

COUNTY OF TIOGA
WELLSBORO, PENNSYLVANIA
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

COUNTY OF TIOGA, PENNSYLVANIA
YEAR ENDED DECEMBER 31, 2024

CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-14
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds	17-18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Fiduciary Net Position - Fiduciary Funds	22
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	23
Notes to Financial Statements	24-47
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	49
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Human Services Fund	50
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – 911 Fund	51
Schedule of Changes in the Net Pension Liability and Related Ratios	52
Schedule of Employer Contributions – Last 10 Years	53
Schedule of Investment Returns	54



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Page 1

INDEPENDENT AUDITOR'S REPORT

Commissioners of Tioga County
Wellsboro, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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Page 2

In performing an audit in accordance with GAAS and GAS, we:

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

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

Adoption of Governmental Accounting Standards Board Pronouncements

As described in Note 1 to the financial statements, in 2024 the County adopted the provisions of Governmental Accounting Standards Board's Statement No. 99, "*Omnibus 2022*", GASB Statement No. 100, "*Accounting Changes and Error Corrections*", and GASB Statement No. 101, "*Compensated Absences*". Our opinion is not modified with respect to these 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 net pension (asset) liability and related ratios, schedule of employer contributions – last ten years, schedule of investment returns, and the required budgetary comparison schedules, on pages 4 through 14, and 49 through 54, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



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Page 3

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Zelenkofske Axelrod LLC

ZELENKOFSCHE AXELROD LLC

Harrisburg, Pennsylvania
September 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

The COUNTY OF TIOGA, PENNSYLVANIA, hereafter referred to as the "County", is pleased to present its financial statements developed in compliance with Statement of Governmental Accounting Standard No. 34, entitled "Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments" (hereafter "GASB 34"). This section of the financial reporting package presents our discussion and analysis of the County's financial performance during the year that ended on December 31, 2024. Please read it in conjunction with the County's financial statements that follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of the following three parts:

- Management's discussion and analysis (this section)
- Basic financial statements (including notes)
- Required supplementary information

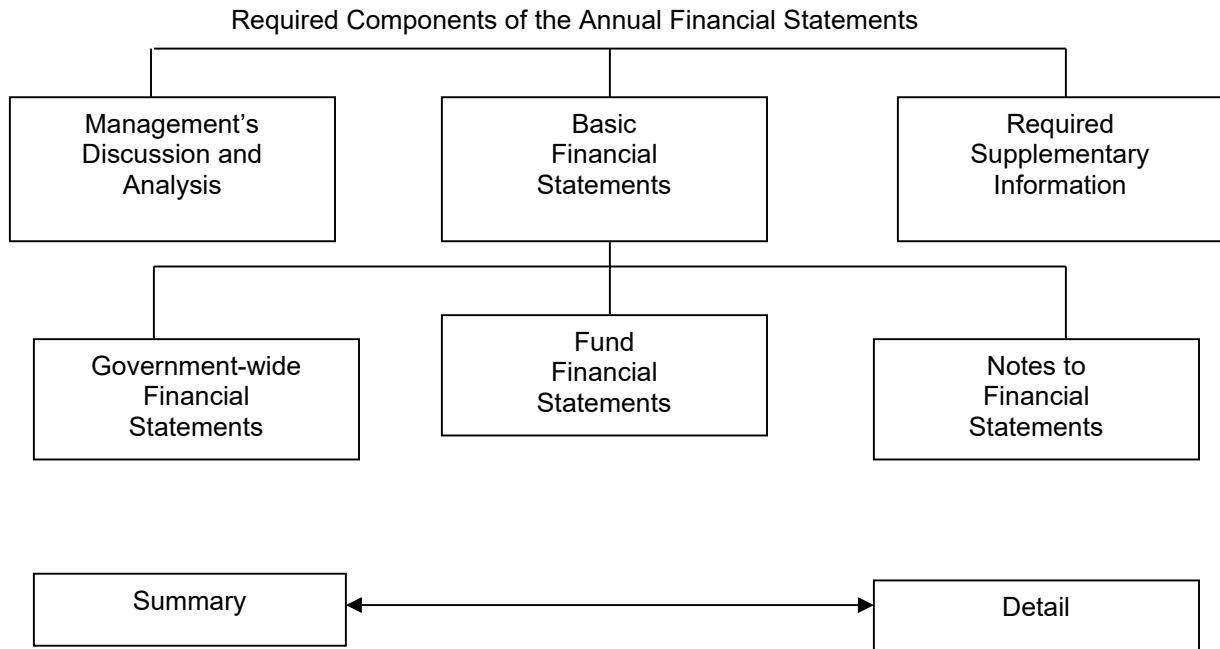
Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the County's government. The basic financial statements include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements. Required supplementary information is provided on the County's budget to actual figures for the general fund, human services fund, 911 fund, and pension schedules.

The basic financial statements present two different views of the County.

- *Government-wide financial statements*, the first two statements, provide information about the County's overall financial status.
- *Fund financial statements*, the remaining statements, focus on individual parts of the County's government. They provide more detail on operations than the government-wide statements. There are two types of fund financial statements:
 - *Governmental funds statements* show how general government services such as public safety, human services, public works, culture and recreation, and conservation and development are financed in the short term, as well as what remains for future spending.
 - *Fiduciary funds statements* reflect activities involving resources that are held by the County as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support the County's programs.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Table A-1: Organization of the County's annual financial report



MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

Table A-2 summarizes the major features of the County's financial statements, including the area of the County's activities they cover and the types of information they contain.

Table A-2: Major features of the government-wide and fund financial statements

	Government-wide Statements	Fund Financial Statements	
		<u>Governmental</u>	<u>Fiduciary</u>
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the County, such as public safety and courts	Instances in which the County administers resources on behalf of others
Required Financial Statements	-Statement of net position	-Balance Sheet	-Statement of fiduciary net position
	-Statement of activities	-Statement of revenues, expenditures and changes in fund balance	-Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources measurement focus	Accrual accounting and economic resources focus
Type of asset and liability information	All assets and liabilities, both financial and capital, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2024

The remainder of the overview explains the structure and contents of the government-wide and fund financial statements.

Government-Wide Financial Statements

Government-wide financial statements report information about the County as a whole using accounting methods similar to those used by private-sector companies.

- The statement of net position includes all the County's assets, deferred outflows, liabilities, and deferred inflows, except fiduciary funds, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business.
- The statement of activities focuses on how the County's net position changed during the year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on local taxes for funding.

All changes to net position are reported using the accrual basis of accounting, which requires revenues to be reported when they are earned and expenses to be reported when the goods and/or services are incurred.

Net position is one way to measure the County's financial position. Over time, increases or decreases in the County's net position are one indicator of whether the County's financial position is improving or deteriorating. However, other non-financial factors such as changes in the County's property tax base and general economic conditions must be considered to assess the overall position of the County.

There is one category of activities for the primary government:

- *Governmental activities* include the County's basic services such as general government, judicial, public safety, public works, human services, culture and recreation, and conservation and development.

Net position of the governmental activities differs from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets in the fund level statements are reported as expenditures when financial resources (money) are expended to purchase or build assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. The principal and interest payments are both considered expenditures when paid. Depreciation is not calculated as it does not provide or reduce current financial resources. Finally, capital assets and long-term debt do not affect fund balances.

Government wide statements are reported on the accrual basis of accounting that involves the following steps to format the statement of net position:

- Capitalize current outlays of capital assets
- Depreciate capital assets and allocate the depreciation to the proper program activities
- Report long-term debt and compensated absences as a liability
- Report the difference between the County pension plan's net position and the total pension liability as a net pension (asset) liability and the associated deferred inflows and outflows of resources
- Calculate revenue and expense using the economic resources measurement focus and the accrual basis of accounting

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Government-Wide Financial Statements (Continued)

- Allocate net position balances as follows:
 - Net investment in capital assets;
 - Restricted net position are those with constraints placed on the use by external sources (creditors, grantors, contributors, or laws or regulations of governments) or imposed by law through constitutional provisions or enabling legislation; and
 - Unrestricted net position is net position that does not meet any of the above restrictions.

Fund Financial Statements

Fund financial statements provide more detailed information on the County's most significant funds, not the County as a whole. Funds are accounting devices, i.e., a group of related accounts, the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law. Other funds are established to control and manage resources designated for specific purposes. Fund financial statements are reported using the modified accrual basis of accounting.

The County has two kinds of funds:

- *Governmental funds* include most of the County's basic services and focus on: (1) the flow in and out of cash and other financial assets that can readily be converted into cash, and: (2) the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting.

The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.

The County adopts an annual budget for the General Fund, Human Services Fund, and 911 Fund, as required by state law. A budgetary comparison of the County's General Fund, Human Services Fund, and 911 Fund is presented as required supplementary information.

- *Fiduciary Funds* are for which the County is the trustee or fiduciary. These include certain custodial funds, or clearing accounts for assets held by the County in its role as custodian until the funds are allocated to the private parties, organizations or government agencies to which they belong. The County is responsible to ensure the assets reported in these funds are used for their intended purposes. This fiduciary activity is reported in a separate statement of fiduciary net position. These funds are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations. The fiduciary funds are reported using the accrual basis of accounting.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net position

At December 31, 2024, under the accrual basis of accounting the County's total assets and deferred outflows of resources were \$82.6 million with a comparative amount reported at December 31, 2023 of \$82.7 million.

GASB No. 34 requires that all capital assets, including infrastructure, be valued and reported within the governmental activities' column of the government-wide financial statements.

Table A-3: Condensed Statement of Net position

	Governmental Activities 2024	Governmental Activities 2023	Changes from 2023 to 2024
ASSETS:			
Capital Assets, net	\$ 43,016,165	\$ 36,866,080	\$ 6,150,085
Current & Other Assets	<u>34,697,151</u>	<u>39,561,282</u>	<u>(4,864,131)</u>
Total Assets	<u>77,713,316</u>	<u>76,427,362</u>	<u>1,285,954</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	<u>4,884,917</u>	<u>6,233,869</u>	<u>(1,348,952)</u>
LIABILITIES:			
Non-Current Liabilities	8,595,299	8,293,306	301,993
Current Liabilities	<u>3,632,838</u>	<u>3,829,679</u>	<u>(196,841)</u>
Total Liabilities	<u>12,228,137</u>	<u>12,122,985</u>	<u>105,152</u>
DEFERRED INFLOWS OF RESOURCES			
Leases Receivable	170,530	158,444	12,086
Pensions	<u>76,611</u>	<u>298,127</u>	<u>(221,516)</u>
	<u>247,141</u>	<u>456,571</u>	<u>(209,430)</u>
NET POSITION:			
Net Investment in Capital Assets	42,288,231	36,132,986	6,155,245
Restricted Net Position	13,483,482	16,453,766	(2,970,284)
Unrestricted Net Position	<u>14,351,242</u>	<u>17,494,923</u>	<u>(3,143,681)</u>
Total Net Position	<u>\$ 70,122,955</u>	<u>\$ 70,081,675</u>	<u>\$ 41,280</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Change in Net position

The following statement of activities represents changes in net position for the years ended December 31, 2024, and December 31, 2023, and changes from 2023 to 2024. It shows revenues by source and expenses by function for governmental activities.

Table A-4: Condensed Statement of Activities

	Governmental Activities 2024	Governmental Activities 2023	Changes from 2023 to 2024
Program Revenues:			
Charges for Services	\$ 4,610,512	\$ 3,379,464	\$ 1,231,048
Operating/Capital Grants and Contributions	27,520,556	27,426,579	93,977
General Revenues:			
Taxes	13,663,188	13,816,764	(153,576)
Unrestricted Investment Earnings	1,013,721	838,921	174,800
Miscellaneous	899,345	515,549	383,796
Total Revenue	<u>47,707,322</u>	<u>45,977,277</u>	<u>1,730,045</u>
Expenses:			
General Government - Administrative	8,483,428	8,418,000	65,428
General Government - Judicial	4,438,496	4,134,085	304,411
Public Safety	11,008,819	9,927,622	1,081,197
Public Works	1,581,551	1,341,756	239,795
Human Services	19,426,156	17,156,297	2,269,859
Culture and Recreation	922,909	918,961	3,948
Conservation and Development	1,804,683	670,322	1,134,361
Total Expenses	<u>47,666,042</u>	<u>42,567,043</u>	<u>5,098,999</u>
Change in Net Position	<u>\$ 41,280</u>	<u>\$ 3,410,234</u>	<u>\$ (3,368,954)</u>

The County's program and general revenues remained relatively consistent 2024 versus 2023, with the exception of its Charges for Services revenue category, which increased \$1,231,048 or approximately 36%. The majority of this increase relates to additional revenues generated in the County's Human Services programs. This also is directly related to the largest increase in expenses of \$2,269,859, or 13%, in the County's Human Services programs. There were also significant additional expense changes in Public Safety, 11% increase, and Conservation and Development, 169% increase. Tropical storm Debbie's Flood Disaster Expenses contributed to more than \$400,000 of these Public Safety expenses. The Conservation and Development increase includes \$1,045,307 in pass-through CDBG Small Communities Grant payments.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Net Program Expenses

Net program expenses for the year ended December 31, 2024, indicate the amount of support required from taxes and other general revenues for the programs of the government. In 2024, property and hotel taxes brought in \$13.7 million.

Net Cost of Governmental Activities

	Total Cost of Services	Net Cost of Services
Program:		
General Government - Administrative	\$ 8,483,428	\$ 3,657,246
General Government - Judicial	4,438,496	2,803,648
Public Safety	11,008,819	8,229,440
Public Works	1,581,551	(2,375,619)
Human Services	19,426,156	2,346,583
Culture and Recreation	922,909	(909,466)
Conservation and Development	<u>1,804,683</u>	<u>1,783,142</u>
Total	<u>\$ 47,666,042</u>	<u>\$ 15,534,974</u>

The County relied on property taxes and other general revenues to fund 33% of its governmental activities in 2024.

Capital Assets

The County's investment in capital assets at December 31, 2024, net of accumulated depreciation, was \$43.0 million. Capital assets consist primarily of land, buildings, construction in progress, infrastructure and equipment and furniture. The following table is a summary of capital assets at December 31, 2024.

	Governmental Activities
Land	\$ 2,203,769
Construction in Progress	10,002,512
Land Improvements	1,628,306
Buildings and Improvements	36,674,274
Infrastructure	13,953,335
Equipment and Furniture	18,249,783
Right-to-use assets	1,220,594
Vehicles	<u>471,853</u>
Total Capital Assets	84,404,426
Accumulated Depreciation	<u>(41,388,261)</u>
Net Capital Assets	<u>\$ 43,016,165</u>

Capital assets, net of depreciation increased approximately \$6.2M over the prior year as a result of ongoing capital outlay during 2024, offset by depreciation expense.

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024

Other detailed information about the County's capital assets can be found in Note 5 to the Financial Statements.

GOVERNMENTAL FUNDS

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of governmental funds is to provide information on inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved/undesignated fund balance may serve as a useful measure of the County's net resources available for spending at the end of the year.

The County's governmental funds include the general fund and special revenue funds. The General Fund is the chief operating fund for the County. Special revenue funds are restricted to specific legislated use. The major funds are shown on the statement of revenues, expenditures and changes in fund balances in the financial statements.

GOVERNMENTAL FUND REVENUES

Governmental fund revenues by source for the year ended December 31, 2024 and December 31, 2023, were as follows:

	2024	2023	Changes from 2023 to 2024
Revenues and other financing sources			
Taxes	\$ 13,669,073	\$ 13,591,533	\$ 77,540
Intergovernmental Revenues	27,519,521	27,426,549	92,972
Charges for Services	3,885,575	3,332,673	552,902
Interest and Rents	1,013,721	838,921	174,800
Court Costs and Fines	113,994	125,336	(11,342)
License and Permits	10,479	10,254	225
Miscellaneous Income	721,136	515,549	205,587
Proceeds from Issuance of Extended Term Financing	225,490	127,112	98,378
Capital Contributions	1,035	27,665	(26,630)
Operating Transfers In	7,894,134	9,292,118	(1,397,984)
	<u>7,894,134</u>	<u>9,292,118</u>	<u>(1,397,984)</u>
Total Revenues and other financing sources	<u>\$ 55,054,158</u>	<u>\$ 55,287,710</u>	<u>\$ (233,552)</u>

Governmental fund revenues totaled \$55.0 million for the year ended December 31, 2024. This is a decrease of approximately \$200,000 from 2023 or (0.4%). The most significant changes within revenue was the increase in Charges for Services of 16.6% and the decrease in Operating Transfers In of 15.0%.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

GOVERNMENTAL FUND EXPENDITURES

Governmental fund expenditures by function at December 31, 2024 and December 31, 2023, were as follows:

	2024	2023	Changes from 2023 to 2024
Expenditures and other financing uses:			
General Government - Administrative	\$ 7,253,271	\$ 7,700,272	\$ (447,001)
General Government - Judicial	4,253,507	4,327,850	(74,343)
Public Safety	9,519,140	8,998,535	520,605
Public Works	1,444,211	939,169	505,042
Human Services	18,670,003	16,910,899	1,759,104
Culture and Recreation	920,165	916,468	3,697
Conservation and Development	1,677,849	767,163	910,686
Debt Service:			
Principal	211,557	190,375	21,182
Interest	70,124	66,949	3,175
Capital Outlay	8,550,383	5,303,277	3,247,106
Operating Transfers Out	7,894,134	9,292,118	(1,397,984)
	<u>\$ 60,464,344</u>	<u>\$ 55,413,075</u>	<u>\$ 5,051,269</u>
Total Expenditures and other financing uses	<u>\$ 60,464,344</u>	<u>\$ 55,413,075</u>	<u>\$ 5,051,269</u>

Governmental fund total expenditures totaled \$60.5 million for the year ended December 31, 2024. This is an increase of approximately \$5.0 million from 2023 (9.1%). The County had significant capital outlay in 2023 and increased in 2024. The increase of \$3,247,106 is due to the construction of the Marsh Creek Greenway trail which is scheduled to be completed in 2025.

GOVERNMENTAL FUND BALANCES

Ending balances for governmental funds at December 31, 2024 were as follows:

Fund	Governmental Funds
General Fund	\$ 14,826,360
Human Services Fund	3,019,285
911 Fund	730,496
Act 13 Impact Fund	4,305,491
Other Governmental Funds	<u>5,428,210</u>
Total Governmental Funds Balances	<u>\$ 28,309,842</u>

The County's governmental funds reported a combined fund balance of \$28.3 million at December 31, 2024. Of the total, the General Fund reported an unassigned fund balance in the amount of \$14.8 million, which is available to meet the County's current and future needs.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

BUDGET HIGHLIGHTS

A County Wide reassessment was completed in 2023. This reassessment changed valuations to a "Market Value" valuation for the 2024 property tax year. Along with that was a millage rate adjustment in order to keep an equivalent revenue generation for the County. In 2023, the tax millage remained at 6.75 mills. The adjusted equivalent rate for 2024 was set at 3.32 mills. The County has not had a tax increase since 2010. In preparing the 2024 budget, the County realized it could still control costs and could provide all the necessary services for the residents of Tioga County without raising taxes.

The largest expense to the County is payroll. Wages account for approximately 10.9 million dollars of their operating expenditures. Most County employees are covered by multiyear union agreements which define when employees receive wage increases. Closely associated to wages is the County's retirement plan which is a defined benefit plan.

In 2024 Tioga County funded the retirement plan in the amount of \$1,590,000. The County's net pension liability, which is a measure of the difference between the total actuarially determined total pension liability and the retirement plan's fiduciary net position, increased from \$7,540,860 at December 31, 2023 to \$7,724,217 at December 31, 2024, due to plan activity.

Another major expenditure that all employers face is increasing health insurance costs. The intervention of the Federal Government into health insurance has placed mandates on private health insurance providers which has increased the cost of health insurance. In 2024, the County again paid over \$2.7 million of the County's operating expenditures for medical and dental insurance.

ECONOMIC OUTLOOK

At the end of 2024, Tioga County's unemployment rate was 3.6% which was slightly lower than the state rate of 3.7% and lower than the national rate of 4.1%.

There has been a slight decrease in the population since the Marcellus Shale industry in the County has slowed. However, the County continues to benefit from the Act 13 unconventional well (impact fee) funding.

Property taxes represent a major source of revenue for the County. Property taxes are based on assessed property values and the millage rate. In 2023, a reassessment was performed. For 2024, property values and millage rate were changed but overall revenue remained relatively consistent with 2023.

The County Commissioners are committed to meeting unfavorable economic indicators. The County will continue to look for opportunities to control government costs and maximize reimbursements of allowable expenditures while maintaining a professional staff to deliver the necessary services in Tioga County.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to demonstrate the County's accountability. Questions concerning this financial information or requests for additional information should be directed to:

County of Tioga, Pennsylvania
Janice Chamberlain, Chief Clerk
118 Main Street
Wellsboro, PA 16901

Phone: 570-723-8209

COUNTY OF TIOGA
STATEMENT OF NET POSITION
DECEMBER 31, 2024

	Governmental Activities
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 15,290,091
Receivables	
Accounts	2,034,242
Taxes	1,491,368
Loans, net	239,029
Leases	170,530
Due From Other Governments	5,691,795
Other Assets	268,855
Restricted Assets	
Cash for Program Purposes	9,472,544
Cash for Improvements	38,697
Total Current Assets	<u>34,697,151</u>
Noncurrent Assets:	
Capital Assets, Not Being Depreciated	12,206,281
Capital Assets Being Depreciated, Net	<u>30,809,884</u>
Total Noncurrent Assets	<u>43,016,165</u>
Total Assets	77,713,316
<u>Deferred Outflows of Resources</u>	
Pension	<u>4,884,917</u>
Total assets and deferred outflows of resources	<u>82,598,233</u>
<u>Liabilities</u>	
Current Liabilities:	
Accounts Payable	1,642,396
Current Portion of Lease Obligations	215,361
Accrued Liabilities	1,171,783
Due to Other Governments	60,299
Unearned Revenues	531,305
Funds Held in Escrow	11,694
Total Current Liabilities	<u>3,632,838</u>
Noncurrent Liabilities:	
Lease Obligations	512,573
Net Pension Liability	7,724,217
Compensated Absences	358,509
Total Noncurrent Liabilities	<u>8,595,299</u>
Total Liabilities	<u>12,228,137</u>
<u>Deferred Inflows of Resources</u>	
Leases Receivable	170,530
Pension	<u>76,611</u>
Total deferred inflows of resources	<u>247,141</u>
<u>Net Position</u>	
Net Investment in Capital Assets	42,288,231
Restricted	13,483,482
Unrestricted	<u>14,351,242</u>
Total Net Position	<u>\$ 70,122,955</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF TIOGA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense)/Revenue Change in Net Position
		Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General Government - Admin	\$ 8,483,428	\$ 924,206	\$ 3,000,000	\$ 901,976	\$ (3,657,246)
General Government - Judicial	4,438,496	1,013,909	-	620,939	(2,803,648)
Public Safety	11,008,819	340,578	-	2,438,801	(8,229,440)
Public Works	1,581,551	212,728	-	3,744,442	2,375,619
Human Services	19,426,156	2,119,091	-	14,960,482	(2,346,583)
Culture and Recreation	922,909	-	1,832,375	-	909,466
Conservation and Development	1,804,683	-	1,035	20,506	(1,783,142)
Total governmental activities and primary government	<u>\$ 47,666,042</u>	<u>\$ 4,610,512</u>	<u>\$ 4,833,410</u>	<u>\$ 22,687,146</u>	(15,534,974)
General revenues:					
Taxes:					
Property taxes					12,792,146
Hotel taxes					871,042
Unrestricted investment earnings					1,013,721
Miscellaneous					<u>899,345</u>
Total general revenues					<u>15,576,254</u>
Change in net position					41,280
Net position - beginning					70,081,675
Net position - ending					<u>\$ 70,122,955</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF TIOGA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

<u>Assets</u>	<u>General</u>	<u>Human Services Fund</u>	<u>911 Fund</u>	<u>Act 13 Impact Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and Cash Equivalents	\$ 13,581,156	\$ -	\$ 27,062	\$ -	\$ 1,681,873	\$ 15,290,091
Receivables						
Accounts, net	328,537	1,645,028	-	-	60,677	2,034,242
Taxes	1,491,368	-	-	-	-	1,491,368
Loans, net	-	-	-	239,029	-	239,029
Leases	170,530	-	-	-	-	170,530
Due From Other Funds	1,747,070	516	-	-	43	1,747,629
Due From Other Governments	-	5,239,739	434,267	-	17,789	5,691,795
Other Assets	255	212,130	51,776	-	4,694	268,855
Restricted Assets						
Cash for Program Purposes	-	951,030	353,228	4,097,833	4,070,453	9,472,544
Cash for Improvements	-	-	-	-	38,697	38,697
Total Assets	<u>\$ 17,318,916</u>	<u>\$ 8,048,443</u>	<u>\$ 866,333</u>	<u>\$ 4,336,862</u>	<u>\$ 5,874,226</u>	<u>\$ 36,444,780</u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF TIOGA
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

<u>Liabilities, Deferred Inflow of Resources and Fund Balances</u>	<u>General</u>	Human Services <u>Fund</u>	911 <u>Fund</u>	Act 13 Impact <u>Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Liabilities						
Accounts Payable	\$ 286,720	\$ 877,183	\$ 72,853	\$ 31,371	\$ 374,269	\$ 1,642,396
Accrued Liabilities	799,158	306,831	62,984	-	2,810	1,171,783
Unearned Revenues	-	526,450	-	-	4,855	531,305
Due to Other Funds	559	1,743,287	-	-	3,783	1,747,629
Due to Other Governments	-	-	-	-	60,299	60,299
Funds Held in Escrow	-	11,694	-	-	-	11,694
Total Liabilities	<u>1,086,437</u>	<u>3,465,445</u>	<u>135,837</u>	<u>31,371</u>	<u>446,016</u>	<u>5,165,106</u>
Deferred Inflows of Resources						
Opioid Settlement	-	1,563,713	-	-	-	1,563,713
Lease Receivable	170,530	-	-	-	-	170,530
Unavailable Revenues - Taxes	1,235,589	-	-	-	-	1,235,589
Total Deferred Inflows of Resources	<u>1,406,119</u>	<u>1,563,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,969,832</u>
Fund Balances						
Restricted	-	3,019,285	730,496	4,305,491	5,428,210	13,483,482
Unassigned	14,826,360	-	-	-	-	14,826,360
Total Fund Balances	<u>14,826,360</u>	<u>3,019,285</u>	<u>730,496</u>	<u>4,305,491</u>	<u>5,428,210</u>	<u>28,309,842</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 17,318,916</u>	<u>\$ 8,048,443</u>	<u>\$ 866,333</u>	<u>\$ 4,336,862</u>	<u>\$ 5,874,226</u>	<u>\$ 36,444,780</u>

The accompanying notes are an integral part of the financial statements.

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

Total fund balances for governmental funds		\$ 28,309,842
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Those assets consist of:		
Land	2,203,769	
Construction in Progress	10,002,512	
Buildings and improvements, net of \$15,086,439 accumulated depreciation	21,587,835	
Equipment and furniture, net of \$14,866,523 accumulated depreciation	3,383,260	
Land Improvements, net of \$367,716 accumulated depreciation	1,260,590	
Right to use assets, net of \$604,495 accumulated depreciation	616,099	
Infrastructure, net of \$9,991,235 accumulated depreciation	<u>3,962,100</u>	
		43,016,165
Noncurrent assets applicable to the County's governmental activities are not financial resources and therefore, are not reported in the funds.		
Those assets consist of:		
Deferred outflows of resources - pension		4,884,917
Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.		1,235,589
The County's opioid settlement deferred within the fund level is recognized as revenue on the government-wide statements.		1,563,713
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year end consist of:		
Lease obligations	(727,934)	
Net pension liability	(7,724,217)	
Deferred inflows of resources - pension	(76,611)	
Compensated absences	<u>(358,509)</u>	
		(8,887,271)
Total net position of governmental activities		<u>\$ 70,122,955</u>

The accompanying notes are an integral part of the financial statements.

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

	General	Human Services Fund	911 Fund	Act 13 Impact Fund	American Rescue Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 12,798,031	\$ -	\$ -	\$ -	\$ -	\$ 871,042	\$ 13,669,073
Intergovernmental Revenues	4,468,474	14,960,482	1,800,045	2,420,042	-	3,870,478	27,519,521
Charges for Services	1,935,415	1,359,462	111,724	-	-	478,974	3,885,575
Interest and Rents	517,311	130,342	24,103	215,070	-	126,895	1,013,721
License and Permits	10,479	-	-	-	-	-	10,479
Court Costs and Fines	111,938	-	-	-	-	2,056	113,994
Miscellaneous	295,080	68,954	15,961	224,638	-	116,503	721,136
Total Revenues	20,136,728	16,519,240	1,951,833	2,859,750	-	5,465,948	46,933,499
Expenditures							
Current:							
General Government - Administrative	7,109,432	-	-	-	-	143,839	7,253,271
General Government - Judicial	4,216,190	-	-	-	-	37,317	4,253,507
Public Safety	6,785,875	-	2,495,529	-	-	237,736	9,519,140
Public Works	-	-	-	1,121,751	-	322,460	1,444,211
Human Services	338,800	18,297,958	-	33,245	-	-	18,670,003
Culture and Recreation	108,776	-	-	-	-	811,389	920,165
Conservation and Development	565,121	-	-	-	-	1,112,728	1,677,849
Debt Service							
Principal	146,229	65,328	-	-	-	-	211,557
Interest	43,982	26,142	-	-	-	-	70,124
Capital Outlay	88,808	236,148	263,418	2,643,356	-	5,318,653	8,550,383
Total Expenditures	19,403,213	18,625,576	2,758,947	3,798,352	-	7,984,122	52,570,210
Excess of Revenues Over (Under) Expenditures	733,515	(2,106,336)	(807,114)	(938,602)	-	(2,518,174)	(5,636,711)
Other Financing Sources (Uses)							
Capital contributions	-	-	-	-	-	1,035	1,035
Proceeds from issuance of extended term financing	-	225,490	-	-	-	-	225,490
Operating Transfer In	869,713	2,510,367	1,010,000	-	-	3,504,054	7,894,134
Operating Transfer (Out)	(3,514,091)	-	(1,429)	(3,754,054)	-	(624,560)	(7,894,134)
Total Other Financing Sources (Uses)	(2,644,378)	2,735,857	1,008,571	(3,754,054)	-	2,880,529	226,525
Net change in fund balances	(1,910,863)	629,521	201,457	(4,692,656)	-	362,355	(5,410,186)
Fund Balances - Beginning of Year as Previously Reported	12,013,269	2,389,764	529,039	8,998,147	4,723,954	5,065,855	33,720,028
Accounting Changes (see Note 1 and 19)	4,723,954	-	-	-	(4,723,954)	-	-
Fund Balances - Beginning of Year as Adjusted	16,737,223	2,389,764	529,039	8,998,147	-	5,065,855	33,720,028
Fund Balances - End of Year	\$ 14,826,360	\$ 3,019,285	\$ 730,496	\$ 4,305,491	\$ -	\$ 5,428,210	\$ 28,309,842

The accompanying notes are an integral part of the financial statements.

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

Net change in fund balances - total governmental funds		\$ (5,410,186)
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$8,550,383) exceeded depreciation (\$2,395,570).		
	6,154,813	
In the statement of activities, the loss on the disposal of assets is recorded, which is not included in the governmental funds.		
	(4,728)	
In the statement of activities, the opioid settlement funds receivable at 12/31/24 are recognized as revenue		
	759,629	
Pursuant to the modified accrual basis of accounting, governmental funds do not recognize expenditures for transactions that are not normally paid with expendable available financial resources. Pursuant to the accrual basis of accounting, the Statement of Activities reports expenses and liabilities regardless of when financial resources are available. The net differences for the items discussed above are :		
Issuance of extended term financing (lease obligations)	(225,490)	
Repayment of principal, lease obligations	211,557	
Reduction to lease obligations	19,093	
Net change in pension liability and pension deferred inflows/outflows	(1,310,793)	
Compensated absences	(146,730)	
		(1,452,363)
Under the modified accrual basis of accounting used in governmental funds, revenues are not reported until they become available. In the statement of activities, however, revenues are recorded regardless of when financial resources are available. This is the change in unearned real estate tax revenue from 12/31/23 to 12/31/24.		
		(5,885)
Change in net position of governmental activities		\$ 41,280

The accompanying notes are an integral part of the financial statements.

COUNTY OF TIOGA
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
DECEMBER 31, 2024

	<u>Component Unit</u>		
<u>Assets</u>	<u>Employee Retirement Fund</u>	<u>Custodial Funds</u>	<u>Total Fiduciary Funds</u>
Cash and Cash Equivalents	\$ 2,319,309	\$ 1,421,632	\$ 3,740,941
Certificates of Deposit	378,323	-	378,323
Government Obligations	6,987,991	-	6,987,991
Corporate Bonds	2,421,296	-	2,421,296
Common/Preferred Stocks	28,362,679	-	28,362,679
Mutual Funds	15,383,411	-	15,383,411
Fixed Income Mutual Funds	10,353,055	-	10,353,055
Real Estate/Alternative Funds	7,264,125	-	7,264,125
Accounts Receivable	121,584	-	121,584
Total Assets	73,591,773	1,421,632	75,013,405
<u>Liabilities</u>			
Funds held as Fiduciary	-	45,172	45,172
Due to Other Governments	-	677,964	677,964
Total Liabilities	-	723,136	723,136
<u>Net Position</u>			
Funds Held in Trust for Pension Benefits	73,591,773	-	73,591,773
Funds Restricted For Other Governments and Individuals	-	698,496	698,496
Total Net Position	\$ 73,591,773	\$ 698,496	\$ 74,290,269

The accompanying notes are an integral part of the financial statements.

COUNTY OF TIOGA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>Component Unit</u> <u>Employee</u> <u>Retirement</u> <u>Fund</u>	<u>Custodial</u> <u>Funds</u>	<u>Total</u> <u>Fiduciary</u> <u>Funds</u>
Additions:			
Contributions:			
Employer contributions	\$ 1,590,000	\$ -	\$ 1,590,000
Contributions by members	<u>1,332,197</u>	<u>-</u>	<u>1,332,197</u>
Total Contributions	<u>2,922,197</u>	<u>-</u>	<u>2,922,197</u>
Investment Income:			
Net appreciation in fair value of investments	4,710,590	-	4,710,590
Interest and dividends	<u>1,911,024</u>	<u>-</u>	<u>1,911,024</u>
Total Investment Income	6,621,614	-	6,621,614
Less: Investment expense	<u>(300,188)</u>	<u>-</u>	<u>(300,188)</u>
Net Investment Income	<u>6,321,426</u>	<u>-</u>	<u>6,321,426</u>
Collections:			
Fines and fees	-	6,685,022	6,685,022
Taxes	-	10,636,562	10,636,562
Interest	-	3,939	3,939
Miscellaneous	<u>-</u>	<u>1,479</u>	<u>1,479</u>
Total Collections	<u>-</u>	<u>17,327,002</u>	<u>17,327,002</u>
Total Additions	<u>9,243,623</u>	<u>17,327,002</u>	<u>26,570,625</u>
Deductions:			
Retirement benefits paid	6,167,981	-	6,167,981
Payments to governments	-	16,300,871	16,300,871
Payments to creditors from Sheriff Sales	-	615,405	615,405
Distribution to owners	-	86,182	86,182
Miscellaneous	16,441	19,757	36,198
Fees	-	15,181	15,181
Transfer to other funds	-	3,724	3,724
Participant contributions refunded	-	91,046	91,046
Administrative expenses	<u>26,896</u>	<u>-</u>	<u>26,896</u>
Total Deductions	<u>6,211,318</u>	<u>17,132,166</u>	<u>23,343,484</u>
Change in Net Position	3,032,305	194,836	3,227,141
Net Position - Beginning	<u>70,559,468</u>	<u>503,660</u>	<u>71,063,128</u>
Net Position - End	<u><u>\$ 73,591,773</u></u>	<u><u>\$ 698,496</u></u>	<u><u>\$ 74,290,269</u></u>

The accompanying notes are an integral part of the financial statements.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Tioga, Pennsylvania (the "County") was formed in 1804. The County operates under the direction of an elected Board of Commissioners and provides the following services: general administrative services, tax assessment and collections, judicial, public improvements, public safety, human services, culture and recreation, and conservation and development. The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units, as prescribed by the Governmental Accounting Standards Board ("GASB").

A summary of the County's significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

A. Reporting Entity

The County follows the criteria promulgated by the Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. For purposes of determining the scope of its reporting entity, the criteria includes financial accountability and the nature and significance of the relationship. As required by accounting principles generally accepted in the United States of America, the financial statements include those of the County of Tioga (the "Primary Government") as it was determined that no other entities meet the criteria for inclusion in the County's financial statements.

Fiduciary Component Unit

In accordance with the guidance contained in GASB Statement No. 84, *Fiduciary Activities*, the County has determined the Tioga County Employee Retirement Fund ("Fund") to be a fiduciary component unit. The Fund was established to provide retirement benefits to eligible retirees of the County. The Fund is included in the financial reporting entity as a fiduciary fund because the plan is (1) considered to be a separate legal entity, (2) the County appoints a voting majority of the governing board, and (3) the Fund imposes a financial burden to the County as it is legally obligated to make contributions to the plan.

Related Organizations

The Board of County Commissioners is also responsible for appointing the members of the governing boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County does not designate management nor does it have the ability to significantly influence the operations of the entities. These organizations include:

- Tioga County Industrial Development Authority
- Tioga County Development Corporation d/b/a Develop Tioga
- Tioga County Housing Authority
- Tioga County Development Authority
- Tioga County Conservation District
- Tioga County Visitors Bureau

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Ventures

The County is a participant in joint ventures that provide services to constituents of all the participants. The County is a participant in the following joint ventures:

- Area Agency on Aging

This joint venture includes Bradford, Sullivan, and Susquehanna Counties. Each County appoints three members to the board, has no equity interest and the Agency obtains its own funding.

- Bradford & Tioga Counties Redevelopment Authority

This joint venture only includes Bradford County. Each county appoints five members to the board, has no equity interest and the Authority obtains its own funding sources.

- Endless Mountains Transportation Authority

This joint venture includes the counties of Bradford and Sullivan. Each County Appoints three members to the board, has no equity interest and is responsible for its own funding.

- Northern Tier Regional Planning and Development Commission

This joint venture includes Bradford, Sullivan, and Susquehanna Counties. Each County appoints three members to the board, has no equity interest and the Commission obtains its own funding for operations.

- Northern Tier Solid Waste Authority

This joint venture includes Bradford County. Each County appoints an equal amount of members to the board, has no equity interest and the Authority obtains its own funding for operations.

- Potter-Tioga Library System

This joint venture includes the County of Potter. Each County appoints an equal amount of members to the board, has no equity interest and the System obtains its own funding for operations.

All separately published audit reports of the related organizations and the joint ventures are available for public inspection at the offices of those entities.

B. Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely, to a significant extent on fees and charges for support.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are effected by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include 1.) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2.) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds and the fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditures.

General capital asset acquisitions, including entering into contracts giving the County the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 365 days of the end of the current fiscal period with the exception of property taxes which must be received within 60 days of the year end to be deemed available. Expenditures generally are recorded when a liability is incurred, except as noted below. Licenses, operating and capital grants, and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the cash is received by the County.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during the period.

Because of their spending measurement focus, expenditure recognition for governmental fund types exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental funds:

- The General Fund is the primary government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, state and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund including operation of general County government, boards, and commissions, the court system, and health and welfare services.
- The Human Services Fund is used to account for amounts received from various federal, state, and local sources. These funds are restricted to expenditures for specified purposes.
- The 911 Fund is used to account for the emergency response communication network of the County.
- The Act 13 Impact Fund is used to account for amounts received from the State from Unconventional Gas Well Impact Fees. These funds are restricted for certain expenditures as allowed under the Act.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Additionally, the County reports the following fund types:

- The Employee Retirement Fund accounts for the revenue (i.e., member contributions, County contributions, and net investment income) and the expenses (i.e., contributions refunded, retirement allowances, and death benefits paid) of the Pension Fund.
- The Custodial Funds consist of restricted revenues of the various row offices of the County. The row office funds, in essence, are escrow funds maintained by the row offices for bails posted, funds held for sheriff's sales, realty transfer taxes held and owed to other governmental entities, and other funds reserved for disposition of legal action.

D. Assets, Liabilities, and Net Position or Fund Balance

1. Cash and Cash Equivalents

The County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

2. Restricted Cash

Restricted cash represents cash set aside for the liquidation of specific obligations detailed in Note 14.

3. Investments

Investments are reported at fair value.

4. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets, are reported in the governmental activity column in the government-wide financial statements. Property, plant and equipment and infrastructure with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. Capital assets are recorded at historical costs or estimated historical costs if purchased or constructed (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 5 below). Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are completed.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (Continued)

4. Capital Assets (Continued)

Capital assets of the County are depreciated using the straight line method over the following intended useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and Improvements	10-40
Equipment, Furniture and Vehicles	3-20
Land Improvements	20
Infrastructure	5-40
Right-to-use assets	4-70

5. Leases

The County is a lessee for a noncancellable leases of equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$10,000 or more.

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

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

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.
- The County monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease.
- Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (Continued)

6. Compensated Absences

County policy permits employees to accumulate a limited amount of earned, but unused vacation and sick leave. These benefits are payable to employees upon separation of services. All leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts and related payroll taxes and retirement contributions is reported. The computed liability is in compliance with GASB 101, *Compensated Absences*.

7. Unearned Revenues

Revenues that are received but not earned are recorded as unearned revenue in the County's financial statements. In the County's governmental funds, unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the governmental funds' balance sheet and revenue is recognized.

8. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has one item that qualifies for reporting in this category: deferred outflows related to pensions. Deferred outflows related to pensions are described further in Note 8. The components of deferred outflows of resources, other than the difference between the projected and actual investments earnings on investments, are amortized into pension expense over the weighted average remaining service life of all members of the plan beginning the year in which the deferred amount occurs (current year). The annual difference between the projected and actual earnings on plan investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year).

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (Continued)

8. Deferred Outflows / Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government had items, which arise under the modified accrual basis of accounting that qualify for reporting in this category. Under the modified accrual basis of accounting, the governmental funds report unavailable revenue from property taxes, opioid trust, and leases as deferred inflows of resources. Under the accrual basis of accounting, the government wide statement of net position reports a deferred inflows of resources related to pensions and leases. Deferred inflows of resources related to pensions are described further in Note 8. The components of deferred inflows of resources, other than the difference between the projected and actual investment earnings on investments are amortized over a closed period, which reflects the weighted average remaining service life of all members of the plan beginning the year in which the deferred amount occurs (current year). Deferred inflows related to opioid trust and leases represent a consumption of net assets that applies to future periods.

9. Net Position/Fund Balance

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

- *Net Investment in Capital Assets* – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net position of the County, not restricted for any project or other purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position are available, the County's policy is to apply restricted then unrestricted net position.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (Continued)

9. Net Position/Fund Balance (Continued)

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes accounting and financial standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions as follows:

- Nonspendable – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
- Restricted – This classification consists of amounts that are restricted for specific purposes. The County's restricted fund balance consists of external enabling legislation for the state, federal, or local government grants.
- Committed – This classification consists of amounts used for specific purposes imposed by formal action of the Board of Commissioners. The removal or modification of the use of committed funds can only be accomplished by formal action prior to fiscal year end by the Board of Commissioners.
- Assigned – This classification consists of amounts constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. The Board of Commissioners delegated the authority to determine allocation of the assigned funds to the Chief Clerk.
- Unassigned– This classification consists of amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance.

The County's GASB 54 Fund Balance Policy is to apply expenditures against any non-spendable funds, restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balance.

10. Allowance for Doubtful Accounts

Loans receivable has been reported net of allowance for doubtful accounts. The County recorded an allowance for uncollectible loan payments of \$886,209 as of December 31, 2024.

As of December 31, 2024, no allowance for accounts receivable or taxes receivable has been recorded.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (Continued)

11. Interfund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund, and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

12. Accounting Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

13. Adoption of Governmental Accounting Standards Board Statements

The County adopted the following GASB pronouncements during its year ended December 31, 2024, which had the following effect on its financial reporting process:

- The County adopted GASB issued Statement No. 99, "*Omnibus 2022*", for the year ended December 31, 2024. This statement added requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 of Statement No. 99. The adoption of this GASB Statement had no effect on previously reported amounts.
- The County adopted GASB Statement No. 100, "*Accounting Changes and Error Corrections*", for the year ended December 31, 2024. This statement is intended to streamline the reporting of accounting changes and error corrections and the related disclosure in governmental financial reporting. The effect of the implementation of GASB Statement No. 100 is further described in Note 19.
- The County adopted provisions of GASB Statement No. 101, "*Compensated Absences*", for the year ended December 31, 2024. This statement updates the recognition and measurement guidance for compensated absences for state and local government employers. The impact of implementation was not material. The adoption of this GASB statement had no effect on previously reported amounts.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Net Position or Fund Balance (Continued)

13. Adoption of Governmental Accounting Standards Board Statements (Continued)

The GASB has approved the following:

- Statement No. 102, "*Certain Risk Disclosures*"
- Statement No. 103, "*Financial Reporting Model Improvements*"
- Statement No. 104, "*Disclosure of Certain Capital Assets*"

The County has not yet completed the various analysis required to estimate the financial statement impact of these new pronouncements.

NOTE 2: BUDGETARY DATA

County Budget Process

1. During the fall, preliminary individual budgets are prepared by each department or agency and are reviewed by the Chief Clerk.
2. During October, the County Commissioners, or their designee, meet with the head of each department and agency to review proposed changes to the preliminary budget.
3. The Commissioners' Office then reassembles the preliminary budget data and prepares a final budget draft including all proposed expenditures and the financing plan, incorporating any revisions or adjustments evolving from the departmental meetings.
4. In early November, the preliminary budget is presented at a public Commissioners' meeting. In accordance with statutes contained in the County Code, public notice is given that the proposed budget is available for inspection for a twenty-day period.
5. In December, after the twenty-day inspection period, the County Commissioners, at a public meeting properly announced, the final budget is adopted by resolution.
6. Formal budgeting integration is employed as a planning device. The budget adopted is on the modified accrual basis. Budget amounts are as originally adopted, or as amended by the County Commissioners.

- Level of Control

The County maintains budgeting control at the individual fund level.

- Lapsing of Appropriations

Unexpended appropriations lapse at year-end.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 2: BUDGETARY DATA (CONTINUED)

Management Amendment Authority

During the course of the year, departmental needs may change, emergencies may occur, or additional revenue sources may arise. As a result, funds are occasionally transferred between line items of the department's budget or additional revenue may need to be budgeted for a specific project or grant. Adjustments to the budget are made on a line item basis during the year and are approved by the County Commissioners. Financial analysis is provided monthly to management showing spending levels in comparison to the current budget. The budget is also reviewed by management with other departments.

NOTE 3: DEPOSIT AND INVESTMENT RISK

As of December 31, 2024, the County had the following debt investments and maturities within its Retirement Fund accounts:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Government Obligations	\$ 6,987,991	\$ 617,791	\$ 2,569,095	\$ 3,801,105	\$ -
Corporate Bonds	2,421,296	198,555	1,044,099	1,178,642	-
Fixed Income Mutual Fund	10,353,055	-	2,178,814	6,833,100	1,341,141
Certificates of Deposit	378,323	-	378,323	-	-
Total	\$ 20,140,665	\$ 816,346	\$ 6,170,331	\$ 11,812,847	\$ 1,341,141

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The County has no investment policy that would limit its investment risk.

As of December 31, 2024, the County's retirement investments had a credit rating as follows:

Investment Type	Credit Quality Rating	Percent of Investment Type
U.S. Government Agencies	Aaa	100%
Fixed Income Mutual Funds	AA+	19%
Fixed Income Mutual Funds	AA	10%
Fixed Income Mutual Funds	AA-	31%
Fixed Income Mutual Funds	A+	10%
Fixed Income Mutual Funds	A	9%
Fixed Income Mutual Funds	BB+	9%
Fixed Income Mutual Funds	B+	12%
Corporate Bonds	Aaa	4%
Corporate Bonds	Aa2	14%
Corporate Bonds	Aa3	29%
Corporate Bonds	A1	4%
Corporate Bonds	A2	40%
Corporate Bonds	A3	5%
Corporate Bonds	Baa1	4%

Custodial Credit Risk – For deposits and investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 3: DEPOSIT AND INVESTMENT RISK (CONTINUED)

As of December 31, 2024, the County's cash balances for its governmental activities, and custodial funds were \$26,222,964 and its bank balances were \$27,086,341. Of these bank balances, \$543,553 was covered by FDIC insurance and \$26,542,788 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. None of the Pension fund investments or cash balances were subject to custodial credit risk.

Concentration of Credit Risk – The County does not have a formal investment policy that addresses concentration of credit risk. No more than five percent of the investments were held in any one issuer.

Fair Value

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has following recurring fair value measurements for its retirement accounts as of December 31, 2024:

Fair Value Measurements

		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	Totals	Level 1	Level 2	Level 3
Investments by fair value level				
Mutual funds	\$ 15,383,411	\$ 15,383,411	\$ -	\$ -
Fixed income mutual funds	10,353,055	10,353,055	-	-
Common stock	28,362,679	28,362,679	-	-
Certificates of deposit	378,323	-	378,323	-
U.S. government agency obligations	6,987,991	-	6,987,991	-
Corporate bonds	2,421,296	-	2,421,296	-
Real estate/alternative funds	7,264,125	-	7,264,125	-
Cash equivalents/money market funds	2,319,309	2,319,309	-	-
Total investments by fair value level	<u>\$ 73,470,189</u>	<u>\$ 56,418,454</u>	<u>\$ 17,051,735</u>	<u>\$ -</u>

Stock and equity mutual funds are valued using prices quoted in active markets for those securities (Level 1). Certificates of deposit, U.S. government obligations, and corporate bonds are valued using quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, directly or indirectly, for substantially the full-term of the financial instrument (Level 2). Real Estate and alternative investments are considered Level 2.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 4: PROPERTY TAXES

Real Estate Property Taxes

Real estate property taxes for the calendar year are levied on January 1 of each year. Any unpaid real estate taxes attach as an enforceable lien on property as of January 1 of the following year. Taxes are levied on March 1 and payable with a 2% discount to April 30, with no discount or penalty to June 30 and with a 10 % penalty from July 1 to the first Monday in May of the subsequent year. The County bills these taxes which are collected by elected local tax collectors.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 25 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on bonded or funded debt.

The County's 2024 real estate taxes are based on assessed values established by the County's Bureau of Assessments. Assessed values of real property are generally 100% of the market value as determined by the Tioga County Bureau of Assessment in 2023. In 2023, a reassessment was performed. For 2024, property values and milage rates were changed but the overall real estate taxes levied remained relatively consistent. The total 2024 real estate taxes levied was \$12,805,884 based on a total County assessed valuation of \$3,857,193,940. Based on the 2024 levy of 3.32 mills, a property owner would pay \$3.32 per \$1,000 of assessed valuation.

NOTE 5: CAPITAL ASSETS

Capital asset activity resulting from cash transactions for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<u>GOVERNMENTAL ACTIVITIES:</u>					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,203,769	\$ -	\$ -	\$ -	\$ 2,203,769
Construction in Progress	6,113,742	7,796,800	-	(3,908,030)	10,002,512
Total Capital Assets, Not Being Depreciated	8,317,511	7,796,800	-	(3,908,030)	12,206,281
Capital Assets, Being Depreciated:					
Buildings and Improvements	34,054,345	45,842	-	2,574,087	36,674,274
Equipment and Furniture	17,783,030	466,753	-	-	18,249,783
Land Improvements	1,612,808	15,498	-	-	1,628,306
Vehicles	471,853	-	-	-	471,853
Infrastructure	12,619,392	-	-	1,333,943	13,953,335
Right-to-use assets	1,037,741	225,490	(42,637)	-	1,220,594
Total Capital Assets Being Depreciated	67,579,169	753,583	(42,637)	3,908,030	72,198,145
Less Accumulated Depreciation For:					
Buildings and Improvements	(14,191,112)	(895,327)	-	-	(15,086,439)
Equipment and furniture	(14,166,372)	(700,151)	-	-	(14,866,523)
Land Improvements	(287,546)	(80,170)	-	-	(367,716)
Vehicles	(471,853)	-	-	-	(471,853)
Infrastructure	(9,509,571)	(481,664)	-	-	(9,991,235)
Right-to-use assets	(404,146)	(238,258)	37,909	-	(604,495)
Total Accumulated Depreciation	(39,030,600)	(2,395,570)	37,909	-	(41,388,261)
Total Capital Assets, Being Depreciated, Net	28,548,569	(1,641,987)	(4,728)	-	30,809,884
Governmental Activities Capital Assets, Net	\$ 36,866,080	\$ 6,154,813	\$ (4,728)	\$ -	\$ 43,016,165

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 5: CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government-Administrative	\$ 759,046
General Government-Judicial	83,742
Public Safety	1,033,672
Public Works	204,783
Human Services	306,329
Culture and Recreation	2,492
Conservation and Development	5,506
Total Depreciation Expense – Governmental Activities	<u>\$ 2,395,570</u>

NOTE 6: LOANS RECEIVABLE

The County's Act 13 Fund has a loan receivable program with loans outstanding with the Upper Tioga River Regional Authority (UTRRA) and the Grand Canyon Airport Authority. The Grand Canyon Airport Authority continues to make the agreed to monthly payment of \$1,000. The Upper Tioga River Regional Authority continued to borrow against its \$1,000,000 loan during 2024. The County during December 2024 forgave the UTRRA amount due of \$886,209, as well as the remaining still available to borrow against. The forgiveness is contingent upon continued construction of the project and if the project is abandoned by UTRRA the loan proceeds will be due and payable to the County. An allowance for \$886,209 has been recorded as of December 31, 2024.

There is no interest associated with these loan receivables. The outstanding balances as of December 31, 2024, and activity since inception, are as follows:

	Grand Canyon Airport Authority	Upper Tioga River Regional Authority	Total
Beginning Balance	\$ 251,029	\$ 840,974	\$ 1,092,003
New Loans Issued	-	45,235	45,235
Loan Repayments	<u>(12,000)</u>	<u>-</u>	<u>(12,000)</u>
Ending Balance	<u>\$ 239,029</u>	<u>\$ 886,209</u>	<u>1,125,238</u>
			<u>Allowance for Doubtful Accounts (886,209)</u>
			<u>Ending Balance, net of Allowance \$ 239,029</u>

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 7: LEASES RECEIVABLE

The County leases certain buildings and portions thereof to various lessees. During the year ended December 31, 2024, the County received lease rental payments of \$40,865, of which, \$33,372 represented lease payments and \$7,493 represented interest included in the statement of revenues, expenses and change in net position. All leases have an interest rate of 3.8%. At December 31, 2024, the County's lease receivable and deferred inflow of resources amounted to \$170,530.

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND

Plan Description

Plan Administration. The Retirement Board administers the Tioga County Employees Pension Plan – a single-employer defined benefit pension plan that covers all employees of the County and certain part time employees who work more than 1,000 hours each year for the County. The Plan is part of the County's financial reporting entity and is included in the County's financial statements as a Pension Trust Fund.

The Plan is governed by the 1971 County Pension Law, Act 96, of the General Assembly of the Commonwealth of Pennsylvania, as amended (the "Act"). Benefit and contribution provisions of the plan are established and can be amended as provided by the Act.

Management of the Plan is vested in the Board, which consists of five members- three elected County Commissioners, the Chief Clerk and the County Treasurer. Membership in the plan is mandatory for all full time County employees.

At December 31, 2024, the date of the latest valuation, employees covered by the Plan consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	255
Inactive plan members entitled to but not yet receiving benefits	64
Active Plan Members	<u>203</u>
Total	<u>522</u>

Benefits Provided. Tioga County Employees Pension Plan provided retirement, disability, and death benefits.

Retirement benefits for plan members are calculated as a percent of the member's highest 3-year average salary times the member's years of service depending on class basis. Plan members with 20 years of service are eligible to retire at age 55. Plan members that have attained the age of 60 are eligible to retire.

All plan members are eligible for disability benefits after 5 years of service if disabled while in service and unable to continue as a County employee. Disability retirement benefits are equal to 25% of final average salary at time of retirement.

Death benefits for a member who dies with 10 years of service prior to retirement is the total present value of member's retirement paid in a lump sum.

A plan member who leaves County service with less than 5 years of service may withdraw his or her contributions, plus any accumulated interest.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

On an ad hoc basis, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once in every three years subsequent to the member's retirement date. The adjustment, should the County elect to give one, is the Consumer Price Index for All Urban Consumers (CPI-U) for the Pennsylvania, New Jersey, Delaware and Maryland area for the 12-month period ending August 31.

Contributions. An actuarially determined contribution is recommended by the plan actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance an unfunded accrued liability. For the 2024 measurement period, the active member contribution rate was 9.0 percent of annual pay, and the County average contribution rate was 15.83 percent of annual payroll.

Administrative and investment costs of the Plan are paid by the investment earnings of the Plan. The Act makes no provisions for termination of the Plan. The County does not issue a separate financial report for the Plan.

Legally Required Reserves

At December 31, 2024, the County has a balance of \$13,982,886 in the Members' Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2024. Since those accumulations represent the present value as of December 31, 2024 of future benefits, this reserve is fully funded.

The County has a balance of \$5,216,066 in the County Annuity Reserve Account as of December 31, 2024. This balance and the amounts expected to be credited in the future, plus investment earnings thereon, represent the reserves set aside for the payment of the County's share of the retirement allowances.

When a County annuity is scheduled to commence for a particular member, sufficient monies are transferred from the County annuity reserve account to the retired members' reserve account to provide for such County annuities actually entered upon. Thus, this reserve is always fully funded.

The Retired Members' Reserve Account is the account out of which monthly retirement allowances including cost-of-living increases and death benefits are paid. The balance in this account was \$48,385,277 as of December 31, 2024.

At December 31, 2024, the Unrealized Appreciation of Assets was \$6,007,544.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Plan Reporting

Net Pension Liability of the County

The total pension liability was based on an actuarial valuation dated January 1, 2024 and update procedures were used to roll-forward the total pension liability to the December 31, 2024 measurement date. The components of the net pension liability of the County at December 31, 2024, were as follows:

Total pension liability	\$ 81,315,990
Plan fiduciary net position	<u>(73,591,773)</u>
County's net pension liability	<u><u>\$ 7,724,217</u></u>
Plan fiduciary net position as a percentage of the total pension liability	90.50%

The schedule of changes in the net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about the plan.

Changes in the County's net pension liability for the plan for the year ended December 31, 2024 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2023	\$ 78,100,328	\$ 70,559,468	\$ 7,540,860
Service Cost	1,261,224	-	1,261,224
Interest Cost	5,524,922	-	5,524,922
Difference Between Expected and Actual Experience	2,597,976	-	2,597,976
Contributions - Employer	-	1,590,000	(1,590,000)
Contributions - Member	-	1,332,197	(1,332,197)
Net Investment Income	-	6,371,979	(6,371,979)
Benefit Payments, including Refunds of Member Contributions	(6,168,460)	(6,168,460)	-
Administrative Expense	-	(26,896)	26,896
Other Changes	-	(66,515)	66,515
Net Changes	<u>3,215,662</u>	<u>3,032,305</u>	<u>183,357</u>
Balances at 12/31/2024	<u><u>\$ 81,315,990</u></u>	<u><u>\$ 73,591,773</u></u>	<u><u>\$ 7,724,217</u></u>

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Deferred Outflows and Inflows of Resources

The total pension expense recognized in 2024 for the plan was \$2,900,793. At December 31, 2024, the County reported deferred outflows and inflows of resources related to the pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,915,793	\$ (76,611)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,505,809	-
Change in Assumptions	463,315	-
	<u>\$ 4,884,917</u>	<u>\$ (76,611)</u>

The deferred inflows and outflows of resources will be recognized in pension expense as follows:

Year Ended December 31:	Deferred Inflows and Outflows of Resources
2025	\$ 3,232,332
2026	2,725,955
2027	(840,437)
2028	(309,544)
Total	<u>\$ 4,808,306</u>

Plan Actuarial Methods and Assumptions

Actuarial assumptions. The total pension liability was determined by an actuarial valuation for the 2024 measurement period at January 1 and rolled-forward to December 31 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	4.5% average, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

Mortality rates were based on the PubG-2010 Mortality Table for Males and Females with generational mortality improvement using MP 19.

The actuarial assumptions used for the 2024 measurement period were based past experience under the Plan and reasonable future expectations which represent the actuary's best estimate of anticipated experience under the Plan. An actuarial experience study was performed during 2016; however, no modifications were made as a result. No ad hoc postemployment benefit changes were included in future liability.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Investment policy. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Board by a majority vote of its members. It is the policy of the Retirement Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The long-term expected 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 pension plan 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 the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation for the 2024 measurement period (see discussion of the Plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	Long-Term Expected Real
		<u>Rate of Return</u>
Domestic equity	40-60%	5.4 – 6.4%
International equity	10-20%	5.5 – 6.5%
Fixed Income	30-50%	1.3 – 3.3%
Real estate/alternative	0%	4.5 – 5.5%
Cash	<u>1-5%</u>	0.0 – 1.0%
Total	<u>100%</u>	

Discount rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (i.e., not depletion date is projected to occur).

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.0 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase (8.0%)</u>
County's net pension (asset) liability	\$16,164,009	\$7,724,217	\$650,633

Rate of return. For the year ended December 31, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.43%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 9: LONG-TERM OBLIGATIONS

A summary of changes in long-term debt obligations for 2024 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>Governmental Activities:</u>					
Other Liabilities:					
Compensated absences	\$ 211,779	\$ 1,097,837	\$ 951,107	\$ 358,509	\$ -
Leases (Note 10)	733,094	225,490	230,650*	727,934	215,361
	<u>\$ 944,873</u>	<u>\$ 1,323,327</u>	<u>\$ 1,181,757</u>	<u>\$ 1,086,443</u>	<u>\$ 215,361</u>

* - Reduction of leases includes vehicles turned in early

County policy applicable to vacation and sick pay for employees is as follows:

Vacation Pay

Time accrues at various rates based on length of service. Employees are encouraged to utilize earned vacation time by December 31 of each period; however, current practice allows for the carryover of 10 days to the subsequent calendar year but must be used within that year. Accrued vacation is paid out upon separation.

Sick Pay

Employees earn 15 sick days per year. Accrued unused sick time may accumulate for each employee not to exceed 90 days. Upon separation, a portion may be paid out for employees with service of 20 years or more.

Personal Days

Employees receive 2 personal days a year that do not accumulate and may be paid out at time of separation if there are any days remaining.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 10: LEASE LIABILITY

The County is obligated as a lessee under certain leases. The County's governmental activity lease activity for the year ended December 31, 2024 is as follows:

Description	Issue Dates	Maturity Dates	Interest Rate	Original Amount	Balance, December 31, 2024	Asset Value at December 31, 2024	Accumulated Asset Amortization for December 31, 2024
Various vehicles	February 2020 - September 2024	February 2025 - September 2029	7.016-19.784 %	\$ 999,081	\$ 603,674	\$ 496,998	\$ 598,159
Right-of-way	August 2021	August 2091	3.80%	125,437	124,260	119,101	6,336
Total				<u>\$ 1,124,518</u>	<u>\$ 727,934</u>	<u>\$ 616,099</u>	<u>\$ 604,495</u>

Debt service requirements to maturity are as follows:

	Principal	Interest	Total
Years Ending December 31:			
2025	\$ 215,361	\$ 59,728	\$ 275,089
2026	164,364	37,753	202,117
2027	109,273	24,005	133,278
2028	68,642	13,623	82,265
2029	48,315	6,188	54,503
2030-2024	2,748	19,346	22,094
2035-2039	3,312	19,809	23,121
Thereafter*	115,919	193,570	309,489
	<u>\$ 727,934</u>	<u>\$ 374,022</u>	<u>\$ 1,101,956</u>

*Principal and interest payments after 2029 relate only to the right-of-way leases.

Payments of principal and interest range from \$4,785 to \$6,500 for years 2040 through 2091.

NOTE 11: INTERFUND BALANCES

Interfund receivable and payable balances as of December 31, 2024, are as follows:

Governmental Fund Types	Due from other funds	Due to Other Funds
General Fund	\$ 1,747,070	\$ 559
Human Services Fund	516	1,743,287
Other Governmental Funds	43	3,783
Total	<u>\$ 1,747,629</u>	<u>\$ 1,747,629</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided, (2) reimbursable expenditures occur and (3) payments between funds are made.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 12: INTERFUND TRANSFERS

Interfund operating transfers are as follows:

	Transfers from Other Funds	Transfers to Other Funds
General Fund	\$ 869,713	\$ 3,514,091
Human Services Fund	2,510,367	-
911 Fund	1,010,000	1,429
Act 13 Impact Fund	-	3,754,054
Other Governmental Funds	3,504,054	624,560
Total Transfers	<u>\$ 7,894,134</u>	<u>\$ 7,894,134</u>

Transfers are used to move revenues from the fund that budget requires to collect them to the fund that budget requires them to expend them; provide matching funds for grants; use unrestricted General Fund revenues to finance activities which must be accounted for in another fund and to segregate money for anticipated capital projects.

NOTE 13: COMMITMENTS AND CONTINGENCIES

The County receives Federal and State Grants and are subject to compliance audits by the Grantor. The County is liable for any expenditures which may be disallowed pursuant to the terms and conditions of these programs.

NOTE 14: RESTRICTED ASSETS

Certain assets of the County are classified as restricted assets because their use is restricted for various purposes. The County has \$9,472,544 which are considered restricted assets for program purposes. Of the restricted assets, \$353,228 is restricted for purposes of emergency services, \$4,097,833 is restricted for expenses allowable under Act 13, \$951,030 is restricted for human services program purposes, \$4,070,453 is restricted for program purposes. In addition, \$38,697 is restricted for capital improvements.

NOTE 15: RESTRICTED NET POSITION/FUND BALANCE

Portions of the Net Position/Fund Balance of the County are classified as restricted Net Position/Fund Balance because their use is restricted for various purposes. The County has \$13,483,482 which are considered restricted Net Position/Fund Balance. Of the restricted Net Position/Fund Balance, \$4,305,491 is restricted for expenses allowable under Act 13, \$3,019,285 is restricted for human service program purposes, \$730,496 is restricted for expenses allowable for 911, and \$5,428,210 is restricted for program purposes.

NOTE 16: COMPLIANCE

The following funds had excess of actual expenditures over budget for the year ended December 31, 2024:

	Appropriations	Expenditures	Excess Over Appropriations	% Excess Over Appropriation
General Fund	\$ 16,817,972	\$ 19,403,213	\$ 2,585,241	15.37%
911 Fund	\$ 2,703,999	\$ 2,758,947	\$ 54,948	2.03%

Excess fund balances and revenues provided the funds to cover the excess expenditures.

COUNTY OF TIOGA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2024

NOTE 17: LITIGATION

The County is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the County's financial statements.

NOTE 18: RISK MANAGEMENT

The County participates in the Pennsylvania Counties' Workers' Compensation Trust (the "Trust") insurance pool for workers' compensation insurance. Insurance premiums are developed based on employee job descriptions, rate factors, and payroll costs for the year. The Trust has an audit performed each year and the County may be required to pay an additional premium as a result of the audit, or the County may be entitled to a refund as a result of the audit. For the year ended December 31, 2024, the County paid insurance premiums of \$125,900 to the Trust.

NOTE 19: ACCOUNTING CHANGES

During the year ended December 31, 2024, changes within the County's financial reporting entity resulted in adjustments to modify certain beginning fund balances, as follows, in recognition of the American Rescue Fund as a separate major fund is now being recording within the General Fund, as its activities are winding down. As a result of this change, the following changes have been made to beginning fund balance:

	<u>January 1, 2024 (as Previously Reported)</u>	<u>Changes Within Financial Reporting Entity</u>	<u>January 1, 2024 (as Adjusted)</u>
Governmental Funds:			
American Rescue Fund (major fund)	\$ 4,723,954	\$ (4,723,954)	\$ -
General Fund (major fund)	12,013,269	4,723,954	16,737,223

NOTE 20: SUBSEQUENT EVENTS

The County approved a tax increase of 0.75 mills for the 2025 tax year in order to cover rising costs. The prior tax rate of 3.32 mills was increased to 4.07 mills. This was the first increase since 2010.

The County approved change orders in 2025 for the Marsh Creek Greenway trail project, estimated to be completed in October 2025. As of the issue date of this report, \$3.26 million had been paid out in 2025 for this project.

As of the issue date of this report, the Pennsylvania State Budget for fiscal year 2025-2026, which expired on June 30, 2025, has not been passed. This is placing the County, especially the services provided by the Tioga County Department of Human Services, in a state of unknown. The County will only be able to self-fund those programs for a short period of time without the state revenue.

The County has evaluated all subsequent events through report issue date of September 30, 2025, noting that no additional events have taken place that effect the financial statement or required disclosure.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

COUNTY OF TIOGA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Taxes	\$ 12,717,700	\$ 12,798,031	\$ 80,331
Intergovernmental Revenues	1,292,331	4,468,474	3,176,143
Charges for Services	1,809,724	1,935,415	125,691
Interest and Rents	200,050	517,311	317,261
License and Permits	8,200	10,479	2,279
Court Costs and Fines	95,000	111,938	16,938
Other	99,575	295,080	195,505
Total Revenues	16,222,580	20,136,728	3,914,148
Expenditures			
Current:			
General Government - Administrative	4,691,773	7,109,432	(2,417,659)
General Government - Judicial	4,648,558	4,216,190	432,368
Public Safety	6,460,858	6,785,875	(325,017)
Human Services	345,906	338,800	7,106
Culture and Recreation	112,500	108,776	3,724
Conservation and Development	558,377	565,121	(6,744)
Debt Service			
Principal	-	146,229	(146,229)
Interest	-	43,982	(43,982)
Capital Outlay	-	88,808	(88,808)
Total Expenditures	16,817,972	19,403,213	(2,585,241)
Excess of Revenues Over (Under) Expenditures	(595,392)	733,515	1,328,907
Other Financing Sources (Uses)			
Appropriation of fund balance	3,000,000	-	(3,000,000)
Operating Transfer In	2,192,675	869,713	(1,322,962)
Operating Transfer (Out)	(4,597,283)	(3,514,091)	1,083,192
Total Other Financing Sources (Uses)	595,392	(2,644,378)	(3,239,770)
Net change in fund balances	-	(1,910,863)	(1,910,863)
Fund Balances - Beginning of Year*	-	16,737,223	16,737,223
Fund Balances - End of Year	\$ -	\$ 14,826,360	\$ 14,826,360

* As adjusted, see Note 19

COUNTY OF TIOGA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
HUMAN SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental Revenues	\$ 14,508,963	\$ 14,960,482	\$ 451,519
Charges for Services	662,915	1,359,462	696,547
Interest and Rents	-	130,342	130,342
Other	-	68,954	68,954
Total Revenues	15,171,878	16,519,240	1,347,362
Expenditures			
Current:			
Human Services	18,660,162	18,297,958	362,204
Debt Service			
Principal	-	65,328	(65,328)
Interest	-	26,142	(26,142)
Capital Outlay	-	236,148	(236,148)
Total Expenditures	18,660,162	18,625,576	34,586
Excess of Revenues Over (Under) Expenditures	(3,488,284)	(2,106,336)	1,381,948
Other Financing Sources (Uses)			
Proceeds from Issuance of Extended Term Financing	-	225,490	225,490
Operating Transfer In	3,488,284	2,510,367	(977,917)
Total Other Financing Sources (Uses)	3,488,284	2,735,857	(752,427)
Net change in fund balances	-	629,521	629,521
Fund Balances - Beginning of Year	-	2,389,764	2,389,764
Fund Balances - End of Year	\$ -	\$ 3,019,285	\$ 3,019,285

COUNTY OF TIOGA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
911 FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental Revenues	\$ 1,500,000	\$ 1,800,045	\$ 300,045
Charges for Services	87,500	111,724	24,224
Interest and Rents	-	24,103	24,103
Other	2,500	15,961	13,461
Total Revenues	1,590,000	1,951,833	361,833
Expenditures			
Current:			
Public Safety	2,503,999	2,495,529	8,470
Capital Outlay	200,000	263,418	(63,418)
Total Expenditures	2,703,999	2,758,947	(54,948)
Excess of Revenues Over (Under) Expenditures	(1,113,999)	(807,114)	306,885
Other Financing Sources (Uses)			
Operating Transfer In	1,113,999	1,010,000	(103,999)
Operating Transfer Out	-	(1,429)	(1,429)
Total Other Financing Sources (Uses)	1,113,999	1,008,571	(105,428)
Net change in fund balances	-	201,457	201,457
Fund Balances - Beginning of Year	-	529,039	529,039
Fund Balances - End of Year	\$ -	\$ 730,496	\$ 730,496

COUNTY OF TIOGA
SCHEDULE OF CHANGES IN THE NET PENSION
LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2024

Total Pension Liability	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Service cost includes expected member contribution	\$ 1,552,157	\$ 1,500,129	\$ 1,533,845	\$ 1,263,705	\$ 1,255,862	\$ 1,312,068	\$ 1,286,487	\$ 1,446,878	\$ 1,488,755	\$ 1,261,224
Interest	4,484,812	4,581,404	4,466,104	4,617,921	4,779,565	5,073,878	5,090,191	5,155,982	5,268,247	5,524,922
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(114,187)	(979,384)	(3,324,545)	278,200	534,101	(580,318)	(1,381,952)	735,580	(194,475)	2,597,976
Changes in assumptions	-	-	-	-	-	3,042,400	-	3,243,208	-	-
Benefit payments, including refunds of member contributions	(3,677,696)	(3,773,409)	(4,853,489)	(4,206,654)	(4,300,292)	(4,970,941)	(4,543,127)	(4,914,230)	(4,776,391)	(6,168,460)
Net change in total pension liability	2,245,086	1,328,740	(2,178,085)	1,953,172	2,269,236	3,877,087	451,599	5,667,418	1,786,136	3,215,662
Total pension liability - beginning	60,699,939	62,945,025	64,273,765	62,095,680	64,048,852	66,318,088	70,195,175	70,646,774	76,314,192	78,100,328
Total pension liability - ending (a)	\$ 62,945,025	\$ 64,273,765	\$ 62,095,680	\$ 64,048,852	\$ 66,318,088	\$ 70,195,175	\$ 70,646,774	\$ 76,314,192	\$ 78,100,328	\$ 81,315,990
Plan Fiduciary Net Position										
Contributions - employer	\$ 1,352,267	\$ 1,268,482	\$ 1,450,000	\$ 1,380,000	\$ 1,390,000	\$ 1,260,000	\$ 2,295,000	\$ 1,250,000	\$ 2,300,000	\$ 1,590,000
Contributions - employee	1,050,637	1,036,836	1,084,673	1,065,836	1,052,005	1,059,912	1,097,321	1,155,666	1,197,125	1,332,197
Net investment income	(528,334)	3,000,460	6,542,010	(3,067,840)	9,866,957	11,757,165	5,370,625	(9,929,597)	8,242,761	6,371,979
Benefit payments, including refunds of employee contributions	(3,677,696)	(3,773,409)	(4,853,489)	(4,206,654)	(4,300,292)	(4,970,941)	(4,543,127)	(4,914,230)	(4,776,391)	(6,168,460)
Administrative expense	(30,610)	(25,408)	(25,310)	(25,297)	(25,806)	(25,904)	(25,888)	(25,889)	(26,634)	(26,896)
Other	57,732	33,136	1,278,162	17,392	11,672	18,552	2,017,174	29,145	35,299	(66,515)
Net change in plan fiduciary net position	(1,776,004)	1,540,097	5,476,046	(4,836,563)	7,994,536	9,098,784	6,211,105	(12,434,905)	6,972,160	3,032,305
Plan fiduciary net position - beginning	52,314,212	50,538,208	52,078,305	57,554,351	52,717,788	60,712,324	69,811,108	76,022,213	63,587,308	70,559,468
Plan fiduciary net position - ending (b)	\$ 50,538,208	\$ 52,078,305	\$ 57,554,351	\$ 52,717,788	\$ 60,712,324	\$ 69,811,108	\$ 76,022,213	\$ 63,587,308	\$ 70,559,468	\$ 73,591,773
County's net pension (asset) liability - ending (a) - (b)	\$ 12,406,817	\$ 12,195,460	\$ 4,541,329	\$ 11,331,064	\$ 5,605,764	\$ 384,067	\$ (5,375,439)	\$ 12,726,884	\$ 7,540,860	\$ 7,724,217
Plan fiduciary net position as a percentage of the total pension liability (asset)	80.29%	81.03%	92.69%	82.31%	91.55%	99.45%	107.61%	83.32%	90.34%	90.50%
Covered-employee payroll	\$10,335,476	\$9,462,858	\$9,371,174	\$9,635,562	\$9,746,353	\$10,174,956	\$9,077,135	\$9,370,614	\$9,307,954	\$10,045,004
County's net pension liability as a percentage of covered-employee payroll	120.04%	128.88%	48.46%	117.60%	57.52%	3.77%	-59.22%	135.82%	81.02%	76.90%

COUNTY OF TIOGA
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS - LAST 10 YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined employer contributions	\$ 1,352,267	\$ 1,268,482	\$ 1,250,995	\$ 1,141,079	\$ 1,371,644	\$ 1,772,848	\$ 1,399,224	\$ 1,220,694	\$ 1,311,325	\$ 1,217,080
Contributions in relation to the actuarially determined employer contribution	1,352,267	1,268,482	1,450,000	1,380,000	1,390,000	1,260,000	2,295,000	1,250,000	2,300,000	1,590,000
Employer contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (199,005)</u>	<u>\$ (238,921)</u>	<u>\$ (18,356)</u>	<u>\$ 512,848</u>	<u>\$ (895,776)</u>	<u>\$ (29,306)</u>	<u>\$ (988,675)</u>	<u>\$ (372,920)</u>
Covered - employee payroll	\$ 10,335,476	\$ 9,462,858	\$ 9,371,174	\$ 9,635,562	\$ 9,746,353	\$ 10,174,956	\$ 9,077,135	\$ 9,370,614	\$ 9,307,954	\$ 10,045,004
Employer contributions as a percentage of covered - employee payroll	13.08%	13.40%	15.47%	14.32%	14.26%	12.38%	25.28%	13.34%	24.71%	15.83%

Notes to Schedule

Valuation date: January 1, 2024

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level dollar
Remaining amortization period	20 Years
Asset valuation method	Market value adjusted for unrecognized gains and losses from prior years
Inflation	3.0%
Salary increases	4.5% average, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation
Retirement age	Age 60 or 55 with 20 years' service
Mortality	PubG-2010 Mortality Table for males and females with generational mortality improvement using MP19

COUNTY OF TIOGA
SCHEDULE OF INVESTMENT RETURNS
REQUIRED SUPPLEMENTARY INFORMATION

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	9.43%	13.49%	-13.02%	11.12%	20.53%	19.35%	-5.90%	12.68%	6.06%	-0.97%