

**COUNTY OF ST. LAWRENCE,
NEW YORK**

*Basic Financial Statements, Required Supplementary
Information, Supplementary Information and Federal
Awards Information for the Year Ended
December 31, 2023 and Independent Auditors' Reports*

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INDEPENDENT AUDITORS' REPORT

Honorable County Board of Legislators and County Administrator
County of St. Lawrence, 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 aggregate nonmajor discretely presented component units, each major fund, and the aggregate remaining fund information of the County of St. Lawrence, New York (the "County"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of 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 aggregate nonmajor discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the St. Lawrence Industrial Development Agency—Civic Development Corporation (the "CDC") and the Canton Human Service Initiatives, Inc. (the "CHSI"), which represent 5.8% and 38.0% of the assets, respectively, and 0.0% and 9.4% of the revenues, respectively, of the business-type activities. We did not audit the financial statements of the St. Lawrence County Industrial Development Agency (the "Agency"), the St. Lawrence County Industrial Development Agency—Local Development Corporation (the "LDC") or the St. Lawrence County Property Development Corporation (the "PDC"), which represent 37.8%, 53.4% and 4.6%, of the assets, respectively, and 49.0%, 16.9% and 0.1%, of the revenues, respectively, of the aggregate nonmajor 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 CDC, CHSI, Agency, LDC and PDC, 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* ("GAS"), 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.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, 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 Supplementary 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 *Government Auditing Standards*, we have also issued our report dated August 12, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Brecher & Malucki CPA

August 12, 2024

COUNTY OF ST. LAWRENCE, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2023

As management of the County of St. Lawrence (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, 2023. 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.

Financial Highlights

- The liabilities and deferred inflows of resources of the primary government exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$77,882,687. This consists of \$192,400,776 net investment in capital assets, \$14,933,906 restricted for specific purposes, offset by an unrestricted net position of \$(285,217,369).
- The County's primary government total net position increased by \$8,607,738 during the year ended December 31, 2023. Governmental activities increased the County's net position by \$10,567,032, while the net position of the County's business-type activities decreased \$1,959,294.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$82,320,520, an increase of \$20,017,031 in comparison with the prior year's fund balance of \$62,303,489.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$44,369,860, or 20.4 percent of total General Fund expenditures and transfers out. This amount constitutes approximately 58.7 percent of the General Fund's total fund balance of \$75,632,585 at December 31, 2023.
- The County's primary government total bonded indebtedness decreased by \$2,140,000 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 of 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 statement 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 principally 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, public health, transportation, economic assistance and opportunity, culture and recreation and home and community services. The business-type activities of the County include solid waste management and two blended component units, the St. Lawrence County Industrial Development Agency—Civic Development Corporation (“CDC”) and Canton Human Service Initiatives, Inc. (“CHSI”).

The government-wide financial statements include not only the County and its blended component units (known as the *primary government*), but also the St. Lawrence County Industrial Development Agency, the St. Lawrence County Industrial Development Agency—Local Development Corporation, the St. Lawrence County Soil and Water Conservation District and the St. Lawrence County Property Development Corporation 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 five 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 County Road Fund, and the Capital Projects Fund, which are considered to be major funds. Data from the other two governmental funds are

combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Supplementary Information section of this report.

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 an enterprise fund to account for Solid Waste Fund, CDC and CHSI operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County’s various functions. The County uses an internal service fund to account for the operation of the self-insurance workers’ compensation program. 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 the Solid Waste Fund, CDC and CHSI. In addition, the Internal Service Fund is presented in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 20-23 of this report.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of the funds are not available to support the County’s own programs. The County maintains two fiduciary funds, the Custodial Fund and the Private Purpose Trust Fund.

The Custodial Fund reports resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The Private Purpose Trust Fund is used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The County uses this fund to account for New York Power Authority Grants.

The fiduciary fund financial statements can be found on pages 24-25 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 26-63 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 liability/(asset), the changes in the County’s total other postemployment benefits (“OPEB”) obligation and the budgetary comparison schedules for the General Fund and County Road Fund. Required Supplementary Information and related notes to the Required Supplementary Information can be found on pages 64-69 of this report.

The combining statements of discretely presented component units and the combining statements referred to earlier in connection with the nonmajor governmental funds are presented immediately following the Required Supplementary Information in the Supplementary Information section of this report on pages 70-73.

Finally, the Federal Awards Information presents the County’s Schedule of Expenditures of Federal Awards. This section can be found on pages 74-87 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 \$77,882,687 at the close of the most recent fiscal year, as compared to liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$86,490,425 at the close of the fiscal year ended December 31, 2022.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2023	2022	2023	2022	2023	2022
Current assets	\$ 155,770,995	\$ 141,166,655	\$ 3,280,613	\$ 4,102,923	\$ 159,051,608	\$ 145,269,578
Noncurrent assets	220,118,646	229,055,653	6,375,573	6,469,071	226,494,219	235,524,724
Total assets	375,889,641	370,222,308	9,656,186	10,571,994	385,545,827	380,794,302
Deferred outflows of resources	89,628,993	120,798,151	2,163,314	2,840,976	91,792,307	123,639,127
Current liabilities	99,714,938	55,832,426	378,542	446,095	100,093,480	56,278,521
Noncurrent liabilities	345,919,909	443,911,486	12,671,059	12,663,802	358,590,968	456,575,288
Total liabilities	445,634,847	499,743,912	13,049,601	13,109,897	458,684,448	512,853,809
Deferred inflows of resources	94,528,044	76,487,836	2,008,329	1,582,209	96,536,373	78,070,045
Net position:						
Net investment						
in capital assets	188,957,450	179,474,281	3,443,326	3,060,724	192,400,776	182,535,005
Restricted	14,466,958	12,568,280	466,948	466,948	14,933,906	13,035,228
Unrestricted	(278,068,665)	(277,253,850)	(7,148,704)	(4,806,808)	(285,217,369)	(282,060,658)
Total net position	\$ (74,644,257)	\$ (85,211,289)	\$ (3,238,430)	\$ (1,279,136)	\$ (77,882,687)	\$ (86,490,425)

The largest positive portion of the County’s net position, \$192,400,776, reflects its investment in capital assets (e.g. land, buildings, machinery, equipment, infrastructure and right-to-use leased assets), net of accumulated depreciation/amortization, and less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County’s net position, \$14,933,906, 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 net position, \$(285,217,369) is considered to be unrestricted.

Table 2, as presented below, shows the changes in net position for the years ended December 31, 2023 and December 31, 2022.

Table 2—Condensed Statements 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,	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues	\$ 107,098,711	\$ 95,754,399	\$ 5,557,010	\$ 5,362,122	\$ 112,655,721	\$ 101,116,521
General revenues	148,645,781	140,677,258	202,882	137,125	148,848,663	140,814,383
Total revenues	255,744,492	236,431,657	5,759,892	5,499,247	261,504,384	241,930,904
Program expenses	245,177,460	230,148,716	7,719,186	6,095,848	252,896,646	236,244,564
Change in net position	10,567,032	6,282,941	(1,959,294)	(596,601)	8,607,738	5,686,340
Net position—beginning	(85,211,289)	(91,494,230)	(1,279,136)	(682,535)	(86,490,425)	(92,176,765)
Net position—ending	\$ (74,644,257)	\$ (85,211,289)	\$ (3,238,430)	\$ (1,279,136)	\$ (77,882,687)	\$ (86,490,425)

Governmental activities—Governmental activities increased the County’s net position by \$10,567,032 for the year ended December 31, 2023. A summary of revenues for governmental activities for the years ended December 31, 2023 and 2022 is presented below.

Table 3—Summary of Sources of Revenues—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2023	2022	Dollars	Percent (%)
Charges for services	\$ 29,788,582	\$ 29,352,821	\$ 435,761	1.5
Operating grants and contributions	68,005,030	57,895,265	10,109,765	17.5
Capital grants and contributions	9,305,099	8,506,313	798,786	9.4
Property taxes and other tax items	53,582,592	52,143,735	1,438,857	2.8
Non-property taxes	81,871,629	80,911,433	960,196	1.2
Other general revenues	13,191,560	7,622,090	5,569,470	73.1
Total revenues	\$ 255,744,492	\$ 236,431,657	\$ 19,312,835	8.2

The most significant source of revenues for governmental activities for the year ended December 31, 2023 is non-property taxes, which accounts for \$81,871,629, or 32.0 percent of total revenues. The other significant sources of revenue include operating grants and contributions, which comprise \$68,005,030, or 26.6 percent of total revenues, property taxes and other tax items, which comprise \$53,582,592, or 21.0 of total revenues, and charges for services, which comprise \$29,891,733, or 11.7 percent of total revenues. Similarly, for the year ended December 31, 2022, the most significant source of revenues for governmental activities is non-property taxes, which accounts for \$80,911,433, or 34.2 percent of total revenues. The other significant sources of revenue include operating grants and contributions, which comprise \$57,895,265, or 24.5 percent of total revenues, property taxes and other tax items, which comprise \$52,143,735, or 22.1 of total revenues, and charges for services, which comprise \$29,352,821, or 12.4 percent of total revenues.

Total revenues for governmental activities for the year ended December 31, 2023 were \$19,312,835 greater than the prior year, largely as a result of increased operating grants and contributions and interest earnings.

A summary of program expenses of governmental activities for the years ended December 31, 2023 and 2022 is presented below in table 4.

Table 4—Summary of Program Expenses—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2023	2022	Dollars	Percent (%)
General government support	\$ 63,625,839	\$ 64,562,961	\$ (937,122)	(1.5)
Education	1,091,215	1,135,512	(44,297)	(3.9)
Public safety	23,479,574	21,990,989	1,488,585	6.8
Health	25,618,757	21,930,749	3,688,008	16.8
Transportation	30,035,458	30,597,560	(562,102)	(1.8)
Economic assistance and opportunity	95,557,773	85,355,592	10,202,181	12.0
Culture and recreation	549,785	673,118	(123,333)	(18.3)
Home and community services	4,360,499	2,928,647	1,431,852	48.9
Interest and fiscal charges	858,560	973,588	(115,028)	(11.8)
Total program expenses	<u>\$ 245,177,460</u>	<u>\$ 230,148,716</u>	<u>\$ 15,028,744</u>	6.5

For the year ended December 31, 2023, the County's most significant expense items for governmental activities were economic assistance and opportunity of \$95,557,773, or 39.0 percent of total governmental activities expenses, general government support of \$63,625,839, or 26.0 percent of total governmental activities expenses, transportation of \$30,035,458, or 12.3 percent of total governmental activities expenses, and public health of \$26,120,605, or 10.5 percent of total governmental activities expenses. For the year ended December 31, 2022, the most significant expense items economic assistance and opportunity of \$85,355,592, or 37.1 percent of total governmental activities expenses, general government support of \$64,562,961, or 28.1 percent of total governmental activities expenses, transportation of \$30,597,560, or 13.3 percent of total governmental activities expenses, and public safety of \$21,990,989, or 9.6 percent of total governmental activities expenses.

During the year ended December 31, 2023, total expenses for governmental activities increased by \$15,028,744, primarily due to the increase in employee benefits following the change in net pension.

Business-type Activities—Business-type activities decreased the County's net position by \$1,959,294. A summary of revenues and operating expenses for the County's business-type activities for the years ended December 31, 2023 and 2022 is presented below.

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

	Year Ended December 31,		Increase/(Decrease)	
	2023	2022	Dollars	Percent (%)
Revenues:				
Operating revenues	\$ 5,659,524	\$ 5,462,466	\$ 197,058	3.6
Nonoperating revenues	100,368	36,781	63,587	172.9
Total revenues	<u>\$ 5,759,892</u>	<u>\$ 5,499,247</u>	<u>\$ 260,645</u>	4.7
Operating expenses:				
General government support	\$ 1,128,288	\$ 1,247,647	\$ (119,359)	(9.6)
Home and community services	6,018,897	4,233,141	1,785,756	42.2
Depreciation	572,001	615,060	(43,059)	(7.0)
Total operating expenses	<u>\$ 7,719,186</u>	<u>\$ 6,095,848</u>	<u>\$ 1,623,338</u>	26.6

Total revenues for business-type activities increased 4.7 percent primarily due to increases in solid waste fees as well as increased interest earnings. Total expenses increased by 26.2 percent from the prior year due to the increase in the solid waste landfill post closure estimated liability.

Financial Analysis of the Government's Funds

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

Governmental funds—The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as 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 Board of Legislators.

At December 31, 2023, the County's governmental funds reported combined ending fund balances of \$82,320,520, an increase of \$20,017,031 in comparison with the prior year. \$44,369,860, or 53.9 percent of this amount, constitutes *unassigned fund balance* which may be available for spending per the County's fund balance policy. The remainder of fund balance is either *nonspendable*, *restricted*, *committed* or *assigned* to indicate that it is: (1) not in spendable form, \$3,500,349, (2) restricted for particular purposes, \$18,282,371, (3) committed for particular purposes, \$10,480,860 or (4) assigned for particular purposes, \$5,687,080.

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 \$44,369,860, while total fund balance increased \$15,863,239 to \$75,632,585. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to the total General Fund expenditures and transfers out. Unassigned fund balance represents approximately 20.4 percent of General Fund expenditures and transfers out, while total fund balance represents 34.8 percent of that same amount. The increase of General Fund fund balance of \$15,863,239 from the prior year is primarily due to savings within all functional expenditures, as well as an unanticipated positive variance in sales tax collection of \$6,344,069 when compared to the original budget.

The County Road Fund fund balance increased by \$1,099,657 from the prior year, primarily due to fewer transfers out than originally expected within the budget.

The Capital Projects Fund fund balance increased by \$2,644,159 from the prior year, due to transfers in exceeding capital outlay. The Capital Projects Fund reports a fund balance of \$3,815,413, which is entirely restricted for capital projects.

Proprietary funds—Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The net position of the enterprise funds at the end of the current fiscal year totaled \$(3,238,430).

The Internal Service Fund is used to account for the County's self-insurance workers' compensation program. The total net position at the end of the fiscal year was \$(3,913,408). This represents an improvement of \$1,316,150 from last year's net position of \$(5,229,558).

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, 2023 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	\$ 203,929,830	\$ 228,876,253	\$ 233,039,334	\$ 4,163,081
Expenditures and other financing uses	205,291,997	232,896,030	217,176,095	15,719,935
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (1,362,167)	\$ (4,019,777)	\$ 15,863,239	\$ 19,883,016

Original budget compared to final budget—During the year, the budget was modified primarily to reflect the increase in general government support, public safety, health, and transportation expenditures, along with increases in debt service and transfers out, following the unanticipated receipt of increased sales tax and federal aid related to the American Rescue Plan Act, causing increases to appropriations and revenue from the original adopted budget to the final budget. Additionally, the County issued new leases, thereby reporting increases in the final budget within the functional expenditures and other financing sources.

Final budget compared to actual results—The General Fund had a positive variance from final budgetary appropriations of \$15,719,935. The primary positive variances were realized within general government support, economic assistance and opportunity, health and transportation, as certain amounts were set aside for potential use, but were never incurred by the County.

Capital/Right-to-Use Assets and Debt Administration

Capital assets—The County’s investment in capital and right-to-use assets for its governmental and business-type activities as of December 31, 2023 amounted to \$214,192,937 (net of accumulated depreciation/amortization). This investment in capital and right-to-use assets includes land, construction in progress, infrastructure, land improvements, buildings and building improvements, machinery and equipment, and right-to-use assets. All depreciable/amortizable capital and right-to-use assets were depreciated/amortized from acquisition date to the end of the current year as outlined in the County’s capital asset policy.

Capital and right-to-use assets net of accumulated depreciation/amortization for the governmental activities and business-type activities at the years ended December 31, 2023 and December 31, 2022 are presented in Table 7 below:

Table 7—Summary of Capital Assets (Net of Accumulated Depreciation/Amortization)

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2023	2022	2023	2022	2023	2022
Land	\$ 2,343,080	\$ 2,343,080	\$ 318,800	\$ 318,800	\$ 2,661,880	\$ 2,661,880
Construction in progress	2,118,619	10,123,933	-	-	2,118,619	10,123,933
Infrastructure	163,278,769	155,942,840	-	-	163,278,769	155,942,840
Land improvements	-	-	272,061	373,866	272,061	373,866
Buildings and building improvements	31,580,628	22,769,010	2,758,665	2,924,715	34,339,293	25,693,725
Machinery and equipment	12,883,494	12,806,257	3,020,631	2,530,808	15,904,125	15,337,065
Right-to-use assets	1,988,347	2,924,855	-	-	1,988,347	2,924,855
Total	<u>\$ 214,192,937</u>	<u>\$ 206,909,975</u>	<u>\$ 6,370,157</u>	<u>\$ 6,148,189</u>	<u>\$ 220,563,094</u>	<u>\$ 213,058,164</u>

The County’s infrastructure assets are recorded at historical cost in the government-wide and proprietary fund financial statements. The County has elected to depreciate its infrastructure assets. Additional information on County’s capital assets can be found in Note 4 of this report.

Long-term liabilities—The County currently has \$27,825,227 in total net bonded debt for functions considered governmental and business-type activities. This includes serial bonds and related premiums, and bonds issued by CHSI.

The County’s governmental and business-type activities also have recorded debt for lease liabilities, compensated absences, workers’ compensation claims, OPEB obligation, landfill obligation and net pension liabilities.

A summary of the County’s long-term liabilities at December 31, 2023 and December 31, 2022 is presented in Table 8 below:

Table 8—Summary of Long-Term Liabilities

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2023	2022	2023	2022	2023	2022
Serial bonds	\$ 23,180,000	\$ 24,995,000	\$ 3,505,000	\$ 3,830,000	\$ 26,685,000	\$ 28,825,000
Premium on serial bonds	1,140,227	1,152,340	-	-	1,140,227	1,152,340
Lease liability	2,007,636	2,459,608	-	-	2,007,636	2,459,608
Subscription liability	40,772	53,578	-	-	40,772	53,578
Compensated absences	7,752,870	8,250,326	272,876	285,792	8,025,746	8,536,118
Workers' compensation	17,241,456	20,190,880	-	-	17,241,456	20,190,880
OPEB obligation	307,453,668	386,863,332	6,835,684	8,500,389	314,289,352	395,363,721
Landfill obligation	36,960,749	-	1,425,000	47,621	38,385,749	47,621
Net pension liability	-	-	821,770	-	821,770	-
Total	\$ 395,777,378	\$ 443,965,064	\$ 12,860,330	\$ 12,663,802	\$ 408,637,708	\$ 456,628,866

For additional information on the County’s long-term liabilities, refer to Note 10 of this report.

Economic Factors and Next Year’s Budgets

According to the New York State Department of Labor, the unemployment rate, not seasonally adjusted, for St. Lawrence County at December 31, 2023 was 5.2 percent. This compares to the New York State and national unemployment rate of 4.6 and 3.7 percent, respectively. These factors are considered in preparing the County’s budget.

The County’s 2024 General Fund budget of \$247,763,587 represents an increase of 5.9 percent in appropriations from the 2023 budget of \$233,824,942, while the 2024 tax levy of \$54,051,752 represents an increase of 4.5% over the 2023 tax levy.

Request for Information

This financial report is designed to provide the County’s 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 any questions about this report or need additional financial information, contact the St. Lawrence County Treasurer’s Office, 48 Court Street, Canton, New York 13617.

BASIC FINANCIAL STATEMENTS

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COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Net Position
December 31, 2023

	Primary Government			Aggregate Nonmajor Discretely Presented Component Units
	Governmental Activities	Business- type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 6,770,597	\$ 1,893,457	\$ 8,664,054	\$ 7,390,539
Restricted cash and cash equivalents	34,341,658	-	34,341,658	8,759,281
Investments	42,491,208	492,285	42,983,493	4,226,001
Restricted investments	10,758,020	-	10,758,020	-
Receivables, net of allowances:				
Taxes	16,678,034	-	16,678,034	-
Accounts	3,103,262	517,131	3,620,393	108,417
Leases	304,928	-	304,928	-
Other	-	522,578	522,578	880,956
Intergovernmental receivables	38,554,001	-	38,554,001	20,416
Internal balances	171,818	(171,818)	-	-
Prepaid items	2,597,469	26,980	2,624,449	8,656
Noncurrent intergovernmental receivables	5,925,709	-	5,925,709	-
Noncurrent mortgages, loans, notes and leases receivable	-	5,416	5,416	3,809,715
Capital/intangible assets, not being depreciated/amortized	4,461,699	318,800	4,780,499	1,242,265
Capital/intangible assets, net of accumulated depreciation/amortization	209,731,238	6,051,357	215,782,595	3,074,374
Total assets	375,889,641	9,656,186	385,545,827	29,520,620
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding bonds	890,884	190,370	1,081,254	-
Deferred outflows—relating to pensions	22,759,545	506,026	23,265,571	425,029
Deferred outflows—relating to OPEB	61,691,072	1,371,591	63,062,663	641,953
Total deferred outflows of resources	85,341,501	2,067,987	87,409,488	1,066,982
LIABILITIES				
Accounts payable	12,037,915	121,150	12,159,065	607,167
Accrued liabilities	2,462,613	68,121	2,530,734	36,119
Intergovernmental payables	18,507,206	-	18,507,206	-
Unearned revenue	16,849,735	-	16,849,735	1,681,726
Noncurrent liabilities:				
Due within one year	4,709,077	423,266	5,132,342	527,250
Due in more than one year	391,068,301	12,437,064	403,505,366	3,474,148
Total liabilities	445,634,847	13,049,601	458,684,448	6,326,410
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows—leases	309,750	-	309,750	-
Deferred inflows—grants	3,888,216	-	3,888,216	-
Deferred inflows—relating to pensions	3,364,867	74,813	3,439,680	51,303
Deferred inflows—relating to OPEB	86,965,211	1,933,516	88,898,727	873,233
Total deferred inflows of resources	94,528,044	2,008,329	96,536,373	924,536
NET POSITION				
Net investment in capital assets	188,957,450	3,443,326	192,400,776	2,335,814
Restricted for:				
Capital projects	10,549,550	-	10,549,550	-
Insurance	450,363	-	450,363	-
Employee benefits	2,124,369	-	2,124,369	-
Other	1,342,676	466,948	1,809,624	-
Debt reduction	-	-	-	15,167,731
Unrestricted	(282,356,157)	(7,244,031)	(289,600,188)	5,833,111
Total net position	\$ (78,931,749)	\$ (3,333,757)	\$ (82,265,506)	\$ 23,336,656

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

COUNTY OF ST. LAWRENCE, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2023

	General Fund	Special Revenue County Road Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 4,048,838	\$ 2,070,066	\$ -	\$ 651,693	\$ 6,770,597
Restricted cash and cash equivalents	31,164,484	-	1,234,248	131,263	32,529,995
Investments	42,491,208	-	-	-	42,491,208
Restricted investments	3,835,170	-	-	-	3,835,170
Receivables (net of allowances):					
Taxes	16,678,034	-	-	-	16,678,034
Accounts receivable	3,085,770	5,870	-	11,622	3,103,262
Leases	304,928	-	-	-	304,928
Due from other funds	182,480	24,327	2,631,715	295,082	3,133,604
Intergovernmental receivables	36,400,776	308,600	-	73,992	36,783,368
Prepaid items	2,544,425	20,377	-	32,117	2,596,919
Total assets	<u>\$ 140,736,113</u>	<u>\$ 2,429,240</u>	<u>\$ 3,865,963</u>	<u>\$ 1,195,769</u>	<u>\$ 148,227,085</u>
LIABILITIES					
Accounts payable	\$ 11,743,118	\$ 17,516	\$ 50,550	\$ 132,467	\$ 11,943,651
Accrued liabilities	2,208,249	75,976	-	14,226	2,298,451
Intergovernmental payables	18,507,206	-	-	-	18,507,206
Due to other funds	2,631,375	282,451	-	24,596	2,938,422
Unearned revenues	16,644,480	-	-	205,255	16,849,735
Total liabilities	<u>51,734,428</u>	<u>375,943</u>	<u>50,550</u>	<u>376,544</u>	<u>52,537,465</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources—property taxes	9,171,134	-	-	-	9,171,134
Deferred inflows of resources—leases	309,750	-	-	-	309,750
Deferred inflows of resources—grants	3,888,216	-	-	-	3,888,216
Total deferred inflows of resources	<u>13,369,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,369,100</u>
FUND BALANCES					
Nonspendable	3,447,855	20,377	-	32,117	3,500,349
Restricted	14,466,958	-	3,815,413	-	18,282,371
Committed	10,480,860	-	-	-	10,480,860
Assigned	2,867,052	2,032,920	-	787,108	5,687,080
Unassigned	44,369,860	-	-	-	44,369,860
Total fund balances	<u>75,632,585</u>	<u>2,053,297</u>	<u>3,815,413</u>	<u>819,225</u>	<u>82,320,520</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 140,736,113</u>	<u>\$ 2,429,240</u>	<u>\$ 3,865,963</u>	<u>\$ 1,195,769</u>	<u>\$ 148,227,085</u>

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

COUNTY OF ST. LAWRENCE, NEW YORK
Reconciliation of the Balance Sheet—Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2023

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

Total fund balances—governmental funds (page 16)		\$ 82,320,520
Capital and right-to-use lease and SBITA assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of the assets is \$346,358,621 and the accumulated depreciation/amortization is \$132,165,684.		214,192,937
Other intergovernmental receivables are not available to pay for current period expenditures and, therefore, are not reported in the fund statements.		1,770,633
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.		9,171,134
For refunding bonds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred charge and recognized as a component of interest expense over either the lesser of the life of the debt issuance or the bonds refunded for the government-wide statements.		890,884
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	\$ 4,287,492	
Deferred outflows related to experience, assumptions, and investment earnings	22,759,545	
Deferred inflows related to pension plans	<u>(3,364,867)</u>	23,682,170
Deferred outflows and inflows of resources related to OPEB are applicable to future periods and, therefore, are not reported in the fund statements.		
Deferred outflows relating to OPEB	61,465,781	
Deferred inflows relating to experience and changes in assumptions.	<u>(86,647,620)</u>	(25,181,839)
Internal service funds are used by management to charge the cost of insurance, judgments, claims and related administrative expenses to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		(3,913,408)
Net accrued interest expense for bonds, leases, SBITAs and bond anticipation notes is not reported in the fund statements.		(164,162)
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	(23,180,000)	
Premium on serial bonds	(1,140,227)	
Lease liability	(2,007,636)	
Subscription liability	(40,772)	
Compensated absences	(7,752,870)	
OPEB obligation	(306,330,872)	
Net pension liability	<u>(36,960,749)</u>	<u>(377,413,126)</u>
Net position of governmental activities		<u>\$ (74,644,257)</u>

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

COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds
Year Ended December 31, 2023

	General Fund	Special Revenue County Road Fund	Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Real property taxes	\$ 50,614,489	\$ -	\$ -	\$ -	\$ 50,614,489
Real property tax items	2,417,830	-	-	-	2,417,830
Non-property tax items	81,871,629	-	-	-	81,871,629
Departmental income	16,022,156	-	-	-	16,022,156
Intergovernmental charges	2,070,992	2,382,673	-	1,485,006	5,938,671
Use of money and property	3,797,661	75,813	-	111,435	3,984,909
Licenses and permits	56,250	-	-	-	56,250
Fines and forfeitures	412,027	-	-	-	412,027
Sale of property and compensation for loss	1,944,941	882,320	-	-	2,827,261
Miscellaneous	5,741,182	-	-	32,883	5,774,065
Interfund revenues	374,915	-	-	2,988,984	3,363,899
State aid	30,774,093	8,485,380	-	-	39,259,473
Federal aid	36,437,086	13,767	47,272	1,552,531	38,050,656
Total revenues	<u>232,535,251</u>	<u>11,839,953</u>	<u>47,272</u>	<u>6,170,839</u>	<u>250,593,315</u>
EXPENDITURES					
Current:					
General government support	52,746,076	-	-	-	52,746,076
Education	931,941	-	-	-	931,941
Public safety	20,910,370	686,379	-	-	21,596,749
Health	21,879,441	-	-	-	21,879,441
Transportation	3,366,579	23,616,889	-	4,167,496	31,150,964
Economic assistance and opportunity	81,100,356	-	-	1,552,531	82,652,887
Culture and recreation	469,538	-	-	-	469,538
Home and community services	3,724,040	-	-	-	3,724,040
Employee benefits	10,935,839	-	-	-	10,935,839
Debt service:					
Principal	2,273,861	102,000	-	408,000	2,783,861
Interest and fiscal charges	687,550	43,073	-	96,998	827,621
Capital outlay	-	-	1,434,988	-	1,434,988
Total expenditures	<u>199,025,591</u>	<u>24,448,341</u>	<u>1,434,988</u>	<u>6,225,025</u>	<u>231,133,945</u>
Excess (deficiency) of revenues over expenditures	<u>33,509,660</u>	<u>(12,608,388)</u>	<u>(1,387,716)</u>	<u>(54,186)</u>	<u>19,459,370</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	13,944,920	4,031,875	464,162	18,440,957
Transfers out	(18,204,082)	(236,875)	-	-	(18,440,957)
Leases issued	504,083	-	-	-	504,083
Subscription liability issued	53,578	-	-	-	53,578
Total other financing sources (uses)	<u>(17,646,421)</u>	<u>13,708,045</u>	<u>4,031,875</u>	<u>464,162</u>	<u>557,661</u>
Net change in fund balances	15,863,239	1,099,657	2,644,159	409,976	20,017,031
Fund balances—beginning	59,769,346	953,640	1,171,254	409,249	62,303,489
Fund balances—ending	<u>\$ 75,632,585</u>	<u>\$ 2,053,297</u>	<u>\$ 3,815,413</u>	<u>\$ 819,225</u>	<u>\$ 82,320,520</u>

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

COUNTY OF ST. LAWRENCE, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances—Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2023

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

Net change in fund balances—total governmental funds (page 18)		\$ 20,017,031
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense.</p>		
Capital asset additions	\$ 15,410,097	
Depreciation expense	<u>(8,127,135)</u>	7,282,962
<p>Certain tax and other revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements.</p>		
Change in other receivables	(103,151)	
Change in deferred inflows of resources—property taxes	<u>550,273</u>	447,122
<p>For refunding bonds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred charge on the government-wide statements and recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.</p>		
		(78,033)
<p>Net differences between pension contributions recognized on the fund financial statements and the government-wide financial statements are as follows:</p>		
Direct pension contributions	5,515,405	
Cost of benefits earned net of employee contributions	<u>(12,230,336)</u>	(6,714,931)
<p>Deferred outflows and inflows of resources relating to OPEB result from actuarial changes in the census, changes in medical premiums that are different than expected healthcare cost trend rates, and changes in assumptions and other inputs. These amounts are shown net of current year amortization.</p>		
Employer contributions and changes in assumptions	9,991,817	
Differences between expected and actual experience	<u>54,480,212</u>	64,472,029
<p>Internal service funds are used by management to charge the costs of insurance, judgments, claims and related administrative expenses to individual funds. The net gain of certain activities is reported within governmental activities.</p>		
		1,316,150
<p>In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid.</p>		
		47,094
<p>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 amounts 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:</p>		
Repayment of serial bonds	1,815,000	
Amortization of premium on serial bonds	12,113	
Leases issued	(504,083)	
SBITA issued	(53,578)	
Repayment of lease liability	956,055	
Repayment of subscription liability	12,806	
Change in compensated absences	497,456	
Change in OPEB obligation	<u>(78,958,161)</u>	<u>(76,222,392)</u>
Change in net position of governmental activities		<u>\$ 10,567,032</u>

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

COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Net Position—Proprietary Funds
December 31, 2023

	Business-type Activities— Enterprise Funds			Governmental Activities	
	Solid Waste Fund	Industrial Development Agency—Civic Development Corporation	Canton Human Service Initiatives	Total Business- type Activities	Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,043,256	\$ 40,839	\$ 809,362	\$ 1,893,457	\$ -
Restricted cash and cash equivalents	-	-	-	-	1,811,663
Investments	492,285	-	-	492,285	-
Restricted investments	-	-	-	-	6,922,850
Receivables (net of allowances)	517,131	-	-	517,131	-
Accrued interest receivable	-	307	-	307	-
Notes receivable	-	522,271	-	522,271	-
Prepaid items	26,980	-	-	26,980	550
Total current assets	<u>2,079,652</u>	<u>563,417</u>	<u>809,362</u>	<u>3,452,431</u>	<u>8,735,063</u>
Noncurrent assets:					
Intergovernmental receivables	-	-	-	-	5,925,709
Notes receivable	-	5,416	-	5,416	-
Capital assets, not being depreciated	156,050	-	162,750	318,800	-
Capital assets, net of accumulated depreciation	3,287,276	-	2,764,081	6,051,357	-
Total noncurrent assets	<u>3,443,326</u>	<u>5,416</u>	<u>2,926,831</u>	<u>6,375,573</u>	<u>5,925,709</u>
Total assets	<u>5,522,978</u>	<u>568,833</u>	<u>3,736,193</u>	<u>9,828,004</u>	<u>14,660,772</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding bonds	-	-	190,370	190,370	-
Deferred outflows—relating to pensions	601,353	-	-	601,353	-
Deferred outflows—relating to OPEB	1,371,591	-	-	1,371,591	225,291
Total deferred outflows of resources	<u>1,972,944</u>	<u>-</u>	<u>190,370</u>	<u>2,163,314</u>	<u>225,291</u>
LIABILITIES					
Current liabilities:					
Accounts payable	121,025	125	-	121,150	94,264
Accrued liabilities	21,388	-	46,733	68,121	-
Due to other funds	171,818	-	-	171,818	23,364
Total current liabilities	<u>314,231</u>	<u>125</u>	<u>46,733</u>	<u>361,089</u>	<u>117,628</u>
Noncurrent liabilities:					
Due within one year:					
Bonds payable	-	-	335,000	335,000	-
Compensated absences	13,644	-	-	13,644	-
Landfill obligation	74,622	-	-	74,622	-
Workers' compensation claims	-	-	-	-	1,724,146
Due in more than one year:					
Bonds payable	-	-	3,170,000	3,170,000	-
Compensated absences	259,232	-	-	259,232	-
OPEB obligation	6,835,684	-	-	6,835,684	1,122,796
Landfill obligation	1,350,378	-	-	1,350,378	-
Net pension liability	821,770	-	-	821,770	-
Workers' compensation claims	-	-	-	-	15,517,310
Total noncurrent liabilities	<u>9,355,330</u>	<u>-</u>	<u>3,505,000</u>	<u>12,860,330</u>	<u>18,364,252</u>
Total liabilities	<u>9,669,561</u>	<u>125</u>	<u>3,551,733</u>	<u>13,221,419</u>	<u>18,481,880</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows—relating to pensions	74,813	-	-	74,813	-
Deferred inflows—relating to OPEB	1,933,516	-	-	1,933,516	317,591
Total deferred inflows of resources	<u>2,008,329</u>	<u>-</u>	<u>-</u>	<u>2,008,329</u>	<u>317,591</u>
NET POSITION					
Net investment in capital assets	3,443,326	-	-	3,443,326	-
Restricted	-	-	466,948	466,948	-
Unrestricted	(7,625,294)	568,708	(92,118)	(7,148,704)	(3,913,408)
Total net position	<u>\$ (4,181,968)</u>	<u>\$ 568,708</u>	<u>\$ 374,830</u>	<u>\$ (3,238,430)</u>	<u>\$ (3,913,408)</u>

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

COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Revenues, Expenses, and Changes in Net Position—
Proprietary Funds
Year Ended December 31, 2023

	Business-type Activities— Enterprise Funds			Governmental Activities	
	Solid Waste Fund	Industrial Development Agency—Civic Development Corporation	Canton Human Service Initiatives	Total Business- type Activities	Internal Service Fund
	Operating revenues:				
Charges for services	\$ 5,052,210	\$ -	\$ 504,800	\$ 5,557,010	\$ -
Intergovernmental revenues	-	-	-	-	4,098,730
Sale of property and compensation for loss	54,690	-	-	54,690	-
Miscellaneous	47,824	-	-	47,824	-
Total operating revenues	<u>5,154,724</u>	<u>-</u>	<u>504,800</u>	<u>5,659,524</u>	<u>4,098,730</u>
Operating expenses:					
General government support	910,876	24,948	192,464	1,128,288	3,375,792
Home and community services	6,018,897	-	-	6,018,897	-
Depreciation	411,367	-	160,634	572,001	-
Total operating expenses	<u>7,341,140</u>	<u>24,948</u>	<u>353,098</u>	<u>7,719,186</u>	<u>3,375,792</u>
Operating income (loss)	<u>(2,186,416)</u>	<u>(24,948)</u>	<u>151,702</u>	<u>(2,059,662)</u>	<u>722,938</u>
Nonoperating revenues:					
Interest earnings	61,053	1,073	38,242	100,368	359,788
Change in workers' compensation claims	-	-	-	-	233,424
Total nonoperating revenues	<u>61,053</u>	<u>1,073</u>	<u>38,242</u>	<u>100,368</u>	<u>593,212</u>
Change in net position	(2,125,363)	(23,875)	189,944	(1,959,294)	1,316,150
Total net position—beginning	<u>(2,056,605)</u>	<u>592,583</u>	<u>184,886</u>	<u>(1,279,136)</u>	<u>(5,229,558)</u>
Total net position—ending	<u>\$ (4,181,968)</u>	<u>\$ 568,708</u>	<u>\$ 374,830</u>	<u>\$ (3,238,430)</u>	<u>\$ (3,913,408)</u>

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

COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Cash Flows—
Proprietary Funds
Year Ended December 31, 2023

	Business-type Activities—			Governmental Activities	
	Enterprise Funds				
	Solid Waste Fund	Industrial Development Agency—Civic Development Corporation	Canton Human Service Initiatives		Total Business- type Activities
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from services provided	\$ 5,114,995	\$ -	\$ 504,800	\$ 5,619,795	\$ 6,161,504
Receipts from other operating revenue	47,824	1,249	38,242	87,315	-
Payments to employees	(2,358,065)	-	(15,232)	(2,373,297)	(302,587)
Payments to suppliers	(2,901,052)	(29,268)	-	(2,930,320)	(453,024)
Cash paid for insurance	-	-	(164,014)	(164,014)	-
Cash paid for workers' compensation claims	-	-	-	-	(5,396,281)
Net cash provided by (used for) operating activities	<u>(96,298)</u>	<u>(28,019)</u>	<u>363,796</u>	<u>239,479</u>	<u>9,612</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Change in loans to/from other funds	17,841	-	-	17,841	1,666
Net cash provided by noncapital financing activities	<u>17,841</u>	<u>-</u>	<u>-</u>	<u>17,841</u>	<u>1,666</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(793,969)	-	-	(793,969)	-
Repayment of bonds	-	-	(325,000)	(325,000)	-
Net cash (used for) capital and related financing activities	<u>(793,969)</u>	<u>-</u>	<u>(325,000)</u>	<u>(1,118,969)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Issuance of notes	-	(25,000)	-	(25,000)	-
Payments received on notes	-	16,721	-	16,721	-
Other investing activities	974,990	-	-	-	940,710
Interest income	61,053	-	-	61,053	359,788
Net cash provided by (used for) investing activities	<u>1,036,043</u>	<u>(8,279)</u>	<u>-</u>	<u>1,027,764</u>	<u>1,300,498</u>
Change in cash, cash equivalents and investments	163,617	(36,298)	38,796	166,115	1,311,776
Cash, cash equivalents and investments—beginning	879,639	77,137	770,566	1,727,342	499,887
Cash, cash equivalents and investments—ending	<u>\$ 1,043,256</u>	<u>\$ 40,839</u>	<u>\$ 809,362</u>	<u>\$ 1,893,457</u>	<u>\$ 1,811,663</u>

(continued)

COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Cash Flows—
Proprietary Funds
Year Ended December 31, 2023

	Business-type Activities— Enterprise Funds			(concluded)	Governmental Activities
	Industrial Development Agency—Civic Solid Waste Fund	Canton Human Service Initiatives	Total Business- type Activities		Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:					
Operating income (loss)	\$(2,186,416)	\$ (24,948)	\$ 151,702	\$(2,059,662)	\$ 722,938
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation expense	411,367	-	160,634	572,001	-
Decrease in receivables	8,095	-	-	8,095	-
Decrease in intergovernmental receivables	-	-	-	-	2,062,774
Decrease in net pension assets	311,068	-	-	311,068	-
Decrease in deferred outflows related to pensions	47,883	-	-	47,883	-
Decrease in deferred outflows related to OPEB	612,127	-	-	612,127	142,100
Decrease in deferred charge on refunding bonds	-	-	17,652	17,652	-
(Decrease) increase in accounts payable	(248,658)	(3,071)	-	(251,729)	20,181
Increase in accrued liabilities	588	-	33,808	34,396	-
(Decrease) in compensated absences	(12,916)	-	-	(12,916)	-
(Decrease) in OPEB obligation	(1,664,705)	-	-	(1,664,705)	(451,503)
Increase in landfill obligation	1,377,379	-	-	1,377,379	-
Increase in net pension liability	821,770	-	-	821,770	-
(Decrease) in workers' compensation claims	-	-	-	-	(2,716,000)
(Decrease) in deferred inflows related to pensions	(1,029,709)	-	-	(1,029,709)	-
Increase in deferred inflows related to OPEB obligation	1,455,829	-	-	1,455,829	229,122
Total adjustments	2,090,118	(3,071)	212,094	2,299,141	(713,326)
Net cash provided by (used for) operating activities	\$ (96,298)	\$ (28,019)	\$ 363,796	\$ 239,479	\$ 9,612

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

COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Fiduciary Net Position—Fiduciary Funds
December 31, 2023

	Custodial Fund	Private Purpose Trust Fund
	<u> </u>	<u> </u>
ASSETS		
Restricted cash and cash equivalents	\$ 749,826	\$ 102,140
Total assets	<u>749,826</u>	<u>102,140</u>
LIABILITIES		
Amounts held in custody for others	<u>476,858</u>	<u>-</u>
Total liabilities	<u>476,858</u>	<u>-</u>
NET POSITION		
Restricted for other organizations	<u>\$ 272,968</u>	<u>\$ 102,140</u>

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

COUNTY OF ST. LAWRENCE, NEW YORK
Statement of Changes in Fiduciary Net Position—Fiduciary Funds
Year Ended December 31, 2023

	<u>Custodial Fund</u>	<u>Private Purpose Trust Fund</u>
ADDITIONS		
New York Power Authority deposits	\$ -	\$ 2,398,040
Funds collected on behalf of others	105,728	-
Interest earned	-	1,564
Total additions	<u>105,728</u>	<u>2,399,604</u>
DEDUCTIONS		
Funds distributed on behalf of others	<u>211,456</u>	<u>2,400,303</u>
Total deductions	<u>211,456</u>	<u>2,400,303</u>
Change in fiduciary net position	(105,728)	(699)
Net position—beginning	<u>378,696</u>	<u>102,839</u>
Net position—ending	<u>\$ 272,968</u>	<u>\$ 102,140</u>

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

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COUNTY OF ST. LAWRENCE, NEW YORK
Notes to the Financial Statements
Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the County of St. Lawrence, New York (the “County”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) 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, which was established in 1802, is governed by County local law, other general laws of the State of New York and various local laws and ordinances. The County Board of Legislators (the “Board”), which is a legislative body responsible for overall operating of the County, consists of fifteen Legislators. The County Administrator serves as chief administrative officer and the County Treasurer serves as chief fiscal officer of the County.

The County provides mandated social service programs such as Medicaid and Temporary Assistance for Needy Families. The County also provides the following basic services: general government support, highway construction and maintenance, economic assistance and opportunity, cultural and recreational programs, public safety and law enforcement and public health.

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. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Discretely Presented Component Units—The component unit column in the government-wide financial statements includes the financial data of the County’s aggregate nonmajor discretely presented component units. The combining statements of discretely presented component units present the four component units in separate columns. These statements are presented separately from the financial data of the primary government to emphasize that they are legally separate from the County.

St. Lawrence County Industrial Development Agency (the “Agency”)—The Agency is a public benefit corporation created by State legislation to promote the economic welfare, opportunities, and property of the County’s residents. Members of the Agency are appointed by the County Board of Legislators. Agency revenues are generated by bonds secured by the assets acquired for the related project. The County is not liable for any Agency indebtedness. Separate financial statements for the Agency may be obtained by contacting the Agency directly, which is located at 19 Commerce Lane, Suite 1, Canton, New York, 13617.

St. Lawrence County Industrial Development Agency – Local Development Corporation (the “LDC”)—The LDC is a public benefit corporation established by the St. Lawrence County Industrial Development Agency to collect loan repayments from Community Development Block Grant Projects, and establish a County-wide revolving loan fund. The separately issued financial statements of the LDC include the Greater Massena Economic Development Fund (“GMEDF”) and the St. Lawrence River Valley Redevelopment Agency (“SLRVRA”).

Members of the LDC are appointed by the County Board of Legislators. LDC revenues are generated from the collection of interest on loans made from Community Development Block Projects. The County is not liable for any LDC indebtedness.

The GMEDF was established in 1987 with a \$1,000,000 grant from the New York Power Authority to be used to provide loans to certain business enterprises for the establishment, maintenance or expansion of plants, facilities or operations in the Town of Massena and the County of St. Lawrence. Initially, the New York Job Development Authority assumed administrative responsibility for the GMEDF. It was subsequently transferred to the LDC.

The SLRVRA is a joint action agency formed on June 2, 2010 to make use of certain New York Power Authority assets for the purposes of economic development in the St. Lawrence Valley and surrounding communities. The New York Power Authority made certain assets available consisting of \$16 million and 20 megawatts of electrical power generation from hydro-electric facilities situated on the St. Lawrence River. There is an agreement between the SLRVRA and the LDC for the administration of these assets.

Separate financial statements for the LDC may be obtained by contacting the LDC directly, which is located in the same office as the Agency, at 19 Commerce Lane, Suite 1, Canton, New York, 13617.

St. Lawrence County Soil and Water Conservation District (the “District”)—The District was established by the County Board of Legislators on January 21, 1957. The District is responsible for the conservation of soil and water resources and control and prevention of soil erosion and prevention of floodwater and sediment damages. The County Board of Legislators appoints seven members to the District and appropriates funds for the operation of the Soil and Water Conservation District.

St. Lawrence County Property Development Corporation (the “PDC”)—The PDC is a Not-For-Profit Local Development Corporation formed pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York as defined in subparagraph (a)(5) of Section 102 of the Law. The PDC was formed on July 12, 2018. Directors of the LDC, which are appointed by the County Board of Legislators, also serve as Directors of the PDC.

The purposes for which the PDC was formed is to operate exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to relieve and reduce unemployment, promote and provide for additional and maximum employment, improve and maintain job opportunities, lessen the burdens of government and act in the public interest.

Separate financial statements for the PDC may be obtained by contacting the PDC directly, which is located in the same office as the LDC, at 19 Commerce Lane, Suite 1, Canton, New York, 13617.

Blended Component Units—The following 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 are combined with data from the primary government:

St. Lawrence County Industrial Development Agency – Civic Development Corporation (the “CDC”)—The CDC was established pursuant to Section 402 of the not-for-profit corporation law of the State of New York as a local development corporation under Section 1411 of the law, for the purpose of, among other things, relieving and reducing unemployment, promoting and providing for additional and maximum employment and bettering and maintaining job opportunities. The establishments of the CDC was authorized by the County and the CDC has the powers to issue bonds, notes, and other obligations for the benefit of not-for-profit entities considered essential to the continued development, construction, improvement, and operation of projects for these entities.

The County is the one sole member of the CDC and a Board of Directors are appointed by the County. Further, the bylaws of the CDC can be amended by the County, thus establishing its governance and control of the CDC.

Separately issued financial statements for the CDC may be obtained from CDC’s Chief Executive Officer at 19 Commerce Lane, Suite 1, Canton, New York, 13617.

Canton Human Service Initiatives (the “CHSI”)—The CHSI is a not-for-profit corporation that was established in 2001 to finance, build and rent a health service facility to the County. Although legally separate and independent of the County, CHSI is considered an affiliated organization under GASB for determining whether certain organizations are component units and is reported as a blended component unit of the County.

Separately issued financial statements for the CHSI may be obtained from St. Lawrence County Administrator’s Office at 48 Court Street, Canton, New York, 13617.

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 the internal service fund, while business-type activities incorporate data from the government’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and its fiduciary fund, even though the latter is excluded from the government-wide financial statements.

As discussed earlier, the government has four discretely presented component units, which are presented in aggregate. All four component units, the Agency, the LDC, the District and the PDC are aggregated in a single column 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- *General Fund*—The General Fund constitutes the primary operating fund of the County and is used to account for all operations not required to be accounted for in other funds. The principal sources of revenue for the General Fund are property taxes and sales tax.
- *County Road Fund*—The County Road Fund is a special revenue fund that is used to account for expenditures for highway purposes authorized by Section 114 of New York State Highway Law. The principal source of revenue for the County Road Fund is state aid.
- *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.

Nonmajor Special Revenue Funds—These 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:

- *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 New York State Highway Law.
- *Special Grant Fund*—The Special Grant Fund is used to account for funds received under the Workforce Investment Act.

The County reports four proprietary funds as follows:

- *Solid Waste Fund*—This enterprise fund is used to account for the handling of solid waste, including four transfer stations, where the governing officials have determined that the costs of operations are to be financed through charges for services to users.
- *Industrial Development Agency—Civic Development Corporation—CDC*, an enterprise fund and a blended component unit of the government, is a not-for-profit corporation that was established in 2010 to relieve and reduce unemployment, promote and provide for additional and maximum employment and to better and maintain job opportunities.
- *Canton Human Service Initiatives—CHSI*, an enterprise fund and a blended component unit of the government, is a not-for-profit corporation that was established in 2001 to finance, build and rent a health service facility to the County.
- *Internal Service Fund*—The Internal Service Fund is used to account for the activity of the County's self-insured workers' compensation plans. This fund accounts for the accumulation of resources for payments of compensation, assessments, and other obligations under the Workers' Compensation Law, Article 5.

Additionally, the County reports the following fund types:

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. Custodial funds account for resources received and disbursements made in accordance with trust agreements or applicable legislative enactments for each particular fund. The County's fiduciary funds are found on the following page.

- *Custodial Fund*—Activities reported in the fiduciary funds included monies from outside entities, held by the County for the benefit of others.

- *Private Purpose Trust Fund*—The Private Purpose Trust Fund represents a trust arrangement under which New York Power Authority grants are maintained.

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/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 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 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 leases/SBITAs 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 (within 90 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements are met and the amount is received during the period of availability (within 90 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, Cash Equivalents and Investments—The County’s 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. County monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Investments maturing in more than one year are stated at fair value based on quoted market prices, while investments maturing in less than one year are stated at amortized cost in accordance with GASB.

Restricted Cash, Cash Equivalents and Investments—Restricted cash, cash equivalents, and investments represent amounts to support fund balance restrictions, unspent proceeds of debt, funds restricted for capital projects, cash received in advance relating to unearned revenue and deferred inflows of resources, cash held for self-insurance activities and amounts held on behalf of others.

Receivables—Receivables are stated net of allowances for estimated 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. All major revenues of the County are considered “susceptible to accrual” under the modified accrual basis. These include property tax, sales tax, State and Federal aid, and various grant program revenues.

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.

Capital and Right-to-Use Lease/SBITA Assets—Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads and bridges), right-to-use lease/SBITA assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, as well as within the individual proprietary fund. Capital assets are defined by the County as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value. Major outlay for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add value to the asset or materially extend the asset’s life are not capitalized. Right-to-use lease and subscription-based information technology arrangement (“SBITA”) 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. The other capital assets of the primary government are depreciated using the straight-line method over the estimated useful lives as shown on the following page.

<u>Class of Asset</u>	<u>Years</u>
Infrastructure	
Roads, network	60
Bridges (includes culverts)	70
Traffic control systems	40
Land improvements	20
Buildings	40
Building improvements	20
Machinery and equipment:	
Office equipment	10
Furniture	10
Computer and computer equipment	3
Vehicles	5-7
Heavy equipment	10
Other	5
Right-to-use leased assets	5-25
Right-to-use subscription assets	2-5

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 highway vehicle included as part of *expenditures—transportation*). The amount reported as *capital outlays* in the Capital Projects Fund will also include non-capitalized, project-related costs (for example, furnishings).

Unearned Revenue—Certain amounts received have not been spent or otherwise used to meet the revenue recognition criteria for government-wide or fund financial statement purposes. At December 31, 2023, the County reported unearned revenues of \$16,644,480 and \$205,255 within the General Fund and Nonmajor Funds, respectively. Included within unearned revenues at December 31, 2023, the County reported \$14,578,941 within the General Fund for unspent American Rescue Plan Act (“ARPA”) federal funds.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position and 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, 2023, the County has three items that qualify for reporting in this category. The first item is a deferred charge on refunding bonds which the County reports within its governmental activities and business-type activities. A deferred charge on refunding bonds 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. The second item is related to pensions reported in the governmental activities and business-type activities. This represents the effect of the net change in the County’s proportion of the collective net pension liability, 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 system made subsequent to the measurement date. The last item is related to OPEB reported in the governmental activities and business-type activities and represents the effects of the change in the County’s proportion of the collective OPEB liability and the 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 and the balance sheet 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, 2023, the County has five items that qualify for reporting in this category. Under the modified accrual basis of accounting, the governmental funds report unavailable revenues from three sources: property taxes, certain grants and aid and lease payments that will not be realized within the period of availability. Additionally, the County's government-wide financial statement also reports unavailable revenues related to certain grants and lease payments which represent resources that have been received before timing requirements have been met. The fourth item represents the effect of the net change in the County's proportion of the collective net pension liability 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 statements. The last item is related to OPEB reported in the government-wide financial statements and represents the effects of the change in the County's proportion of the collective OPEB liability and the 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. These amounts are deferred and recognized in the period that the amounts become available.

Net Position Flow Assumptions—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's Board of Legislators 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's Board of Legislators has authorized the County Administrator to recommend amounts assigned for specific purposes. The Board of Legislators 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 is a lessor for a noncancellable leases of buildings. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. More information regarding leases receivable is included in Note 3.

The County recognizes lease liabilities if they are considered significant individually or in the aggregate to the financial statements. 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 liabilities is included in Note 9.

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.

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.

Real Property Taxes—The County levies its real property taxes on January 1, prior to the year of collection and attached as an enforceable lien on January 1. On March 1, interest is accrued on all unpaid taxes in accordance with real property tax law. Property tax is only recognized as revenue in the year for which the levy is made, and to the extent that such taxes are received within the reporting period or 60 days thereafter in the governmental fund financial statements.

Compensated Absences—The County employees are entitled, with certain limitations, to accrue sick leave, personal leave and vacation time. Estimated sick leave, personal leave and vacation time is accumulated by governmental fund type employees 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. More information regarding compensated absences is included in Note 10.

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, 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 6.

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 7.

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 and liabilities and disclosures of contingent assets, liabilities and deferred outflows and inflows of resources at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2023, the County implemented GASB Statements No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; No. 96, *Subscription-Based Information Technology Arrangements*; and a portion of No. 99, *Omnibus 2022*. GASB Statement No. 94 improves financial reporting by addressing issues related to public-private and public-public partnerships arrangements (“PPPs”). GASB Statement No. 96 improves financial reporting by establishing a definition for Subscription-Based Information Technology Arrangements (“SBITAs”) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. A portion of GASB Statement No. 99 enhances comparability in the application of accounting and financial reporting requirements and improves the consistency of authoritative literature related to GASB Statements No. 94 and 96. The implementation of GASB Statements No. 94, 96, and a portion of 99 did not have a material impact on the County’s financial position or results from operations.

Future Impacts of Accounting Pronouncements—The County has not completed the process of evaluating the impact that will result from adopting the remainder of GASB Statement 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; No. 102, *Certain Risk Disclosures*, effective for the year ending December 31, 2025; and No. 103, *Financial Reporting Model Improvements*. The County is, therefore, unable to disclose the impact that adopting GASB Statements No. 99, 100, 101, 102, and 103 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

Legal Compliance—Budgets—The County follows these procedures in establishing the budgetary data reflected in the basic financial statements are described below.

- Prior to October 15th of the year, the County Administrator/Budget Officer, submits to the Board of Legislators a tentative budget for the fiscal year commencing the following January 1st. The tentative budget includes expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers’ comments.
- After public hearings are conducted to obtain taxpayer comments, the Board of Legislators acts on the tentative budget prior to December 20th.

- The County Administrator is authorized to approve all budget transfer requests \$5,000 or less except for personal service transfers and interdepartmental and interfund transfers, which must be approved by the Board of Legislators.
- Formal annual budgetary accounts are adopted and employed for control of all governmental funds except for capital project funds. Budgetary control over individual capital projects is provided by Legislative approval or bond authorizations and provision of bond indebtedness.
- Total expenditures for each object may not legally exceed the total appropriations for that object. Encumbrances outstanding at year-end are accounted for by an assignment of fund balance.
- These budgets are adopted on a basis consistent with GAAP except that encumbrances are treated as budgetary expenditures in the year of occurrence of the commitment to purchase. Open encumbrances authorized by appropriation from the previous year's budget, after review and approval by the County Treasurer, are added to the current year's budget approved by the Board of Legislators. All unencumbered appropriations lapse at the end of the fiscal year. Budgetary comparisons presented in this report are on the budgetary basis and represent the budget as modified.

Deficit Net Position—At December 31, 2023, the County's Solid Waste Fund, an enterprise fund, reported net position of \$(4,277,295). This deficit results primarily from the recognition of long-term liabilities related to the OPEB obligation. The County anticipates this deficit will be remedied through future operations. Additionally, the Internal Service Fund reported a net position of \$(3,913,408). This deficit is the result of the long-term unfunded portion of the County's liability for workers' compensation claims and is expected to be remedied through future premiums reimbursed by participants in the fund and the County contributions. The County's governmental activities reported a net position of \$(78,931,749), largely as a result of the County OPEB obligation, which is not eligible to be funded.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Available cash of the County is deposited and invested in accordance with the provisions of applicable State statutes. The County also has its own written investment guidelines which have been established by the County Board of Legislators. County monies must be deposited in Federal Deposit Insurance Corporation ("FDIC") insured commercial banks or trust companies located within the State. The County Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, contractual 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.

Total cash and cash equivalents (including restricted cash) reported by the County at December 31, 2023 is presented on the following page.

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total Balance
Petty cash (uncollateralized)	\$ 7,600	\$ 1,800	\$ -	\$ 9,400
Deposits	41,104,655	1,891,657	851,966	43,848,278
Total	<u>\$ 41,112,255</u>	<u>\$ 1,893,457</u>	<u>\$ 851,966</u>	<u>\$ 43,857,678</u>

Deposits with Financial Institutions—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2023 as follows:

	Bank Balance	Carrying Amount
Insured (FDIC)	\$ 1,086,898	\$ 1,086,898
Uninsured:		
Collateral held by bank's agent in the County's name	<u>27,848,445</u>	<u>42,761,380</u>
Total	<u>\$ 28,935,343</u>	<u>\$ 43,848,278</u>

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. For investments, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. As noted above, by State statute all deposits in excess of FDIC insurance coverage must be collateralized. As of December 31, 2023, the County's deposits were either FDIC insured or collateralized with securities held by the pledging bank's agent in the County's name.

Investments—At December 31, 2023, the County reported \$42,491,208 and \$492,285 in investments within governmental and business-type activities, respectively, which consists of U.S. Treasury Bills with maturity dates ranging from six to twelve months. Investments are measured at fair value in accordance with GASB. All investments are collateralized at December 31, 2023.

Restricted Cash, Cash Equivalents and Investments—The County reports fund balance restrictions, unspent proceeds of debt, cash set aside for capital projects, cash received in advance relating to unearned revenue and deferred inflows of resources, cash held for self-insurance activities and amounts held on behalf of others as restricted cash, cash equivalents and investments. At December 31, 2023, the County reported \$34,341,658 and \$10,758,020 as restricted cash and cash equivalents and restricted investments, respectively, within its governmental activities. The County also reported \$851,966 as restricted cash and cash equivalents within its fiduciary funds.

Fair Value Measurements—Accounting standards provide the framework for measuring fair value of investments. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;

- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Investments reported by the County's governmental and business-type activities are all measured using level 1 inputs.

Custodial Credit Risk—Investments—For investments, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. A margin of 2% or higher of the market value of purchased securities in repurchase transactions must be maintained and the securities must be held by a third party in the County's name. The U.S. Governmental Securities are not considered to have credit risk and do not require disclosure of credit quality.

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. The County aims to not to place more than \$100 million or 50% of the County's total investment portfolio, whichever is less, in overnight investments with any one institution.

Interest Rate Risk—The County has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Investments are limited to a maximum of two years, however the County generally limits its investments to 180 days or less.

Discretely Presented Component Units

St. Lawrence County Industrial Development Agency—The Agency had unrestricted deposits of \$5,474,823 and restricted deposits of \$9,061, which were fully insured or collateralized by securities held by the pledging financial institution's trust department or agent in the Agency's name. Additionally, at December 31, 2023, the Agency reported \$2,103,341 of level 1 investments consisting of U.S. Treasury Bills.

St. Lawrence County Industrial Development Agency – Local Development Corporation—The LDC's cash and cash equivalents totaled \$725,695, while restricted cash and cash equivalents totaled \$8,558,908 at December 31, 2023. These amounts are deposited at various banks and were insured up to FDIC limits. Any balances in excess of FDIC insurance were fully collateralized at December 31, 2023. Additionally, at December 31, 2023, the LDC reported \$2,122,660 of level 1 investments, which consists of U.S. Treasury Bills and Notes.

St. Lawrence County Soil and Water Conservation District—The District reported unrestricted and restricted deposits of \$1,122,958 and \$91,312, respectively, which were covered fully by FDIC insurance.

St. Lawrence County Property Development Corporation—The PDC reported cash of \$67,063 and restricted cash of \$100,000 at December 31, 2023, which were covered fully by FDIC insurance.

3. RECEIVABLES

Revenues accrued by the County at December 31, 2023 consisted of the following:

Taxes Receivable—Represents amounts due from County taxpayers that remain unpaid. At December 31, 2023, the County recorded \$16,678,034 related to taxes receivable. These amounts are reported net of an allowance for uncollectible taxes provision of \$557,000.

Accounts Receivable—Represents amounts due from various sources. The County’s accounts receivable at December 31, 2023 are shown below:

Governmental funds:		
General Fund	\$ 3,237,812	
Less: allowance for doubtful accounts	<u>(152,042)</u>	\$ 3,085,770
County Road Fund		5,870
Nonmajor funds		<u>11,622</u>
Total		<u>\$ 3,103,262</u>
Proprietary funds:		
Solid Waste Fund	\$ 520,775	
Less: allowance for doubtful accounts	<u>(3,644)</u>	
Total		<u>\$ 517,131</u>

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State or other local governments. Intergovernmental receivables at December 31, 2023 are as follows:

Governmental funds:		
General Fund		
Due from State and Federal	\$ 36,349,085	
Due from local governments	<u>51,691</u>	\$ 36,400,776
County Road Fund		
Due from State and Federal		308,600
Nonmajor funds		
Due from State and Federal		<u>73,992</u>
Total		<u>\$ 36,783,368</u>
Proprietary funds:		
Internal Service Fund:		
Due from local governments—noncurrent	\$ 5,925,709	
Total		<u>\$ 5,925,709</u>

Leases Receivable—During the year ended December 31, 2023, the County recognized the leases of properties and office spaces to third parties. The leases have original maturities ranging from five to six years and the County receives variable annual payments. The County recognized \$126,564 in lease revenue and \$12,181 in interest revenue during the current fiscal year related to this lease. As of December 31, 2023, the County’s receivable for lease payments was \$304,928. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2023, the balance of the deferred inflow of resources was \$309,750.

At December 31, 2023, the General Fund reported intergovernmental receivables of \$36,400,776, of which \$1,806,860 relates to casino and tribal revenue that has been owed to the County for several years. Of this amount, \$903,430 is payable to other municipalities; accordingly, the County includes \$903,430 within intergovernmental payables and reports \$903,430 of nonspendable fund balance.

At December 31, 2023, the CDC reported accrued interest receivable of \$307 and notes receivable of \$527,687, of which \$5,416 is considered to be noncurrent.

Discretely Presented Component Units

St. Lawrence County Industrial Development Agency—At December 31, 2023, the Agency reported accounts receivable and grant receivable of \$727,139. Included in accounts receivable are other capital leases receivable of \$661,588, of which \$568,282 is noncurrent.

St. Lawrence County Industrial Development Agency – Local Development Corporation—At December 31, 2023, the LDC reported \$42,866 of accounts receivable. The LDC reports total mortgages, loans and leases receivable (net of allowance of \$183,600) of \$4,029,083, of which \$3,241,433 is noncurrent and \$787,650 is considered current.

4. CAPITAL ASSETS

Governmental activities—Capital asset activity for the primary government’s governmental activities, for the year ended December 31, 2023, was as follows:

	Balance 1/1/2023	Increases	Decreases	Balance 12/31/2023
Capital assets, not being depreciated/amortized:				
Land	\$ 2,343,080	\$ -	\$ -	\$ 2,343,080
Construction in progress	10,123,933	3,882,843	11,888,157	2,118,619
Total capital assets not being depreciated/amortized	<u>12,467,013</u>	<u>3,882,843</u>	<u>11,888,157</u>	<u>4,461,699</u>
Capital assets, being depreciated/amortized:				
Infrastructure	239,338,710	10,706,514	-	250,045,224
Buildings and building improvements	48,748,677	9,828,377	-	58,577,054
Machinery and equipment	26,648,093	2,308,445	297,362	28,659,176
Right-to-use leased assets	4,043,393	504,083	-	4,547,476
Right-to-use subscription assets	-	67,992	-	67,992
Total capital assets being depreciated/amortized	<u>318,778,873</u>	<u>23,415,411</u>	<u>297,362</u>	<u>341,896,922</u>
Less accumulated depreciation/amortization for:				
Infrastructure	83,395,870	3,370,585	-	86,766,455
Buildings and building improvements	25,979,667	1,016,759	-	26,996,426
Machinery and equipment	13,841,836	2,231,208	297,362	15,775,682
Right-to-use leased assets	1,118,538	1,489,319	-	2,607,857
Right-to-use subscription assets	-	19,264	-	19,264
Total accumulated depreciation/amortization	<u>124,335,911</u>	<u>8,127,135</u>	<u>297,362</u>	<u>132,165,684</u>
Total capital assets, being depreciated/amortized, net	<u>194,442,962</u>	<u>15,288,276</u>	<u>-</u>	<u>209,731,238</u>
Governmental activities capital assets, net	<u>\$ 206,909,975</u>	<u>\$ 19,171,119</u>	<u>\$ 11,888,157</u>	<u>\$ 214,192,937</u>

Depreciation/amortization expense was charged to functions and programs of the governmental activities as follows:

Governmental activities:	
General government support	\$ 1,670,667
Public safety	1,733,774
Health	43,283
Transportation	4,630,326
Economic assistance and opportunity	<u>49,085</u>
Total	<u>\$ 8,127,135</u>

Business-type activities—Capital asset activity for the primary government’s business-type activities (Enterprise Funds), for fiscal year ended December 31, 2023, is presented below:

	Balance 1/1/2023	Increases	Decreases	Balance 12/31/2023
Capital assets, not being depreciated:				
Land	\$ 318,800	\$ -	\$ -	\$ 318,800
Total capital assets not being depreciated	<u>318,800</u>	<u>-</u>	<u>-</u>	<u>318,800</u>
Capital assets, being depreciated:				
Land improvements	3,873,714	-	-	3,873,714
Buildings and improvements	6,274,011	-	-	6,274,011
Machinery and equipment	<u>5,701,853</u>	<u>793,969</u>	<u>-</u>	<u>6,495,822</u>
Total capital assets being depreciated	<u>15,849,578</u>	<u>793,969</u>	<u>-</u>	<u>16,643,547</u>
Less accumulated depreciation for:				
Land improvements	3,499,848	101,805	-	3,601,653
Buildings and improvements	3,349,296	160,634	-	3,509,930
Machinery and equipment	<u>3,171,045</u>	<u>309,562</u>	<u>-</u>	<u>3,480,607</u>
Total accumulated depreciation	<u>10,020,189</u>	<u>572,001</u>	<u>-</u>	<u>10,592,190</u>
Total capital assets, being depreciated, net	<u>5,829,389</u>	<u>221,968</u>	<u>-</u>	<u>6,051,357</u>
Business-type activities capital assets, net	<u>\$ 6,148,189</u>	<u>\$ 221,968</u>	<u>\$ -</u>	<u>\$ 6,370,157</u>

Depreciation expense was charged to functions and programs of the business-type activities as follows:

Business-type activities:	
Solid Waste Fund	\$ 411,367
Canton Human Service Initiatives	<u>160,634</u>
Total	<u>\$ 572,001</u>

Discretely Presented Component Units

St. Lawrence County Industrial Development Agency—Capital asset activity for the Agency is presented below:

	Balance 1/1/2023	Increases	Decreases	Balance 12/31/2023
Capital assets, not being depreciated:				
Land and land improvements	\$ 458,343	\$ -	\$ -	\$ 458,343
Construction in progress	<u>-</u>	<u>783,922</u>	<u>-</u>	<u>783,922</u>
Total capital assets, not being depreciated	<u>458,343</u>	<u>783,922</u>	<u>-</u>	<u>1,242,265</u>
Capital assets, being depreciated:				
Buildings and improvements	2,230,366	-	-	2,230,366
Automotive equipment	39,560	39,910	(39,560)	119,030
Office equipment and furnishings	<u>25,880</u>	<u>5,849</u>	<u>-</u>	<u>31,729</u>
Total capital assets being depreciated	<u>2,295,806</u>	<u>45,759</u>	<u>(39,560)</u>	<u>2,381,125</u>
Less accumulated depreciation	<u>674,087</u>	<u>72,990</u>	<u>(39,560)</u>	<u>786,637</u>
Total capital assets, being depreciated, net	<u>1,621,719</u>	<u>(27,231)</u>	<u>-</u>	<u>1,594,488</u>
Total capital assets, net	<u>\$ 2,080,062</u>	<u>\$ 756,691</u>	<u>\$ -</u>	<u>\$ 2,836,753</u>

Depreciation expense for the year ended December 31, 2023 was \$72,990.

St. Lawrence County Industrial Development Agency – Local Development Corporation—Capital asset activity for the LDC was as follows:

	Balance 1/1/2023	Increases	Decreases	Balance 12/31/2023
Capital assets, being depreciated:				
Buildings and improvements	\$ 450,232	\$ -	\$ -	\$ 450,232
Total capital assets, being depreciated	<u>450,232</u>	<u>-</u>	<u>-</u>	<u>450,232</u>
Less accumulated depreciation:	<u>147,903</u>	<u>17,808</u>	<u>-</u>	<u>165,711</u>
Total capital assets, being depreciated, net	<u>302,329</u>	<u>(17,808)</u>	<u>-</u>	<u>284,521</u>
Total capital assets, net	<u>\$ 302,329</u>	<u>\$ (17,808)</u>	<u>\$ -</u>	<u>\$ 284,521</u>

Depreciation expense for the year ended December 31, 2023 was \$17,808.

St. Lawrence County—Property Development Corporation—Capital asset activity for the PDC was as follows:

	<u>1/1/2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>12/31/2023</u>
Capital assets, not being depreciated:				
Constuction in progress	\$ 1,286,698	\$ 1,226,015	\$ 1,317,348	\$ 1,195,365
Total capital assets, not being depreciated	<u>\$ 1,286,698</u>	<u>\$ 1,226,015</u>	<u>\$ 1,317,348</u>	<u>\$ 1,195,365</u>

5. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at December 31, 2023, were as follows:

	<u>Governmental Funds</u>			<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>County Road Fund</u>	<u>Nonmajor Governmental Funds</u>	
Salaries and employee benefits	<u>\$ 2,208,249</u>	<u>\$ 75,976</u>	<u>\$ 14,226</u>	<u>\$ 2,298,451</u>

6. PENSION PLANS

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, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—The net pension liability was measured as of March 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total pension liability to the measurement date. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the 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, 2023	
	Governmental Activities	Business-type Activities
Net pension liability	\$ 36,960,749	\$ 821,770
County's portion of the Plan's total net pension liability	0.1723591%	0.0038322%

For the year ended December 31, 2023, the County recognized ERS pension expense of \$12,234,871 and \$272,025 for governmental and business-type activities, respectively. At December 31, 2023, 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	\$ 3,936,609	\$ 1,037,998	\$ 87,525	\$ 23,078
Changes in assumptions	17,950,524	198,387	399,104	4,411
Net difference between projected and actual earnings on pension plan investments	-	217,143	-	4,828
Changes in proportion and differences between the County's contributions and proportionate share of contributions	872,412	1,911,339	19,397	42,496
County contributions subsequent to the measurement date	4,287,492	-	95,327	-
Total	<u>\$ 27,047,037</u>	<u>\$ 3,364,867</u>	<u>\$ 601,353</u>	<u>\$ 74,813</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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as shown in the table below.

Year Ending December 31,	ERS	
	Governmental Activities	Business-type Activities
	2024	\$ 4,365,843
2025	(2,296,435)	(51,058)
2026	7,432,090	165,242
2027	9,893,180	219,961

Actuarial Assumptions—The total pension liability 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 to the measurement date. The actuarial valuations used the actuarial assumptions presented below:

	<u>ERS</u>
Measurement date	March 31, 2023
Actuarial valuation date	April 1, 2022
Interest rate	5.9%
Salary scale	4.4%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.9%
Cost-of-living adjustments	1.5%

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-2021. The actuarial assumptions used in the April 1, 2022 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>
Measurement date	<u>March 31, 2023</u>	
Asset class:		
Domestic equities	32.0 %	4.3 %
International equities	15.0	6.9
Private equity	10.0	7.5
Real estate	9.0	4.6
Opportunistic portfolio	3.0	5.4
Credit	4.0	5.4
Real assets	3.0	5.8
Fixed income	23.0	1.5
Cash	<u>1.0</u>	0.0
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 to the Discount Rate Assumption—The chart below presents the County’s proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset) for:			
Governmental activities	\$ 89,318,277	\$ 36,960,749	\$ (6,790,057)
Business-type activities	\$ 1,985,865	\$ 821,770	\$ (150,967)

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

	(Dollars in Thousands)
	ERS
Valuation date	April 1, 2022
Employers' total pension liability	\$ 232,627,259
Plan fiduciary net position	211,183,223
Employers' net pension liability	<u>\$ 21,444,036</u>
System fiduciary net position as a percentage of total pension liability	90.8%

Discretely Presented Component Units

St. Lawrence County Industrial Development Agency

The Agency also participates in the ERS.

Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At December 31, 2023, the Agency reported a liability of \$310,384 for its proportionate share of the net pension liability. This amount is recorded as a long-term asset due to the NYS Retirement System. The net pension liability was measured as of March 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency’s proportion of the net pension asset was based on a projection of the Agency’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

For the year ended December 31, 2023, the Agency recognized pension expense of \$182,080. At December 31, 2023, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ 33,058	\$ 8,717
Change of assumptions	150,742	1,666
Net difference between projected and actual earnings on pension plan investments	-	1,823
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	22,200	11,714
Agency contributions subsequent to the measurement date	<u>63,435</u>	<u>-</u>
Total	<u>\$ 269,435</u>	<u>\$ 23,920</u>

The Agency's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>ERS</u>
2024	\$ 41,418
2025	(14,014)
2026	68,059
2027	86,617

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

The chart below represents the Agency's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Agency's proportionate share of the net pension liability would be if they 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.

	<u>1% Decrease (4.9%)</u>	<u>Current Assumption (5.9%)</u>	<u>1% Increase (6.9%)</u>
Employer's proportionate share of the net pension liability/(asset)	\$ 750,065	\$ 310,384	\$ (57,021)

St. Lawrence County Soil and Water Conservation District

The District also participates in the ERS.

Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At December 31, 2023, the District reported a net pension liability of \$204,772 for its proportionate share of the net pension liability. This amount is recorded as a long-term asset due to the NYS Retirement System. The net pension liability was measured as of March 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

For the year ended December 31, 2023, the District recognized pension expense of \$65,140. At December 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experiences	\$ 21,810	\$ 5,751
Change of assumptions	99,450	1,099
Net difference between projected and actual earnings on pension plan investments	-	1,203
Changes in proportion and differences between the District's contributions and proportionate share of contributions	10,803	19,330
District contributions subsequent to the measurement date	<u>23,531</u>	<u>-</u>
Total	<u>\$ 155,594</u>	<u>\$ 27,383</u>

The District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>ERS</u>
2024	\$ 22,111
2025	(14,525)
2026	41,086
2027	56,008

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption—
 The chart below represents the District’s proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the District’s proportionate share of the net pension liability would be if they 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.

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset)—ERS	\$ 494,846	\$ 204,772	\$ (37,619)

7. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) OBLIGATION

Plan Description and Benefits Provided—In addition to pension benefits, the County administers a single-employer defined benefit medical plan (the “Plan”). The Plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the County subject to applicable collective bargaining and employment agreements. Generally, the employees may retire with benefits when they reach the age of 55 and have 20 years of service with the County. The Plan does not issue standalone publicly available financial reports since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

Employees Covered by Benefit Terms—At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	664
Active employees	<u>758</u>
Total	<u><u>1,422</u></u>

Total OPEB Liability

The County’s primary government total OPEB liability of \$314,289,352 was measured as of January 1, 2023, and was determined by an actuarial valuation as of January 1, 2022.

Actuarial Assumptions and Other Inputs—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 employee and plan members. 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 method, over a level percent of pay was used. The single discount rate changed from 2.06% effective January 1, 2022 to 3.72% effective January 1, 2023 based on a review of the Bond Buyer Weekly 20-Bond General Obligation Index. The salary scale is 3.00%. Mortality rates were updated to the mortality tables to the sex-distinct and job category-specific headcount weighted Pub-2010 Public Retirement Plans Mortality Tables for employees and healthy retirees, adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 5.8%, while the ultimate healthcare cost trend rate is 3.9%.

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
Balance at December 31, 2022	\$ 386,863,332	\$ 8,500,389
Changes for the year:		
Service cost	14,531,414	323,080
Interest	8,064,774	280,133
Changes in assumptions and other inputs	(91,977,412)	(2,044,954)
Benefit payments	(10,028,440)	(222,964)
Net changes	(79,409,664)	(1,664,705)
Balance at December 31, 2023	\$ 307,453,668	\$ 6,835,684

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

	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB liability:			
Governmental activities	\$ 358,690,098	\$ 307,453,668	\$ 266,242,847
Business-type activities	7,974,834	6,835,684	5,919,434

Additionally, healthcare costs can be subject to considerable volatility over time. The table below presents the effect on the OPEB liability of a 1% change in the initial (5.8%)/ultimate (3.9%) healthcare cost trend rates.

	1% Decrease (4.8%/2.9%)	Healthcare Cost Trend Rates (5.8%/3.9%)	1% Increase (6.8%/4.9%)
Total OPEB liability:			
Governmental activities	\$ 260,577,082	\$ 307,453,668	\$ 367,686,935
Business-type activities	5,793,466	6,835,684	8,174,863

Funding Policy—Authorization for the County to pay a portion of retiree health insurance premiums was enacted through various union contracts as specified above, which were ratified by the County Legislators. The County recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider. The County’s contributions to the OPEB plan are based on negotiated contracts with three bargaining units, as discussed in Note 13. Any amendments to the employer’s contributions are subject to the collective bargaining agreements.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows and inflows of resources due to differences 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 following table presents the County’s deferred outflows and inflows of resources at December 31, 2023:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Difference between expected and actual experience	\$ 4,465,314	\$ 99,278	\$ 8,042,482	\$ 178,810
Changes in assumptions and other inputs	46,884,301	1,042,389	78,922,729	1,754,706
Contributions subsequent to the measurement date	10,341,457	229,924	-	-
Total	<u>\$ 61,691,072</u>	<u>\$ 1,371,591</u>	<u>\$ 86,965,211</u>	<u>\$ 1,933,516</u>

The County’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending December 31, 2024. The amounts reported as deferred outflows of resources and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Governmental Activities	Business-type Activities
2024	\$ 8,134,140	\$ 184,850
2025	(3,873,988)	(86,131)
2026	(11,194,142)	(248,882)
2027	(13,008,309)	(289,217)
2028	(15,093,153)	(335,569)
2029 and thereafter	(760,144)	(16,900)

Discretely Presented Component Units

St. Lawrence County Industrial Development Agency—The Agency’s defined benefit OPEB plan, the St. Lawrence County Health Care Plan, provides OPEB for all permanent full-time employees of the Agency. The St. Lawrence County Health Care Plan is a single-employer defined benefit OPEB plan administered by St. Lawrence County. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the St. Lawrence County Board. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No 75. The St. Lawrence County Health Care Plan provides healthcare benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The benefit terms provide for payment of 90 percent of the health insurance premiums for non-Medicare-eligible individual retirees.

Employees Covered by Benefit Terms—At December 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1
Active employees	<u>6</u>
Total	<u><u>7</u></u>

Total OPEB Liability

The Agency’s total OPEB liability of \$2,093,793 was measured as of January 1, 2023, and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Assumptions and Other Inputs—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 employee and plan members. 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, 2023 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate was 3.72% effective December 31, 2023 based on Bond Buyer Weekly 20-Bond GO Index. The salary scale is 3.00%. Mortality rates were based on the RPH-2014 Mortality Table adjusted back to 2006 using scale MP-2014 and projected forward using scale MP-2021. Retirement participation rate assumed that 100% of eligible employees will elect medical coverage at retirement age and 85% of active member’s spouses will elect medical coverage. Additionally, a tiered approach based on age and sex was used to determine retirement rate assumption. In order to estimate the change in the cost of healthcare, the actuaries healthcare cost trend rate used is 7.00% post-65, with future anticipated decreases.

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

	Total OPEB Liability
Balance at December 31, 2022	\$ 2,682,545
Changes for the year:	
Service cost	129,353
Interest	57,616
Changes in benefit terms	(151,883)
Changes in assumptions and other inputs	(593,845)
Benefit payments	(29,993)
Net changes	(588,752)
Balance at December 31, 2023	\$ 2,093,793

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

	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB liability	\$ 2,474,966	\$ 2,093,793	\$ 1,786,552

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

	1% Decrease (6.00%)	Health Healthcare Cost Trend Rates (7.00%)	1% Increase (8.00%)
Total OPEB liability	\$ 1,733,336	\$ 2,093,793	\$ 2,553,011

Funding Policy—Authorization for the Agency to pay a portion of retiree health insurance premiums was enacted through various union contracts as specified above, which were ratified by the Agency’s Board. The Agency recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider. The Agency’s contributions to the OPEB plan are based on negotiated contracts with three bargaining units. Any amendments to the employer’s contributions are subject to the collective bargaining agreements.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The Agency reports deferred outflows and inflows of resources due to differences 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 net OPEB liability. The following table presents the Agency’s deferred outflows and inflows of resources at December 31, 2023.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 274,949	\$ 192,740
Changes in assumptions and other inputs	334,805	680,493
Contributions subsequent to the measurement date	32,199	-
Total	<u>\$ 641,953</u>	<u>\$ 873,233</u>

The Agency’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending December 31, 2024. The amounts reported as deferred outflows of resources and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending December 31,</u>	
2024	\$ (31,438)
2025	(31,438)
2026	(24,702)
2027	510
2028	(22,450)
thereafter	(153,961)

8. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; business interruption; errors or omissions; injuries to employees; and natural disasters. The County purchases commercial insurance to cover a portion of such potential risks. The County purchases insurance for crime liability with limits ranging from \$5,000 to \$200,000. The County has not incurred claims over the respective coverage limits in any of the last three fiscal years.

The County is self-insured and assumes the liability for most risks including, but not limited to, property damage, personal injury liability and as described above, workers’ compensation. Asserted and incurred but not reported claims and judgments are recorded, when it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. Such recording is consistent with the requirements of GASB.

The County established a workers’ compensation fund, within its’ Internal Service Fund, pursuant to Workers’ Compensation Law to finance the liability and risks related to workers’ compensation claims. The workers’ compensation plan is a municipal risk sharing pool, which is administered by the County and insures workers’ compensation for all employees of the participants. In addition to the County, participation in the Plan is available to, and includes, each of the 30 towns, 10 villages, and 1 city within the County. Funding of the plan is determined annually by the County Legislature. Payments are collected

through the annual tax levy for towns and cities, and are billed annually to villages. The County purchases an excess workers' compensation policy which is limited to \$500,000 per occurrence and an aggregate \$1 million limit.

The changes since January 1, 2021 in risk financing activities for workers' compensation claims are presented below:

Year Ended December 31,	Liability, Beginning of Year	Claims and Adjustments	Claim Payments and Adjustments	Liability, End of Year
2023	\$ 20,190,880	\$ 14,292,032	\$ 17,241,456	\$ 17,241,456
2022	23,512,130	12,988,499	16,309,749	20,190,880
2021	30,476,433	13,108,085	20,072,388	23,512,130

Intergovernmental receivables from other plan participants, relating to their share of the aforementioned liability at December 31, 2023, amounted to \$6,066,726, and is recorded as long-term intergovernmental receivables in the Internal Service Fund.

9. LEASE AND SUBSCRIPTION LIABILITIES

The County is a lessee for various leases and a subscriber of various information technology agreements. Under GASB Statement No. 87, *Leases*, the County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. Under GASB Statement No. 96, *Subscription Based Information Technology Agreements ("SBITA")*, the County recognizes a SBITA liability and a SBITA asset in the government-wide financial statements. The County recognizes lease and SBITA liabilities if they are considered significant individually or in the aggregate to the financial statements.

At the commencement of a lease/SBITA, the County initially measures the lease/SBITA liability at the present value of payments expected to be made during the lease/SBITA term. Subsequently, the lease/SBITA liability is reduced by the principal portion of lease/SBITA payments made. The lease/SBITA asset is initially measured as the initial amount of the lease/SBITA liability, adjusted for lease/SBITA payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease/SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases/SBITAs include how the County determines (1) the discount rate it uses to discount the expected lease/SBITA payments to present value, (2) lease/SBITA term, and (3) lease/SBITA 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/SBITA terms include the noncancellable period of the lease/SBITA. Lease/SBITA payments included in the measurement of the 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/SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

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

The County entered into various long-term lease agreements. As of December 31, 2023, the value of the lease liability was \$2,007,636. The County is required to make monthly lease payments on all of the agreements. The County uses their estimated incremental borrowing rate of 3.00% to determine the value of their principal and interest payments. The value of the leased assets as of the end of the current fiscal year was \$4,547,476 and had accumulated amortization of \$2,607,857.

At December 31, 2023, the County maintained a subscription based information technology agreement. As a result of the implementation of the GASB Statement No. 96, *Subscription Based Information Technology Arrangements*, the County now reports this agreement as a SBITA liability. As of December 31, 2023, the value of the SBITA liability was \$40,772. The agreements have interest rates of 3.0%. The value of the SBITA assets as of the end of the current fiscal year was \$67,992 and had accumulated amortization of \$19,264.

The future principal and interest payments as of December 31, 2023, are shown below:

Fiscal Year Ending December 31	Lease Liability		Subscription Liability		Total
	Principal	Interest	Principal	Interest	
2024	\$ 596,233	\$ 60,427	\$ 13,191	\$ 1,223	\$ 671,074
2025	604,614	42,435	13,587	827	661,463
2026	433,047	24,594	13,994	420	472,055
2027	294,456	11,469	-	-	305,925
2028-2029	79,286	3,993	-	-	83,279
Totals	<u>\$ 2,007,636</u>	<u>\$ 142,918</u>	<u>\$ 40,772</u>	<u>\$ 2,470</u>	<u>\$ 2,193,796</u>

10. 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. 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, lease and subscription liabilities, compensated absences, workers' compensation, other postemployment benefits ("OPEB") obligation, net pension liability, and landfill obligation. The serial bonds of the County are secured by its general credit and revenue raising powers, as per State statute.

A summary of changes in the County's long-term liabilities for the year ended December 31, 2023 are shown on the following page.

	Balance 1/1/2023	Additions	Decreases	Balance 12/31/2023	Due Within One Year
Governmental activities:					
Serial bonds	\$ 24,995,000	\$ -	\$ 1,815,000	\$ 23,180,000	\$ 1,885,000
Premium on serial bonds	1,152,340	-	12,113	1,140,227	102,863
Bonds payable	26,147,340	-	1,827,113	24,320,227	1,987,863
Lease liability	2,459,608	504,083	956,055	2,007,636	596,233
Subscription liability	-	53,578	12,806	40,772	13,191
Compensated absences	8,250,326	7,814,187	8,311,643	7,752,870	387,644
Workers' compensation	20,190,880	14,292,032	17,241,456	17,241,456	1,724,147
OPEB obligation	386,863,332	24,828,467	104,238,131	307,453,668	-
Net pension liability*	-	36,960,749	-	36,960,749	-
Total governmental activities	<u>\$ 443,911,486</u>	<u>\$ 84,453,096</u>	<u>\$ 132,587,204</u>	<u>\$ 395,777,378</u>	<u>\$ 4,709,077</u>
Business type activities:					
Serial bonds payable	\$ 3,830,000	\$ -	\$ 325,000	\$ 3,505,000	\$ 335,000
Compensated absences	285,792	14,875	27,791	272,876	13,644
OPEB obligation	8,500,389	384,783	2,049,488	6,835,684	-
Landfill obligation	47,621	1,377,379	-	1,425,000	74,622
Net pension liability*	-	821,770	-	821,770	-
Total business-type activities	<u>\$ 12,663,802</u>	<u>\$ 2,598,807</u>	<u>\$ 2,402,279</u>	<u>\$ 12,860,330</u>	<u>\$ 423,266</u>

(*Additions to the net pension liability are shown net of reductions.)

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

The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. A default will have occurred if the payment of principal or interest are not paid when due and payable. Upon default in payment in full of the principal or interest on the bonds, a holder of such defaulted bond has a contractual right to sue the County of the amount due thereon. The County does not have any lines of credit.

A summary of additions and payments for the year ended December 31, 2023 is shown below:

Description	Original Issue	Interest Rate	Year of Maturity	Balance 1/1/2023	Additions	Payments	Balance 12/31/2023	Due Within One Year
Governmental activities serial bonds issued by the County:								
2015 Refunding	\$ 25,135,000	3.0-5.0	2035	\$ 18,975,000	\$ -	\$ 1,120,000	\$ 17,855,000	\$ 1,170,000
2016 Serial bonds	3,000,000	2.0-2.6	2031	1,750,000	-	185,000	1,565,000	190,000
2016 Serial bonds	2,430,000	2.0	2029	1,270,000	-	255,000	1,015,000	260,000
2022 Serial bonds	3,000,000	3.0-4.0	2,032	3,000,000	-	255,000	2,745,000	265,000
Total governmental activities bonded debt				<u>\$ 24,995,000</u>	<u>\$ -</u>	<u>\$ 1,815,000</u>	<u>\$ 23,180,000</u>	<u>\$ 1,885,000</u>
Business-type activities serial bonds issued by Canton Human Services Initiatives ("CHSI"):								
2013 Refunding	\$ 6,475,000	2.5-4.0	2032	\$ 3,830,000	\$ -	\$ 325,000	\$ 3,505,000	\$ 335,000

The County's debt service requirements for its bonds are shown below:

Fiscal Year Ending December 31,	Governmental Activities	
	Principal	Interest
2024	\$ 1,885,000	\$ 760,988
2025	1,965,000	683,988
2026	2,070,000	602,863
2027	1,980,000	519,194
2028	2,050,000	445,181
2029-2033	9,750,000	1,276,820
2034-2035	3,480,000	105,450
Total	<u>\$ 23,180,000</u>	<u>\$ 4,394,484</u>

Amortization of Bond Premiums—The County issued serial bonds which included bond premiums. The premiums are being amortized on a straight-line basis over the life of the bonds. The total unamortized premium as of December 31, 2023 was \$1,140,227.

Lease Liability—The County has entered into long-term leases for property and equipment. The outstanding balance at December 31, 2023 was \$2,007,636 for governmental activities. Refer to Note 9 for additional information related to the County's leases.

SBITA Liability—The County has entered into long-term leases for property and equipment. The outstanding balance at December 31, 2023 was \$40,772 for governmental activities. Refer to Note 9 for additional information related to the County's SBITA liability.

Compensated Absences—As explained in Note 1, the County records the value of governmental fund compensated absences in the governmental activities. 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 the operating funds provide for such as amounts become payable. At December 31, 2023, total compensated absences recorded within the governmental and business-type activities was \$7,752,870 and \$272,876, respectively. The County estimates \$387,644 and \$13,644 of governmental and business-type activities, respectively, will be due within one year which comprises accrued vacation, sick and compensatory time.

Workers' Compensation—As explained in Note 8, the County reports workers' compensation liabilities from administering their self-insurance plan within its governmental activities as an Internal Service Fund. The total workers' compensation liability outstanding at December 31, 2023 is \$17,241,456.

Other Postemployment Benefits ("OPEB") Obligation—As explained in Note 7, the County provides health insurance coverage for retirees. The County's OPEB cost is calculated based in the annual required contributions of the employer, an amount actuarially determined in accordance with the parameters of GASB. The long-term OPEB liability for governmental and business-type activities is estimated to be \$307,453,668 and \$6,835,684, respectively, at December 31, 2023.

Landfill Obligation—The County maintains three landfill sites, which are not accepting additional waste. State and Federal laws and regulations require the County to place final covers on its landfill sites when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. During the year ended December 31, 2023, a new estimate was performed by an engineer causing the liability to increase significantly. As of December 31, 2023, the balance of this liability is \$1,425,000, of which \$74,622 is estimated to be due within one year.

Discretely Presented Component Units

St. Lawrence County Industrial Development Agency—The Agency’s outstanding long-term liability balances and activity for the year are summarized below:

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Loans payable	\$ 523,499	\$ -	\$ 22,560	\$ 500,939	\$ 22,673
Compensated absences	296,629	4,035	-	300,664	-
OPEB obligation	2,682,545	29,993	618,745	2,093,793	-
Net pension liability*	1,288	309,096	-	310,384	-
Total	<u>\$ 3,503,961</u>	<u>\$ 343,124</u>	<u>\$ 641,305</u>	<u>\$ 3,205,780</u>	<u>\$ 22,673</u>

(*Additions to the net pension liability are shown net of reductions.)

Loans payable at December 31, 2023 consisted of the following:

Holder	Interest Rate (%)	Maturity	Original Amount	Balance 12/31/2023
SLCIDA-LDC Canton Industrial Building	0.5	11/1/2044	\$ 700,000	\$ 500,939
Total				<u>\$ 500,939</u>

Future maturities of long-term debt are projected as follows:

Year Ending December 31,	Principal	Interest
2024	\$ 22,673	\$ 2,453
2025	22,787	2,339
2026	22,901	2,225
2027	23,016	2,110
2028	23,131	1,995
2029-2033	117,406	8,224
2034-2038	120,378	5,252
2039-2043	123,424	2,205
2044-2048	25,223	69
Total	<u>\$ 500,939</u>	<u>\$ 26,872</u>

St. Lawrence County Soil and Water Conservation District—The District’s outstanding long-term liability and activity for the year are summarized below:

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Net pension liability*	\$ -	\$ 204,772	\$ -	\$ 204,772	\$ -
Total	<u>\$ -</u>	<u>\$ 204,772</u>	<u>\$ -</u>	<u>\$ 204,772</u>	<u>\$ -</u>

(*Additions to the net pension liability are shown net of reductions.)

St. Lawrence County Property Development Corporation—The PDC’s outstanding long-term liability and activity for the year are summarized below:

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Due Within One Year
Mortgage payable	\$ 595,423	\$ -	\$ 4,577	\$ 590,846	\$ 504,577
Total	<u>\$ 595,423</u>	<u>\$ -</u>	<u>\$ 4,577</u>	<u>\$ 590,846</u>	<u>\$ 504,577</u>

11. NET POSITION AND FUND BALANCE

Net Position—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/amortization 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 and business-type activities net investment in capital assets is presented below:

Governmental activities:

Capital assets, net of accumulated depreciation	\$ 214,192,937
Related debt:	
Serial bonds outstanding	\$ (23,180,000)
Unamortized bond premium	(1,140,227)
Lease liability	(2,007,636)
Subscription liability	(40,772)
Capital Projects Fund accounts payable	(50,550)
Unspent proceeds of debt	<u>1,183,698</u>
Net investment in capital assets—governmental activities	<u>\$ 188,957,450</u>

Business-type activities:

Capital assets, net of accumulated depreciation	\$ 3,443,326
Net investment in capital assets—business-type activities*	<u>\$ 3,443,326</u>

* The CHSI, a not-for-profit organization and blended component unit of the County, does not report net investment in capital assets within the County’s business-type activities.

St. Lawrence County Industrial Development Agency—The Agency reports net investment in capital assets of \$2,335,814.

- **Restricted Net Position**—This category presents 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 total restricted component of net position for governmental activities was \$14,466,958. CHSI also reports restricted net position of \$466,948 within the County’s business-type activities.

St. Lawrence County Industrial Development Agency—Local Development Corporation—The LDC reports restricted net position of \$15,015,415. Of this amount, \$3,356,048 represents resources restricted for revolving loans, \$9,035,873 represents a restricted New York State Power Authority grant for the St. Lawrence River Valley Redevelopment Agency, \$2,623,494 represents Greater Massena Economic Development Fund loans, while \$265,041 represents resources restricted for a Microenterprise Loan Fund and Brasher Revolving Loan Fund as granted by the U.S. Department of Housing and Urban Development.

- **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, 2023 is presented below:

- **Nonspendable**—Amounts of assets that cannot be spent in the current period because of their form or because they must be maintained intact. As of December 31, 2023, the County had \$3,500,349 of nonspendable fund balance, of which \$903,430 represents a long-term intergovernmental receivable and \$2,596,919 representing prepaid expenses for amounts paid to vendors and employees that are applicable to future accounting periods.

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. As of December 31, 2023, the County reported restricted fund balances as shown below:

	General Fund	Capital Projects Fund	Total
Restricted for:			
Insurance	\$ 450,363	\$ -	\$ 450,363
District attorney funds	144,963	-	144,963
Sheriff's equitable sharing program	396,039	-	396,039
Stop DWI program	66,814	-	66,814
Employee benefits	2,124,369	-	2,124,369
Capital projects	9,933,460	3,815,413	13,748,873
Blighted property	565,106	-	565,106
Sheriff marker vehicle	720,510	-	720,510
Public transportation	14,350	-	14,350
Recreational trail	50,984	-	50,984
Total restricted fund balance	<u>\$ 14,466,958</u>	<u>\$ 3,815,413</u>	<u>\$ 18,282,371</u>

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, 2023, the County had \$10,480,860 of committed fund balance, which represents funds set aside for a self-insurance commitment.

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 Board of Legislators, 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. The assignments presented on the following page were reported as of December 31, 2023.

	General Fund	County Road Fund	Nonmajor funds	Total
Assigned for:				
Encumbrances	\$ 2,178,702	\$ 610,324	\$ -	\$ 2,789,026
Environmental remediation	593,262	-	-	593,262
Miscellaneous purposes	95,088	-	-	95,088
Specific uses	-	1,422,596	787,108	2,209,704
Total assigned fund balance	<u>\$ 2,867,052</u>	<u>\$ 2,032,920</u>	<u>\$ 787,108</u>	<u>\$ 5,687,080</u>

It is the County's policy is to expend fund balances in the following order: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year.

12. 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. Interfund receivables, payables, and transfers of the County as of and for the year ended December 31, 2023 are presented below:

	Interfund			
	Receivables	Payables	Transfers In	Transfers Out
Governmental Funds:				
General Fund	\$ 182,480	\$ 2,631,375	\$ -	\$ 18,204,082
County Road Fund	24,327	282,451	13,944,920	236,875
Capital Projects Fund	2,631,715	-	4,031,875	-
Nonmajor funds	295,082	24,596	464,162	-
Proprietary Funds:				
Solid Waste Fund	-	171,818	-	-
Internal Service Fund	-	23,364	-	-
Total	<u>\$ 3,133,604</u>	<u>\$ 3,133,604</u>	<u>\$ 18,440,957</u>	<u>\$ 18,440,957</u>

13. LABOR CONTRACTS

The County's employees are represented by six collective bargaining units: the CSEA Local 1000 Unit 8427 Solid Waste Department, Civil Service Employees Association, Inc. and the St. Lawrence County Indigent Defenders contracts are settled through December 31, 2024, and the St. Lawrence County Deputies Association, Inc., the St. Lawrence County Sheriff's Supervisor Association, Inc., and the Sheriff's Council 82, AFSCME Local No. 2390 contracts are settled through December 31, 2026.

14. 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. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expended in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

The County considers encumbrances significant if they are in excess of \$100,000. As of December 31, 2023, the County reported significant encumbrances as shown below:

Fund	Purpose	Amount
General	Communication Shelter	\$ 901,473
General	Passenger Buses	728,469
General	Office Renovations	286,062
County Road	Bridge Improvements	361,848
Capital Projects	Building Improvements	872,260
Solid Waste	Tractors	449,217
Solid Waste	Trailer	125,400

15. TAX ABATEMENTS

The County is subject to tax abatements granted by the St. Lawrence County Industrial Development Agency. These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the Agency and include the abatement of state, county, local and school district taxes, in addition to other assistance. In the case of the County, the abatements have resulted in reductions of property taxes, which the County administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. Under the agreements entered into by Agency, the County collected \$377,920 during 2023 in payments in lieu of taxes (“PILOT”), these collections were made in lieu of \$1,753,797 in property taxes.

16. 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 expenditure, 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.

Landfill Post-closure—As discussed in Note 10, the County is responsible to perform specified operation and maintenance functions at a landfill site for a period of thirty years. During the year ended December 31, 2023, the thirty year period came to an end and additional work was necessary in providing maintenance services. The County hired an engineer and determined a new liability at December 31, 2023 of \$1,425,000. The landfill post-closure liability is an estimate and is subject to changes resulting from inflation, deflation, technology or changes in applicable laws or regulations.

17. SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 12, 2024, which is the date the financial statements are available for issuance, and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

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REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of the Local Government's Proportionate Share of the
Net Pension Liability/(Asset)—Employees' Retirement System
Last Ten Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Measurement date										
Plan fiduciary net position as a percentage of the total pension liability/(asset)	90.8%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%	97.2%
Governmental activities:										
County's proportion of the net pension liability/(asset)	0.1723591%	0.1731855%	0.1578611%	0.1607171%	0.1604015%	0.1679351%	0.1637932%	0.1696946%	0.1701861%	0.1701861%
County's proportionate share of the net pension liability/(asset)	<u>\$ 36,960,749</u>	<u>\$ (14,157,195)</u>	<u>\$ 157,189</u>	<u>\$ 42,558,801</u>	<u>\$ 11,364,934</u>	<u>\$ 5,420,013</u>	<u>\$ 15,390,374</u>	<u>\$ 27,236,451</u>	<u>\$ 5,749,304</u>	<u>\$ 7,690,473</u>
County's covered payroll	<u>\$ 45,797,314</u>	<u>\$ 44,680,306</u>	<u>\$ 40,405,691</u>	<u>\$ 38,398,195</u>	<u>\$ 37,563,176</u>	<u>\$ 36,447,598</u>	<u>\$ 37,212,020</u>	<u>\$ 35,793,819</u>	<u>\$ 36,255,937</u>	<u>\$ 37,138,446</u>
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	80.7%	(31.7%)	0.4%	110.8%	30.3%	14.9%	41.4%	76.1%	15.9%	20.7%
Business-type activities:										
County's proportion of the net pension liability/(asset)	0.0038322%	0.0038053%	0.0035654%	0.0035511%	0.0036720%	0.0039716%	0.0038110%	0.0039415%	0.0035264%	0.0035264%
County's proportionate share of the net pension liability/(asset)	<u>\$ 821,770</u>	<u>\$ (311,068)</u>	<u>\$ 3,550</u>	<u>\$ 940,365</u>	<u>\$ 260,170</u>	<u>\$ 128,181</u>	<u>\$ 358,095</u>	<u>\$ 632,628</u>	<u>\$ 119,129</u>	<u>\$ 159,351</u>
County's covered payroll	<u>\$ 965,924</u>	<u>\$ 942,365</u>	<u>\$ 908,356</u>	<u>\$ 943,165</u>	<u>\$ 914,455</u>	<u>\$ 858,778</u>	<u>\$ 888,693</u>	<u>\$ 818,848</u>	<u>\$ 774,877</u>	<u>\$ 769,527</u>
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	85.1%	(33.0%)	0.4%	99.7%	28.5%	14.9%	40.3%	77.3%	15.4%	20.7%
Discretely presented component units:										
St. Lawrence County Industrial Development Agency (the "Agency"):										
	Year Ended December 31,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Agency's proportion of the net pension liability/(asset)	0.0014474%	0.0014908%	0.012940%	0.0013925%	0.0014630%	0.0015412%	0.0015513%	0.0020224%	0.0021613%	n/a
Agency's proportionate share of the net pension liability/(asset)	<u>\$ 310,384</u>	<u>\$ (121,868)</u>	<u>\$ 1,288</u>	<u>\$ 368,736</u>	<u>\$ 103,661</u>	<u>\$ 49,741</u>	<u>\$ 145,764</u>	<u>\$ 324,593</u>	<u>\$ 73,014</u>	n/a
Agency's covered payroll	<u>\$ 459,277</u>	<u>\$ 502,028</u>	<u>\$ 351,031</u>	<u>\$ 369,322</u>	<u>\$ 350,108</u>	<u>\$ 342,441</u>	<u>\$ 337,649</u>	<u>\$ 342,530</u>	<u>\$ 376,838</u>	n/a
Agency's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	67.6%	(24.3%)	0.37%	99.84%	29.6%	14.5%	43.2%	94.8%	19.4%	n/a

*Information for the for the Agency prior to the year ended December 31, 2015 is not available.

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of the Local Government's Contributions—
Employees' Retirement System
Last Ten Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Contractually required contributions	\$ 5,515,405	\$ 5,342,518	\$ 6,387,665	\$ 5,638,850	\$ 5,563,197	\$ 5,591,351	\$ 5,728,022	\$ 5,822,765	\$ 6,522,591	\$ 6,961,227
Contributions in relation to the contractually required contribution	<u>(5,515,405)</u>	<u>(5,342,518)</u>	<u>(6,387,665)</u>	<u>(5,638,850)</u>	<u>(5,563,197)</u>	<u>(5,591,351)</u>	<u>(5,728,022)</u>	<u>(5,822,765)</u>	<u>(6,522,591)</u>	<u>(6,961,227)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 44,475,655	\$ 43,390,883	\$ 44,463,422	\$ 41,069,990	\$ 38,407,734	\$ 37,175,342	\$ 36,317,549	\$ 35,653,063	\$ 36,015,618	\$ 36,187,026
Contributions as a percentage of covered payroll	12.4%	12.3%	14.4%	13.7%	14.5%	15.0%	15.8%	16.3%	18.1%	19.2%
Business-type activities:										
Contractually required contributions	\$ 122,307	\$ 117,388	\$ 144,271	\$ 124,594	\$ 127,355	\$ 132,233	\$ 133,277	\$ 131,288	\$ 135,152	\$ 144,214
Contributions in relation to the contractually required contribution	<u>(122,307)</u>	<u>(117,388)</u>	<u>(144,271)</u>	<u>(124,594)</u>	<u>(127,355)</u>	<u>(132,233)</u>	<u>(133,277)</u>	<u>(131,288)</u>	<u>(135,152)</u>	<u>(144,214)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 1,008,297	\$ 983,704	\$ 977,074	\$ 934,315	\$ 904,339	\$ 901,785	\$ 866,712	\$ 839,316	\$ 816,458	\$ 757,442
Contributions as a percentage of covered payroll	12.1%	11.9%	14.8%	13.3%	14.1%	14.7%	15.4%	15.6%	16.6%	19.0%

Discretely presented component unit:

St. Lawrence County Industrial Development Agency (the "Agency"):

	Year Ended December 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 64,435	\$ 60,933	\$ 61,341	\$ 52,812	\$ 50,398	\$ 49,700	\$ 49,766	\$ 55,996	\$ 74,013	n/a
Contributions in relation to the contractually required contribution	<u>(64,435)</u>	<u>(60,933)</u>	<u>(61,341)</u>	<u>52,812</u>	<u>50,398</u>	<u>49,700</u>	<u>49,766</u>	<u>55,996</u>	<u>74,013</u>	n/a
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Agency's covered payroll	\$ 459,277	\$ 502,028	\$ 351,031	\$ 369,322	\$ 350,108	\$ 342,440	\$ 337,649	\$ 342,530	\$ 376,838	n/a
Contributions as a percentage of covered payroll	14.0%	12.1%	17.5%	14.3%	14.4%	14.5%	14.7%	16.3%	19.6%	n/a

*Information for the Agency prior to the year ended December 31, 2015 is not available.

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
Last Six Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Governmental activities:						
Total OPEB Liability						
Service cost	\$ 14,531,414	\$ 11,914,866	\$ 9,779,941	\$ 6,025,002	\$ 9,250,144	\$ 8,221,502
Interest	8,064,774	7,877,770	8,391,395	9,603,254	8,995,006	10,253,485
Difference between expected and actual experience	-	(12,017,140)	-	21,006,340	-	(29,747,737)
Changes of assumptions or other inputs	(91,977,412)	25,297,664	41,238,361	58,165,745	(34,674,286)	11,997,066
Changes in benefit terms	-	(619,397)	12,299,551	(16,732,290)	-	(4,379,101)
Benefit payments	<u>(10,028,440)</u>	<u>(10,099,537)</u>	<u>(9,594,589)</u>	<u>(7,748,478)</u>	<u>(7,457,143)</u>	<u>(6,837,622)</u>
Net changes in total OPEB liability	(79,409,664)	22,354,226	62,114,659	70,319,573	(23,886,279)	(10,492,407)
Total OPEB liability—beginning	<u>386,863,332</u>	<u>364,509,106</u>	<u>302,394,447</u>	<u>232,074,874</u>	<u>255,961,153</u>	<u>266,453,560</u>
Total OPEB liability—ending	<u>\$ 307,453,668</u>	<u>\$ 386,863,332</u>	<u>\$ 364,509,106</u>	<u>\$ 302,394,447</u>	<u>\$ 232,074,874</u>	<u>\$ 255,961,153</u>
Covered-employee payroll	\$ 46,917,506	\$ 44,904,720	\$ 39,244,193	\$ 39,244,193	\$ 38,817,275	\$ 36,778,788
County's total OPEB liability as a percentage of covered-employee payroll	655.3%	861.5%	928.8%	770.5%	597.9%	695.9%
Business-type activities:						
Total OPEB Liability						
Service cost	\$ 323,080	\$ 261,800	\$ 369,061	\$ 129,139	\$ 17,496	\$ 194,435
Interest	280,133	173,095	189,526	31,694	205,902	242,492
Differences between expected and actual experience	-	(264,048)	-	464,152	-	(703,523)
Changes of assumptions or other inputs	(2,044,954)	555,855	931,401	1,285,218	(793,720)	283,726
Changes in benefit terms	-	(237,126)	277,795	(369,713)	-	(103,564)
Benefit payments	<u>(222,964)</u>	<u>(221,913)</u>	<u>(216,701)</u>	<u>(171,209)</u>	<u>(170,699)</u>	<u>(161,707)</u>
Net changes in total OPEB liability	(1,664,705)	267,663	1,551,082	1,369,281	(741,021)	(248,141)
Total OPEB liability—beginning	<u>8,500,389</u>	<u>8,232,726</u>	<u>6,681,644</u>	<u>5,312,363</u>	<u>6,053,384</u>	<u>6,301,525</u>
Total OPEB liability—ending	<u>\$ 6,835,684</u>	<u>\$ 8,500,389</u>	<u>\$ 8,232,726</u>	<u>\$ 6,681,644</u>	<u>\$ 5,312,363</u>	<u>\$ 6,053,384</u>
Covered-employee payroll	\$ 1,043,127	\$ 986,673	\$ 888,925	\$ 882,794	\$ 842,518	\$ 869,804
County's total OPEB liability as a percentage of covered-employee payroll	655.3%	861.5%	926.1%	756.9%	630.5%	695.9%
Discretely presented component unit:						
St. Lawrence County Industrial Development Agency (the "Agency"):						
Service cost	\$ 129,353	\$ 94,026	\$ 69,369	\$ 54,701	\$ 65,391	\$ 81,664
Interest	57,616	54,532	52,976	67,489	60,146	73,298
Changes in benefit terms	(151,883)	-	-	-	-	-
Differences between expected and actual experience	-	175,482	249,946	(144,943)	-	(387,465)
Changes of assumptions or other inputs	(593,845)	(106,121)	264,488	314,445	(197,857)	75,268
Benefit payments	<u>(29,993)</u>	<u>(27,207)</u>	<u>(17,963)</u>	<u>(20,087)</u>	<u>(18,638)</u>	<u>(15,633)</u>
Net changes in total OPEB liability	(588,752)	190,712	618,816	271,605	(90,958)	(172,868)
Total OPEB liability—beginning	<u>2,682,545</u>	<u>2,491,833</u>	<u>1,873,017</u>	<u>1,601,412</u>	<u>1,692,370</u>	<u>1,865,238</u>
Total OPEB liability—ending	<u>\$ 2,093,793</u>	<u>\$ 2,682,545</u>	<u>\$ 2,491,833</u>	<u>\$ 1,873,017</u>	<u>\$ 1,601,412</u>	<u>\$ 1,692,370</u>
Covered-employee payroll	\$ 448,312	N/A	\$ 369,322	\$ 336,768	\$ 354,822	\$ 333,900
Agency's total OPEB liability as a percentage of covered-employee payroll	467.0%	N/A	674.7%	556.2%	451.3%	506.8%

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

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

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—General Fund
Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 52,067,604	\$ 52,067,604	\$ 50,614,489	\$ (1,453,115)
Real property tax items	2,759,750	2,759,750	2,417,830	(341,920)
Non-property tax items	72,502,560	75,527,560	81,871,629	6,344,069
Departmental income	15,805,764	16,131,534	16,022,156	(109,378)
Intergovernmental charges	1,777,088	1,787,088	2,070,992	283,904
Use of money and property	557,408	561,750	3,797,661	3,235,911
Licenses and permits	50,000	354,687	56,250	(298,437)
Fines and forfeitures	144,221	181,679	412,027	230,348
Sale of property and compensation for loss	1,810,559	1,819,980	1,944,941	124,961
Miscellaneous	2,903,455	3,391,955	5,741,182	2,349,227
Interfund revenues	374,915	374,915	374,915	-
State aid	31,516,274	38,420,099	30,774,093	(7,646,006)
Federal aid	21,660,232	34,993,569	36,437,086	1,443,517
Total revenues	<u>203,929,830</u>	<u>228,372,170</u>	<u>232,535,251</u>	<u>4,163,081</u>
EXPENDITURES				
Current:				
General government support	56,228,987	56,328,301	52,746,076	3,582,225
Education	851,000	1,051,000	931,941	119,059
Public safety	19,024,382	22,256,999	20,910,370	1,346,629
Health	18,364,211	25,438,124	21,879,441	3,558,683
Transportation	3,404,906	5,172,124	3,366,579	1,805,545
Economic assistance and opportunity	79,152,348	86,176,768	81,100,356	5,076,412
Culture and recreation	509,401	541,793	469,538	72,255
Home and community services	1,275,937	3,803,635	3,724,040	79,595
Employee benefits	11,279,193	11,281,550	10,935,839	345,711
Debt service	1,992,550	2,695,232	2,961,411	(266,179)
Total expenditures	<u>192,082,915</u>	<u>214,745,526</u>	<u>199,025,591</u>	<u>15,719,935</u>
Excess of revenues over expenditures	<u>11,846,915</u>	<u>13,626,644</u>	<u>33,509,660</u>	<u>19,883,016</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(13,209,082)	(18,204,082)	(18,204,082)	-
Leases issued	-	504,083	504,083	-
SBITA issued	-	53,578	53,578	-
Total other financing sources (uses)	<u>(13,209,082)</u>	<u>(17,646,421)</u>	<u>(17,646,421)</u>	<u>-</u>
Net change in fund balances*	(1,362,167)	(4,019,777)	15,863,239	19,883,016
Fund balances—beginning	<u>59,769,346</u>	<u>59,769,346</u>	<u>59,769,346</u>	<u>-</u>
Fund balances—ending	<u>\$ 58,407,179</u>	<u>\$ 55,749,569</u>	<u>\$ 75,632,585</u>	<u>\$ 19,883,016</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance and re-appropriation of prior year encumbrances.

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

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—County Road Fund
Year Ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental charges	\$ 2,536,179	\$ 2,706,179	\$ 2,382,673	\$ (323,506)
Use of money and property	33,200	38,200	75,813	37,613
Sale of property and compensation for loss	26,600	862,197	882,320	20,123
State aid	5,885,876	8,854,694	8,485,380	(369,314)
Federal aid	2,916,000	2,916,000	13,767	(2,902,233)
Total revenues	<u>11,397,855</u>	<u>15,377,270</u>	<u>11,839,953</u>	<u>(3,537,317)</u>
EXPENDITURES				
Current:				
Public safety	738,060	826,175	686,379	139,796
Transportation	20,095,384	25,186,684	23,616,889	1,569,795
Debt service:				
Principal	102,000	102,000	102,000	-
Interest	43,074	43,074	43,073	1
Total expenditures	<u>20,978,518</u>	<u>26,157,933</u>	<u>24,448,341</u>	<u>1,709,592</u>
Deficiency of revenues over expenditures	<u>(9,580,663)</u>	<u>(10,780,663)</u>	<u>(12,608,388)</u>	<u>(1,827,725)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	12,744,920	13,944,920	13,944,920	-
Transfers out	<u>(3,645,000)</u>	<u>(3,645,000)</u>	<u>(236,875)</u>	<u>3,408,125</u>
Total other financing sources (uses)	<u>9,099,920</u>	<u>10,299,920</u>	<u>13,708,045</u>	<u>3,408,125</u>
Net change in fund balances*	(480,743)	(480,743)	1,099,657	1,580,400
Fund balances—beginning	<u>953,640</u>	<u>953,640</u>	<u>953,640</u>	<u>-</u>
Fund balances—ending	<u>\$ 472,897</u>	<u>\$ 472,897</u>	<u>\$ 2,053,297</u>	<u>\$ 1,580,400</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 ST. LAWRENCE, NEW YORK
Notes to the Required Supplementary Information
Year Ended December 31, 2023

1. OPEB LIABILITY

Changes of Assumptions—The actuarial cost method used as of January 1, 2023 was the Entry Age Normal Level Percent of Pay method, as prescribed under GASB 75.

The rate used to discount future plan cash flows increased from 2.06% as of January 1, 2022 to 3.72% as of January 1, 2023 based on a review of the Bond Buyer Weekly 20-Bond General Obligation Index.

Mortality rates were updated to the mortality tables to the sex-distinct and job category-specific headcount weighted Pub-2010 Public Retirement Plans Mortality Tables for employees and healthy retirees, adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 5.8%, while the ultimate healthcare cost trend rate is 3.9%.

2. BUDGETARY INFORMATION

Budgetary Basis of Accounting—Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund, County Road Fund and Road Machinery Fund. The Capital Projects Fund is appropriated on a project-length basis. The Special Grant Fund does not have an appropriated budget since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

The appropriated budget is prepared by fund, function, and department. The government's department heads may make transfers of appropriations within a department. However, amendments of the budget must be approved by the governing board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related 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. While all appropriation and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

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SUPPLEMENTARY INFORMATION

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COUNTY OF ST. LAWRENCE, NEW YORK
Combining Statement of Net Position—
Nonmajor Discretely Presented Component Units
December 31, 2023

	Industrial Development Agency	Industrial Development Agency—Local Development Corporation	Soil and Water Conservation District	Property Development Corporation	Total Nonmajor Discretely Presented Component Units
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 5,474,823	\$ 725,695	\$ 1,122,958	\$ 67,063	\$ 7,390,539
Restricted cash and cash equivalents	9,061	8,558,908	91,312	100,000	8,759,281
Investments	2,103,341	2,122,660	-	-	4,226,001
Receivables, net of allowances:					
Accounts	65,551	42,866	-	-	108,417
Mortgages, loans and leases receivable, current portion	93,306	787,650	-	-	880,956
Intergovernmental receivables	-	-	20,416	-	20,416
Prepaid items	812	-	7,844	-	8,656
Total current assets	<u>7,746,894</u>	<u>12,237,779</u>	<u>1,242,530</u>	<u>167,063</u>	<u>21,394,266</u>
Noncurrent assets:					
Mortgages, loans and leases receivable	568,282	3,241,433	-	-	3,809,715
Capital assets not being depreciated	1,242,265	-	-	-	1,242,265
Capital assets, net of accumulated depreciation	1,594,488	284,521	-	1,195,365	3,074,374
Total noncurrent assets	<u>3,405,035</u>	<u>3,525,954</u>	<u>-</u>	<u>1,195,365</u>	<u>8,126,354</u>
Total assets	<u>11,151,929</u>	<u>15,763,733</u>	<u>1,242,530</u>	<u>1,362,428</u>	<u>29,520,620</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources—relating to pensions	269,435	-	155,594	-	425,029
Deferred outflows of resources—relating to OPEB	641,953	-	-	-	641,953
Total deferred outflows of resources	<u>911,388</u>	<u>-</u>	<u>155,594</u>	<u>-</u>	<u>1,066,982</u>
LIABILITIES					
Current liabilities:					
Accounts payable	192,137	27,554	386,647	829	607,167
Accrued liabilities	-	-	36,119	-	36,119
Unearned revenue	1,681,726	-	-	-	1,681,726
Total current liabilities	<u>1,873,863</u>	<u>27,554</u>	<u>422,766</u>	<u>829</u>	<u>2,325,012</u>
Noncurrent liabilities:					
Due within one year	22,673	-	-	504,577	527,250
Due in more than one year	3,183,107	-	204,772	86,269	3,474,148
Total noncurrent liabilities	<u>3,205,780</u>	<u>-</u>	<u>204,772</u>	<u>590,846</u>	<u>4,001,398</u>
Total liabilities	<u>5,079,643</u>	<u>27,554</u>	<u>627,538</u>	<u>591,675</u>	<u>6,326,410</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources—relating to pensions	23,920	-	27,383	-	51,303
Deferred inflows of resources—relating to OPEB	873,233	-	-	-	873,233
Total deferred inflows of resources	<u>897,153</u>	<u>-</u>	<u>27,383</u>	<u>-</u>	<u>924,536</u>
NET POSITION					
Net investment in capital assets	2,335,814	-	-	-	2,335,814
Restricted	-	15,015,415	152,316	-	15,167,731
Unrestricted	3,750,707	720,764	590,887	770,753	5,833,111
Total net position	<u>\$ 6,086,521</u>	<u>\$ 15,736,179</u>	<u>\$ 743,203</u>	<u>\$ 770,753</u>	<u>\$ 23,336,656</u>

COUNTY OF ST. LAWRENCE, NEW YORK
Combining Statement of Activities—
Nonmajor Discretely Presented Component Units
Year Ended December 31, 2023

	Industrial Development Agency	Industrial Development Agency—Local Development Corporation	Soil and Water Conservation District	Property Development Corporation	Total Nonmajor Discretely Presented Component Units
Program expenses:					
Operation and maintenance	\$ 461,987	\$ 185,983	\$ 70,080	\$ 31,650	\$ 749,700
Administrative expenses	848,130	123,288	443,233	23,929	1,438,580
Contractual	-	-	646,473	-	646,473
Total program expenses	<u>1,310,117</u>	<u>309,271</u>	<u>1,159,786</u>	<u>55,579</u>	<u>2,834,753</u>
Program revenues:					
Charges for services	47,940	61,800	51,489	-	161,229
Operating grants and contributions	-	30,000	574,125	-	604,125
Total program revenues	<u>47,940</u>	<u>91,800</u>	<u>625,614</u>	<u>-</u>	<u>765,354</u>
Net (expense) revenue	<u>(1,262,177)</u>	<u>(217,471)</u>	<u>(534,172)</u>	<u>(55,579)</u>	<u>(2,069,399)</u>
General revenues:					
Use of money and property	118,489	279,345	56,790	2,902.00	457,526
Miscellaneous local sources	915,210	-	65,875	-	981,085
Other gains	-	1,500	-	-	1,500
Total general revenues	<u>1,033,699</u>	<u>280,845</u>	<u>122,665</u>	<u>2,902</u>	<u>1,440,111</u>
Change in net position	(228,478)	63,374	(411,507)	(52,677)	(629,288)
Net position—beginning	<u>6,314,999</u>	<u>15,672,805</u>	<u>1,154,710</u>	<u>823,430</u>	<u>23,965,944</u>
Net position—ending	<u>\$ 6,086,521</u>	<u>\$ 15,736,179</u>	<u>\$ 743,203</u>	<u>\$ 770,753</u>	<u>\$ 23,336,656</u>

COUNTY OF ST. LAWRENCE, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2023

	Road Machinery Fund	Special Grant Fund	Total Nonmajor Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 651,693	\$ -	\$ 651,693
Restricted cash and cash equivalents	-	131,263	131,263
Receivables	11,622	-	11,622
Due from other funds	295,082	-	295,082
Intergovernmental receivables	-	73,992	73,992
Prepaid items	32,117	-	32,117
Total assets	<u>\$ 990,514</u>	<u>\$ 205,255</u>	<u>\$ 1,195,769</u>
LIABILITIES			
Accounts payable	\$ 132,467	\$ -	\$ 132,467
Accrued liabilities	14,226	-	14,226
Due to other funds	24,596	-	24,596
Unearned revenues	-	205,255	205,255
Total liabilities	<u>171,289</u>	<u>205,255</u>	<u>376,544</u>
FUND BALANCES			
Nonspendable	32,117	-	32,117
Assigned	787,108	-	787,108
Total fund balances	<u>819,225</u>	<u>-</u>	<u>819,225</u>
Total liabilities and fund balances	<u>\$ 990,514</u>	<u>\$ 205,255</u>	<u>\$ 1,195,769</u>

COUNTY OF ST. LAWRENCE, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Nonmajor Governmental Funds
Year Ended December 31, 2023

	Road Machinery Fund	Special Grant Fund	Total Nonmajor Funds
REVENUES			
Intergovernmental charges	\$ 1,485,006	\$ -	\$ 1,485,006
Use of money and property	111,435	-	111,435
Miscellaneous	32,883	-	32,883
Interfund revenues	2,988,984	-	2,988,984
Federal aid	-	1,552,531	1,552,531
Total revenues	<u>4,618,308</u>	<u>1,552,531</u>	<u>6,170,839</u>
EXPENDITURES			
Current:			
Transportation	4,167,496	-	4,167,496
Economic assistance and opportunity	-	1,552,531	1,552,531
Debt service:			
Principal	408,000	-	408,000
Interest and fiscal charges	96,998	-	96,998
Total expenditures	<u>4,672,494</u>	<u>1,552,531</u>	<u>6,225,025</u>
(Deficiency) of revenues over expenditures	<u>(54,186)</u>	<u>-</u>	<u>(54,186)</u>
OTHER FINANCING SOURCES			
Transfers in	464,162	-	464,162
Total other financing sources	<u>464,162</u>	<u>-</u>	<u>464,162</u>
Net change in fund balances	409,976	-	409,976
Fund balances—beginning	409,249	-	409,249
Fund balances—ending	<u>\$ 819,225</u>	<u>\$ -</u>	<u>\$ 819,225</u>

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FEDERAL AWARDS INFORMATION

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Grantor/ Pass-Through Program Title or Cluster (1a)	Assistance Listing Number (1b)	Pass-Through Grantor's Number (1c)	Passed Through to Subrecipients	Total Federal Expenditures (1d)
U.S. Department of Agriculture:				
Passed through NYS Office of Temporary and Disability Assistance:				
<i>SNAP Cluster:</i>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	\$ -	\$ 1,427,225
<i>Total SNAP Cluster</i>			-	1,427,225
Total U.S. Department of Agriculture			-	1,427,225
U.S. Department of Housing and Urban Development:				
Passed through NYS Office of Community Renewal:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	1106CVHR29-21	204,915	204,915
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	1106HR309-21	610,000	610,000
Community Development Block Grants/State's Emergency Solutions Grant Program	14.231	N/A	1,162	1,162
Lead-Based Paint Hazard Control in Privately Owned Housing	14.900	NYLHB0693-18	210,912	210,912
Total U.S. Department of Housing and Urban Development			1,026,989	1,026,989
U.S. Department of Justice:				
Direct program:				
Comprehensive Opioid, Stimulant, and Substance Abuse Site-based Program	16.838	N/A	407,866	407,866
Total U.S. Department of Justice			407,866	407,866
U.S. Department of Labor:				
Passed through NYS Department of Labor:				
<i>WIOA Cluster:</i>				
WIOA Adult Program	17.258	N/A	-	386,486
WIOA Youth Activities	17.259	N/A	-	450,697
WIOA Dislocated Worker Formula Grants	17.278	N/A	-	351,938
<i>Total WIOA Cluster</i>			-	1,189,121
Total U.S. Department of Labor			-	1,189,121

(continued)

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Grantor/ Pass-Through Program Title or Cluster (1a)	Assistance Listing Number (1b)	Pass-Through Grantor's Number (1c)	Passed Through to Subrecipients	Total Federal Expenditures (1d)
U.S. Department of Transportation:				
Passed through NYS Department of Transportation:				
<i>Highway Planning and Construction Cluster:</i>				
Highway Planning and Construction	20.205	D040142; PIN 7753.94	-	862
Highway Planning and Construction	20.205	D040325; PIN 7753.32	-	12,905
<i>Total Highway Planning and Construction Cluster</i>			-	13,767
Direct program:				
Formula Grants for Rural Areas	20.509	C005740	15,060	15,060
Total U.S. Department of Transportation			15,060	28,827
U.S. Department of the Treasury:				
Direct programs:				
Emergency Rental Assistance Program	21.023	N/A	3,841	3,841
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	4,627,737	5,416,817
Total U.S. Department of the Treasury			4,631,578	5,420,658
U.S. Department of Education:				
Passed through NYS Department of Health:				
Special Education - Grants for Infants and Families	84.181	N/A	-	91,388
Total U.S. Department of Education			-	91,388
U.S. Department of Health and Human Services:				
Passed through NYS Office for the Aging:				
Special Programs for Aging Title III , Part D,				
Disease Prevention and Health Promotion Services	93.043	N/A	-	2,982
National Family Caregiver Support Title III, Part E	93.052	N/A	-	60,879
<i>Aging Cluster :</i>				
Special Programs for the Aging, Title III, Part B—Grants for Supportive Services and Senior Centers	93.044	N/A	-	117,146
Special Programs for the Aging, Title III, Part C—Nutrition Services	93.045	N/A	-	280,174
Nutrition Services Incentive Program	93.053	N/A	-	110,633
<i>Total Aging Cluster</i>			-	507,953
Special Programs for the Aging, Title IV, Title II Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.048	N/A	-	7,695
	93.779	N/A	-	92,778

(continued)

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Grantor/ Pass-Through Program Title or Cluster (1a)	Assistance Listing Number (1b)	Pass-Through Grantor's Number (1c)	Passed Through to Subrecipients	Total Federal Expenditures (1d)
Passed through the Health Research Institute:				
Medicare Enrollment Assistance Program	93.071	N/A	-	16,550
Injury Prevention and Control Research and Community Based Programs	93.136	N/A	-	53,221
Passed through NYS Department of Health:				
Immunization Cooperative Agreements	93.268	N/A	-	62,789
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	N/A	-	1,157,204
Promoting Safe and Stable Families	93.556	N/A	-	19,865
Elder Abuse Prevention Interventions Program	93.747	N/A	-	24,104
<i>Medicaid Cluster:</i>				
Medical Assistance Program	93.778	N/A	-	2,336,000
<i>Total Medicaid Cluster</i>			-	2,336,000
Maternal and Child Health Services				
Block Grant to the States	93.994	N/A	-	59,433
Passed through NYS Office of Temporary and Disability Assistance:				
<i>TANF Cluster :</i>				
Temporary Assistance to Needy Families	93.558	N/A	-	11,959,091
<i>Total TANF Cluster</i>			-	11,959,091
Child Support Enforcement	93.563	N/A	-	1,299,999
Low Income Home Energy Assistance	93.568	N/A	-	10,034,915
Stephanie Tubbs Jones CWS	93.645	N/A	-	56,227
Foster Care—Title IV-E	93.658	N/A	-	6,632,829
Social Services Block Grant	93.667	N/A	-	1,098,615
Chafee Foster Care Independence Program	93.674	N/A	-	135,390
Passed through NYS Office of Alcoholism and Substance Abuse Services:				
Opioid STR	93.788	CHJC	-	549,791
CMHS Adult COVID Block Grant	93.958	N/A	-	4,963
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	-	68,387
Public Health Emergency Preparedness	93.069	N/A	-	87,445
Total U.S. Department of Health and Human Services			-	36,329,105

(continued)

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Grantor/ Pass-Through Program Title or Cluster (1a)	Assistance Listing Number (1b)	Pass-Through Grantor's Number (1c)	Passed Through to Subrecipients	(concluded) Total Federal Expenditures (1d)
U.S. Department of Homeland Security:				
Passed through NYS Division of Homeland Security and Emergency Services:				
<i>Homeland Security Program:</i>				
Homeland Security Grant Program	97.047	WM22190179	-	87,576
Homeland Security Grant Program	97.067	WM23190314	-	54,603
Homeland Security Grant Program	97.067	WM20973500	-	12,183
Homeland Security Grant Program	97.067	WM21172010	-	17,641
Homeland Security Grant Program	97.067	WM22190179	-	5,463
Homeland Security Grant Program	97.067	WM23190314	-	888
Homeland Security Grant Program	97.067	WM19973599	-	106,029
Homeland Security Grant Program	97.067	WM20973509	-	57,311
Homeland Security Grant Program	97.067	WM22190229	-	34,821
Homeland Security Grant Program	97.067	5JCOPS-21-GG-03520-UHP	-	42,250
<i>Total Homeland Security Program</i>			-	418,765
Total U.S. Department of Homeland Security			-	418,765
Total Expenditures of Federal Awards (1e)			\$ 5,673,627	\$ 46,339,944

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

COUNTY OF ST. LAWRENCE, NEW YORK
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of the County of St. Lawrence, New York (the “County”) under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected 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 St. Lawrence, New York. The federal expenditures of the St. Lawrence County Industrial Development Agency, the St. Lawrence County Local Development Agency-Local Development Corporation, the St. Lawrence County Soil and Water Conservation District and the St. Lawrence County Property Development Corporation have not been included.
- b) Source: Federal Assistance Listing Numbers (“ALN”), 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 basic 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. Pass-through entity identifying numbers are presented where available. The County has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented.

4. MATCHING COSTS

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

5. DEPARTMENT OF SOCIAL SERVICES – ADMINISTRATIVE COSTS

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

6. 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.

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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 Board of Legislators and County Administrator
County of St. Lawrence, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate nonmajor discretely presented component units, each major fund, and the aggregate remaining fund information of the County of St. Lawrence, New York (the "County") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 12, 2024. Our report includes a reference to other auditors who audited the financial statements of the St. Lawrence County Industrial Development Agency—Civic Development Corporation, the Canton Human Service Initiatives, Inc., the St. Lawrence Industrial Development Agency, the St. Lawrence County Industrial Development Agency—Local Development Corporation, and the St. Lawrence County Property Development Corporation, 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.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting ("internal control") as a basis for designing 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 were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Brecher & Malecki, LLC

August 12, 2024

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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 Board of Legislators and County Administrator
County of St. Lawrence, New York:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of St. Lawrence, New York's, (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2023. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the St. Lawrence County Industrial Development Agency—Civic Development Corporation (the "CDC"), the Canton Human Service Initiatives, Inc. (the "CHSI"), the St. Lawrence County Industrial Development Agency (the "Agency"), the St. Lawrence County Industrial Development Agency—Local Development Corporation (the "LDC"), the St. Lawrence County Soil and Water Conservation District (the "District") and the St. Lawrence County Property Development Corporation (the "PDC"), which are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2023. Our compliance audit, described below, did not include the operations of the CDC, CHSI, Agency, LDC, District and PDC.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("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

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.

Brecher & Malucki LLC

August 12, 2024

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of auditors' report issued: Unmodified*
 *(which report 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 report the auditor 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:

ALN	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.568	Low Income Home Energy Assistance
93.667	Social Services Block Grant
93.778	Medicaid Cluster

Dollar threshold used to distinguish between Type A and Type B programs? \$ 1,390,198

Auditee qualified as low-risk auditee? ✓ Yes No

COUNTY OF ST. LAWRENCE, NEW YORK
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section II. FINANCIAL STATEMENT FINDINGS

No findings noted.

Section III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings noted.

COUNTY OF ST. LAWRENCE, NEW YORK
Summary Schedule of Prior Year Audit Findings and Corrective Action Plan
Year Ended December 31, 2023
(Follow-Up on December 31, 2022 Findings)

No findings were reported.

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