

**COUNTY OF BROOME,
NEW YORK**

*Basic Financial Statements, Required Supplementary
Information, Supplementary Information
and Federal Awards Information
for the Year Ended December 31, 2022 and
Independent Auditors' Reports*

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Broome, New York (the "County"), as of and for the year ended December 31, 2022 (with SUNY Broome (the "College") for the fiscal year ended August 31, 2022), and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, 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 Broome County Local Development Corporation ("LDC"), the Broome County Land Bank Corporation ("LBC"), which represent 3.5% and 1.2% of the assets, respectively, and 8.3% and 0.7% of revenues, respectively, of the business-type activities. We did not audit the financial statements of the College and Broome County Industrial Development Agency ("IDA"), which are shown as discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the LDC, LBC, College, and IDA, is based solely on the reports of such other auditors.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2022, the County restated net position of the business-type activities. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

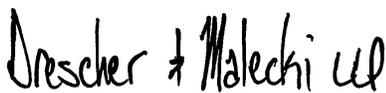
Supplementary Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated July 17, 2023 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.



July 17, 2023

COUNTY OF BROOME, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2022

As management of the County of Broome, New York (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements and notes to the financial statements, which follow this narrative. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

Financial Highlights

- The liabilities and deferred inflows of resources of the County's primary government exceeded its assets and deferred outflows of resources at December 31, 2022 by \$89,269,277. This consists of \$116,033,856 net investment in capital assets, \$19,341,888 restricted for specific purposes, offset by an unrestricted net position of \$(224,645,021).
- The County's primary government net position increased \$75,353,601 during the year ended December 31, 2022. Governmental activities increased the County's net position by \$59,613,917, while the net position of business-type activities increased by \$15,739,684.
- As of December 31, 2022, the County's governmental funds reported combined ending fund balances of \$53,239,290, an increase of \$23,839,831 in comparison with the prior year. This increase was primarily due to a significant increase in sales tax revenue coupled with additional grants and aid received during the fiscal year.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$44,209,103, or 10.5 percent of total General Fund expenditures and transfers out. This total amount is available for spending at the County's discretion and constitutes approximately 51.2 percent of the General Fund's total fund balance of \$86,371,811 at December 31, 2022.
- The County's governmental and business-type activities' serial bonds decreased by \$5,093,093 and \$2,091,907, respectively during the current year as a result of scheduled principal payments.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving

rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are primarily supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services. The business-type activities of the County include the Department of Transportation, Willow Point Nursing Home, Solid Waste Management, Aviation and two blended component units, the Broome County Local Development Corporation (“LDC”) and the Broome County Land Bank (“LBC”).

The government-wide financial statements include not only the County and its blended component units (known as the *primary government*), but also SUNY Broome, the Broome County Resource Recovery Agency, the Broome County Water and Wastewater Authority, the Broome County Industrial Development Agency and the Broome County Soil and Water Conservation District discretely presented component units, for which the County is financially accountable. Financial information for the component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14-15 of this report.

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

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

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

The County maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Projects Fund, the Debt Service Fund and the Broome Tobacco Asset Securitization Corporation (“BTASC”), which are considered to be major funds. Data from the other six governmental funds, which include the County Road Fund, Road Machinery Fund, Library Fund, Arena Fund, Employment and Training Fund, and the En Joie Golf Course Fund, are combined into a single, aggregated presentation.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary funds—The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Transportation, Nursing Home, Solid Waste and Airport operations. Additionally, the LDC and LBD, two blended component units, are reported as nonmajor enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County’s various functions. The County uses internal service funds to account for the operation of its fleet management, central foods, as well as the self-insurance workers’ compensation program, health insurance, insurance reserve and unemployment insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each enterprise funds disclosed above. In addition, the internal service funds are aggregated and presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 20-22 of this report.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources are not available to support the County’s own programs. The County is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The County maintains one fiduciary fund, the Custodial Fund.

The fiduciary fund financial statements can be found on pages 23-24 of this report.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-74 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the County’s net pension liabilities/(assets), changes in the County’s total other postemployment benefits (“OPEB”) obligation, and the County’s budgetary comparison for the General Fund. Required Supplementary Information and the related notes to the Required Supplementary Information can be found on pages 75-82 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented as other supplementary information immediately following the Required Supplementary Information in the Supplementary Information section of this report on pages 83-87.

The Federal Awards Information section presents the County’s Schedule of Expenditures of Federal Awards. This section can be found on pages 88-101 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the County's primary government, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$(89,269,277) at the close of the most recent fiscal year, as compared to a net position of \$(164,622,878), as restated, at the close of the fiscal year ended December 31, 2021.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2022	2021	2022	2021 (as restated)	2022	2021 (as restated)
Current assets	\$ 246,974,646	\$ 210,334,052	\$ 51,131,435	\$ 41,860,317	\$ 298,106,081	\$ 252,194,369
Noncurrent assets	154,554,664	108,378,898	131,672,024	121,749,474	286,226,688	230,128,372
Total assets	<u>401,529,310</u>	<u>318,712,950</u>	<u>182,803,459</u>	<u>163,609,791</u>	<u>584,332,769</u>	<u>482,322,741</u>
Deferred outflows of resources	80,363,283	101,677,917	15,582,844	20,202,798	95,946,127	121,880,715
Current liabilities	149,024,843	136,721,063	32,481,569	20,595,086	181,506,412	157,316,149
Noncurrent liabilities	255,905,589	269,638,331	59,528,700	69,741,604	315,434,289	339,379,935
Total liabilities	<u>404,930,432</u>	<u>406,359,394</u>	<u>92,010,269</u>	<u>90,336,690</u>	<u>496,940,701</u>	<u>496,696,084</u>
Deferred inflows of resources	223,885,770	220,568,999	48,721,702	51,561,251	272,607,472	272,130,250
Net position:						
Net investment in capital assets	23,461,068	62,732,100	92,572,788	92,991,369	116,033,856	155,723,469
Restricted	19,341,888	19,319,502	-	-	19,341,888	19,319,502
Unrestricted	<u>(189,726,565)</u>	<u>(288,589,128)</u>	<u>(34,918,456)</u>	<u>(51,076,721)</u>	<u>(224,645,021)</u>	<u>(339,665,849)</u>
Total net position	<u>\$ (146,923,609)</u>	<u>\$ (206,537,526)</u>	<u>\$ 57,654,332</u>	<u>\$ 41,914,648</u>	<u>\$ (89,269,277)</u>	<u>\$ (164,622,878)</u>

The largest positive portion of the County's primary government net position, \$116,033,856, reflects its net investment in capital assets (such as land, buildings, machinery, equipment, and infrastructure), net of accumulated depreciation/amortization, less any related outstanding debt that was used to acquire these assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$19,341,888, represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining balance of the County's net position, \$(224,645,021), is considered to be an unrestricted deficit. This deficit does not mean that the County does not have resources available to meet its obligations in the ensuing year. Rather, it reflects liabilities not related to the County's capital assets and are not expected to be repaid from current resources. These long-term liabilities including compensated absences, other postemployment benefits ("OPEB") obligations, and claims payable are funded annually within the funds.

Table 2, as presented below, shows the changes in net position for the years ended December 31, 2022 and December 31, 2021.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues	\$ 190,077,306	\$ 180,792,547	\$ 57,570,273	\$ 66,100,459	\$ 247,647,579	\$ 246,893,006
General revenues	267,792,861	254,752,168	4,032,643	982,435	271,825,504	255,734,603
Total revenues	457,870,167	435,544,715	61,602,916	67,082,894	519,473,083	502,627,609
Total expenses	381,057,810	365,153,344	63,061,672	67,230,991	444,119,482	432,384,335
Transfers	(17,198,440)	(2,421,286)	17,198,440	2,421,286	-	-
Change in net position	59,613,917	67,970,085	15,739,684	2,273,189	75,353,601	70,243,274
Net position—beginning	(206,537,526)	(274,507,611)	41,914,648	35,990,501	(164,622,878)	(238,517,110)
Restatement	-	-	-	3,650,958	-	3,650,958
Net position—ending	\$ (146,923,609)	\$ (206,537,526)	\$ 57,654,332	\$ 41,914,648	\$ (89,269,277)	\$ (164,622,878)

Governmental activities—Governmental activities increased the County’s net position by \$59,613,917, primarily due to an increase in state and federal aid, as well as an increase in sales tax revenue.

A summary of sources of revenues for governmental activities for the years ended December 31, 2022 and 2021 is presented below.

Table 3—Summary of Sources of Revenues—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2022	2021	Dollars	Percent (%)
Charges for services	\$ 38,803,432	\$ 45,310,734	\$ (6,507,302)	(14.4)
Operating grants and contributions	142,580,721	127,547,257	15,033,464	11.8
Capital grants and contributions	8,693,153	7,934,556	758,597	9.6
Property taxes and tax items	81,919,365	82,710,834	(791,469)	(1.0)
Non-property taxes	175,199,403	164,837,852	10,361,551	6.3
Tobacco settlement revenues	4,096,684	3,409,285	687,399	20.2
Other	6,577,409	3,794,197	2,783,212	73.4
Total revenues	\$ 457,870,167	\$ 435,544,715	\$ 22,325,452	5.1

The most significant source of revenues is non-property taxes, which accounts for \$175,199,403, or 38.3 percent of total governmental activities revenues for the year ended December 31, 2022, and \$164,837,852, or 37.8 percent of total governmental activities revenues for the year ended December 31, 2021. The next largest source of revenues is operating grants and contributions, which comprises \$142,580,721, or 31.1 percent, and \$127,547,257, or 29.3 percent of total governmental activities revenues for the years ended December 31, 2022 and 2021, respectively. The third largest source of revenues is property taxes and tax items, which comprises \$81,919,365, or 17.9 percent, and \$82,710,834, or 19.0 percent of total governmental activities revenues for the years ended December 31, 2022 and 2021, respectively.

During the year ended December 31, 2022, total revenues increased by \$22,325,452. Operating grants and contributions accounted for an increase of \$15,033,464, primarily due to federal pandemic relief funds, while non-property taxes accounted for an increase of \$10,361,551, resulting primarily from a significant increase in sales tax revenue.

A summary of program expenses of governmental activities for the years ended December 31, 2022 and 2021 is presented below in Table 4.

Table 4—Summary of Program Expenses—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2022	2021	Dollars	Percent (%)
General government support	\$ 104,163,859	\$ 101,779,745	\$ 2,384,114	2.3
Education	19,626,023	19,469,207	156,816	0.8
Public safety	57,415,382	50,325,545	7,089,837	14.1
Health	24,667,915	23,099,223	1,568,692	6.8
Transportation	20,620,117	17,650,775	2,969,342	16.8
Economic assistance and opportunity	140,553,130	137,018,238	3,534,892	2.6
Culture and recreation	8,947,148	8,855,865	91,283	1.0
Home and community services	1,153,967	1,835,708	(681,741)	(37.1)
Interest and other fiscal charges	3,910,270	5,119,038	(1,208,768)	(23.6)
Total program expenses	<u>\$ 381,057,811</u>	<u>\$ 365,153,344</u>	<u>\$ 15,904,467</u>	4.4

The County’s most significant expense items for governmental activities were economic assistance and opportunity of \$140,553,130, or 36.9 percent of total governmental activities expenses, general government support of \$104,163,859, or 27.3 percent of total governmental activities expenses, and public safety of \$57,415,382, or 15.1 percent of total governmental activities expenses for the year ended December 31, 2022. Similarly, for the year ended December 31, 2021 the most significant expense items were economic assistance and opportunity of \$137,018,238, or 37.5 percent of total governmental activities expenses, general government support of \$101,779,745, or 27.9 percent of total governmental activities expenses, and public safety of \$50,325,545, or 13.8 percent of total governmental activities expenses.

During the year ended December 31, 2022, expenses increased across all functions (except home and community services and interest and other fiscal charges), mainly due to restoration of normal operations following the COVID-19 pandemic.

Business-type activities—Business-type activities increased the County’s net position by \$19,390,642. The County’s transportation, Nursing Home, Solid Waste Management and Land Bank operations increased the business-type activities net position by \$4,109,972, \$9,708,459, \$2,923,325 and \$197,057, while the Aviation and the Local Development Corporation decreased the business-type activities net position by \$1,170,701 and \$28,428. For the year ended December 31, 2022, operating revenues decreased 0.9 percent and operating expenses decreased 11.7 percent.

A summary of operating revenues and operating expenses for the County’s business-type activities for the years ended December 31, 2022 and 2021 is presented on the following page.

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

	Year Ended December 31,		Increase/(Decrease)	
	2022	2021	Dollar	Percent (%)
Operating revenues:				
Charges for services	\$ 41,899,471	\$ 41,290,947	\$ 608,524	1.5
Other revenue	570,376	1,583,731	(1,013,355)	(64.0)
Total operating revenues	<u>\$ 42,469,847</u>	<u>\$ 42,874,678</u>	<u>\$ (404,831)</u>	(0.9)
Operating expenses:				
Personal services and employee benefits	\$ 17,020,144	\$ 21,037,700	\$ (4,017,556)	(19.1)
Depreciation	10,112,349	11,046,517	(934,168)	(8.5)
Contracted services	35,135,072	34,308,153	826,919	2.4
Total operating expenses	<u>\$ 62,267,565</u>	<u>\$ 66,392,370</u>	<u>\$ (4,124,805)</u>	(6.2)

The most significant operating expense items for the year ended December 31, 2022 were contracted services, which accounted for \$35,135,072, or 56.4 percent of total expenses, and Personal services and employee benefits of \$17,020,144, or 27.3 percent of total expenses. Similarly, for the year ended December 31, 2021 the most significant expense items were contracted services, which accounted for \$34,308,153, or 51.7 percent of total expenses, and personal services and employee benefits of \$21,037,700, or 31.7 percent of total expenses.

Financial Analysis of the Governmental Funds

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

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

At December 31, 2022, the County’s governmental funds reported combined ending fund balances of \$53,239,290, an increase of \$23,839,831 in comparison with the prior year. The County had *unassigned fund balance* totaling \$4,755,158, which is available for spending at the County’s discretion. The remainder of fund balance is either *nonspendable*, *restricted*, or *assigned* to indicate that it is: (1) not in spendable form, \$4,456,324; (2) restricted for particular purposes, \$17,085,762; or (3) assigned for particular purposes, \$26,942,046.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, *unassigned fund balance* of the General Fund was \$44,209,103, while total fund balance increased to \$86,371,811. The General Fund fund balance increased \$16,045,374 from the prior year primarily due to additional sales tax receipts, coupled with excess state and federal aid. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures and transfers out. Unassigned fund balance represents 10.5 percent of General Fund expenditures and transfers out, while total fund balance represents 20.5 percent of that same amount.

The fund balance in the Capital Projects Fund increased \$9,363,401 from the prior year, resulting in ending fund balance of \$(39,444,593) as of December 31, 2022. The increase in the Capital Projects Fund is primarily due to additional transfers in.

The fund balance in the Debt Service Fund decreased \$680,238 from the prior year, resulting in ending fund balance of \$583,920 as of December 31, 2022. The decrease was due to planned transfers out to the General Fund and Nonmajor funds.

At December 31, 2022, the BTASC Fund reported restricted fund balance of \$3,032,782 to be used for upcoming payments of principal and interest; and the remaining fund balance, \$4,285, constitutes nonspendable fund balance. Total fund balance increased \$46,755 during the year ended December 31, 2022.

Proprietary funds—The County’s proprietary funds provide the same type of information found in business-type activities of the governmental-wide financial statements, but in more detail.

Net position of the Department of Transportation Fund at December 31, 2022 totaled \$14,622,577, which included \$21,335,649 net investment in capital assets and an unrestricted net position of \$(6,713,072). The Department of Transportation Fund net position increased \$4,109,972 during the year ended December 31, 2022 primarily as a result of a decrease in employee benefits related to the change in the OPEB obligation and related deferred inflows and outflows of resources.

Net position of the Willow Point Nursing Home at December 31, 2022 totaled \$(33,067,980), which included \$3,372,208 net investment in capital assets and an unrestricted net position deficit of \$36,440,188. The Willow Point Nursing Home net position increased \$9,708,459 during the year ended December 31, 2022 primarily as a result of increased transfers from the County.

Net position of the Solid Waste Management Fund at December 31, 2022 totaled \$33,455,788, which included \$27,658,492 net investment in capital assets and unrestricted net position of \$5,797,296. The Solid Waste Management Fund net position increased \$2,923,325 as a result of a decrease in employee benefits related to the change in the OPEB obligation and related deferred inflows and outflows of resources.

Net position of the Aviation Fund at December 31, 2022 totaled \$40,744,506, which included \$40,829,781 net investment in capital assets and unrestricted net position deficit of \$85,275. The Aviation Fund net position decreased \$1,170,701 as a result of costs of operation exceeding operating and nonoperating revenues.

General Fund Budgetary Highlights

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

A summary of the General Fund results of operations for the year ended December 31, 2022 is presented in Table 6 below.

Table 6—Summary of General Fund Results of Operations

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues and other financing sources	\$ 272,319,455	\$ 360,518,218	\$ 437,446,541	\$ 76,928,323
Expenditures and other financing uses	<u>279,097,164</u>	<u>363,498,339</u>	<u>421,401,167</u>	<u>(57,902,828)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (6,777,709)	\$ (2,980,121)	\$ 16,045,374	\$ 19,025,495

Original budget compared to final budget—During the year the budget is modified, primarily to reflect the acceptance of new state and federal grants. These grants explain the majority of increases in revenues and expenditures from the original adopted budget to the final budget. Additionally, the County records significant amendments annually within sales tax revenue and the offsetting general government support expenditures. Sales tax revenues are budgeted on a net basis but presented on a gross basis. Therefore, equal amounts of sales and use taxes and governmental expenditures representing the portion paid to the municipalities were not budgeted within the general fund.

Final budget compared to actual results—The General Fund expenditures had an unfavorable variance from the final budgetary appropriations of \$57,902,828. The primary variances were noted within the health function, transfers out and general government support. Additionally, actual revenues and transfers in exceeded final budget by \$76,928,323 due to more sales tax, along with state and federal revenues than originally anticipated.

Capital Assets and Debt Administration

Capital assets—The County’s investment in capital assets for its governmental activities and business-type activities as of December 31, 2022 amounted to \$126,433,350 and \$126,703,759, respectively (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and building improvements, other improvements, machinery and equipment and right-to-use lease assets. All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the County’s capital asset policy.

Capital assets, net of depreciation/amortization, for the governmental activities and business-type activities at the years ended December 31, 2022 and 2021 are presented in Table 7 below.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021 (as adjusted)	2022	2021 (as adjusted)	2022	2021 (as adjusted)
Land	\$ 7,172,601	\$ 7,172,601	\$ 3,223,960	\$ 3,223,960	\$ 10,396,561	\$ 10,396,561
Construction in progress	11,770,881	17,158,938	15,250,443	2,535,256	27,021,324	19,694,194
Buildings and improvements	16,397,539	15,761,853	14,333,488	15,036,356	30,731,027	30,798,209
Improvements other than buildings	52,866,640	55,335,162	75,712,210	81,785,764	128,578,850	137,120,926
Machinery and equipment	24,838,598	12,950,344	18,091,003	19,168,137	42,929,601	32,118,481
Right-to-use leased assets	13,387,091	14,464,168	92,655	138,982	13,479,746	14,603,150
Total	\$ 126,433,350	\$ 122,843,066	\$ 126,703,759	\$ 121,888,455	\$ 253,137,109	\$ 244,731,521

The County's infrastructure assets are recorded at historical cost in the government-wide and proprietary fund financial statements. Additional information on County's capital assets can be found in Note 6 to the basic financial statements.

Long-term liabilities—At December 31, 2022, the County had bonded debt outstanding of \$37,640,441 and \$16,499,559 for governmental and business-type activities, respectively, as compared to \$42,733,534 and \$18,591,466 at December 31, 2021. The County made scheduled principal payments of \$5,093,093 and \$2,091,907 for governmental and business-type activities, respectively, during the current year.

A summary of long-term liabilities for the governmental activities as of the years ended December 31, 2022 and 2021 are presented below in table 8:

Table 8—Summary of Long-Term Liabilities

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2022	2021	2022	2021 (as restated)	2022	2021 (as restated)
Bonds payable	\$ 88,164,806	\$ 94,247,657	\$ 16,499,559	\$ 18,591,466	\$ 104,664,365	\$ 112,839,123
Early retirement incentive costs	337,198	440,749	95,401	147,499	432,599	588,248
Landfill capping liability	-	-	13,691,000	14,370,614	13,691,000	14,370,614
Workers' compensation	8,459,122	7,118,646	4,518,433	4,764,356	12,977,555	11,883,002
Compensated absences	9,739,105	10,196,577	1,280,220	1,327,149	11,019,325	11,523,726
Liability and casualty	980,000	865,000	-	-	980,000	865,000
Lease liability	14,095,960	14,936,728	99,982	146,246	14,195,942	15,082,974
Installment purchase debt	11,786,080	-	-	-	11,786,080	-
Due to NYS ERS—Chapter 57	195,974	602,039	20,730	165,919	216,704	767,958
Other postemployment benefits	122,147,344	155,083,300	23,323,375	30,403,439	145,470,719	185,486,739
Net pension liability	-	297,608	-	61,909	-	359,517
Total	\$ 255,905,589	\$ 283,788,304	\$ 59,528,700	\$ 69,978,597	\$ 315,434,289	\$ 353,766,901

Additional information on the County's long-term liabilities can be found in Note 13 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate, not seasonally adjusted, for the County's region during December 2022 was 3.5 percent. This compares to the New York State and national unemployment rate of 4.3 and 3.5 percent, respectively. These factors are considered in preparing the County's budget.

The County considered current year operational expenses and estimated increases based on economic factors when establishing the fiscal year 2023 budget. The County's 2023 budget includes the appropriation of \$2,500,000 of fund balance in the General Fund.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of Management and Budget, 60 Hawley Street, Binghamton, New York 13902.

BASIC FINANCIAL STATEMENTS

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COUNTY OF BROOME, NEW YORK
Statement of Net Position
December 31, 2022

	Primary Government			Discretely Presented Component Units		
	Governmental Activities	Business-type Activities	Total	College	District	IDA
ASSETS						
Cash and cash equivalents	\$ 69,241,733	\$ 37,614,735	\$ 106,856,468	\$ 20,727,836	\$ 481,474	\$ 2,017,306
Investments	-	-	-	37,546,680	-	5,180,517
Restricted cash and cash equivalents	65,049,950	3,404,569	68,454,519	16,181,841	-	1,028,608
Restricted investments	-	-	-	-	-	3,092,155
Receivables (net of allowances)						
Taxes	36,377,842	-	36,377,842	-	-	-
Accounts receivable	7,648,939	5,211,882	12,860,821	2,508,276	-	38,707
Notes and loans receivable	-	-	-	-	-	436,235
Leases receivable	-	-	-	5,666	-	63,672
Internal balances	1,361,297	(1,361,297)	-	-	-	-
Intergovernmental receivables	60,484,921	4,158,759	64,643,680	5,598,356	-	-
Due from primary government/component units	1,542,654	-	1,542,654	-	-	70,000
Inventories	1,429,585	828,424	2,258,009	-	-	-
Prepaid items	3,837,725	1,274,363	5,112,088	51,365	-	-
Other current assets	-	-	-	36,111	-	-
Noncurrent receivables (net of allowances)	3,400,000	-	3,400,000	-	-	3,006,406
Noncurrent leases receivable	-	-	-	22,836	-	204,691
Noncurrent net pension asset	24,721,314	4,968,265	29,689,579	3,585,116	-	-
Property held for resale	-	-	-	-	-	2,097,017
Capital assets, not being depreciated	18,943,482	18,474,403	37,417,885	1,874,549	-	2,101,573
Capital assets, net of accumulated depreciation	107,489,868	108,229,356	215,719,224	70,978,209	-	4,617,986
Total assets	<u>401,529,310</u>	<u>182,803,459</u>	<u>584,332,769</u>	<u>159,116,841</u>	<u>481,474</u>	<u>23,954,873</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows—relating to pensions	52,234,425	10,497,599	62,732,024	10,634,563	-	-
Deferred outflows—relating to OPEB	28,128,858	5,085,245	33,214,103	10,263,955	-	-
Total deferred outflows of resources	<u>80,363,283</u>	<u>15,582,844</u>	<u>95,946,127</u>	<u>20,898,518</u>	<u>-</u>	<u>-</u>
LIABILITIES						
Accounts payable	5,560,103	2,357,216	7,917,319	3,635,954	-	11,923
Accrued liabilities	8,608,511	2,454,352	11,062,863	-	-	-
Intergovernmental payables	53,555,471	-	53,555,471	90,428	-	-
Due to primary government/component units	70,000	-	70,000	1,542,654	-	-
Bond anticipation notes payables	55,912,848	19,648,088	75,560,936	-	-	-
Other liabilities	-	-	-	1,014,368	-	841
Unearned revenue	25,317,910	8,021,913	33,339,823	4,900,251	-	8,651
Noncurrent liabilities:						
Due within one year	14,745,438	3,231,070	17,976,508	963,826	-	-
Due in more than one year	241,160,151	56,297,630	297,457,781	68,910,356	-	-
Total liabilities	<u>404,930,432</u>	<u>92,010,269</u>	<u>496,940,701</u>	<u>81,057,837</u>	<u>-</u>	<u>21,415</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred gain on refunding	9,407,684	-	9,407,684	-	-	-
Deferred inflows—relating to pensions	89,210,999	17,928,813	107,139,812	13,289,353	-	-
Deferred inflows—relating to OPEB	125,267,087	30,792,889	156,059,976	24,473,235	-	-
Deferred tuition assistance program	-	-	-	781,926	-	-
Deferred inflows—relating to leases	-	-	-	25,177	-	268,363
Total deferred inflows of resources	<u>223,885,770</u>	<u>48,721,702</u>	<u>272,607,472</u>	<u>38,569,691</u>	<u>-</u>	<u>268,363</u>
NET POSITION						
Net investment in capital assets	23,461,068	92,572,788	116,033,856	51,100,528	-	6,719,559
Restricted for:						
Stop-DWI	129,223	-	129,223	-	-	-
Insurance	2,840,046	-	2,840,046	-	-	-
Debt	3,032,782	-	3,032,782	-	-	-
Economic development	1,546,476	-	1,546,476	-	-	-
911 system costs	5,563,367	-	5,563,367	-	-	-
Tax stabilization	278,450	-	278,450	-	-	-
Occupancy tax	185,448	-	185,448	-	-	-
Veterans service programs	1,677,485	-	1,677,485	-	-	-
Dog shelter services	103,269	-	103,269	-	-	-
Traffic diversion	1,454,607	-	1,454,607	-	-	-
Other	2,530,735	-	2,530,735	30,560,879	139,031	2,668,801
Unrestricted	(189,726,565)	(34,918,456)	(224,645,021)	(21,273,576)	342,443	14,276,735
Total net position	<u>\$ (146,923,609)</u>	<u>\$ 57,654,332</u>	<u>\$ (89,269,277)</u>	<u>\$ 60,387,831</u>	<u>\$ 481,474</u>	<u>\$ 23,665,095</u>

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

COUNTY OF BROOME, NEW YORK

Statement of Activities

Year Ended December 31, 2022

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position					
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discretely Presented Component Units		
					Governmental Activities	Business-type Activities	Total	College	District	IDA
Primary government:										
Governmental activities:										
General government support	\$ 104,163,859	\$ 22,210,466	\$ 20,190,118	\$ 210,501	\$ (61,552,774)	\$ -	\$ (61,552,774)	\$ -	\$ -	\$ -
Education	19,626,023	1,625,910	4,219,863	6,944,944	(6,835,306)	-	(6,835,306)	-	-	-
Public safety	57,415,382	4,027,597	4,836,289	-	(48,551,496)	-	(48,551,496)	-	-	-
Health	24,667,915	1,052,310	24,346,816	-	731,211	-	731,211	-	-	-
Transportation	20,620,117	332,634	6,540,436	1,537,708	(12,209,339)	-	(12,209,339)	-	-	-
Economic assistance and opportunity	140,553,130	8,330,821	76,074,014	-	(56,148,295)	-	(56,148,295)	-	-	-
Culture and recreation	8,947,148	1,223,694	4,613,634	-	(3,109,820)	-	(3,109,820)	-	-	-
Home and community services	1,153,967	-	1,759,551	-	605,584	-	605,584	-	-	-
Interest and fiscal charges	3,910,270	-	-	-	(3,910,270)	-	(3,910,270)	-	-	-
Total governmental activities	<u>381,057,810</u>	<u>38,803,432</u>	<u>142,580,721</u>	<u>8,693,153</u>	<u>(190,980,504)</u>	<u>-</u>	<u>(190,980,504)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Business-type activities:										
Department of transportation	12,854,106	2,874,051	12,843,943	-	-	2,863,888	2,863,888	-	-	-
Nursing home	27,596,076	19,898,898	-	-	-	(7,697,178)	(7,697,178)	-	-	-
Solid waste management	8,714,013	11,104,649	134,515	-	-	2,525,151	2,525,151	-	-	-
Airport	6,996,255	1,522,398	2,121,968	-	-	(3,351,889)	(3,351,889)	-	-	-
Economic assistance—LDC	6,557,436	6,529,008	-	-	-	(28,428)	(28,428)	-	-	-
Economic assistance—LBC	343,786	540,843	-	-	-	197,057	197,057	-	-	-
Total business-type activities	<u>63,061,672</u>	<u>42,469,847</u>	<u>15,100,426</u>	<u>-</u>	<u>-</u>	<u>(5,491,399)</u>	<u>(5,491,399)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 444,119,482</u>	<u>\$ 81,273,279</u>	<u>\$ 157,681,147</u>	<u>\$ 8,693,153</u>	<u>(190,980,504)</u>	<u>(5,491,399)</u>	<u>(196,471,903)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component units:										
College	\$ 76,205,837	\$ 32,408,811	\$ 39,049,853	\$ -	-	-	-	(4,747,173)	-	-
District	379,011	22,657	464,392	-	-	-	-	-	108,038	-
IDA	1,532,962	366,657	-	-	-	-	-	-	-	(1,166,305)
Total component units	<u>\$ 78,117,810</u>	<u>\$ 32,798,125</u>	<u>\$ 39,514,245</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,747,173)</u>	<u>108,038</u>	<u>(1,166,305)</u>
General revenues:										
Real property taxes	-	-	-	-	81,919,365	-	81,919,365	-	-	-
Non-property tax items	-	-	-	-	175,199,403	-	175,199,403	-	-	-
Use of money and property	-	-	-	-	663,346	115,038	778,384	967,009	546	92,384
Sale of property and compensation for loss	-	-	-	-	801,183	-	801,183	-	3,605	82,800
Miscellaneous	-	-	-	-	5,112,880	3,917,605	9,030,485	845,152	4,132	-
Tobacco settlement revenue	-	-	-	-	4,096,684	-	4,096,684	-	-	-
Transfers	-	-	-	-	(17,198,440)	17,198,440	-	-	-	-
Total general revenues and transfers	-	-	-	-	<u>250,594,421</u>	<u>21,231,083</u>	<u>271,825,504</u>	<u>1,812,161</u>	<u>8,283</u>	<u>175,184</u>
Change in net position	-	-	-	-	59,613,917	15,739,684	75,353,601	(2,935,012)	116,321	(991,121)
Net position—beginning, as restated	-	-	-	-	(206,537,526)	41,914,648	(164,622,878)	63,322,843	365,153	24,656,216
Net position—ending	-	-	-	-	<u>\$ (146,923,609)</u>	<u>\$ 57,654,332</u>	<u>\$ (89,269,277)</u>	<u>\$ 60,387,831</u>	<u>\$ 481,474</u>	<u>\$ 23,665,095</u>

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

COUNTY OF BROOME, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2022

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>BTASC</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 42,915,147	\$ -	\$ -	\$ -	\$ 1,676,958	\$ 44,592,105
Restricted cash and cash equivalents	37,561,305	20,304,875	578,976	3,034,903	253,817	61,733,876
Receivables (net of allowances):						
Taxes	36,377,842	-	-	-	-	36,377,842
Accounts receivable	1,862,159	-	-	-	691,142	2,553,301
Due from other funds	3,146,075	-	4,944	-	2,433,565	5,584,584
Intergovernmental receivables	59,599,096	389,163	-	-	495,820	60,484,079
Inventories	417,335	-	-	-	972,274	1,389,609
Prepaid items	2,875,549	-	-	4,285	186,881	3,066,715
Total assets	<u>\$ 184,754,508</u>	<u>\$ 20,694,038</u>	<u>\$ 583,920</u>	<u>\$ 3,039,188</u>	<u>\$ 6,710,457</u>	<u>\$ 215,782,111</u>
LIABILITIES						
Accounts payable	4,482,100	642,739	\$ -	\$ 2,121	\$ 179,452	\$ 5,306,412
Accrued liabilities	4,651,077	379,263	-	-	654,474	5,684,814
Intergovernmental payables	53,572,466	-	-	-	53,005	53,625,471
Due to other funds	3,687,102	3,792,909	-	-	2,392,577	9,872,588
Bond anticipation notes payable	-	55,323,720	-	-	-	55,323,720
Unearned revenue	24,102,018	-	-	-	739,864	24,841,882
Total liabilities	<u>90,494,763</u>	<u>60,138,631</u>	<u>-</u>	<u>2,121</u>	<u>4,019,372</u>	<u>154,654,887</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources—taxes	7,887,934	-	-	-	-	7,887,934
Total deferred inflows of resources	<u>7,887,934</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,887,934</u>
FUND BALANCES (DEFICIT)						
Nonspendable	3,292,884	-	-	4,285	1,159,155	4,456,324
Restricted	13,459,287	-	583,920	3,032,782	9,773	17,085,762
Assigned	25,410,537	-	-	-	1,531,509	26,942,046
Unassigned	44,209,103	(39,444,593)	-	-	(9,352)	4,755,158
Total fund balances (deficit)	<u>86,371,811</u>	<u>(39,444,593)</u>	<u>583,920</u>	<u>3,037,067</u>	<u>2,691,085</u>	<u>53,239,290</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 184,754,508</u>	<u>\$ 20,694,038</u>	<u>\$ 583,920</u>	<u>\$ 3,039,188</u>	<u>\$ 6,710,457</u>	<u>\$ 215,782,111</u>

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

COUNTY OF BROOME, NEW YORK
Reconciliation of the Balance Sheet—Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2022

Amounts reported for governmental activities in the statement of net position (page 14) are different because:

Total fund balances (deficit)—governmental funds (page 16)		\$ 53,239,290
Net pension assets are not financial resources and, therefore, are not reported in the funds.		24,721,314
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of the assets is \$418,816,576 and the accumulated depreciation is \$292,383,226.		126,433,350
Uncollected property taxes are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the fund statements.		7,887,934
A long term asset, due from New York State to BTASC, is not available to pay for current period expenditures and, therefore, is not reported in the funds.		3,400,000
Deferred charges and gains associated with refunding bond issuances are not reported in the governmental funds. The charges and gains are reported as deferred outflows and inflows of resources on the statement of net position and are recognized as a component of interest expense and revenue over the life of the related debt.		
Deferred gain on refunding		(9,407,684)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the fund statements:		
Deferred outflows related to employer contributions	\$ 7,035,244	
Deferred outflows related to experience, changes in assumptions, proportions, and investment earnings	45,199,181	
Deferred inflows related to pension plans	<u>(89,210,999)</u>	(36,976,574)
Deferred outflows and inflows of resources related to Other postemployment benefits obligation ("OPEB") are applicable to future periods and, therefore, are not reported in the fund statements:		
Deferred outflows relating to experience and changes in assumptions	\$ 28,128,858	
Deferred inflows relating to OPEB	<u>(125,267,087)</u>	(97,138,229)
Internal service funds are used by management to charge the costs of health insurance and workers' compensation to individual funds. The net position of the internal service funds (\$26,350,009) are included in the governmental activities in the statement of net position net of capital assets of \$216,869, deferred inflows/outflows of resources of \$595,984 and long-term liabilities of \$1,735,712.		28,464,836
Net accrued interest expense for serial bonds, BANs and leases is not reported in the funds.		(1,081,379)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
Serial bonds—County	\$ (37,640,441)	
BTASC bonds and accreted interest	(46,783,392)	
Unamortized bond premiums—BTASC	(3,740,973)	
Early retirement incentive costs	(337,198)	
Compensated absences	(9,739,105)	
Lease liability	(14,095,960)	
Installment purchase debt	(11,786,080)	
Due to NYS ERS—Chapter 57	(195,974)	
OPEB obligation	<u>(122,147,344)</u>	(246,466,467)
Net position of governmental activities		<u>\$ (146,923,609)</u>

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

COUNTY OF BROOME, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—Governmental Funds
Year Ended December 31, 2022

	<u>General</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>BTASC</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Real property taxes and tax items	\$ 82,480,474	\$ -	\$ -	\$ -	\$ -	\$ 82,480,474
Non-property tax items	175,199,403	-	-	-	-	175,199,403
Departmental income	20,723,555	36,607	-	-	2,711,974	23,472,136
Intergovernmental charges	13,886,920	-	-	-	787,266	14,674,186
Use of money and property	564,067	42,398	626	47,210	9,045	663,346
Fines and forfeitures	614,402	-	-	-	42,708	657,110
Sale of property and compensation for loss	52,625	300,000	-	-	448,558	801,183
Miscellaneous	4,981,102	-	25,316	-	106,462	5,112,880
Tobacco settlement revenues	-	-	-	3,496,684	-	3,496,684
State aid	49,376,700	8,496,650	-	-	2,187,543	60,060,893
Federal aid	89,094,886	196,503	-	-	1,921,592	91,212,981
Total revenues	<u>436,974,134</u>	<u>9,072,158</u>	<u>25,942</u>	<u>3,543,894</u>	<u>8,215,148</u>	<u>457,831,276</u>
EXPENDITURES						
Current:						
General government support	112,551,591	-	-	40,689	-	112,592,280
Education	19,072,677	-	-	-	-	19,072,677
Public safety	57,004,983	-	-	-	-	57,004,983
Health	26,988,218	-	-	-	-	26,988,218
Transportation	-	-	-	-	10,396,761	10,396,761
Economic assistance and opportunity	150,840,185	-	-	-	2,974,271	153,814,456
Culture and recreation	3,434,553	-	-	-	5,197,629	8,632,182
Home and community services	2,277,252	-	-	-	-	2,277,252
Debt service:						
Principal	4,635,114	-	-	1,300,000	2,386,362	8,321,476
Interest and other fiscal charges	1,370,434	-	-	2,156,450	1,011,819	4,538,703
Capital outlay	-	25,877,712	-	-	-	25,877,712
Total expenditures	<u>378,175,007</u>	<u>25,877,712</u>	<u>-</u>	<u>3,497,139</u>	<u>21,966,842</u>	<u>429,516,700</u>
Excess (deficiency) of revenues over expenditures	<u>58,799,127</u>	<u>(16,805,554)</u>	<u>25,942</u>	<u>46,755</u>	<u>(13,751,694)</u>	<u>28,314,576</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	472,407	13,523,547	144,921	-	14,842,356	28,983,231
Transfers out	(43,226,160)	(228,287)	(851,101)	-	(2,026,123)	(46,331,671)
Issuance of installment purchase debt	-	12,873,695	-	-	-	12,873,695
Total other financing sources (uses)	<u>(42,753,753)</u>	<u>26,168,955</u>	<u>(706,180)</u>	<u>-</u>	<u>12,816,233</u>	<u>(4,474,745)</u>
Net change in fund balances	16,045,374	9,363,401	(680,238)	46,755	(935,461)	23,839,831
Fund balances (deficit)—beginning	70,326,437	(48,807,994)	1,264,158	2,990,312	3,626,546	29,399,459
Fund balances (deficit)—ending	<u>\$ 86,371,811</u>	<u>\$ (39,444,593)</u>	<u>\$ 583,920</u>	<u>\$ 3,037,067</u>	<u>\$ 2,691,085</u>	<u>\$ 53,239,290</u>

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

COUNTY OF BROOME, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances (Deficit)—Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2022

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

Net change in fund balances (deficit)—total governmental funds (page 18) \$ 23,839,831

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

Capital asset additions	\$ 20,121,398	
Depreciation expense	(15,359,237)	
Loss on disposal of assets	(1,171,877)	3,590,284

Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (561,109)

Certain revenues are not recognized in the governmental funds because they are not available soon enough after year-end to pay for the current period's expenditures. On the statement of activities, however, revenue is recognized regardless of when it's collected. 600,000

Deferred gains associated with refunding of bonds are not reported in the governmental funds. The charges and gains are reported as deferred outflows and inflows of resources on the statement of net position and are recognized as a component of interest expense over the life of the related debt. 393,031

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

County pension contributions	\$ 10,178,132	
Cost of benefits earned net of employee contributions	(667,358)	9,510,774

Deferred outflows and inflows of resources relating to OPEB result from actuarial changes in experience and changes in assumptions and other inputs. These amounts are shown net of current year amortization. (9,086,293)

Internal service funds are used by management to charge the costs of managing health insurance and workers' compensation to individual funds. The net expense of certain activities of internal service funds is reported within the governmental activities. The change in net position of the internal service funds (\$3,414,786) is included in the governmental activities in the statement of net position, net of changes in deferred inflows/outflows of resources related to OPEB of \$73,940, and long-term liabilities of \$528,376. 2,733,344

In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid. (446,528)

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

Repayment of serial bonds—County	\$ 5,093,093	
Repayment of BTASC bonds	1,300,000	
Amortization of premiums—BTASC	158,827	
BTASC subordinate turbo CABs accretion	(469,069)	
Change in early retirement incentive costs	103,551	
Change in compensated absences	457,472	
Repayment of lease liability	840,768	
Issuance of installment purchase debt	(12,873,695)	
Repayment on installment purchase debt	1,087,615	
Change in due to NYS ERS—Chapter 57	406,065	
Change in OPEB obligation	32,935,956	29,040,583

Change in net position of governmental activities \$ 59,613,917

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

COUNTY OF BROOME, NEW YORK
Statement of Net Position—Proprietary Funds
December 31, 2022

	Business-Type Activities					Governmental	
	Department of Transportation	Willow Point Nursing Home	Solid Waste Management	Aviation	Nonmajor Business-type	Total	Internal Service Funds
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 3,871,637	\$ 623,342	\$ 23,031,022	\$ 3,072,408	\$ 7,016,326	\$ 37,614,735	\$ 24,649,628
Restricted cash and cash equivalents	-	2,659,611	-	744,958	-	3,404,569	3,316,074
Receivables (net of allowances)	266,216	2,795,016	1,252,432	83,371	814,847	5,211,882	5,095,638
Due from other funds	-	-	-	-	-	-	5,745,745
Intergovernmental receivables	3,305,296	113,924	36,112	703,427	-	4,158,759	842
Due from component units	-	-	-	-	-	-	1,542,654
Inventories	646,361	86,701	33,993	61,369	-	828,424	39,976
Prepaid items	165,960	234,757	39,554	29,822	804,270	1,274,363	771,010
Total current assets	<u>8,255,470</u>	<u>6,513,351</u>	<u>24,393,113</u>	<u>4,695,355</u>	<u>8,635,443</u>	<u>52,492,732</u>	<u>41,161,567</u>
Noncurrent assets:							
Net pension asset	1,639,366	2,651,102	378,158	299,639	-	4,968,265	-
Capital assets, not being depreciated/amortized	3,004,894	58,184	12,893,011	2,518,314	-	18,474,403	-
Capital assets, net of accumulated depreciation/amortization	<u>20,649,990</u>	<u>5,082,379</u>	<u>38,720,584</u>	<u>43,776,403</u>	<u>-</u>	<u>108,229,356</u>	<u>216,869</u>
Total noncurrent assets	<u>25,294,250</u>	<u>7,791,665</u>	<u>51,991,753</u>	<u>46,594,356</u>	<u>-</u>	<u>131,672,024</u>	<u>216,869</u>
Total assets	<u>33,549,720</u>	<u>14,305,016</u>	<u>76,384,866</u>	<u>51,289,711</u>	<u>8,635,443</u>	<u>184,164,756</u>	<u>41,378,436</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows—relating to pensions	3,463,867	5,601,594	799,021	633,117	-	10,497,599	-
Deferred outflows—relating to OPEB	897,401	3,598,108	266,662	323,074	-	5,085,245	101,680
Total deferred outflows of resources	<u>4,361,268</u>	<u>9,199,702</u>	<u>1,065,683</u>	<u>956,191</u>	<u>-</u>	<u>15,582,844</u>	<u>101,680</u>
LIABILITIES							
Current liabilities:							
Accounts payable	71,764	1,565,700	403,720	314,032	2,000	2,357,216	253,691
Accrued liabilities	135,291	1,248,265	627,846	69,738	-	2,081,140	279,154
Interest payable	26,467	56,960	225,288	64,497	-	373,212	10,433
Due to other funds	524,817	723,187	67,624	45,669	-	1,361,297	96,444
Other current liabilities	-	-	-	-	-	-	456,978
Unearned revenue	-	542,953	-	744,958	6,734,002	8,021,913	476,028
Early retirement incentive costs	9,240	19,696	-	3,113	-	32,049	1,459
Due to NYSERS - Chapter 57	13,194	-	3,704	3,832	-	20,730	4,918
Lease liability	48,731	-	-	-	-	48,731	-
Unreported health claims	-	-	-	-	-	-	1,095,753
Landfill capping liability	-	-	630,000	-	-	630,000	-
Workers' compensation liability	11,000	275,000	16,000	42,000	-	344,000	1,440,000
Liability and casualty	-	-	-	-	-	-	530,000
Bond anticipation notes payable	1,230,535	3,655,394	11,247,952	3,514,207	-	19,648,088	589,128
General obligation bonds payable	231,935	162,176	1,376,140	385,309	-	2,155,560	60,348
Total current liabilities	<u>2,302,974</u>	<u>8,249,331</u>	<u>14,598,274</u>	<u>5,187,355</u>	<u>6,736,002</u>	<u>37,073,936</u>	<u>5,294,334</u>
Noncurrent liabilities:							
Early retirement incentive costs	25,482	35,989	-	1,881	-	63,352	5,595
Lease liability	51,251	-	-	-	-	51,251	-
Landfill capping liability	-	-	13,061,000	-	-	13,061,000	-
Workers' compensation liability	2,021,088	1,816,559	131,039	205,747	-	4,174,433	7,019,122
Compensated absences	648,743	471,731	117,060	42,686	-	1,280,220	40,751
Liability and casualty	-	-	-	-	-	-	450,000
General obligation bonds payable	756,783	690,785	11,331,011	1,565,420	-	14,343,999	128,088
Total OPEB obligation	<u>5,605,590</u>	<u>14,838,810</u>	<u>1,484,540</u>	<u>1,394,435</u>	<u>-</u>	<u>23,323,375</u>	<u>1,494,553</u>
Total noncurrent liabilities	<u>9,108,937</u>	<u>17,853,874</u>	<u>26,124,650</u>	<u>3,210,169</u>	<u>-</u>	<u>56,297,630</u>	<u>9,138,109</u>
Total liabilities	<u>11,411,911</u>	<u>26,103,205</u>	<u>40,722,924</u>	<u>8,397,524</u>	<u>6,736,002</u>	<u>93,371,566</u>	<u>14,432,443</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows—relating to pensions	5,915,927	9,566,942	1,364,646	1,081,298	-	17,928,813	-
Deferred inflows—relating to OPEB	5,960,573	20,902,551	1,907,191	2,022,574	-	30,792,889	697,664
Total deferred inflows of resources	<u>11,876,500</u>	<u>30,469,493</u>	<u>3,271,837</u>	<u>3,103,872</u>	<u>-</u>	<u>48,721,702</u>	<u>697,664</u>
NET POSITION							
Net investment in capital assets	21,335,649	2,748,866	27,658,492	40,829,781	-	92,572,788	(387,454)
Restricted	-	-	-	-	-	-	2,840,046
Unrestricted	<u>(6,713,072)</u>	<u>(35,816,846)</u>	<u>5,797,296</u>	<u>(85,275)</u>	<u>1,899,441</u>	<u>(34,918,456)</u>	<u>23,897,417</u>
Total net position	<u>\$ 14,622,577</u>	<u>\$ (33,067,980)</u>	<u>\$ 33,455,788</u>	<u>\$ 40,744,506</u>	<u>\$ 1,899,441</u>	<u>\$ 57,654,332</u>	<u>\$ 26,350,009</u>

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

COUNTY OF BROOME, NEW YORK
Statement of Revenues, Expenses, and Changes in Net Position—Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities					Total	Governmental
	Department of Transportation	Willow Point Nursing Home	Solid Waste Management	Aviation	Nonmajor Business-type		Internal Service Funds
Operating revenues:							
External charges for services	\$ 2,696,165	\$ 19,697,609	\$ 11,052,884	\$ 1,328,520	\$ 6,845,375	\$41,620,553	\$ 12,164,589
Internal charges for services	170,685	-	11,216	-	97,017	278,918	42,814,009
Other operating revenues	7,201	201,289	40,549	193,878	127,459	570,376	8,400,859
Total operating revenues	<u>2,874,051</u>	<u>19,898,898</u>	<u>11,104,649</u>	<u>1,522,398</u>	<u>7,069,851</u>	<u>42,469,847</u>	<u>63,379,457</u>
Operating expenses:							
Personal services	5,768,246	8,791,943	1,300,309	983,809	97,017	16,941,324	539,862
Contractual expenses	3,827,692	18,841,910	3,796,002	1,865,263	6,804,205	35,135,072	6,871,493
Insurance claim and expenses	-	-	-	-	-	-	58,886,529
Employee benefits	3,708,235	5,351,883	694,232	551,217	-	10,305,567	1,987,379
Change in pension and OPEB liability	(2,802,906)	(6,276,186)	(574,663)	(572,992)	-	(10,226,747)	(612,999)
Depreciation	2,272,979	785,709	2,999,070	4,054,591	-	10,112,349	238,474
Total operating expenses	<u>12,774,246</u>	<u>27,495,259</u>	<u>8,214,950</u>	<u>6,881,888</u>	<u>6,901,222</u>	<u>62,267,565</u>	<u>67,910,738</u>
Operating income (loss)	<u>(9,900,195)</u>	<u>(7,596,361)</u>	<u>2,889,699</u>	<u>(5,359,490)</u>	<u>168,629</u>	<u>(19,797,718)</u>	<u>(4,531,281)</u>
Nonoperating revenues (expenses):							
State and federal aid	12,843,943	-	134,515	2,121,968	-	15,100,426	882,942
Interest earnings	14,835	5,524	89,890	4,789	-	115,038	127,009
Interest and other fiscal charges	(79,860)	(100,817)	(499,063)	(114,367)	-	(794,107)	(21,729)
Other nonoperating revenues	94,250	3,479,567	308,284	35,504	-	3,917,605	6,807,845
Total nonoperating revenues (expenses)	<u>12,873,168</u>	<u>3,384,274</u>	<u>33,626</u>	<u>2,047,894</u>	<u>-</u>	<u>18,338,962</u>	<u>7,796,067</u>
Excess (deficiency) of revenues over expenses	2,972,973	(4,212,087)	2,923,325	(3,311,596)	168,629	(1,458,756)	3,264,786
Transfers in	<u>1,136,999</u>	<u>13,920,546</u>	<u>-</u>	<u>2,140,895</u>	<u>-</u>	<u>17,198,440</u>	<u>150,000</u>
Change in net position	4,109,972	9,708,459	2,923,325	(1,170,701)	168,629	15,739,684	3,414,786
Net position—beginning, as restated	<u>10,512,605</u>	<u>(42,776,439)</u>	<u>30,532,463</u>	<u>41,915,207</u>	<u>1,730,812</u>	<u>41,914,648</u>	<u>22,935,223</u>
Net position—ending	<u>\$ 14,622,577</u>	<u>\$(33,067,980)</u>	<u>\$ 33,455,788</u>	<u>\$ 40,744,506</u>	<u>\$ 1,899,441</u>	<u>\$57,654,332</u>	<u>\$ 26,350,009</u>

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

COUNTY OF BROOME, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities					Total	Governmental Activities
	Department of Transportation	Willow Point Nursing Home	Solid Waste Management	Aviation	Nonmajor Business-type		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from services provided	\$ 3,057,840	\$ 18,810,122	\$ 10,568,435	\$ 1,327,486	\$ 12,667,355	\$ 46,431,238	\$ 55,791,504
Receipts from other operating revenues	5,551	201,289	40,549	778,385	127,448	1,153,222	7,599,004
Payments to suppliers and employees for goods and services	(13,452,186)	(26,282,285)	(5,820,233)	(3,457,024)	(6,866,481)	(55,878,209)	(9,491,358)
Payments to claimants	-	-	-	-	-	-	(57,403,300)
Net cash provided by (used for) operating activities	<u>(10,388,795)</u>	<u>(7,270,874)</u>	<u>4,788,751</u>	<u>(1,351,153)</u>	<u>5,928,322</u>	<u>(8,293,749)</u>	<u>(3,504,150)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
State and federal aid	11,563,619	-	1,358,607	2,100,881	-	15,023,107	885,157
Transfers/advances (to) from other funds	1,488,078	(8,822,377)	39,285	2,164,817	-	(5,130,197)	(3,065,324)
Receipts from County contribution	-	13,920,546	-	-	-	13,920,546	-
Other receipts	94,250	3,479,567	308,284	35,504	-	3,917,605	6,807,845
Net cash provided by noncapital financing activities	<u>13,145,947</u>	<u>8,577,736</u>	<u>1,706,176</u>	<u>4,301,202</u>	<u>-</u>	<u>27,731,061</u>	<u>4,627,678</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition/construction of capital assets, net	(2,159,965)	(329,981)	(10,530,989)	(2,045,699)	(261,647)	(15,328,281)	(184,643)
Principal payments on bonds, BANs and leases	(272,022)	(2,689,999)	(2,899,923)	(566,741)	-	(6,428,685)	(273,975)
Proceeds from BANs	397,821	3,655,394	294,000	2,205,000	-	6,552,215	510,000
Interest and other fiscal charges	(75,508)	(100,817)	(481,307)	(85,320)	-	(742,952)	(17,370)
Net cash provided by (used for) capital and related financing activities	<u>(2,109,674)</u>	<u>534,597</u>	<u>(13,618,219)</u>	<u>(492,760)</u>	<u>(261,647)</u>	<u>(15,947,703)</u>	<u>34,012</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received	14,835	5,524	89,890	4,789	-	115,038	127,009
Net cash provided by investing activities	<u>14,835</u>	<u>5,524</u>	<u>89,890</u>	<u>4,789</u>	<u>-</u>	<u>115,038</u>	<u>127,009</u>
Net increase (decrease) in cash and cash equivalents	662,313	1,846,983	(7,033,402)	2,462,078	5,666,675	3,604,647	1,284,549
Cash and cash equivalents—beginning	3,209,324	1,435,970	30,064,424	1,355,288	1,349,651	37,414,657	26,681,153
Cash and cash equivalents—ending	<u>\$ 3,871,637</u>	<u>\$ 3,282,953</u>	<u>\$ 23,031,022</u>	<u>\$ 3,817,366</u>	<u>\$ 7,016,326</u>	<u>\$ 41,019,304</u>	<u>\$ 27,965,702</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	\$ (9,900,195)	\$ (7,596,361)	\$ 2,889,699	\$ (5,359,490)	\$ 168,629	\$ (19,797,718)	\$ (4,531,281)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation expense	2,272,979	785,709	2,999,070	4,054,591	-	10,112,349	238,474
(Increase) decrease in accounts receivable	190,990	3,476,542	(495,665)	(1,034)	(736,847)	2,433,986	11,051
(Increase) decrease in inventories	(20,008)	10,932	(1,821)	(20,083)	-	(30,980)	(10,210)
(Increase) decrease in prepaid items	3,315	85,275	4,999	2,737	(141,933)	(45,607)	(68,310)
Decrease in deferred outflows of resources	774,690	3,356,005	267,183	222,076	-	4,619,954	33,594
Increase (decrease) in accounts payable	(201,488)	1,097,164	(3,463)	(47,297)	-	844,916	(339,625)
Increase (decrease) in accrued liabilities	42,834	1,178,566	602,733	51,803	(1,412)	1,874,524	269,223
Increase (decrease) in unearned revenues	(1,650)	489,390	-	584,507	6,639,885	7,712,132	-
(Decrease) in early retirement incentive costs	(19,044)	(28,516)	-	(4,538)	-	(52,098)	(1,389)
(Decrease) in due to NYSEERS - Chapter 57	(27,339)	-	(7,674)	(7,941)	-	(42,954)	(10,189)
Increase in unreported health claims	-	-	-	-	-	-	94,441
(Decrease) in landfill capping liability	-	-	(679,614)	-	-	(679,614)	-
Increase (decrease) in workers' compensation	(66,106)	(130,322)	(12,232)	(37,263)	-	(245,923)	1,340,476
Increase in liability and casualty	-	-	-	-	-	-	115,000
Increase (decrease) in compensated absences	(12,953)	(84,692)	46,864	3,852	-	(46,929)	1,188
Change in net pension liability/(asset)	(1,657,196)	(2,687,243)	(382,476)	(303,259)	-	(5,030,174)	-
(Decrease) in OPEB obligation	(1,559,320)	(4,785,512)	(380,318)	(354,914)	-	(7,080,064)	(539,059)
(Decrease) in deferred inflows of resources	(208,304)	(2,437,811)	(58,534)	(134,900)	-	(2,839,549)	(107,534)
Total adjustments	<u>(488,600)</u>	<u>325,487</u>	<u>1,899,052</u>	<u>4,008,337</u>	<u>5,759,693</u>	<u>11,503,969</u>	<u>1,027,131</u>
Net cash provided by (used for) operating activities	<u>\$ (10,388,795)</u>	<u>\$ (7,270,874)</u>	<u>\$ 4,788,751</u>	<u>\$ (1,351,153)</u>	<u>\$ 5,928,322</u>	<u>\$ (8,293,749.00)</u>	<u>\$ (3,504,150)</u>

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

COUNTY OF BROOME, NEW YORK
Statement of Fiduciary Net Position—Custodial Fund
December 31, 2022

	Custodial Fund
ASSETS	
Restricted cash and cash equivalents	<u>\$ 4,507,908</u>
Total assets	<u>4,507,908</u>
LIABILITIES	
Amounts held in custody for others	<u>1,859,415</u>
Total liabilities	<u>1,859,415</u>
NET POSITION	
Restricted for county residents	<u>\$ 2,648,493</u>

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

COUNTY OF BROOME, NEW YORK
Statement of Changes in Fiduciary Net Position—Custodial Fund
Year Ended December 31, 2022

	<u>Custodial Fund</u>
ADDITIONS	
Funds collected on behalf of others	\$ 6,841,197
Investment earnings	<u>2,424</u>
Total additions	<u>6,843,621</u>
DEDUCTIONS	
Funds distributed on behalf of others	<u>7,063,655</u>
Total deductions	<u>7,063,655</u>
Change in fiduciary net position	(220,034)
Net position—beginning	<u>2,868,527</u>
Net position—ending	<u>\$ 2,648,493</u>

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

COUNTY OF BROOME, NEW YORK
Notes to the Financial Statements
Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of Government-wide Financial Statements

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

Reporting Entity

The County is a municipal entity which performs local governmental functions within its jurisdiction, including public safety, transportation, health and economic assistance and opportunity. The County was incorporated in 1806, and is governed by the Charter of the County, the County Law, and other general laws of the State of New York. The County Legislature is the legislative body responsible for the overall operation of the County. The County Executive serves as the Chief Executive Officer and the Director of the Office of Management and Budget serves as the Chief Fiscal Officer. The County is a municipal corporation established in New York State.

The County’s financial statements include those entities for which the County has clear oversight responsibility. This responsibility is determined through a review of such factors as the selecting of governing boards, financial interdependency and the ability to influence management and operations on a continuing basis. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the government.

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

SUNY Broome—SUNY Broome (the “College”) was established under Article 126 of the Education Act of the State of New York under the sponsorship of the County and is operated by a Board of Trustees under Paragraph I of Subdivision 6 of Section 6304 of the Education Act of the State of New York. The College’s fiscal year end is August 31. The Faculty Student Association, Inc. (the “FSA”) is organized under the not-for-profit laws of New York State to supplement and conduct activities and services for the students, faculty, staff and alumni of the College. The FSA is presented as a component unit of the College, and its fiscal year end is June 30. The Broome Community College Foundation, Inc. (the “Foundation”) is organized under the not-for-profit laws of New York State to raise funds to provide scholarships and to provide support for initiatives that will have a significant and measurable impact on the students, faculty and staff of the College. The Foundation is a component unit of the College and its fiscal year end is August 31. The Broome Community College Housing Development Corporation (the “Corporation”) is a legally separate, non-profit organization that provides and manages student housing and provides other financial support for the benefit of the College. The Corporation has elected to present its financial statements in accordance with Financial Accounting Standards Board Accounting Standards Update (ASU) 2016-14. ASU 2016-14 was issued to improve net asset classification requirements and the information presented in financial statements and notes about a not-for-profit entity’s liquidity, financial performance, and cash flows.

Pursuant to New York State Education Law relating to community colleges, title to real property is held by the County in trust for the use of the College in carrying out its institutional purposes. The accompanying debt is also a legal obligation of the County. No revenues or assets of the College have been pledged or will be available to pay the principal and interest on this debt. Principal and interest payments on the debt are payable from amounts appropriated each year by the State of New York pursuant to the State Education Law, and the County in the case of County-related debt through the College’s budget, and from monies in the debt service reserve fund held by the DASNY trustees. Capital appropriations include the annual debt service requirements on the Broome County debt. The provisions of the State Education Law regarding the State appropriations for principal and interest payments do not constitute a legally enforceable obligations of the State.

Equipment made available to the College from its inception are stated at cost and were purchased from appropriations of the County and New York State, designated for that purpose, and from Federal grants.

The financial statements of the College include a restatement of net position regarding the implementation of GASB Statement No. 87, *Leases*, along with a correction of a prior year error. The net impact resulted in a decrease in net position of \$18,225,851 as of August 31, 2021. Additionally, the County’s prior years’ annual comprehensive financial reports omitted the Corporation as a component unit. As a result, net position was increased by net position of the Corporation as of August 31, 2021 of \$2,144,543

Broome County Soil and Water Conservation District—The Broome County Soil and Water Conservation District (the “District”) as created by County resolution number 115 of 1944 pursuant to the Broome County Charter and the New York State Municipal Home Rule Law including section 10, paragraph 1 B, sub-paragraph (8). The District provides technical assistance relative to natural resource conservation and water quality to the residents of the County. The assistance, available on an individual basis, includes soil information, drainage, water resources, critical area seeding, tree planting for reforestation, fish stocking, and pond/lake management and protection. The District provides soil classifications data to landowners applying for agricultural exemptions on their property assessments and provides best management practices to farm land operators to reduce soil loss through erosion and to protect water quality within the watersheds in the County. While the District operates autonomously, it is included in the County’s reporting entity as a discretely presented component unit because the County appoints all members of the Board of Directors and annually appropriates significant financial support for the District.

Broome County Industrial Development Agency—The Broome County Industrial Development Agency (the “IDA”) is a Public Benefit Corporation created by State legislation to promote the economic welfare, recreation opportunities and prosperity of the County’s inhabitants. While the IDA operates autonomously, it is included in the County’s reporting entity as a discretely presented component unit because the County appoints all members of the Board of Directors and can impose its will on the IDA.

The IDA was established to aid the County in promoting the economic welfare of its inhabitants, through the assistance in constructing, maintaining and equipping industrial, commercial, manufacturing and research facilities, and to develop economically sound commerce and industry through the sale of industrial revenue bonds.

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

Broome Tobacco Asset Securitization Corporation—The Broome Tobacco Asset Securitization Corporation (“BTASC”) is a special purpose, bankruptcy remote, local development corporation organized in 2001 under Section 1411 of the Not-For-Profit Corporation Law of the State of New York, created by Broome County for the purposes of: (i) purchasing from the County all rights, title and interest in certain litigation awards under the Consent Decree and Final Judgment of the Supreme Court of the State of New York dated December 23, 1998 and in all portions due to the County under the Master Settlement Agreement with respect to tobacco related litigation among various settling states and participating manufacturers, (ii) to purchase, acquire, own, hold, sell, dispose of tobacco assets and any future rights of tobacco assets, and (iii) to issue and sell bonds to pay for the acquisition of such tobacco assets. BTASC is included in the County’s reporting entity because three of its four directors are officials of the County, and the County can impose its will on BTASC. The outstanding debt of BTASC is not an obligation of the County.

Broome County Local Development Corporation—The Broome County Local Development Corporation (“LDC”) is a public benefit corporation established in 2011 under Section 1411 of the New York Not-for-Profit Corporation Law to act as an “on behalf of” issuer of conduit tax exempt bonds. In January 2008, civic facility legislation expired and industrial development agencies no longer had the authority to issue tax exempt bonds or provide other financial assistance to 501c(3) organizations. The LDC was established to address the capital needs of these organizations. The LDC’s function is via the issuance of industrial revenue bonds and other means to promote economic development. The LDC reviews and determines whether to recommend approval of those applicants wishing to obtain financing. The LDC receives fees from applicants and closing fees from those accepted for industrial revenue financing. The LDC is reported as a blended component unit of the Count due to the County’s ability to influence the decisions of the LDC. The LDC’s Board of Directors is comprised of individuals appointed by the County.

Broome County Land Bank Corporation—The Broome County Land Bank Corporation (“LBC”) is a public benefit corporation incorporated June 11, 2013 and is a 501(c)3 public benefit corporation. The mission of the LBC is to foster economic and community development by acquiring, holding, managing, developing and marketing distressed, vacant, abandoned and underutilized properties. The LBC will attempt to stem disinvestment surrounding abandoned properties, secure and remediate abandoned properties, return vacant, abandoned, and tax-delinquent properties to productive use, turn vacant spaces into vibrant spaces, coordinate reuse of flood impacted properties, and promote increased levels of home ownership. The Broome County Legislature acting as the sole Member of the Corporation appoints a board consisting of seven directors. The LBC is operated exclusively for the charitable and public purposes of benefiting and furthering the activities of Broome County.

Separately issued financial statements for all component units may be obtained from Broome County Office of Management and Budget at 44 Hawley Street, Binghamton, New York, 13901.

Basis of Presentation—Government-wide Financial Statements

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

As discussed earlier, the government has three discretely presented component units, which are presented in aggregate. All three discretely presented component units, the College, the District, and the IDA are presented in separate columns in the government-wide financial statements.

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

Basis of Presentation—Fund Financial Statements

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

The County reports the following major governmental funds:

- *General Fund*—The General Fund is the primary operating fund of the County and accounts for all financial resources of the general government, except those required to be accounted for in other funds. The principal sources of revenue for the General Fund are sales and use taxes, grants and aid and real property taxes.
- *Capital Projects Fund*—The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment other than those financed by enterprise funds. The principal source of revenue for the Capital Projects Fund include grants and aid.
- *Debt Service Fund*—The Debt Service Fund is used to account for the financial resources and uses of the County’s bond activities.
- *Broome Tobacco Asset Securitization Corporation (“BTASC”)*—The BTASC Fund is used to account for the receipt and disbursement of resources related to tobacco assets and related obligations.

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

- *County Road Fund*—The County Road Fund is used to account for expenditures for highway purposes authorized by Section 114 of the Highway Law. The principal source of revenue for the County Road Fund is state aid.

- *Road Machinery Fund*—The Road Machinery Fund is used to account for the purchase, repair, maintenance and storage of highway machinery, tools and equipment pursuant to Section 133 of the Highway Law. The principal source of revenue for the Road Machinery Fund is federal aid.
- *Library Fund*—The Library Fund is used to account for the financial transactions of the County of Broome Library System. The principal source of revenue for the Library Fund is departmental income.
- *Arena Fund*—The Arena Fund is used to account for the Visions Veterans’ Memorial Arena. The principal source of revenue for the Arena Fund is departmental income.
- *Employment and Training Fund*—The Employment and Training Fund is used to account for monies received under the Workforce Investment and Workforce Innovation and Opportunity Acts. Expenditures made from this fund support programs designed to increase the employability of unemployed youth, displaced workers, and the chronically unemployed. The principal source of revenue for the Officer of Employment and Training Fund is federal aid.
- *En-Joie Golf Course Fund*—The En-Joie Golf Course Fund is used to account for the financial transactions of the County golf course. The principal source of revenue for the En-Joie Golf Course Fund is departmental income.

The County reports the following major proprietary funds:

- *Department of Transportation*—The Department of Transportation Fund is used to account for the activities of the County’s fixed route department of transportation system.
- *Willow Point Nursing Home*—The Willow Point Nursing Home Fund is used to account for the activities of the County’s nursing home.
- *Solid Waste Management*—The Solid Waste Management Fund is used to account for the recycling and solid waste disposal activities of the County, in section IV of the Colesville Landfill.
- *Aviation*—The Aviation Fund accounts for the activities of the Broome County airport. The intent of the County is that the costs of operations of the airport will be financed through charges to users.

The County’s nonmajor proprietary funds are:

- *Local Development Corporation*—The Local Development Corporation is used to account for the financial transactions of a component unit which promotes local development for the County.
- *Land Bank Corporation*—The Land Bank Corporation is used to account for the financial transactions of a component unit which fosters economic and community development for the County.
- *Internal Service Funds*—The internal service funds are accounted for in a manner like enterprise funds. Unlike enterprise funds, in which the costs of services are financed through user charges, internal service funds generate revenues largely through the charge for services provided to County departments. Depreciation expense is included in rates charged to service users in conformity with GAAP. The inclusion of depreciation generates funds for future capital asset replacement. Net position reflects the accumulation of these amounts. Internal service funds include Fleet Management, Central Foods, Health Insurance, Workers' Compensation, Insurance Reserve, and Unemployment Insurance. These funds are presented in the aggregate as nonmajor funds in the statement of revenues, expenses, and changes in net position – proprietary funds, but they are included in the governmental activities’ column in the statement of net position.

These entities are financed and operated in a manner similar to a private business enterprise. The intent of the County is that the operating expenses (including depreciation and amortization expense) of providing goods or services to the general public on a continuous basis are to be financed or recovered primarily through user charges. The County may provide administrative, legal and operational assistance to the proprietary funds, which are not charged. Additionally, the General Fund periodically provides advances to the proprietary funds for operational needs.

Additionally, the County reports the following fund type:

- *Fiduciary Funds*—These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Trust funds account for resources received and disbursements made in accordance with trust agreements or applicable legislative enactments for each particular fund. Fiduciary funds include the Custodial Fund. Activities reported in the fiduciary funds include monies from outside entities, controlled and administered by the County for the benefit of others.

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

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

Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period; all other revenues are deemed to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures

related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period of availability. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 365 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the County.

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

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

Cash and Cash Equivalents—Cash and cash equivalents include cash on hand, demand deposits, time deposits, and short-term, highly liquid investments with original maturities of three months or less from the date of acquisition. State statutes and various resolutions of the County Legislature govern the County’s investment policies. County monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Investments are recorded at fair value in accordance with GASB.

Restricted Cash and Cash Equivalents—Restricted cash and cash equivalents represent amounts to support fund balance restrictions, unearned revenues, debt proceeds and cash held on behalf of others.

Intergovernmental Receivables—Receivables are stated net of estimated allowances for uncollectible amounts. Amounts due from state and federal governments represent amounts owed to the County to reimburse it for expenditures incurred pursuant to state and federally funded programs.

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

Inventories—Inventories are recorded at the lower of cost or market using the first-in, first-out method. Inventories largely consist of office and medical supplies reported within governmental and business-type activities activities.

Noncurrent Net Pension Assets—The County reported an asset for its proportionate share of the net pension asset for the Employees’ Retirement System. Refer to Note 8 for additional information related to the County’s net pension asset.

Capital Assets—Capital assets, which include property, plant, equipment, infrastructure, and right-to-use leased assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, as well as within each individual proprietary fund. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (\$500 for the Nursing Home), and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. The reported value excludes normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession

arrangement are reported at acquisition value. Right-to-use leased assets are initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs and are amortized on a straight line basis over their useful lives.

Land and construction in progress are not depreciated/amortized. The other capital assets of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital Assets	Years
Bridges	25
Buildings and improvements	20
Roads	20
Vehicles	3-12
Landfill equipment	5
Right-to-use leased assets	5

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

Unearned Revenue—Certain revenues have not met the revenue recognition criteria for government-wide or fund financial purposes. At December 31, 2022, the County reported unearned revenues within the General Fund, Nonmajor Governmental funds, Willow Point Nursing Home Fund, Aviation Fund, Nonmajor Business-type funds and Internal Service funds in the amounts of \$24,102,018, \$739,864, \$542,953, \$744,958, \$6,734,002 and \$476,028, respectively. The County received cash in advance related primarily to the American Rescue Plan Act relief funds, as well as other grants, prepaid user fees, and other items but has not performed the services, and therefore recognizes a liability.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2022, the County’s primary government has two items that qualify for reporting in this category. The first item is related to pensions reported in the government-wide financial statements and proprietary fund financial statements. This item represents the effect of the net change in the County’s proportion of the collective net pension liability/(asset), the difference during the measurement period between the County’s contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense, and any contributions to the pension systems made subsequent to the measurement date. The second item is related to OPEB reported in the government-wide and proprietary fund financial statements and represents the effects of the change in the County’s proportion of the collective OPEB liability and difference during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At December 31, 2022, the primary government of the County has four items that qualify for reporting in this category. One of the items arises only under a

modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported as deferred inflows of resources only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes that will not be realized within the period of availability. These amounts are deferred and recognized in the period that the amounts become available. The second item represents the effect of the net change in the County's proportion of the collective net pension liability/(asset) and the difference during the measurement periods between the County's contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the government-wide financial statements as well as within the individual proprietary funds. The third item represents the effects of the change in the County's proportion of the collective OPEB liability and difference during the measurement period between certain of the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability. The final item is a deferred gain on refunding, which the County reports within its governmental activities. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

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

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

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

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

Leases—The County recognized lease liabilities with an initial, individual value of \$50,000 or more. At the commencement of a lease, the County initially measures the lease liability at the present value of any remaining payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made, as applicable. More information regarding the lease liability is included in Note 10.

Revenues and Expenses/Expenditures

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

Property Taxes—County, town, and village operations are primarily funded by real property taxes. School district operations are also significantly funded by real property taxes. Delinquent school and village property taxes are returned to the County in November of each year to be relieved on the next Town and County real property tax bill the following January. The State Legislature has authorized the Broome County Legislature to levy real property taxes for town and county purposes, through various provisions of the Real Property Tax Law including Article 9, entitled the Levy and Collection of Taxes.

All municipalities in the County value real property within their boundaries. The final assessment rolls are complete on the first day of July of each year. The amount of operations to be financed by real property taxes is determined during the budget process for towns and the County. Town budgets are forwarded to the County for use in the preparation of the town and county real property tax bills. The amount of real property taxes to be levied for County operations is distributed across the municipalities within the county based on their proportionate share of taxable full value. The real property tax amounts to be levied for town operations are identified in their adopted budgets. Other items included in the real property tax levy are workers' compensation assessments to municipalities participating in the County's worker's compensation plan pool, real property tax refunds made by the County on behalf of the municipalities, election board costs and returned delinquent school and village real property taxes.

The tax levy process is as follows:

- **January**—Real property tax bills are mailed to taxpayers.
- **January – March**—Town and County real property taxes are collected by the town tax collectors except for the towns of Binghamton, Conklin, Dickinson, Kirkwood, Fenton, Nanticoke and Union, and the City of Binghamton. The County acts as tax collector for these municipalities.
- **April**—Town Tax Collector warrants expire at the end of March. The tax collectors individually settle their warrants with the Director of Office of Management and Budget by April 30th. Town Supervisors have received the amount of their tax levy from the collectors by this time. The Director of Office of Management and Budget collects unpaid taxes from April 1st forward.
- **November**—Local municipalities notify the County of the amount of sales tax they elect to apply to the next year's County tax levy. This information is aggregated into a resolution submitted to the County Legislature for approval. It is incorporated in the preparation of the tax warrants and tax bills.
- **November – December**—Assessments for each of the municipal participants in the County Sponsored Workers' Compensation Pool are computed and approved by the County Legislature. The municipalities notify the County whether they will elect to pay the amounts in cash or have the amounts added to the real property tax levy.

Municipalities are notified of real property tax refunds made by the County on their behalf as well as their share of election board costs. Municipalities notify the County whether they will pay the amounts in cash or have the amounts added to the real property tax levy.

Unpaid school district and village real property taxes are returned to the County in November. These are re-levied on the next year's town and county real property tax levy. They are recorded as both an asset, property tax receivable, and an offsetting liability in due to other governments on the County's General Fund balance sheet. The unpaid school taxes for the City of Binghamton are not added to the City real property tax levy, they are held for a period after which the real property becomes subject to sale.

- **December**—Equalization rates are calculated by New York State. The County accepts the equalization rates by Legislative approval. Tax warrants are prepared. They are then approved by the County Legislature, and signed by the County Executive before being distributed to municipalities. Tax bills are printed and distributed to town tax collectors.

The tax levy for the City of Binghamton, which is prepared by the City, is approved by the County Legislature.

Real property taxes are collected by the town tax collectors from January 1 through March 31st. Town tax collectors settle the warrant with the Director of Office of Management and Budget in April. The County makes collections thereafter. A five percent penalty is added to unpaid items as of April 1st, in accordance with Section 936 of the Real Property Tax Law. Interest of 12 percent per annum is added to the returned amount until October, when they become a lien. The redemption period for the taxes is 24 months after the lien date.

Pursuant to County Legislative Resolution 568 of 1996, adopting Local Law 1 of 1996, the Director of Real Property Tax Services is authorized to enter agreements with delinquent taxpayers allowing them to pay such delinquent amounts in installments on a monthly, quarterly, or semiannual basis. Interest is accrued on the delinquent amount at a rate of 12 percent per annum.

Compensated Absences—The County employees are entitled, with certain limitations, to accrue sick leave and vacation time. Estimated sick leave and vacation time is accumulated by governmental fund type employees and reported as a liability and expenditure in the government-wide financial statements under governmental activities. For proprietary fund type employees, the accumulation is recorded as a noncurrent liability of the proprietary fund type. The compensated absences liability for the County's governmental and business-type activities at December 31, 2022 totaled \$9,739,105 and \$1,280,220, respectively, and are reported in the government-wide financial statements and proprietary fund financial statements.

Payment of sick leave and compensatory time recorded in the government-wide financial statements is dependent on many factors; therefore, the timing of future payments is not readily determinable. However, management believes that sufficient resources will be available for the payment of compensated absences when such payments become due.

Proprietary Funds Operating and Nonoperating Revenues and Expenses—Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues of enterprise funds consist of charges for services and operating grants. Operating expenses of enterprise funds consist of salaries, wages and benefits, contractual services and depreciation. Transactions related to capital and financing activities, non-capital financing activities, investing activities and interfund transfers from other funds and State appropriations are components of nonoperating income. Subsidies and grants to proprietary funds which finance capital activities are reported as nonoperating revenue.

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

Other Postemployment Benefits—In addition to providing pension benefits, the County provides health insurance coverage and/or payments for fractional values of unused sick leave for certain retired employees at the time of retirement, as discussed in Note 8.

Other

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

Adoption of New Accounting Pronouncements—During the year ended December 31, 2022, the County implemented GASB Statements No. 87, *Leases*. The implementation of GASB Statement No. 87 better meets the information needs of financial statement users by improving accounting and financial reporting for leases by governments. As a result of the implementation of GASB Statement No. 87, the County made adjustments to capital assets and lease liabilities; however, the County did not restate net position as of January 1, 2022 because there was not a material impact to net position.

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

Stewardship, Compliance and Accountability

Legal Compliance—Budgets—Annual budgets of the General Fund, Special Revenue Funds, Enterprise Funds and Internal Service Funds are legally adopted and are under formal budgetary control. The individual grant programs related to these funds, the financing for which are entirely or almost entirely from outside sources (federal aid, state aid, etc.), and the individual capital programs of the Capital Projects Fund have budgets adopted at various times of the year based on the program's fiscal year.

Unencumbered appropriations lapse at year-end. Encumbrances outstanding at year-end are reported in the appropriate fund balance classification and are re-appropriated in the ensuing year's budget.

The Capital Projects Fund includes the various capital programs in progress. A capital project's budget is a financial plan for a period longer than one fiscal year.

The following procedures establish the budgetary data reflected in the financial statements:

Original Budget

- 1) Departmental and agency hearings are conducted by the County Executive's Office to review proposed annual budgets submitted by departments and agencies. Final budget information is accumulated by the Director of Office of Management and Budget and submitted to the County Executive.
- 2) On or before September 15, the County Executive submits the proposed budget to the County Legislature, along with a Capital Improvement Program for the next six fiscal years.
- 3) A public hearing is conducted by the County Legislature to obtain public comment on the tentative budget.
- 4) Changes made to the budget by the Legislature are returned to the County Executive for review and possible veto. Vetoed items are returned to the Legislature. These vetoes can be overridden by a two-thirds majority vote of the Legislature.
- 5) A second public hearing is held to review changes recommended by the Legislature.
- 6) No later than November 25th, the annual budget completed by adoption of an appropriation ordinance, which is the legal authority for enactment of the budget. The legal level of budgetary control is character at a department level. Character is a grouping of related expenditure accounts such as contractual and personal services. Budget and actual data at the legal level of budgetary control is not presented in this report due to the excessive detail involved. However, a separate budgetary comparison report is available containing this information.

Budget Modification

- 1) Certain annual appropriations are budgeted on a project or program basis. These include capital projects and grant programs funded through State or Federal sources. If such projects or programs are not completed at the end of the fiscal year, unexpended appropriations are carried forward to the following fiscal year.
- 2) The County Executive may at any time during the fiscal year transfer part or all any unencumbered appropriation balance between classifications of expenditures within the same administrative unit, if prior approval by resolution of the County Legislature shall be required if the proposed transfer would affect any salary rate or salary total.

The County Executive may request, in writing, that the County Legislature transfer by resolution, part or all any unencumbered appropriation balance from one County administrative unit to another, or from a contingent fund to any administrative unit. No such transfer shall be made from appropriations for debt service, or reduce any appropriation below the amount required by law.

The County Legislature may make emergency appropriations in the event of a public emergency affecting life, health or property. To the extent that there are no legally available unappropriated balances to meet such appropriations, the County Legislature may authorize the issuance of obligations pursuant to the Local Finance Law.

Deficit Fund Balance and Net Position—The Capital Projects Fund has a fund balance of \$(39,444,593) at December 31, 2022. The deficit is caused by the County's issued bond anticipation notes ("BANs"), which do not qualify for treatment as a long-term liability. Accordingly, the BANs are reported as a fund liability in the Capital Projects Fund balance sheet (rather than an inflow on the statement of revenues, expenditures, and changes in fund balances). When the cash from the BANs is spent, expenditures are reported and fund balance is reduced. Because the BANs are the main source of resources for the fund, the result is an overall fund deficit. This deficit will be eliminated as resources are obtained (e.g., from revenues, long-term debt issuances, and transfers in) to make the scheduled debt service principal and interest payments on the BANs.

At December 31, 2022, the Nursing Home had a net position deficit of \$33,067,980. The major factor contributing to the reported deficit is primarily due to the effect of the OPEB obligation, with an unfunded long-term obligation of \$32,143,253, including the impacts of deferred inflows/outflows of resources.

At December 31, 2022, the Fleet Management Fund and the Central Foods Fund, had total net position of \$(259,091) and \$(417,467), respectively. These net position deficits include accrued other postemployment benefits obligation (“OPEB”) of \$268,793 and \$845,479, respectively. Additionally, the Fleet Management Fund reports deferred inflows related to OPEB of \$111,196.

At December 31, 2022, the County’s governmental activities had a total net position of \$(146,923,609) due primarily to the County’s recognition of OPEB obligation of \$122,147,344 and related deferred inflows of \$125,267,087.

2. RESTATEMENT OF NET POSITION

During the year ended December 31, 2022, the County updated its valuation for the Solid Waste Management Fund’s landfill capping liability. As a result of this change in estimate for the liability, the County’s net position for business-type activities as of December 31, 2021 has been restated by \$3,650,958.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County’s investment policies are governed by State statutes. In addition, the County has its own written investment policy. County monies must be deposited in Federal Deposit Insurance Corporation (“FDIC”) insured commercial banks or trust companies located within the State. The County is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligation that may be pledged as collateral. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

Cash, cash equivalents and investments at December 31, 2022 are as follows:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Petty cash (uncollateralized)	\$ 30,995	\$ 5,400	\$ -	\$ 36,395
Deposits	12,673,964	7,965,409	4,507,908	25,147,281
Money market funds	121,586,724	33,048,495	-	154,635,219
Total	<u>\$ 134,291,683</u>	<u>\$ 41,019,304</u>	<u>\$ 4,507,908</u>	<u>\$ 179,818,895</u>

Deposits—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2022 as follows:

	Bank Balance	Carrying Amount
FDIC insured	\$ 2,379,603	\$ 2,389,660
Uninsured:		
Collateral held by pledging bank's agent in the County's name	<u>183,587,302</u>	<u>177,392,840</u>
Total	<u>\$ 185,966,905</u>	<u>\$ 179,782,500</u>

Restricted Cash and Cash Equivalents—Restricted cash of the County consists of cash reported within the Capital Projects Fund in the amount of \$20,304,875, and cash restricted for future debt service within both the Debt Service Fund and BTASC Fund of \$578,976 and \$3,034,903, respectively. The County also reports restricted cash to support restricted fund balances subject to externally enforceable legal purpose restrictions within the General Fund, Nonmajor funds and internal service funds of \$13,459,287, \$9,773 and \$2,840,046, respectively. The County also reports restricted cash relating to unearned revenues within the County’s General Fund, nonmajor governmental funds, Nursing Home Fund, Aviation Fund, and internal service funds of \$24,102,018, \$244,044, \$2,659,611, \$744,958, and \$476,028, respectively. Lastly, the County reports restricted cash held on behalf of others in the amount of \$4,507,908 within the Fiduciary Funds. These deposits were fully covered by FDIC insurance or collateral held by escrow agents in the name of the County or were cash equivalent discount notes.

Custodial Credit Risk—Deposits and Cash Equivalents—Custodial credit risk is the risk that in the event of a bank failure, the County’s deposits and cash equivalents may not be returned to it. As noted above, by State Statute all deposits and cash equivalents in excess of FDIC insurance coverage must be collateralized. As of December 31, 2022, the County’s deposits and cash equivalents were either FDIC insured or collateralized with securities held by the pledging bank’s agent in the County’s name.

Credit Risk—In compliance with the State law, County investments are limited to obligations of the Federal government, obligations guaranteed by the Federal government where the payment of principal and interest are guaranteed by the Federal government, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and certain joint or cooperative investment programs.

Concentration of Credit Risk—To promote competition in rates and service cost, and to limit the risk of institutional failure, County deposits and investments are placed with multiple institutions.

Interest Rate Risk—The County investment policy limits investment maturities to two years as a means of managing its exposure to fair value losses arising from increasing interest rates.

Discretely Presented Component Units

i) SUNY Broome

Cash, Cash Equivalents and Investments—The College’s cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the College’s investment policies. Resources must be deposited in FDIC insured banks. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance.

Custodial credit risk is the risk that in the event of a bank failure, the College’s deposits may not be returned to it. While the College does not have a specific policy for custodial credit risk, New York State statutes govern the College’s investment policies, as discussed previously in these Notes. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either:

- Uncollateralized,
- Collateralized with securities held by the pledging financial institution in the College’s name, or
- Collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the College’s name.

The College’s aggregate bank balances (disclosed in the financial statements) were entirely covered by depository insurance or collateral held in the College’s name at August 31, 2022.

The College does not purchase investments denominated in a foreign currency and is not exposed to foreign currency risk.

With respect to the component units (Broome Community College Foundation, Inc., Faculty-Student Association of Broome Community College, Inc., and BCC Housing Development Corporation) the risk categories for deposits and investments are the same as those stated above for the primary government. Each of these component units have their own investment policies and are not subject to state statutes.

Investments of the College are reported by its Foundation with a year ended June 30, 2022. Investments are reported at fair value using net asset value as a practical expedient in the statements of financial position, with all gains and losses included in the statements of activities. The Foundation’s investment process seeks to achieve a predictable, reliable, and continuous source of funds to support the operations of the Foundation. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investments at June 30, 2022 consisted of the following:

Equity index funds	\$ 3,523,542
Bond funds	10,474,452
Equity funds	21,107,670
Real estate funds	828,552
Private equity funds	<u>1,612,464</u>
Total	<u>\$ 37,546,680</u>

The College categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset. 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.

ii) Broome County Soil and Water Conservation District

Cash and Cash Equivalents—The District’s cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the College’s investment policies. Resources must be deposited in FDIC insured banks. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance.

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. While the District does not have a specific policy for custodial credit risk, New York State statutes govern the District’s investment policies.

The District’s aggregate bank balances (disclosed in the financial statements) were entirely covered by depository insurance or collateral held in the District’s name at December 31, 2022.

iii) Broome County Industrial Development Agency

Cash, Cash Equivalents and Investments—State statutes govern the IDA’s investment policies. In addition, the IDA has its own written investment policy. Monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. The Treasurer is authorized to use demand accounts and certificates of deposit.

Permissible investments include obligations of the U.S. Treasury and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit for the IDA at 105% and 100%, respectively, of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

Total bank balances of the IDA of \$3,114,430 at December 31, 2022 were covered by FDIC insurance up to \$250,000. As of December 31, 2022, all deposits with financial institutions were either insured or collateralized with securities held by the pledging financial institution in the IDA's name.

Restricted cash of \$1,028,608 consists of cash for the IDA's STEED and BDF loan funds.

The IDA categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset. 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 IDA has the following recurring fair value measurements as of December 31, 2022: U.S. Treasury notes of \$8,272,672 ranging in maturities from two to ten years, are valued using quoted market prices (Level 1). Treasury notes that have a maturity greater than one year are classified as noncurrent assets.

4. RECEIVABLES

Major revenues accrued by the County at December 31, 2022 consisted of the following:

Taxes Receivable—Represents amounts due from County taxpayers that remain unpaid. At December 31, 2022, the County recorded \$40,109,448 related to taxes receivable. These amounts are reported net of an allowance for uncollectible taxes provision of \$3,731,606.

Accounts Receivable—Represents amounts due from various sources. The County's accounts receivable at December 31, 2022 are presented as follows:

Governmental funds:	
General Fund	\$ 1,862,159
Nonmajor governmental funds	<u>691,142</u>
Total governmental funds	<u>\$ 2,553,301</u>
Proprietary funds:	
Department of Transportation Fund	\$ 266,216
Willow Point Nursing Home (net of allowance of \$3,020,282)	2,795,016
Solid Waste Management Fund (net of allowance of \$340)	1,252,432
Aviation Fund (net of allowance of \$388,072)	83,371
Nonmajor Business-type funds	814,847
Internal Service Funds	<u>5,095,638</u>
Total proprietary funds	<u>\$ 10,307,520</u>

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State or other local governments. Amounts are net of related advances from New York State. Intergovernmental receivables at December 31, 2022 are presented below.

Governmental funds:	
General Fund:	
Due from state and federal	\$ 59,599,096
Capital Projects Fund:	
Due from state and federal	389,163
Nonmajor governmental funds:	
Due from state and federal	495,820
Total governmental funds	<u>\$ 60,484,079</u>
Proprietary funds:	
Department of Transportation Fund:	
Due from state and federal	3,305,296
Willow Point Nursing Home:	
Due from state and federal	113,924
Solid Waste Management Fund:	
Due from state and federal	36,112
Aviation Fund:	
Due from state and federal	703,427
Internal Service Funds:	
Due from state and federal	842
Total proprietary funds	<u>\$ 4,159,601</u>

5. SALES TAX

The County is authorized to impose a sales tax pursuant to Articles 28 and 29 of New York State Tax Law. The sales tax rate within Broome County is eight percent. Of the 8% the County share is 4%. The remaining 4% is the State sales and compensating use tax. Sales tax collections are administered by the New York State Commissioner of Taxation and Finance. The amount of sales tax collections made by the State Commissioner is remitted to the County after deducting the State Commissioner's administrative expenses. Remittances to the County are made twice each month except for the months of June and December in which there are three.

Of the 4% County sales tax, the County retains 1% and shares 37.5% of the remaining 3% with the local municipalities within the County. Using 2020 Federal Census figures, distributions to municipalities are made quarterly in January, April, July, and October based on their proportionate share of population. For towns containing villages a further proration is made based on the town and village populations. Amounts due to the local municipalities of \$7,661,818 as of December 31, 2022, are included in due to other governments in the general fund.

Sales tax receipts on sales made in 2022 totaled approximately \$175.2 million of which approximately \$109.5 million was retained by the County pursuant to local legislative enactments. The remaining amounts were distributed. The distributions totaled:

County Towns	\$38.6 million
County Villages	\$11.2 million
City of Binghamton	\$15.8 million

New York State periodically audits its distribution of sales tax revenues to counties throughout the state, although the County has never been so audited. Subsequent revisions to the revenues recorded as of December 31, 2022, if any, would be recorded in the year that they are calculated

6. CAPITAL ASSETS

Governmental activities—Capital asset activity for the primary government’s governmental activities for the year ended December 31, 2022 was as follows:

	Balance 1/1/2022 (as adjusted)	Increases	Decreases	Balance 12/31/2022
Capital assets, not being depreciated/amortized:				
Land	\$ 7,172,601	\$ -	\$ -	\$ 7,172,601
Construction in progress	<u>17,158,938</u>	<u>833,635</u>	<u>6,221,692</u>	<u>11,770,881</u>
Total capital assets, not being depreciated/amortized	<u>24,331,539</u>	<u>833,635</u>	<u>6,221,692</u>	<u>18,943,482</u>
Capital assets, being depreciated/amortized:				
Buildings and building improvements	135,954,773	4,084,227	-	140,039,000
Improvements other than buildings	183,110,694	3,483,510	-	186,594,204
Machinery and equipment	45,302,722	17,941,718	6,160,699	57,083,741
Right-to-use leased assets	<u>16,156,149</u>	<u>-</u>	<u>-</u>	<u>16,156,149</u>
Total capital assets, being depreciated/amortized	<u>380,524,338</u>	<u>25,509,455</u>	<u>6,160,699</u>	<u>399,873,094</u>
Less accumulated depreciation/amortization for:				
Buildings and building improvements	120,192,920	3,448,541	-	123,641,461
Improvements other than buildings	127,775,532	5,956,332	4,300	133,727,564
Machinery and equipment	32,352,378	4,877,287	4,984,522	32,245,143
Right-to-use leased assets	<u>1,691,981</u>	<u>1,077,077</u>	<u>-</u>	<u>2,769,058</u>
Total accumulated depreciation/amortization	<u>282,012,811</u>	<u>15,359,237</u>	<u>4,988,822</u>	<u>292,383,226</u>
Total capital assets, being depreciated/amortized, net	<u>98,511,527</u>	<u>10,150,218</u>	<u>1,171,877</u>	<u>107,489,868</u>
Governmental activities capital assets, net	<u>\$ 122,843,066</u>	<u>\$ 10,983,853</u>	<u>\$ 7,393,569</u>	<u>\$ 126,433,350</u>

Depreciation/amortization expense was charged to the functions and programs of the primary government as follows:

Governmental activities:	
General government support	\$ 3,846,998
Education	1,311
Public safety	4,147,275
Health	14,867
Transportation	6,217,828
Economic assistance and opportunity	115,395
Culture and recreation	61,907
Home and community services	<u>953,656</u>
Total governmental activities depreciation/amortization expense	<u>\$ 15,359,237</u>

Business-type Activities—Capital asset activity for the primary government’s business-type activities, for the fiscal year ended December 31, 2022, was as follows:

	Balance 1/1/2022 (as adjusted)	Increases	Decreases	Balance 12/31/2022
Capital assets, not being depreciated:				
Land	\$ 3,223,960	\$ -	\$ -	\$ 3,223,960
Construction in progress	<u>2,535,256</u>	<u>13,373,222</u>	<u>658,035</u>	<u>15,250,443</u>
Total capital assets, not being depreciated	<u>5,759,216</u>	<u>13,373,222</u>	<u>658,035</u>	<u>18,474,403</u>
Capital assets, being depreciated:				
Buildings and building improvements	71,245,216	933,014	5,487	72,172,743
Improvements other than buildings	239,202,861	78,975	8,775	239,273,061
Machinery and equipment	51,499,509	1,443,138	454,784	52,487,863
Right-to-use leased assets	<u>231,636</u>	<u>-</u>	<u>-</u>	<u>231,636</u>
Total capital assets, being depreciated	<u>362,179,222</u>	<u>2,455,127</u>	<u>469,046</u>	<u>364,165,303</u>
Less accumulated depreciation for:				
Buildings and building improvements	56,208,860	1,630,395	-	57,839,255
Improvements other than buildings	157,417,097	6,143,754	-	163,560,851
Machinery and equipment	32,331,372	2,291,873	226,385	34,396,860
Right-to-use leased assets	<u>92,654</u>	<u>46,327</u>	<u>-</u>	<u>138,981</u>
Total accumulated depreciation	<u>246,049,983</u>	<u>10,112,349</u>	<u>226,385</u>	<u>255,935,947</u>
Total capital assets, being depreciated, net	<u>116,129,239</u>	<u>(7,657,222)</u>	<u>242,661</u>	<u>108,229,356</u>
Business-type activities capital assets, net	<u>\$ 121,888,455</u>	<u>\$ 5,716,000</u>	<u>\$ 900,696</u>	<u>\$ 126,703,759</u>

Depreciation/amortization expense was charged to the functions and programs of the primary government as follows:

Business-type activities:	
Mass Transit	\$ 2,272,979
Nursing Home	785,709
Solid Waste Management	2,999,070
Airport	<u>4,054,591</u>
Total business-type activities depreciation expense	<u>\$ 10,112,349</u>

Discretely Presented Component Units

i) SUNY Broome

Capital asset activity for the College for the year ended August 31, 2022 is presented below:

	Balance 9/1/2021 <u>(as restated)</u>	Increases	Decreases	Balance 8/31/2022
Capital assets, not being depreciated/amortized:				
Land	\$ 144,935	\$ -	\$ -	\$ 144,935
Construction in progress	<u>592,203</u>	<u>1,668,603</u>	<u>531,192</u>	<u>1,729,614</u>
Total capital assets, not being depreciated/amortized	<u>737,138</u>	<u>1,668,603</u>	<u>531,192</u>	<u>1,874,549</u>
Capital assets, being depreciated/amortized:				
Building and improvements	90,617,201	326,482	33,655	90,977,338
Land improvements	2,627,147	334,387	155,291	3,116,825
Machinery and equipment	9,770,697	410,341	452,657	10,633,695
Infrastructure	4,976,464	65,811	-	5,042,275
Right-to-use leased assets	<u>7,537,274</u>	<u>65,569</u>	<u>-</u>	<u>7,602,843</u>
Total capital assets, being depreciated/amortized	<u>115,528,783</u>	<u>1,202,590</u>	<u>641,603</u>	<u>117,372,976</u>
Less: Accumulated depreciation/amortization	<u>56,664,267</u>	<u>3,855,231</u>	<u>617,483</u>	<u>59,902,015</u>
Total capital assets, being depreciated/amortized, net	<u>58,864,516</u>	<u>(2,652,641)</u>	<u>24,120</u>	<u>56,187,755</u>
Total capital assets, net	<u>\$ 59,601,654</u>	<u>\$ (984,038)</u>	<u>\$ 555,312</u>	<u>\$ 58,062,304</u>

The College's component units also report \$14,790,454 of depreciable capital assets not included above, net of accumulated depreciation. Component units' depreciation expense totals \$528,770.

ii) Broome County Industrial Development Agency

Capital asset activity for the Broome County Resource Recovery Agency for the year ended December 31, 2022 is presented below:

	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Capital assets, not being depreciated:				
Land	\$ 2,101,573	\$ -	\$ -	\$ 2,101,573
Total capital assets, not being depreciated	<u>2,101,573</u>	<u>-</u>	<u>-</u>	<u>2,101,573</u>
Capital assets, being depreciated:				
Building and improvements	5,310,934	5,150	-	5,316,084
Equipment	<u>29,316</u>	<u>22,970</u>	<u>-</u>	<u>52,286</u>
Total capital assets, being depreciated	<u>5,340,250</u>	<u>28,120</u>	<u>-</u>	<u>5,368,370</u>
Less: Accumulated depreciation	<u>606,757</u>	<u>143,627</u>	<u>-</u>	<u>750,384</u>
Total capital assets, being depreciated, net	<u>4,733,493</u>	<u>(115,507)</u>	<u>-</u>	<u>4,617,986</u>
Total capital assets, net	<u>\$ 6,835,066</u>	<u>\$ (115,507)</u>	<u>\$ -</u>	<u>\$ 6,719,559</u>

Depreciation expense for the year ended December 31, 2022 was \$143,627.

7. ACCRUED LIABILITIES

Accrued liabilities reported by governmental and proprietary funds at December 31, 2022 were as follows:

	Governmental Funds				Total
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds		
Salaries and employee benefits	\$ 4,651,077	\$ -	\$ 654,474		\$ 5,305,551
Other	-	379,263	-		379,263
Total accrued liabilities	<u>\$ 4,651,077</u>	<u>\$ 379,263</u>	<u>\$ 654,474</u>		<u>\$ 5,684,814</u>

	Proprietary Funds					Total
	Department of Transportation	Willow Point Nursing Home	Solid Waste Management	Aviation	Internal Service Fund	
Salaries and employee benefits	\$ 135,291	\$ 1,248,265	\$ 627,846	\$ 69,738	\$ 279,154	\$ 2,360,294

8. PENSION OBLIGATIONS

Plan Descriptions and Benefits Provided

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

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

Pension Liability/(Asset), Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—The net pension liability/(asset) was measured as of March 31, 2022. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability to the measurement date. The County’s proportion of the net pension liability/(asset) was based on a projection of the County’s long-term share of contributions to the ERS relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS in reports provided to the County.

Measurement date	ERS	
	March 31, 2022	
	Governmental Activities	Business-type Activities
Net pension liability/(asset)	\$ (24,721,314)	\$ (4,968,265)
County's portion of the Plan's total net pension liability/(asset)	0.3389345%	0.0681160%

For the year ended December 31, 2022, the County recognized ERS pension (income) of \$146,904 and \$29,523 for governmental and business-type activities, respectively. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS			
	Governmental Activities		Business-type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experiences	\$ 1,872,180	\$ 2,428,323	\$ 376,254	\$ 488,021
Changes in assumptions	41,257,100	696,169	8,291,477	139,910
Net difference between projected and actual earnings on pension plan investments	-	80,951,946	-	16,268,985
Changes in proportion and differences between the County's contributions and proportionate share of contributions	2,069,901	5,134,561	415,989	1,031,897
County contributions subsequent to the measurement date	7,035,244	-	1,413,879	-
Total	<u>\$ 52,234,425</u>	<u>\$ 89,210,999</u>	<u>\$ 10,497,599</u>	<u>\$ 17,928,813</u>

The County’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability/(asset) in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as shown below:

Year Ending December 31,	ERS	
	Governmental Activities	Business-type Activities
	2023	\$ (7,459,201)
2024	(10,041,694)	(2,018,088)
2025	(21,719,199)	(4,364,927)
2026	(4,791,724)	(962,996)

Actuarial Assumptions—The total pension liability/(asset) as of the measurement date was determined by using actuarial valuations as noted in the table below, with update procedures used to roll forward the total pension liability/(asset) to the measurement date. The actuarial valuations used the actuarial assumptions presented below:

	<u>ERS</u>
Measurement date	March 31, 2022
Actuarial valuation date	April 1, 2021
Interest rate	5.9%
Salary scale	4.4%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.7%
Cost-of-living adjustments	1.4%

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

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

	<u>ERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
	<u>March 31, 2022</u>	
Measurement date		
Asset class:		
Domestic equity	32.0 %	3.3 %
International equity	15.0	5.9
Private equity	10.0	6.5
Real estate	9.0	5.0
Opportunistic /absolute return strategy	3.0	4.1
Credit	4.0	3.8
Real assets	3.0	5.6
Fixed income	23.0	0.0
Cash	<u>1.0</u>	(1.0)
Total	<u>100.0 %</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 Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

ERS	Decrease (4.9%)	Assumption (5.9%)	Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset) for:			
Governmental activities	\$ 63,632,393	\$ (24,721,314)	\$ (98,624,928)
Business-type activities	\$ 12,788,259	\$ (4,968,265)	\$ (19,820,740)

Pension Plan Fiduciary Net Position—The components of the current-year net pension liability/(asset) of the employers as of the respective valuation dates, were as follows:

	(Dollars in Thousands)
Valuation date	April 1, 2021
Employers' total pension liability	\$ 223,874,888
Plan fiduciary net position	<u>232,047,473</u>
Employers' net pension liability/(asset)	<u>\$ (8,172,585)</u>
System fiduciary net position as a percentage of total pension liability/(asset)	103.7%

Discretely Presented Component Units

i) SUNY Broome

Plan Description and Benefits Provided

Employees' Retirement System—The College participates in the ERS. The plan description is the same as disclosed previously within this footnote.

Teachers' Retirement System—The College participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing multiple-employer retirement system. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and Retirement and the New York State Retirement and Social Security Law ("NYSRSSL"). TRS is governed by a 10 member Board of Trustees. TRS benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York State Public Schools and BOCES who elect to participate in TRS. Once a public employer elects to participate in TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual

relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Additional information regarding TRS may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial Report which can be found on TRS' website at www.nystrs.org.

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

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At August 31, 2022, the College reported the following liability/(asset) for its proportionate share of the net pension liability/(asset) for each of the Systems. The net pension liability/(asset) was measured as of March 31, 2022 for ERS and June 30, 2022 for TRS. The total pension liability/(asset) used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2021 for ERS and June 30, 2021 for TRS. The College's proportion of the net pension liability/(asset) was based on a projection of the College's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS and TRS in reports provided to the College.

Measurement date	TRS	ERS
	June 30, 2022	March 31, 2022
Net pension liability/(asset)	\$ 721,104	\$ (3,585,116)
The College's portion of the Plan's total net pension liability/(asset)	0.037579%	0.043839%

For the year ended August 31, 2022, the College recognized pension expense (income) of \$944,305 and \$(88,903) for TRS and ERS, respectively. At August 31, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown below:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	TRS	ERS	TRS	ERS
Differences between expected and actual experiences of economic and demographic assumptions	\$ 755,625	\$ 271,506	\$ 14,450	\$ 352,158
Changes in assumptions	1,398,819	5,983,157	290,481	100,959
Net difference between projected and actual earnings on pension plan investments	931,734	-	-	11,739,753
Changes in proportion and differences between the College's contributions and proportionate share of contributions	332,049	300,180	46,931	744,621
College contributions subsequent to the measurement date	<u>131,980</u>	<u>529,513</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,550,207</u>	<u>\$ 7,084,356</u>	<u>\$ 351,862</u>	<u>\$ 12,937,491</u>

The College’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2023. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to ERS and TRS will be recognized as pension expense as shown below.

<u>Year Ending August 31,</u>	<u>TRS</u>	<u>ERS</u>
2023	\$ 565,884	\$ (1,081,743)
2024	340,935	(1,456,259)
2025	(48,755)	(3,149,746)
2026	1,890,235	(694,900)
2027	283,908	-
Thereafter	34,158	-

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

	<u>TRS</u>
Measurement date	June 30, 2022
Actuarial valuation date	June 30, 2021
Interest rate	6.95%
Salary scale	1.95%-5.18%
Decrement tables	July 1, 2015 - June 30, 2020
Inflation rate	2.4%
Cost-of-living adjustment	1.3%

For ERS, the long-term rate of return on pension plan investments is the same as disclosed within the County’s primary government section of this footnote.

For TRS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020 System experience with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis. The actuarial assumptions used in the June 30, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standards of Practice (“ASOP”) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized on the following page.

Measurement date	Long-Term Expected	
	Target Allocation	Real Rate of Return
	TRS	
	June 30, 2022	
Asset class:		
Domestic equities	33.0 %	6.5 %
International equities	16.0	7.2
Global equities	4.0	6.9
Private equity	8.0	9.9
Real estate	11.0	6.2
Domestic fixed income	16.0	1.1
Global fixed income	2.0	0.6
High-yield fixed income	1.0	3.3
Private debt	2.0	5.3
Bonds and mortgages	6.0	2.4
Cash equivalents	1.0	(0.3)
Total	100.0 %	

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

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

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
TRS			
Employer's proportionate share of the net pension liability/(asset)	\$ 6,648,915	\$ 721,104	\$ (4,264,146)
	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
ERS			
Employer's proportionate share of the net pension liability/(asset)	\$ 9,228,050	\$ (3,585,116)	\$ (14,302,711)

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

	<u>(Dollars in Thousands)</u>	
	<u>TRS</u>	
Valuation date	June 30, 2022	
Employers' total pension liability	\$	133,883,474
Plan fiduciary net position		<u>131,964,582</u>
Employers' net pension liability/(asset)	\$	<u>1,918,892</u>
System fiduciary net position as a percentage of total pension liability/(asset)		98.6%

9. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) OBLIGATION

Plan Description—In addition to providing pension benefits, the County provides health insurance coverage and/or payment for fractional values of unused sick leave to eligible retired employees through a single -employer plan. Substantially all the county’s full-time employees may become eligible for these benefits upon retirement. The value of the employee’s unused compensatory time is used as the basis for the County’s liability. The County is obligated to pay such benefits because of union contracts and County Legislature rules and regulation for nonunion employees. Health care benefits are provided through insurance companies whose premiums are based on the benefits paid during the year.

Employees Covered by Benefit Terms—As of the January 1, 2022 valuation date, the following employees were covered by the benefit terms:

Active employees	1,553
Inactive employees or beneficiaries currently receiving benefit payments	<u>1,248</u>
Total	<u>2,801</u>

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

Total OPEB Liability

The County’s total OPEB liability for governmental and business-type activities of \$122,147,343 and \$23,323,375, respectively, was measured as of January 1, 2022, and was determined by an actuarial valuation as of that same date.

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

In the January 1, 2022 actuarial valuation, the entry age normal actuarial cost method, over a level percent of pay was used. The single discount rate changed from 1.84% effective January 1, 2021 to 4.05% effective January 1, 2022. The salary scale assumed to increase at 2.5% per year. The RPH-2014 Total

Dataset Mortality Tables, adjusted for mortality improvements with scale MP-2021 on a fully generational basis, were used for mortality rates. The 2021 New York State Employees' Retirement System rates were used for retirement rates. This rate was based on the April 1, 2020 to March 31, 2021 experience study released by the Retirement System's actuary and published in their August 2021 report. In order to estimate the change in the cost of healthcare, the actuaries healthcare cost trend rate used is 7.75%.

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

	Total OPEB Liability	
	Governmental Activities	Business-type Activities
Balances at December 31, 2021	\$ 155,083,300	\$ 30,403,439
Changes for the year:		
Service cost	6,694,753	1,127,302
Interest	2,875,737	554,777
Differences between expected and actual experience	2,731,361	680,662
Changes in assumptions and other inputs	(34,261,684)	(6,683,153)
Benefit payments	(10,976,123)	(2,759,652)
Net changes	(32,935,956)	(7,080,064)
Balances at December 31, 2022	\$ 122,147,344	\$ 23,323,375

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

	1% Decrease (3.05%)	Current Discount Rate (4.05%)	1% Increase (5.05%)
Governmental activities:			
Total OPEB liability	\$ 133,418,912	\$ 122,147,343	\$ 112,041,588
Business-type activities:			
Total OPEB liability	\$ 25,475,620	\$ 23,323,375	\$ 21,393,736

Additionally, healthcare costs can be subject to considerable volatility over time. The table below presents the effect on the total OPEB liability of a 1% change in current (7.75 %) healthcare cost trend rates.

	1% Decrease (6.75%)	Healthcare Cost Trend Rates (7.75%)	1% Increase (8.75%)
Governmental activities:			
Total OPEB liability	\$ 107,868,801	\$ 122,147,343	\$ 139,248,774
Business-type activities:			
Total OPEB liability	\$ 20,596,964	\$ 23,323,375	\$ 26,588,801

Funding Policy—Authorization for the County to pay retiree health insurance premiums was enacted by through union contracts, which are approved by the County Legislature. Retirees that meet the age and years of service requirements are not required to contribute to postretirement healthcare benefits. Additionally, retirees in Management Union groups are not required to contribute to postretirement dental and vision benefits. Spouses receive the same benefits as the retiree. Surviving spouses are permitted to continue coverage at no cost and at the cost of 100% the premium for Management Union groups and non-Management Union groups, respectively.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. The table below presents the County’s deferred outflows of resources and deferred inflows of resources at December 31, 2022.

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,304,030	\$ 82,459,101	\$ 869,348	\$ 21,676,213
Changes in assumptions and other inputs	24,824,828	42,807,986	4,215,897	9,116,676
Total	<u>\$ 28,128,858</u>	<u>\$ 125,267,087</u>	<u>\$ 5,085,245</u>	<u>\$ 30,792,889</u>

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

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2023	\$ (22,131,083)	\$ (7,264,002)
2024	(21,949,815)	(6,650,806)
2025	(15,809,762)	(4,768,517)
2026	(11,979,152)	(3,300,518)
2027	(13,788,741)	(2,830,215)
Thereafter	(11,479,673)	(893,586)

Discretely Presented Component Units

i) SUNY Broome

Plan Description

The College’s Retiree Group Health Benefits Program is a single employer defined benefit Other Postemployment Benefit Plan (OPEB). The Program provides for continuation of Retiree Group Health Benefits for certain retirees and their spouses and can be amended by action of the College subject to applicable collective bargaining and employment agreements. The Program does not issue a stand-alone financial report as there are no legally segregated assets for the sole purpose of paying benefits under the Program. There are no assets accumulated in a trust that meets the criteria of GASB 75, paragraph 4.

The College funds the cost of providing health care insurance to its retirees and spouses on a pay as you go basis. The benefit terms are dependent on which bargaining unit or employment contract each employee falls under. The specifics of each contract are on file at the College offices and are available upon request.

Employees Covered by Benefit Terms—At August 31, 2022, the number of employees covered by the College’s OPEB plan:

Active employees	359
Inactive employees or beneficiaries currently receiving benefit payments	<u>337</u>
Total	<u>696</u>

Total OPEB Liability

The College’s total OPEB liability of \$45,144,441 was measured as of December 31, 2021 and was determined by an actuarial valuation as of December 31, 2020.

Actuarial Methods and Assumptions—The total OPEB liability in the December 31, 2020 actuarial valuation was determined using an inflation rate of 2.25%, a payroll growth rate of 2.50%, and a discount rate of 1.84%, applied to all periods included in the measurement. The discount rate was based on the Fidelity General Obligation 20-Year AA Municipal Bond Index. Mortality was based on the headcount-weighted RPH-2014 tables to the headcount-weighted Pub-2010 tables. The mortality improvement scale was revised from MP-2020 to MP-2021 on a generational basis. This assumption was based on a review of published mortality tables and the demographics of the Plan.

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

	<u>Total OPEB Liability</u>
Balance at August 31, 2021	\$ 39,316,283
Changes for the year:	
Service cost	1,829,658
Interest	783,399
Changes of benefit terms	5,803,371
Differences between expected and actual experience	(842,769)
Changes of assumptions	2,206,491
Benefit payments	<u>(3,951,992)</u>
Net changes	<u>5,828,158</u>
Balance at August 31, 2022	<u>\$ 45,144,441</u>

Sensitivity of the Total OPEB Liability to the Change in the Discount Rate—The following table presents the total OPEB liability of the College, as well as what the College’s total OPEB liability would be if it calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Decrease (0.84%)	Current Discount Rate (1.84%)	1% Increase (2.84%)
Total OPEB liability	\$ 51,472,611	\$ 45,144,441	\$ 39,925,266

Sensitivity of the Total OPEB Liability to the Change in the Healthcare Cost Trend Rate—The following table presents the total OPEB liability of the College, as well as what the College’s total OPEB liability would be if it calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate:

	1% Decrease <u>(6.00/2.78%)</u>	Current Healthcare Trend Rate <u>(7.00/3.78%)</u>	1% Increase <u>(8.00/4.78%)</u>
Total OPEB liability	\$ 37,915,864	\$ 45,144,441	\$ 5,439,270

Funding Policy—Contributions by the primary government may vary according to length of service. The cost of providing postemployment health care benefits is shared between the College and the retired employee. Substantially all employees may become eligible for those benefits if they reach normal retirement age and length of service requirement while working for these entities. The cost of retiree health care benefits is recognized as an expense as premiums are paid. For the year ended August 31, 2022, the recognized OPEB expense was \$2,254,639.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—At August 31, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 249,993	\$ 21,654,770
Changes of assumptions	8,537,013	2,818,465
Benefit payments subsequent to the measurement date	1,476,949	-
Total	<u>\$ 10,263,955</u>	<u>\$ 24,473,235</u>

The College’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending August 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:

Year Ending August 31,	
2023	\$ (6,168,770)
2024	(5,181,014)
2025	(2,788,903)
2026	(1,723,354)
2027 and thereafter	175,812

10. RISK MANAGEMENT

The County is exposed to various risks of loss related to property damage and destruction of assets, vehicle liability, injuries to employees, and unemployment insurance. The County assumes liability for most risk including property damage and personal injury liability. The County purchases the following policies: Property Insurance with a self-retention of \$50,000 and a limit of \$200,000,000, Aviation

Insurance with a coverage limit of \$100,000,000, a Crime Policy with coverage limits of \$5 million per employee and \$5 million for Director of OMB with a self-retention of \$1,000, and Cyber Insurance coverage of \$4,000,000 with a self-retention of \$25,000. All other liability claims are handled internally.

General Liability—The Department of Risk & Insurance has a claims manager who handles all in house and third-party claims. Examples of third-party claims include claims involving, county roads maintained, snow removal, high grass, etc. The claims manager will receive the claim report once it is filed and will investigate all aspects of the claim to ascertain who's liable. The claims manager handles the claim from start to finish. Initially, large claims will begin in the risk department and eventually end up in law. Law and risk will then work together to resolve the claim. From time to time, adjusters are used to evaluate the damage of property. For example, if a police car were to be in an accident, the County would call their third-party vendor to complete an adjustment in order to assess the damage.

In accordance with GASB, the reporting of activity and the Reserve for Fund Balance for General Liability is reported within the General Fund. Since the claims portion is uncertain as to payment date (and many payments do not occur until several years in the future), the liability will be recorded in the Government-wide Financial Statements (Governmental Activities).

Judgments and claims are recorded when it is probable that an asset has been impaired, or a liability has been incurred and the amount of loss can be reasonably estimated. All revenues and expenses, including adjustments for non-incremental claim expenses related to the County's General Liability Self-Insurance plan is recorded in an Internal Service Fund. As of December 31, 2022, there were claims of \$980,000 accrued, of which \$530,000 are due within one year.

Workers' Compensation Liability—The County operates a county-wide self-insurance plan, established to pay claims and judgements for worker's compensation. When an incident occurs, forms will be completed by the employees, signed by department heads and submitted to the Risk and Insurance Department. There is a packet for just incidents and a packet to be filled out if there was injury that needed to be treated. The County contracts out with a third-party administrator who processes workers' compensation claims under the general supervision of the Department of Risk Management. The Plan contracts with an external nurse case management firm to provide medical management and treatment assistance for the injured worker.

In addition to the County, the Plan includes eleven towns and three villages within the County. Note that these municipalities are billed separately for this service. Local Law 8-1996 requires each participant's assessment to be calculated as follows: 65.0% of the assessment is based upon the ratio of the participant's 5 year paid claim average to the total 5 year paid claim average for all participants and 35.0% of the assessment is based upon the ratio of the participant's real property assessed valuation to the total assessed valuation of the County.

The County portion is charged back to departments quarterly. The net cost to the County is included in its annual tax levy. All revenue and expenses related to the Workers' Compensation Self-Insurance Plan have been recorded and presented as an internal service fund. Resolution 2012-326 which amends Local Law 76-8 was approved in 2012 to increase the workers compensation reserve to \$1,500,000. The reserve balance on December 31, 2022, was at the maximum level. Workers' compensation liability, inclusive of incurred but not reported claims, was \$1,784,000 on December 31, 2022.

A rate of return of 2.0% was used for the liability calculation. Workers' compensation liabilities relating to Enterprise and Internal Service funds are recorded when incurred and presented within the respective funds. These liabilities amounted to \$4,518,433 and \$242,582 respectively on December 31, 2022. The liability related to governmental funds and municipalities other than the County amounting to \$5,644,681 and \$2,571,859, respectively in the Workers' Compensation Fund, an internal service fund.

These self-insurance liabilities are presented at their present value and estimated using information on claims provided by the plan's third-party administrator. The liability of the County and other participants was determined based upon the amount of the outstanding long-term liability attributable to each. This does not necessarily correspond to the expected future contributions since they are based upon future payroll figures, future assessed real property valuations, and claims incurred. These are not readily determinable currently.

Health Insurance—The County offers three health insurance plans to its employees and retirees with at least 20 years of service. All plans are self-insured. The County has third-party nurse case managers and administrators who assist and answer questions for active members, pre-65 and post-65 members.

The County has implemented the use of Express-Scripts in order to lower costs for the County. In 2002, a retiree health plan amendment went into effect that affords the surviving spouses of former employees an opportunity to receive a health benefits premium reduction if they meet income guidelines. There is also an option for retiring employees to purchase “joint/survivor” protection for their spouses. As of December 31, 2022, there were 21 surviving spouses with 4 of them approved for the reduced premium.

The liabilities in the Health Insurance Fund, an internal service fund, are based upon individual case estimates for claims incurred but not reported at December 31, 2022. The estimated outstanding claims expected to be liquidated with future financial resources aggregate \$1,095,753 for health claims and \$456,978 for prescription drug costs presented in other current liabilities on December 31, 2022.

Unemployment Insurance—The County participates in a self-insurance plan, established to provide unemployment benefits to terminated County employees. The New York Labor Department acts as the third-party administrator, processing the unemployment claims.

The County portion is charged back to departments quarterly. The net cost to the County is included in its annual tax levy. All revenue and expenses related to the Unemployment Insurance have been recorded and are presented as an internal service fund.

The County's self-insurance accrued claims liabilities for the year ended December 31, 2022, were:

	Liability 1/1/2022	Current Year Claims	Claim Payments	Liability 12/31/2022
Liability and casualty	\$ 865,000	\$ 307,680	\$ 192,680	\$ 980,000
Workers' compensation	7,118,646	2,628,849	1,288,373	8,459,122
Health insurance	<u>1,123,420</u>	<u>31,875,541</u>	<u>31,903,208</u>	<u>1,095,753</u>
Total	<u>\$ 9,107,066</u>	<u>\$34,812,070</u>	<u>\$33,384,261</u>	<u>\$10,534,875</u>

The County's self-insurance accrued claims liabilities for the year ended December 31, 2021, were:

	Liability 1/1/2021	Current Year Claims	Claim Payments	Liability 12/31/2021
Liability and casualty	\$ 887,500	\$ 787,155	\$ 809,655	\$ 865,000
Workers' compensation	8,803,095	2,715,699	4,400,148	7,118,646
Health insurance	<u>1,044,386</u>	<u>52,932,442</u>	<u>52,853,408</u>	<u>1,123,420</u>
Total	<u>\$ 10,734,981</u>	<u>\$ 56,435,296</u>	<u>\$ 58,063,211</u>	<u>\$ 9,107,066</u>

11. LEASE LIABILITY

The County is a lessee for a noncancellable lease of various property and equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements for governmental and business-type activities. The County recognizes lease liabilities with an initial, individual value of \$50,000 or more. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rates charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

During previous years, the County entered into long-term, lease agreements as the lessee for the acquisition and use of various property and equipment. As a result of the implementation of the GASB Statement No. 87, *Leases*, the County now reports those as lease liabilities. As of December 31, 2022, the value of the lease liabilities was \$14,095,960 and \$99,985 for governmental and business-type activities, respectively. The County is required to make annual principal and interest payments ranging from \$46,461 to \$845,229. The leases have interest rates ranging between 1.5% and 2.0%. The value of the right-to-use lease assets as of the end of the current fiscal year was \$16,156,149 and 231,636 and had accumulated amortization of \$2,769,058 and \$138,981, for governmental and business-type activities, respectively.

The future principal and interest payments as of December 31, 2022, were as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 881,875	\$ 286,737	\$ 48,731	\$ 2,032
2024	923,731	265,809	51,251	1,026
2025	966,351	244,499	-	-
2026	1,009,749	222,800	-	-
2027	1,053,939	200,705	-	-
2028-2032	5,961,334	657,705	-	-
2033-2035	3,298,980	102,466	-	-
Total	<u>\$ 14,095,960</u>	<u>\$ 1,980,720</u>	<u>\$ 99,982</u>	<u>\$ 3,058</u>

12. SHORT-TERM DEBT

Liabilities for bond anticipation notes (“BANs”) are generally accounted for in the Capital Projects 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 used for assessable improvement projects may be renewed for periods equivalent to the life of the permanent financing provided that annual reductions of principal are made. The table below is a summary of the Town’s short-term debt for the year ended December 31, 2022:

	Issued	Maturity	Interest Rate	Balance 1/1/2022	Issues	Redemptions	Balance 12/31/2022
Bond anticipation notes:							
<i>Governmental Activities:</i>							
2021 Series A	4/29/21	4/29/22	1.50%	\$ 46,647,080	\$ -	\$ 46,647,080	\$ -
2021 Series B	4/29/21	4/29/22	1.00%	11,708,091	-	11,708,091	-
2022 Series A	4/28/22	4/28/23	2.03%	-	48,310,501	-	48,310,501
2022 Series B	4/28/22	4/28/23	2.25%	-	7,602,347	-	7,602,347
Total				<u>\$ 58,355,171</u>	<u>\$ 55,912,848</u>	<u>\$ 58,355,171</u>	<u>\$ 55,912,848</u>
<i>Business-type Activities:</i>							
2021 Series A	4/29/21	4/29/22	1.50%	\$ 17,527,920	\$ -	\$ 17,527,920	\$ -
2022 Series A	4/28/22	4/28/23	2.03%	-	19,648,088	-	19,648,088
Total				<u>\$ 17,527,920</u>	<u>\$ 19,648,088</u>	<u>\$ 17,527,920</u>	<u>\$ 19,648,088</u>

13. LONG-TERM LIABILITIES

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

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

The County’s outstanding long-term liabilities include bonds payable, early retirement incentive costs, landfill capping liability, workers’ compensation liability, compensated absences, liability and casualty, lease liability, installment purchase debt, due to NYS ERS—Chapter 57, other postemployment benefits (“OPEB”) obligation, and net pension liability. A summary of changes in the County’s long-term liabilities for the year ended December 31, 2022 is presented on the following page.

	Balance 1/1/2021 (as adjusted/ restated)	Increases	Decreases	Balance 12/31/2022	Due Within One Year
Governmental activities:					
Bonds payable:					
Serial bonds	\$ 42,733,534	\$ -	\$ 5,093,093	\$ 37,640,441	\$ 5,254,440
BTASC tobacco settlement bonds	40,880,000	-	1,300,000	39,580,000	4,835,000
Premium on BTASC bonds	3,899,800	-	158,827	3,740,973	158,827
BTASC Subordinate Turbo CABs	6,734,323	469,069	-	7,203,392	-
Total bonds payable	94,247,657	469,069	6,551,920	88,164,806	10,248,267
Early retirement incentive costs	440,749	-	103,551	337,198	97,391
Workers' compensation liability	7,118,646	2,628,849	1,288,373	8,459,122	1,440,000
Compensated absences	10,196,577	458,894	916,366	9,739,105	-
Liability and casualty	865,000	307,680	192,680	980,000	530,000
Lease liability	14,936,728	-	840,768	14,095,960	881,875
Installment purchase debt	-	12,873,695	1,087,615	11,786,080	1,351,931
Due to NYS ERS—Chapter 57	602,039	-	406,065	195,974	195,974
OPEB obligation	155,083,300	12,301,851	45,237,807	122,147,344	-
Net pension liability*	297,608	-	297,608	-	-
Total governmental activities	\$ 283,788,304	\$ 29,040,038	\$ 56,922,753	\$ 255,905,589	\$ 14,745,438
Business-type activities:					
Bonds payable:					
Serial bonds	\$ 18,591,466	\$ -	\$ 2,091,907	\$ 16,499,559	\$ 2,155,560
Total bonds payable	18,591,466	-	2,091,907	16,499,559	2,155,560
Early retirement incentive costs	147,499	-	52,098	95,401	32,049
Landfill capping liability	14,370,614	-	679,614	13,691,000	630,000
Workers' compensation liability	4,764,356	1,522,483	1,768,406	4,518,433	344,000
Compensated absences	1,327,149	228,872	275,801	1,280,220	-
Lease liability	146,246	-	46,264	99,982	48,731
Due to NYS ERS—Chapter 57	165,919	-	145,189	20,730	20,730
OPEB obligation	30,403,439	2,362,741	9,442,805	23,323,375	-
Net pension liability*	61,909	-	61,909	-	-
Total business-type activities	\$ 69,978,597	\$ 4,114,096	\$ 14,563,993	\$ 59,528,700	\$ 3,231,070

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

Serial Bonds—General obligation bonds of the County (not including the BTASC debt) are issued principally as serial bonds, which are due at various times through 2035. The bonds are issued primarily to finance acquisition or construction of capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. Principal and interest payments are included in the expenditures of the General Fund.

A summary of additions and payments for the year ended December 31, 2022 is shown below:

Description	Maturity Date	Interest Rate (%)	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Governmental activities:						
2010 Build Amrica Bonds 2010 Recovery Zone	2025	5.32%	\$ 9,865,719	\$ -	\$ 2,913,970	\$ 6,951,749
Economic Development	2025	5.32%	2,506,955	-	-	2,506,955
2016 Public Improvement	2035	2.54%	12,994,343	-	802,073	12,192,270
2018 Public Improvement	2031	2.84%	10,552,669	-	924,518	9,628,151
2020 Public Improvement	2034	2.19%	6,813,848	-	452,532	6,361,316
Total governmental activities			<u>\$ 42,733,534</u>	<u>\$ -</u>	<u>\$ 5,093,093</u>	<u>\$ 37,640,441</u>
Business-type activities:						
2010 Build Amrica Bonds 2010 Recovery Zone	2025	5.32%	\$ 3,829,281	\$ -	\$ 1,131,030	\$ 2,698,251
Economic Development	2025	5.32%	973,045	-	-	973,045
2016 Public Improvement	2035	2.54%	4,340,657	-	267,927	4,072,730
2018 Public Improvement	2031	2.84%	3,087,331	-	270,482	2,816,849
2020 Public Improvement	2034	2.19%	6,361,152	-	422,468	5,938,684
Total business-type activities			<u>\$ 18,591,466</u>	<u>\$ -</u>	<u>\$ 2,091,907</u>	<u>\$ 16,499,559</u>

BTASC Debt—On August 8, 2001, BTASC along with six other counties, created a trust known as the New York Counties Tobacco Trust II (NYCTT II). The trust issued \$215,220,000 in aggregate principal Tobacco Settlement Pass-Through Bonds Series 2001. BTASC issued \$50,620,000 bearing interest rates ranging from 5% to 6%. The debt was payable solely from and secured by pledged Tobacco Settlement Rights and investment earnings on amounts on deposit. On September 22, 2016, BTASC issued \$44,190,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016. The proceeds of the \$24,555,000 Series A1 bonds were used to currently refund \$24,555,000 in 2001 Bonds. Pursuant to the Purchase and Exchange agreement between BTASC and the 2001 Bond Holders, at closing, the Bond Holders tendered \$24,555,000 in 2001 Bonds in exchange for \$24,555,000 in Series A1 bonds. The Series A1 interest rates and final maturity dates were the same as the tendered 2001 Bonds. The proceeds of the \$19,635,000 Series A2 bonds, in addition to certain other funds as described below, were used to currently refund \$8,845,000 in 2001 Bonds and currently refund \$43,411,883 in principal and accreted interest of the 2005 bonds. BTASC deposited \$9,043,873 in an irrevocable escrow account to redeem, on October 24, 2016, \$8,845,000 in 2001 Bonds plus accrued interest due thereon. Additionally, \$17,658,127 of bond proceeds and other funds noted below, were used to completely defease the S1, S2, and S4 series of the 2015 Bonds. At closing, \$5,488,881 was used to redeem at 101% the accreted value of \$5,431,887 (\$2,853,273 in principal and \$2,578,613 in accreted interest) of the S1 series. BTASC used \$12,685,591 of bond proceeds and other funds noted below, to purchase at negotiated prices pursuant to a Purchase and Exchange Agreement between the bond holders and BTASC, all of the S2 and S4 Bonds. BTASC was able to defease at closing \$24,016,093 of accreted value (\$11,110,630 in principal and \$12,905,463 in accreted interest) of the S2 and S3 bonds.

The Series 2016 bonds and additional consideration received as a result of the refunding transaction were used to redeem or exchange all of BTASC's Series 2001 Term Bonds outstanding in the aggregate principal amount of \$76,811,883. As a result, the Series 2001 Bonds have been removed from the financial statements. Additionally, the Series 2016 Bonds' proceeds were used to cancel the related NYCTT Subordinate Bonds component S1, S2 and S4 of the 2015 bonds.

On November 29, 2005, BTASC participated in New York Counties Tobacco Trust V (“NYCTT”), along with 23 other New York County Tobacco Corporations, and issued Tobacco Settlement Pass-Through Bonds—Subordinate Turbo Capital Appreciation Bonds (“CABs”) in various series for the purpose of securitizing additional future tobacco settlement revenues. The net proceeds of the 2005 series amounted to \$2,276,579, and were used to purchase tobacco settlement rights from the County.

The issuance has three components and payments on the Subordinate Turbo CABs are subordinate to the Series 2005 S-3 Bonds.

The payment of Series 2016 A1 and A2 and Subordinate Turbo Bonds is dependent on the receipt of TSRs. The amount of TSRs actually collected is dependent on many factors including cigarette consumption and the continued operations of the OPMs. Such bonds are secured by and payable solely from TSRs and investment earnings pledged under the Bond Indenture and amounts established and held in accordance with Bond Indenture.

In the event sufficient funds are not available to meet planned payment maturities, rated maturity dates will be used.

Changes in Tobacco Settlement Bonds for the year ended December 31, 2022 are as follows:

Description	Year of Maturity	Yield	Beginning Balance 1/1/2022	Additions	Deletions	Ending Balance 12/31/2022	Amounts Due Within One Year
Tobacco Settlement Bonds:							
Series 2016 A-1	2035	various	\$ 21,245,000	\$ -	\$ 1,300,000	\$ 19,945,000	\$ 4,835,000
Series 2016 A-2	2035	various	<u>19,635,000</u>	<u>-</u>	<u>-</u>	<u>19,635,000</u>	<u>-</u>
Total Tobacco Settlement Bonds			40,880,000	-	1,300,000	39,580,000	4,835,000
Plus: Bond premium			<u>3,899,800</u>	<u>-</u>	<u>158,827</u>	<u>3,740,973</u>	<u>158,827</u>
Net Tobacco Settlement Bonds			<u>\$ 44,779,800</u>	<u>\$ -</u>	<u>\$ 1,458,827</u>	<u>\$ 43,320,973</u>	<u>\$ 4,993,827</u>

Amortization of Bond Premium—Bond premiums are being amortized on a straight-line method over the life of the bonds. The unamortized bond premium as of December 31, 2022 was \$3,740,793.

BTASC debt service requirements based upon planned principal payments for Tobacco Settlement Bonds, Series 2016 A-1 and A-2 are presented below.

Year ending December 31,	Principal	Interest	Total
2023	\$ 4,835,000	\$ 1,983,903	\$ 6,818,903
2024	1,980,000	1,792,231	3,772,231
2025	2,105,000	1,676,116	3,781,116
2026	2,240,000	1,551,288	3,791,288
2027	2,385,000	1,418,319	3,803,319
2028-2032	14,405,000	8,881,625	23,286,625
2033-2035	<u>11,630,000</u>	<u>728,125</u>	<u>12,358,125</u>
Total	<u>\$ 39,580,000</u>	<u>\$ 18,031,607</u>	<u>\$ 57,611,607</u>

Subordinate Turbo CABs—Interest on the Subordinate Turbo CABs is compounded semi-annually on June 1 and December 1, but is not payable until bond maturity. Interest accretes until both principal and accreted interest are paid. Future interest accretion has been recorded as bond discount and amortized as the current interest accretes. The accreted interest on the Subordinate CABs is reflected within the Subordinate CABs payable liability.

A summary of the Subordinate Turbo CABs net bond balance activity for the year ended December 31, 2022 follows:

	Interest Rate	Original Principal	Beginning Balance 1/1/2022	Annual Net Interest Accretion	Turbo Redemption Payments	Ending Balance 12/31/2022
Subordinate Turbo CABs						
2005 Bonds S-3 Series	6.00 - 7.15%	\$ 2,276,579	\$ 6,734,323	\$ 469,069	\$ -	\$ 7,203,392

Redemption of the Subordinate CABs as outlined in the original official statement totals \$2,276,579 with interest ranging from 6.00% to 7.15%. During the year ended December 31, 2022 funds were not available to make redemption payments. Any debt service amounts not paid in accordance with the Subordinate Turbo CABs redemption payments schedule will be due and payable on the June 1, 2055 maturity date.

Early Retirement Incentive Costs—These represent health insurance costs that the County will incur for retirees, up to a capped amount. These benefits were part of early retirement packages offered in 2011, 2012 and again in 2013. No early retirement incentives were offered in 2022 and the outstanding balance at December 31, 2022 totaled \$337,198 and \$95,401 for governmental and business-type activities, respectively.

Landfill Capping Liability—This liability represents the future costs associated with the capping and long-term maintenance of the County's Nanticoke Landfill. Estimated capping and long-term maintenance costs associated with Sections II and III of the Nanticoke Landfill are included in the business-type activities and the Solid Waste Management Fund. Capping and long-term maintenance costs are components of the tipping fee. The liability reported at December 31, 2022 totaled \$13,691,000, of which \$630,000 is due within one year.

Workers' Compensation—As explained in Note 9, the County is self-insured for workers' compensation. At December 31, 2022, the County reported \$8,459,122 and \$4,518,433 of workers' compensation liability within the governmental and business-type activities, respectively.

Compensated Absences—As explained in Note 1, compensated absences are recorded in the government-wide and proprietary fund financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees which are included in wages and benefits. The payment of compensated absences is dependent on many factors and, therefore, cannot be reasonably estimated as to future timing of payment. The annual budgets of operating funds provide for such as amounts become payable. The values recorded at December 31, 2022 for governmental and business-type activities are \$9,739,105 and \$1,280,220, respectively.

Liability and Casualty—As explained in Note 9, the County is self-insured for general liabilities. At December 31, 2022, the County reported \$980,000 as general claims, of which \$530,000 is considered due within one year. Estimated long-term contingent loss liabilities in the governmental fund types have been reported as long-term liabilities in the government-wide financial statements.

The proprietary funds have no loss contingency liability other than workers' compensation, which is only recognized when invoiced from the County.

Lease liability—The County has entered into long-term leases for property and equipment. The outstanding balance at December 31, 2022 was \$14,095,960 and \$99,982 for governmental and business-type activities, respectively. Refer to Note 10 for additional information related to the County's leases.

Installment Purchase Debt—During 2022, the County entered into an additional installment purchase contract for the installation and maintenance of various radio systems. Total outstanding balance at December 31, 2022 was \$11,786,080.

The requirements of the installment purchase agreements are summarized below:

<u>Year ending December 31,</u>	
2023	\$ 1,631,109
2024	1,631,109
2025	1,631,109
2026	1,631,109
2027	1,631,109
2028-2032	4,903,328
2033-2036	<u>20,000</u>
Total minimum lease payments	13,078,873
Less: amount representing imputed interest	<u>(1,292,793)</u>
Present value of minimum lease payments	<u>\$11,786,080</u>

The assets acquired through the installment purchase debt are as follows:

	<u>Governmental Activities</u>
Assets:	
Land	\$ 90,011
Machinery and equipment	12,783,684
Less: Accumulated depreciation	<u>(1,420,409)</u>
Total	<u>\$ 11,453,286</u>

Due to NYS ERS—Chapter 57—This liability represents the result of the enactment of Chapter 57 of the Law of 2010 of the State of New York to allow the amortization of a portion of the County's retirement bill for 10 years in accordance with certain stipulations. The outstanding balance at December 31, 2022 was \$195,974 and \$20,730 for governmental and business-type activities, respectively, all of which is due within one year.

OPEB Obligation—As explained in Note 8, the County provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The County's annual OPEB cost is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The County's long-term OPEB obligation is estimated to be \$122,147,344 and \$23,323,375 at December 31, 2022 for governmental and business-type activities, respectively.

The following is a maturity schedule of the County's indebtedness:

Governmental Activities						
Year Ending December 31,	Serial Bonds	BTASC Tobacco Settlement Bonds	Premium on BTASC Bonds	BTASC Subordinate Turbo CABs	Early Retirement Incentive Costs	Workers' Compensation
2023	\$ 5,254,440	\$ 4,835,000	\$ 158,827	\$ -	\$ 97,391	\$ 1,440,000
2024	5,429,201	1,980,000	158,827	-	97,391	-
2025	5,614,135	2,105,000	158,827	-	97,391	-
2026	2,398,862	2,240,000	158,827	-	45,025	-
2027	2,461,478	2,385,000	158,827	-	-	-
2028-2032	12,096,921	14,405,000	794,135	-	-	-
2033-2038	4,385,404	11,630,000	794,135	-	-	-
Thereafter	-	-	1,358,568	7,203,392	-	7,019,122
Total	<u>\$ 37,640,441</u>	<u>\$ 39,580,000</u>	<u>\$ 3,740,973</u>	<u>\$ 7,203,392</u>	<u>\$ 337,198</u>	<u>\$ 8,459,122</u>

Governmental Activities							
Year Ending December 31,	Compensated Absences	Liability and Casualty	Lease Liability	Installment Purchase Debt	Due to NYS ERS Chapter 57	OPEB	Total
2023	\$ -	\$ 530,000	\$ 881,875	\$ 1,351,931	\$ 195,974	\$ -	\$ 14,745,438
2024	-	-	923,731	1,383,991	-	-	9,973,141
2025	-	-	966,351	1,416,812	-	-	10,358,516
2026	-	-	1,009,749	1,450,416	-	-	7,302,879
2027	-	-	1,053,939	1,484,819	-	-	7,544,063
2028-2032	-	-	5,961,334	4,678,608	-	-	37,935,998
2033-2037	-	-	3,298,981	19,503	-	-	20,128,023
Thereafter	9,739,105	450,000	-	-	-	122,147,344	147,917,531
Total	<u>\$ 9,739,105</u>	<u>\$ 980,000</u>	<u>\$ 14,095,960</u>	<u>\$ 11,786,080</u>	<u>\$ 195,974</u>	<u>\$ 122,147,344</u>	<u>\$ 255,905,589</u>

Business-type Activities									
Year Ending December 31,	Serial Bonds	Early Retirement Incentive	Landfill Capping Liability	Workers' Compensation Liability	Compensated Absences	Lease Liability	Due to NYS ERS Chapter 57	OPEB	Total
2023	\$ 2,155,560	\$ 32,049	\$ 630,000	\$ 344,000	\$ -	\$ 48,731	\$ 20,730	\$ -	\$ 3,231,070
2024	2,225,799	32,049	-	-	-	51,251	-	-	2,309,099
2025	2,300,865	31,303	-	-	-	-	-	-	2,332,168
2026	1,056,138	-	-	-	-	-	-	-	1,056,138
2027	1,083,522	-	-	-	-	-	-	-	1,083,522
2028-2032	5,498,079	-	-	-	-	-	-	-	5,498,079
2033-2037	2,179,596	-	-	-	-	-	-	-	2,179,596
Thereafter	-	-	13,061,000	4,174,433	1,280,220	-	-	23,323,375	41,839,028
Total	<u>\$ 16,499,559</u>	<u>\$ 95,401</u>	<u>\$ 13,691,000</u>	<u>\$ 4,518,433</u>	<u>\$ 1,280,220</u>	<u>\$ 99,982</u>	<u>\$ 20,730</u>	<u>\$ 23,323,375</u>	<u>\$ 59,528,700</u>

Interest requirements relating to bonds payable and capital leases are as follows:

Year Ending December 31,	Bonds Payable			Leases		IPC
	Governmental Activities		Business-type	Governmental	Business-type	Governmental
	County	BTASC	Activities	Activities	Activities	Activities
2023	\$ 1,174,312	\$ 1,983,903	\$ 485,882	\$ 286,737	\$ 2,032	\$ 279,178
2024	935,709	1,792,231	391,845	265,809	1,026	247,118
2025	688,326	1,676,116	294,369	244,499	-	214,297
2026	533,235	1,551,288	232,678	222,800	-	180,693
2027	474,148	1,418,319	208,214	200,705	-	146,291
2028-2032	1,388,955	8,881,625	627,358	657,705	-	224,720
2033-2037	172,690	728,125	73,853	102,466	-	500
Total	<u>\$ 5,367,375</u>	<u>\$ 18,031,607</u>	<u>\$ 2,314,199</u>	<u>\$ 1,980,721</u>	<u>\$ 3,058</u>	<u>\$ 1,292,797</u>

Discretely Presented Component Units

i) SUNY Broome

The following table summarizes changes in the College's long-term liabilities for the year ended August 31, 2022:

	Balance 9/1/2021 (as restated)	Additions	Reductions	Balance 8/31/2022	Due Within One Year
Loan payable	\$ 15,353,723	\$ -	\$ 483,242	\$ 14,870,481	\$ 499,433
Assets held for others	1,031,059	-	177,613	853,446	-
Lease liability	7,537,274	65,569	641,067	6,961,776	464,393
Compensated absences	1,330,469	-	110,439	1,220,030	-
Due to NYS ERS	154,356	-	51,452	102,904	-
OPEB obligation	39,316,283	10,622,919	4,794,761	45,144,441	-
Net pension liability	45,668	721,104	45,668	721,104	-
Total long-term liabilities	<u>\$ 64,768,832</u>	<u>\$ 11,409,592</u>	<u>\$ 6,304,242</u>	<u>\$ 69,874,182</u>	<u>\$ 963,826</u>

14. NET POSITION AND FUND BALANCE

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

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

Governmental activities:

Capital assets, net of accumulated depreciation/amortization		\$ 126,433,350
Related debt:		
Serial bonds issued for capital assets	(37,640,441)	
Bond anticipation notes	(55,912,848)	
Installment purchase debt	(11,786,080)	
Lease liability	(14,095,960)	
Unspent proceeds of debt	<u>16,463,047</u>	
Debt issued for capital assets		<u>(102,972,282)</u>
Net investment in capital assets—governmental activities		<u>\$ 23,461,068</u>

Business-type activities:

Capital assets, net of accumulated depreciation		\$ 126,703,759
Related debt:		
Serial bonds issued for capital assets	(16,499,559)	
Bond anticipation notes	(19,648,088)	
Lease liability	(99,982)	
Unspent proceeds of debt	<u>2,116,658</u>	
Debt issued for capital assets		<u>(34,130,971)</u>
Net investment in capital assets—business-type activities		<u>\$ 92,572,788</u>

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

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

- **Prepaid Items**—Represents amounts prepaid to the retirement system that are applicable to future accounting periods. The General Fund, BTASC Fund and nonmajor Funds reported amounts of \$2,875,549, \$4,285 and \$186,881, respectively, at December 31, 2022.
- **Inventories**—Represents the portion of fund balance within the General Fund and nonmajor funds of \$417,335 and \$972,274, respectively, comprised of inventory and is nonspendable because inventory is not an available spendable resource.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grants, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. The following table presents restricted fund balances of the County as of December 31, 2022.

	General Fund	Debt Service Fund	BTASC Fund	Nonmajor Fund	Total
Stop-DWI	\$ 129,223	\$ -	\$ -	\$ -	\$ 129,223
Debt service	-	583,920	3,032,782	-	3,616,702
Economic development	1,546,476	-	-	-	1,546,476
911 system costs	5,563,367	-	-	-	5,563,367
Handicapped parking programs	668	-	-	-	668
Tax stabilization	278,450	-	-	-	278,450
Occupancy tax	185,448	-	-	-	185,448
Veterans service programs	1,677,485	-	-	-	1,677,485
Dog shelter services	103,269	-	-	-	103,269
Traffic diversion	1,454,607	-	-	-	1,454,607
Trust	2,124,434	-	-	9,773	2,134,207
Operating grants	395,860	-	-	-	395,860
Total net position	<u>\$13,459,287</u>	<u>\$ 583,920</u>	<u>\$ 3,032,782</u>	<u>\$ 9,773</u>	<u>\$17,085,762</u>

- **Restricted for Stop-DWI**—Represents STOP DWI fees restricted to pay for road safety programs and equipment to combat the use and abuse of drugs and alcohol which eventually results in reducing the incidents of driving while intoxicated.
- **Restricted for Debt Service**—Represents reserves which will be used for the reduction of future debt service requirements.
- **Restricted for Economic Development**—Represents funds restricted to pay new economic development programs.
- **Restricted for 911 System Costs**—Represents funds restricted to pay for equipment or other uses that will aid in providing public safety services.
- **Restricted for Handicapped Parking Programs**—Represents reserves established to help provide additional handicapped parking spaces.
- **Restricted for Tax Stabilization**—Represents reserves established within the General Fund to lessen or prevent projected increases in the real property tax levy.
- **Restricted for Occupancy Tax**—Represents reserves established within the General Fund to lessen or prevent projected increases in occupancy tax..
- **Restricted for Veterans Service Programs**—Represents reserves established within the General Fund which will be used to pay for the future costs associated with veteran services.
- **Restricted for Dog Shelter Services**—Represents reserves established within the General Fund to provide resources surrounding dog shelters in the County.

- **Restricted for Traffic Diversion**—Represents reserves established within the General Fund restricted to pay for additional road safety programs.
- **Restricted for Trust**—Represents reserves established within the General Fund and Nonmajor funds which have been accumulated through trusts agreement restricted by the Trustee.
- **Restricted for Operating Grants**—Represents reserves established within the General Fund, maintaining specific stipulations on how those funds are to be spent.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the County’s highest level of decision-making authority. As of December 31, 2022, the County had no committed fund balance.

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

As of December 31, 2022, the County reported the following fund balances assignments:

	General Fund	Nonmajor Funds	Total
Encumbrances	\$ 4,414,537	\$ 9,438	\$ 4,423,975
Subsequent year's expenditures	2,500,000	-	2,500,000
Specific use	-	1,522,071	1,522,071
Future payment	<u>18,496,000</u>	<u>-</u>	<u>18,496,000</u>
Total net position	<u>\$25,410,537</u>	<u>\$ 1,531,509</u>	<u>\$26,942,046</u>

- **Assigned to Encumbrances**—Represents commitments related to unperformed contracts or purchase orders for goods or services.
- **Assigned to Subsequent Year’s Expenditures**—Represents available fund balance being appropriated to meet expenditure requirements in the 2023 fiscal year.
- **Assigned to Specific Use**—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignments’ purpose relates to each fund’s operations and represent the remaining amounts within funds that are not restricted or committed.
- **Assigned for future payment**—Represents fund balance assigned to cover potential budgetary shortfalls.

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

15. RELATED PARTY TRANSACTIONS

The County provides BTASC with administrative services. The cost of these services has been included as expenses on BTASC’s statements of activities. BTASC recorded an amount due to the County \$2,121 for the year ended December 31, 2022.

The County, through a purchase agreement, reimbursed the IDA \$5,000 for land in the Broome Corporate Park. The amount has been paid for out of the governmental funds for Department of Public Works.

The County, through budget resolution, provided administrative support for salaries and benefits to the LBC of \$97,017 for the year ended December 31, 2022.

16. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are short-term in nature and exist because of temporary advances or payments made on behalf of other funds. All interfund balances are expected to be collected/paid within the subsequent year. Interfund transfers are routine annual events for both the budget and accounting process and are necessary to present funds in their proper fund classification. The composition of interfund balances as of December 31, 2022 is shown in the table below:

	Interfund	
	Receivable	Payable
Governmental funds:		
General Fund	\$ 3,146,075	\$ 3,687,102
Capital Projects Fund	-	3,792,909
Debt Service Fund	4,944	-
Nonmajor funds	2,433,565	2,392,577
Proprietary funds:		
Department of Transportation	-	524,817
Willow Point Nursing Home	-	723,187
Solid Waste Management Fund	-	67,624
Aviation Fund	-	45,669
Internal Service funds	<u>5,745,745</u>	<u>96,444</u>
Total	<u>\$11,330,329</u>	<u>\$11,330,329</u>

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

The County made the following transfers during the year ended December 31, 2022:

	Transfers in:								Total
	Governmental funds				Proprietary funds				
	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Funds	Transit Fund	Willow Point Nursing Home	Aviation Fund	Fleet Management Fund	
Transfers out:									
Governmental funds:									
General Fund	\$ -	\$ 11,497,424	\$ -	\$ 14,380,296	\$ 1,136,999	\$ 13,920,546	\$ 2,140,895	\$ 150,000	\$ 43,226,160
Capital Projects Fund	55,754	-	144,921	27,612	-	-	-	-	228,287
Debt Service Fund	416,653	-	-	434,448	-	-	-	-	851,101
Nonmajor funds	-	2,026,123	-	-	-	-	-	-	2,026,123
Total	<u>\$ 472,407</u>	<u>\$ 13,523,547</u>	<u>\$ 144,921</u>	<u>\$ 14,842,356</u>	<u>\$ 1,136,999</u>	<u>\$ 13,920,546</u>	<u>\$ 2,140,895</u>	<u>\$ 150,000</u>	<u>\$ 46,331,671</u>

17. LABOR CONTRACTS

The County's employees operate under eight collective bargaining units: the CSEA – Library (Unit #6151, Local 804), the CSEA (Unit #6150), the Broome Administrative & Professional Association (BAPA), the Amalgamated Transit Union Local #1145, the AFSCME - Local #1883, the AFSCME - Local #1912, the AFSCME - Local #2012, and the Law Enforcement Officers' Association. All contracts were settled as of December 31, 2022 and are negotiated through December 31, 2024 and December 31, 2025.

18. TAX ABATEMENTS

All real property in New York is subject to taxation unless specific legal provisions grant it exempt status. Real property tax exemptions are granted based on many different criteria, including the use to which the property is put, the owner's ability to pay taxes, the desire of the state and local governments to encourage certain economic or social activities, and other such considerations. Most exemptions are granted under Article 4 of the Real Property Tax Law, but others are authorized by a wide variety of statutes ranging from Article 18-A of the real property tax law, the Agriculture and Markets Law to the Transportation Law. Certain exemptions provide full relief from taxation (wholly exempt property) and others reduce the taxes which would otherwise be payable by varying degrees (partially exempt property).

Some exemptions apply to taxes levied for county, city, town, and school purposes, whereas others pertain only to some of these purposes. Yet another difference involves the extent of local government autonomy: while some exemptions are mandated by state law, others are subject to local option and/or local determination of eligibility criteria.

The County is also subject to Mortgage and Sales tax abatements granted by the IDA under the Uniform Tax Exemption Policy. The IDA offers a full exemption of sales tax and mortgage tax to those that qualify, which usually consists of the first year commencing new construction.

The County has 48 real property tax abatement agreements entered by either the Broome County IDA, the City of Binghamton, and local municipalities. These agreements provide for abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) in compliance with the Tax Exemption Policy. PILOTs are granted in accordance with various activities such as new construction, purchasing of an existing facility, or the improvement or expansion of an existing facility. There are also policies for recapture of PILOTs should the applicant not meet certain criteria.

For the year ending December 31, 2022, the County collected approximately \$1.3 million from properties under the PILOT program and abated \$1.2 million (48.3% of tax value).

19. COMMITMENTS

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Open encumbrances are reported as an assignment of fund balance since such commitments will be honored through budget appropriations in the subsequent year. The County considers encumbrances to be significant for amounts that are encumbered in excess of \$1,000,000. As of December 31, 2022, the County reported no significant encumbrances, with the exception of outstanding contractual commitments, specific to the Capital Projects Fund.

20. CONTINGENCIES

Grants—The County receives significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions, specified in the grant agreements and is subject to audit. Any disallowed expenditure resulting from such audits could become a liability of the governmental funds. While the amount of expenditures, if any, which may be disallowed cannot be determined at this time, management expects any amounts to be immaterial.

Litigation—The County is a defendant in a number of lawsuits. In the opinion of the County Attorney, after considering all relevant facts, such litigation in the aggregate will not have a material adverse effect on the financial position or results of operations of the County.

Environmental Risks—Certain facilities are subject to federal, state, and local regulations relating to the discharge of materials into the environment. Compliance with these provisions has not had, nor does the County expect such compliance to have, any material effects upon the capital expenditures or financial condition of the County. The County believes that its current practices and procedures for control and disposition or regulated wastes comply with applicable federal, state, and local requirements.

Regulatory Environment (Willow Point Nursing Home)—The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the time. Recently, government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for patient services previously billed. While no regulatory inquiries have been made at the Nursing Home, compliance with such laws and regulations can be subject to future government review and interpretations as well as regulatory actions unknown or unasserted at this time. It is the opinion of management and its legal counsel that there will not be any material adverse effects on the Nursing Home’s financial statements as a result of these actions.

21. SUBSEQUENT EVENTS

On April 17, 2023, the County issued \$28,587,503 in public improvement serial bonds and \$53,563,098 in BANs with interest rates ranging from 4.00 to 5.0 percent for various construction projects and equipment purchases. The bonds mature on April 15, 2035 and the BANs mature on April 26, 2024.

Management has evaluated subsequent events through July 17, 2023, which is the date the financial statements are available for issuance, and have determined, except as disclosed above, there are no subsequent events that require disclosure under generally accepted accounting principles.

* * * * *

REQUIRED SUPPLEMENTARY INFORMATION

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

	Year Ended December 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Plan fiduciary net position as a percentage of the total pension liability	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
Governmental activities:								
County's proportion of the net pension liability	0.3389368%	0.3368376%	0.3211249%	0.3276078%	0.3203922%	0.3206452%	0.3438745%	0.3370312%
County's proportionate share of the net pension liability	<u>\$ (24,721)</u>	<u>\$ 298</u>	<u>\$ 75,073</u>	<u>\$ 20,649</u>	<u>\$ 9,500</u>	<u>\$ 27,007</u>	<u>\$ 50,025</u>	<u>\$ 10,358</u>
County's covered payroll	<u>\$ 82,892</u>	<u>\$ 81,267</u>	<u>\$ 79,333</u>	<u>\$ 78,960</u>	<u>\$ 68,934</u>	<u>\$ 70,462</u>	<u>\$ 72,621.0</u>	<u>\$ 72,296.0</u>
County's proportionate share of the net pension liability as a percentage of its covered payroll	(29.8%)	0.4%	94.6%	26.2%	13.8%	38.3%	68.9%	14.3%
Business-type activities:								
County's proportion of the net pension liability	0.0681137%	0.0700803%	0.0786034%	0.0773604%	0.0780071%	0.0777541%	0.0684216%	0.0824624%
County's proportionate share of the net pension liability	<u>\$ (4,968)</u>	<u>\$ 62</u>	<u>\$ 18,376</u>	<u>\$ 4,876</u>	<u>\$ 2,313</u>	<u>\$ 6,549</u>	<u>\$ 9,954.0</u>	<u>\$ 2,534.0</u>
County's covered payroll	<u>\$ 17,228</u>	<u>\$ 16,903</u>	<u>\$ 19,418</u>	<u>\$ 18,645</u>	<u>\$ 16,783</u>	<u>\$ 17,086</u>	<u>\$ 11,873.0</u>	<u>\$ 13,260.0</u>
County's proportionate share of the net pension liability as a percentage of its covered payroll	(28.8%)	0.4%	94.6%	26.2%	13.8%	38.3%	83.8%	19.1%
Discretely presented component units:								
SUNY Broome (the "College"):								
	Year Ended August 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
College's proportion of the net pension liability	0.0438393%	0.04586366%	0.0468337%	0.0447110%	0.043544%	0.041279%	0.038604%	0.037633%
College's proportionate share of the net pension liability	<u>\$ (3,585.1)</u>	<u>\$ 45.7</u>	<u>\$ 12,401.7</u>	<u>\$ 3,167.9</u>	<u>\$ 1,405.4</u>	<u>\$ 3,878.7</u>	<u>\$ 6,196.1</u>	<u>\$ 1,711.1</u>
College's covered payroll	<u>\$ 11,612.5</u>	<u>\$ 11,800.8</u>	<u>\$ 12,129.1</u>	<u>\$ 11,240.8</u>	<u>\$ 10,675.6</u>	<u>\$ 10,745.3</u>	<u>\$ 9,297.5</u>	<u>\$ 9,011.6</u>
College's proportionate share of the net pension liability as a percentage of its covered payroll	-30.9%	0.4%	102.2%	28.2%	13.2%	36.1%	66.6%	19.0%

*Information prior to the year ended December 31, 2015 (August 31, 2015 as to the College) is not available.

COUNTY OF BROOME, NEW YORK
Schedule of the Local Government's Contributions—
Employees' Retirement System
Last Eight Fiscal Years*
(amounts in thousands)

	Year Ended December 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities:								
Contractually required contributions	\$ 14,722	\$ 12,477	\$ 10,853	\$ 10,153	\$ 10,168	\$ 11,434	\$ 11,012	\$ 13,681
Contributions in relation to the contractually required contribution	(14,722)	(12,477)	(10,853)	(10,153)	(10,168)	(11,434)	(11,012)	(13,681)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 75,466	\$ 73,603	\$ 71,917	\$ 71,094	\$ 68,934	\$ 67,694	\$ 67,301	\$ 66,303
Contributions as a percentage of covered payroll	19.5%	17.0%	15.1%	14.3%	14.8%	16.9%	16.4%	20.6%
Business-type activities:								
Contractually required contributions	\$ 2,959	\$ 2,576	\$ 2,657	\$ 2,397	\$ 2,476	\$ 2,773	\$ 2,191	\$ 3,347
Contributions in relation to the contractually required contribution	(2,959)	(2,576)	(2,657)	(2,397)	(2,476)	(2,773)	(2,191)	(3,347)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 13,042	\$ 12,766	\$ 14,705	\$ 15,271	\$ 6,108	\$ 9,109	\$ 7,896	\$ 10,241
Contributions as a percentage of covered payroll	22.7%	20.2%	18.1%	15.7%	40.5%	30.4%	27.7%	32.7%
Discretely presented component units:								
SUNY Broome (the "College"):								
Year Ended August 31,								
	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 1,525	\$ 1,595	\$ 1,667	\$ 1,527	\$ 1,504	\$ 1,440	\$ 1,454	\$ 1,616
Contributions in relation to the contractually required contribution	(1,525)	(1,595)	(1,667)	(1,527)	(1,504)	(1,440)	(1,454)	(1,616)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 11,613	\$ 11,801	\$ 12,129	\$ 11,241	\$ 10,676	\$ 10,745	\$ 9,298	\$ 9,012
Contributions as a percentage of covered payroll	13.1%	13.5%	13.7%	13.6%	14.1%	13.4%	15.6%	17.9%

*Information prior to the year ended December 31, 2015 (August 31, 2015 as to the College) is not available.

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

Discretely presented component unit:

SUNY Broome (the "College"):

	Year Ended August 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement date								
Plan fiduciary net position as a percentage of the total pension liability/(asset)	113.2%	113.2%	97.8%	102.2%	101.5%	100.7%	99.0%	110.5%
College's proportion of the net pension liability/(asset)	0.0375790%	0.0417020%	0.0439900%	0.0445310%	0.045800%	0.0456870%	0.0430850%	0.0414850%
College's proportionate share of the net pension liability/(asset)	<u>\$ 721</u>	<u>\$ (7,227)</u>	<u>\$ 1,216</u>	<u>\$ (1,157)</u>	<u>\$ (828)</u>	<u>\$ (347)</u>	<u>\$ 462</u>	<u>\$ (4,350)</u>
College's covered payroll	\$ 7,808	\$ 7,078	\$ 7,466	\$ 7,433	\$ 7,460	\$ 7,240	\$ 6,648	\$ 5,768
College's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	9.2%	(102.1%)	16.3%	(15.6%)	(11.1%)	(4.8%)	6.9%	(75.4%)

*Information prior to the year ended August 31, 2015 is not available.

COUNTY OF BROOME, NEW YORK
Schedule of the Local Government's Contributions—
Teachers' Retirement System
Last Eight Fiscal Years*
(amounts in thousands)

Discretely presented component unit:

SUNY Broome (the "College"):

	Year Ended August 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contributions	\$ 652	\$ 675	\$ 662	\$ 789	\$ 742	\$ 822	\$ 902	\$ 1,069
Contributions in relation to the contractually required contribution	(652)	(675)	(662)	(789)	(742)	(822)	(902)	(1,069)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 7,808	\$ 7,078	\$ 7,466	\$ 7,433	\$ 7,460	\$ 7,240	\$ 5,768	\$ 5,738
Contributions as a percentage of covered payroll	8.4%	9.5%	8.9%	10.6%	9.9%	11.3%	15.6%	18.6%

*Information prior to the year ended August 31, 2015 is not available.

COUNTY OF BROOME, NEW YORK
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
Last Five Fiscal Years*

Primary Government – Governmental Activities:

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 6,694,753	\$ 6,492,826	\$ 6,373,173	\$ 5,904,356	\$ 8,770,929
Interest	2,875,737	3,147,966	5,707,881	7,784,227	9,706,930
Differences between expected and actual experience	2,731,361	(74,272,068)	(2,903,608)	(69,222,783)	(40,525,911)
Changes of assumptions	(34,261,684)	4,985,627	27,578,188	15,696,017	3,153,688
Change in benefit terms	-	(378,205)	(5,988,279)	(1,269,246)	(28,840)
Benefit payments	(10,976,123)	(11,526,177)	(10,640,484)	(12,215,454)	(11,474,520)
Net change in total OPEB liability	(32,935,956)	(71,550,031)	20,126,871	(53,322,883)	(30,397,724)
Total OPEB liability—beginning	155,083,300	226,633,331	206,506,460	259,829,343	290,227,067
Total OPEB liability—ending	<u>\$ 122,147,344</u>	<u>\$ 155,083,300</u>	<u>\$ 226,633,331</u>	<u>\$ 206,506,460</u>	<u>\$ 259,829,343</u>
Plan Fiduciary Net Position					
Contributions—employer	\$ 10,976,123	\$ 11,526,177	\$ 10,640,484	\$ 12,215,454	\$ 11,474,520
Benefit payments	(10,976,123)	(11,526,177)	(10,640,484)	(12,215,454)	(11,474,520)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's OPEB liability—ending	<u>\$ 122,147,344</u>	<u>\$ 155,083,300</u>	<u>\$ 226,633,331</u>	<u>\$ 206,506,460</u>	<u>\$ 259,829,343</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 78,147,761	\$ 74,845,173	\$ 72,608,085	\$ 70,880,240	\$ 69,751,809
County's OPEB liability as a percentage of covered-employee payroll	156.3%	207.2%	312.1%	291.3%	372.5%

Primary Government – Business-type Activities:

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 1,127,302	\$ 1,115,134	\$ 1,361,623	\$ 1,270,661	\$ 2,322,454
Interest	554,777	627,757	1,277,785	1,759,047	2,484,420
Differences between expected and actual experience	680,662	(18,320,422)	(764,798)	(23,077,185)	(10,282,092)
Changes of assumptions	(6,683,153)	932,434	4,661,049	3,046,487	895,691
Change in benefit terms	-	-	(1,329,396)	(196,575)	-
Benefit payments	(2,759,652)	(2,933,278)	(2,655,561)	(2,897,902)	(3,258,918)
Net change in total OPEB liability	(7,080,064)	(18,578,375)	2,550,702	(20,095,467)	(7,838,445)
Total OPEB liability—beginning	30,403,439	48,981,814	46,431,112	66,526,579	74,365,024
Total OPEB liability—ending	<u>\$ 23,323,375</u>	<u>\$ 30,403,439</u>	<u>\$ 48,981,814</u>	<u>\$ 46,431,112</u>	<u>\$ 66,526,579</u>
Plan Fiduciary Net Position					
Contributions—employer	\$ 2,759,652	\$ 2,933,278	\$ 2,655,561	\$ 2,897,902	\$ 3,258,918
Benefit payments	(2,759,652)	(2,933,278)	(2,655,561)	(2,897,902)	(3,258,918)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's OPEB liability—ending	<u>\$ 23,323,375</u>	<u>\$ 30,403,439</u>	<u>\$ 48,981,814</u>	<u>\$ 46,431,112</u>	<u>\$ 66,526,579</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 16,551,861	\$ 16,860,085	\$ 17,645,349	\$ 17,943,926	\$ 18,205,795
County's OPEB liability as a percentage of covered-employee payroll	140.9%	180.3%	277.6%	258.8%	365.4%

(continued)

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

COUNTY OF BROOME, NEW YORK
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
Last Five Fiscal Years*

(concluded)

Discretely presented component unit:

SUNY Broome (the "College"):

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 1,829,658	\$ 2,154,958	\$ 1,931,967	\$ 2,878,312	\$ 2,471,829
Interest	783,399	1,569,578	2,026,162	2,567,532	2,621,994
Differences between expected and actual experience	(842,769)	(20,634,199)	(6,834,642)	(15,522,107)	1,167,063
Changes of assumptions	2,206,491	2,884,753	8,100,974	(9,705,365)	5,193,790
Change in benefit terms	5,803,371	(123,331)	(103,943)	688,999	-
Benefit payments	(3,951,992)	(2,912,137)	(2,850,849)	(2,982,046)	(3,239,823)
Net change in total OPEB liability	5,828,158	(17,060,378)	2,269,669	(22,074,675)	8,214,853
Total OPEB liability—beginning	39,316,283	56,376,661	54,106,992	76,181,667	67,966,814
Total OPEB liability—ending	<u>\$ 45,144,441</u>	<u>\$ 39,316,283</u>	<u>\$ 56,376,661</u>	<u>\$ 54,106,992</u>	<u>\$ 76,181,667</u>
Plan Fiduciary Net Position					
Contributions—employer	\$ 3,951,992	\$ 2,912,137	\$ 2,850,849	\$ 2,982,046	\$ 3,239,823
Benefit payments	(3,951,992)	(2,912,137)	(2,850,849)	(2,982,046)	(3,239,823)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's OPEB liability—ending	<u>\$ 45,144,441</u>	<u>\$ 39,316,283</u>	<u>\$ 56,376,661</u>	<u>\$ 54,106,992</u>	<u>\$ 76,181,667</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 28,689,446	\$ 34,045,805	\$ 34,642,958	\$ 32,995,655	\$ 33,155,003
College's OPEB liability as a percentage of covered-employee payroll	157.4%	115.5%	162.7%	164.0%	229.8%

*Information prior to the year ended December 31, 2018 (August 31, 2018 as to the College) is not available.

COUNTY OF BROOME, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUES				
Real property taxes and tax items	\$ 80,745,049	\$ 80,745,049	\$ 82,480,474	\$ 1,735,425
Non-property tax items	94,674,568	160,374,344	175,199,403	14,825,059
Departmental income	17,563,534	18,037,992	20,723,555	2,685,563
Intergovernmental charges	11,060,716	11,060,716	13,886,920	2,826,204
Use of money and property	82,008	82,008	564,067	482,059
Fines and forfeitures	645,625	645,625	614,402	(31,223)
Sale of property and compensation for loss	26,350	26,350	52,625	26,275
Miscellaneous	3,663,231	3,663,231	4,981,102	1,317,871
State aid	30,660,973	30,660,973	49,376,700	18,715,727
Federal aid	32,788,001	54,812,530	89,094,886	34,282,356
Total revenues	<u>271,910,055</u>	<u>360,108,818</u>	<u>436,974,134</u>	<u>76,865,316</u>
EXPENDITURES				
Current:				
General government support	40,658,246	102,156,887	112,551,591	(10,394,704)
Education	17,659,328	10,251,943	19,072,677	(8,820,734)
Public safety	58,591,652	58,283,649	57,004,983	1,278,666
Health	6,687,727	9,327,002	26,988,218	(17,661,216)
Economic assistance and opportunity	126,177,560	141,593,488	150,840,185	(9,246,697)
Culture and recreation	3,410,765	3,416,925	3,434,553	(17,628)
Home and community services	1,124,084	1,137,084	2,277,252	(1,140,168)
Debt service:				
Principal	2,648,678	5,182,724	4,635,114	547,610
Interest and other fiscal charges	1,192,206	1,192,206	1,370,434	(178,228)
Total expenditures	<u>258,150,246</u>	<u>332,541,908</u>	<u>378,175,007</u>	<u>(45,633,099)</u>
Excess (deficiency) of revenues over expenditures	<u>13,759,809</u>	<u>27,566,910</u>	<u>58,799,127</u>	<u>31,232,217</u>
OTHER FINANCING USES				
Transfers in	409,400	409,400	472,407	63,007
Transfers out	(20,946,918)	(30,956,431)	(43,226,160)	(12,269,729)
Total other financing uses	<u>(20,537,518)</u>	<u>(30,547,031)</u>	<u>(42,753,753)</u>	<u>(12,206,722)</u>
Net change in fund balances*	(6,777,709)	(2,980,121)	16,045,374	19,025,495
Fund balances—beginning	<u>70,326,437</u>	<u>70,326,437</u>	<u>70,326,437</u>	<u>-</u>
Fund balances—ending	<u>\$ 63,548,728</u>	<u>\$ 67,346,316</u>	<u>\$ 86,371,811</u>	<u>\$ 19,025,495</u>

* The net change in fund balances was included in the budget as a re-appropriation of prior year encumbrances.

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

COUNTY OF BROOME, NEW YORK
Notes to the Required Supplementary Information
Year Ended December 31, 2022

1. OPEB LIABILITY

Changes of Assumptions—In the January 1, 2022 actuarial valuation, the entry age normal actuarial cost method, over a level percent of pay was used. The single discount rate changed from 1.84% effective January 1, 2021 to 4.05% effective January 1, 2022. The salary scale assumed to increase at 2.5% per year. The RPH-2014 Total Dataset Mortality Tables, adjusted for mortality improvements with scale MP-2021 on a fully generational basis, were used for mortality rates. The 2021 New York State Employees’ Retirement System rates were used for retirement rates. This rate was based on the April 1, 2020 to March 31, 2021 experience study released by the Retirement System’s actuary and published in their August 2021 report. In order to estimate the change in the cost of healthcare, the actuaries healthcare cost trend rate used is 7.75%.

Discretely Presented Component Units:

i) SUNY Broome

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

	<u>2022</u>	<u>2021</u>
Discount Rate	1.84%	2.00%

2. BUDGETARY INFORMATION

Budgetary Basis of Accounting—An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. The Capital Projects Fund is appropriated on a project-length basis; appropriations are approved through County Legislature resolution at the project’s inception and lapse upon termination of the project. No formal annual budget is adopted for the Debt Service Fund and BTASC Fund. Appropriation limits, where applicable, for the Debt Service Fund are maintained based on debt schedules.

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

Actual results of operations presented in accordance with GAAP and the County’s accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements. The General Fund original budget for the year ended December 31, 2022 included encumbrances from the prior year of \$6,777,709.

Excess of Expenditures Over Appropriations—For the year ended December 31, 2022, the County had budgetary expenditures in excess of the final budget amount within health expenditures of \$17,661,216, transfers out of \$12,269,729, general government support of \$10,394,704, economic assistance and opportunity of \$9,246,697, education of \$8,820,731, home and community services of \$1,140,168, interest and other fiscal charges of \$178,228 and culture and recreation of \$17,628. During the year, the County will receive grants from federal and state agencies. These items are not included within the final budget amount. Accordingly, there are revenues received and corresponding expenditures incurred in excess of the final budgeted amounts. The excess in transfers out is related to the unanticipated transfer to Willow Point Nursing Home at December 31, 2022.

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SUPPLEMENTARY INFORMATION

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COUNTY OF BROOME, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2022

	<u>County Road</u>	<u>Road Machinery</u>	<u>Library</u>	<u>Arena</u>	<u>Employment and Training</u>	<u>En Joie Golf Course</u>	<u>Total Nonmajor Funds</u>
ASSETS							
Cash and cash equivalents	\$ 6,113	\$ 373,492	\$ 339,507	\$ 588,080	\$ 21,393	\$ 348,373	\$ 1,676,958
Restricted cash and cash equivalents	-	-	9,773	-	214,553	29,491	253,817
Receivables (net of allowances)	2,051	-	574,976	101,890	12,225	-	691,142
Due from other funds	2,274,836	-	-	158,729	-	-	2,433,565
Intergovernmental receivables	-	-	-	-	495,820	-	495,820
Inventories	377,793	578,076	-	-	-	16,405	972,274
Prepaid items	105,004	20,751	21,596	14,611	18,276	6,643	186,881
Total assets	<u>\$ 2,765,797</u>	<u>\$ 972,319</u>	<u>\$ 945,852</u>	<u>\$ 863,310</u>	<u>\$ 762,267</u>	<u>\$ 400,912</u>	<u>\$ 6,710,457</u>
LIABILITIES							
Accounts payable	\$ 63,910	\$ 49,556	\$ 13,788	\$ 17,961	\$ 32,941	\$ 1,296	\$ 179,452
Accrued liabilities	66,849	19,882	19,410	497,037	10,029	41,267	654,474
Intergovernmental payables	-	-	-	-	-	53,005	53,005
Due to other funds	2,151,711	90,335	111,878	38,653	-	-	2,392,577
Unearned revenues	-	-	-	-	710,373	29,491	739,864
Total liabilities	<u>2,282,470</u>	<u>159,773</u>	<u>145,076</u>	<u>553,651</u>	<u>753,343</u>	<u>125,059</u>	<u>4,019,372</u>
FUND BALANCES							
Nonspendable	482,797	598,827	21,596	14,611	18,276	23,048	1,159,155
Restricted	-	-	9,773	-	-	-	9,773
Assigned	530	213,719	769,407	295,048	-	252,805	1,531,509
Unassigned	-	-	-	-	(9,352)	-	(9,352)
Total fund balances	<u>483,327</u>	<u>812,546</u>	<u>800,776</u>	<u>309,659</u>	<u>8,924</u>	<u>275,853</u>	<u>2,691,085</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,765,797</u>	<u>\$ 972,319</u>	<u>\$ 945,852</u>	<u>\$ 863,310</u>	<u>\$ 762,267</u>	<u>\$ 400,912</u>	<u>\$ 6,710,457</u>

COUNTY OF BROOME, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Nonmajor Governmental Funds
Year Ended December 31, 2022

	<u>County Road</u>	<u>Road Machinery</u>	<u>Library</u>	<u>Arena</u>	<u>Employment and Training</u>	<u>En Joie Golf Course</u>	<u>Total Nonmajor Funds</u>
REVENUES							
Departmental income	\$ -	\$ -	\$ 961,245	\$ 569,714	\$ -	\$ 1,181,015	\$ 2,711,974
Intergovernmental charges	37,353	2,191	47,000	62,565	638,157	-	787,266
Use of money and property	739	2,380	2,405	720	1,177	1,624	9,045
Fines and forfeitures	32,338	-	10,370	-	-	-	42,708
Sale of property and compensation for loss	62,633	-	6,780	-	329,145	50,000	448,558
Miscellaneous	65,954	2,128	11,617	6,292	3,828	16,643	106,462
State aid	2,097,243	-	90,300	-	-	-	2,187,543
Federal aid	97,690	14,392	497	15,130	1,793,162	721	1,921,592
Total revenues	<u>2,393,950</u>	<u>21,091</u>	<u>1,130,214</u>	<u>654,421</u>	<u>2,765,469</u>	<u>1,250,003</u>	<u>8,215,148</u>
EXPENDITURES							
Current:							
Transportation	8,172,593	2,224,168	-	-	-	-	10,396,761
Economic assistance and opportunity	-	-	-	-	2,974,271	-	2,974,271
Culture and recreation	-	-	2,396,960	1,577,981	-	1,222,688	5,197,629
Debt service:							
Principal	1,912,095	318,311	6,331	140,428	-	9,197	2,386,362
Interest and other fiscal charges	813,206	147,105	1,412	44,553	-	5,543	1,011,819
Total expenditures	<u>10,897,894</u>	<u>2,689,584</u>	<u>2,404,703</u>	<u>1,762,962</u>	<u>2,974,271</u>	<u>1,237,428</u>	<u>21,966,842</u>
Deficiency of revenues over expenditures	<u>(8,503,944)</u>	<u>(2,668,493)</u>	<u>(1,274,489)</u>	<u>(1,108,541)</u>	<u>(208,802)</u>	<u>12,575</u>	<u>(13,751,694)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	8,876,053	2,787,419	1,512,909	1,424,967	209,980	31,028	14,842,356
Transfers out	<u>(1,564,414)</u>	<u>(319,924)</u>	<u>-</u>	<u>(123,880)</u>	<u>-</u>	<u>(17,905)</u>	<u>(2,026,123)</u>
Total other financing sources (uses)	<u>7,311,639</u>	<u>2,467,495</u>	<u>1,512,909</u>	<u>1,301,087</u>	<u>209,980</u>	<u>13,123</u>	<u>12,816,233</u>
Net change in fund balances	(1,192,305)	(200,998)	238,420	192,546	1,178	25,698	(935,461)
Fund balances—beginning	<u>1,675,632</u>	<u>1,013,544</u>	<u>562,356</u>	<u>117,113</u>	<u>7,746</u>	<u>250,155</u>	<u>3,626,546</u>
Fund balances—ending	<u>\$ 483,327</u>	<u>\$ 812,546</u>	<u>\$ 800,776</u>	<u>\$ 309,659</u>	<u>\$ 8,924</u>	<u>\$ 275,853</u>	<u>\$ 2,691,085</u>

COUNTY OF BROOME, NEW YORK
Combining Statement of Net Position—Internal Service Funds
December 31, 2022

	<u>Fleet Management</u>	<u>Central Foods</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Insurance Reserve</u>	<u>Unemployment Insurance</u>	<u>Total Internal Service Funds</u>
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 651,170	\$ 1,213,759	\$ 9,731,384	\$ 9,741,141	\$ 3,099,726	\$ 212,448	\$ 24,649,628
Restricted cash and cash equivalents	46,758	-	1,705,955	1,549,521	13,840	-	3,316,074
Receivables (net of allowances)	901	-	2,550,964	2,541,258	2,515	-	5,095,638
Due from other funds	-	-	5,745,745	-	-	-	5,745,745
Intergovernmental receivables	291	551	-	-	-	-	842
Due from component units	-	-	1,542,654	-	-	-	1,542,654
Inventories	39,976	-	-	-	-	-	39,976
Prepaid items	4,449	-	703,200	49,521	13,840	-	771,010
Total current assets	<u>743,545</u>	<u>1,214,310</u>	<u>21,979,902</u>	<u>13,881,441</u>	<u>3,129,921</u>	<u>212,448</u>	<u>41,161,567</u>
Noncurrent assets:							
Capital assets, net of accumulated depreciation	216,869	-	-	-	-	-	216,869
Total noncurrent assets	<u>216,869</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>216,869</u>
Total assets	<u>960,414</u>	<u>1,214,310</u>	<u>21,979,902</u>	<u>13,881,441</u>	<u>3,129,921</u>	<u>212,448</u>	<u>41,378,436</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows—relating to OPEB	11,112	-	-	-	90,568	-	101,680
Total deferred outflows of resources	<u>11,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,568</u>	<u>-</u>	<u>101,680</u>
LIABILITIES							
Current liabilities:							
Accounts payable	37,300	209,779	628	4,786	1,198	-	253,691
Accrued liabilities	47,466	224,014	-	-	7,674	-	279,154
Interest payable	8,881	1,552	-	-	-	-	10,433
Due to other funds	12,181	60,715	-	-	23,548	-	96,444
Other current liabilities	-	-	456,978	-	-	-	456,978
Unearned revenue	-	-	476,028	-	-	-	476,028
Early retirement incentive costs	-	-	-	-	1,459	-	1,459
Due to NYSERS - Chapter 57	459	3,345	-	-	1,114	-	4,918
Unreported health claims	-	-	1,095,753	-	-	-	1,095,753
Workers' compensation liability	35,000	10,500	-	1,394,500	-	-	1,440,000
Liability and casualty	-	-	-	-	530,000	-	530,000
Bond anticipation notes payable	589,128	-	-	-	-	-	589,128
General obligation bonds payable	20,877	39,471	-	-	-	-	60,348
Total current liabilities	<u>751,292</u>	<u>549,376</u>	<u>2,029,387</u>	<u>1,399,286</u>	<u>564,993</u>	<u>-</u>	<u>5,294,334</u>
Noncurrent liabilities:							
Early retirement incentive costs	-	-	-	-	5,595	-	5,595
Workers' compensation liability	43,936	153,146	-	6,822,040	-	-	7,019,122
Compensated absences	11,088	-	-	-	29,663	-	40,751
Liability and casualty	-	-	-	-	450,000	-	450,000
General obligation bonds payable	44,312	83,776	-	-	-	-	128,088
Total OPEB obligation	<u>268,793</u>	<u>845,479</u>	<u>-</u>	<u>-</u>	<u>380,281</u>	<u>-</u>	<u>1,494,553</u>
Total noncurrent liabilities	<u>368,129</u>	<u>1,082,401</u>	<u>-</u>	<u>6,822,040</u>	<u>865,539</u>	<u>-</u>	<u>9,138,109</u>
Total liabilities	<u>1,119,421</u>	<u>1,631,777</u>	<u>2,029,387</u>	<u>8,221,326</u>	<u>1,430,532</u>	<u>-</u>	<u>14,432,443</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred outflows—relating to OPEB	111,196	-	-	-	586,468	-	697,664
Total deferred inflows of resources	<u>111,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>586,468</u>	<u>-</u>	<u>697,664</u>
NET POSITION							
Net investment in capital assets	(264,207)	(123,247)	-	-	-	-	(387,454)
Restricted	46,758	-	1,229,927	1,549,521	13,840	-	2,840,046
Unrestricted	(41,642)	(294,220)	18,720,588	4,110,594	1,189,649	212,448	23,897,417
Total net position	<u>\$ (259,091)</u>	<u>\$ (417,467)</u>	<u>\$ 19,950,515</u>	<u>\$ 5,660,115</u>	<u>\$ 1,203,489</u>	<u>\$ 212,448</u>	<u>\$ 26,350,009</u>

COUNTY OF BROOME, NEW YORK
Combining Statement of Revenues, Expenses, and Changes in Net Position—
Internal Service Funds
Year Ended December 31, 2022

	Fleet Management	Central Foods	Health Insurance	Workers' Compensation	Insurance Reserve	Unemployment Insurance	Total Internal Service Funds
Operating revenues:							
External charges for services	\$ 133,550	\$ -	\$10,518,870	\$ 1,129,441	\$ 382,728	\$ -	\$ 12,164,589
Internal charges for services	847,325	4,655,039	32,003,088	2,628,853	2,563,630	116,074	42,814,009
Other operating revenue	46,115	-	8,230,318	-	124,426	-	8,400,859
Total operating revenues	<u>1,026,990</u>	<u>4,655,039</u>	<u>50,752,276</u>	<u>3,758,294</u>	<u>3,070,784</u>	<u>116,074</u>	<u>63,379,457</u>
Operating expenses:							
Personal services	128,047	-	-	-	411,815	-	539,862
Contractual expenses	864,484	4,410,233	1,061,443	273,754	261,579	-	6,871,493
Insurance claim and expenses	-	-	54,196,061	2,220,560	2,353,834	116,074	58,886,529
Employee benefits	172,656	191,032	-	1,358,288	265,403	-	1,987,379
Change in pension and OPEB liability	(134,298)	(365,457)	-	-	(113,244)	-	(612,999)
Depreciation	238,474	-	-	-	-	-	238,474
Total operating expenses	<u>1,269,363</u>	<u>4,235,808</u>	<u>55,257,504</u>	<u>3,852,602</u>	<u>3,179,387</u>	<u>116,074</u>	<u>67,910,738</u>
Operating income (loss)	(242,373)	419,231	(4,505,228)	(94,308)	(108,603)	-	(4,531,281)
Nonoperating revenues (expenses):							
State and federal aid	1,491	2,820	878,631	-	-	-	882,942
Interest earnings	2,330	4,004	62,148	43,915	13,768	844	127,009
Interest and other fiscal charges	(13,740)	(7,989)	-	-	-	-	(21,729)
Other nonoperating revenues	24,964	-	6,522,967	231,632	28,282	-	6,807,845
Total nonoperating revenues (expenses)	<u>15,045</u>	<u>(1,165)</u>	<u>7,463,746</u>	<u>275,547</u>	<u>42,050</u>	<u>844</u>	<u>7,796,067</u>
Excess (deficiency) of revenues over expenses	<u>(227,328)</u>	<u>418,066</u>	<u>2,958,518</u>	<u>181,239</u>	<u>(66,553)</u>	<u>844</u>	<u>3,264,786</u>
Transfers in	150,000	-	-	-	-	-	150,000
Change in net position	(77,328)	418,066	2,958,518	181,239	(66,553)	844	3,414,786
Net position—beginning	(181,763)	(835,533)	16,991,997	5,478,876	1,270,042	211,604	22,935,223
Net position—ending	<u>\$ (259,091)</u>	<u>\$ (417,467)</u>	<u>\$19,950,515</u>	<u>\$ 5,660,115</u>	<u>\$1,203,489</u>	<u>\$ 212,448</u>	<u>\$ 26,350,009</u>

COUNTY OF BROOME, NEW YORK
Combining Statement of Cash Flows—Internal Service Funds
December 31, 2022

	Fleet Management	Central Foods	Health Insurance	Workers' Compensation	Insurance Reserve	Unemployment Insurance	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from services provided	\$ 991,318	\$4,655,039	\$43,188,877	\$ 3,894,644	\$2,945,552	\$ 116,074	\$ 55,791,504
Receipts from other operating revenues	46,115	-	7,428,463	-	124,426	-	7,599,004
Payments for goods and services	(1,021,865)	(4,711,726)	(1,156,036)	(1,627,256)	(974,475)	-	(9,491,358)
Payments to claimants	-	-	(54,101,620)	(946,772)	(2,238,834)	(116,074)	(57,403,300)
Net cash provided by (used for) operating activities	<u>15,568</u>	<u>(56,687)</u>	<u>(4,640,316)</u>	<u>1,320,616</u>	<u>(143,331)</u>	<u>-</u>	<u>(3,504,150)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
State and federal aid	1,575	2,978	880,604	-	-	-	885,157
Transfers/advances (to) from other funds	156,380	31,605	(3,263,968)	-	10,659	-	(3,065,324)
Other noncapital and nonoperating receipts	24,964	-	6,522,967	231,632	28,282	-	6,807,845
Net cash provided by noncapital financing activities	<u>182,919</u>	<u>34,583</u>	<u>4,139,603</u>	<u>231,632</u>	<u>38,941</u>	<u>-</u>	<u>4,627,678</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition/construction of capital assets, net	(184,643)	-	-	-	-	-	(184,643)
Principal payments on bonds and BANs	(236,006)	(37,969)	-	-	-	-	(273,975)
Proceeds from BANs	510,000	-	-	-	-	-	510,000
Interest and other fiscal charges	(8,903)	(8,467)	-	-	-	-	(17,370)
Net cash provided by (used for) capital and related financing activities	<u>80,448</u>	<u>(46,436)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,012</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received	2,330	4,004	62,148	43,915	13,768	844	127,009
Net cash provided by investing activities	<u>2,330</u>	<u>4,004</u>	<u>62,148</u>	<u>43,915</u>	<u>13,768</u>	<u>844</u>	<u>127,009</u>
Net increase (decrease) in cash and cash equivalents	281,265	(64,536)	(438,565)	1,596,163	(90,622)	844	1,284,549
Cash and cash equivalents—beginning	416,663	1,278,295	11,875,904	9,694,499	3,204,188	211,604	26,681,153
Cash and cash equivalents—ending	<u>\$ 697,928</u>	<u>\$1,213,759</u>	<u>\$11,437,339</u>	<u>\$ 11,290,662</u>	<u>\$3,113,566</u>	<u>\$ 212,448</u>	<u>\$ 27,965,702</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	\$ (242,373)	\$ 419,231	\$ (4,505,228)	\$ (94,308)	\$ (108,603)	\$ -	\$ (4,531,281)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:							
Depreciation expense	238,474	-	-	-	-	-	238,474
(Increase) decrease in accounts receivable	10,443	-	(134,936)	136,350	(806)	-	11,051
(Increase) in inventories	(10,210)	-	-	-	-	-	(10,210)
(Increase) decrease in prepaid items	628	-	(69,900)	-	962	-	(68,310)
Decrease in deferred outflows related to OPEB	12,273	-	-	-	21,321	-	33,594
Increase (decrease) in accounts payable	34,119	(320,057)	(24,693)	4,786	(33,780)	-	(339,625)
Increase in accrued liabilities	44,961	224,014	-	-	248	-	269,223
(Decrease) in early retirement incentive costs	-	-	-	-	(1,389)	-	(1,389)
(Decrease) in due to NYSERS - Chapter 57	(951)	(6,931)	-	-	(2,307)	-	(10,189)
Increase in unreported health claims	-	-	94,441	-	-	-	94,441
Increase (decrease) in workers' compensation	74,175	(7,487)	-	1,273,788	-	-	1,340,476
Increase in liability and casualty	-	-	-	-	115,000	-	115,000
Increase in compensated absences	600	-	-	-	588	-	1,188
(Decrease) in OPEB obligation	(56,436)	(365,457)	-	-	(117,166)	-	(539,059)
(Decrease) in deferred inflows related to OPEB	(90,135)	-	-	-	(17,399)	-	(107,534)
Total adjustments	<u>257,941</u>	<u>(475,918)</u>	<u>(135,088)</u>	<u>1,414,924</u>	<u>(34,728)</u>	<u>-</u>	<u>1,027,131</u>
Net cash provided by (used for) operating activities	<u>\$ 15,568</u>	<u>\$ (56,687)</u>	<u>\$ (4,640,316)</u>	<u>\$ 1,320,616</u>	<u>\$ (143,331)</u>	<u>\$ -</u>	<u>\$ (3,504,150)</u>

FEDERAL AWARDS
INFORMATION

COUNTY OF BROOME, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/Program Cluster Title (1a)	Federal Assistance Listing Number (1b)	Pass-Through Entity Identifying Number (1c)	Passed Through to Sub- recipients	Total Federal Expenditures (1d)
U.S. Department of Agriculture:				
Passed through New York State Department of Health:				
Special Supplemental Nutrition Program for Woman, Infants and Children	10.557	C35452	\$ -	\$ 3,491,808
Passed through New York State Office of Temporary and Disability Assistance:				
<i>SNAP Cluster:</i>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	-	2,075,112
<i>Total SNAP Cluster</i>			-	2,075,112
Total U.S. Department of Agriculture			-	5,566,920
U.S. Department of Housing and Urban Development:				
Passed through Town of Union:				
<i>CDBG-Disaster Recovery Grants-Pub. L. No. 113-2 Cluster:</i>				
Community Development Block Grants/Entitlement Grants	14.218	B22MC360117	-	20,000
<i>CDBG-Disaster Recovery Grants-Pub. L. No. 113-2 Cluster:</i>				
			-	20,000
Passed through NYS Office of Community Renewal:				
Community Development Block Grants	14.228	135CVSB21-21	348,368	348,368
Direct program:				
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	NYLHB0698-18	-	840,763
Total U.S. Department of Housing and Urban Development			348,368	1,209,131
U.S. Department of Justice:				
Direct program:				
State Criminal Alien Assistance Program	16.606	N/A	-	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	T637524	-	22,363
Total U.S. Department of Justice			-	22,363
U.S. Department of Labor:				
Passed through New York State Department of Labor:				
Trade Adjustment Assistance	17.245	N/A	-	14,752
<i>WIA Cluster:</i>				
WIA Adult Program	17.258	N/A	45,499	750,769
WIA Youth Activities	17.259	C18402GG	271,397	545,907
WIA National Emergency Dislocated Worker	17.277	N/A	-	168
WIA Dislocated Worker Formula Grants	17.278	N/A	37,262	400,329
<i>Total WIA Cluster</i>			354,158	1,697,173
Total U.S. Department of Labor			354,158	1,711,925

(continued)

COUNTY OF BROOME, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/Program Cluster Title (1a)	Federal Assistance Listing Number (1b)	Pass-Through Entity Identifying Number (1c)	Passed Through to Sub- recipients	Total Federal Expenditures (1d)
U.S. Department of Transportation:				
Direct program:				
Airport Improvement Program	20.106	9910.83-84-86	-	1,346,112
Passed through New York State Department of Transportation:				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	CO33455	-	103,378
Direct program:				
<i>Federal Transit Cluster:</i>				
Federal Transit Formula Grants	20.507	K007391	-	6,579,890
Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	K007391	-	281,785
<i>Total Federal Transit Cluster</i>			<u>-</u>	<u>6,861,675</u>
Passed through New York State Department of Transportation:				
<i>Highway Planning and Construction Cluster:</i>				
Highway Planning and Construction	20.205	CO33455	-	712,340
<i>Total Highway Planning and Construction Cluster</i>			<u>-</u>	<u>712,340</u>
Formula Grants for Rural Areas	20.509	RTAP	-	5,703
<i>Highway Safety Cluster:</i>				
Passed through New York State Governor's Traffic Safety Committee:				
State and Community Highway Safety	20.600	C523650	-	160,024
Passed through New York State Stop DWI Foundation:				
National Priority Safety Programs	20.616	HS-1-2022-00115-088	27,633	52,394
<i>Total Highway Safety Cluster</i>			<u>27,633</u>	<u>212,418</u>
Total U.S. Department of Transportation			<u>27,633</u>	<u>9,241,626</u>
U.S. Department of Treasury:				
Direct program:				
Coronavirus Relief Fund	21.019	N/A	59,759	728,042
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	6,884,500	7,480,228
Total U.S. Department of Treasury			<u>6,944,259</u>	<u>8,208,270</u>
U.S. Department of Veterans Affairs:				
Passed through Syracuse (NY) VA Medical Center:				
Veterans Home Based Primary Care	64.022	N/A	39,217	43,057
Total U.S. Department of Veterans Affairs			<u>39,217</u>	<u>43,057</u>
U.S. Department of Education:				
Passed through New York State Department of Health:				
<i>Special Education Cluster:</i>				
Special Education—Preschool Grants	84.173	N/A	-	1,088,172
<i>Total Special Education Cluster</i>			<u>-</u>	<u>1,088,172</u>
Special Education—Grants for Infants and Families	84.181	C3619GG	-	175,463
Total U.S. Department of Education			<u>-</u>	<u>1,263,635</u>

(continued)

COUNTY OF BROOME, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/Program Cluster Title (1a)	Federal Assistance Listing Number (1b)	Pass-Through Entity Identifying Number (1c)	Passed Through to Sub- recipients	Total Federal Expenditures (1d)
U.S. Department of Health and Human Services:				
Passed through New York State Office for the Aging:				
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	N/A	-	4,837
National Family Caregiver Support Title III, Part E	93.052	N/A	40,110	147,048
<i>Aging Cluster:</i>				
Special Programs for Aging, Title III, Part D—Grants for Disease Prevention and Health Promotion Services	93.043	N/A	-	26,818
Special Programs for Aging, Title III, Part B—Grants for Supportive Services and Senior Centers	93.044	N/A	90,931	275,622
Special Programs for Aging, Title III, Part C—Nutrition Services	93.045	N/A	44,575	483,706
Nutrition Services Incentive Program	93.053	N/A	-	138,493
<i>Total Aging Cluster</i>			135,506	897,821
Direct program:				
Medicare Enrollment Assistance Program	93.071	N/A	23,723	23,723
Promoting Safe and Stable Families	93.556	N/A	-	104,274
Passed through New York State Office for the Aging:				
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	N/A	33,952	33,952
Passed through Health Research Incorporated:				
Public Health Emergency Preparedness	93.069	HRI1583-14	-	116,161
Injury Prevention and Control Research and State Community Based	93.136	HRI-5714-05	-	62,404
Passed through New York State Department of Health:				
Medical Reserve Corps Small Grant Program	93.008	MRC15-0017	-	19,391
Immunization Cooperative Agreements	93.268	DOH01-C32503GG	-	189,393
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	HRI-6417-01	-	212,685
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	HRI-6857-01	-	527,304
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	HRI-6961-01	-	565,896
Children's Health Insurance Program	93.767	N/A	-	80,912
HIV Care Formula Grants	93.917	C028423	-	5,839
Maternal and Child Health Services Block Grant to the States	93.994	C30879GG	-	75,749
Passed through National Association of County and City Health Officials:				
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	2022-122710	-	6,737
Passed through New York State Office and Temporary and Disability Assistance:				
<i>TANF Cluster:</i>				
Temporary Assistance for Needy Families	93.558	N/A	-	16,344,163
<i>Total TANF Cluster</i>			-	16,344,163
Child Support Enforcement	93.563	N/A	-	737,167
Low Income Home Energy Assistance	93.568	N/A	-	11,919,432
<i>Medicaid Cluster:</i>				
Medical Assistance Program	93.778	N/A	-	9,641,153
<i>Total Medicaid Cluster</i>			-	9,641,153
Passed through New York State Office of Children and Family Services:				
Guardianship Assistance	93.090	N/A	-	96,482
Refugee and Entrant Assistance State Administered Programs	93.566	N/A	-	6,514
<i>Child Care and Development Fund Cluster:</i>				
Child Care and Development Block Grant	93.575	N/A	-	4,932,982
<i>Total Child Care and Development Fund Cluster</i>			-	4,932,982

(continued)

COUNTY OF BROOME, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/Program Cluster Title (1a)	Federal Assistance Listing Number (1b)	Pass-Through Entity Identifying Number (1c)	Passed Through to Sub- recipients	Total Federal Expenditures (1d)
				(concluded)
Foster Care—Title IV-E	93.658	N/A	-	6,904,251
Adoption Assistance Program	93.659	N/A	-	2,991,309
Social Services Block Grant	93.667	N/A	-	2,222,084
Child Abuse and Neglect State Grants	93.669	N/A	-	64,736
Chafee Foster Care Independence Program	93.674	N/A	-	94,003
Elder Abuse Prevention Programs	93.747	N/A	-	21,280
Passed through OCIS:				
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	-	93,357
Passed through Express Scripts:				
PPHF Cooperative Agreement to Support Navigators in Federally-facilitated and State Partnership Exchanges	93.750	N/A	-	878,631
Passed through New York State Office of Alcoholism and Abuse Services:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	2,728,903	2,728,903
Total U.S. Department of Health and Human Services			<u>2,962,194</u>	<u>62,777,391</u>
U.S. Corporation for National and Community Service:				
Direct program:				
<i>Foster Grandparent/Senior Companion Cluster:</i>				
Foster Grandparent Program	94.011	N/A	-	223,727
<i>Total Foster Grandparent/Senior Companion Cluster</i>			-	223,727
Total U.S. Corporation for National and Community Service			-	223,727
U.S. Social Security Administration:				
Passed through Maximus Tickets to Work program:				
Social Security-Work Incentives Planning and Assistance	96.008	N/A	-	29,018
Total U.S. Social Security Administration			-	29,018
U.S. Department of Homeland Security:				
Passed through New York State Emergency Management Office:				
Emergency Management Performance Grants	97.042	T969204	-	62,754
Passed through New York State Division of Homeland and Emergency Services:				
Homeland Security Grant Program	97.067	C969280	-	950
Homeland Security Grant Program	97.067	C969290	-	11,654
Homeland Security Grant Program	97.067	C835289	-	15,945
Homeland Security Grant Program	97.067	C969200	-	78,997
Homeland Security Grant Program	97.067	C835298	-	90,848
Homeland Security Grant Program	97.067	C969200	-	142,734
Homeland Security Grant Program	97.067	C969299	-	7,678
Total U.S. Department of Homeland Security			-	411,560
Total Expenditures of Federal Awards (1e)			<u>\$10,675,829</u>	<u>\$ 90,708,623</u>

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

COUNTY OF BROOME, NEW YORK
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2022

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of the County of Broome, New York (the “County”) under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a select portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County. The following notes were identified on the schedule of expenditures of federal awards:

- a) Includes all federal award programs of the County of Broome, New York. The federal expenditures of the LDC, the LBC, the College and the IDA have not been included.
- b) Source: Assistance Listing Numbers, previously known as Catalog of Federal Domestic Assistance.
- c) Pass-through entity identifying numbers are presented where available.
- d) Prepared under accounting principles generally accepted in the United States of America and includes all federal award programs.
- e) A reconciliation to the financial statements is available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. AMOUNTS PROVIDED TO SUBRECIPIENTS

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

4. MATCHING COSTS

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

5. NON-MONETARY FEDERAL PROGRAMS

The County is the recipient of federal award programs that do not result in cash receipts or disbursements, termed “non-monetary programs.” During the year ended December 31, 2022, the County distributed the following:

<u>Program Title</u>	<u>ALN Number</u>	<u>Amount</u>
Low-Income Home Energy Assistance	93.568	\$ 11,919,432

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

Honorable County Executive and County Legislature
County of Broome, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Broome, New York (the "County") as of and for the year ended December 31, 2022 (with SUNY Broome (the "College") for the fiscal year ended August 31, 2022), and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 17, 2023 (which report includes an emphasis of matter paragraph regarding the restatement of net position). Our report includes a reference to other auditors who audited the financial statements of the Broome County Local Development Corporation ("LDC"), the Broome County Land Bank Corporation ("LBC"), the College, the Broome County Soil and Water Conservation District (the "District") and the Broome 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 those auditors.

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") to determine audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



July 17, 2023

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Broome, 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, 2022. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Broome County Local Development Corporation ("LDC"), the Broome County Land Bank Corporation ("LBC"), SUNY Broome (the "College"), and the Broome County Industrial Development Agency ("IDA"), which reported expending \$0, \$0, \$31,993,971 and \$0, in federal awards, respectively, during the year ended December 31, 2022 (with the College for the year ended August 31, 2022), which are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2022. Our audit, described below, did not include the operations of the LDC, the LBC, the College and the IDA.

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, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

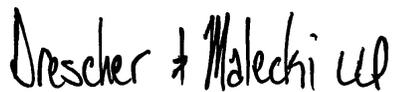
Report on Internal Control Over Compliance

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

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

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

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

Handwritten signature in black ink that reads "Drescher & Malecki LLP". The signature is written in a cursive, slightly slanted style.

July 17, 2023

COUNTY OF BROOME, NEW YORK
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2022

Section I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued: Unmodified*

* (which report includes an emphasis of matter paragraph regarding the restatement of net position and includes a reference to other auditors)

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes _____ No

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

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

Federal Awards:

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes _____ No

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

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

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

Identification of major federal programs:

<u>ALN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.507/20.526	Federal Transit Cluster
21.106	Airport Improvement Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.659	Adoption Assistance Program
93.667	Social Services Block Grant
93.959	Block Grants for the Prevention and Treatment of Substance Abuse

Dollar threshold used to distinguish between Type A and Type B programs? \$ 2,721,259

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

Section II. FINANCIAL STATEMENT FINDINGS

No findings noted.

Section III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings noted.

COUNTY OF BROOME, NEW YORK
Summary Schedule of Prior Audit Findings and Corrective Action Plan
Year Ended December 31, 2022
(Follow Up on December 31, 2021 Findings)

No findings were reported.

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