

COUNTY OF TOMPKINS

Ithaca, New York

FINANCIAL REPORT

For the Years Ended
December 31, 2019 and 2018



COUNTY OF TOMPKINS

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INDEPENDENT AUDITORS' REPORT

County Legislature
County of Tompkins
Ithaca, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Tompkins, New York (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Tompkins Cortland Community College, which represents (1.1)% and (4.5)%, respectively, of the assets and net position of the primary government and 88.4%, (91.2)%, and 81.4% of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Tompkins Cortland Community College, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of a Matter

During the year ended December 31, 2019, the County adopted Government Accounting Standards Board (GASB) Statement No. 90, "Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61." This change in accounting principle changes Tompkins Cortland Community College from just an equity interest in a joint venture to a discretely presented component unit on the face of the financial statements, as well as an equity interest in a joint venture. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the County's Total Other Postemployment Benefit (OPEB) Liability and Related Ratios, Schedule of Contributions - NYSLRS Pension Plan, Schedule of the County's Proportionate Share of the Net Pension Liability, Budgetary Comparison Schedules, and the related notes to required supplementary information on pages 4-4q and 63-72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining non-major fund financial statements 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining non-major fund financial statements and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2020, on our consideration of the County of Tompkins' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Tompkins' internal control over financial reporting and compliance.

Respectfully submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
August 26, 2020

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

Our discussion and analysis of the County of Tompkins' financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2019. Please read this information in conjunction with the County's financial statements, which begin on page 5.

FINANCIAL HIGHLIGHTS

Governmental Activities:

- Assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$132,709,841 (net position). Of this amount, \$36,399,913 was an unrestricted deficit in 2019. This deficit is primarily a result of the recognition of OPEB liabilities.
- The County's governmental activities overall net position increased \$11,384,032, or 9.4%, while unrestricted net (deficit) increased by \$8,815,327, or 32.0%. Net investment in capital assets increased by \$20,935,122, or 14.75%.
- During the year, the County's governmental activities had revenues of \$216,967,450, as compared to \$190,396,616 in the prior year, an increase of \$26,570,834. Expenses of \$205,583,418 increased by \$12,051,312, from \$193,532,106 in 2018.
- The County invested \$40.4 million in capital assets during the year.
- The General Fund recorded an increase of \$4,672,822 in the current year and ended the year with a fund balance of \$54,338,593. Of this fund balance, \$46,215,293 was unassigned.
- The County's short-term and long-term obligations at year end totaled \$155,166,811, an increase of \$5,105,382 from 2018. This increase is primarily attributable to increases in bond anticipation notes payable of \$5.8 million and the proportionate share of net pension liability of \$5.9 million, offset by a decrease in other postemployment benefits of \$4.7 million.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

USING THIS ANNUAL REPORT

This annual report consists of a series of basic financial statements. The Statement of Net Position and the Statement of Activities (on pages 5-6a) provide information about the County as a whole and present a longer-term view of the County's finances. Governmental Fund financial statements start on page 7. For Governmental Activities, these statements tell how these services were financed in the short term, as well as what remains for future spending. Governmental Fund financial statements also report the County's operations in greater detail than the Government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside the government. Following these statements are notes that provide additional information that is essential to a full understanding of the data provided in the financial statements. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the County's Major Fund budgets for the year, a Schedule of Changes in the Total OPEB Liability and Related Ratios related to the County's other postemployment benefits, a Schedule of Contributions - NYSLRS Pension Plan, and a Schedule of the Proportionate Share of Net Pension Liability.

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

Reporting the County as a Whole

Analysis of the County as a whole begins on page 5, with the Government-wide financial statements. The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer the question of whether the County, as a whole, is better off or worse off as a result of the year's activities. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

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

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

Governmental Activities: Most of the County's services are reported in this category, including Public Safety, Public Health, Economic Assistance, Transportation, and General Administration. Property and sales taxes, and state and federal grants finance most of these activities.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

Business-Type Activities: Enterprise funds are used to report the same functions presented as Business-type activities in the Government-wide financial statements. The County uses enterprise funds to account for the Tompkins Center for History & Culture Facility on Tioga Street.

Component Units: The County includes four separate legal entities in its report: Tompkins County Public Library, Tompkins County Industrial Development Agency, Tompkins County Soil and Water Conservation District, Tompkins Cortland Community College, and Tompkins Tobacco Asset Securitization Corporation (TTASC). TTASC is reported as a blended component unit with the County's Governmental Activities; complete financial statements can be obtained from the Tompkins County Director of Finance, 125 East Court Street, Ithaca, New York 14850. The other four component units are reported discretely. Although legally separate, these component units are important because the County is financially accountable for them. Complete financial statements for Tompkins County Public Library, Tompkins County Industrial Development Agency, Tompkins County Soil and Water Conservation District, and Tompkins Cortland Community College, can be obtained from their administrative offices. See Note 1 to the basic financial statements.

Joint Ventures: The County reports its interest in the equity of two joint ventures: Tompkins Consolidated Area Transit (TCAT), which was formed under a consolidation agreement between the City of Ithaca, Tompkins County, and Cornell University, to provide public transportation in Tompkins County and surrounding areas; and Tompkins Cortland Community College, a joint venture between Tompkins and Cortland Counties. Complete financial statements for these entities can be obtained from their administrative offices. See Note 1 to the basic financial statements.

Reporting the County's Most Significant Funds

Governmental Fund Financial Statements

Analysis of the County's Major Funds begins on page 7. The Governmental Fund financial statements provide detailed information about the most significant funds not about the County as a whole. Some funds are required to be established by state law. However, management establishes many other funds to help it control and manage money for particular purposes or to show it is meeting legal responsibilities for using certain taxes and grants. The County's three types of funds - Governmental, Fiduciary, and Proprietary - use different accounting approaches.

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

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

Proprietary Funds: When the County charges customers for the services it provides (whether to outside customers or to other units of the County) these services are generally reported in Proprietary Funds. Proprietary Funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. Internal Service Funds (a component of Proprietary Funds) are used to report activities that provide supplies and services for the County's other programs and activities such as the administration of workers' compensation obligations and self insurance program for general liability. Enterprise Funds (a component of Proprietary Funds) are used to report the same functions presented as Business-type activities in the Government-wide financial statements. The County uses enterprise funds to account for the Tompkins Center for History & Culture Facility on Tioga Street.

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

THE COUNTY AS A WHOLE

The County's governmental activities' net position for the fiscal year ended December 31, 2019 increased from \$121,325,809 to \$132,709,841. The County recorded a net position decrease of \$3,135,490 during 2018.

The largest portion of the County's net position of \$162,865,749, reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided by other sources, as the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the County's net position of \$6,244,005, represents resources subject to external restrictions on how they may be used and are reported as restricted.

The remaining category of total net position, unrestricted net deficit of \$36,399,913 represents the net (deficit) of County operations at December 31, 2019.

The County has appropriated \$2,177,796 for 2020 expenses and designated an additional \$18,604,238 for specific purposes. See Note 18 to the financial statements.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

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

Figure 1 - Net Position

	<i>Governmental Activities</i>		<i>Percent Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
<i>Current Assets - County</i>	\$ 100,176,586	\$ 93,861,864	(6.30)%
<i>Current Assets - TTASC</i>	673,216	654,986	(2.71)%
<i>Capital Assets, Net</i>	189,448,857	216,623,074	14.34%
<i>Other Noncurrent Assets - County</i>	5,853,535	4,780,981	(18.32)%
<i>Other Noncurrent Assets - TTASC</i>	649,852	650,398	0.08%
<i>Total Assets</i>	296,802,046	316,571,303	6.66%
<i>Pensions</i>	18,148,720	9,739,465	(46.34)%
<i>Other Postemployment Benefits</i>	1,238,967	1,501,239	21.17%
<i>Deferred Charges on Defeased Debt</i>	349,016	284,312	(18.54)%
<i>Total Deferred Outflows of Resources</i>	19,736,703	11,525,016	(41.61)%
<i>Current Liabilities - County</i>	30,080,916	35,749,132	18.84%
<i>Current Liabilities - TTASC</i>	2,035,253	2,531,617	24.39%
<i>Noncurrent Liabilities - County</i>	126,239,206	125,735,955	(0.40)%
<i>Noncurrent Liabilities - TTASC</i>	11,091,814	10,977,940	(1.03)%
<i>Total Liabilities</i>	169,447,189	174,994,644	3.27%
<i>Pensions</i>	17,643,890	4,529,591	(74.33)%
<i>Other Postemployment Benefits</i>	8,121,861	15,862,243	95.30%
<i>Total Deferred Inflows of Resources</i>	25,765,751	20,391,834	(20.86)%
<i>Net Investment in Capital Assets</i>	141,930,627	162,865,749	14.75%
<i>Restricted</i>	6,979,768	6,244,005	(10.54)%
<i>Unrestricted</i>	(27,584,586)	(36,399,913)	(31.96)%
<i>Total Net Position</i>	\$ 121,325,809	\$ 132,709,841	9.38%

Current assets of the County decreased \$6,314,722 primarily as result of decreases in amounts due from state and federal governments of \$5,030,745. Capital assets, net of accumulated depreciation, increased \$27,174,217 largely as a result of capital additions exceeding depreciation expense and the net book value of disposals. Other noncurrent assets decreased \$1,072,554 mainly due to a decrease in restricted cash of \$1,908,761.

The fluctuations in deferred outflows and deferred inflows of resources related to pensions and OPEB are due to the net difference between projected and actual investment earnings on pension plan investments and changes in assumptions.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

The County's current liabilities increased \$5,668,216 largely as a result of an increase in Bond Anticipation Notes payable of \$5,751,000. The County's noncurrent liabilities decreased by \$503,251 primarily due to decreases in other postemployment benefits of \$4,708,049 and bonds payable of \$1,430,494, offset by a \$5,910,368 increase in long-term pension obligations.

The County's total revenues and total cost of all programs and services increased. Our analysis in Figure 2 separately considers the operations of Governmental Activities.

Figure 2 - Changes in Net Position

	<i>Governmental Activities</i>		<i>Percent Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
REVENUES			
<i>Program Revenues</i>			
<i>Charges for Services</i>	\$ 20,883,567	\$ 21,114,394	1.11%
<i>Operating Grants</i>	50,556,851	56,394,309	11.55%
<i>Capital Grants</i>	11,083,714	19,825,143	78.87%
<i>General Revenues</i>			
<i>Property Taxes and Tax Items</i>	47,773,392	52,304,663	9.48%
<i>Sales and Other Taxes</i>	59,947,003	62,210,186	3.78%
<i>Tobacco Settlement - County</i>	612,417	505,693	(17.43)%
<i>Tobacco Settlement - TTASC</i>	552,761	497,727	(9.96)%
<i>Unrestricted Grants</i>	441,633	322,450	(26.99)%
<i>Use of Money and Property</i>	2,129,567	2,916,494	36.95%
<i>Change in Equity Interest in Joint Ventures</i>	(2,446,147)	(278,892)	88.60%
<i>Other</i>	1,861,858	1,155,283	(37.95)%
<i>Transfers</i>	(3,000,000)	-	100.00%
Total Revenues and Transfers	\$ 190,396,616	\$ 216,967,450	13.96%
PROGRAM EXPENSES			
<i>General Government</i>	\$ 34,122,962	\$ 38,996,491	14.28%
<i>Education</i>	9,142,232	9,743,882	6.58%
<i>Public Safety</i>	23,639,795	23,987,270	1.47%
<i>Public Health</i>	20,311,214	20,722,438	2.02%
<i>Transportation</i>	29,112,783	31,481,115	8.14%
<i>Economic Assistance and Opportunity</i>	59,813,446	64,190,856	7.32%
<i>Culture and Recreation</i>	6,187,990	6,259,037	1.15%
<i>Home and Community Services</i>	8,927,368	8,082,741	(9.46)%
<i>Interest on Debt</i>	2,274,316	2,119,588	(6.80)%
Total Expenses	\$ 193,532,106	\$ 205,583,418	6.23%
CHANGE IN NET POSITION	\$ (3,135,490)	\$ 11,384,032	463.07%

COUNTY OF TOMPKINS

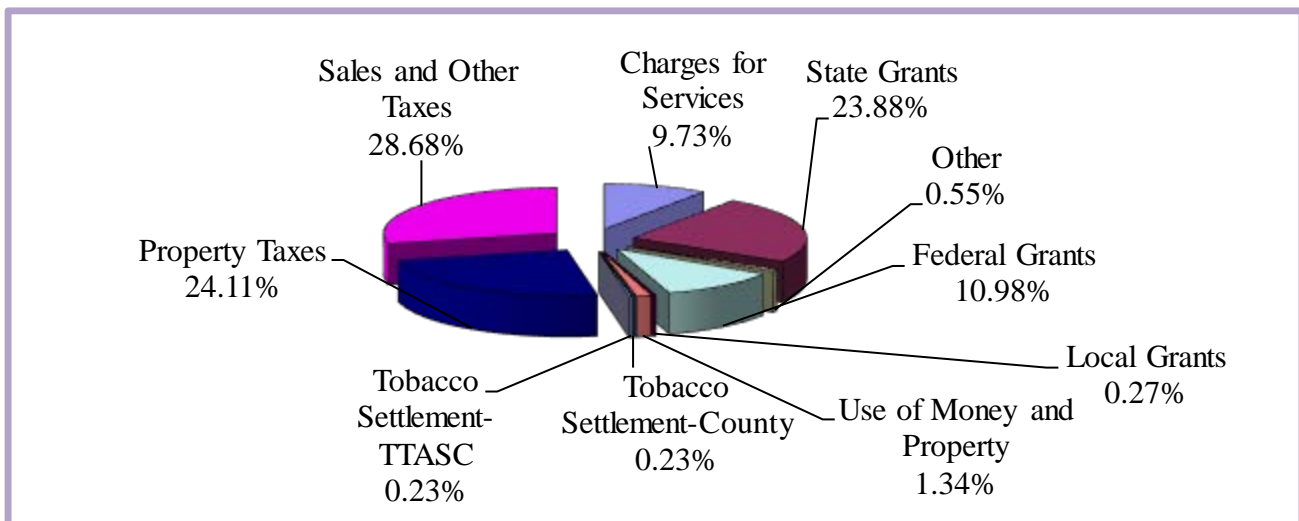
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

The increase in revenue was primarily due to an increase in operating grants mainly through social services, capital grants (transportation), as well as property taxes, and sales and other taxes. In addition, during the previous year, the County had a one time transfer to the Enterprise fund for construction in progress of \$3,000,000. These increases resulted in \$26,570,834 more in revenues.

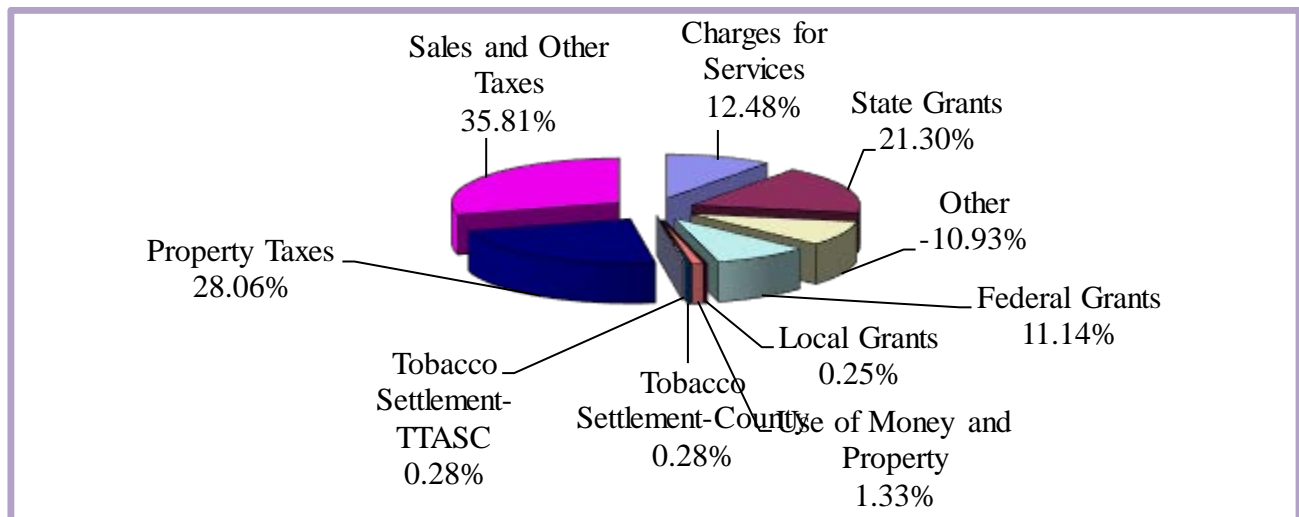
A comparison of program expenses, outlined in Figure 2, highlights increases in all functions, except home and community services and interest on debt. Overall, program expenses of the County's Governmental Activities increased \$12,051,312, which is 6.23% over the prior year.

Figures 3 and 4 show in percentages the sources of revenue for 2019 and 2018.

***Figure 3 - Revenue by Source
Governmental Activities - 2019***



***Figure 4 - Revenue by Source
Governmental Activities - 2018***



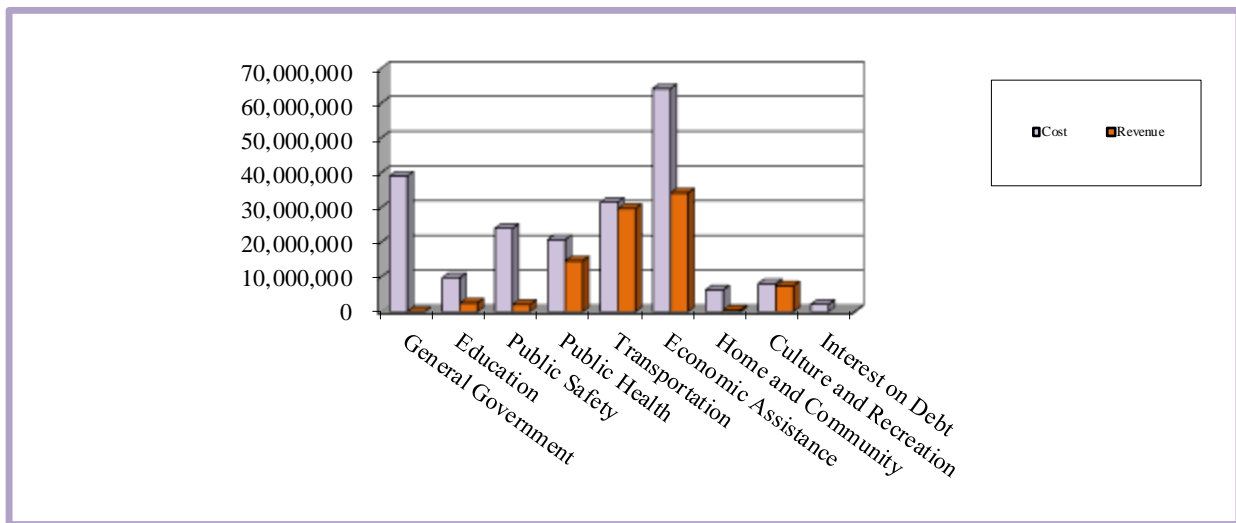
COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

The cost of all Governmental Activities this year was \$205,583,418. As shown in the Statement of Activities, the amount that our taxpayers ultimately financed for these activities through County property and other tax revenues was \$108,249,572, because some of the cost was paid by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions. Overall, the County's governmental program revenues were \$97,333,846. The County paid for the remaining "public benefit" portion of Governmental Activities with \$108,249,572 in taxes and with other revenues, such as interest and general entitlements.

The total cost versus revenue generated by activities for the County's largest programs is presented below. The difference between the cost and revenue shows the relative financial burden placed on the County's taxpayers by each of these functions.

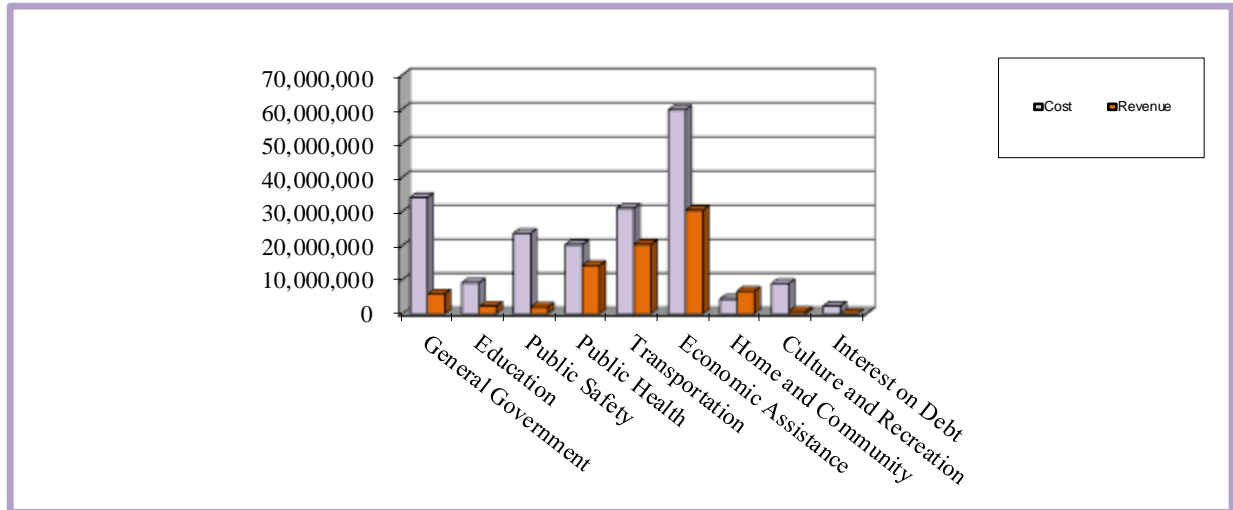
**Figure 5 - Net Program Cost
Governmental Activities
2019**



COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

*Figure 6 - Net Program Cost
Governmental Activities
2018*



BUSINESS-TYPE ACTIVITIES

The County transferred capital assets related to the Tompkins Center for History and Culture facility from governmental activities to Business-type activities effective January 1, 2018. Figures 7 and 8 report the net position and changes in net position of the Business-type activities.

*Figure 7
Net Position*

	<i>Business-Type Activities</i>		<i>Percent Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
<i>Current Assets</i>	\$ -	\$ 83,375	N/A
<i>Capital Assets, Net</i>	3,311,673	3,361,259	1.50%
<i>Total Assets</i>	3,311,673	3,444,634	4.01%
<i>Current Liabilities</i>	326,974	392,287	19.97%
<i>Total Liabilities</i>	326,974	392,287	19.97%
<i>Net Investment in Capital Assets</i>	3,311,673	3,361,259	1.50%
<i>Unrestricted</i>	(326,974)	(308,912)	5.52%
<i>Total Net Position</i>	\$ 2,984,699	\$ 3,052,347	2.27%

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

Figure 8
Changes in Net Position

	<i>Business-Type Activities</i>		<i>Percent Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
REVENUES			
<i>General Revenues</i>			
<i>Use of Money and Property</i>	\$ -	\$ 160,356	N/A
<i>Transfers</i>	3,000,000	-	(100.00)%
Total Revenues	3,000,000	160,356	(94.65)%
PROGRAM EXPENSES			
<i>Culture and Recreation</i>	15,301	92,708	505.90%
Total Expenses	15,301	92,708	505.90%
CHANGE IN NET POSITION	\$ 2,984,699	\$ 67,648	(97.73)%

THE COUNTY'S FUNDS

At December 31, 2019, the County's Governmental Funds, as presented in the balance sheets on pages 7-7a, reported a decrease of 16.5% in the combined fund balance from the prior year. Of this amount, \$3,189,097 was nonspendable, \$7,041,103 was restricted, \$4,580,636 was committed, and \$14,797,896 was assigned, leaving \$33,934,608 in unassigned fund balance. The main reason for the decline in fund balance is due to short-term borrowing the Capital Projects Funds - Transportation. This deficit will be eliminated when short-term borrowings convert into long-term debt in addition to other funding. Figure 9 shows the changes in fund balance for the County's Governmental Funds.

Figure 9 - Governmental Funds
Fund Balance at Years Ended

	<i>2018</i>	<i>2019</i>	<i>Dollar Change</i>
Major Funds			
<i>General Fund</i>	\$ 49,665,771	\$ 54,338,593	\$ 4,672,822
<i>County Road Fund</i>	1,818,976	745,286	(1,073,690)
<i>Transportation (Airport) Fund</i>	862,850	1,269,371	406,521
<i>Solid Waste Fund</i>	2,011,801	2,354,018	342,217
<i>Special Grant Fund</i>	1,296,865	906,266	(390,599)
<i>Capital Projects Funds - Transportation</i>	3,832,409	(13,182,400)	(17,014,809)
<i>Capital Projects Funds - General Government</i>	8,349,806	8,324,190	(25,616)
<i>Debt Service Fund</i>	2,213,736	2,261,409	47,673
Non-Major Funds			
<i>Road Machinery Fund</i>	639,492	635,036	(4,456)
<i>Capital Funds</i>	4,080,467	4,586,187	505,720
<i>TTASC Debt Service Fund</i>	1,323,068	1,305,384	(17,684)
Totals	\$ 76,095,241	\$ 63,543,340	\$ (12,551,901)

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

General Fund Budgetary Highlights

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

**Figure 10 - Budgetary Comparison Schedule - General Fund
December 31, 2019**

	<i>Original Budget</i>	<i>Final Budget</i>	<i>Actual w/Encumbrances</i>	<i>Variance Fav.(Unfav.)</i>
REVENUES				
<i>Real Property Taxes and Tax Items</i>	\$ 51,888,237	\$ 58,172,237	\$ 52,298,728	\$ (5,873,509)
<i>Nonproperty Tax Items</i>	61,211,760	61,491,035	62,210,186	719,151
<i>Departmental Income</i>	8,833,003	9,571,216	10,508,744	937,528
<i>Fines and Forfeitures</i>	120,375	128,584	147,932	19,348
<i>Use of Money and Property</i>	521,661	524,095	856,125	332,030
<i>Miscellaneous Local Sources</i>	561,732	582,472	859,421	276,949
<i>Sale of Property and Compensation for Loss</i>	543,211	543,211	638,753	95,542
<i>State Sources</i>	39,264,075	42,382,729	40,501,454	(1,881,275)
<i>Federal Sources</i>	15,227,616	19,259,491	20,141,300	881,809
<i>Other</i>	1,297,000	1,433,648	1,591,992	158,344
Total Revenues and Other Financing Sources	\$ 179,468,670	\$ 194,088,718	\$ 189,754,635	\$ (4,334,083)
Appropriated Fund Balances	\$ 2,163,862	\$ 5,408,297	\$ -	\$ -
EXPENDITURES				
<i>General Government</i>	\$ 33,811,046	\$ 39,880,461	\$ 37,088,070	\$ 2,792,391
<i>Education</i>	9,386,514	9,864,721	9,808,651	56,070
<i>Public Safety</i>	20,253,406	20,455,935	19,790,965	664,970
<i>Public Health</i>	19,826,739	20,665,768	19,187,570	1,478,198
<i>Transportation</i>	10,488,215	15,573,401	15,155,561	417,840
<i>Economic Assistance and Opportunity</i>	66,858,315	68,239,856	61,484,273	6,755,583
<i>Culture and Recreation</i>	5,995,509	6,041,921	5,971,574	70,347
<i>Home and Community Services</i>	2,274,136	2,895,088	2,345,983	549,105
<i>Employee Benefits</i>	-	843,365	843,365	-
<i>Other Financing Uses</i>	12,738,652	15,036,499	14,458,189	578,310
Total Expenditures and Other Financing Uses	\$ 181,632,532	\$ 199,497,015	\$ 186,134,201	\$ 13,362,814
<i>Excess of Revenues and Other Financing Uses</i>	\$ -	\$ -	\$ 3,620,434	\$ 9,028,731

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2019, the County had capital assets with a historical cost \$423,495,205, and accumulated depreciation of \$206,872,131, invested in a broad range of capital assets, including buildings, machinery and equipment, roads, and bridges. This amount represents a net increase (including additions, disposals, and depreciation) of \$27,174,217 over the prior year.

Figure 11 - Capital Assets, Net of Depreciation

	<i>Governmental Activities</i>		<i>Percent Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
<i>Land</i>	\$ 7,530,638	\$ 7,531,438	0.01%
<i>Construction in Progress</i>	10,921,368	41,537,117	280.33%
<i>Buildings and Improvements</i>	39,866,351	36,900,486	(7.44)%
<i>Equipment</i>	11,147,325	11,885,916	6.63%
<i>Infrastructure</i>	119,983,175	118,768,117	(1.01)%
<i>Totals</i>	\$ 189,448,857	\$ 216,623,074	14.34%

Land and Construction in Progress	\$ 35,037,904
Buildings and Building Improvements	69,255
Machinery and Equipment	2,515,688
Infrastructure	2,792,888
Total Additions	<u>40,415,735</u>
Less Net Book Value of Disposals	(18,626)
Less Depreciation Expense	<u>(13,222,892)</u>

Change in Capital Assets, Net of Accumulated Depreciation **\$ 27,174,217**

At the end of December 31, 2019, the County's Business-type Activities reported capital assets related to the purchase and renovation of the Tompkins Center for History and Culture Facility.

Figure 12 - Capital Assets, Net of Depreciation

	<i>Business-type Activities</i>		<i>Percent Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
<i>Construction in Progress</i>	\$ 3,311,673	\$ 3,361,259	1.50%
<i>Totals</i>	\$ 3,311,673	\$ 3,361,259	1.50%

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

Debt Administration

Of the total indebtedness of the County, \$54,906,018 was subject to the constitutional debt limit and represented approximately 10.84% of the County's statutory debt limit. Tobacco settlement pass-through bonds are debt of the Tompkins Tobacco Asset Securitization Corporation (TTASC), under which 50% of the County's future tobacco settlement proceeds were securitized. The County is not responsible for this debt in the event TTASC were to default on repayment of these bonds.

Figure 13 - Outstanding Debt at Years Ended

	<i>Governmental Activities</i>		<i>Dollar Change</i>
	<i>2018</i>	<i>2019</i>	<i>2018 - 2019</i>
<i>Serial Bonds</i>	\$ 46,447,337	\$ 45,016,843	\$ (1,430,494)
<i>Bond Anticipation Notes Payable</i>	5,174,000	10,925,000	5,751,000
<i>Installment Purchase Debt</i>	702,466	406,018	(296,448)
<i>Tobacco Settlement Pass-through Bonds</i>	13,104,532	13,487,995	383,463
<i>Totals</i>	\$ 65,428,335	\$ 69,835,856	\$ 4,407,521

The County continues to maintain excellent financial credit as reflected by a Moody's bond rating of Aa1 on its 2018 and 2019 Bonds. More detailed information about the County's long-term liabilities is presented in Note 10 to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Unemployment was at record lows pre-COVID-19 (March 2020 3.7%) but has worsened as the pandemic has taken effect (June 2020 8.9%). The New York State unemployment rate in June 2020 was 15.7%.

In recent years Tompkins County has benefited from a growing tax base, particularly within the City of Ithaca, with significant taxable development occurring in Ithaca's central business district.

Approximately \$400 million in development, all taxable, has been recently completed, is currently underway, or is expected to begin within the next two years, including:

- The \$24 million, 159-room Boutique Hilton Canopy Hotel opened in Downtown Ithaca in October 2019.
- The \$52 million, 192 unit City Centre apartments opened in June 2019.
- Several major residential projects are proposed or under construction that are anticipated to add more than 2,000 new units of housing, mostly within the central core of the City of Ithaca, the Town of Lansing, Varna, and the Village of Trumansburg.
- Cornell University broke ground on a \$100 million, 2,000 new bedrooms to house all freshman and sophomores on campus in the fall of 2019. Construction will take place over two years.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

- The City of Ithaca has received the results of a Request for Proposals for the Green Street Parking Garage Redevelopment project which could result in a project that could cost upwards of \$100 million. This project may include a 30,000 square foot convention center and more than 200 affordable housing units.
- The 12-story, 126,000 square foot Harold's Square project in the heart of the Ithaca Commons is under construction and slated for completion in the fall of 2020. The project will bring 12,780 sf of retail space, 16,000-sf of office space, and 108 apartments ranging from studios to two-bedroom units.
- The \$40 million City Harbor project on the waterfront in the City of Ithaca will break ground in the summer of 2020, adding 96 market rate apartment units.
- The former Tompkins County Library building in downtown Ithaca will be replaced by a four-story, 58-unit aged 55 and over residential development that began construction in the summer of 2019.
- The East Pointe Apartments in the Village of Lansing added 140 apartments in 2019.
- Including the apartment projects already listed, there are more than 11,000 beds that are currently under construction or are in some phase of the planning process.
- Cayuga Medical Center is planning a \$120 million project at Carpenter Park near the waterfront. The project includes a 64,000-sf medical office building, two mixed-use buildings with 170 market-rate apartments and commercial space on the lower level, a 42-unit affordable housing development, and 607 parking spaces. The project is expected to break ground in 2020.
- The Ithaca Arthaus, a \$28 million, 154-unit affordable housing project, is under construction.
- The former Immaculate Conception School is expected to be redeveloped into 75 affordable apartments and several for-sale townhouses in a \$26 million project by a local nonprofit developer (INHS). This project is scheduled for 2021.
- The NYSDOT garage located off Third St on the Inlet is expected to move to the Town of Lansing, freeing this space for potential waterfront development.
- The Town of Lansing "Town Center" development of a 72-unit low income tax credit housing development (Milton Meadows) is nearing completion.
- In terms of Solar Development, there are more than 50 MW of off-site commercial solar completed or substantially under construction in Tompkins County. These projects represent \$100 million in private investment.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

- Cargill, Incorporated is building a \$45 million new mine shaft that will provide emergency access and improved ventilation, increasing the useful life of the salt mine in the Town of Lansing.

In addition to these private sector undertakings, Cornell University continues to make substantial investments on its campus. Recent investments to the campus include the following:

- Construction of the \$61 million Klarman Hall, which houses Cornell University's Arts and Sciences programs, was recently completed.
- The University, in conjunction with a private developer, demolished more than 500 beds of graduate housing that was tax exempt and built more than 800 beds of graduate housing that are now fully taxable.

Note: Certain statements set forth above are based upon certain current assumptions and estimates, and the actual results may vary. Because such statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected.

In the years following the 2008-09 Recession, the County has stabilized its finances and has been able to sustain critical services with modest increases in the local property tax rate. The County's workforce is 0.5% smaller than its peak (775.8 FTEs in fiscal year 2009) and negotiated restrained wage growth with nearly all its labor unions. The 2020-budgeted salary base is \$47.1 million, as compared to the 2019-budgeted salary base of \$44.9 million. The Budget reflects a total County workforce of 772 FTEs. This is a net increase of 24 positions over 2019.

Like all counties in New York State, Tompkins has been affected by the rising cost of State-mandated programs. However, the budgeted local dollar cost of State-mandated human service programs has declined from \$22.6 million in 2013 to \$21.7 million in 2020 as human services caseloads declined following a surge in dependence on public services during the Recession, State funding remained stable, and Medicaid savings associated with the introduction of the Affordable Care Act were shared by the State with the counties. It should be noted if the federal government ultimately enacts changes to the Affordable Care Act that impact Medicaid or chooses in some other fashion to convert its 53-year Medicaid partnership to a fixed-dollar block grant to States, it is possible that New York State will shift a portion of the resulting burden to counties. Medicaid costs represent 36% of our 2020 property tax levy.

Fringe benefit costs, which consist primarily of health insurance and pension expenses, are traditionally a source of significant volatility in local government budgets. In 2020, benefit costs are expected to rise by a relatively constrained 2.84%, or \$621,647, bringing the total cost of employee and retiree benefits to \$22.5 million.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

The County budgeted a 6.6% increase in the cost of health insurance for 2020. The County continues to reap the benefits of participation in the highly successful Greater Tompkins County Municipal Health Insurance Consortium, which advised its municipal members that premiums would rise by a modest 5% in 2020. The growth in health costs has been mitigated by savings from the introduction of the Consortium's Platinum-level coverage in 2015, which is the plan now offered to all new County employees. Health care costs are currently projected to be \$11.9 million in 2020.

Pension rates that soared immediately after the 2008-09 Recession peaked at 20.9% in 2013 and then declined every year thereafter to the current rate of 14.6%. After four years of sharp increases, the County's pension contribution rate decreased from 20.9% of payroll in 2013 to 20.1% in 2014; to 18.2% in 2015 to 15.5% in 2016; to 15.3% in 2017 to 14.9% in 2018; to 14.6% in 2019 and is projected to remain at 14.6% in 2020. The retirement cost in dollars shows a decrease of (\$211,939) in 2020 (budget to budget) due to new employees being hired at a lower retirement tier, which is partially offset by the increase due to a larger salary base.

The 2020 County Budget was subject to a Tax Levy Limitation Law that restricts the growth of the property tax levy to 5.41%. The adopted 2.75% tax levy increase is below the projected 5.41% State-imposed property tax cap. The \$193.5 million adopted budget, which included \$93.0 million in local dollar spending, increases the County tax levy by 2.75% and decreases the County-wide average tax rate by approximately 1.7% from \$6.41 to \$6.31 per thousand, and the tax bill for the owner of a median-value \$190,000 County home rose by \$11.41.

The 2020 total tax levy of \$44.5 million (after applying sales tax credits and omitted taxes as offsets to the County levy in several towns, and after adding in election chargebacks) reflects an increase of \$876,587, or 2.0%, from the 2019 total tax levy of \$43.6 million (after applying sales tax credits and omitted taxes as offsets to the County levy in several towns, and after adding in election chargebacks). Property valuations and tax collections remain stable. Taxable values saw robust growth, rising from \$7,779,114,682 to \$8,130,516,586, or 4.5%.

The 2020 budget reflects modest reliance on General Fund Balance to support operations of \$2,241,796. This judicious use of reserves ensures the County's Unassigned Fund Balance will be kept safely above the County's Unassigned Fund Balance target of 10% of General Fund revenue.

County's actual sales tax receipts for 2019 were 4.1% higher than 2018's actual sales tax receipts. Sales tax receipts in 2020 were budgeted to be roughly the same as 2019's actual sales tax receipts for the first seven months, then the same as 2018 for the last 5 months. As a result, 2020 budgeted sales tax provides for reasonable growth of just over 4%, or \$1,493,948 over the prior year budget. It should be noted the resulting budget figure for 2020 is 2.5%, or \$954,325, lower than 2019's actual receipts.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

Over the past three years, the County has been able to budget between \$1.2 million and \$1.5 million annually in new income derived from the area's two new casinos. Actual casino gaming receipts in 2019 were \$2,035,590. This new recurring revenue is the result of a State-negotiated revenue sharing arrangement that distributes taxes on casino revenues to counties throughout the region in which the casino is located. Our region is unique in sharing revenue from two facilities - the Tioga Downs Casino in Nichols and the Del Lago Casino in Tyre. Unfortunately, due to the coronavirus, the casinos were closed in March 2020 and receipts from the casinos have dropped off. The County has received \$418,288 so far in 2020, but it will fall considerably short of its budgeted target of \$1,510,731, even if the casinos are allowed to reopen in the Fall of this year.

As of this date, labor agreements are in place with two of the four labor unions. Negotiations are currently in progress with the Correction Officers Union and the Road Patrol Union whose contracts have expired.

The County continues to anticipate and fiscally plan for those areas outside of its control which could have a material effect on future tax levies. The most significant areas considered outside its control are mid-year funding cutbacks from state and federal government and/or unanticipated increases in mandated programs. The 2020 budget provides a Contingency Account of \$981,116 for such circumstances.

The County will continue to invest in infrastructure replacements. As a matter of policy, the County increases its property tax levy by 0.5% annually and dedicates the proceeds of that increase to infrastructure investment (including debt service support). For 2020, the County adopted a tax levy increase of 2.75%, which is equivalent to \$1.37 million of the 2019 tax levy. This figure includes a 0.75% increase dedicated to infrastructure investments identified in the County's Capital Program.

In 2020, the County committed \$6.9 million from its tax levy to its capital program - an increase of \$498,983 over the year before. Most of these funds will be used to pay debt service on projects already authorized by the Legislature, or proposed to be authorized as a part of the 2020-24 Capital Program, a capital improvement plan that provides both a programmatic and fiscal blueprint to address essential facilities and infrastructure needs while also providing guidance on the management of debt. The County anticipates completing permanent financing on several projects during 2020, including \$3,530,000 in new bonds. It will also be necessary in 2020 to issue Bond Anticipation Notes to finance the cash flow needs of certain projects that are on a cost reimbursement basis. These Bond Anticipation Notes will be retired upon receipt of project cost reimbursements.

COVID-19 Update

The current cash flow outlook and overall financial situation remains stable. The County's liquidity position is strong. The County has a high level of reserves and most reserves are held in cash. In March 2020, the coronavirus outbreak was declared to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the area in which the County exists. While it is unknown how long these conditions will last and what the complete financial effect will be to the County, the County expects disruptions to businesses and residents, which could negatively impact the operating results in future periods.

COUNTY OF TOMPKINS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

The outbreak of COVID-19 has affected education, travel, commerce, and financial markets globally and is widely expected to affect economic growth worldwide.

The amount of State aid to the County is dependent in part upon the financial condition of the State.

There can be no assurance that the State's financial position will not change materially and adversely from prior projections. If this were to occur, the State would be required to take additional gap-closing actions. Such actions may include but are not limited to: reductions in State agency operations; delays or reductions in payments to local governments or other recipients of State aid. Reductions in the payment of State aid could adversely affect the financial condition of the County.

Many municipal leaders of counties throughout the State have reported spending significant amounts on unanticipated expenses linked to the impacts of COVID-19 and also project significant revenue losses due to the outbreak.

The degree of impact of the COVID-19 outbreak on the operations and finances of the County is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, (ii) severity, and (iii) ultimate geographic spread, as well as regard to what actions may be taken by governmental authorities to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the County and its economy.

Steps taken by the County include:

- Plan for a 15% decrease in sales tax revenue for 2020.
- Institute a hiring freeze.
- Institute a large spending freeze.
- Reduce capital contributions for construction/facility projects.
- Cut Quarter 3 payments by 25% to contracted supporting agencies.
- Institute 97 12-week and 6-week temporary furloughs.
- Institute 17 extended furloughs to 12/31/20.
- Reduce workforce in 2021.
- Provide an early retirement incentive to employees.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about the report or need any additional financial information, contact Richard C. Snyder, Director of Finance, Tompkins County, 125 East Court Street, Ithaca, New York 14850.

COUNTY OF TOMPKINS

STATEMENT OF NET POSITION DECEMBER 31, 2019

	Primary Government		Component Units				
	Governmental Activities	Business-Type Activities	Total	Tompkins County Public Library	Tompkins Cortland Community College	Industrial Development Agency	Soil and Water Conservation District
ASSETS							
Current Assets							
Cash and Cash Equivalents	\$ 55,776,065	\$ 68,023	\$ 55,844,088	\$ 797,524	\$ 1,803,423	\$ 1,276,064	\$ 365,936
Restricted Cash	2,988,650		2,988,650				1,165,833
Restricted Cash - TTASC	127,367		127,367				
Taxes Receivable, Net	5,145,228		5,145,228				
Accounts Receivable, Net	4,292,846		4,292,846	39,960	3,227,407		
Accounts Receivable - TTASC, Net	524,000		524,000				
Loans Receivable - Current Portion	119,510		119,510				
Administrative Fees Receivable						287,291	
Contributions and Other Receivables, Net					605,884		
Due from State and Federal Governments	22,248,655		22,248,655				246,801
Due from Other Governments	44,432		44,432				
Due from Affiliates, Net					1,518,825		
Securities and Mortgages	61,000		61,000				
Leases Receivable		12,561	12,561				
Deposits		-	-				
Prepaid Expenses	3,189,097	2,791	3,191,888	66,581	101,696		8,354
Total Current Assets	94,516,850	83,375	94,600,225	904,065	7,257,235	1,563,355	1,786,924
Noncurrent Assets							
Restricted Cash and Cash Equivalents	2,835,844		2,835,844		197,004		
Restricted Investments - TTASC	650,398		650,398				
Loans Receivable - Long-Term Portion	323,211		323,211				
Securities and Mortgages	410,714		410,714				
Equity Interest in Joint Ventures	1,211,212		1,211,212				
Net Pension Asset					316,094		
Capital Assets - Land and Construction in Progress	49,068,555	3,361,259	52,429,814				
Capital Assets - Depreciable, Net of Accumulated Depreciation	167,554,519		167,554,519	1,913,006	39,944,844		75,803
Total Noncurrent Assets	222,054,453	3,361,259	225,415,712	1,913,006	40,457,942	-	75,803
Total Assets	316,571,303	3,444,634	320,015,937	2,817,071	47,715,177	1,563,355	1,862,727
DEFERRED OUTFLOWS OF RESOURCES							
Pensions	9,739,465		9,739,465	437,949	2,334,819		64,103
Other Postemployment Benefits	1,501,239		1,501,239	88,871	7,431,114		
Deferred Charges on Defeased Debt	284,312		284,312				
Total Deferred Outflows of Resources	11,525,016	-	11,525,016	526,820	9,765,933	-	64,103

See Notes to Financial Statements

	Primary Government		Component Units				
	Governmental Activities	Business-Type Activities	Total	Tompkins County Public Library	Tompkins Cortland Community College	Industrial Development Agency	Soil and Water Conservation District
LIABILITIES							
Current Liabilities							
Accounts Payable	\$ 12,893,729	\$ 14,161	\$ 12,907,890	\$ 61,511	\$ 2,876,773	\$ 9,860	\$ 36,857
Accrued Liabilities	475,450		475,450	108,508			6,789
Internal Balances	(362,090)	362,090					
Bond Anticipation Notes Payable	10,925,000		10,925,000				
Interest Payable	677,666		677,666				
Due to Other Governments	4,687,002		4,687,002				200,000
Refundable Advances	1,374,820		1,374,820				1,165,833
Other	81,256		81,256				
Due to Affiliates, Net					2,313,465		
Unearned Revenues		16,036			1,503,817		
Long-term Obligations Due Within One Year - County	5,017,861		5,017,861		32,373		9,602
Long-term Obligations Due Within One Year - TTASC	2,510,055		2,510,055				
Total Current Liabilities	38,280,749	392,287	38,673,036	170,019	6,726,428	9,860	1,419,081
Noncurrent Liabilities							
Long-term Obligations Due After One Year - County	114,464,803		114,464,803	4,326,046	54,802,461		
Long-term Obligations Due After One Year - TTASC	10,977,940		10,977,940				
Net Pension Liability - Proportionate Share	11,271,152		11,271,152	501,453	1,804,565		76,685
Total Noncurrent Liabilities	136,713,895		136,713,895	4,827,499	56,607,026	-	76,685
Total Liabilities	174,994,644	392,287	175,386,931	4,997,518	63,333,454	9,860	1,495,766
DEFERRED INFLOWS OF RESOURCES							
Deferred Tuition Assistance Program					747,024		
Pensions	4,529,591		4,529,591	201,522	1,159,307		55,179
Other Postemployment Benefits	15,862,243		15,862,243	936,035	1,126,353		
Total Deferred Inflows of Resources	20,391,834		20,391,834	1,137,557	3,032,684	-	55,179
NET POSITION							
Net Investment in Capital Assets	162,865,749	3,361,259	166,227,008	1,913,006	39,876,450		83,276
Restricted For							
Community Development	1,348,987		1,348,987				
Debt	4,034,888		4,034,888				
Public Safety	185,959		185,959				
Economic Assistance and Opportunity	355,020		355,020				
Home and Community Services	294,151		294,151				
Capital Projects	25,000		25,000				
Total Restricted Net Position	6,244,005	-	6,244,005	-	-	-	-
Unrestricted	(36,399,913)	(308,912)	(36,708,825)	(4,704,190)	(48,761,478)	1,553,495	292,609
Total Net Position	\$ 132,709,841	\$ 3,052,347	\$ 135,762,188	\$ (2,791,184)	\$ (8,885,028)	\$ 1,553,495	\$ 375,885

COUNTY OF TOMPKINS

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General Governmental Support	\$ 38,996,491	\$ 2,841,525	\$ 3,500,361	\$
Education	9,743,882		2,525,090	
Public Safety	23,987,270	407,812	1,492,739	157,041
Health	20,722,438	5,953,282	8,677,237	
Transportation	31,481,115	3,410,293	6,600,070	19,668,102
Economic Assistance and Opportunity	64,190,856	1,659,862	32,522,137	
Culture and Recreation	6,259,037	318,797	184,595	
Home and Community Services	8,082,741	6,522,823	892,080	
Interest on Debt - County	1,264,247			
Interest on Debt - TTASC	855,341			
Total Governmental Activities	205,583,418	21,114,394	56,394,309	19,825,143
Business-type Activities:				
Culture and Recreation	92,708			
Total Primary Government	\$ 205,676,126	\$ 21,114,394	\$ 56,394,309	\$ 19,825,143
Component Units				
Tompkins County Public Library	\$ 4,706,544	\$ 26,502	\$ 721,591	\$ 29,782
Tompkins Cortland Community College	46,783,528	10,684,463	9,401,957	
Industrial Development Agency	433,304	927,254		
Soil and Water Conservation District	960,264	20,690	795,975	
Total Component Units	\$ 52,883,640	\$ 11,658,909	\$ 10,919,523	\$ 29,782

Net (Expense) and Changes in Net Position

GENERAL REVENUES

Taxes:

 Property Taxes, Levied for General Purposes

 Property Tax Items

 Sales and Other Taxes

Tobacco Settlement Payments - County

Tobacco Settlement Payments - TTASC

Grants and Contributions Not Restricted to Specific Programs

Use of Money and Property

Miscellaneous

Sale of Property and Compensation for Loss

Change in Equity in Joint Ventures

Gifts and Donations

State Appropriation

Local Appropriation

County Appropriation

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

See Notes to Financial Statements

Net (Expense) Revenue and Changes in Net Position

Total Governmental Activities	Primary Government		Component Units			
	Business-type Activities	Total	Tompkins County Public Library	Tompkins Cortland Community College	Industrial Development Agency	Soil and Water Conservation District
\$ (32,654,605)	\$	\$ (32,654,605)	\$	\$	\$	\$
(7,218,792)		(7,218,792)				
(21,929,678)		(21,929,678)				
(6,091,919)		(6,091,919)				
(1,802,650)		(1,802,650)				
(30,008,857)		(30,008,857)				
(5,755,645)		(5,755,645)				
(667,838)		(667,838)				
(1,264,247)		(1,264,247)				
(855,341)		(855,341)				
(108,249,572)		(108,249,572)	-	-	-	-
	(92,708)	(92,708)				
(108,249,572)	(92,708)	(108,342,280)				
			(3,928,669)			
				(26,697,108)		
					493,950	
						(143,599)
-			(3,928,669)	(26,697,108)	493,950	(143,599)
(108,249,572)	(92,708)		(3,928,669)	(26,697,108)	493,950	(143,599)
49,898,604		49,898,604				
2,406,059		2,406,059				
62,210,186		62,210,186				
505,693		505,693				
497,727		497,727				
322,450		322,450				
2,916,494	160,356	3,076,850	4,989		866	1,859
792,974		792,974	12,822			5,239
362,309		362,309				
(278,892)		(278,892)				
			2,400			250
				10,663,983		
				9,159,836		
			3,618,751	4,221,849		246,974
119,633,604	160,356	119,793,960	3,638,962	24,045,668	866	254,322
11,384,032	67,648	11,451,680	(289,707)	(2,651,440)	494,816	110,723
121,325,809	2,984,699	124,310,508	(2,501,477)	(6,233,588)	1,058,679	265,162
\$ 132,709,841	\$ 3,052,347	\$ 135,762,188	\$ (2,791,184)	\$ (8,885,028)	\$ 1,553,495	\$ 375,885

COUNTY OF TOMPKINS

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2019

	Major Funds		
	General Fund	Special Revenue Funds	
		County Road Fund	Transportation Fund
ASSETS			
Cash and Cash Equivalents - Unrestricted	\$ 31,936,260	\$ 815,111	\$ 206,483
Cash and Cash Equivalents - Restricted	828,290		
Temporary Investments - Restricted			
Taxes Receivable, Net	5,145,228		
Due from Other Funds	4,958,156	6,042	
Due from State and Federal Governments	20,176,481	214,935	207,179
Due from Other Governments	44,432		
Other Receivables, Net	2,998,507	13,498	1,133,485
Prepaid Expenses	3,170,138		14,374
Securities and Mortgages			
Loans Receivable			
Total Assets	\$ 69,257,492	\$ 1,049,586	\$ 1,561,521
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 5,869,693	\$ 177,807	\$ 245,145
Accrued Liabilities	420,522	23,091	11,573
Due to Other Funds	1,042,762	103,402	35,003
Due to Other Governments	4,685,689		
Bond Anticipation Notes Payable			
Other Liabilities	81,256		
Unearned Revenue	1,374,391		429
Total Liabilities	13,474,313	304,300	292,150
Deferred Inflows of Resources			
Unavailable Tax Revenue	1,444,586		
Unavailable Securities and Mortgages			
Unavailable Loans			
Total Deferred Inflows of Resources	1,444,586	-	-
Fund Balances			
Nonspendable	3,170,138		14,374
Restricted	565,979		
Committed			
Assigned	4,387,183	745,286	1,254,997
Unassigned	46,215,293		
Total Fund Balances	54,338,593	745,286	1,269,371
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 69,257,492	\$ 1,049,586	\$ 1,561,521

See Notes to Financial Statements

Major Funds					Total Non-Major Governmental Funds	Total Governmental Funds
Special Revenue Funds		Capital Projects Funds		Debt Service Fund		
Solid Waste Fund	Special Grant Fund	Transportation Fund	General Government Fund			
\$ 1,941,460	\$ 49,275	\$ 9,227,032	\$ 4,306,135	\$	\$ 5,415,071	\$ 53,896,827
294,151	736,138	369,681	1,336,301	2,254,382	132,918	5,951,861
					650,398	650,398
						5,145,228
631	10,969	1,368,651	3,503,144	7,027	94,643	9,949,263
640,465	129,200	580,988	300,000		(593)	22,248,655
						44,432
111,365	29,959				529,158	4,815,972
966					3,619	3,189,097
	442,721			471,714		471,714
						442,721
\$ 2,989,038	\$ 1,398,262	\$ 11,546,352	\$ 9,445,580	\$ 2,733,123	\$ 6,825,214	\$ 106,806,168
\$ 529,814	\$ 31,564	\$ 5,703,752	\$ 97,089	\$	\$ 95,181	\$ 12,750,045
9,924	6,990				3,350	475,450
95,282	9,408	8,600,000	524,301		200,076	10,610,234
	1,313					4,687,002
		10,425,000	500,000			10,925,000
						81,256
						1,374,820
635,020	49,275	24,728,752	1,121,390	-	298,607	40,903,807
						1,444,586
				471,714		471,714
	442,721					442,721
-	442,721	-	-	471,714	-	2,359,021
966					3,619	3,189,097
294,151	906,266		1,705,982	2,261,409	1,307,316	7,041,103
					4,580,636	4,580,636
2,058,901			6,618,208		635,036	15,699,611
		(13,182,400)				33,032,893
2,354,018	906,266	(13,182,400)	8,324,190	2,261,409	6,526,607	63,543,340
\$ 2,989,038	\$ 1,398,262	\$ 11,546,352	\$ 9,445,580	\$ 2,733,123	\$ 6,825,214	\$ 106,806,168

COUNTY OF TOMPKINS

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2019

Total Governmental Fund Balances **\$ 63,543,340**

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

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

Historical Cost of Capital Assets	\$ 423,495,205	
Less Accumulated Depreciation	(206,872,131)	216,623,074

The County's proportion of the collective net pension liability is not reported in the funds. (11,271,152)

Equity interest in joint ventures is not reported in the Governmental Fund financial statements because it does not represent current resources. These are the investments in the County's joint ventures:

Tompkins Cortland Community College	\$ (6,041,819)	
Tompkins Consolidated Area Transit	7,253,031	1,211,212

Certain revenues are deferred in Governmental Funds due to applying the "availability criterion" to receivables for the modified accrual basis of accounting. However, these deferred inflows of resources are considered revenue in the Statement of Activities based on use of the full accrual basis of accounting. 2,359,021

Internal Service Funds are used by management to charge the costs of certain activities, such as health and workers' compensation insurance. The assets and liabilities of the Internal Service Funds are included in Governmental Activities in the Statement of Net Position. 2,719,686

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

Accrued Interest Payable		(677,666)
--------------------------	--	-----------

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

Deferred Inflows of Resources - Pensions	\$ (4,529,591)	
Deferred Outflows of Resources - Pensions	9,739,465	
Deferred Inflows of Resources - OPEB	(15,862,243)	
Deferred Outflows of Resources - OPEB	1,501,239	
Deferred Charges on Defeased Debt	284,312	(8,866,818)

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

Serial Bonds Payable	\$ (45,016,843)	
TTASC Tobacco Settlement Pass-through Bonds	(13,487,995)	
Installment Purchase Debt	(406,018)	
Other Postemployment Benefits Liability	(70,434,219)	
Compensated Absences	(3,585,781)	(132,930,856)

Net Position of Governmental Activities **\$ 132,709,841**

See Notes to Financial Statements

COUNTY OF TOMPKINS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Major Funds		
	General Fund	Special Revenue Funds	
		County Road Fund	Transportation Fund
REVENUES			
Real Property Taxes	\$ 49,892,669	\$	\$
Real Property Tax Items	2,406,059		
Nonproperty Tax Items	62,210,186		
Departmental Income	10,508,744		1,426,613
Intergovernmental Charges	1,202,806		111,327
Use of Money and Property	856,125	12,346	1,899,366
Licenses and Permits	7,702	20,315	
Fines and Forfeitures	147,932		
Sale of Property and Compensation for Loss	638,753	4,519	
Miscellaneous Local Sources	859,421	36,774	36,549
Interfund Revenues	381,484		
State Sources	40,501,454	2,769,657	
Federal Sources	20,141,300		
Total Revenues	189,754,635	2,843,611	3,473,855
EXPENDITURES			
General Governmental Support	37,012,980		
Education	9,728,715		
Public Safety	19,707,840	209,925	
Public Health	19,174,946		
Transportation	15,155,561	6,714,098	2,539,894
Economic Assistance and Opportunity	60,907,524		
Culture and Recreation	5,968,510		
Home and Community Services	2,124,183		
Employee Benefits	843,365	863,199	450,990
Debt Service (Principal and Interest)			
Capital Outlay			
Total Expenditures	170,623,624	7,787,222	2,990,884
Excess of Revenues (Expenditures)	19,131,011	(4,943,611)	482,971
OTHER FINANCING SOURCES (USES)			
Interfund Transfers in		5,134,014	
Interfund Transfers (out)	(14,458,189)	(1,264,093)	(76,450)
Proceeds of Obligations			
Premium on Obligations			
Total Other Financing Sources (Uses)	(14,458,189)	3,869,921	(76,450)
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	4,672,822	(1,073,690)	406,521
Fund Balances, Beginning of Year	49,665,771	1,818,976	862,850
Fund Balances, End of Year	\$ 54,338,593	\$ 745,286	\$ 1,269,371

See Notes to Financial Statements

Special Revenue Funds		Major Funds			Total Non-Major Governmental Funds	Total Governmental Funds
Solid Waste Fund	Special Grant Fund	Capital Projects Funds	General Government Fund	Debt Service Fund		
		Transportation Fund				
\$	\$	\$	\$	\$	\$	\$ 49,892,669
						2,406,059
						62,210,186
5,301,775	531,067					17,768,199
				395,512		1,709,645
4,788	991	74,302	22,771	95,578	27,016	2,993,283
						28,017
						147,932
191,553		33,190			204,848	1,072,863
4,205	88,139	413,450		290,836	502,427	2,231,801
	32,504				1,560,326	1,974,314
810,811		7,689,440			48,305	51,819,667
	1,213,183	2,358,092			108,736	23,821,311
6,313,132	1,865,884	10,568,474	22,771	781,926	2,451,658	218,075,946
				70,657	61,542	37,145,179
						9,728,715
						19,917,765
						19,174,946
					1,624,421	26,033,974
	1,493,323					62,400,847
						5,968,510
5,427,225	377,160					7,928,568
367,138					145,771	2,670,463
				6,523,684	472,851	6,996,535
		33,249,176	2,399,112		499,736	36,148,024
5,794,363	1,870,483	33,249,176	2,399,112	6,594,341	2,804,321	234,113,526
518,769	(4,599)	(22,680,702)	(2,376,341)	(5,812,415)	(352,663)	(16,037,580)
		2,135,893	2,775,525	5,604,409	836,243	16,486,084
(176,552)	(386,000)		(424,800)			(16,786,084)
		3,530,000				3,530,000
				255,679		255,679
(176,552)	(386,000)	5,665,893	2,350,725	5,860,088	836,243	3,485,679
342,217	(390,599)	(17,014,809)	(25,616)	47,673	483,580	(12,551,901)
2,011,801	1,296,865	3,832,409	8,349,806	2,213,736	6,043,027	76,095,241
\$ 2,354,018	\$ 906,266	\$ (13,182,400)	\$ 8,324,190	\$ 2,261,409	\$ 6,526,607	\$ 63,543,340

COUNTY OF TOMPKINS

RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019

Net Change in Fund Balances - Total Governmental Funds **\$ (12,551,901)**

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

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

Capital Outlay	\$ 40,415,735	
Net Book Value of Disposed Assets	(18,626)	
Depreciation Expense	<u>(13,222,892)</u>	<u>27,174,217</u>

Equity interests in joint ventures are not reported in the Governmental Fund financial statements because they do not represent current resources. This is the change in the County's interest in joint ventures. (278,892)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the change in certain deferred inflows of resources. (116,646)

Debt proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 1,631,448

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in Governmental Funds. Changes in these expenses include the following.

Compensated Absences	\$ (43,500)	
Other Postemployment Benefits Liability	(2,770,061)	
Accrued Interest Payable	(187,507)	
Accreted Interest on Series 2005 TTASC Bonds	(559,511)	
Amortization of Bond Premiums, Discounts, and Deferred Charges on Defeased Debt	<u>206,838</u>	<u>(3,353,741)</u>

Cash outflows from the issuance of loans to qualified recipients under revolving loan programs are recorded as expenditures, whereas loan repayments and payments on long-term receivables are recorded as revenue in the Governmental Fund financial statements. In the Government-wide financial statements, these transactions affect only cash and loans receivable and are not recorded in the Statement of Activities. (305,014)

Changes in the County's proportionate share of net pension liabilities have no effect on current financial resources and, therefore, are not reported in the Governmental Funds. In addition, changes in the County's deferred outflows of resources and deferred inflows of resources related to pensions do not affect current financial resources and are, also, not reported in the Governmental Funds. (1,205,324)

Internal Service Funds are used by management to charge the costs of certain activities, such as workers compensation and insurance, to individual funds. Net gain in the Internal Service Fund is reported with Governmental Activities. 389,885

Change in Net Position of Governmental Activities **\$ 11,384,032**

See Notes to Financial Statements

COUNTY OF TOMPKINS

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2019

	Business-Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Funds
ASSETS		
Cash and Cash Equivalents	\$ 68,023	\$ 1,879,238
Accounts Receivable, Net		874
Due from Governmental Funds	169,411	1,025,000
Leases Receivable	12,561	
Prepaid Expenses	2,791	
Total Current Assets	252,786	2,905,112
Noncurrent Assets		
Construction In Progress	3,361,259	
Total Noncurrent Assets	3,361,259	-
Total Assets	3,614,045	2,905,112
LIABILITIES		
Accounts Payable	14,161	143,684
Benefits and Awards Payable		39,803
Due to Governmental Funds	531,501	1,939
Unearned Revenues	16,036	
Total Current Liabilities	561,698	185,426
Total Liabilities	561,698	185,426
NET POSITION		
Total Net Position	\$ 3,052,347	\$ 2,719,686

See Notes to Financial Statements

COUNTY OF TOMPKINS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Funds
OPERATING REVENUES		
Charges for Services - Governmental Funds	\$	\$ 725,000
Charges for Services - External Participants		34,520
Other Operating Revenues	160,356	73,082
Total Operating Revenues	160,356	832,602
OPERATING EXPENSES		
Administrative		121,852
Contractual		65,173
Benefits and Awards		88,392
Claims and Judgments		474,066
Culture and Recreation	92,708	
Total Operating Expenses	92,708	749,483
Income from Operations	67,648	83,119
NONOPERATING REVENUES (EXPENSES)		
Interest Income		6,766
Total Nonoperating Revenues	-	6,766
Net Income Before Transfers	67,648	89,885
Interfund Transfer In	-	300,000
Change in Net Position	67,648	389,885
Total Net Position, Beginning of Year	2,984,699	2,329,801
Total Net Position, End of Year	\$ 3,052,347	\$ 2,719,686

See Notes to Financial Statements

COUNTY OF TOMPKINS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities	Governmental Activities
	Enterprise Fund	Internal Service Funds
Cash Flows From Operating Activities		
Cash Received from Providing Services	\$	\$ 796,120
Cash Received from Insurance Recoveries		73,082
Cash Paid from Interfund Transfer		(699,493)
Cash Received from Other Operating Revenues	163,831	
Cash Payments - Suppliers		(131,467)
Cash Payments - Claims and Benefits		(1,110,416)
Cash Payments - Culture and Recreation	(46,222)	
Net Cash Provided (Used) by Operating Activities	117,609	(1,072,174)
Cash Flows From Non-Capital Financing Activities	-	-
Cash Flows From Capital and Related Financing Activities		
Purchase of Capital Assets	(49,586)	
Net Cash (Used) by Capital and Related Financing Activities	(49,586)	-
Cash Flows From Investing Activities		
Interest Income Received		6,766
Net Cash Provided by Investing Activities	-	6,766
Net Change in Cash and Cash Equivalents	68,023	(1,065,408)
Cash and Cash Equivalents, January 1,		2,944,646
Cash and Cash Equivalents, December 31,	\$ 68,023	\$ 1,879,238
Reconciliation of Income from Operations to Net Cash Provided (Used) by Operating Activities		
Income (Loss) from Operations	\$ 67,648	\$ 83,119
(Increase) Decrease in Interfund Receivable		(999,493)
(Increase) Decrease in Other Receivables	3,475	36,600
(Increase) Decrease in Prepaid Expenses	(2,791)	
Increase (Decrease) in Accounts Payable	(466,923)	53,619
Increase (Decrease) in Accrued Liabilities		(547,958)
Increase (Decrease) in Interfund Payable	516,200	1,939
Interfund Transfer		300,000
Net Cash Provided (Used) by Operating Activities	\$ 117,609	\$ (1,072,174)

See Notes to Financial Statements

COUNTY OF TOMPKINS

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS DECEMBER 31, 2019

	Private Purpose Trust Fund	Agency Fund
ASSETS		
Cash and Cash Equivalents - Unrestricted	\$ 14,832	\$ 6,702,514
Accounts Receivable		101,969
Total Assets	14,832	\$ 6,804,483
LIABILITIES		
Agency Liabilities		\$ 6,804,483
Total Liabilities	-	\$ 6,804,483
NET POSITION		
Held in Trust for Memorials	14,832	
Total Net Position	\$ 14,832	

See Notes to Financial Statements

COUNTY OF TOMPKINS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Private Purpose Trust Fund
ADDITIONS	
Investment Earnings	\$ 30
Total Additions	<u>30</u>
DEDUCTIONS	
Total Deductions	<u>-</u>
Change in Net Position	<u>30</u>
Net Position - Beginning of Year	<u>14,802</u>
Net Position - End of Year	<u><u>\$ 14,832</u></u>

See Notes to Financial Statements

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

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

Reporting Entity

The County, which was incorporated in 1817, is governed by its Charter, Administrative Code, the County Law, other general laws of New York State, and various local laws. The County Legislature is the legislative body responsible for overall operations; the County Administrator serves as Chief Executive Officer and Budget Officer, and the Finance Director serves as Chief Fiscal Officer.

The County provides the following basic services: general governmental support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, public improvements, planning and zoning, and home and community services.

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

The financial reporting entity consists of (a) the primary government which is the County, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth in GASB Statement No. 14, "The Financial Reporting Entity," as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 85, "Omnibus 2017." Based on the application of these criteria, the following are included as component units:

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Blended Component Unit

Tompkins Tobacco Asset Securitization Corporation - During 2000, in accordance with the laws of New York State and the securitization of 50% of its future tobacco settlement proceeds, the Tompkins Tobacco Asset Securitization Corporation (TTASC) was established. TTASC is one of 17 New York County TASC's in the New York Counties Tobacco Trust I, organized as nonprofit local development corporations who purchased the rights to the tobacco settlement proceeds from each respective county. The TASCs, in turn, pledged and assigned all of their rights as security and as a source of payment to the New York Counties Tobacco Trust I, who issued in aggregate \$227,130,000 of Tobacco Settlement Pass Through Bonds. The proceeds from securitizing 50% of its future proceeds amounted to \$7,070,234 and were recognized in the 2000 financial statements of the County. During 2005, the TASC was able to restructure pledged revenues in order to raise additional revenues.

Participation in New York Counties' Tobacco Trust V resulted in \$3,659,502 of proceeds distributed to the County for capital improvements. TTASC is deemed to be a blended component unit of the County and is reported as a Debt Service Fund. Complete financial statements can be obtained from the Tompkins County Director of Finance located at 125 Court Street, Ithaca, New York 14850.

Discretely Presented Component Units

Tompkins County Public Library (the Library) was established in 1968 by the Tompkins County Board of Supervisors and granted a charter by the State Board of Regents as provided in Article 5 of the Education Law. The Tompkins County Legislature appoints trustees; raises taxes for library purposes; has title to real property used by the Library; and issues all Library indebtedness which is supported by the full faith and credit of the County of Tompkins. The Library is a discretely presented component unit of the County. Complete financial statements can be obtained from their administrative office at 101 East Green Street, Ithaca, New York 14850.

Tompkins County Industrial Development Agency (TCIDA) is a Public Benefit Corporation created by State Legislation to promote the economic welfare, recreational opportunities, and prosperity of Tompkins County residents. Members of TCIDA are appointed by the County but the County exercises no oversight responsibility. TCIDA members have complete responsibility for management of the agency and accountability for fiscal matters. The County is not liable for TCIDA bonds or notes.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Discretely Presented Component Units - Continued

Tompkins County Development Corporation (Corporation) - Similar to the Tompkins County Industrial Development Agency, the Corporation was formed for the purpose of encouraging economic growth in Tompkins County during 2010. Because New York State has legislated that industrial development agencies can no longer serve nonprofit entities, the Corporation will serve that segment of the economy in Tompkins County. The Corporation is deemed to be a component unit of TCIDA.

TCIDA is a discretely presented component unit of the County. Complete financial statements can be obtained from the Tompkins County Industrial Development Agency, 401 East State Street, Suite 402B, Ithaca, New York 14850.

Tompkins County Soil and Water Conservation District (the District) - Established under provisions of Article 3, §30 of the General Municipal Law to provide for the conservation of soil and water resources. Members of the District's Board of Directors are appointed by the County Legislature and the County provides 76.1% of the District's General Fund operational revenue. The District is a discretely presented component unit of the County. Complete financial statements can be obtained from their administrative office at 170 Bostwick Road, Ithaca, New York 14850.

Tompkins Cortland Community College (the College) was established in 1965 by joint action of the Legislative Boards of Tompkins and Cortland Counties as joint local sponsors under provisions of Article 126 of the Education Law. The College is administered by a Board of Trustees consisting of nine voting members; five of whom are appointed by the Legislative Boards of the two counties under an apportionment made between two counties by the State University Trustee and four by the Governor. The College's annual operating and capital budget is subject to approval by both County Boards and, in addition, the counties provide one-half of capital costs and one-third of operating costs for the College. Ownership of existing capital facilities is held in the ratio of 68% and 32% by the Counties of Tompkins and Cortland, respectively. Subsidies to meet operational expenses are shared in the ratio of resident students in attendance. Tompkins Cortland Community College is an activity undertaken jointly with the County of Cortland and accordingly, the proportionate share of the College's equity is reported as an asset on the County's Statement of Net Position. The College is also reported as a discretely presented component unit in accordance with GASB Statement No. 90, "Majority Equity Interests - an Amendment of GASB Statements No. 14 and 61," which specifies that a majority equity interest in a legally separate organization that is not considered an investment should be reported as a component unit and the government that holds the equity interest should report an asset related to the majority equity interest using the equity method. See Note 14 for additional disclosures regarding this component unit.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Joint Venture

The following organization is related to the County of Tompkins and is included in the reporting entity as equity interest in joint ventures:

Tompkins Consolidated Area Transit (TCAT) was formed under a consolidation agreement between the City of Ithaca, the County of Tompkins, and Cornell University effective April 1, 1998. The agreement shall remain in force until October 9, 2021. TCAT began operations on January 1, 1999, with its purpose to provide public transportation in Tompkins County and surrounding areas. As of January 1, 2005, TCAT was reorganized as a 501(c)(3). However, the structure of the Board and interest of each party was not changed. TCAT is governed by a Board of Directors consisting of nine voting members with three members being appointed by each participant in the venture. The General Manager of TCAT is a non-voting ex-officio member of the Board. In addition, the nine voting members of the Board select five additional non-voting, ex-officio members. Interest of each party in surpluses, losses, property, and debt acquired by TCAT shall be shared equally. Each party makes an annual contribution of equal amounts to the venture. See Note 14 for additional disclosures regarding this joint venture.

Basic Financial Statements

The County's basic financial statements include both Government-wide (reporting the County as a whole) and Governmental Fund financial statements (reporting the County's Major Funds.) Both the Government-wide and Governmental Fund financial statements categorize primary activities as either Governmental or Proprietary. The County's general governmental support, education, public safety, health, transportation, highways and streets, economic assistance and opportunity, culture and recreation, and home and community services are classified as Governmental Activities. Services relating to self-insurance and workers' compensation administration are presented in the Proprietary Activities.

Government-Wide Financial Statements

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

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

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

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

The Statement of Activities reports both the gross and net cost for each of the County's functions or programs. Gross expenses are direct expenses, including depreciation, that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. These expenses are offset by program revenues - charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the prepared or capital requirements of a particular program. Depreciation on assets that are shared by essentially all of the County's programs has been reported in General Government Support. Revenues, which are not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. The net cost represents the extent to which each function or program is self-financing or draws from the general revenues of the County.

The County does not allocate indirect costs. Indirect costs are reported in the function entitled "General Government."

Governmental Fund Financial Statements

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

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

Major Funds

- **General Fund** - Principal operating fund, includes all operations not required to be recorded in other funds.
- **Special Revenue Funds**
 - County Road Fund - Accounts for expenditures for highway purposes authorized by § 114 of the Highway Law.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Major Funds - Special Revenue Funds - Continued

- Transportation Fund - Accounts for the operations of the County-owned airport.
- Solid Waste Fund - Accounts for County solid waste activities.
- Special Grant Fund - Accounts for Community Development Block Grants and funds received under the Workforce Innovation and Opportunity Act (enacted July 22, 2014).
- Capital Projects Funds - Account for and report financial resources to be used for the acquisition, construction, or renovation of major capital transportation facilities, equipment or transportation system as well as general government funds, which are used to account for and report financial resources to be used for the acquisition, construction, or renovation of major capital facilities or equipment.
- Debt Service Fund - Accounts for current payments of principal and interest on general obligation long-term debt (and for financial resources accumulated in a reserve for payment of future principal and interest on long-term indebtedness).

Non-Major Funds

- Special Revenue Fund
 - Road Machinery Fund - Accounts for the purchase, repair, maintenance, and storage of highway machinery, tools, and equipment pursuant to Section 133 of the Highway Law.
- Capital Projects Funds - Consist of TCAT, home and community services, public health funds, public safety, and education, which are used to account for and report financial resources to be used for the acquisition, construction, or renovation of major capital facilities or equipment.
- Debt Service Fund - TTASC Fund - Accounts for accumulation of resources from tobacco settlement payments and for payment of principal and interest on Tobacco Settlement Pass Through Bonds.

Proprietary Funds

Proprietary Funds are used to account for ongoing organizations or activities which are similar to those often found in the private sector. Measurement focus is upon determination of net income, financial position, and changes in financial position. The following Proprietary Funds are utilized:

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Proprietary Funds - Continued

- Internal Service Funds - Accounts for the accumulation of resources for payment of unemployment insurance as authorized by §6M of the General Municipal Law and to account for the accumulation of resources for payment of compensation, assessments, and other obligations under Workers' Compensation Law, Article 5, and accumulation of resources for payment of self-insured risks as authorized by Section 6N of the General Municipal Law.
- Enterprise Fund - Business-type activities funds which account for services provided to residents where the charges are expected to cover all costs of operations. The County uses enterprise funds to account for the Tompkins Center for History & Culture Facility on Tioga Street.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the local government in a trustee or custodial capacity. The following fiduciary funds are utilized:

- Agency Fund - Accounts for money and/or property received and held in the capacity of trustee, custodian or agent.
- Private Purpose Trust Fund - Reports all trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The County uses this fund to report funds provided for cemetery maintenance.

Basis of Accounting/Measurement Focus

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

Accrual Basis

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

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Modified Accrual Basis

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Material revenues that are accrued include real property taxes, state and federal aid, sales tax, and certain user charges.

The County considers property tax receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. All other revenues that are deemed collectible within six months after year end are recognized as revenues in the current year. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made, all other grant requirements have been met, and the resources are available.

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

Equity Classifications - Government-Wide Financial Statements

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

- Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings attributable to the acquisition, construction, or improvement of those assets.
- Restricted - Consists of net resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - Consists of all other net resources that do not meet the definition of "restricted" or "net investment in capital assets."

Equity Classifications - Governmental Fund Financial Statements

The County complies with GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," which requires classification of fund balance to reflect spending constraints on resources, rather than availability for appropriation.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Equity Classifications - Governmental Fund Financial Statements - Continued

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

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

The County has, by resolution, adopted a fiscal policy which states the County must maintain an unassigned fund balance of at least 10% of the General Fund operating budget. The County's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balance.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Property Taxes

The authority for levying taxes for the support of County and town government, inclusive of special districts, and for re-levying unpaid school taxes and village taxes, has been delegated by the New York State Legislature to the governing board of the County through various provisions of the Real Property Tax Law. For purposes of both County and town taxes, the value of real property is listed and established by the County Director of Assessment for each parcel of real property therein. Amounts to be raised by tax are determined from balanced budgets of the towns and the County and levied on or before December 31 each year. The lien date is January 1. Tax rates are established by the ratio of real property value to the taxes to be raised. In the instance of County taxes levied within the city and each of the towns, property values are equalized by the County Legislature through establishment of the ratio that assessed value of the real property in each town and the city bears to the full value therein. Except for city school district taxes levied within the city, unpaid school and village taxes are purchased from each school district and village and added to tax levies and, until paid, are counted among the assets of the County; the County thus acquires all rights, title, and interest in any unpaid taxes. Unpaid city school district taxes on properties outside of the city are also turned over to the County for collection. Taxes are collected in the towns and City of Ithaca from January 1, to a date no later than April 1, when settlement is made with the Finance Director, who makes collections thereafter. The towns' share of tax levies, which are guaranteed by the County, are paid to supervisors out of the first money received. A 5% penalty is added to unpaid items at the time of settlement; thereafter, unpaids, inclusive of this penalty, bear interest at an annual variable rate determined by the New York State Commission of Taxation and Finance.

Residential and farm property classes are now subject to foreclosure after a three year period of delinquency as compared to the former practice of four years; all other classes of property are now subject to foreclosure action after a two year period of delinquency. Article 11 also replaces the procedure of sending delinquent taxes to Tax Sale. The County is now required to file a list of delinquent taxes with the County Clerk and to maintain such listing on an annual basis. Delinquent taxes, which are not redeemed within times prescribed by statute, are subject to conversion to tax deeds vesting title in the County, which in turn may be conveyed by sale to third parties.

Real property taxes levied are recognized as revenue in the Governmental Fund financial statements only if they are "available" within 60 days following the end of the fiscal year. Tax revenue deemed not available is treated as a deferred inflow of resources. At December 31, 2019, the County had deferred \$1,444,586 of real property tax revenue in the General Fund.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Budgetary Data

The budget policies are as follows:

No later than November 10, the County Administrator (as budget officer) submits a tentative budget to the County Legislature for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.

After public hearings are conducted to obtain taxpayer comments, no later than December 10, the governing board adopts the budget.

Budget modifications in excess of \$5,000 are authorized by resolution of the County Legislature. Unencumbered budgetary appropriations lapse at the close of each fiscal year with the exception of capital projects. There is an adopted Fiscal Plan which is reviewed annually. The Fiscal Plan allows County departments to apply for the reappropriation of unspent appropriations from the previous year.

Capital project budgets are established in the capital projects annual budget (which coincides with the operations budget) and through the County Legislature resolutions authorizing individual projects. These resolutions remain in effect for the life of the project.

Cash and Cash Equivalents

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

Investments

Investments are stated at cost, which approximates market value.

Receivables

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

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports deferred outflows related to pensions and Other Postemployment Benefits (OPEB) plans in the Statement of Net Position. The types of deferred outflows of resources related to pensions, debt, and OPEB are described in Notes 8, 10, and 11, respectively.

In addition to liabilities, the Statement of Net Position and the Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports deferred inflows of resources related to unavailable revenues in the Balance Sheet. The County reports deferred inflows related to pensions and OPEB plans in the Statement of Net Position which are further described in Notes 8 and 11, respectively.

Revenues

Substantially all Governmental Fund revenues are accrued. Property tax receivables expected to be received later than 60 days after year end are reported as deferred inflows of resources in the Governmental Fund financial statements. In applying GASB Statement No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements are met. Resources transmitted before time eligibility requirements are met are reported as deferred outflows of resources by the provider and deferred inflows of resources revenue by the recipient. Resources transmitted before all other eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient.

Self-Insurance

The County assumes the liability for all general liability and substantially all of its vehicle risks. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. As of December 31, 2019, the County had reserved \$960,440 in the Internal Service Fund to fund any settlements (See Note 15). Additionally, the County is self-insured for unemployment and reimburses New York State dollar for dollar for any unemployment claims. Unemployment charges for 2019 amounted to \$65,173.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 1 Summary of Significant Accounting Policies - Continued

Self-Insurance - Continued

Effective January 1, 1994, the County became self-insured for workers' compensation claims. Claims occurring prior to 1994 are insured under retrospective adjustment policies issued by the State Insurance Fund. During 2019, the County was not subject to retrospective premiums for claims incurred prior to the County becoming self-insured. The Self-Insured Workers' Compensation Plan reflected the following balances and activity for claims incurred but not paid:

<u>Year</u>	<u>Liability Beginning of Year</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability End of Year</u>
2019	\$ 587,761	\$ (459,566)	\$ (88,392)	\$ 39,803
2018	1,103,897	(343,204)	(172,932)	587,761

An additional \$1,759,246 is reserved in the Internal Service Fund to fund any workers' compensation claims.

Property, Plant, and Equipment

All capital assets are valued at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives of the assets. Equipment and furnishings over \$5,000; machinery and motor vehicles over \$25,000; land and buildings over \$100,000; and infrastructure assets over \$100,000, with a useful life greater than one year, are capitalized at cost in the Statement of Net Position. Contributed fixed assets are recorded at fair market value at the date received. The estimated useful lives for governmental capital assets are as follows:

Buildings and Improvements	30 Years
Machinery and Equipment	5 - 15 Years
Infrastructure	25 - 50 Years

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Vacation, Sick Leave, and Compensatory Absences

The County's employees are granted vacation and sick leave and earn compensatory absences in varying amounts. Two to four weeks of vacation time, depending on length of employment, are earned by each full time permanent and provisional employee. Benefits accrue upon commencement of employment. Sick/disability leave credits accumulate to a maximum of 120 days. Upon termination of employment, employees are compensated for unused accumulated vacation. Accumulated vacation time is limited to a maximum of three years vacation entitlement based on the position and length of service. Employees are eligible to receive unused sick benefits, unused holiday time, and unused compensatory time in cash or credit to be used to pay for health insurance during retirement. The value of these benefits at December 31, 2019 is approximately \$3,585,781 and is recorded as a long-term obligation in the Statement of Net Position.

Payment of vacation and sick leave recorded in the Statement of Net Position is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for payment of vacation, sick leave, and compensatory absences when such payment becomes due.

Postemployment Benefits

In addition to providing pension benefits, the County provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the County's employees may become eligible for these benefits if they elect to continue coverage. Health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The County recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid.

Certain retirees of the Tompkins County Library and Tompkins Cortland Community College are covered under health plans administered by the County. Both of these entities reimburse the County fully for their share of postemployment benefits.

Interfund Activity

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

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Use of Estimates

The presentation of financial statements in conformity with the prescribed basis of accounting as applied to governmental units requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New Accounting Standards

The County adopted and implemented, as applicable, the following current Statements of the GASB effective for the year ended December 31, 2019:

- GASB has issued Statement No. 83, "Certain Asset Retirement Obligations," effective for the year ended December 31, 2019.
- GASB has issued Statement No. 90, "Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61," effective for the year ended December 31, 2019.

Future Changes in Accounting Standards

GASB has issued Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance," that delays the implementation dates for several GASB statements.

- GASB has issued Statement No. 84, "Fiduciary Activities," effective for the year ended December 31, 2019, delayed by GASB Statement No. 95 to December 31, 2020. This statement improves guidance regarding identification of fiduciary activities for accounting and reporting purposes.
- GASB has issued Statement No. 87, "Leases," effective for the year ending December 31, 2020, delayed by GASB Statement No. 95 to December 31, 2022.
- GASB has issued Statement No. 92, "Omnibus 2020," effective for the year ending December 31, 2020, delayed by GASB Statement No. 95 to December 31, 2022.

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

***Note 2* Cash and Investments**

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

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 2 **Cash and Investments - Continued**

Collateral (security) is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

Deposits and investments are valued at cost, or cost plus interest, and are categorized as either (1) insured and for which the collateral is held by the County's agent in the County's name; (2) collateralized and for which the securities are held by the pledging financial institution's trust department or agent in the County's name; or (3) uncollateralized.

Deposits and investments at year end were entirely covered by FDIC insurance or by collateral held by custodial banks in the County's name. Total financial institution (bank) balances at December 31, 2019, per the bank, were \$72,672,024 for the primary government.

Note 3 **Restricted Cash**

Restricted cash and cash equivalents, reported on the primary government's Government-wide financial statements consists of:

<u>Governmental Activity</u>	<u>Amount</u>
Unspent Debt Proceeds	\$ 1,711,533
Debt Service	2,261,409
Community Development	1,091,158
Public Safety	251,529
Repairs and Replacements	319,151
Public Health	45,192
General Government	51,769
Economic Assistance	61,275
Culture and Recreation	1,705
Home and Community	9,832
Transportation	19,941
TTASC	127,367
Total	<u><u>\$ 5,951,861</u></u>

Restricted investments of \$650,398 represent amounts held in a mandated TTASC liquidity reserve, which is held in trust and comprised of U.S. Treasury money market funds, recorded at cost at fair value.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 4 **Securities and Mortgages Receivable**

The County has recorded \$471,714 of securities and mortgages receivable offset by deferred inflows of resources of the same amount in the Debt Service Fund. In the Statement of Net Position, this receivable is not deferred. The receivable represents the portion of debt reflected in the Statement of Net Position for which third parties have contractual responsibility to reimburse the County for future debt service requirements. The following summarizes the parties and obligations involved:

<u>Indebtedness</u>	<u>Original Amount</u>	<u>Date Issued</u>	<u>Party Involved</u>	<u>% Share</u>	<u>Balance 12/31/19</u>
Serial Bonds	\$ 330,000	2005	Food Net	100%	\$ 25,067
Serial Bonds	105,000	2002	Cooperative Extension of T.C.	100%	7,750
County Funds	180,000	2001	Cooperative Extension of T.C.	100%	19,722
Serial Bonds	350,000	2012	Cooperative Extension of T.C.	100%	350,000
Serial Bonds	389,566	2013	Cortland County	36%	12,400
Serial Bonds	734,063	2014	Cortland County	36%	56,775
Total					<u><u>\$ 471,714</u></u>

Note 5 **State and Federal Aid Receivables**

State and federal aid receivables at December 31, 2019 consisted of the following, which are stated at net realizable value. The County has deemed the amounts to be fully collectible.

<u>Description</u>	<u>Amount</u>
Social Services	\$ 11,401,677
Sales Tax	2,066,533
STOA	801,328
Handicap Education	1,776,328
Other	6,202,789
Total	<u><u>\$ 22,248,655</u></u>

Note 6 **Property Taxes**

At December 31, 2019, total real property tax assets of \$5,519,688 are offset by an allowance for uncollectible taxes of \$374,460. Current year returned village and school taxes of \$3,393,477 are offset by liabilities to the villages and school districts which will be paid no later than April 1, 2020. The remaining portion of tax assets is partially offset by deferred inflows of resources of \$1,444,586 (which represents an estimate of the taxes which will not be collected within the first 60 days of the subsequent year).

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 7 Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

Governmental Activities	Balance at 12/31/18	Additions	Deletions	Reclassification	Balance at 12/31/19
Non-Depreciable Capital					
Assets:					
Land and Land					
Improvements	\$ 7,530,638	\$ 800	\$	\$	\$ 7,531,438
Construction in Progress	10,921,368	35,037,104		(4,421,355)	41,537,117
Total Non-Depreciable Capital Assets	<u>18,452,006</u>	<u>35,037,904</u>	<u>-</u>	<u>(4,421,355)</u>	<u>49,068,555</u>
Depreciable Capital Assets:					
Buildings	99,168,823	69,255			99,238,078
Machinery and Equipment	18,119,658	2,515,688	(303,456)		20,331,890
Infrastructure	247,642,439	2,792,888		4,421,355	254,856,682
Total Depreciable Capital Assets	<u>364,930,920</u>	<u>5,377,831</u>	<u>(303,456)</u>	<u>4,421,355</u>	<u>374,426,650</u>
Total Historical Cost	<u>383,382,926</u>	<u>40,415,735</u>	<u>(303,456)</u>	<u>-</u>	<u>423,495,205</u>
Less Accumulated					
Depreciation:					
Buildings	(59,302,472)	(3,035,120)			(62,337,592)
Machinery and Equipment	(6,972,333)	(1,758,471)	284,830		(8,445,974)
Infrastructure	(127,659,264)	(8,429,301)			(136,088,565)
Total Accumulated Depreciation	<u>(193,934,069)</u>	<u>(13,222,892)</u>	<u>284,830</u>	<u>-</u>	<u>(206,872,131)</u>
Governmental Activities Capital Assets, Net	<u>\$ 189,448,857</u>	<u>\$ 27,192,843</u>	<u>\$ (18,626)</u>	<u>\$ -</u>	<u>\$ 216,623,074</u>

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 7 Capital Assets - Continued

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Governmental Support	\$ 659,861
Education	15,167
Public Safety	2,847,297
Public Health	677,635
Transportation	7,633,371
Economic Assistance and Opportunity	442,362
Culture and Recreation	339,312
Home and Community Services	607,887
	<u>607,887</u>
Total	<u><u>\$ 13,222,892</u></u>

Capital assets for the Business-type activities was as follows:

<u>Business-Type Activities</u>	<u>Balance at 12/31/18</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at 12/31/19</u>
Construction In Progress	\$ 3,311,673	\$ 49,586	\$ -	\$ 3,361,259
Business-Type Activities				
Capital Assets, Net	<u><u>\$ 3,311,673</u></u>	<u><u>\$ 49,586</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,361,259</u></u>

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

***Note 8* Pension Obligations - New York State and Local Employees' Retirement System (ERS) (System)**

Plan Descriptions and Benefits Provided

Employees' Retirement System (ERS)

The County and Tompkins Cortland Community College (TC3) participate in the New York State and Local Employees' Retirement System (ERS) (System). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of New York State serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state statute. The County also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the state's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

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

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 8 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Summary of Significant Accounting Policies

The System's financial statements from which the System's fiduciary respective net position is determined are prepared using the accrual basis of accounting. Plan member contributions are recognized when due and the employer has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Plan investments are reported at fair value. For detailed information on how investments are valued, please refer to the System's annual reports.

Contributions

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

	2019	2018	2017
County	\$ 5,955,614	\$ 6,172,891	\$ 5,985,813
TC3	805,911	1,005,581	934,500

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

At December 31, 2019 and August 31, 2019, the County and TC3 reported the following liability for its proportionate share of the net pension liability for the System. The net pension liability was measured as of March 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The proportionate share of the net pension liability was based on a projection of the long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was derived from a report provided to the County and TC3 by the ERS System.

	ERS
Actuarial Valuation Date	April 1, 2018
Net Pension Liability	\$ 7,085,304,242
County's Proportionate Share of the Plan's Total Net Pension Liability	11,271,152
TC3's Proportionate Share of the Plan's Total Net Pension Liability	1,804,565
County's Share of the Net Pension Liability	0.1590990%
TC3's Share of the Net Pension Liability	0.0546912%

For the year ended December 31, 2019 and August 31, 2019, the County and TC3 recognized pension expense of \$7,079,499 and \$1,131,304, respectively, for ERS in the financial statements.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 8 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

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

At December 31, 2019 and August 31, 2019, deferred outflows of resources and deferred inflows of resources related to the pensions were reported from the following sources:

	County	TC3
Deferred Outflows of Resources		
Differences Between Expected and Actual Experience	\$ 2,219,525	\$ 355,356
Changes of Assumptions	2,833,107	453,594
Net Differences Between Projected and Actual Earnings on Pension Plan Investments		
Changes in Proportion and Differences Between the Contributions and Proportionate Share of Contributions	301,562	48,281
Contributions Subsequent to the Measurement Date	4,385,271	368,650
Total	\$ 9,739,465	\$ 1,225,881
Deferred Inflows of Resources		
Differences Between Expected and Actual Experience	\$ (756,611)	\$ (121,137)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	(2,892,800)	(463,151)
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	(880,180)	(140,921)
Total	\$ (4,529,591)	\$ (725,209)

Employer contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the net pension liability in the year ended December 31, 2020 and August 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	County	TC3
2020	\$ 2,153,229	\$ 344,742
2021	(2,371,311)	(379,658)
2022	(342,192)	(54,787)
2023	1,384,877	221,725
2024		
Thereafter		

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 8 **Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued**

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	ERS
Measurement Date	March 31, 2019
Actuarial Valuation Date	April 1, 2018
Interest Rate of Return	7.0%
Salary Increases	4.2%
Cost of Living Adjustments	1.3%
Inflation Rate	2.5%

Annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2014.

The actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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

	ERS
Measurement Date	March 31, 2019
 Asset Type:	
Domestic Equities	4.6%
International Equities	6.4%
Real Estate	5.6%
Private Equity/Alternative Investments	7.5%
Absolute Return Strategies	3.8%
Opportunistic Portfolio	5.7%
Real Assets	5.3%
Cash	(0.3)%
Inflation-Indexed Bonds	1.3%
Mortgages and Bonds	1.3%

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 8 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Discount Rate

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and contributions from employers will be made at statutorily required rates, actuarially. Based on the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

ERS	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
County's Proportionate Share of the Net Pension Liability	\$ 49,279,272	\$ 11,271,152	\$ (20,658,366)
TC3's Proportionate Share of the Net Pension Liability	7,889,845	1,804,565	(3,307,502)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the respective valuation dates were as follows:

	Dollars in Thousands
	ERS
Measurement Date	March 31, 2019
Employers' Total Pension Liability	\$ 189,803,429
Plan Net Position	182,718,124
Employers' Net Pension Liability	\$ 7,085,305

Ratio of Plan Net Position to the Employers' Total Pension Liability 96.3%

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 8 Pension Obligations - New York State and Local Employees' Retirement System (ERS) - Continued

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31. Accrued retirement contributions as of December 31, 2019 and August 31, 2019 represent the projected employer contribution for the period of April 1, 2019 through the respective year end based on estimated ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of December 31, 2019 and August 31, 2019 amounted to \$-0-.

Current Year Changes

Changes in the net pension liability and deferred outflows and deferred inflows of resources for the year ended December 31, 2019 and August 31, 2019 resulted in the following effect on net position:

	Beginning Balance	Change	Ending Balance
County			
Net Pension Liability	\$ (5,360,784)	\$ (5,910,368)	\$ (11,271,152)
Deferred Outflows of Resources	18,148,720	(8,409,255)	9,739,465
Deferred Inflows of Resources	(17,643,890)	13,114,299	(4,529,591)
County Total	\$ (4,855,954)	\$ (1,205,324)	\$ (6,061,278)
TC3			
Net Pension Liability	\$ (856,737)	\$ (947,828)	\$ (1,804,565)
Deferred Outflows of Resources	2,559,125	(1,333,244)	1,225,881
Deferred Inflows of Resources	(2,819,768)	2,094,559	(725,209)
Library Total	\$ (1,117,380)	\$ (186,513)	\$ (1,303,893)

Note 9 Short-Term Debt

Bond Anticipation Notes

The County may issue bond anticipation notes (BANs), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 9 Short-Term Debt - Continued

Bond Anticipation Notes - Continued

Outstanding balances of BANs payable were comprised of the following at December 31, 2019:

	Interest Rate	Maturity Date	Balance Outstanding December 31, 2019
BAN - Dated 2/20/2019 - Series A	3.00%	2/20/2020	\$ 3,425,000
BAN - Dated 2/20/2019 - Series B	2.75%	2/20/2020	7,500,000
Total			\$ 10,925,000

The following is a summary of changes in BANs payable for the period ended December 31, 2019:

	Balance 12/31/18	Additions	Deletions	Balance 12/31/19
BAN - Dated 2/21/2018 - Series A	\$ 5,174,000	\$ -	\$ (5,174,000)	\$ -
BAN - Dated 2/20/2019 - Series A	-	3,425,000		3,425,000
BAN - Dated 2/20/2019 - Series B	-	7,500,000		7,500,000
Total BAN Activity	\$ 5,174,000	\$ 10,925,000	\$ (5,174,000)	\$ 10,925,000

The County expensed \$28,574 in interest on short-term debt during the year.

Cash Paid	\$ 129,350
Less Interest Accrued in Prior Year	(110,922)
Add Interest Accrued in the Current Year	265,825
Less Amortization of BAN Premium	(87,183)
Total	\$ 197,070

Revenue Anticipation Notes

The County may issue revenue anticipation notes (RANs) in anticipation of the receipt of revenues. These notes are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. RANs represent a liability that will be extinguished by the use of expendable, available resources. During the year ended December 31, 2019, the County did not issue or redeem any RANs.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

***Note 10* Long-Term Debt**

Constitutional Debt Limit

At December 31, 2019, the total outstanding bonded indebtedness of the County of Tompkins (exclusive of TTASC bonds) aggregated \$54,906,018. Of this amount, \$54,906,018 was subject to the constitutional debt limit and represented approximately 10.8% of its statutory debt limit.

Serial Bonds

The County of Tompkins 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 Government-wide financial statements. 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.

On February 20, 2019, the County issued \$3,530,000 of public improvement (serial) bonds, with an interest rate of 3.00%. The County used the proceeds to provide long-term financing for new money projects consisting of road and bridge construction projects, facilities projects, and jail security equipment.

Installment Purchase Debt

Represents long-term lease commitments and is liquidated in the General Fund. The amount capitalized in relation to these lease commitments was \$12,881,442 for equipment and \$548,000 for buildings, with total lease commitments outstanding of \$406,018 at December 31, 2019. Net book value of the related assets was \$9,926,289 at year end.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 10 Long-Term Debt - Continued

Summary of Long-Term Debt

The following is a schedule of long-term debt and with corresponding maturity schedules:

Description	Date Issued	Interest Rate	Maturity Date	Balance Outstanding
Bonds:				
2013 Refunding Bonds	11/2013	2.00-5.00%	11/2020	\$ 790,000
2014 Refunding Bonds - Series A	11/2014	2.00-5.00%	03/2027	2,885,000
2014 Refunding Bonds - Series B	11/2014	2.00-5.00%	12/2032	11,000,000
Add Unamortized Premiums				1,441,843
Net Refunding Bonds				<u>16,116,843</u>
Public Improvement Bonds 2012	07/2012	1.00-2.25%	07/2027	1,770,000
Public Improvement Bonds 2013	07/2012	3.00-4.00%	07/2030	2,570,000
Public Improvement Bonds 2014	11/2014	2.00-3.00%	10/2029	5,390,000
Public Improvement Bonds 2015	07/2015	2.00-3.00%	07/2030	7,450,000
Public Improvement Bonds 2016	07/2016	2.00%	07/2027	1,925,000
Public Improvement Bonds 2017	02/2017	1.50-2.25%	02/2028	4,590,000
Public Improvement Bonds 2018	02/2018	2.00-2.50%	02/2028	1,675,000
Public Improvement Bonds 2019	02/2019	3.00%	02/2029	<u>3,530,000</u>
Total Bonds				<u>\$ 45,016,843</u>
Installment Purchase Debt:				
Energy Performance Contract	09/2012	1.75%	03/2020	\$ 130,395
Human Services Annex	02/2011	4.04%	02/2025	<u>275,623</u>
Total Installment Purchase Debt				<u>\$ 406,018</u>
Description	Date Issued	Interest Rate	Maturity Date	Balance Outstanding
TTASC Bonds:				
Series 2000 Tobacco Settlement Pass-through Bonds	12/2000	5.25% - 6.30%	06/2025	\$ 4,210,000
Less: Unamortized bond discount				<u>(63,371)</u>
Carrying Value of Series 2000 Tobacco Settlement Pass-through Bonds				<u>4,146,629</u>
Series 2005 Tobacco Settlement Pass-through Bonds	11/2005	6.0% - 7.85%	06/2060	3,634,440
Less: Unamortized bond discount				(41,872)
Add: Addition to accreted value				<u>5,748,798</u>
Carrying Value of Series 2005 Tobacco Settlement Pass-Through Bonds				<u>9,341,366</u>
Total Carrying Value of Pass-Through Bonds				<u>\$ 13,487,995</u>

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 10 Long-Term Debt - Continued

Summary of Long-Term Debt - Continued

The County's Debt Service requirements at December 31, 2019 were as follows:

Year	Serial Bonds		TTASC Series 2000 Bonds		Installment Purchase Debt		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2020	\$ 4,600,000	\$ 1,389,062	\$ 1,700,000	\$ 183,547	\$ 171,046	\$ 12,490	\$ 8,056,145
2021	3,685,000	1,218,538	555,000	147,903	42,326	9,674	5,658,441
2022	3,780,000	1,109,963	595,000	109,809	44,068	7,932	5,646,772
2023	3,900,000	997,739	625,000	69,397	45,883	6,117	5,644,136
2024	4,015,000	879,546	660,000	26,831	47,772	6,489	5,635,638
2025-2029	19,465,000	2,440,647	75,000	2,484	54,923		22,038,054
2030-2032	4,130,000	220,750					4,350,750
Total	\$ 43,575,000	\$ 8,256,245	\$ 4,210,000	\$ 539,971	\$ 406,018	\$ 42,702	\$ 57,029,936

During 2005, the County sold its residual interest in the Securitized Tobacco Settlement Revenues through the issuance of Series 2005 TASC Bonds, as described above. The Series 2005 Bonds are capital appreciation bonds, upon which the investment return on the initial principal amount is reinvested at a compounded rate until maturity.

There are no scheduled principal and interest payments on the TASC Series 2005 Bonds other than on their respective maturity dates, at which time a single payment is made representing both the initial principal amount and the total investment return.

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

The projected turbo redemption payments are presented in the following table. It is expected the Corporation would begin making payments based on this amortization. However, no payments on this debt have been made. The current portion represents scheduled payments for 2015-2019.

	Principal	Interest	Total
2020	\$ 824,007	\$ 894,678	\$ 1,718,685
2021	156,605	235,058	391,663
2022	152,214	251,649	403,863
2023	14,637	277,573	292,210
2024	71,363	288,073	359,436
2025-2029	1,334,238	4,069,035	5,403,273
2030-2034	661,760	4,411,359	5,073,119
2035-2039	419,616	4,143,770	4,563,386
Expected Total Debt Service	\$ 3,634,440	\$ 14,571,195	\$ 18,205,635

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 10 Long-Term Debt - Continued

Summary of Long-Term Debt - Continued

The following is a summary of the amount of accretion on the TTASC Series 2005 capital appreciation bonds if held to maturity:

	Amount of Yearly Accretion and Amortization of Bond Discount
2020	\$ 577,275
2021	595,356
2022	614,900
2023	634,365
2024	655,363
2025-2029	2,954,011
2030-2034	2,107,519
2035-2039	683,608
Total Accretion	8,822,397
Additional Accretion	5,748,798
Principal	3,634,440
Expected Total Debt Service	<u>\$ 18,205,635</u>

Other Non-Current Liabilities

In addition to the above long-term debt, the County had the following non-current liabilities:

- **Compensated Absences:** Represents the value of earned and unused portion of the liability for compensated absences and is liquidated in various funds.
- **Workers Compensation Claims:** Represents estimated liabilities for claims for workers' compensation that have been incurred, but not reported, and is liquidated in the Internal Service Fund.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 10 Long-Term Debt - Continued

Summary of Changes in Long-Term Obligations

The following is a summary of changes in long-term obligations for the period ended December 31, 2019:

	<u>Balance 12/31/2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2019</u>	<u>Amount Due Within One</u>
Serial Bonds	\$ 44,720,000	\$ 3,530,000	\$ (4,675,000)	\$ 43,575,000	\$ 4,600,000
Unamortized Premiums	1,727,337	168,496	(453,990)	1,441,843	230,932
Total Serial Bonds	<u>46,447,337</u>	<u>3,698,496</u>	<u>(5,128,990)</u>	<u>45,016,843</u>	<u>4,830,932</u>
Compensated Absences	3,542,281	43,500		3,585,781	
Workers' Compensation Claims	587,761	(459,566)	(88,392)	39,803	
Installment Purchase Debt	702,466		(296,448)	406,018	171,046
Total Primary Government	<u>51,279,845</u>	<u>3,282,430</u>	<u>(5,513,830)</u>	<u>49,048,445</u>	<u>5,001,978</u>
TTASC Bonds	8,034,440		(190,000)	7,844,440	2,524,007
Add Accreted Interest on 2005 Bonds	5,189,287	559,511		5,748,798	
Less Unamortized Bond Discount	(119,195)		13,952	(105,243)	(13,952)
Total TASC	<u>13,104,532</u>	<u>559,511</u>	<u>(176,048)</u>	<u>13,487,995</u>	<u>2,510,055</u>
Total	<u>\$ 64,384,377</u>	<u>\$ 3,841,941</u>	<u>\$ (5,689,878)</u>	<u>\$ 62,536,440</u>	<u>\$ 7,512,033</u>

Additions and deletions to compensated absences are shown net, as it is impractical to determine these amounts separately.

The County expensed \$2,091,014 in interest on long term debt during the year.

Cash Paid	\$ 1,705,737
Less Interest Accrued in Prior Year	(379,237)
Add Interest Accrued in the Current Year	411,841
Add Accreted Interest on the Series 2005 TASC Bonds	559,511
Add Amortization of Deferred Charges on Defeased Debt	64,704
Less Amortization of Bond Premiums	(453,990)
Add Amortization of TTASC Bond Discount	<u>13,952</u>
Total	<u>\$ 1,922,518</u>

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 10 Long-Term Debt - Continued

Deferred Outflows of Resources

The County reports deferred outflows of resources related to deferred charges on defeased debt in the Government-wide Statement of Net Position. A deferred charge on defeased debt results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunding debt.

The following is a summary of changes in deferred charges on defeased debt for the period ended December 31, 2019:

	Balance 12/31/18	Additions	Deletions	Balance 12/31/19	Amount Due Within One Year
Deferred Charges on Defeased Debt	\$ 349,016	\$ -	\$ (64,704)	\$ 284,312	\$ 47,635

Note 11 Postemployment Benefits Other Than Pensions (OPEB) - Tompkins County

General Information About the OPEB Plan

Plan Description - The County's defined OPEB plan provides medical benefits to eligible retirees and their spouses in accordance with various employment contracts. The plan is a single-employer defined benefit healthcare plan administered by the County. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the County Legislature. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Benefits Provided - The County provides healthcare benefits for eligible retirees and their spouses. Benefit terms are dependent on which contract each employee falls under.

The specifics of each contract are on file at the County offices and are available upon request.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 11 Postemployment Benefits Other Than Pensions (OPEB) - Tompkins County - Continued

General Information About the OPEB Plan - Continued

Employees Covered by Benefit Terms - At December 31, 2019, the following employees were covered by the benefit terms.

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	226
Active Employees not Fully Eligible for Benefits	677

Total OPEB Liability

The County's total OPEB liability of \$70,434,219 was measured as of January 1, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Long-Term Bond Rate	4.10%
Discount Rate	4.10%
Salary Scale	2.90%
Rate of Inflation	2.40%
Marital Assumption	70.00%
Participation Rate	100.00%
Healthcare Cost Trend Rates	7.00% for 2019, decreasing to an ultimate rate of 3.94% for 2088 and later years

The discount rate is based on Bond Buyer Weekly 20-Bond Go Index.

Mortality rates were based on the Scale MP-2014 and projected forward with Scale MP-2018 (generational mortality) published by the pension mortality study released by the Society of Actuaries.

Termination rates were based on the experience under the NYS and Local Retirement System.

Retirement rates are based on the experience under the New York State and Local Retirement System.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 11 Postemployment Benefits Other Than Pensions (OPEB) - Tompkins County - Continued

Total OPEB Liability - Continued

The actuarial assumptions used in the December 31, 2019 valuation were consistent with the requirements of GASB Statement No. 75 and Actuarial Standards of Practice (ASOPs).

	County Total OPEB Liability
Balance at December 31, 2018	\$ 75,142,268
Changes for the Year	
Service Cost	4,291,842
Interest Cost	2,710,988
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs Benefit Payments	(10,423,737)
Benefit Payments	(1,287,142)
	(4,708,049)
Balance at December 31, 2019	\$ 70,434,219

Sensitivity of the total OPEB liability to changes in the discount rate - The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current discount rate:

	1% Decrease (3.10%)	Discount Rate (4.10%)	1% Increase (5.10%)
Total OPEB Liability	\$ 82,914,802	\$ 70,434,219	\$ 60,445,003

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate - The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower (6.00 to 2.94%) or 1 percentage point higher (8.00 to 4.94%) than the current healthcare cost trend rate:

	1% Decrease (6.00% to 2.94%)	Healthcare Cost Trend Rate (7.00% to 3.94%)	1% Increase (8.00% to 4.94%)
Total OPEB Liability	\$ 58,634,090	\$ 70,434,219	\$ 85,732,354

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 11 Postemployment Benefits Other Than Pensions (OPEB) - Tompkins County - Continued

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

For the year ended December 31, 2019, the County recognized OPEB expense of \$4,824,306.

At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 4,969,252
Changes in Assumptions or Other Inputs	-	10,892,991
Contributions Subsequent to Measurement Date	1,501,239	-
Total	\$ 1,501,239	\$ 15,862,243

County contributions subsequent to the measurement date, reported as deferred outflows of resources, will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal Year Ending December 31,	Amount
2020	\$ (2,716,282)
2021	(2,716,282)
2022	(2,716,282)
2023	(2,716,282)
2024	(2,716,282)
2025 and Thereafter	(2,280,833)

Current Year Activity

The following is a summary of current year activity:

	Beginning Balance	Change	Ending Balance
OPEB Liability	\$ 75,142,268	\$ (4,708,049)	\$ 70,434,219
Deferred Outflows of Resources	(1,238,967)	(262,272)	(1,501,239)
Deferred Inflows of Resources	8,121,861	7,740,382	15,862,243
Total	\$ 82,025,162	\$ 2,770,061	\$ 84,795,223

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 12 Interfund Receivables and Payables

Interfund receivable and payable balances at December 31, 2019 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Interfund Revenue</u>	<u>Interfund Expenditures</u>
Major Funds:				
General Fund	\$ 4,958,156	\$ 1,042,762	\$	\$ 14,458,189
County Road Fund	6,042	103,402	5,134,014	1,264,093
Transportation Fund		35,003		76,450
Solid Waste Fund	631	95,282		176,552
Special Grant Fund	10,969	9,408		386,000
Capital Projects Funds -				
Transportation Fund	1,368,651	8,600,000	2,135,893	
General Government Fund	3,503,144	524,301	2,775,525	424,800
Debt Service Fund	7,027		5,604,409	
Non-Major Funds	94,643	200,076	836,243	
Internal Service Fund	1,025,000	1,939	300,000	
Enterprise Fund	169,411	531,501		
Total	<u>\$ 11,143,674</u>	<u>\$ 11,143,674</u>	<u>\$ 16,786,084</u>	<u>\$ 16,786,084</u>

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 13 **Deferred Compensation Plan**

At the March 17, 2015 meeting of the Legislature, with a unanimous vote, the New York State Deferred Compensation Plan (NYSDCP) was approved to be the new deferred compensation provider. The decision to change providers was based on the NYS Plan's lower costs/fees to employees and retirees who participate, along with the consistently strong performance of the Plan. The transition from ICMA-RC, the former provider, to the NYSDCP took place on June 10, 2015.

Employees of the County of Tompkins may elect to participate in the New York State Deferred Compensation Plan (NYSDCP) created in accordance with Internal Revenue Code Section 457. NYSDCP, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement. GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code 457 Deferred Plans," requires NYSDCP assets to be held by an outside trustee and are not reported in the County's financial statements.

Note 14 **Joint Ventures**

Tompkins Cortland Community College

The following is the activity undertaken jointly with another municipality. The County's share of this activity is included in the County's financial statements. Separate financial statements are issued for this joint venture and may be obtained from their administrative office at 170 North Street, Dryden, New York 13053.

The County of Tompkins and the County of Cortland jointly own the Tompkins Cortland Community College (the College). The venture operates under the terms of an agreement dated 1965 under provisions of Article 126 of the Education Law. The agreement is for an indefinite period of time. Significant provisions of the agreement are as follows:

- The College is administered by a Board of Trustees consisting of nine voting members; five of whom are appointed by the Legislative Boards of the two counties under an apportionment made between the two counties by the State University Trustee and four by the Governor.

- Ownership of existing capital facilities and capital expenses are shared in the following ratios:

County of Tompkins	68%
County of Cortland	32%

- Subsidies to meet operational expenses are shared in the ratio of residents in attendance. The County's share of operations for the current year and the two preceding years was \$2,976,233 and \$3,105,937, respectively.
- The governing body has established that the County of Tompkins and the County of Cortland will each provide 30% of the operational costs of the College.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

***Note 14* Joint Ventures - Continued**

Tompkins Cortland Community College - Continued

- All monies incidental to college operations are received and expended by the College except for those monies relating to debt service for which the counties, as sponsors, are responsible. During 1994 the sponsors authorized a Campus Master Plan Improvement Program in the amount of \$8,689,572. The sponsors are responsible for approximately 50% of the cost associated with the Master Plan improvements. Tompkins County is the lead agency in financing the sponsor's share and has issued \$6,860,000 of debt to provide for the sponsor's share of program cost. The Cortland County Legislature has executed an inter-municipal agreement with Tompkins County, which provides for reimbursement of 36% of the net debt service cost associated with the project. As of December 31, 2019, outstanding debt related to the 1994 Master Plan was \$395,104 in bonds. Cortland County is responsible for 36% or \$142,234 of the bonds payable. Tompkins County reports 100% of the debt in its Statement of Net Position and also reports a receivable for the 36% in "securities and mortgages" in its Debt Service Fund.
- In 2005, the College began another campus expansion program estimated at a cost of approximately \$34 million. The sponsoring counties have committed \$13.5 million to match NYS participation in the expansion, with the College required to raise funds over and above the amount approved by New York State. Under the 2005 Campus Expansion, each county became responsible for issuing debt to finance the project. The County has contributed \$12,971,037 for the Campus Expansion, consisting of \$3,665,537 from a tobacco securitization, a \$620,000 budget contribution, and \$8,685,500 of bonds and notes. At December 31, 2019, outstanding debt related to the 2005 Campus Expansion (consisting of 2014 Refunding Series A Bonds and 2014 Refunding Series B Bonds) was \$3,620,473.
- In 2014, the College began another Master Plan improvement project estimated at a cost of approximately \$7 million. The sponsoring counties have committed \$3,525,000 to match NYS participation in the expansion, with the College required to raise funds over and above the amount approved by New York State. Under the 2014 Campus Expansion, each county became responsible for issuing debt to finance the project. Tompkins County bonded \$2,185,500 on November 6, 2014 for this project; outstanding debt related to the 2014 Master Plan improvement project was \$1,660,000.
- In 2016, the College began a roof replacement project estimated at a cost of approximately \$3.5 million. The sponsoring counties have committed \$1,750,000 to match the NYS participation in the project. On February 21, 2017 the County issued \$1,100,000 in bonds to provide its share of funding to the College for the roof replacement project. At December 31, 2019, the outstanding debt related to the roof replacement project was \$1,018,332.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 14 Joint Ventures - Continued

- The financial statements of the College are independently audited annually. The following is an audited summary of financial information included in financial statements for the joint venture (combined funds) as of August 31, 2019:

Total Assets	\$	47,715,177
Total Deferred Outflows of Resources		9,765,933
Total Liabilities		63,333,454
Total Deferred Inflows of Resources		3,032,684
Total Equity		(8,885,028)
Total Revenues		44,132,088
Total Expenses		46,783,528

- The County's share of the College's equity is comprised of the following at December 31, 2019:

68% of the College's Total Equity	\$	(6,041,819)
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Tompkins Consolidated Area Transit

The following is the activity undertaken jointly with another municipality and a university. This activity is excluded from the financial statements of the participating municipalities. Separate financial statements for this joint venture can be obtained from the Tompkins Consolidated Area Transit's administrative office at 737 Willow Avenue, Ithaca, New York 14850.

TCAT was formed under a consolidation agreement between the City of Ithaca, Tompkins County, and Cornell University effective April 1, 1998. The agreement shall remain in force until October 9, 2021. TCAT began operations on January 1, 1999, with its purpose to provide public transportation in Tompkins County and surrounding areas. As of January 1, 2005, TCAT was reorganized as a 501(c)(3). However, the structure of the Board, and the interest of each party was not changed. Significant provisions of the agreement are as follows:

- TCAT is governed by a Board of Directors consisting of nine voting members with three members appointed by each participant in the venture. The General Manager of TCAT is a non-voting ex-officio member of the Board. In addition, the nine voting members of the Board select five additional non-voting, ex-officio members.
- Interest of each party in surpluses, losses, property, and debt acquired by TCAT shall be shared equally.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 14 Joint Ventures - Continued

- Each party makes an annual contribution of equal amounts to the venture for TCAT's operating budget. The County's contribution for 2018 and 2019 was \$837,432, and \$910,432, respectively. The 2020 contribution will be \$910,432.
- The financial statements of TCAT are independently audited annually and may be obtained from their administrative office. The following is a summary of audited financial information included in financial statements for the joint venture as of December 31, 2019:

Total Assets	\$	30,210,353
Total Liabilities		8,451,260
Total Equity		21,759,093
Total Revenues		23,461,238
Total Expenses		18,888,677

- The County's share of TCAT's equity amounted to \$7,253,031 at December 31, 2019.

Note 15 Contingencies

The County of Tompkins is defendant in several tax certiorari claims brought by taxpayers in an attempt to reduce their real property value assessments. These lawsuits arise from the continuing adjustments to property valuations required to maintain assessments at a uniform level of market value. The County's attorney in the defense of these cases has expressed the opinion that the impact of settlement of such cases has the potential to be substantial but not predictable.

The County of Tompkins is a defendant in several tort claims. There are always various cases pending against the County, but we are not aware of any of these cases presenting a material adverse effect upon the County's financial condition, nor would any of these cases affect the power of the County to levy, collect, and enforce the collection of taxes or other revenues for the payment of its obligations. The County is self-insured for the amounts claimed and is paying for the defense of these cases. It maintains reserves, in amounts recommended by its insurance administrator, which it considers adequate to cover potential settlements or damages awarded. As of December 31, 2019, the County has reserved \$960,440 for unreported claims, which is included in the net position in the Internal Services Fund.

As of this date, labor agreements are either in place or in progress for all County employees. Negotiations for the period 2018-2020 were successfully concluded with the CSEA White and Blue Collar Units. Negotiations are currently in progress with the Correction Officers Union for a successor agreement to their contract which expired December 31, 2019 and are in progress with the Road Patrol Union for a successor agreement to their contract, which expired at the end of fiscal year 2016. The County, as a matter of fiscal policy, reserves funds for anticipated settlements. The adopted 2019 budget provides resources for future contracts consistent with settlements of other employee units.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

***Note 15* Contingencies - Continued**

Health Insurance

The County participates in an employee health insurance plan, the Greater Tompkins County Municipal Health Insurance Consortium (Consortium). The Consortium was organized in 2010 as an Article 5-G General Municipal Law (GML) municipal corporation to provide health insurance benefits for its member municipalities. The term "Municipal Corporation," as defined by §119-N of the GML, includes a county, city, town, or village. The Plan's general objectives are to formulate, develop, and administer, on behalf of the member participants, an adequate program of insurance in a cost-effective manner. Municipalities joining the Plan must remain members for a minimum of three years; a participant may withdraw with written notice prior to October 3rd of each Plan year. Municipalities applying for membership in the Plan may do so with two-thirds approval of the Board. Plan underwriting and rate setting policies have been established after consultation with third party administration. Plan members are subject to supplemental assessment in the event of deficiencies. Premium assessments are determined annually, and should assets of the Plan be exhausted, members would be responsible for the Plan's liabilities. Plan membership currently includes 50 participants. The Plan uses reinsurance agreements to reduce its exposure to large losses on insured events. Reinsurance permits recovery of a portion of losses from the reinsurer, although it does not discharge the primary liability of the Plan as direct insurer of the risks reinsured.

During the year ended December 31, 2019, the County incurred premiums or contribution expenditures totaling \$13,924,457. Plan financial statements may be obtained from the Greater Tompkins County Municipal Health Insurance Consortium, at 125 East Court Street, Ithaca, New York 14850.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 16 Sales Tax

The County, under the general authority of Article 29 of the Tax Law, imposes a 3% sales tax in the towns outside the City of Ithaca and a 1.5% sales tax within its boundaries. Both the County and City-imposed tax are administered and collected by the State Tax Commission in the same manner as that relating to the State imposed 4% sales and compensating use tax. Net collections, meaning monies collected after deducting expenses of administration and collections and amounts refunded or to be refunded, but inclusive to any applicable penalties and interest, are paid by the State to the County and the City, respectively. Of the total sales tax received by the County, an amount equal to 50% of total collections, excluding the amount paid directly to the City, is retained by the County. The balance is divided among the towns based upon population as determined by the 2000 census. The towns' share is divided and allocated between incorporated villages (located wholly or partially within the town), and the area of the towns outside said villages, on the basis of population. All the villages and five townships are paid their share in cash. The town outside villages' share are retained by the County and applied in the first instance to the taxes to be relieved for county purposes in the respective towns' levy.

During 1992, the State Legislature granted authority to increase the County sales tax rate from 3% to 4%. The new taxing authority became effective December 1, 1992, with an initial expiration of November 30, 1995. The State Legislature has subsequently renewed the additional tax rate to November 30, 2020.

For the past five year period, sales tax proceeds have been distributed to the jurisdictions within the County in the following amounts:

<u>Year</u>	<u>County Share</u>	<u>City Share</u>	<u>Town/ Village Share</u>
2019	\$ 38,731,780	\$ 14,393,167	\$ 15,797,716
2018	37,190,459	13,960,075	14,966,271
2017	35,262,872	13,360,645	14,066,078
2016	33,198,140	12,555,002	13,266,597
2015	33,385,002	12,419,075	13,546,566

The 2020 County Budget includes \$34,289,750 in sales tax to support operations.

Note 17 Transactions with Discretely Presented Component Units

The County of Tompkins contributed \$3,618,751 and \$246,974 to the Tompkins County Public Library and the Tompkins County Soil and Water Conservation District, respectively. Additionally, the Library's facilities are owned by the County and provided to the Library at no charge. The County provided \$483,179 worth of debt service on the building occupied by the Library. Transactions with the Tompkins Cortland Community College are disclosed in Note 14.

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 18 Fund Balance Detail

At December 31, 2019, fund balance in the governmental funds was comprised of the following:

	General Fund	County Road Fund	Transportation Fund	Solid Waste Fund
Nonspendable				
Prepaid Expenses	\$ 3,170,138	\$	\$ 14,374	\$ 966
Total Nonspendable Fund Balance	\$ 3,170,138	\$ -	\$ 14,374	\$ 966
Restricted				
Economic Assistance and Opportunity	\$ 355,020	\$	\$	\$
Public Safety	185,959			
Capital Reserve	25,000			294,151
Total Restricted Fund Balance	\$ 565,979	\$ -	\$ -	\$ 294,151
Assigned				
Appropriated for Next Year's Budget	\$ 2,177,796	\$	\$	\$
Encumbered for:				
General Government	75,090			
Education	79,936			
Public Safety	83,125	6,769		
Public Health	12,624			
Economic Assistance	576,749			
Transportation		3,322	55,938	
Culture and Recreation	3,064			
Home and Community Services	221,800			4,242
Assigned for:				
Public Safety RAA Reserve	1,141,402			
Culture and Recreation, County Historian	15,597			
Residual Fund Balance		735,195	1,199,059	2,054,659
Total Assigned Fund Balance	\$ 4,387,183	\$ 745,286	\$ 1,254,997	\$ 2,058,901
Unassigned				
Unassigned Fund Balance	\$ 46,215,293	\$	\$	\$
Total Unassigned Fund Balance	\$ 46,215,293	\$ -	\$ -	\$ -

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 18 Fund Balance Detail - Continued

	Special Grant Fund	Capital Projects Fund - Transportation	Capital Projects Fund - General Government	Debt Service Fund	Non-Major Funds
Nonspendable					
Prepaid Expenses	\$	\$	\$	\$	\$ 3,619
Total Nonspendable Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,619</u>
Restricted					
Community Development	\$ 906,266	\$	\$	\$	\$
Capital Projects - Unspent Debt Proceeds			1,705,982		5,551
Debt Service				2,261,409	1,301,765
Total Restricted Fund Balance	<u>\$ 906,266</u>	<u>\$ -</u>	<u>\$ 1,705,982</u>	<u>\$ 2,261,409</u>	<u>\$ 1,307,316</u>
Committed					
Capital Projects	\$	\$	\$	\$	\$ 4,580,636
Total Committed Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,580,636</u>
Assigned					
Encumbered for Transportation	\$	\$	\$	\$	\$ 164,496
Assigned for General Government			6,618,208		
Assigned for Transportation					470,540
Total Assigned Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,618,208</u>	<u>\$ -</u>	<u>\$ 635,036</u>
Unassigned					
Unassigned Fund Balance	\$	\$ (13,182,400)	\$	\$	\$
Total Unassigned Fund Balance	<u>\$ -</u>	<u>\$ (13,182,400)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 18 Fund Balance Detail - Continued

Of the \$36,399,913 reported as unrestricted net position (deficit) of the Governmental Activities in the Government-wide Statement of Net Position, the County has designated funds to be set aside for certain purposes or contingencies, as follows:

Unrestricted Net Position	\$ (36,399,913)
Designated for:	
Ensuing Year's Budget	2,177,796
Carry-over of Prior Year's Commitments (Encumbrances and Rollovers)	1,592,476
Prepaid Expenses	3,189,097
Capital Projects	4,580,636
Self Insurance	960,440
Workers' Compensation	1,759,246
Equity Interest in Joint Venture, Net of Related Debt	1,211,212
Public Safety	1,141,402
Culture and Recreation	15,597
Transportation	2,099,473
Home and Community Services	2,054,659
Total Designated Net Position	20,782,034
Unrestricted, Undesignated Net Position (Deficit)	\$ (57,181,947)

Reconciliation Between Restricted Fund Balance and Restricted Net Position

Restricted fund balances and restricted net position differ because unspent debt proceeds are reported as restricted fund balance in the fund financial statements and as a portion of invested in capital, net of related debt, in the Statement of Net Position. Restricted fund balances and restricted net position also differ because loan balances in the special grant fund and the debt service fund are reported as unavailable revenue in the fund financial statements and as a portion of restricted net position in the Statement of Net Position.

Restricted Fund Balance in the Fund Financial Statements	\$ 7,041,103
Plus Securities, Mortgages, and Loan Balances	914,435
Less Unspent Debt Proceeds	(1,711,533)

Restricted Net Position in the Government-Wide Financial Statements	\$ 6,244,005
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COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 19 Tax Abatements

For the year ended December 31, 2019, the County was subject to tax abatements negotiated by the Tompkins County Industrial Development Agency (TCIDA), a discretely presented component unit, the Town of Ithaca (the Town), the City of Ithaca (the City), the Village of Freeville, and the Village of Groton (the Villages).

Under TCIDA, economic development agreements entered into can include the abatement of county, local, and school district taxes. In this case, negotiated abatements have resulted in reductions of property taxes, which TCIDA administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100%.

Information relevant to disclosure of the program for the year ended December 31, 2019 is as follows:

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated</u>
Economic Development:	
Real Property Tax	\$ 2,734,057
Sales Tax	3,324,804
Mortgage Tax	<u>10,144</u>
Total	<u>\$ 6,069,005</u>

The City, Town, and the Villages entered into a property tax abatement agreement with a local business under Chapter 535 of the 1971 Laws of New York State for the purpose of encouraging economic growth. Under the Act, localities may grant property tax abatements of up to 100% of a business' property tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the City, Town or Villages. Under this program, the City, Town, and Villages abated taxes by 95% to an apartment complex.

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated</u>
Economic Development:	
Real Property Tax	\$ <u>107,564</u>
Total	<u>\$ 107,564</u>

COUNTY OF TOMPKINS

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 20 **Subsequent Events**

On February 19, 2020, the County issued \$1,800,000 of serial bonds with various years of maturity; February 1, 2021-2030. The proceeds of the bonds will provide \$1,800,000 in new monies for various improvement projects. The purpose of the bonds is for various capital improvements.

On February 19, 2020, the County issued \$10,000,000 of BANs due February 19, 2021. The proceeds of the Series A Notes, along with \$782,000 in available funds, will redeem and renew in full the \$7,500,000 Airport Bond Anticipation Notes, 2019 Series B maturing February 20, 2020, and provide \$2,500,000 in new monies for an Ithaca Tompkins Regional Airport capital improvement.

On February 19, 2020, the County issued \$5,237,000 of BANs due February 19, 2021. The proceeds of the Series B Notes will redeem and partially renew a \$2,187,000 portion of the \$3,425,000 Bond Anticipation Notes, 2019 Series A maturing February 20, 2020, and provide \$3,050,000 in new monies for various improvement and replacement projects.

In March 2020, the COVID-19 coronavirus outbreak was declared a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the area in which the County exists. While it is unknown how long these conditions will last and what the complete financial effect will be, the County expects disruptions to businesses and residents, which could negatively impact operating results in future periods.

COUNTY OF TOMPKINS

BUDGETARY COMPARISON SCHEDULE (NON-U.S. GAAP) GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
REVENUES					
Real Property Taxes	\$ 49,898,306	\$ 56,182,306	\$ 49,892,669	\$	\$ (6,289,637)
Real Property Tax Items	1,989,931	1,989,931	2,406,059		416,128
Nonproperty Tax Items	61,211,760	61,491,035	62,210,186		719,151
Departmental Income	8,833,003	9,571,216	10,508,744		937,528
Intergovernmental Charges	859,224	995,872	1,202,806		206,934
Use of Money and Property	521,661	524,095	856,125		332,030
Licenses and Permits	4,500	4,500	7,702		3,202
Fines and Forfeitures	120,375	128,584	147,932		19,348
Sale of Property and Compensation for Loss	543,211	543,211	638,753		95,542
Miscellaneous Local Sources	561,732	582,472	859,421		276,949
Interfund Revenues	433,276	433,276	381,484		(51,792)
State Sources	39,264,075	42,382,729	40,501,454		(1,881,275)
Federal Sources	15,227,616	19,259,491	20,141,300		881,809
Total Revenues	<u>179,468,670</u>	<u>194,088,718</u>	<u>189,754,635</u>	-	<u>(4,334,083)</u>
EXPENDITURES					
General Governmental Support	33,811,046	39,880,461	37,012,980	75,090	2,792,391
Education	9,386,514	9,864,721	9,728,715	79,936	56,070
Public Safety	20,253,406	20,455,935	19,707,840	83,125	664,970
Health	19,826,739	20,665,768	19,174,946	12,624	1,478,198
Transportation	10,488,215	15,573,401	15,155,561		417,840
Economic Assistance and Opportunity	66,858,315	68,239,856	60,907,524	576,749	6,755,583
Culture and Recreation	5,995,509	6,041,921	5,968,510	3,064	70,347
Home and Community Services	2,274,136	2,895,088	2,124,183	221,800	549,105
Employee Benefits		843,365	843,365		-
Total Expenditures	<u>168,893,880</u>	<u>184,460,516</u>	<u>170,623,624</u>	<u>1,052,388</u>	<u>12,784,504</u>
Excess of Revenues (Expenditures)	<u>10,574,790</u>	<u>9,628,202</u>	<u>19,131,011</u>	<u>(1,052,388)</u>	<u>8,450,421</u>
OTHER FINANCING SOURCES (USES)					
Interfund Transfers (Out)	<u>(12,738,652)</u>	<u>(15,036,499)</u>	<u>(14,458,189)</u>		<u>578,310</u>
Total Other Financing Sources (Uses)	<u>(12,738,652)</u>	<u>(15,036,499)</u>	<u>(14,458,189)</u>	-	<u>578,310</u>
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	<u>(2,163,862)</u>	<u>(5,408,297)</u>	<u>4,672,822</u>	<u>\$ (1,052,388)</u>	<u>\$ 9,028,731</u>
Appropriated Fund Balance	<u>2,163,862</u>	<u>5,408,297</u>			
Net Increase	<u>\$ -</u>	<u>\$ -</u>	<u>4,672,822</u>		
Fund Balance, Beginning of Year			<u>49,665,771</u>		
Fund Balance, End of Year			<u>\$ 54,338,593</u>		

COUNTY OF TOMPKINS

BUDGETARY COMPARISON SCHEDULE (NON-U.S. GAAP) COUNTY ROAD FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
REVENUES					
Use of Money and Property	\$	\$ 5,908	\$ 12,346	\$	\$ 6,438
Licenses and Permits	4,000	20,173	20,315		142
Sale of Property and Compensation for Loss	2,000	5,517	4,519		(998)
Miscellaneous Local Sources		36,663	36,774		111
State Sources	2,482,948	2,776,096	2,769,657		(6,439)
Total Revenues	2,488,948	2,844,357	2,843,611	-	(746)
EXPENDITURES					
Public Safety	215,368	219,868	209,925	6,769	3,174
Transportation	6,432,713	6,868,753	6,714,098	3,322	151,333
Employee Benefits	932,687	922,750	863,199		59,551
Total Expenditures	7,580,768	8,011,371	7,787,222	10,091	214,058
Excess of Revenues (Expenditures)	(5,091,820)	(5,167,014)	(4,943,611)	(10,091)	213,312
OTHER FINANCING SOURCES (USES)					
Interfund Transfers In	5,091,820	5,134,014	5,134,014		-
Interfund Transfers (Out)		(1,264,093)	(1,264,093)		-
Total Other Financing Sources	5,091,820	3,869,921	3,869,921	-	-
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	-	(1,297,093)	(1,073,690)	\$ (10,091)	\$ 213,312
Appropriated Fund Balance		1,297,093			
Net (Decrease)	\$ -	\$ -	(1,073,690)		
Fund Balance, Beginning of Year			1,818,976		
Fund Balance, End of Year			\$ 745,286		

COUNTY OF TOMPKINS

BUDGETARY COMPARISON SCHEDULE (NON-U.S. GAAP) TRANSPORTATION FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
REVENUES					
Departmental Income	\$ 1,404,143	\$ 1,404,143	\$ 1,426,613	\$	\$ 22,470
Intergovernmental Charges	109,281	109,281	111,327		2,046
Use of Money and Property	1,691,737	1,691,737	1,899,366		207,629
Sale of Property and Compensation for Loss	33,000	33,000	-		(33,000)
Miscellaneous Local Sources	12,725	12,725	36,549		23,824
Total Revenues	3,250,886	3,250,886	3,473,855	-	222,969
EXPENDITURES					
Transportation	2,757,737	3,006,493	2,539,894	55,938	410,661
Employee Benefits	452,699	452,699	450,990		1,709
Total Expenditures	3,210,436	3,459,192	2,990,884	55,938	412,370
Excess of Revenues (Expenditures)	40,450	(208,306)	482,971	(55,938)	635,339
OTHER FINANCING SOURCES (USES)					
Interfund Transfers (Out)	(40,450)	(76,450)	(76,450)	(76,450)	-
Total Other Financing Sources (Uses)	(40,450)	(76,450)	(76,450)	(76,450)	-
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	-	(284,756)	406,521	\$ -	\$ 635,339
Appropriated Fund Balance		284,756			
Net Increase	\$ -	\$ -	406,521		
Fund Balance, Beginning of Year			862,850		
Fund Balance, End of Year			\$ 1,269,371		

COUNTY OF TOMPKINS

BUDGETARY COMPARISON SCHEDULE (NON-U.S. GAAP) SOLID WASTE FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
REVENUES					
Departmental Income	\$ 5,550,957	\$ 5,550,957	\$ 5,301,775	\$	\$ (249,182)
Use of Money and Property	2,000	2,000	4,788		2,788
Sale of Property and Compensation for Loss	274,796	274,796	191,553		(83,243)
Miscellaneous Local Sources	5,475	5,475	4,205		(1,270)
State Sources	399,600	470,026	810,811		340,785
Total Revenues	6,232,828	6,303,254	6,313,132	-	9,878
EXPENDITURES					
Home and Community Services	5,668,344	5,727,483	5,427,225	4,242	296,016
Employee Benefits	387,932	408,207	367,138		41,069
Total Expenditures	6,056,276	6,135,690	5,794,363	4,242	337,085
Excess of Revenues (Expenditures)	176,552	167,564	518,769	(4,242)	346,963
OTHER FINANCING SOURCES (USES)					
Interfund Transfers (Out)	(176,552)	(176,552)	(176,552)		-
Total Other Financing (Uses)	(176,552)	(176,552)	(176,552)	-	-
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	-	(8,988)	342,217	\$ (4,242)	\$ 346,963
Appropriated Fund Balance		8,988			
Net Increase	\$ -	\$ -	342,217		
Fund Balance, Beginning of Year			2,011,801		
Fund Balance, End of Year			\$ 2,354,018		

COUNTY OF TOMPKINS

BUDGETARY COMPARISON SCHEDULE (NON-U.S. GAAP) SPECIAL GRANT FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
REVENUES					
Departmental Income	\$	\$ 1,178,647	\$ 531,067	\$	\$ (647,580)
Use of Money and Property		197	991		794
Miscellaneous Local Sources	123,444	123,444	88,139		(35,305)
Interfund Revenues	278,282	288,041	32,504		(255,537)
Federal Sources	1,367,798	2,148,052	1,213,183		(934,869)
Total Revenues	1,769,524	3,738,381	1,865,884	-	(1,872,497)
EXPENDITURES					
Economic Assistance and Opportunity	1,769,524	1,831,937	1,493,323		338,614
Home and Community Services		2,020,444	377,160		1,643,284
Total Expenditures	1,769,524	3,852,381	1,870,483	-	1,981,898
Excess of Revenues	-	(114,000)	(4,599)	-	109,401
OTHER FINANCING SOURCES (USES)					
Interfund Transfers (Out)		(386,000)	(386,000)		-
Total Other Financing (Uses)	-	(386,000)	(386,000)	-	-
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	-	(500,000)	(390,599)	\$ -	\$ 109,401
Appropriated Fund Balance		500,000			
Net Increase	\$ -	\$ -	(390,599)		
Fund Balance, Beginning of Year			1,296,865		
Fund Balance, End of Year			\$ 906,266		

COUNTY OF TOMPKINS

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

Tompkins County:	2019	2018	2017
Total OPEB Liability			
Service Cost	\$ 4,291,842	\$ 3,367,196	\$ *
Interest Cost	2,710,988	3,104,040	*
Changes of Benefit Terms	-	-	*
Differences Between Expected and Actual Experience	-	(6,840,910)	*
Changes in Assumptions or Other Inputs Benefit Payment	(10,423,737)	(2,568,093)	*
Benefit Payments	(1,287,142)	(1,340,446)	*
	(4,708,049)	(4,278,213)	*
Total OPEB Liability - Beginning	75,142,268	79,420,481	*
Total OPEB Liability - Ending	\$ 70,434,219	\$ 75,142,268	\$ 79,420,481
Covered Employee Payroll	\$ 39,780,857	\$ 35,769,868	\$ *
Liability as a Percentage of Covered Payroll	177%	210%	

* Information is unavailable and will be present as information becomes available.

COUNTY OF TOMPKINS

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>
County			
Contractually Required Contribution	\$ 5,955,614	\$ 6,172,891	\$ 5,985,813
Contributions in Relation to the Contractually Required Contribution	(5,955,614)	(6,172,891)	(5,985,813)
Contribution Deficiency (Excess)			
County's Covered Employee Payroll	39,739,296	39,035,035	38,441,581
Contributions as a Percentage of Covered Employee Payroll	15.0%	15.8%	15.6%
TC3			
Contractually Required Contribution	954,000	997,000	1,019,000
Contributions in Relation to the Contractually Required Contribution	958,000	1,023,000	1,100,000
Contribution Deficiency (Excess)	(4,000)	(26,000)	(81,000)
TC3's Covered Employee Payroll	6,719,000	6,945,000	7,000,000
Contributions as a Percentage of Covered Employee Payroll	14.2%	14.7%	15.7%

* Information Unavailable

2016	2015	2014	2013	2012	2011	2010
\$ 6,385,773	\$ 6,563,490	\$ 7,383,294	\$ *	\$ *	\$ *	\$ *
(6,385,773)	(6,563,490)	(7,383,294)	*	*	*	*
			*	*	*	*
36,639,368	34,194,313	33,948,487	*	*	*	*
17.4%	19.2%	21.7%	N/A	N/A	N/A	N/A
1,013,000	1,168,000	*	*	*	*	*
1,005,000	1,127,000	*	*	*	*	*
8,000	41,000					*
6,565,000	6,981,000	*	*	*	*	*
15.3%	16.1%	N/A	N/A	N/A	N/A	N/A

COUNTY OF TOMPKINS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY NYSLRS PENSION PLAN FOR THE YEARS ENDED DECEMBER 31,

County	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the Net Pension Liability	0.159099%	0.1660770%	0.1599580%	0.1528740%	0.1492680%
Proportionate Share of the Net Pension Liability	\$ 11,271,152	\$ 5,360,784	\$ 15,026,215	\$ 24,541,202	\$ 5,040,765
Covered Employee Payroll During the Measurement Period	39,120,140	38,779,719	37,427,166	34,275,974	33,949,328
Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll	28.81%	13.82%	40.15%	71.60%	14.85%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.3%	98.2%	94.7%	90.7%	97.9%
TC3					
Proportion of the Net Pension Liability	0.025470%	0.0265500%	0.0293600%	0.0240700%	0.0263300%
Proportionate Share of the Net Pension Liability	\$ 1,805,000	\$ 857,000	\$ 2,759,000	\$ 3,958,000	\$ 888,000
Covered Employee Payroll During the Measurement Period	6,719,000	6,945,000	7,000,000	6,565,000	6,981,000
Proportionate Share of the Net Pension Liability as a Percentage of Covered Employee Payroll	26.86%	12.34%	39.41%	60.29%	12.72%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.3%	98.2%	94.7%	90.7%	97.9%

COUNTY OF TOMPKINS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2019

Note 1 Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with generally accepted accounting principles for the General, County Road, Road Machinery, Transportation, Special Grant, Solid Waste, and Debt Service Funds. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year. Encumbrances are not considered a disbursement in the financial plan or an expenditure in the U.S. GAAP-based financial statement, but reserve a portion of the applicable appropriation, thereby ensuring that the appropriations are not exceeded. The accompanying Budgetary Comparison Schedules for the General, County Road, Transportation, Special Grant, and Solid Waste Funds present comparisons of the legally adopted budget with actual data.

Note 2 Reconciliation of Budget Basis to U.S. GAAP

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

Note 3 Schedule of Changes in the Total OPEB Liability and Related Ratios

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

2019 - 4.10%
2018 - 3.44%

Note 4 Schedules of the County's Proportionate Share of the Net Pension Liability

The Schedule of the County's Proportionate Share of the Net Pension Liability, required supplementary information, presents four years of information. This schedule will present ten years of information as it becomes available from the pension plans.

Note 5 Schedules of County's Contributions - NYSLRS Pension Plans and Schedules of the County's Proportionate Share of the Net Pension Liability

Changes in Benefit Terms

There were no significant legislative changes in benefits.

Changes of Assumptions

There were changes in the economic (investment rate of return, inflation, COLA, and salary scales) and demographic (pensioner mortality and active member decrements) assumptions used in the April 1, 2018 actuarial valuation.

COUNTY OF TOMPKINS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2019

Note 5 Schedules of County's Contributions - NYSLRS Pension Plans and Schedules of the County's Proportionate Share of the Net Pension Liability - Continued

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The April 1, 2018 actuarial valuation determines the employer rates for contributions payable in fiscal year 2019. The following actuarial methods and assumptions were used:

Actuarial Cost Method	The System is funded using the Aggregate Cost Method. All unfunded actuarial liabilities are evenly amortized (as a percentage of projected pay) over the remaining worker lifetimes of the valuation cohort.
Asset Valuation Period	Five-year phase-in deferred recognition of each year's net investment income/loss in excess of (or less than) 7.5% at a rate of 20% per year, until fully recognized after five years. For fiscal years ending prior to June 30, 2015, realized and unrealized appreciation in excess of (or less than) the assumed inflationary rate of 4.0% is subject to the five-year phase-in.
Inflation	2.5%
Salary Scale	3.8% in ERS, indexed by service.
Investment Rate of Return	7.0% compounded annually, net of investment expenses, including inflation.
Cost of Living Adjustments	1.3% annually

COUNTY OF TOMPKINS

COMBINING BALANCE SHEET NON-MAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2019

	Special Revenue Fund	Capital Projects Funds	
	Road Machinery Fund	TCAT Fund	Home and Community Services Fund
ASSETS			
Cash and Cash Equivalents - Unrestricted	\$ 700,798	\$ 69,331	\$ 1,560,807
Cash and Cash Equivalents - Restricted	_____	_____	_____
Temporary Investments - Restricted	_____	_____	_____
Due from Other Funds	568	_____	94,075
Due from State and Federal Governments	_____	1,586	_____
Other Receivables, Net	5,158	_____	_____
Prepaid Expenses	_____	_____	_____
Total Assets	\$ 706,524	\$ 70,917	\$ 1,654,882
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ 66,406	\$ 2,000	\$ 7,711
Accrued Liabilities	3,350	_____	_____
Due to Other Funds	1,732	_____	_____
Total Liabilities	71,488	2,000	7,711
Fund Balances			
Nonspendable	_____	_____	_____
Restricted	_____	_____	_____
Committed	_____	68,917	1,647,171
Assigned	635,036	_____	_____
Total Fund Balances	635,036	68,917	1,647,171
Total Liabilities and Fund Balances	\$ 706,524	\$ 70,917	\$ 1,654,882

Capital Projects Funds			Debt Service Fund	Total Non-Major Governmental Funds
Public Health Fund	Public Safety Fund	Education Fund	TTASC Fund	
\$ 699,632	\$ 1,902,204	\$ 482,299	\$	\$ 5,415,071
		5,551	127,367	132,918
			650,398	650,398
				94,643
	(2,179)			(593)
			524,000	529,158
			3,619	3,619
\$ 699,632	\$ 1,900,025	\$ 487,850	\$ 1,305,384	\$ 6,825,214
\$ 15,361	\$ 3,703	\$	\$	\$ 95,181
				3,350
300	198,044			200,076
15,661	201,747	-	-	298,607
			3,619	3,619
		5,551	1,301,765	1,307,316
683,971	1,698,278	482,299		4,580,636
				635,036
683,971	1,698,278	487,850	1,305,384	6,526,607
\$ 699,632	\$ 1,900,025	\$ 487,850	\$ 1,305,384	\$ 6,825,214

COUNTY OF TOMPKINS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NON-MAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue Fund	Capital Projects Funds	
	Road Machinery Fund	TCAT Fund	Home and Community Services Fund
REVENUES			
Use of Money and Property	\$ 497	\$ 70	\$ 2,224
Sale of Property and Compensation for Loss	204,848		
Miscellaneous Local Sources	65		
Interfund Revenues	1,560,326		
State Sources			
Federal Sources			
Total Revenues	<u>1,765,736</u>	<u>70</u>	<u>2,224</u>
EXPENDITURES			
General Governmental Support			
Transportation	1,624,421		
Employee Benefits	145,771		
Debt Service (Principal and Interest)			
Capital Outlay		5,556	108,619
Total Expenditures	<u>1,770,192</u>	<u>5,556</u>	<u>108,619</u>
Excess of Revenues (Expenditures)	<u>(4,456)</u>	<u>(5,486)</u>	<u>(106,395)</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers In			342,278
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>342,278</u>
Excess of Revenues (Expenditures) and Other Financing Sources (Uses)	<u>(4,456)</u>	<u>(5,486)</u>	<u>235,883</u>
Fund Balances, Beginning of Year	639,492	74,403	1,411,288
Fund Balances, End of Year	<u>\$ 635,036</u>	<u>\$ 68,917</u>	<u>\$ 1,647,171</u>

Capital Projects Funds			Debt Service Fund	Total Non-Major Governmental Funds
Public Health Fund	Public Safety Fund	Education Fund	TTASC Fund	
\$ 1,877	\$ 2,960	\$ 406	\$ 18,982	\$ 27,016
				204,848
4,635			497,727	502,427
				1,560,326
48,305				48,305
	108,736			108,736
54,817	111,696	406	516,709	2,451,658
			61,542	61,542
				1,624,421
				145,771
			472,851	472,851
222,415	163,146			499,736
222,415	163,146	-	534,393	2,804,321
(167,598)	(51,450)	406	(17,684)	(352,663)
	493,965			836,243
-	493,965	-	-	836,243
(167,598)	442,515	406	(17,684)	483,580
851,569	1,255,763	487,444	1,323,068	6,043,027
\$ 683,971	\$ 1,698,278	\$ 487,850	\$ 1,305,384	\$ 6,526,607

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

County Legislature
County of Tompkins
Ithaca, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Tompkins, New York (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 26, 2020. Our report includes a reference to other auditors who audited the financial statements of Tompkins Cortland Community College, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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 may exist that have not been identified.

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Respectfully submitted,

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

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
August 26, 2020

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

County Legislature
County of Tompkins
Ithaca, New York

Report on Compliance for Each Major Federal Program

We have audited the County of Tompkins, New York's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2019. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2, U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
August 26, 2020

COUNTY OF TOMPKINS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Catalog #	Pass-Through Grantor #	Passed Through to Subrecipients	Expenditures
U.S. Department of Agriculture				
Passed Through NYS Department of Health:				
Special Supplemental Nutrition Program for Women, Infants and Children - Administration	10.557	C30403	\$	\$ 519,771
Special Supplemental Nutrition Program for Women, Infants and Children - Food Instruments	10.557	(1)		667,322
Total Special Supplemental Nutrition Program for Women, Infants and Children			-	1,187,093
Passed Through NYS Office of Temporary and Disability Assistance: SNAP Cluster:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	(1)		1,050,691
Total SNAP Cluster			-	1,050,691
Total U.S. Department of Agriculture			-	2,237,784
U.S. Department of Housing and Urban Development				
Passed Through NYS Homes and Community Renewal:				
Community Development Block Grants - State's Program	14.228	1144H0337-15	505,087	505,087
Passed Through NYS Office of Temporary and Disability Assistance:				
Energy Solutions Grant Program	14.231	C021296		148,018
Total U.S. Department of Housing and Urban Development			505,087	653,105
U.S. Department of Labor				
Passed Through NYS Department of Labor:				
Employment Service/Wagner-Peyser Funded Activities	17.207	(1)		129,659
Trade Adjustment Assistance Workers	17.245	(1)		13,757
WIOA National Emergency Grants	17.277	(1)		59,817
WIOA Cluster:				
WIOA Adult Program	17.258	(1)		152,050
WIOA Youth Activities	17.259	(1)		367,340
WIOA Dislocated Workers	17.278	(1)		79,989
Total WIOA Cluster			-	599,379
Total U.S. Department of Labor			-	802,612
Subtotal Expenditures of Federal Awards			505,087	3,693,501

N/A - Denotes Not Applicable (Direct Program)

(1) - Denotes unable to obtain from Pass-Through Entity

COUNTY OF TOMPKINS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Catalog #	Pass-Through Grantor #	Passed Through to Subrecipients	Expenditures
Subtotal Expenditures of Federal Awards Brought Forward			\$ 505,087	\$ 3,693,501
U.S. Department of Transportation				
Direct Programs:				
Federal Transit Cluster:				
Federal Transit - Formula Grants	20.507	N/A	5,946,392	6,162,433
Total Federal Transit Cluster			5,946,392	6,162,433
Transit Services Programs Cluster:				
Airport Improvement Program	20.106	3-36-0047-076-2016		71,137
Airport Improvement Program	20.106	3-36-0047-079-2017		234,269
Airport Improvement Program	20.106	3-36-0047-080-2017		190,109
Airport Improvement Program	20.106	3-36-0047-082-2018		122,063
Airport Improvement Program	20.106	3-36-0047-083-2018		49,429
Airport Improvement Program	20.106	3-36-0047-086-2019		457,186
Total Transit Services Programs Cluster				1,124,193
Passed Through NYS Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	D022374		1,233,900
Total Highway Planning and Construction Cluster			-	1,233,900
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	C033460		324,413
Passed Through NYS Governor's Traffic Safety Committee:				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	PTS-2019-00585		2,028
Total U.S. Department of Transportation			5,946,392	8,846,967
Environmental Protection Agency				
Passed Through NYS Department of Health:				
State Indoor Radon Grants	66.032	T30724GG		8,318
Total Environmental Protection Agency			-	8,318
U.S. Department of Education				
Passed through NYS Department of Health:				
Special Education - Grants for Infants and Families with Disabilities	84.181	C31667GG		32,047
Total U.S. Department of Education			-	32,047
Subtotal Expenditures of Federal Awards			6,451,479	12,580,833

N/A - Denotes Not Applicable (Direct Program)

(1) - Denotes unable to obtain from Pass-Through Entity

COUNTY OF TOMPKINS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Catalog #	Pass-Through Grantor #	Passed Through to Subrecipients	Expenditures
Subtotal Expenditures of Federal Awards Brought Forward			\$ 6,451,479	\$ 12,580,833
U.S. Department of Health and Human Services				
Passed Through NYS Office for the Aging:				
Title VII, Chapter 2 - Long-term Care Ombudsman Services for Older Individuals	93.042	(1)		114,929
Title III-D, Disease Prevention and Health Promotion Services Aging Cluster:	93.043	(1)		3,805
Title III-B, Grants for Supportive Services and Senior Centers	93.044	(1)		71,132
Title III-C, Nutrition Services	93.045	(1)		141,664
Nutrition Services Incentive Program	93.053	(1)		114,891
Total Aging Cluster			-	327,687
Title III-E, National Family Caregiver Support	93.052	(1)		35,632
Medical Enrollment Assistance Program	93.071	(1)		13,376
Guardianship Assistance	93.090	(1)		25,760
Passed Through NYS Department of Health:				
Immunization Grants	93.268	C32550GG		60,991
Maternal and Child Health Services Block Grant to the States:				
Maternal and Child Health Services Block Grant to the States	93.994	C32689GG		21,467
Maternal and Child Health Services Block Grant to the States	93.994	C030250		7,800
Maternal and Child Health Services Block Grant to the States	93.994	C30925GG		21,825
Total Maternal and Child Health Services Block Grant to the States			-	51,092
Medical Assistance Program	93.778	(1)		338,563
Passed Through Health Research, Inc.:				
Public Health Emergency Preparedness	93.069	001626-10		88,829
Passed Through NYS Office of Mental Health:				
Projects for Assistance in Transition from Homelessness	93.150	(1)	30,939	30,936
Passed Through NYS Office of Temporary and Disability Assistance:				
TANF Cluster:				
Temporary Assistance to Needy Families	93.558	(1)		5,782,928
Child Support Enforcement	93.563	(1)		386,131
Low-Income Home Energy Assistance	93.568	(1)		1,908,150
Passed Through NYS Office of Children and Family Services:				
Promoting Safe and Stable Families, Title IV-B, Subpart 2	93.556	(1)		23,984
CCDF Cluster:				
Child Care and Development Block Grant	93.575	(1)		717,672
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	(1)		1,190,479
Total CCDF Cluster			-	1,908,151
Child Welfare Services Program	93.645	(1)		50,782
Foster Care - Title IV-E	93.658	(1)		927,567
Adoption Assistance	93.659	(1)		1,812,665
Social Services Block Grant	93.667	(1)		153,515
Child Abuse and Neglect (NCCAN FAR)	93.669	(1)		4,762
Chafee Foster Care Independence Program	93.674	(1)		4,032
Children's Health Insurance Program	93.767	(1)		37,502
Medical Assistance Program	93.778	(1)		1,148,409
Passed Through NYS Department of Labor:				
TANF Cluster:				
Temporary Assistance to Needy Families	93.558	(1)	185,094	410,570
Passed Through NYS State Office of Alcoholism and Substance Abuse Services:				
Substance Abuse and Mental Health Services Administration	93.243	(1)		93,153
Block Grants for Prevention and Treatment of Substance Abuse	93.959	(1)	172,296	172,296
Total U.S. Department of Health and Human Services			<u>203,235</u>	<u>15,916,197</u>
Subtotal Expenditures of Federal Awards			<u>6,654,714</u>	<u>28,497,030</u>

N/A - Denotes Not Applicable (Direct Program)

(1) - Denotes unable to obtain from Pass-Through Entity

COUNTY OF TOMPKINS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Catalog #	Pass-Through Grantor #	Passed Through to Subrecipients	Expenditures
Subtotal Expenditures of Federal Awards Brought Forward			\$ 6,654,714	\$ 28,497,030
U.S. Department of Homeland Security				
Passed Through NYS Office of Homeland Security and Emergency Services:				
Homeland Security Grant Program	97.067	WM15974050	108,736	108,736
Total Homeland Security Grant Program			-	108,736
Total U.S. Department of Homeland Security			-	108,736
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 6,654,714	\$ 28,605,766
Program Totals and Clusters Obscured Above				
Medical Assistance Program - Medicaid Cluster	93.778			<u>\$ 1,486,972</u>
Temporary Assistance to Needy Families - TANF Cluster	93.558			<u>\$ 6,193,498</u>

N/A - Denotes Not Applicable (Direct Program)

(1) - Denotes unable to obtain from Pass-Through Entity

COUNTY OF TOMPKINS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS DECEMBER 31, 2019

Note 1 **Basis of Presentation**

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

Note 2 **Basis of Accounting**

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

Note 3 **Indirect Costs**

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

Note 4 **Matching Costs**

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

Note 5 **Low-Income Home Energy Assistance**

Differences between the amounts reflected in the Schedule of Expenditures of Federal Awards and the Department of Social Services' Federal Financial Reports (RF-8 claims) are due to payments distributed directly to recipients by the State of New York. The difference amounted to \$1,723,573 for the year ended December 31, 2019.

COUNTY OF TOMPKINS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS DECEMBER 31, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ___ yes _X_ no

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

Noncompliance material to financial statements noted? ___ yes _X_ no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? ___ yes _X_ no

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

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

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

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
10.561	SNAP Cluster
14.228	Community Development Block Grants - State's Proram
20.106	Airport Improvement Program
93.563	Child Support Enforcements
93.778	Medical Assistance Program
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B Programs: \$ 858,173

Auditee qualified as low-risk auditee: _X_ yes ___ no

Section II - Financial Statement Findings None

Section III - Federal Award Findings and Questioned Costs None