,046	68,046	-
Retainage payable	-	231,373	231,373	-
Long-term liabilities -				
Due within one year	2,501,469	344,832	2,846,301	-
Due in more than one year	139,864,502	23,540,703	163,405,205	177,157
Total liabilities	179,354,989	24,554,677	203,909,666	188,016
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows - leases	282,241	-	282,241	-
Deferred inflows - relating to pensions	2,942,323	121,861	3,064,184	-
Deferred inflows - relating to OPEB	38,984,806	1,614,614	40,599,420	-
Total deferred inflows of resources	42,209,370	1,736,475	43,945,845	-
NET POSITION				
Net investment in capital assets	123,369,601	7,041,593	130,411,194	286,826
Restricted	12,260,085	43,711	12,303,796	442,184
Unrestricted	(49,042,026)	(11,121,373)	(60,163,399)	2,269,386
Total net position	\$ 86,587,660	\$ (4,036,069)	\$ 82,551,591	\$ 2,998,396

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Net (Expense) Revenue and Changes in Net Position						
	Program Revenue			Primary Government			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
PRIMARY GOVERNMENT:							
Governmental activities -							
General government support	\$ 43,787,811	\$ 3,459,796	\$ 7,995,558	\$ -	\$ (32,332,457)	\$ -	\$ (32,332,457)
Education	6,822,338	303,655	1,666,890	-	(4,851,793)	-	(4,851,793)
Public safety	25,187,003	666,898	1,714,265	2,411	(22,803,429)	-	(22,803,429)
Public health	10,969,679	5,202,572	3,919,714	-	(1,847,393)	-	(1,847,393)
Transportation	23,553,547	650,595	6,624,892	146,243	(16,131,817)	-	(16,131,817)
Economic assistance and opportunity	33,945,569	566,212	14,272,512	-	(19,106,845)	-	(19,106,845)
Culture and recreation	914,260	-	238,815	1,000,000	324,555	-	324,555
Home and community services	2,468,990	38,896	1,220,101	1,537,061	327,068	-	327,068
Interest on long-term debt	1,012,447	-	-	-	(1,012,447)	-	(1,012,447)
Total governmental activities	148,661,644	10,888,624	37,652,747	2,685,715	(97,434,558)	-	(97,434,558)
Business-type activities -							
Environmental landfill	7,358,974	5,311,508	-	-	-	(2,047,466)	(2,047,466)
Total business-type activities	7,358,974	5,311,508	-	-	-	(2,047,466)	(2,047,466)
Total primary government	\$ 156,020,618	\$ 16,200,132	\$ 37,652,747	\$ 2,685,715	(97,434,558)	(2,047,466)	(99,482,024)
COMPONENT UNIT:							
Proprietary -							
Madison County Industrial Development Agency	\$ 488,369	\$ 121,727	\$ 305,365	\$ -			\$ (61,277)
Taxes:							
Real property taxes and real property tax items					44,263,097	-	44,263,097
Sales tax					41,924,769	-	41,924,769
Other non-property tax items					2,537,898	-	2,537,898
Tobacco settlement					970,515	-	970,515
Off-track betting					84,499	-	84,499
Oneida Indian Nation state aid tribal compact					3,500,000	-	3,500,000
Oneida Indian Nation state aid host community benefit					3,750,000	-	3,750,000
Oneida Indian Nation reacquired land payment					198,569	-	198,569
Sale of property and compensation for loss					-	340,861	340,861
Use of money and property					3,217,816	321,399	3,539,215
Miscellaneous local sources					1,860,667	3,773	1,864,440
Transfers					1,413	(1,413)	-
Total general revenues and transfers					102,309,243	664,620	102,973,863
Change in net position					4,874,685	(1,382,846)	3,491,839
Net position - beginning of year					81,712,975	(2,653,223)	79,059,752
Net position - end of year					\$ 86,587,660	\$ (4,036,069)	\$ 82,551,591
							\$ 2,998,396

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Balance Sheet - Governmental Funds December 31, 2023

	General Fund	Capital Projects Fund	County Road Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents, unrestricted	\$ 26,306,560	\$ 4,825,378	\$ -	\$ 987,768	\$ 32,119,706
Cash and cash equivalents, restricted	4,552,878	114,061	132,729	5,443,766	10,243,434
Investments	19,868,013	-	-	-	19,868,013
Taxes receivable, net	7,615,276	-	-	-	7,615,276
Accounts receivable	4,481,839	-	24,738	57,683	4,564,260
Loans receivable	-	-	-	318,744	318,744
State and federal aid receivable	10,908,322	52,212	2,472,366	-	13,432,900
Opioid settlement receivable	1,416,229	-	-	-	1,416,229
Lease receivable	294,501	-	-	-	294,501
Due from other funds	1,622,524	-	1	826,947	2,449,472
Prepaid expenditures	938,413	-	76,757	16,960	1,032,130
Inventories	223,552	-	2,101,921	573,930	2,899,403
Total assets	<u>\$ 78,228,107</u>	<u>\$ 4,991,651</u>	<u>\$ 4,808,512</u>	<u>\$ 8,225,798</u>	<u>\$ 96,254,068</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
LIABILITIES:					
Accounts payable and other accrued liabilities	\$ 7,494,531	\$ 270,655	\$ 223,317	\$ 874,320	\$ 8,862,823
Due to other governments	17,630,832	-	-	-	17,630,832
Bond anticipation notes	-	1,216,000	-	-	1,216,000
Other liabilities	62,225	-	-	-	62,225
Unearned revenue	4,015,866	108,974	-	257,629	4,382,469
Due to other funds	1,286,521	524,527	806,936	127,395	2,745,379
Total liabilities	<u>30,489,975</u>	<u>2,120,156</u>	<u>1,030,253</u>	<u>1,259,344</u>	<u>34,899,728</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue	3,765,561	-	-	61,116	3,826,677
Leases	282,241	-	-	-	282,241
Total deferred inflows of resources	<u>4,047,802</u>	<u>-</u>	<u>-</u>	<u>61,116</u>	<u>4,108,918</u>
FUND BALANCE:					
Nonspendable	1,161,965	-	2,178,678	590,890	3,931,533
Restricted	4,552,878	114,061	132,729	5,539,512	10,339,180
Committed	-	2,757,434	1,466,852	774,936	4,999,222
Assigned	8,247,639	-	-	-	8,247,639
Unassigned	29,727,848	-	-	-	29,727,848
Total fund balance	<u>43,690,330</u>	<u>2,871,495</u>	<u>3,778,259</u>	<u>6,905,338</u>	<u>57,245,422</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 78,228,107</u>	<u>\$ 4,991,651</u>	<u>\$ 4,808,512</u>	<u>\$ 8,225,798</u>	<u>\$ 96,254,068</u>

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position For the Year Ended December 31, 2023

Total fund balance - governmental funds \$ 57,245,422

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

Capital assets (including right to use lease assets and SBITAs) used in governmental activities are not financial resources and, therefore, are not reported in the funds. 164,278,525

Certain revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds. 3,826,677

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds. They are as follows:

Compensated absences	(5,018,598)
Bonds payable	(35,755,000)
Installment purchase debt	(1,477,137)
Net pension liability	(28,868,339)
Lease liabilities	(1,955,769)
Subscription-based information technology arrangement (SBITA) liabilities	(505,018)
Total other postemployment benefits	(68,786,110)

Deferred outflows/inflows of resources related to pensions and OPEB are applicable to future periods and; therefore are not reported in the funds.

Deferred outflow - pension related	21,230,693
Deferred outflow - OPEB related	22,916,037
Deferred inflow - pension related	(2,942,323)
Deferred inflow - OPEB related	(38,984,806)

The Internal Service Fund is used to charge costs of insurance activities to individual funds. The assets of the Internal Service Fund are included in governmental activities in the statement of net position. 6,295,972

The Internal Service Fund is used to charge costs of insurance activities to individual funds. The liabilities and deferred inflows of resources of the Internal Service Fund are included in governmental activities in the statement of net position. (4,912,566)

Total net position of governmental activities \$ 86,587,660

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Funds For the Year Ended December 31, 2023

	General Fund	Capital Projects Fund	County Road Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real property taxes	\$ 42,559,672	\$ -	\$ -	\$ 111,000	\$ 42,670,672
Real property tax items	2,025,167	-	-	-	2,025,167
Non-property tax items	43,214,000	-	-	-	43,214,000
Departmental income	8,013,452	-	464,606	39,676	8,517,734
Intergovernmental charges	1,598,938	-	645,694	4,902	2,249,534
Use of money and property	3,165,116	26,072	-	26,628	3,217,816
Licenses and permits	25,705	-	-	-	25,705
Fines and forfeitures	159,483	-	-	-	159,483
Tobacco settlement	970,515	-	-	-	970,515
Opioid settlement	177,936	-	-	-	177,936
Sale of property and compensation for loss	320,607	-	12,522	311,248	644,377
Miscellaneous local sources	980,727	-	16,017	16,013	1,012,757
Interfund revenues	164,854	-	10,708	818,302	993,864
State aid	23,670,915	2,539,471	6,182,667	115,503	32,508,556
Federal aid	13,356,507	146,243	-	1,650,396	15,153,146
Total revenues	<u>140,403,594</u>	<u>2,711,786</u>	<u>7,332,214</u>	<u>3,093,668</u>	<u>153,541,262</u>
EXPENDITURES:					
Current -					
General governmental support	38,604,541	583,872	-	-	39,188,413
Education	6,655,122	-	-	-	6,655,122
Public safety	18,801,986	2,411	-	12,360	18,816,757
Public health	9,058,279	-	-	-	9,058,279
Transportation	479,387	170,425	15,621,192	5,153,915	21,424,919
Economic assistance and opportunity	29,407,960	-	-	1,122,754	30,530,714
Culture and recreation	796,451	1,374,210	-	-	2,170,661
Home and community services	1,605,297	2,986,218	-	1,200,961	5,792,476
Capital outlays for leases and subscription-based information technology arrangements	1,022,806	-	-	47,757	1,070,563
Employee benefits	9,267,110	-	1,869,172	282,188	11,418,470
Debt service -					
Principal	448,344	-	16,456	1,609,440	2,074,240
Interest	63,094	-	696	948,657	1,012,447
Total expenditures	<u>116,210,377</u>	<u>5,117,136</u>	<u>17,507,516</u>	<u>10,378,032</u>	<u>149,213,061</u>
EXCESS (DEFICIENCY) OF REVENUES OVER	<u>24,193,217</u>	<u>(2,405,350)</u>	<u>(10,175,302)</u>	<u>(7,284,364)</u>	<u>4,328,201</u>
OTHER FINANCING SOURCES (USES):					
Premiums on issuances	-	-	-	2,456	2,456
Proceeds from capital leases	510,439	-	-	47,757	558,196
Proceeds from subscription-based information technology arrangements (SBITAs)	512,367	-	-	-	512,367
Operating transfers - in	94,449	2,077,006	9,977,030	5,700,565	17,849,050
Operating transfers - out	<u>(17,263,456)</u>	<u>-</u>	<u>(583,700)</u>	<u>(481)</u>	<u>(17,847,637)</u>
Total other financing sources (uses)	<u>(16,146,201)</u>	<u>2,077,006</u>	<u>9,393,330</u>	<u>5,750,297</u>	<u>1,074,432</u>
CHANGE IN FUND BALANCE	8,047,016	(328,344)	(781,972)	(1,534,067)	5,402,633
FUND BALANCE - beginning of year	<u>35,643,314</u>	<u>3,199,839</u>	<u>4,560,231</u>	<u>8,439,405</u>	<u>51,842,789</u>
FUND BALANCE - end of year	<u>\$ 43,690,330</u>	<u>\$ 2,871,495</u>	<u>\$ 3,778,259</u>	<u>\$ 6,905,338</u>	<u>\$ 57,245,422</u>

The accompanying notes are an integral part of these statements

COUNTY OF MADISON, NEW YORK

Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Funds to the Statement of Activities For the Year Ended December 31, 2023

Net change in fund balances - governmental funds		\$ 5,402,633
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the statement of activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation or amortization expense for the period.		
Capital outlays	11,968,212	
Depreciation and amortization	<u>(7,588,293)</u>	4,379,919
Losses from the disposition of capital assets are not recorded on the fund financial statements but are recorded on the government-wide financial statements.		(639,682)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		985,063
Proceeds from capital leases and subscription-based information technology arrangements (SBITAs) is an other financing source in the governmental funds, but the proceeds increase long-term liabilities in the statement of net position.		(1,070,563)
Principal payments on debt service are reported as an expenditure in the governmental funds, and therefore reduces fund balance because current financial resources have been used. These payments are not an expense in the statement of activities.		2,074,240
Compensated absences are reported in the statement of activities, but do not require the use of current financial resources and, therefore, these are not reported as expenditures in governmental funds. This represents the current year change.		(382,942)
Other postemployment benefits liability and associated deferred outflows are included in the statement of activities, but are not reported as expenditures in the governmental funds. The following represents the current year changes:		
Other postemployment benefits		20,943,239
Deferred outflows of resources		(4,821,714)
Deferred inflows of resources		(16,842,603)
Net pension liability/asset and associated deferred inflows and outflows are included in the statement of activities, but are not reported as expenditures in the governmental funds. The following represent the current year changes:		
Net pension asset/liability		(39,543,316)
Deferred outflows of resources		(833,322)
Deferred inflows of resources		<u>35,223,734</u>
Change in net position of governmental activities		<u>\$ 4,874,685</u>

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Statement of Net Position - Proprietary Funds
December 31, 2023

	Business-Type Activities	Governmental Activities
	Environmental Landfill Fund	Self-Insurance Fund
ASSETS		
Cash and cash equivalents, unrestricted	\$ 6,865,283	\$ 5,312,306
Cash and cash equivalents, restricted	43,711	-
Accounts receivable, net	403,108	317,916
State and federal receivables	39,146	-
Due from other funds	-	441,850
Prepaid expense	21,688	223,900
Inventories	121,775	-
Capital assets, nondepreciable	6,029,400	-
Capital assets, depreciable, net	6,902,569	-
Total assets	20,426,680	6,295,972
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - relating to pensions	879,301	-
Deferred outflows - relating to OPEB	949,102	-
Total deferred outflows of resources	1,828,403	-
LIABILITIES		
Accounts payable and other accrued liabilities	369,723	1,032,486
Other liabilities	-	2,808,865
Unearned revenue	-	993,318
Due to other funds	68,046	77,897
Retainage payable	231,373	-
Long-term liabilities -		
Due within one year	344,832	-
Due in more than one year	23,540,703	-
Total liabilities	24,554,677	4,912,566
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - relating to pensions	121,861	-
Deferred inflows - relating to OPEB	1,614,614	-
Total deferred inflows of resources	1,736,475	-
NET POSITION		
Net investment in capital assets	7,041,593	-
Restricted	43,711	1,383,406
Unrestricted	(11,121,373)	-
Total net position	\$ (4,036,069)	\$ 1,383,406

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Statement of Revenues, Expenses and Change in Net Position - Proprietary Funds For the Year Ended December 31, 2023

	Business-Type Activities	Governmental Activities
	Environmental Landfill Fund	Self-Insurance Fund
OPERATING REVENUES:		
Charges for services	\$ 5,311,508	\$ 8,639,131
Total operating revenues	5,311,508	8,639,131
OPERATING EXPENSES:		
Personal services	1,319,181	-
Employee benefits	758,757	8,824,120
Contractual expense	4,060,292	1,822,249
Depreciation and amortization	1,124,013	-
Total operating expenses	7,262,243	10,646,369
Operating loss	(1,950,735)	(2,007,238)
NON-OPERATING REVENUES (EXPENSES):		
Use of money and property	321,399	89,365
Miscellaneous local sources	3,773	1,917,872
Sale of property and compensation for loss	340,861	-
Interfund transfers out	(1,413)	-
Interest expense	(96,731)	-
Total non-operating revenues	567,889	2,007,237
CHANGE IN NET POSITION	(1,382,846)	(1)
NET POSITION - beginning of year	(2,653,223)	1,383,407
NET POSITION - end of year	\$ (4,036,069)	\$ 1,383,406

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Statements of Cash Flows - Proprietary Funds For the Year Ended December 31, 2023

	Business-Type Activities	Governmental Activities
	Environmental Landfill Fund	Self-Insurance Fund
CASH FLOW FROM OPERATING ACTIVITIES:		
Cash received from customers and users	\$ 5,791,976	\$ 8,256,426
Cash payments for contractual services	(2,203,366)	(10,274,347)
Cash payments for salaries and benefits	(1,775,137)	-
Net cash flow from operating activities	1,813,473	(2,017,921)
CASH FLOW FROM NON-CAPITAL FINANCING ACTIVITIES:		
Cash received from operating grants	3,367	-
Cash received from miscellaneous local sources	3,774	1,917,873
Transfers from/(to) other funds	(1,413)	-
Net cash flow from non-capital financing activities	5,728	1,917,873
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Payments of debt	(338,300)	-
Cash outlay for capital assets, net	(4,930,296)	-
Sale of property and compensation for loss	340,861	-
Interest	(96,731)	-
Net cash flow from capital and related financing activities	(5,024,466)	-
CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	4,899,206	-
Cash received from interest and dividends	321,399	89,365
Net cash flow from investing activities	5,220,605	89,365
CHANGE IN CASH AND CASH EQUIVALENTS	2,015,340	(10,683)
CASH AND CASH EQUIVALENTS - beginning of year	4,893,654	5,322,989
CASH AND CASH EQUIVALENTS - end of year	\$ 6,908,994	\$ 5,312,306
Cash and cash equivalents - unrestricted	\$ 6,865,283	\$ 5,312,306
Cash and cash equivalents - restricted	43,711	-
Total cash and cash equivalents	\$ 6,908,994	\$ 5,312,306
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating loss	\$ (1,950,735)	\$ (2,007,238)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:		
Depreciation and amortization expense	1,124,013	-
Changes in:		
Accounts receivable	480,468	(264,109)
Due from other funds	477,249	148,240
Prepaid expense	671	8,900
Inventories	(56,412)	-
Deferred outflows of resources - pension	22,713	-
Deferred outflows of resources - OPEB	184,864	-
Accounts payable and other accrued liabilities	143,880	77,339
Unearned revenue	-	(271,756)
Due to other funds	(345,752)	4,920
Other liabilities	-	285,783
Other postemployment benefits	(819,407)	-
Net pension liability/asset	1,632,036	-
Compensated absences	(12,132)	-
Landfill closure/post-closure	1,661,045	-
Deferred inflows of resources - pension	(1,438,432)	-
Deferred inflows of resources - OPEB	709,404	-
Net cash flow from operating activities	\$ 1,813,473	\$ (2,017,921)

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Statement of Fiduciary Net Position December 31, 2023

	<u>Custodial Fund</u>
ASSETS	
Cash and cash equivalents, restricted	<u>\$ 1,172,851</u>
Total assets	<u>1,172,851</u>
NET POSITION	
Restricted	<u>1,172,851</u>
Total net position	<u>\$ 1,172,851</u>

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Statement of Change in Fiduciary Net Position For the Year Ended December 31, 2023

	<u>Custodial Fund</u>
ADDITIONS:	
Contributions - amounts received from other governments	\$ 20,739,278
Investment earnings	<u>14,879</u>
Total additions	<u>20,754,157</u>
DEDUCTIONS:	
Amounts paid to other governments	<u>21,308,929</u>
CHANGE IN NET POSITION	(554,772)
NET POSITION - beginning of year	<u>1,727,623</u>
NET POSITION - end of year	<u>\$ 1,172,851</u>

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The County of Madison, New York (the County), which was incorporated in 1806, is governed by County Law and other general laws of the State of New York and various local laws. The Board of Supervisors, which is the legislative body responsible for the overall operations of the County, consists of nineteen members with each member's vote weighted on the basis of population in the town or district represented. The Chairman of the Board of Supervisors serves as the Chief Executive Officer. The County Treasurer serves as the Chief Fiscal Officer and Budget Officer.

The basic services provided are highway maintenance, social services, health services, public safety, cultural and recreational programs, and certain administrative and other services.

All governmental activities and functions performed for Madison 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 Madison 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 financial statements to be misleading or incomplete as set forth by standards set by the Governmental Accounting Standards Board (GASB).

Component Units

The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth by the GASB 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.

The Madison County Industrial Development Agency (IDA or Agency) is a public benefit corporation created by the State Legislature to promote the economic welfare, recreation opportunities, and property of the inhabitants of the County. Members of the Agency are appointed by the County Board of Supervisors and the County has the ability to impose its will and significantly influence the IDA. Agency members have complete responsibility for management of the Agency and accountability for fiscal matters. The County is not liable for Agency bonds and exercises no oversight responsibility. The IDA is a component unit of the County, and is discretely presented.

Complete financial statements of the Madison County Industrial Development Agency may be obtained from its administrative office:

Madison County Industrial Development Agency
3215 Seneca Turnpike
Canastota, NY 13032

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

- **Government-wide Financial Statements**

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) concentrate on the County as a whole and do not emphasize fund types but rather governmental and business-type activities classification, which are presented separately. The governmental activities and business-type activities comprise the primary government and are reported separately from the discretely presented component units of the County. General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by user fees and charges for services.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources to those funds are not available to support the County's own programs.

The Statement of Activities reflects the expenses of a given function or segment and the extent they are offset by program revenue. Program revenue is defined as charges for services, operating grants and contributions, and capital grants and contributions, directly associated within a given function. Taxes and other revenues not associated with a specific function are reported as general revenue.

The effect of interfund activity has been removed from the government-wide financial statements.

- **Fund Financial Statements**

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. Generally accepted accounting principles sets forth minimum criteria (percentage of the assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

- Governmental Funds - Governmental funds are those major and non-major funds 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 upon determination of financial position and changes in financial position using the modified accrual basis of accounting. The following are the County's governmental fund types:

- A. Major Governmental Funds:

General Fund - the principal operating fund and includes all operations not accounted for and reported in another fund.

Capital Projects Fund - used to account for financial resources to be used for the acquisition, construction or renovation of capital facilities other than those financed by the enterprise funds.

County Road Fund - special revenue fund used to account for expenditures for highway purposes authorized by Section 114 of Highway Law.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

- **Fund Financial Statements (Continued)**

- B. Non-major Governmental Funds

Other funds which do not meet the major fund criteria are aggregated and reported as non-major governmental funds. The following are reported as non-major governmental funds:

Debt Service Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on general obligation long-term debt. Debt service funds are used when legally mandated and for financial resources accumulated in a reserve for payment of future principal and interest on long-term indebtedness. The Debt Service Fund is presented as a non-major fund.

Special Revenue Funds - used to account for taxes, user fees, or other revenues, which are raised or received to provide special services to areas that may or may not encompass the whole County. The following are non-major special revenue funds utilized by the County:

Community Development Fund - used to account for grants which are furnished by the U.S. Department of Housing and Urban Development for various Community Development Projects.

Cowaselon Creek Watershed Protection District Fund - used to account for maintenance and preservation of the Cowaselon Creek watershed district.

Law Enforcement Trust Fund - used to account for proceeds of drug activities that are seized and/or forfeited and used solely for drug enforcement.

Road Machinery Fund - used to account for the purchase, repair, maintenance and storage of highway machinery, tools and equipment pursuant to Section 133 of the Highway Law.

Water District Fund - used to account for taxes or other revenues which are raised or received to provide special services to an area that encompasses less than the entire County.

- Proprietary Funds - These funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when liabilities are incurred. Proprietary funds of the County include the following fund types:

- A. Enterprise Funds - used to account for those operations that are financed and operated in a manner similar to private business. The County reports the following Enterprise Fund:

Environmental Landfill Fund - used to account for the financial activities of the County's landfill. The Environmental Landfill Fund is recognized as a major fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

- **Fund Financial Statements (Continued)**

- B. Internal Service Funds - used to account for activities that provide goods or services to other funds, departments or agencies of the primary government, or to other governments, on a cost-reimbursement basis. The County reports the following Internal Service Fund:

Self-Insurance Fund - used to account for the financial activities of a Workers' Compensation Insurance Public Entity Risk Pool, as well as the County's self-insured health insurance plan.

- Fiduciary Funds - The County's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third-party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements. These funds are used to account for assets held by the local government in a trustee or custodial capacity. The following is reported as the County's fiduciary fund:

Custodial Fund - used to account for money and/or property received and held in a purely custodial capacity of the trustee, custodian or agent.

Basis of Accounting/Measurement Focus

- **Accrual**

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

- **Modified Accrual**

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they are deemed measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within one year after the end of the fiscal year, except for real property taxes receivable, which use a 60-day available period.

Material revenues that are accrued include real property taxes, state and federal aid, distributed sales taxes, certain user charges, and some departmental fees. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting/Measurement Focus

- **Modified Accrual**

Expenditures are recorded when incurred except that:

- A. Principal and interest on indebtedness are not recognized as an expenditure until due and paid.
- B. Compensated absences, such as vacation and compensatory time which vests or accumulates, are charged as an expenditure when paid.
- C. Net pension liability is charged as an expenditure when paid.
- D. Other post-employment benefits are charged as an expenditure when paid.

Cash and Cash Equivalents

Cash equivalents recorded in governmental funds consist primarily of demand deposits, money market accounts and cash in external investment pools. The County considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits.

State and Federal Receivables and Accounts Receivable

These accounts include reimbursement claims for various grant-in-aid programs from State and Federal agencies. An allowance for doubtful accounts is recorded related to accounts receivable in the Environmental Landfill Fund of \$11,978 at December 31, 2023. Management does not believe an allowance for doubtful accounts is necessary for any other State and Federal receivable balances.

Opioid Settlement Receivables

Beginning in 2021, New York State and participating counties entered into settlement agreements with several opioid manufacturers and distributors. These agreements will provide the County with future revenues, portions of which will be restricted for use in combating the opioid crisis through treatment and prevention programs. As of December 31, 2023, the County's receivable related to these settlements is \$1,416,229. At the fund level, this amount is offset by deferred inflows of resources in the same amount. Although measurable, these amounts are not available and therefore revenue will not be recorded under the modified accrual basis of accounting. At the government-wide level, receivables are recognized in the year the settlements were reached and finalized. Of the total \$1,416,229 receivable, \$1,097,567 is not expected to be received within one year.

Prepaid Expense/Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements, as applicable.

Inventories

The County uses the purchase method of accounting for inventories. At the end of the period, material and supplies inventories are taken and significant inventories are recorded as an asset with an offset to reserve for inventories referred to as nonspendable fund balance. Inventories are valued at cost using the first-in, first-out (FIFO) method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred outflows/inflows of resources. The separate financial statement element, deferred outflows of resources, represents a use of resources that applies to a future period and so will be not recognized as an outflow (expense/expenditure) until then. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. In the governmental funds, deferred inflows of resources will include amounts related to unearned revenue and amounts related to property taxes in the General Fund. In the government-wide financial statements, deferred outflows and inflows of resources also relate to pension and other postemployment benefits obligations and are further described in Note 10 and 11.

Lease-related amounts are recognized at the inception of leases in which the County is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Long-Term Liabilities

Long-term liabilities represent the County's future obligations or future economic outflows. The liabilities are reported as due within one year or due in more than one year in the government-wide statements.

Compensated Absences

Under the terms of the personnel policies and union contracts, County employees, other than elected officials, are granted personal, vacation and sick leave credits and may accumulate these credits as follows:

Personal Leave – Employees are granted between three and five days personal leave each year depending on their contracts, coverage, and hiring date. At December 31 of each year, all unused personal leave is converted to sick leave. Employees are not paid for the value of their unused personal leave credits upon termination.

Sick Leave – Employees are granted sick leave credits ranging from one-half day per month to one day per month, depending on their contracts and hiring date. All covered employees are allowed to accumulate up to 165 days of sick leave credits, except those in the White Collar Bargaining Unit and those covered by the Management Compensation Plan, who are allowed to accumulate up to 200 days of sick leave. Depending on contract and hiring date, employees are allowed to buy-back sick leave credits. The buy-back of sick leave credits is limited to those days in excess of 100 days accumulated and may not exceed 30 days of buy-back credits. In addition, the benefit buy-back is paid at 50% of the employee's current hourly rate. Employees at termination, except those in the Management Compensation Plan, with at least 10 years of service, are compensated from a minimum of between 10 and 20 days of accumulated sick leave and as many as between 20 and 60 days depending on contract and length of service.

Vacation Leave – Employees are granted vacation leave credits ranging from 10 days to 20 days depending on contract and years of service. The maximum accumulation per employee is 40 days. Full time employees, except those in the Nurses Bargaining Unit, may receive up to 30 days' pay in lieu of vacation time. Employees receive payment at termination from 10 days to 40 days of vacation leave credits depending on contract and years of service.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences (Continued)

Terminal Benefits – Most employees in the Management Compensation Plan receive additional termination benefits ranging from two weeks to ten weeks depending on years of service, up to a maximum of \$25,000 upon termination for any reason except discharge.

Capital Assets

All capitalized assets are reported 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 increase the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are not reported in the governmental funds and additions are recorded as expenditures.

Standard capitalization thresholds for capitalizing assets have been established for each major class of assets as summarized below:

<u>Class of Asset</u>	<u>Threshold</u>
Land	All Aggregate
Construction in Progress	Costs
Buildings (includes building improvements)	\$ 20,000
Improvements (other than buildings)	\$ 10,000
Infrastructure	\$ 50,000
Machinery and Equipment	\$ 10,000

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

<u>Class of Asset</u>	<u>Threshold</u>
Land	Not depreciable
Construction in Progress	Not depreciable
Buildings (includes building improvements)	25-50 years
Improvements (other than buildings)	15-20 years
Infrastructure	10-65 years
Machinery and Equipment	5-30 years

Capital assets also include lease assets and SBITAs with a term greater than one year. The County does not implement a capitalization threshold for lease assets or SBITAs. Lease assets and SBITAs are amortized on a straight-line basis over the term of the lease or arrangement.

Operating and Non-operating Revenues and Expenses

The County distinguishes between operating revenues and expenses from non-operating items. Operating revenues are comprised of charges for services while non-operating revenues include state and federal aid and miscellaneous sources. Operating expenses are the result of operating the landfill and contractual charges in the Self-Insurance Fund. Non-operating expenses include interest expense and transfers.

Equity Classifications

• Government-Wide Statements

Equity is classified as net position 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, notes or other borrowings, or accounts payable and other liabilities that are attributable to the acquisition, construction, or improvement of those assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classifications (Continued)

- **Government-Wide Statements (Continued)**

- Restricted net position - consists of net position with constraints placed on the use either by: 1) external groups such as creditors, grantors, contributors, or laws or regulations for other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

The County’s policy is to use restricted resources prior to utilizing unrestricted funds.

- **Fund Balance**

Accounting standards generally accepted in the United States provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- **Nonspendable Fund Balances**
These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. Nonspendable fund balance is comprised of prepaid assets and inventory.
- **Restricted Fund Balances**
These are amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. Significant restricted balances in the General Fund are for the retirement contributions reserve and fleet reserves in the amounts of \$679,316 and \$1,368,622, respectively, at December 31, 2023.
- **Committed Fund Balances**
These are amounts that can be used only for specific purposes determined by a formal action of the Board of Supervisors prior to year-end. The Board of Supervisors is the highest level of decision-making authority for the County. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Supervisors. Committed fund balances reported in special revenue funds are committed for the purposes of those funds.
- **Assigned Fund Balances**
These are amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes, or positive remaining fund balance in a fund other than General Fund. It is at the discretion of the Board of Supervisors or its designee to make assignments as it sees fit. At December 31, 2023, assigned fund balance in the General Fund of \$8,247,639 is comprised of \$467,639 of encumbrances and \$7,780,000 for appropriated amounts in the 2024 budget.
- **Unassigned Fund Balances**
These are amounts within the General Fund that do not meet the definition of the above four classifications and are deemed to be available for general use by the County. In addition, any remaining negative fund balance for funds other than the General Fund is considered unassigned fund balance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classifications (Continued)

- **Fund Balance (Continued)**

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Supervisors has provided otherwise in its commitment or assignment actions.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates and such differences may be significant.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budget Policies

The County's budget policies are as follows:

1. No later than November 15, the Budget Officer submits a tentative budget to the Board of Supervisors for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for the General, Part County Watershed Protection District, County Road, Road Machinery, Enterprise Environmental Landfill, Part County Sewer District and Debt Service funds.
2. After public hearings are conducted to obtain taxpayer comments, the Board of Supervisors generally makes, by resolution, modifications to the tentative budget and adopts the budget no later than December 20.
3. Most modifications of the budget must be approved by the Board of Supervisors. The Board has authorized transfers of immaterial amounts within department budget line items by coordination of the County Administrator or Finance Director, Budget Officer, and the department head. Revisions that alter the total appropriation of any department or fund are approved by resolution of the Board of Supervisors.
4. Budgetary controls are established for the Capital Projects Fund through resolutions establishing the projects. These controls remain in effect throughout the life of the project.
5. A budget is prepared for the Enterprise Environmental Landfill Fund to establish the estimated contributions required from other funds and to control expenditures.
6. Appropriations in all budgeted funds lapse at the end of the fiscal year, with the exception of the Capital Projects Fund, and outstanding encumbrances that are re-apportioned in the subsequent year.

3. PROPERTY TAXES AND COLLECTION

County real property taxes are levied annually, no later than December 31 of each year for the following fiscal year, and become a tax lien on January 1. For fiscal year 2023, the County's real property tax levy (for county-wide purposes) was \$43,091,526 and the composite tax rate was \$8.524816 per \$1,000 of taxable value.

3. PROPERTY TAXES AND COLLECTION (Continued)

Taxes are collected by the town tax collectors during the period January 1 to the expiration of their warrant, which is generally April 30. No later than May 10, the delinquent taxes are returned by the tax collectors to the County Treasurer for the enforcement of the collection of the delinquent tax. Taxes for County purposes are levied together with taxes for town and special district purposes as a single tax bill. The towns and special districts receive the full amount of their levies annually out of the first amounts collected on the combined tax bill. The collection of County taxes levied on properties within the City of Oneida is enforced by the City, and the County receives the full amount of such taxes from the City within the year of the levy.

The County guarantees the real property tax levies of the towns, villages and school districts located within the County, except city school district taxes on property located within the City of Oneida. The County guarantees the Oneida City School District taxes in the Towns of Lenox and Lincoln upon payment or tax foreclosure. At December 31, 2023, the County reflected liabilities to the non-city school districts of \$5,054,996, the city school district of \$160,709 and the villages of \$321,178, for amounts of real property taxes that the County had assumed responsibility for collecting. The County will pay the respective school districts and villages the amounts owed by April 1, and these are included in the amounts due to other governments in the accompanying financial statements. Any such taxes remaining unpaid at year-end are relieved as County taxes on December 31.

At December 31, 2023, the total net real property taxes receivable was \$7,615,276 (after deduction of an allowance for uncollectible taxes of \$910,000).

4. TAX ABATEMENTS

As of December 31, 2023, the County tax abatement programs include abatements on property taxes, sales taxes and mortgage recording taxes. All abatement agreements are made by various area industrial development agencies, cities and townships.

All property tax abatements are performed through Payments in Lieu of Taxes (PILOT) agreements made by various area industrial development agencies, cities and townships. The PILOT agreements are made to support manufacturing, utilities and other purposes. Total amounts received from PILOT agreements in each of these categories for the year ended December 31, 2023 are as follows:

Manufacturing	\$	123,835
Housing		60,212
Solar		23,542
Other		<u>65,943</u>
Total		273,532

PILOT agreements entered into by various area industrial development agencies, cities and townships abated \$555,776 of County property taxes in 2023.

5. SALES AND USE TAX

The County of Madison receives a 4% local sales and use tax on all collections in the County. For sales and use tax imposed inside the City of Oneida, the County receives its 2% share from the State of New York. For sales and use tax imposed outside the City of Oneida, the County receives a 4% local sales and use tax and by State statute, must share 50% of this gross sales tax with towns or villages within the County.

5. SALES AND USE TAX (Continued)

The towns' and villages' 50% share is distributed to each municipality based on the percentage each contributes toward the annual County tax levy. Nine villages and two towns have opted to receive their sales tax distribution as a direct payment and can use the sales tax revenue for any purpose. The other one village and 13 townships, by State statute, must first have their sales tax distribution used to reduce their respective County taxes based on the percentage each contributes to the annual County tax levy. Any sales tax surplus at the end of the year is used to reduce the ensuing year's town tax rates.

On June 1, 2004, the County increased its local sales and use tax from 3% to 4%. In 2007, 2009, 2011, 2013, 2015, 2017, 2020 and again in 2023, the County extended the additional 1% sales and compensating use tax. The current County sales and use tax legislation is scheduled to expire on November 30, 2025, at which time it must be rescinded, amended or renewed.

The sales tax portion of the General Fund's non-property tax items amounted to \$41,924,769 in 2023 of which \$17,564,561 was distributed to towns and villages to decrease County and town tax rates. At December 31, 2023, sales tax due to towns and villages amounted to \$12,092,195 and this governmental activities and general fund liability is included in "Due to other governments" in the accompanying basic financial statements.

The County recognized as sales tax revenue the entire 4% while the subsequent payments to the towns and villages are recognized as general governmental expenditures in the General Fund.

6. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County currently follows an investment and deposit policy as directed by State statutes, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the County Treasurer.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The County's investment policy, governed by the State statutes, does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. While the County does not have a specific policy for custodial credit risk, New York State statutes govern the County's investment policies. As of December 31, 2023, \$31,419,060 of the County's deposits (not including investments in external investment pools) were exposed to custodial credit risk and collateralized by pledged securities held by the pledging banks' trust departments in the County's name.

The County does not have any foreign currency investments, securities lending agreements, or derivative instruments.

Restricted Cash

The County reports restricted cash amounts related to reserves, as well as unspent debt proceeds restricted for use in capital projects.

6. CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

External Investment Pools

At December 31, 2023, the County's cash and cash equivalents included amounts with a fair value of \$24,731,550 invested in NY MuniTrust, an external investment pool for local governments in New York State.

MuniTrust measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore a Participant's investments in the pools are not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of Statement 72.

MuniTrust is rated by S&P Global Ratings. The current rating is 'AAAm.' The dollar weighted average days to maturity (WAM) of MuniTrust at December 31, 2023, is 51 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of MuniTrust at December 31, 2023, is 67 days.

Fair Value of Investments

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The County did not have any investments that are measured using Level 2 or Level 3 inputs.

Fair value measurements of the County's investments at December 31, 2023 comprised U.S. Government Agency Treasury Bills valued at \$19,868,013, based on quoted market prices (Level 1 inputs).

7. INTERFUND BALANCES

Interfund Transactions

Transfers among funds are provided for as part of the annual budget process. Interfund transfers for the year ended December 31, 2023, which were routine in nature, were as follows:

		<u>Interfund Transfers From:</u>				<u>Total</u>
		<u>General Fund</u>	<u>County Road Fund</u>	<u>Environmental Landfill Fund</u>	<u>Nonmajor Governmental Funds</u>	
Interfund Transfers To:						
General Fund	\$	-	\$ 93,036	\$ 1,413	\$ -	\$ 94,449
Capital Project Fund		2,060,525	16,000	-	481	2,077,006
County Road Fund		9,977,030	-	-	-	9,977,030
Nonmajor Governmental Funds		<u>5,225,901</u>	<u>474,664</u>	<u>-</u>	<u>-</u>	<u>5,700,565</u>
Total	\$	<u>17,263,456</u>	<u>583,700</u>	<u>1,413</u>	<u>481</u>	<u>\$ 17,849,050</u>

7. INTERFUND BALANCES (Continued)

The following schedule summarizes individual fund interfund receivables and payables at December 31, 2023:

	Amount <u>Receivable</u>	Amount <u>Payable</u>
General Fund	\$ 1,622,524	\$ 1,286,521
Capital Projects Fund	-	524,527
County Road Fund	1	806,936
Cowaselon Creek	68,625	-
Community Development Fund	7	115,987
Road Machinery Fund	758,315	11,408
Environmental Landfill Fund	-	68,046
Self Insurance Fund	<u>441,850</u>	<u>77,897</u>
Total	<u>\$ 2,891,322</u>	<u>\$ 2,891,322</u>

Interfund transactions between governmental activities are eliminated on the Statement of Net Position. All interfund payables are expected to be repaid within one year.

8. CAPITAL ASSETS

Capital asset activity of governmental activities for the year ended December 31, 2023 is detailed as follows:

<u>Type</u>	<u>Beginning Balance (As restated)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital Assets, not being depreciated:					
Land	\$ 2,236,271	\$ -	\$ -	\$ -	\$ 2,236,271
Construction in progress	<u>25,642,942</u>	<u>6,074,469</u>	<u>(23,681,180)</u>	<u>-</u>	<u>8,036,231</u>
Total Capital Assets, not being depreciated	<u>27,829,213</u>	<u>6,074,469</u>	<u>(23,681,180)</u>	<u>-</u>	<u>10,272,502</u>
Capital Assets, being depreciated:					
Buildings	55,710,813	14,758,621	-	-	70,469,434
Improvements	2,290,254	686,347	-	-	2,976,601
Infrastructure	183,371,190	912,783	(26,664)	-	184,257,309
Machinery and equipment	<u>28,380,689</u>	<u>12,146,609</u>	<u>(1,924,953)</u>	<u>19,541</u>	<u>38,621,886</u>
Subtotal	<u>269,752,946</u>	<u>28,504,360</u>	<u>(1,951,617)</u>	<u>19,541</u>	<u>296,325,230</u>
Accumulated Depreciation:					
Buildings	(17,673,715)	(1,054,656)	-	-	(18,728,371)
Improvements	(1,586,480)	(68,726)	-	-	(1,655,206)
Infrastructure	(100,069,188)	(3,651,085)	23,997	-	(103,696,276)
Machinery and equipment	<u>(19,749,826)</u>	<u>(2,134,398)</u>	<u>1,287,938</u>	<u>(19,541)</u>	<u>(20,615,827)</u>
Subtotal	<u>(139,079,209)</u>	<u>(6,908,865)</u>	<u>1,311,935</u>	<u>(19,541)</u>	<u>(144,695,680)</u>
Total Capital Assets, being depreciated	<u>130,673,737</u>	<u>21,595,495</u>	<u>(639,682)</u>	<u>-</u>	<u>151,629,550</u>
Lease Assets, being amortized:					
Buildings	565,226	-	-	-	565,226
Machinery and equipment	<u>1,857,603</u>	<u>558,196</u>	<u>(163,168)</u>	<u>-</u>	<u>2,252,631</u>
Subtotal	<u>2,422,829</u>	<u>558,196</u>	<u>(163,168)</u>	<u>-</u>	<u>2,817,857</u>

8. CAPITAL ASSETS (Continued)

<u>Type</u>	<u>Beginning Balance</u> (As restated)	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Accumulated Amortization:					
Buildings	(66,958)	(66,958)	-	-	(133,916)
Machinery and equipment	<u>(431,875)</u>	<u>(524,681)</u>	<u>163,168</u>	<u>-</u>	<u>(793,388)</u>
Subtotal	<u>(498,833)</u>	<u>(591,639)</u>	<u>168,168</u>	<u>-</u>	<u>(927,304)</u>
Total lease assets, being amortized	<u>1,923,996</u>	<u>(33,443)</u>	<u>-</u>	<u>-</u>	<u>1,890,553</u>
SBITA assets, being amortized	61,342	512,367	-	-	573,709
Accumulated amortization - SBITA assets	<u>-</u>	<u>(87,789)</u>	<u>-</u>	<u>-</u>	<u>(87,789)</u>
Total SBITA assets, being amortized	<u>61,342</u>	<u>424,578</u>	<u>-</u>	<u>-</u>	<u>485,920</u>
Capital Assets, Net	<u>\$ 160,538,288</u>	<u>\$ 28,061,099</u>	<u>\$ (24,320,862)</u>	<u>\$ -</u>	<u>\$ 164,278,525</u>

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

<u>Governmental activities:</u>	<u>Depreciation</u>	<u>Amortization</u>
General government support	\$ 779,600	\$ 153,455
Public safety	1,175,554	199,900
Public health	78,395	46,809
Transportation	4,543,784	187,004
Economic assistance and opportunity	282,067	92,260
Culture and recreation	6,919	-
Home and community services	<u>42,546</u>	<u>-</u>
Total	<u>\$ 6,908,865</u>	<u>\$ 679,428</u>

8. CAPITAL ASSETS (Continued)

Capital asset activity of business-type activities for the year ended December 31, 2023 is detailed as follows:

Type	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital Assets, not being depreciated:					
Land	\$ 715,031	\$ -	\$ -	\$ -	\$ 715,031
Construction in Progress	<u>175,206</u>	<u>5,139,163</u>	<u>-</u>	<u>-</u>	<u>5,314,369</u>
Total Capital Assets, not being depreciated	<u>890,237</u>	<u>5,139,163</u>	<u>-</u>	<u>-</u>	<u>6,029,400</u>
Capital Assets, Being depreciated:					
Buildings	1,467,936	-	-	-	1,147,936
Improvements	15,875,300	-	-	-	15,875,300
Infrastructure	1,197,446	-	-	-	1,197,446
Machinery and equipment	<u>6,002,835</u>	<u>22,506</u>	<u>-</u>	<u>(19,541)</u>	<u>6,005,800</u>
Subtotal	<u>24,543,517</u>	<u>22,506</u>	<u>-</u>	<u>(19,541)</u>	<u>24,546,482</u>
Accumulated Depreciation:					
Buildings	(771,919)	(26,854)	-	-	(798,773)
Improvements	(12,201,564)	(633,071)	-	-	(12,834,635)
Infrastructure	(502,119)	(43,318)	-	-	(545,437)
Machinery and equipment	<u>(3,168,595)</u>	<u>(379,357)</u>	<u>-</u>	<u>19,541</u>	<u>(3,528,411)</u>
Subtotal	<u>(16,644,197)</u>	<u>(1,082,000)</u>	<u>-</u>	<u>19,541</u>	<u>(17,707,256)</u>
Total Capital Assets, being depreciated	<u>7,899,320</u>	<u>(1,060,094)</u>	<u>-</u>	<u>-</u>	<u>6,839,226</u>
Lease Assets, Being amortized:					
Machinery and equipment	<u>144,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,274</u>
Subtotal	<u>144,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,274</u>
Accumulated Amortization:					
Machinery and equipment	<u>(39,518)</u>	<u>(41,413)</u>	<u>-</u>	<u>-</u>	<u>(80,931)</u>
Subtotal	<u>(39,518)</u>	<u>(41,413)</u>	<u>-</u>	<u>-</u>	<u>(80,931)</u>

8. CAPITAL ASSETS (Continued)

Type	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Total Lease Assets being amortized	<u>104,756</u>	<u>(41,413)</u>	<u>-</u>	<u>-</u>	<u>63,343</u>
Capital Assets, Net	<u>\$ 8,894,313</u>	<u>\$ 4,037,656</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,931,969</u>

9. LOANS RECEIVABLE

Housing and Urban Development (HUD) Loans

The Community Development Fund provides loans for mortgage assistance in a program funded by HUD. Loans are forgiven provided the recipient fulfills certain requirements and therefore, there are no future payments scheduled and these balances are reported as accounts receivable. At December 31, 2023, the receivable balance related to this program is \$106,616 and there is an offsetting unearned revenue liability reported in both the Community Development Fund and governmental activities.

New York Main Street Loans

The Community Development Fund provides loans for mortgage assistance in a program funded by New York State for Main Street properties. Loans are forgiven provided the recipient fulfills certain requirements and therefore, there are no future payments scheduled and these balances are reported as accounts receivable. At December 31, 2023, the receivable balance related to this program is \$151,012 and there is an offsetting unearned revenue liability reported in both the Community Development Fund and governmental activities.

Community Development Block Grant (CDBG) Revolving Loans

The Community Development Fund provides loans as part of a revolving loan program funded by CDBG. At December 31, 2023, the receivable balance related to this program is \$61,116 and there is an offsetting deferred inflow of resources for unavailable revenue reported in the Community Development Fund.

The loans receivable are to be repaid in monthly installments at interests rate of 4.25% - 4.50%. The following is a schedule of future loan payments to the County as of December 31, 2023:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 26,794	\$ 2,151	\$ 28,945
2025	26,148	945	27,093
2026	6,478	234	6,712
2027	<u>1,696</u>	<u>12</u>	<u>1,708</u>
Total	<u>\$ 61,116</u>	<u>\$ 3,342</u>	<u>\$ 64,458</u>

10. RETIREMENT PLANS

New York State Employees' Retirement System (NYSERS)

The County participates in the New York State Employees' Retirement System (NYSERS) also referred to as New York State and Local Retirement System (the System). This is a cost-sharing, multiple employer public employee retirement system, providing 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), established to hold all net position and record changes in plan net position allocated to the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System is included in the State's financial report as a pension trust fund. That report, including information with 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 for the employees who joined prior to July 27, 1976. For employees who joined the Systems after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 and prior to April 1, 2012, employees in NYERS contribute 3% of their salary throughout their active membership. For employees who joined after April 1, 2012, employees contribute 3% of their salary until April 1, 2013 and then contribute 3% to 6% of their salary throughout their active membership. 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.

Contributions for the current year and two preceding years were equal to 100 percent of contributions required, and were as follows:

<u>Year</u>	<u>Amount</u>
2023	\$ 4,432,351
2022	\$ 3,710,074
2021	\$ 5,077,172

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

At December 31, 2023, the County reported a net pension liability of \$30,063,964 (\$28,868,339 in the governmental activities and \$1,195,625 in the business-type activities) for its proportionate share of the NYERS net pension liability. The net pension liability was measured as of March 31, 2023, and the total pension asset used to calculate the net pension liability was determined by actuarial valuation as of April 1, 2022. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2023, the County's proportionate share was 0.1401973%.

For the year ended December 31, 2023, the County recognized pension expense of \$9,833,647 (\$9,442,569 in the governmental activities and \$391,078 in the business-type activities). At December 31, 2023, the County reported deferred outflows/inflows of resources related to pensions from the following sources:

10. RETIREMENT PLANS (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources
Related to Pensions (Continued)**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,202,047	\$ 844,310
Changes in assumptions	14,601,000	161,368
Net difference between projected and actual earnings on pension plan investments	-	176,624
Changes in proportion and differences between the County's contributions and proportionate share of contributions	623,025	1,881,882
County's contributions subsequent to the measurement date	<u>3,683,922</u>	<u>-</u>
Total	<u>\$ 22,109,994</u>	<u>\$ 3,064,184</u>

The allocation of deferred inflows and outflows for the governmental activities at December 31, 2023 were as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,074,704	\$ 810,732
Changes in assumptions	14,020,327	154,950
Net difference between projected and actual earnings on pension plan investments	-	169,600
Changes in proportion and differences between the County's contributions and proportionate share of contributions	598,248	1,807,041
County's contributions subsequent to the measurement date	<u>3,537,414</u>	<u>-</u>
Total	<u>\$ 21,230,693</u>	<u>\$ 2,942,323</u>

10. RETIREMENT PLANS (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

The allocation of deferred inflows and outflows for the business-type activities at December 31, 2023 were as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 127,343	\$ 33,578
Changes in assumptions	580,673	6,418
Net difference between projected and actual earnings on pension plan investments	-	7,024
Changes in proportion and differences between the County's contributions and proportionate share of contributions	24,777	74,841
County's contributions subsequent to the measurement date	<u>146,508</u>	<u>-</u>
Total	<u>\$ 879,301</u>	<u>\$ 121,861</u>

County contributions subsequent to the measurement date will be recognized in the year ended December, 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Gov't Activities Amount</u>	<u>Business-type Activities Amount</u>
2024	\$ 3,308,606	\$ 137,031
2025	(1,898,492)	(78,629)
2026	5,617,710	232,666
2027	<u>7,723,132</u>	<u>319,864</u>
Total	<u>\$ 14,750,956</u>	<u>\$ 610,932</u>

Actuarial Assumptions

The total pension liability at March 31, 2023 was determined by using an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total pension liability to March 31, 2023.

10. RETIREMENT PLANS (Continued)

Actuarial Assumptions (Continued)

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.90%
Salary scale	4.40% indexed by service
Projected COLAs	1.50% compounded annually
Decrements	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries' Scale MP-2021
Investment rate of return	5.9% compounded annually, net of investment expenses

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

Long-Term Expected Rate of Return

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2023 are summarized below:

<u>Asset Type</u>	<u>Target Allocations in %</u>	<u>Long-Term Expected Real Rate of Return in %</u>
Domestic equity	32	4.30
International equity	15	6.85
Private equity	10	7.50
Real estate	9	4.60
Opportunistic/Absolute Return Strategy	3	5.38
Credit	4	5.43
Real assets	3	5.84
Fixed Income	23	1.50
Cash	<u>1</u>	<u>0.00</u>
Total	<u>100</u>	

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 that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan'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.

10. RETIREMENT PLANS (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the County's total proportionate share (including governmental activities and business-type activities) of the net pension liability calculated using the discount rate of 5.9%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (4.9%) or 1% higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Proportionate share of net pension liability (asset)	\$ 72,651,705	\$ 30,063,964	\$ (5,523,049)

Pension Plan Fiduciary Net Position (in Thousands)

The components of the current-year net pension liability of the employers as of March 31, 2023 were as follows (amounts in thousands):

Total pension liability	\$ 232,627,259
Net pension	(211,183,223)
Net pension liability (asset)	\$ 21,444,036
ERS net pension as a percentage of total pension liability	90.78%

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The County provides certain healthcare benefits for retired employees, their dependents and certain survivors. The County recognizes the cost of postemployment healthcare in the year when the services are received and reports the accumulated liability from prior years.

The County provides continuation of medical insurance coverage to eligible employees who retire directly into the New York State Retirement System, and to eligible elected officials who have attained at least 10 years of service to the County. The plan is a single employer, postemployment healthcare benefits plan. The retirees and their beneficiaries receive this medical coverage for the remainder of their lives.

Funding Policy

The majority of employees do not contribute toward the cost of these post-employment benefits. However, the number of future retirees who contribute will continue to increase, as members of certain bargaining units and employees covered by the Management Compensation Plan will be required to contribute varying percentages based on their dates of hire. All retiree beneficiaries are required to contribute the full premiums for the respective plans. Actual medical claims paid on behalf of non-Medicare eligible retirees and their beneficiaries are self-funded by the County. Medicare eligible retirees and their beneficiaries are enrolled in a fully insured Medicare Advantage Plan. The County currently pays for postemployment healthcare benefits on a pay-as-you-go basis.

Total OPEB Liability

The County's total OPEB liability was \$71,634,989 (\$68,786,110 in governmental activities and \$2,848,879 in the business-type activities), was measured as of December 31, 2023, and was determined by an actuarial valuation as of December 31, 2021.

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Employees Covered by Benefit Terms

As of the valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	392
Inactive employees entitled to but not yet receiving benefits	-
Active Employees	<u>540</u>
Total Participants	<u>932</u>

Changes in the Total OPEB Liability

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>
Balance at January 1, 2023	<u>\$ 89,729,349</u>	<u>\$ 3,668,286</u>	<u>\$ 93,397,365</u>
Changes for the year:			
Service cost	4,899,485	176,891	5,076,376
Interest	1,717,143	69,095	1,786,238
Changes in assumptions	(24,948,201)	(885,314)	(25,833,515)
Benefit payments	<u>(2,611,666)</u>	<u>(180,079)</u>	<u>(2,791,745)</u>
Net changes	<u>(20,943,239)</u>	<u>(819,407)</u>	<u>(21,762,646)</u>
Balance at December 31, 2023	<u>\$ 68,786,110</u>	<u>\$ 2,848,879</u>	<u>\$ 71,634,989</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 1.84% in 2022 to 4.05% in 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Discount Rate	1.84% as of December 31, 2022 reporting date; 4.05% as of December 31, 2023 reporting date, based on analysis of returns of returns on the Fidelity General Obligation 20-Year AA Municipal Bond Index
Real wage growth	2.50%
Health Care Cost Trends	Assumed rates in year one are: 7.750% for Pre-65 Medical, 4.500% for Post-65 Medicare Advantage, and 7.750% for Prescription Drug; all declining to an ultimate rate of 4.037% in 2075 and beyond.
Mortality	The scale MP-2020, updated to scale MP-2021 on a generational basis.
Retirement Rates	Valuation is based on the most recent New York State Employees' Retirement System (ERS). ERS tables are based on version released in 2020.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents that the total OPEB liability for the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.05%) or 1 percentage point higher (5.05%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 82,464,656</u>	<u>\$ 71,634,989</u>	<u>\$ 62,807,121</u>

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 61,088,721	\$ 71,634,989	\$ 85,067,116

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

For the year ended December 31, 2023, the County recognized OPEB expense of \$3,611,879 (\$3,462,379 in the governmental activities and \$149,500 in the business-type activities). At December 31, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>		
	Gov't Activities	Business-type	Total Primary
	<u>Amount</u>	<u>Amount</u>	<u>Government</u>
Differences between expected and actual experience	\$ 6,242,816	\$ 258,555	\$ 6,501,371
Changes in assumptions	13,969,271	578,558	14,547,829
County's contributions subsequent to the measurement date	<u>2,703,950</u>	<u>111,989</u>	<u>2,815,939</u>
Total	<u>\$ 22,916,037</u>	<u>\$ 949,102</u>	<u>\$ 23,865,139</u>

	<u>Deferred Inflows of Resources</u>		
	Gov't Activities	Business-type	Total Primary
	<u>Amount</u>	<u>Amount</u>	<u>Government</u>
Differences between expected and actual experience	\$ 14,568,667	\$ 603,383	\$ 15,172,050
Changes in assumptions	<u>24,416,139</u>	<u>1,011,231</u>	<u>25,427,370</u>
Total	<u>\$ 38,984,806</u>	<u>\$ 1,614,614</u>	<u>\$ 40,599,420</u>

11. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

County contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Gov't Activities <u>Amount</u>	Business-type Activities <u>Amount</u>	Total Primary <u>Government</u>
2024	\$ (3,125,250)	\$ (129,437)	\$ (3,254,687)
2025	(3,107,145)	(128,687)	(3,235,832)
2026	(2,903,677)	(120,260)	(3,023,937)
2027	(2,713,559)	(112,386)	(2,825,945)
2028	(2,414,460)	(99,998)	(2,514,458)
2029 and thereafter	<u>(4,508,628)</u>	<u>(186,733)</u>	<u>(4,695,361)</u>
Total	<u>\$ (18,772,719)</u>	<u>\$ (777,501)</u>	<u>\$ (19,550,220)</u>

Assets Accumulated in Trust

As of the date of the financial statements, New York State did not yet have legislation that would enable government entities to establish a qualifying trust for the purpose of funding other post employment benefits. As such, there are no assets accumulated in a trust that meets all of the criteria in GASB Statement No. 75, Paragraph 4.

12. SHORT-TERM OBLIGATIONS

Bond Anticipation Notes

Liabilities for bond anticipation notes (BANs) are generally accounted for in the Capital Projects Fund and the Enterprise Landfill Fund. Principal payments on BANs must be made annually. State Law requires that BANs issued for capital purposes be converted to long-term obligations 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, providing that annual reductions of principal are made.

Short-term bond anticipation note payable detail as of December 31, 2023 and activity for the year ended in the Capital Projects Fund, was as follows:

<u>Issued</u>	<u>Maturity</u>	Interest <u>Rate</u>	<u>Beginning</u>	<u>Issued</u>	<u>Deletions</u>	Ending <u>Balance</u>
11/2022	11/2023	4.50%	\$2,680,000	\$ -	\$(2,680,000)	\$ -
11/2023	11/2024	4.50%	-	1,216,000	-	1,216,000
			<u>\$2,680,000</u>	<u>\$1,216,000</u>	<u>\$ -</u>	<u>\$1,216,000</u>

13. LONG-TERM LIABILITIES

Bonds

The County borrows funds on a long-term basis for the purpose of financing acquisition of equipment and construction of buildings and improvements. This policy enables the cost of capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term obligations represent a reconciling item between the fund and government-wide statements. Interest expense for governmental activities related to long-term obligations for the year ended December 31, 2023 was \$794,081. Detail relating to general obligation bonds of the County, outstanding at December 31, 2023, is summarized as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Governmental Activities				
Water line	2017	2036	2.00 – 3.125%	\$ 975,000
Highway Garage	2021	2045	2.125%	17,020,000
HVAC	2021	2045	2.125%	2,497,000
Courthouse	2021	2045	2.125%	<u>15,263,000</u>
Total governmental activities				<u>\$ 35,755,000</u>
Business-type Activities				
Landfill expansion	2017	2036	2.00 – 3.125%	<u>\$ 3,095,000</u>
Total business-type activities				<u>\$ 3,095,000</u>

Bonds

Principal and interest payments due on the bonds outstanding at December 31, 2023, for the primary government are as follows:

Governmental Activities			
<u>Year-Ending Date</u>	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,330,000	\$ 718,719	
2025	1,360,000	691,194	
2026	1,385,000	663,094	
2027	1,410,000	634,494	
2028	1,445,000	605,269	
2029-2033	7,680,000	2,565,594	
2034-2038	8,360,000	1,728,281	
2039-2043	8,940,000	873,094	
2044-2048	<u>3,845,000</u>	<u>82,184</u>	
Total	<u>\$ 35,755,000</u>	<u>\$ 8,561,922</u>	

13. LONG-TERM LIABILITIES (Continued)

Bonds (Continued)

Business-type Activities			
<u>Year-Ending Date</u>	<u>Principal</u>	<u>Interest</u>	
2024	\$ 195,000	\$ 90,956	
2025	200,000	85,031	
2026	210,000	78,881	
2027	215,000	72,506	
2028	220,000	65,981	
2029-2033	1,230,000	223,856	
2034-2038	<u>825,000</u>	<u>38,828</u>	
Total	<u>\$ 3,095,000</u>	<u>\$ 656,039</u>	

Installment Purchase Debt

The County has two (2) Energy Performance Contract Lease Purchase Agreements that were issued to finance energy-related improvements. Detail relating to the debt outstanding at December 31, 2023, is summarized as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Governmental Activities				
Energy efficiency agreement #1	2016	2033	2.98%	\$ 1,431,300
Energy efficiency agreement #1	2016	2026	3.25%	<u>45,837</u>
Total governmental activities				<u>\$ 1,477,137</u>

Principal and interest payments are due on the leases outstanding at December 31, 2023, for the primary government, are as follows:

Governmental Activities			
<u>Year-Ending Date</u>	<u>Principal</u>	<u>Interest</u>	
2024	\$ 150,746	\$ 44,143	
2025	161,568	39,612	
2026	172,900	34,756	
2027	125,689	29,559	
2028	134,685	25,814	
2029-2033	<u>731,549</u>	<u>63,060</u>	
Total	<u>\$ 1,477,137</u>	<u>\$ 236,944</u>	

13. LONG-TERM LIABILITIES (Continued)

Loan Payable - EFC Financing

The County received interest-free financing from the New York State Environmental Facilities Corporation (EFC) in the amount of \$3,310,000 to finance a Sewer Pipeline Project in the Enterprise Landfill Fund. In 2018, the loan was converted into a long-term obligation at the completion of the project. The County's direct borrowings with NYSEFC contain a provision that in the event of default, NYSEFC may take whatever action at law or in equity may appear necessary or desirable to remedy such default. These remedies include, but are not limited to, mandatory redemption, acceleration, requiring the County to immediately redeem the bonds in whole together with all other sums due to NYSEFC. The County may also owe to NYSEFC interest accrued on the overdue balance. At December 31, 2023, principal payments are due as follows:

Business-type Activities	
Year-Ending Date	Principal
2024	\$ 109,000
2025	109,000
2026	109,000
2027	109,000
2028	109,000
2029-2033	545,000
2034-2038	545,000
2039-2043	545,000
2044-2048	<u>549,920</u>
Total	<u>\$ 2,729,920</u>

Long-term Liabilities

The following is a summary of changes in long-term liabilities that occurred during the fiscal year ending December 31, 2023:

	Beginning <u>Balance</u> (As restated)	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>	Due within <u>One Year</u>
Governmental Activities:					
Serial bonds	\$37,065,000	\$ -	\$ (1,310,000)	\$35,755,000	\$ 1,330,000
Installment purchase debt	1,617,552	-	(140,415)	1,477,137	150,746
Lease liabilities	1,952,707	558,196	(555,134)	1,955,769	527,803
SBITA liabilities	61,342	512,367	(68,691)	505,018	492,920
Compensated absences	4,635,656	382,942	-	5,018,598	-
Net pension liability	-	28,868,339	-	28,868,339	-
Total OPEB	<u>89,729,349</u>	<u>-</u>	<u>(20,943,239)</u>	<u>68,786,110</u>	<u>-</u>
Total	<u>\$135,061,606</u>	<u>\$30,321,844</u>	<u>\$(23,017,479)</u>	<u>\$142,365,971</u>	<u>\$ 2,501,469</u>

13. LONG-TERM LIABILITIES (Continued)

	<u>Beginning Balance</u> (As restated)	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Business-type Activities:					
Serial bonds	\$ 3,285,000	\$ -	\$ (190,000)	\$ 3,095,000	\$ 195,000
Loan payable	2,838,920	-	(109,000)	2,729,920	109,000
Lease liabilities	104,756	-	(39,300)	65,456	40,832
Compensated absences	136,354	-	(12,133)	124,221	-
Landfill closure/ Post-closure	12,165,388	1,661,046	-	13,826,434	-
Net pension liability	-	1,195,625	-	1,195,625	-
Total OPEB	<u>3,668,286</u>	<u>-</u>	<u>(819,407)</u>	<u>2,848,879</u>	<u>-</u>
 Total	 <u>\$22,198,704</u>	 <u>\$ 2,856,671</u>	 <u>\$ (1,169,840)</u>	 <u>\$23,885,535</u>	 <u>\$ 344,832</u>

14. LEASES

County as a Lessor

The County has entered into agreements as a lessor of communication towers, land and office space. Revenue earned during the year related to leases was as follows:

Lease-related Revenue

Lease Revenue:	
Land	\$ 1,103
Building	<u>29,932</u>
Total Lease Revenue	31,035
Interest Revenue	<u>6,212</u>
Total	<u>\$ 37,247</u>

Future payments due to the County under non-cancelable agreements are as follows:

<u>Year-Ending Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 26,114	\$ 5,800	\$ 31,914
2025	21,103	5,158	26,261
2026	482	4,942	5,424
2027	656	4,930	5,586
2028	839	4,916	5,755
2029-2033	7,248	24,219	31,467
2034-2038	13,269	23,210	36,479
2039-2043	20,761	21,528	42,289
2044-2048	30,012	19,013	49,025
2049-2053	41,360	15,473	56,833
2054-2058	55,206	10,679	65,885
2059-2063	72,020	4,359	76,379
2064-2068	<u>5,431</u>	<u>23</u>	<u>5,454</u>
Total	<u>\$ 294,501</u>	<u>\$ 144,250</u>	<u>\$ 438,751</u>

14. LEASES (Continued)

County as a Lessee

The County leases various buildings and vehicles and equipment as part of its operations. Significant leases comprise vehicles leased through Enterprise Fleet Management. Individual leases are entered into for each vehicle and the leases carry a term of five years, with current leases having maturities between 2023 and 2027, and the leases do not contain renewal options. The enterprise leases reported under governmental activities carry discount rates ranging from 2.66 to 7.97% and remaining liabilities of approximately \$1.4 million. The enterprise leases reported under business-type activities carry discount rates ranging from 2.66% to 5.85% and remaining liabilities of approximately \$60,000.

Annual requirements to amortize long-term obligations and related interest are as follows:

	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 527,803	\$ 93,016	\$ 620,819
2025	418,474	66,201	484,675
2026	399,735	40,902	440,637
2027	265,824	17,303	283,127
2028	93,812	7,321	101,133
2029-2033	228,520	14,271	242,791
2034-2038	<u>21,601</u>	<u>108</u>	<u>21,709</u>
Total	<u>\$ 1,955,769</u>	<u>\$ 239,122</u>	<u>\$ 2,194,891</u>

	<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 30,807	\$ 1,902	\$ 32,709
2025	21,152	1,015	22,167
2026	11,339	400	11,739
2027	<u>2,158</u>	<u>32</u>	<u>2,190</u>
Total	<u>\$ 65,456</u>	<u>\$ 3,349</u>	<u>\$ 68,805</u>

15. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS)

The County has entered into various SBITAs to assist in the provision of general government services, public safety and road maintenance and are summarized as follows:

<u>Description</u>	<u>Inception date</u>	<u>Term (in months)</u>	<u>Interest Rate/discount</u>	<u>Total initial SBITA liability</u>
gWorks	1/1/2023	24	4.05%	\$ 18,030
Telus Communications	1/1/2023	34	4.05%	20,695
Callyo	1/1/2023	24	4.05%	4,492
Tyler Technologies	12/14/2023	24	4.05%	428,585
HART Intercivic	4/11/2023	17	4.05%	83,781
Discover EGOV	1/1/2023	24	4.05%	18,125

15. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (Continued)

SBITA expenses for the year ended December 31, 2023 are as follows:

SBITA Expense	
Amortization expense	\$ 87,789
Interest on SBITA liabilities	<u>4,564</u>
Total	<u>\$ 92,353</u>

Annual requirements to amortize long-term obligations and related interest is summarized as follows:

<u>Year-Ending Date</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 492,920	\$ 12,198	\$ 505,118
2025	<u>12,098</u>	<u>357</u>	<u>12,455</u>
Total	<u>\$ 505,018</u>	<u>\$ 12,555</u>	<u>\$ 517,573</u>

16. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and Federal law and regulations require the County to place a final cover on its municipal landfill site when it stops accepting waste, and to perform certain maintenance and monitoring function at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as a liability based on landfill capacity used each year. The \$13,826,434 reported in the Environmental Landfill Fund as landfill closure and post-closure care liability represents the cumulative amount reported to date.

The landfill is comprised of the East Side and West Side, with the West Side being the active portion of the landfill. Based upon a projected landfill usage rate of 60,000 tons per year, the estimated remaining life of the constructed west side landfill after December 2023 is 1 years and 3 months.

These amounts are based on estimates of what it would cost to perform all post closure care as of December 31, 2023. Actual costs may be higher in the near term due to final approval of certain elements by the New York State Department of Environmental Conservation, inflation, changes in technology or changes in regulations.

17. SIGNIFICANT CLAIMS AND CONTINGENT LIABILITIES

The County is subject to a number of lawsuits in the ordinary conduct of its affairs. Such lawsuits and claims are not, in the opinion of management, expected to have a material effect on the County's financial condition.

18. INSURANCE AND COMMITMENTS

The County purchases commercial insurance coverage and is self-insured for the deductible portion of its general liability risks. The County also funds its Workers' Compensation claim liability through a municipal workers' compensation risk pool, of which the County is the sponsoring member. In addition, the County is self-funded for its major medical, surgical, and hospital claims, which are administered by a third-party claims administrator.

18. INSURANCE AND COMMITMENTS (Continued)

At December 31, 2023, the County has recognized \$285,262 as part of its accounts payable and other accrued liabilities in the Self Insurance Fund representing incurred but not yet reported health insurance claims. At December 31, 2023, the County also recognized \$126,266 as part of its accounts payable and other accrued liabilities in the Self Insurance Fund representing incurred but not yet reported dental and prescription claims.

The County has also accrued a liability of \$2,808,865 for workers' compensation premiums, unresolved claims and legal costs in its self insurance fund (Workers' Compensation) at December 31, 2023. A reconciliation of workers' compensation claims is presented below.

	<u>2023</u>	<u>2022</u>
Liability at January 1	\$ 2,523,082	\$ 2,364,814
Claims and changes in estimates	2,108,032	2,010,066
Claim payments	<u>(1,822,249)</u>	<u>(1,851,798)</u>
Liability at December 31	<u>\$ 2,808,865</u>	<u>\$ 2,523,082</u>

County employees are entitled to coverage under the New York State Unemployment Insurance Law. The County has elected to discharge its liability to the New York State Unemployment Insurance Fund by the benefit reimbursement method, a dollar-for-dollar reimbursement for benefits paid to County employees and charged to the County's account. There was no change in commercial coverage during 2023, and settled claims have not exceeded commercial coverage in any of the past five fiscal years.

19. FEDERAL AND STATE FUNDED PROGRAMS

The County participates in a number of Federal and New York State grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial. Expenditures disallowed by completed audits have generally been immaterial in nature and, accordingly, have been reflected as adjustments to revenues in the year the expenditure was determined to be unallowable.

20. RESTATEMENTS

Change in Accounting Principle and Restatement

During the year ended December 31, 2023, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-based Information Technology Arrangements*. GASB Statement No. 96 enhances the relevancy and consistency of accounting for SBITAs by establishing a concrete definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. Under the new standard, a government is required to report a SBITA liability and an intangible right-to-use asset for all such arrangements that meet the definition of a SBITA. These changes were incorporated in the County's financial statements and did not have an effect on beginning fund balance or net position.

20. RESTATEMENTS (Continued)

Governmental Activities

	<u>Assets</u>	<u>Liabilities</u>
As previously reported, December 31, 2022	\$ 268,498,967	\$ 175,966,223
Restatement	<u>61,342</u>	<u>61,342</u>
As restated, January 1, 2023	<u>\$ 268,560,309</u>	<u>\$ 176,027,565</u>

COUNTY OF MADISON, NEW YORK

Required Supplementary Information (Unaudited) Statement of Revenues, Expenditures and Change in Fund Balance Budget and Actual - General Fund (budgetary comparison information) For the Year Ended December 31, 2023

	Original Budget (Adopted)	Budget (Amended)	Actual	Intrafund Activity	Favorable (Unfavorable) Variance
REVENUES:					
Real property taxes	\$ 43,091,526	\$ 43,091,526	\$ 42,559,672	\$ -	\$ (531,854)
Real property tax items	1,269,259	1,269,259	2,025,167	-	755,908
Non-property tax items	36,980,000	40,083,594	43,214,000	-	3,130,406
Departmental income	10,051,888	10,356,898	8,013,452	-	(2,343,446)
Intergovernmental charges	479,650	1,695,900	1,598,938	-	(96,962)
Use of money and property	1,530,785	1,649,504	3,165,116	-	1,515,612
Licenses and permits	20,000	20,000	25,705	-	5,705
Fines and forfeitures	157,800	161,512	159,483	-	(2,029)
Tobacco settlement	-	-	970,515	-	970,515
Opioid settlement	-	-	177,936	-	177,936
Sale of property and compensation for loss	957,500	985,700	320,607	-	(665,093)
Miscellaneous local sources	484,523	1,111,962	980,727	-	(131,235)
Interfund revenues	-	94,449	164,854	2,568,627	2,639,032
State aid	17,585,917	29,920,059	23,670,915	-	(6,249,144)
Federal aid	7,187,719	14,603,498	13,356,507	-	(1,246,991)
Total revenues	119,796,567	145,043,861	140,403,594	2,568,627	(2,071,640)
EXPENDITURES:					
Current -					
General governmental support	33,448,792	45,563,081	38,604,541	2,031,619	4,926,921
Education	7,140,652	7,396,918	6,655,122	-	741,796
Public safety	15,696,809	21,066,939	18,801,986	393,075	1,871,878
Public health	7,189,505	11,690,558	9,058,279	76,532	2,555,747
Transportation	470,000	570,000	479,387	-	90,613
Economic assistance and opportunity	31,716,216	32,845,504	29,407,960	67,401	3,370,143
Culture and recreation	792,267	823,587	796,451	-	27,136
Home and community services	1,471,740	3,277,535	1,605,297	-	1,672,238
Capital outlays for leases	-	-	1,022,806	-	(1,022,806)
Employee benefits	12,234,366	12,742,216	9,267,110	-	3,475,106
Debt service - principal	-	-	448,344	-	(448,344)
Debt service - interest	-	-	63,094	-	(63,094)
Total expenditures	110,160,347	135,976,338	116,210,377	2,568,627	17,197,334
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,636,220	9,067,523	24,193,217	-	15,125,694
OTHER FINANCING SOURCES (USES):					
Proceeds from capital leases	-	-	510,439	-	510,439
Proceeds from subscription-based information technology arrangements (SBITAs)	-	-	512,367	-	-
Operating transfers - in	-	94,449	94,449	-	-
Operating transfers - out	(14,653,940)	(17,263,456)	(17,263,456)	-	-
Total other financing uses	(14,653,940)	(17,169,007)	(16,146,201)	-	510,439
CHANGE IN FUND BALANCE	\$ (5,017,720)	\$ (8,101,484)	8,047,016	\$ -	\$ 15,636,133
FUND BALANCE - beginning of year			35,643,314		
FUND BALANCE - end of year			\$ 43,690,330		

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Required Supplementary Information (Unaudited)
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended December 31, 2023

	Last 10 Fiscal Years									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total OPEB Liability										
Service cost	\$ 5,076,376	\$ 4,044,669	\$ 4,022,898	\$ 3,182,872	\$ 3,688,319	\$ 3,141,041				
Interest	1,786,238	1,611,714	2,363,481	2,973,910	2,839,452	2,861,020				
Changes of benefit terms	-	-	-	-	-	-				
Differences between expected and actual experience	-	8,802,757	(17,781,921)	(9,747,618)	-	-				
Changes in assumptions	(25,833,515)	3,597,304	8,520,398	11,055,181	(9,271,193)	6,382,678				
Benefit payments	(2,791,745)	(2,399,682)	(2,611,707)	(2,426,030)	(2,325,821)	(2,154,868)				
Total change in total OPEB liability	(21,762,646)	15,656,762	(5,486,851)	5,038,315	(5,069,243)	10,229,871				
Total OPEB liability - beginning	93,397,635	77,740,873	83,227,724	78,189,409	83,258,652	73,028,781				
Total OPEB liability - ending	<u>\$ 71,634,989</u>	<u>\$ 93,397,635</u>	<u>\$ 77,740,873</u>	<u>\$ 83,227,724</u>	<u>\$ 78,189,409</u>	<u>\$ 83,258,652</u>				
Covered-employee payroll	\$ 35,563,509	\$ 33,313,802	\$ 33,712,061	\$ 31,307,399	\$ 28,464,091	\$ 27,245,238				
Total OPEB liability as a percentage of covered-employee payroll	201.43%	280.36%	230.60%	265.84%	274.69%	305.59%				

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Notes to schedule:

Changes of assumptions: Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	4.05%	1.84%	2.00%	2.75%	3.71%	3.31%
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Plan assets: No assets are accumulated in a trust that meets all of the criteria of GASB Statement No. 75, paragraph 4 to pay benefits.

COUNTY OF MADISON, NEW YORK

Required Supplementary Information (Unaudited) Schedule of Proportionate Share of Net Pension Liability (Asset) For the Year Ended December 31, 2023

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014*
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN - ERS										
Proportion of the net pension liability (asset)	0.1402%	0.1359%	0.1325%	0.1280%	0.1246%	0.1290%	0.1177%	0.1171%	0.1153%	
Proportionate share of the net pension liability	\$ 30,064	\$ (11,111)	\$ 132	\$ 33,902	\$ 8,827	\$ 4,163	\$ 11,059	\$ 18,794	\$ 3,895	
Covered-employee payroll	\$ 33,270	\$ 31,107	\$ 30,407	\$ 29,469	\$ 28,216	\$ 26,935	\$ 27,203	\$ 24,749	\$ 23,264	
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee	90.36%	-35.72%	0.43%	115.04%	31.28%	15.46%	40.65%	75.94%	16.74%	
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.95%	

*Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

COUNTY OF MADISON, NEW YORK

**Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension Plans
For the Year Ended December 31, 2023**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014*
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN - ERS										
Contractually required contribution	\$ 4,432	\$ 3,710	\$ 5,077	\$ 4,434	\$ 4,244	\$ 4,112	\$ 4,283	\$ 3,936	\$ 4,257	
Contributions in relation to the contractually required contribution	4,432	3,710	5,077	4,434	4,244	4,112	4,283	3,936	4,257	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered-employee payroll	\$ 33,270	\$ 31,107	\$ 30,407	\$ 29,469	\$ 28,216	\$ 26,935	\$ 27,203	\$ 24,749	\$ 23,264	
Contributions as a percentage of covered- employee payroll	13.32%	11.93%	16.70%	15.05%	15.04%	15.27%	15.74%	15.90%	18.30%	

*Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Supplementary Information

Combining Balance Sheet - Nonmajor Governmental Funds

December 31, 2023

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents, unrestricted	\$ 987,768	\$ -	\$ 987,768
Cash and cash equivalents, restricted	2,897,538	2,546,228	5,443,766
Accounts receivable	57,683	-	57,683
Loans receivable	318,744	-	318,744
Due from other funds	826,947	-	826,947
Prepaid expenditures	16,960	-	16,960
Inventories	<u>573,930</u>	<u>-</u>	<u>573,930</u>
Total assets	<u>\$ 5,679,570</u>	<u>\$ 2,546,228</u>	<u>\$ 8,225,798</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES:			
Accounts payable and other accrued liabilities	\$ 874,320	\$ -	\$ 874,320
Unearned revenue	257,629	-	257,629
Due to other funds	<u>127,395</u>	<u>-</u>	<u>127,395</u>
Total liabilities	<u>1,259,344</u>	<u>-</u>	<u>1,259,344</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue	<u>61,116</u>	<u>-</u>	<u>61,116</u>
FUND BALANCES:			
Nonspendable	590,890	-	590,890
Restricted	2,993,284	2,546,228	5,539,512
Committed	<u>774,936</u>	<u>-</u>	<u>774,936</u>
Total fund balances	<u>4,359,110</u>	<u>2,546,228</u>	<u>6,905,338</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,679,570</u>	<u>\$ 2,546,228</u>	<u>\$ 8,225,798</u>

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Supplementary Information

Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES:			
Real property taxes	\$ 111,000	\$ -	\$ 111,000
Departmental income	39,676	-	39,676
Use of money and property	26,628	-	26,628
Sale of property and compensation for loss	311,248	-	311,248
Miscellaneous local sources	16,013	-	16,013
Intergovernmental charges	4,902	-	4,902
Interfund revenues	818,302		818,302
State aid	-	115,503	115,503
Federal aid	<u>1,650,396</u>	<u>-</u>	<u>1,650,396</u>
Total revenues	<u>2,978,165</u>	<u>115,503</u>	<u>3,093,668</u>
EXPENDITURES:			
Current -			
Public safety	12,360	-	12,360
Transportation	5,153,915	-	5,153,915
Economic assistance and opportunity	1,122,754	-	1,122,754
Home and community services	1,200,961	-	1,200,961
Capital outlays for leases	47,757	-	47,757
Employee benefits	282,188	-	282,188
Debt service -			
Principal	159,025	1,450,415	1,609,440
Interest	<u>154,576</u>	<u>794,081</u>	<u>948,657</u>
Total expenditures	<u>8,133,536</u>	<u>2,244,496</u>	<u>10,378,032</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(5,155,371)</u>	<u>(2,128,993)</u>	<u>(7,284,364)</u>
OTHER FINANCING SOURCES:			
Premiums on issuances	2,456	-	2,456
Proceeds from capital leases	47,757	-	47,757
Operating transfers - in	3,677,128	2,023,437	5,700,565
Operating transfers - out	<u>(481)</u>	<u>-</u>	<u>(481)</u>
Total other financing sources	<u>3,726,860</u>	<u>2,023,437</u>	<u>5,750,297</u>
CHANGE IN FUND BALANCE	(1,428,511)	(105,556)	(1,534,067)
FUND BALANCE - beginning of year	<u>5,787,621</u>	<u>2,651,784</u>	<u>8,439,405</u>
FUND BALANCE - end of year	<u>\$ 4,359,110</u>	<u>\$ 2,546,228</u>	<u>\$ 6,905,338</u>

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Supplementary Information Combining Balance Sheet - Nonmajor Special Revenue Funds December 31, 2023

	Community Development	Cowaselon Creek	Law Enforcement Trust	Road Machinery	Water Fund	Total Nonmajor Special Revenue Funds
ASSETS						
Cash and cash equivalents, unrestricted	\$ 122,093	\$ 1	\$ 10,796	\$ 803,095	\$ 51,783	\$ 987,768
Cash and cash equivalents, restricted	510,180	-	-	2,387,358	-	2,897,538
Accounts receivable	15,108	-	-	42,575	-	57,683
Loans receivable	318,744	-	-	-	-	318,744
Due from other funds	7	68,625	-	758,315	-	826,947
Prepaid expenditures	5,552	-	-	11,408	-	16,960
Inventories	-	-	-	573,930	-	573,930
Total assets	<u>\$ 971,684</u>	<u>\$ 68,626</u>	<u>\$ 10,796</u>	<u>\$ 4,576,681</u>	<u>\$ 51,783</u>	<u>\$ 5,679,570</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES

LIABILITIES:						
Accounts payable and other accrued liabilities	\$ 56,679	\$ -	\$ -	\$ 817,641	\$ -	\$ 874,320
Unearned revenue	257,629	-	-	-	-	257,629
Due to other funds	<u>115,987</u>	-	-	<u>11,408</u>	-	<u>127,395</u>
Total liabilities	<u>430,295</u>	<u>-</u>	<u>-</u>	<u>829,049</u>	<u>-</u>	<u>1,259,344</u>
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue	<u>61,116</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61,116</u>
FUND BALANCES:						
Nonspendable	5,552	-	-	585,338	-	590,890
Restricted	474,721	68,626	10,796	2,387,358	51,783	2,993,284
Committed	-	-	-	<u>774,936</u>	-	<u>774,936</u>
Total fund balances	<u>480,273</u>	<u>68,626</u>	<u>10,796</u>	<u>3,747,632</u>	<u>51,783</u>	<u>4,359,110</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 971,684</u>	<u>\$ 68,626</u>	<u>\$ 10,796</u>	<u>\$ 4,576,681</u>	<u>\$ 51,783</u>	<u>\$ 5,679,570</u>

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

Supplementary Information

**Combining Statement of Revenues, Expenditures and Change in Fund Balances - Nonmajor Special Revenue Funds
For the Year Ended December 31, 2023**

	Community Development	Cowaselon Creek	Law Enforcement Trust	Road Machinery	Water Fund	Total Nonmajor Special Revenue Funds
REVENUES:						
Real property taxes	\$ -	\$ -	\$ -	\$ -	111,000	\$ 111,000
Departmental income	39,676	-	-	-	-	39,676
Use of money and property	18,552	-	-	-	8,076	26,628
Sale of property and compensation for loss	-	-	-	311,248	-	311,248
Miscellaneous local sources	-	-	12,331	3,682	-	16,013
Intergovernmental charges	-	-	-	4,902	-	4,902
Interfund revenues	126,653	-	69	691,580	-	818,302
State aid	-	-	-	-	-	-
Federal aid	1,650,396	-	-	-	-	1,650,396
Total revenues	1,835,277	-	12,400	1,011,412	119,076	2,978,165
EXPENDITURES:						
Current -						
Public safety	-	-	12,360	-	-	12,360
Transportation	-	-	-	5,153,915	-	5,153,915
Economic assistance and opportunity	1,122,754	-	-	-	-	1,122,754
Home and community services	1,104,535	78,277	-	-	18,149	1,200,961
Capital outlays for lease and SBITAs	-	-	-	47,757	-	47,757
Employee benefits	-	-	-	282,188	-	282,188
Debt service -						
Principal	-	-	-	159,025	-	159,025
Interest	-	-	-	33,976	120,600	154,576
Total expenditures	2,227,289	78,277	12,360	5,676,861	138,749	8,133,536
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(392,012)	(78,277)	40	(4,665,449)	(19,673)	(5,155,371)
OTHER FINANCING SOURCES (USES):						
Premiums on issuances	-	-	-	-	2,456	2,456
Proceeds from capital leases	-	-	-	47,757	-	47,757
Operating transfers - in	-	-	-	3,677,128	-	3,677,128
Operating transfers - out	-	-	-	-	(481)	(481)
Total other financing sources	-	-	-	3,724,885	1,975	3,726,860
CHANGE IN FUND BALANCE	(392,012)	(78,277)	40	(940,564)	(17,698)	(1,428,511)
FUND BALANCE - beginning of year	872,285	146,903	10,756	4,688,196	69,481	5,787,621
FUND BALANCE - end of year	\$ 480,273	\$ 68,626	\$ 10,796	\$ 3,747,632	\$ 51,783	\$ 4,359,110

The accompanying notes are an integral part of these statements.

**INDEPENDENT AUDITOR'S 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**

August 14, 2024

To the Board of Supervisors of the
County of Madison, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Madison, New York (the County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 14, 2024. Our report includes a reference to other auditors who audited the financial statements of the Madison County Industrial Development Agency (IDA) as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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(Continued)

**INDEPENDENT AUDITOR'S 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**
(Continued)

Report on Internal Control over Financial Reporting (Continued)

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Bonadio & Co., LLP

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

August 14, 2024

To the Board of Supervisors of the
County of Madison, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Madison, New York's (the County) compliance with the types of compliance requirements identified as subject to audit 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, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of Madison County Industrial Development Agency (IDA) whose federal awards are not included in the schedule of expenditures of federal awards for the year ended December 31, 2023. Our audit, described below, did not include the federal awards of the above entity as this entity conducted a separate audit in accordance with Uniform Guidance, if required.

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, 2023.

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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Auditor's 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.

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(Continued)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

(Continued)

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.

Auditor's 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 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 generally accepted auditing standards, *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 generally accepted auditing standards, *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.

(Continued)

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

(Continued)

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 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.

Bonadio & Co., LLP

COUNTY OF MADISON, NEW YORK

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing #	Pass-Through Entity Identification Number	Federal Expenditures	Provided to Subrecipients
U.S. Department of Agriculture:				
Passed-through NYS Department of Family Assistance:				
SNAP Cluster				
COVID-19: State Administration Matching Grants for the Supplemental Nutrition Assistance Program	10.561		\$ 45,797	\$ -
State Administration Matching Grants for the Supplemental Nutrition Assistance Program	10.561		656,306	-
Total SNAP Cluster			702,103	-
Total Department of Agriculture			702,103	-
U.S. Department of Housing & Urban Development				
Passed-through NYS Homes and Community Renewal:				
Microenterprise Program	14.228	686ME979-21	60,609	60,609
Housing Trust Fund	14.228	686HR310-21	235,430	235,430
Economic Development Program	14.228	686CVS893-22	797,296	797,296
Total Housing Trust Fund			1,093,335	1,093,335
Passed-through NYS Office of Temporary and Disability Assistance:				
Emergency Solutions Grants Program	14.231		11,426	-
Total Emergency Solutions Grants Program			11,426	-
Total Department of Housing & Urban Development			1,104,761	1,093,335
U.S. Department of Justice:				
Direct Program:				
Bulletproof Vest Partnership Program	16.607		67,083	-
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838		293,434	-
Total Department of Justice			360,517	-
U.S. Department of Labor:				
Passed-through County of Herkimer, New York:				
WIOA Cluster				
WIOA Adult Program	17.258		164,051	-
WIOA Youth Activities	17.259		227,866	-
WIOA Dislocated Water Formula Grants	17.278		106,380	-
Total WIOA Cluster			498,297	-
Total Department of Labor			498,297	-
U.S. Department of Transportation:				
Passed-through New York State Department of Transportation				
Highway Planning Cluster				
Highway Planning and Construction	20.205		153,940	-
Total Highway Planning Cluster			153,940	-
Formula Grants for Rural Areas	20.509		137,257	-
Total Passed-through New York State Department of Transportation			291,197	-
Passed-through New York State Governors Committee Traffic Safety:				
Highway Safety Cluster				
State and Community Highway Safety	20.600		43,995	-
National Priority Safety Programs	20.616		57,336	-
Total Highway Safety Cluster			101,331	-
Total Passed-through New York State Governors Committee Traffic Safety			101,331	-
Total Department of Transportation			392,528	-
U.S. Department of Treasury				
Direct Program:				
COVID-19: Emergency Rental Assistance Program	21.023		552	-
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027		5,518,857	-
Total Department of Treasury			5,519,409	-
Environmental Protection Agency				
Passed-through NYS Department of Health:				
State Indoor Radon Grants	66.032		167	-
Total Environmental Protection Agency			167	-

The accompanying notes are an integral part of this statement

COUNTY OF MADISON, NEW YORK

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing #	Pass-Through Entity Identification Number	Federal Expenditures	Provided to Subrecipients
U.S. Department of Education:				
Passed-through NYS Department of Health Early Intervention:				
Special Education Cluster				
Special Education-Grants for Infants and Families	84.181		87,829	-
Total Special Education Cluster			87,829	-
Total Department of Education			87,829	-
U.S. Department of Health and Human Service:				
Direct:				
Guardianship Assistance	93.090		78	-
Passed-through Health Research, Inc.:				
COVID-19: Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		7,696	-
Public Health Emergency Preparedness	93.069		48,185	-
Total Passed-through Health Research, Inc.			55,881	-
Passed-through NYS Department of Health				
Immunization Cooperative Agreements	93.268		5,371	-
COVID-19: Vaccine Response (CVDVAX)	93.354		8,616	-
Maternal and Child Health Services Block Grant	93.994		45,775	-
Total passed-through NYS Department of Health			59,762	-
Passed-through NYS Department of Family Assistance				
Promoting Safe and Stable Families	93.556		(1,932)	-
Temporary Assistance for Needy Families (TANF)	93.558		2,927,185	-
Child Support Enforcement	93.563		551,976	-
COVID-19:Low-Income Home Energy Assistance				
Low-Income Home Energy Assistance	93.568		96,901	-
Total Low-Income Home Energy Assistance			3,766,408	-
			3,863,309	-
Child Care and Development Block Grant	93.575		1,759,828	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645		20,032	-
COVID-19:Foster Care Title IV-E				
Foster Care Title IV-E	93.658		3,366	-
Total Foster Care Title IV-E			490,429	-
			493,795	-
COVID-19:Adoption Assistance				
Adoption Assistance	93.659		24,191	-
Total Adoption Assistance			329,303	-
			353,494	-
Social Services Block Grant	93.667		647,698	-
Chafee Foster Care Independence Program	93.674		15,560	-
Children's Health Insurance Program	93.767		36,353	-
Medicaid Cluster				
Medical Assistance Program	93.778		92,772,147	-
Total Medicaid Cluster			92,772,147	-
Total Passed-through NYS Department of Family Assistance			103,439,445	-
Total Department of Health and Human Services			103,555,166	-

The accompanying notes are an integral part of this statements.

COUNTY OF MADISON, NEW YORK

Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2023

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing #	Pass-Through Entity	Federal Expenditures	Provided to Subrecipients
		Identification Number		
U.S. Department of Homeland Security				
Direct:				
Hazard Mitigation Plan	97.039	C000876	9,600	-
Homeland Security Grant Program - FY19 SHSP Grant	97.067	C197921	55,835	-
Homeland Security Grant Program - FY20 SHSP Grant	97.067	C971400	21,414	-
Homeland Security Grant Program - FY21 SHSP Grant	97.067	C160510	29,259	-
Homeland Security Grant Program - FY22 SHSP Grant	97.067	C190136	47,668	-
Homeland Security Grant Program - FY20 SLETPP Grant	97.067	T971402	1,991	-
Homeland Security Grant Program - FY21 SLETPP Grant	97.067	T837011	8,019	-
Total Homeland Security Grant Program			164,186	-
Total Department of Homeland Security			173,786	-
Total Expenditures of Federal Awards			\$ 112,394,563	\$ 1,093,335

The accompanying notes are an integral part of these statements.

COUNTY OF MADISON, NEW YORK

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS DECEMBER 31, 2023

1. BASIS OF PRESENTATION

Pass-Through Programs

Where the County of Madison, New York (the County) receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Assistance Listing number when advised by the pass through grantor. Identifying numbers, other than Assistance Listing numbers, which may be assigned by pass-through grantors, are not maintained in the County's financial management system. County management has identified certain pass-through identifying numbers and included them in the schedule of expenditures of federal awards (SEFA).

Non-Monetary Federal Programs

The County is awarded financial assistance programs that do not result in cash receipts or disbursements, termed "non-monetary programs." During the fiscal year ended December 31, 2023, the County distributed \$92,772,147 of medical services and goods that were received by participants in the Medical Assistance Program (AL# 93.778), and \$3,863,309 of energy assistance to eligible persons under the Low-Income Home Energy Assistance Program (AL#93.568), as listed in the accompanying schedule.

2. BASIS OF ACCOUNTING

The SEFA is presented in accordance with accounting principles generally accepted in the United States of America and is derived from the County's general ledger. Federal expenditures are recorded when an allowable cost is incurred under the applicable program and is due and payable. For programs with funding ceilings and caps, federal expenditures are only recorded and presented in the SEFA up to such amounts.

3. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent such costs are included in the federal financial reports used as the source for the data presented. The County has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

4. MATCHNG COSTS

Matching costs (i.e., the County's share of certain program costs) are not included in the schedule of expenditures of federal awards.

COUNTY OF MADISON, NEW YORK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2023

Part I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the: Unmodified
Internal control over financial reporting:
Material weakness(es) identified? ☐yes ☒no
Significant deficiencies identified? ☐yes ☒none reported
Noncompliance material to financial statements noted? ☐yes ☒none reported

Federal Awards

Internal control over major programs:
Material weakness(es) identified? ☐yes ☒no
Significant deficiencies identified? ☐yes ☒none reported
Type of auditor's report issued on compliance for major programs: Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR Section 200.516(a)? ☐yes ☒no

Dollar threshold used to distinguish between Type A programs: \$3,000,000

The major federal programs of the County for the year ended December 31, 2023 were as follows:

U.S. Department of Health and Human Services

Medicaid Cluster: Medical Assistance Program (AL# 93.778)

U.S. Department of Treasury

Coronavirus State and Local Fiscal Recovery Funds (AL# 21.027)

The County was not considered a low-risk auditee for the year ended December 31, 2023.

Part II - Financial Statement Findings

None

Part III - Federal Award Findings and Questioned Costs

None