

COUNTY OF CATTARAUGUS
NEW YORK



ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FISCAL YEAR ENDED
DECEMBER 31, 2021

COUNTY OF CATTARAUGUS, NEW YORK
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

PREPARED BY:
COUNTY OF CATTARAUGUS
TREASURER'S OFFICE
MATTHEW J. KELLER, TREASURER

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INTRODUCTORY SECTION



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OFFICE OF THE TREASURER

Matthew J. Keller
County Treasurer

1 Leo Moss Drive
Olean, NY 14760
Phone (716) 701-3296
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June 21, 2022

To the Citizens of Cattaraugus County:

The annual comprehensive financial report of Cattaraugus County, New York (the "County") for the fiscal year ended December 31, 2021, is hereby submitted. This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of financial statements in conformity with generally accepted accounting principles ("GAAP"). Because the cost of internal control should not outweigh their benefits, the County's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Drescher & Malecki LLP, a firm of licensed certified public accountants, has audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements as of, and for the fiscal year ended December 31, 2021 are fairly stated. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the independent auditors' report.

The independent audit of the basic financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

Profile of the Government

The County, incorporated in 1808, is a municipal corporation of the State of New York. Subject to the State Constitution, the County operates in accordance with County Law and general portions of state laws to the extent such laws are applicable to the County.

The County Legislature is the legislative branch of government and consists of 17 members who are elected every four years. One member of the County Legislature is elected Chairman of the County Legislature at the annual meeting, to preside over the meeting of the County Legislature and exercise limited administrative responsibilities. The County Legislature meets in both regular and special meetings throughout the year. The County Legislature has both legislative and executive powers.

The County Administrator is appointed by the County Legislature for a four-year term and is responsible for overall administration of County government. The County Administrator is also the Budget Officer, Clerk of the County Legislature, Auditor, and Purchasing Agent for the County. The Treasurer, Clerk, Sheriff, and District Attorney for the County are elected for four-year terms and are eligible to succeed themselves. The County Treasurer is the Chief Fiscal Officer of the County whose duty is to receive, disburse, and account for all financial transactions.

The annual budget serves as the foundation for the County's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's governing body. Budgets are adopted on a basis consistent with generally accepted accounting principles. Activities of the General Fund, special revenues funds, and enterprise funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Project Fund. These budgets are adopted on a basis consistent with GAAP, except that encumbrances are treated as budgeted expenditures in the year in which the purchase commitment is made in the General and special revenue funds. Encumbrances outstanding at year-end for governmental funds are accounted for as an assignment of fund balance and are re-established in the next fiscal year. All unencumbered appropriations lapse at the end of the fiscal year.

General Information

The County is a rural county located in the southwestern portion of upstate New York, approximately 35 miles south of the City of Buffalo. The cities of Olean and Salamanca are located within the boundaries of the County. The County has an estimated 2021 population of 76,426 and an area of 1,356 square miles.

The County provides a full range of services and facilities, some of which include:

- Recreational, cultural activities, and events including a 270-acre marina, Allegany State Park, the largest state park in New York State and third largest state park in the nation with 65,000 acres of multi-recreational area, HoliMont and Holiday Valley Ski Resorts in Ellicottville, two of the largest ski resorts in New York State.
- Public safety and judiciary services including criminal justice, district attorney, correction and probation programs, and a coroner.
- Housing and community development programs, as well as land use and environmental planning services.
- Health services through the Pines Healthcare and Rehabilitation Centers (Machias and Olean Campus) and the County Health Department, as well as emergency medical services and community health care services.

- Mental health services including the provision of counseling and residential programs to the mentally ill, handicapped, or chemically dependent individuals.
- Social services including administration of state and federally assisted public assistance programs, veterans assistance, and employment and training services.
- Maintenance of County highways, roads, bridges, and other infrastructure.

Also located within the County are excellent educational facilities, including St. Bonaventure University and Jamestown Community College.

Economic Condition and Outlook

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

The economy of the County has evolved over time creating a more stable balance. A greater diversity has developed among the various business sectors. Agriculture, manufacturing, wholesale, retail, services, transportation and construction all make appreciable contributions to this balance. The hospitality industry has continued to bolster many of the other sectors.

Growing outdoor sports, such as snowmobiling, have also added economic stimulus to other regions of the County during the winter months. The County invested in the trail system during the 2014-2015 season, making the 328-mile trail system a destination in and of itself for the touring snowmobile market. The County administered the grant and works with the Cattaraugus County Federation of Snowmobile Clubs, Inc. and its nine member clubs to ensure the trail system is safe, well signed, and properly groomed.

Allegany State Park has long been the County's largest tourism attraction (based on visitation) with over 1.5 million visitors per year. Recently, Allegany State Park has been listed among the 100 Most Amazing Places in the United States by Preserve America. Allegany State Park has recently opened their new group camp 5 that includes 18 insulated cabins that can sleep up to 72 people. The neighbor to Allegany State Park, the Seneca Allegany Casino continues to be a major tourism attraction. Since its completion in 2007, the gaming floor, 400 plus room hotel and three restaurants employs 1,200 workers. The casino consistently sees well over 2 million visitors annually.

Evidence of a healthy tourism industry in the County is illustrated by occupancy tax revenues. Occupancy tax revenues for 2021 amounted to \$1,255,800, which was approximately 25.6% above budget and was \$320,323 greater than 2020. Occupancy tax in the first quarter of 2022 has been strong and has the County on track to again exceed its budgeted amount of \$1,100,000 for 2022. The 5% bed tax was implemented in January 2004 and is used by the County for economic development and tourism promotion purposes. This fund coupled with casino revenue sharing (a portion of which is also dedicated to economic development activities) is now putting the County in a position to make greater strides in economic development.

Entrepreneurship assistance is a key factor for the Department of Economic Development, Planning & Tourism. The clientele comes from a wide range of business sectors, mirroring the County's diverse economy. In addition to providing extensive classroom training and one on one counseling for small businesses, the County continues to make low interest loan funds available to finance these new ventures.

Agriculture has been a long standing pillar of the economy in the County. The County adopted and approved an Agriculture and Farmland Protection Plan in 2007 that focuses heavily on maintaining and boosting the viability of agriculture operations. With this plan, the County has been eligible to apply for substantial “implementation” funding, intended to preserve farms and farmland in the County, which is a critical part of the economy, natural beauty and way of life. Agriculture has and continues to diversify throughout the County including many spin-offs that fit well into the tourism economy. Niche Farming is on the rise in the County in areas such as hops, bees, alpacas and many others.

The County has long awaited the transportation improvement of a U.S Route 219 Four Lane Expressway. Construction on the first 3.5 mile section of the expressway from Springville to the Town of Ashford commenced in the spring of 2007 and opened for traffic in the Fall of 2010. Another transportation success story has been the renovation of the east west rail line (former Conrail line), which has experienced resurgence in both local service traffic and through service coal train traffic every year since 2001. Carload volumes on the line have increased from 75 in 2000 to over 54,000 currently. The through traffic subsidizes the local service to County shippers, providing rail shipping access that is both lower cost and improved with respect to time-sensitivity. The through service coal traffic also enhances the economic viability for the WNYP Railroad, the short-line railroad operator of the Southern Tier Extension line. Corporate shippers attest that the ideal scenario is having a service oriented short-line operator such as WNYP with direct connections to more than one Class I railroad. In 2007, WNYP and STERA, the railroad authority created to reinvigorate the Southern Tier Extension, once again teamed together to similarly reinvigorate the north-south railroad line from Machias to the Pennsylvania state line in Portville. This initiative will improve rail-shipping access to this line, and also establish a larger regional short line system that should improve cross border business relationships and enhance overall railroad system efficacy. This initiative also has had the effect of relocating WNYP base operations to the Constitution Avenue railroad yard in Allegany and Olean, which will lead to enhanced rail-related business development in this area of the County.

The County is entering its 32nd year of management of the Procurement Technical Assistance Center (PTAC). PTAC is a regional government marketing and technical assistance program that is funded by a cooperative agreement between the County and the Department of Defense (DOD). The PTAC center has clients throughout fourteen counties of the western and central southern tier of New York State. The objectives of the program are to assist businesses in marketing goods and services to military, federal, state and local government agencies. Assistance is provided with a wide variety of contracting topics including pre-award and post-award issues, as well as registration with the federal System for Award Management and Bid Match search service. In addition, staff also serve as an information source for special contracting programs dealing with woman-owned businesses, service disabled veterans, HUB Zone businesses, the Mentor Protégé Pilot program and the implementation of Electronic Commerce in government procurement. In 2021, the County PTAC had 118 active clients, held or participated in 14 events throughout the region and had 246 counseling hours with clients, per the DoD definitions. 428 contracts totaling over \$30.4 million were awarded to clients within our 15 county service territory. Five different County businesses reported obtaining 94 contracts from local, state, and federal agencies worth over \$5 million in 2021

Major Initiatives

The economy of the County continues into a balanced mix of economic sectors. A greater diversity has developed among these various business sectors, which include: agriculture, manufacturing, wholesale, hospitality, retail, services, transportation and construction. The hospitality industry continues to grow along with support industries as can be seen from the increasing bed tax revenue that is realized by the County.

Skiing and resort development in the resort town of Ellicottville has continued to remain a strong and vital part of the tourism economy. Holiday Valley Ski Resort was again ranked among the top ski experiences in the Eastern United States. Ski Magazine ranked Holiday Valley as the 2nd best resort in the East in their 2021 Resort Guide. HoliMont, also located in Ellicottville, is considered the largest private ski resort in North America. Combined, the two resorts continue to create employment opportunities and small business development as well as a significant generator of vacation home construction in and around the Ellicottville area. Construction for numerous townhouse, condominium, and individual home projects started in 2006 and continue today. Holiday Valley opened its Tamarack Club, a \$40 million condominium project, in late 2009. In addition Holiday Valley, in its desire to become a “four season resort”, completed over \$2 million in renovations to its Double Black Diamond Golf Course. HoliMont, for its part, announced in 2010 the groundbreaking of WestMont Ridge, a \$22 million project at the west end of the current facility that will add \$10 million in new amenities. In the summer of 2011, Holiday Valley opened up its new \$2.5 million Sky High Adventure Park and Mountain Coaster.

Initiatives completed in 2021 and 2022 include:

- Great Lakes Cheese Company - \$500 million commercial development
- TimberHut Cabin Company - \$250 million commercial development
- MJ Painting Contractor Corporation - \$1,833,500 expansion project
- Pivot Solar NY3, LLC - \$4,677,500 solar energy project
- Allegany Crossings, LLC - \$12 million commercial development
- St. Bonaventure University - \$26 million expansion project
- Win Sum Ski Corp - \$4.1 million expansion project (ongoing)
- Walsh Huskies, LLC - \$660,000 expansion project
- St. Pup Pet Urgent Care - \$500,000 commercial development
- GSPP 4474 Lower Birch Run Rd, LLC - \$44 million solar energy project (ongoing)
- Olean Area Federal Credit Union - \$1.5 million expansion project (ongoing)
- Ava Grace Eco Fasions - \$500,000 commercial development (ongoing)
- Otto CSG 1, LLC - \$8.5 million solar energy project (ongoing)
- Holimont, Inc - \$948,000 improvement project (ongoing)
- 4 Mile Brewing, LLC - \$850,000 expansion project (ongoing)
- Portville Solar 1, LLC - \$8.6 million solar energy project (ongoing)
- Sunny Olean, LLC - \$800,000 commercial development (ongoing)
- Yippity Skippity Realty, LLC - \$350,000 commercial development (ongoing)
- North Delaware Holdings, LLC - \$1.7 million commercial development (ongoing)
- T&D Resorts, Inc. - \$800,000 tourism project (ongoing)
- Olean Gateway, LLC - \$5.75 million project started involving 40,000 square foot mixed use/ commercial space including a 100+ room hotel (ongoing)
- Kreinheder Properties - \$5.5 million project (ongoing)

Several communities around the County continue to invest through the Restore New York Communities Initiative. This initiative provides funding for revitalizing urban areas and stabilizing neighborhoods. The following communities were awarded funds as follows:

- City of Salamanca - \$500,000
- Village of South Dayton - \$450,000
- City of Olean - \$500,000
- Town of Ashford - \$159,729
- Village of Gowanda - \$324,000

Acknowledgements

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its annual comprehensive financial report for the fiscal year ended December 31, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year. We believe the County’s annual comprehensive financial report for fiscal year 2021 continues to meet the Certificate of Achievement Program’s requirements and we will submit the document to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efforts of the Treasurer’s Office, and other cooperating County departments, and Drescher & Malecki LLP. Furthermore, I extend my appreciation to everyone who assisted and contributed to the preparation of the County’s annual comprehensive financial report for fiscal year 2021.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Matt Keller", with a long horizontal line extending to the right.

Matthew J. Keller
County Treasurer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Cattaraugus County
New York

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

COUNTY OF CATTARAUGUS, NEW YORK
List of Elected and Appointed Officials
December 31, 2021

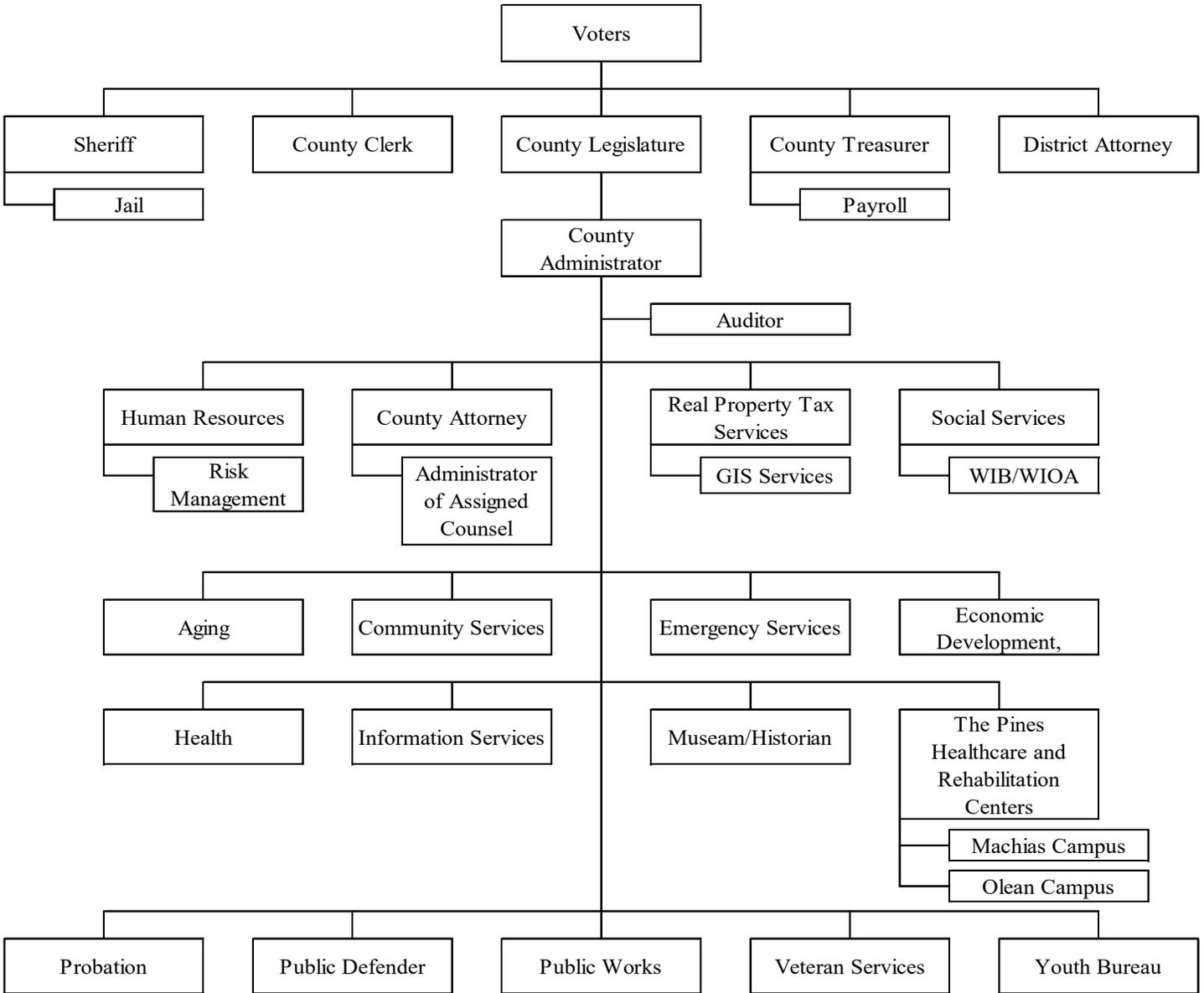
County Officials:

ChairmanHoward VanRensselaer, Sr.
Vice Chairman..... M. Andrew Burr
Majority Leader..... Michael M. Brisky
Minority Leader..... David M. Koch

Legislators:

District 1..... M. Andrew Burr
District 1..... Richard L. Klancer
District 2..... Joseph F. Boberg
District 2.....Richard F. Helmich, Jr.
District 3..... Michael M. Brisky
District 3.....Ginger D. Schroder
District 4.....Norman L. Marsh
District 4.....Howard VanRensselaer, Sr.
District 5.....Laurie A. Hunt
District 5.....David M. Koch
District 6.....R. Donald Benson
District 6..... Robert A. Parker
District 7..... Kip A. Morrow
District 7.....James J. Snyder, Jr.
District 8..... Frank H. Higgins
District 8.....Richard C. Smith
District 8.....Kelly J. Andreano
County Administrator..... John R. Searles
County Treasurer.....Matthew J. Keller

COUNTY OF CATTARAUGUS, NEW YORK
Organization Chart
December 31, 2021



FINANCIAL SECTION

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable County Legislature and County Administrator
County of Cattaraugus, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Cattaraugus, New York (the "County"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Cattaraugus County Land Bank Corporation (the "Land Bank") and Cattaraugus County Economic Sustainability and Growth Corporation (the "Sustainability and Growth Corporation"), which represent 0.92% and 1.73% of the assets, respectively, and 3.48%, and 0.06% of the operating revenues, respectively, of the business-type activities. We also did not audit the financial statements of the County of Cattaraugus Industrial Development Agency (the "CCIDA"), which is shown as a discretely presented component unit. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Land Bank, the Sustainability and Growth Corporation, and the CCIDA, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standard generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating 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 one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such

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

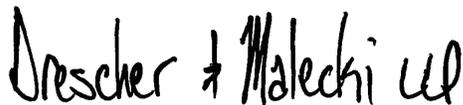
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Supplementary Information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information

Management is responsible for the other information. The other information comprises the Introductory Section, the Other Information Section, and the Statistical Section, as listed in the table of contents, but does not include the financial statements and our auditors' report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



June 21, 2022

COUNTY OF CATTARAUGUS, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2021

As management of the County of Cattaraugus (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements and notes to the financial statements, which follow this narrative. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

Financial Highlights

- The liabilities and deferred inflows of resources of the County's primary government exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$135,530,629 (*net position*). This consists of \$144,431,668 net investment in capital assets and \$5,935,574 restricted for specific purposes, offset by an unrestricted net position of \$(285,897,871).
- The County's primary government net position decreased by \$3,974,233. Governmental activities increased the County's net position by \$2,516,433, while business-type activities decreased the County's net position by \$6,490,666.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$68,584,525, an increase of \$4,087,124 in comparison with the prior year's fund balance of \$64,497,401. Approximately 69.9 percent, \$47,947,729 of the combined fund balances is unassigned.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$47,947,729, or approximately 26.0 percent of General Fund expenditures and transfers out. This total amount is *available for spending* at the County's discretion and constitutes approximately 82.1 percent of the General Fund's total fund balance of \$58,403,852.
- The County's primary government net bonded indebtedness decreased by \$1,596,395 as a result of principal payments of \$4,909,494, offset by a serial bond issuance of \$3,513,099, and a refunding issuance of \$2,465,000, which refunded previously issued 2012 serial bonds in the amount of \$2,665,000.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the County's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Nonfinancial factors, such as changes in the County's property tax base and the condition of the County's roads, should also be considered to assess the overall health of the County.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, home and community services, and interest and fiscal charges. The business-type activities of the County are the Pines Machias nursing home, the Pines Olean nursing home, the Onoville Marina, the Land Bank Corporation, and Sustainability and Growth Corporation. With the exception of the Pines Machias nursing home, the Pines Olean nursing home, and the Onoville Marina, the business-type activities of the County are blended component units.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate development agency (County of Cattaraugus Industrial Development Agency) for which the County is financially accountable. Financial information presented for this discretely presented component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 23-24 of this report.

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

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

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

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

The County adopts an annual appropriated budget for its General Fund, Debt Service Fund, County Road Fund, Road Machinery Fund, and Conewango Watershed Fund. Budgetary comparison schedules have been provided within the required supplementary information (General Fund) and other information sections of this report (other nonmajor funds) to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 25-28 of this report.

Proprietary funds—The County maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Pines Olean and Pines Machias nursing homes, Onoville Marina, the Land Bank, and the Sustainability and Growth Corporation. When the County charges customers for the services it provides, whether to outside customers or to other units of the County, these services are generally reported in Proprietary Funds.

The County's Enterprise Funds represent its Business-type Activities, reported in the Government-wide financial statements but provides more detail and additional information, such as cash flows for Proprietary Funds.

The basic proprietary fund financial statements can be found on pages 29-31 of this report.

Fiduciary fund—The fiduciary fund is used to account for resources held for the benefit of parties outside the County. The fiduciary fund is not reflected in the government-wide financial statements because the resources of the fund is *not* available to support the County's own programs. The County maintains one fiduciary fund, the Custodial Fund.

The fiduciary funds financial statements can be found on page 32-33 of this report.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-68 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the County's net pension liability, the changes in the County's total other postemployment benefits ("OPEB") obligation and the County's budgetary comparison schedule for the General Fund. Required supplementary information and the related notes can be found on pages 69-73 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented as supplementary information immediately following the Required Supplementary Information in the Supplementary Information section of this report on pages 74-77.

Other Information is included in these financial statements, specifically, the Schedules of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual for the County's nonmajor funds. The Other Information can be found on pages 78-81 of this report.

Finally, the Statistical Section can be found on pages 82-104 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the County's primary government, liabilities and deferred inflows of resources exceeded assets and deferred outflows resulting in a net position of \$(135,530,629) at the close of the most recent fiscal year, as compared to \$(131,556,396) at the close of the fiscal year ended December 31, 2020, as restated.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental activities		Business-type activities		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020 (as restated)	2021	2020 (as restated)
Assets:						
Current assets	\$ 105,591,160	\$ 100,897,721	\$ 26,644,091	\$ 32,709,507	\$ 132,235,251	\$ 133,607,228
Noncurrent assets	-	-	409,579	463,782	409,579	463,782
Capital assets	<u>170,676,096</u>	<u>168,290,134</u>	<u>11,000,189</u>	<u>11,618,187</u>	<u>181,676,285</u>	<u>179,908,321</u>
Total assets	<u>276,267,256</u>	<u>269,187,855</u>	<u>38,053,859</u>	<u>44,791,476</u>	<u>314,321,115</u>	<u>313,979,331</u>
Deferred outflows of resources	<u>96,174,076</u>	<u>90,631,409</u>	<u>20,312,519</u>	<u>17,297,719</u>	<u>116,486,595</u>	<u>107,929,128</u>
Liabilities:						
Current liabilities	32,498,485	29,901,731	1,683,560	1,943,106	34,182,045	31,844,837
Noncurrent liabilities	<u>321,694,461</u>	<u>385,401,113</u>	<u>62,071,873</u>	<u>75,701,730</u>	<u>383,766,334</u>	<u>461,102,843</u>
Total liabilities	<u>354,192,946</u>	<u>415,302,844</u>	<u>63,755,433</u>	<u>77,644,836</u>	<u>417,948,379</u>	<u>492,947,680</u>
Deferred inflows of resources	<u>122,764,232</u>	<u>51,548,699</u>	<u>25,625,728</u>	<u>8,968,476</u>	<u>148,389,960</u>	<u>60,517,175</u>
Net Position:						
Net investment in capital assets	139,630,660	130,495,801	4,801,008	4,831,760	144,431,668	135,327,561
Restricted	5,935,574	10,219,164	-	-	5,935,574	10,219,164
Unrestricted	<u>(250,082,080)</u>	<u>(247,747,244)</u>	<u>(35,815,791)</u>	<u>(29,355,877)</u>	<u>(285,897,871)</u>	<u>(277,103,121)</u>
Total net position	<u>\$ (104,515,846)</u>	<u>\$ (107,032,279)</u>	<u>\$ (31,014,783)</u>	<u>\$ (24,524,117)</u>	<u>\$ (135,530,629)</u>	<u>\$ (131,556,396)</u>

The largest portion of the County's net position at December 31, 2021, \$144,431,668, reflects its investment in capital assets (e.g. land, buildings and improvements, infrastructure and machinery and equipment), net of accumulated depreciation, and less any debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$5,935,574, represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining portion of the County's net position, \$(285,897,871), is considered to be unrestricted. This deficit does not mean that the County does not have resources available to meet its obligations in the

ensuing year. Rather, it reflects liabilities not related to the County’s capital assets and are not expected to be repaid from current resources. These long-term liabilities including compensated absences, other postemployment benefits (“OPEB”) obligation, and net pension liability, are funded annually within the funds.

Table 2, as presented below, shows the changes in net position for the year ended December 31, 2021 and December 31, 2020.

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

	Governmental activities		Business-type activities		Total	
	Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues	\$ 99,280,968	\$ 97,806,110	\$ 24,586,176	\$ 29,843,364	\$ 123,867,144	\$ 127,649,474
General revenues	111,324,500	107,616,095	7,076	46	111,331,576	107,616,141
Total revenues	<u>210,605,468</u>	<u>205,422,205</u>	<u>24,593,252</u>	<u>29,843,410</u>	<u>235,198,720</u>	<u>235,265,615</u>
Total expenses	<u>208,089,035</u>	<u>212,152,190</u>	<u>31,083,918</u>	<u>32,426,139</u>	<u>239,172,953</u>	<u>244,578,329</u>
Change in net position	2,516,433	(6,729,985)	(6,490,666)	(2,582,729)	(3,974,233)	(9,312,714)
Net position—beginning	(107,032,279)	(100,302,294)	(24,524,117)	(22,039,045)	(131,556,396)	(122,341,339)
Restatement	-	-	-	97,657	-	97,657
Net position—ending	<u>\$ (104,515,846)</u>	<u>\$ (107,032,279)</u>	<u>\$ (31,014,783)</u>	<u>\$ (24,524,117)</u>	<u>\$ (135,530,629)</u>	<u>\$ (131,556,396)</u>

Governmental Activities—Governmental activities increased the County’s net position by \$2,516,433. A summary of revenues for governmental activities for the years ended December 31, 2021 and 2020 is presented below in Table 3.

Table 3—Summary of Sources of Revenues—Governmental Activities

	Year Ended December 31,		Increase/(decrease)	
	2021	2020	Dollars	Percent (%)
Charges for services	\$ 55,310,024	\$ 53,924,193	\$ 1,385,831	2.6
Operating grants and contributions	38,202,084	37,639,557	562,527	1.5
Capital grants and contributions	5,768,860	6,242,360	(473,500)	(7.6)
Real property taxes	54,389,704	54,216,597	173,107	0.3
Real property tax items	2,934,663	3,052,987	(118,324)	(3.9)
Non property tax items	51,416,522	43,461,202	7,955,320	18.3
Use of money and property	(2,161,466)	3,884,220	(6,045,686)	(155.6)
Sale of property and compensation for loss	3,347,703	1,800,947	1,546,756	85.9
Miscellaneous	1,397,374	1,260,461	136,913	10.9
Total revenues	<u>\$ 210,605,468</u>	<u>\$ 205,482,524</u>	<u>\$ 5,122,944</u>	2.5

The most significant source of revenues is charges for services, which account for \$55,310,024 or 26.3 percent of total government activities revenues. The next largest source of revenue is real property taxes, which comprise \$54,389,704 or 25.8 percent for the year ended December 31, 2021. For the year ended December 31, 2020, the most significant source of revenue was real property taxes, which accounted for \$54,216,597 or 26.3 percent of total government activities revenues. The next largest source of revenue was charges for services, which comprised \$53,924,193 or 26.3 percent of total governmental activities revenues.

During the year ended December 31, 2021, total revenues for governmental activities increased by 2.5 percent, mainly due to increased sales and use tax and other taxes partially offset by a decrease in use of money and property. Sales and use tax and other tax collections increased due to strong economic activity within the County. Use of money and property decreased as a result of fair value adjustments to the County's investments.

A summary of program expenses of governmental activities for the years ended December 31, 2021 and December 31, 2020 is presented below in Table 4.

Table 4—Program Expenses—Governmental Activities

	Year Ended December 31,		Increase/(decrease)	
	2021	2020	Dollars	Percent (%)
General government support	\$ 64,427,622	\$ 55,637,115	\$ 8,790,507	15.8
Education	8,394,493	6,038,594	2,355,899	39.0
Public safety	23,517,760	29,111,263	(5,593,503)	(19.2)
Public health	22,830,808	24,745,905	(1,915,097)	(7.7)
Transportation	28,174,486	28,607,807	(433,321)	(1.5)
Economic assistance and opportunity	55,786,147	62,632,046	(6,845,899)	(10.9)
Culture and recreation	988,394	1,017,329	(28,935)	(2.8)
Home and community services	2,860,290	3,182,702	(322,412)	(10.1)
Interest and other fiscal charges	1,109,035	1,179,429	(70,394)	(6.0)
Total program expenses	<u>\$ 208,089,035</u>	<u>\$ 212,152,190</u>	<u>\$ (4,063,155)</u>	(1.9)

For the year ended December 31, 2021, the County's most significant expense category for governmental activities is general government support of \$64,427,622, or 31.0 percent of program expenses. The other significant expenses include economic assistance and opportunity of \$55,786,147, or 26.8 percent of total expenses and transportation of \$28,174,486, or 13.5 percent of total expenses. For the year ended December 31, 2020, the County's most significant expense category for governmental activities was economic assistance and opportunity of \$62,632,046, or 29.5 percent of total expenses. The other significant expenses included general government support of \$55,637,115, or 26.2 percent of total expenses and transportation of \$28,607,807, or 13.5 percent of total expenses.

As shown above, total governmental activities program expenses decreased 1.9 percent from the year ended December 31, 2020. The overall decrease was primarily due to allocable employee benefit costs associated with the actuarial valuation of the County's pension plan.

Business-type Activities—Business-type activities decreased the County's net position by \$6,490,666. The major activities are for the Pines Machias Campus, the Pines Olean Campus, Onoville Marina, the Land Bank, and the Sustainability and Growth Corporation.

A summary of revenues and expenses for the County’s business-type activities for the years ended December 31, 2021 and 2020 is presented below:

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

	Year Ended December 31,		Increase/(decrease)	
	2021	2020	Dollars	Percent %
Revenues:				
Service, property sales, and other operating revenue	\$ 18,999,738	\$ 21,705,588	\$ (2,705,850)	(12.5)
Grants and intergovernmental transfer	5,586,438	8,137,776	(2,551,338)	(31.4)
Investment and miscellaneous income	7,576	46	7,530	16369.6
Total revenues	<u>\$ 24,593,752</u>	<u>\$ 29,843,410</u>	<u>\$ (5,249,658)</u>	(17.6)
Expenses:				
Personnel services	\$ 12,349,424	\$ 12,506,660	\$ (157,236)	(1.3)
Employee benefits	7,156,199	8,729,290	(1,573,091)	(18.0)
Contractual expenses	9,608,966	9,261,105	347,861	3.8
Depreciation, including indirect charges	1,197,373	1,085,427	111,946	10.3
Program services	540,477	532,604	7,873	1.5
Management and general	53,616	27,583	26,033	94.4
Interest expense	178,363	273,536	(95,173)	(34.8)
Loss on disposal of capital assets	-	9,934	(9,934)	(100.0)
Total expenses	<u>\$ 31,084,418</u>	<u>\$ 32,426,139</u>	<u>\$ (1,341,721)</u>	(4.1)

During the year ended December 31, 2021, total business-type activities revenues decreased by 17.6 percent, mainly due to a decrease in intergovernmental transfer revenues.

As detailed above, the County’s business-type activities total expenses for the year ended December 31, 2021 decreased 4.1 percent from the previous year. The decrease was primarily due to employee benefit costs associated with the actuarial valuation of the County’s pension plan.

The County’s business-type activities most significant expense items for the year ended December 31, 2021 are personnel services, which accounts for \$12,349,424 or 39.7 percent of total expenses and contractual expenses, which account for \$9,608,966 or 30.9 percent of total expenses. Similarly, for the year ended December 31, 2020, most significant expense items were personnel services, which accounted for \$12,506,660 or 38.6 percent of total expenses and contractual expenses, which accounted for \$9,261,105 or 28.6 percent of total expenses.

Financial Analysis of Governmental Funds

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

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

At December 31, 2021, the County's governmental funds reported combined ending fund balances of \$68,584,525, an increase of \$4,087,124 from the prior year. Approximately 69.9 percent of this amount, \$47,947,729, constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is: (1) not in spendable form, \$1,681,917, (2) restricted for particular purposes, \$12,682,727, (3) committed for a particular purpose, \$517,403, or (4) assigned for particular purposes, \$5,754,749.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$47,947,729, while total fund balance was \$58,403,852. The General Fund balance increased \$3,434,185 from the prior year. The increase was mainly due to sales tax outperforming the original budget by approximately 24.1%. This increase was partially offset by less state and federal aid than originally anticipated. Further, the County experienced some budgetary savings related to health and other social service programs. As a measure of the General Fund's liquidity, it may be useful to compare both the *unassigned fund balance* and total fund balance to the total General Fund expenditures and transfers out. *Unassigned fund balance* represents approximately 26.0 percent of the total General Fund expenditures and transfers out, while total fund balance represents approximately 31.7 percent of that same amount.

The fund balance in the Capital Projects Fund increased \$527,785 from December 31, 2021 due to state and federal aid, transfers in from the General Fund, and the serial bond issuance exceeding capital outlay. The ending fund balance in the Capital Projects Fund was \$7,274,644.

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

Overall net position of the proprietary funds decreased \$6,490,666. The Onoville Marina's, Land Bank's, and Sustainability and Growth Corporation's net position increased \$116,290, \$90,078, and \$6,718, respectively. The Pines Machias and Campus's The Pines Olean Campus's net position decreased by \$3,451,159 and \$3,252,593, respectively, which was primarily due to expenditures exceeding patient service and intergovernmental transfer revenue.

General Fund Budgetary Highlights

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

A summary of the General Fund results of operations for the year ended December 31, 2021 is presented in Table 6 on the following page.

Table 6—Summary of General Fund Results of Operations

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
Revenues and other financing sources	\$ 184,640,997	\$ 199,210,914	\$ 187,547,180	\$ (11,663,734)
Expenditures and other financing uses	187,353,895	205,672,397	184,112,995	21,559,402
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (2,712,898)	\$ (6,461,483)	\$ 3,434,185	\$ 9,895,668

Original budget compared to final budget—During the year, the budget is modified, primarily to reflect the acceptance of new state and federal grants. These grants explain the majority of the increases in appropriations and revenue from the original adopted budget final budget. Additionally, in the current year there was a large increase in budgeted appropriations as a result of increased sales tax distributions related to increased sales tax collections.

Final budget compared to actual results—The General Fund had a favorable variance from the final budget of \$9,895,668. Positive expenditure variances were realized primarily in economic assistance and opportunity, health, and general government support due to lower than expected social service expenditures, insurance and personnel costs, and medical claims, respectively.

Capital Assets and Debt Administration

Capital assets—The County’s investment in capital assets for its governmental and business-type activities as of December 31, 2021 amounts to \$181,676,285 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure assets.

All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the County’s capital asset policy.

Capital assets net of depreciation for the governmental activities and business-type activities at the years ended December 31, 2021 and December 31, 2020 are presented in Table 7 below:

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

	Governmental activities		Business-type activities		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020	2021	2020
Land	\$ 1,918,632	\$ 1,918,632	\$ 813,215	\$ 813,215	\$ 2,731,847	\$ 2,731,847
Construction in progress	44,680,770	40,672,217	-	-	44,680,770	40,672,217
Infrastructure	103,501,867	104,882,965	-	-	103,501,867	104,882,965
Buildings and improvements						
Buildings and improvements	6,891,001	7,420,457	449,359	479,607	7,340,360	7,900,064
Machinery and equipment	13,683,826	13,395,863	61,607	69,316	13,745,433	13,465,179
The Pines	-	-	9,676,008	10,256,049	9,676,008	10,256,049
Total	\$ 170,676,096	\$ 168,290,134	\$ 11,000,189	\$ 11,618,187	\$ 181,676,285	\$ 179,908,321

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

Long-term liabilities—The County currently has \$35,936,099 in total bonded debt for governmental activities.

The County's business-type activities, the Pines Machias, the Pines Olean and the Onoville Marina, also have issued bonded debt and recorded as a long-term liability. The amount outstanding consists of public improvement serial bonds totaling \$5,382,000 as of December 31, 2021.

The County carries an Aa3 rating from Moody's Investors Service.

A summary of the County's long-term liabilities at December 31, 2021 and December 31, 2020 are presented in Table 8 below:

Table 8—Summary of Long-Term Liabilities

	Governmental activities		Business-type activities		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020	2021	2020
Serial bonds	\$ 35,936,099	\$ 37,532,494	\$ 5,382,000	\$ 6,659,000	\$ 41,318,099	\$ 44,191,494
Premium on serial bonds	805,803	416,456	717,636	107,523	1,523,439	523,979
Bonds payable, net	36,741,902	37,948,950	6,099,636	6,766,523	42,841,538	44,715,473
Compensated absences	6,747,452	6,808,192	486,400	623,282	7,233,852	7,431,474
Capital leases	1,095,262	1,286,117	13,632	19,904	1,108,894	1,306,021
OPEB	267,836,270	282,178,186	52,907,184	56,073,659	320,743,454	338,251,845
Noncurrent workers' compensation	9,095,473	8,898,910	2,520,188	2,364,552	11,615,661	11,263,462
Net pension liability	178,102	48,280,758	44,833	9,853,810	222,935	58,134,568
Total	<u>\$ 321,694,461</u>	<u>\$ 385,401,113</u>	<u>\$ 62,071,873</u>	<u>\$ 75,701,730</u>	<u>\$ 383,766,334</u>	<u>\$ 461,102,843</u>

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

Economic Factors and Next Year's Budgets and Rates

Factors considered in preparing Cattaraugus County's budget for the 2022 year included:

- Full-value assessments increased 3.1%.
- Total appropriations—all funds increased 5.7%.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Hon. Matthew J. Keller
 County Treasurer
 303 Court Street
 Little Valley, New York 14755

BASIC FINANCIAL STATEMENTS

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COUNTY OF CATTARAUGUS, NEW YORK
Statement of Net Position
December 31, 2021

	Primary Government			Component Unit
	Governmental	Business-type	Total	Industrial
	Activities	Activities		Development
				Agency
ASSETS				
Cash and cash equivalents	\$ 13,204,886	\$ 23,253,061	\$ 36,457,947	\$ 493,375
Restricted cash and cash equivalents	23,252,011	467,434	23,719,445	-
Investments	36,217,186	-	36,217,186	731,608
Receivables (net of allowances):				
Taxes receivable	9,681,160	-	9,681,160	-
Accounts receivable	3,663,245	2,822,432	6,485,677	5,273
Intergovernmental receivables	17,890,755	-	17,890,755	-
Inventory	-	99,564	99,564	-
Prepaid items	1,681,917	1,600	1,683,517	1,350
Notes receivable	-	409,579	409,579	-
Capital assets not being depreciated	46,599,402	1,081,587	47,680,989	149,299
Capital assets, net of accumulated depreciation	<u>124,076,694</u>	<u>9,918,602</u>	<u>133,995,296</u>	<u>97,881</u>
Total assets	<u>276,267,256</u>	<u>38,053,859</u>	<u>314,321,115</u>	<u>1,478,786</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows—relating to pensions	40,932,637	10,303,609	51,236,246	148,177
Deferred outflows—relating to OPEB	55,196,864	10,008,910	65,205,774	-
Deferred charge on refunding	44,575	-	44,575	-
Total deferred outflows of resources	<u>96,174,076</u>	<u>20,312,519</u>	<u>116,486,595</u>	<u>148,177</u>
LIABILITIES				
Accounts payable	8,043,753	645,874	8,689,627	34,939
Retainages payable	72,459	-	72,459	-
Accrued liabilities	4,767,599	689,910	5,457,509	4,459
Accrued interest payable	225,779	222,966	448,745	-
Intergovernmental payables	9,543,205	4,831	9,548,036	-
Unearned revenue	9,845,690	119,979	9,965,669	-
Noncurrent liabilities:				
Due within one year	5,961,473	1,656,579	7,618,052	-
Due in more than one year	<u>315,732,988</u>	<u>60,415,294</u>	<u>376,148,282</u>	<u>620</u>
Total liabilities	<u>354,192,946</u>	<u>63,755,433</u>	<u>417,948,379</u>	<u>40,018</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows—relating to pensions	53,621,077	13,497,559	67,118,636	192,008
Deferred inflows—relating to OPEB	68,016,227	12,042,256	80,058,483	-
Deferred inflows—State aid	<u>1,126,928</u>	<u>85,913</u>	<u>1,212,841</u>	<u>-</u>
Total deferred inflows of resources	<u>122,764,232</u>	<u>25,625,728</u>	<u>148,389,960</u>	<u>192,008</u>
NET POSITION				
Net investment in capital assets	139,630,660	4,801,008	144,431,668	247,180
Restricted for:				
MDLF loan fund	288,166	-	288,166	-
Insurance	1,500,578	-	1,500,578	-
Workers' compensation	2,041,462	-	2,041,462	-
Other	907,445	-	907,445	-
Capital projects	527,491	-	527,491	-
Debt	664,746	-	664,746	-
Trust accounts	5,686	-	5,686	-
Unrestricted	<u>(250,082,080)</u>	<u>(35,815,791)</u>	<u>(285,897,871)</u>	<u>1,147,757</u>
Total net position	<u>\$(104,515,846)</u>	<u>\$(31,014,783)</u>	<u>\$(135,530,629)</u>	<u>\$ 1,394,937</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Statement of Activities
Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Industrial Development Agency
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government support	\$ 64,427,622	\$ 36,813,652	\$ 3,153,192	\$ 83,159	\$ (24,377,619)	\$ -	\$ (24,377,619)	\$ -
Education	8,394,493	275	2,644,643	-	(5,749,575)	-	(5,749,575)	-
Public safety	23,517,760	3,800,566	1,784,282	338,286	(17,594,626)	-	(17,594,626)	-
Health	22,830,808	9,462,756	8,657,302	-	(4,710,750)	-	(4,710,750)	-
Transportation	28,174,486	-	-	4,756,915	(23,417,571)	-	(23,417,571)	-
Economic assistance and opportunity	55,786,147	3,629,988	21,457,172	590,500	(30,108,487)	-	(30,108,487)	-
Culture and recreation	988,394	130,138	322,839	-	(535,417)	-	(535,417)	-
Home and community services	2,860,290	1,472,649	115,761	-	(1,271,880)	-	(1,271,880)	-
Interest and fiscal charges	1,109,035	-	66,893	-	(1,042,142)	-	(1,042,142)	-
Total governmental activities	208,089,035	55,310,024	38,202,084	5,768,860	(108,808,067)	-	(108,808,067)	-
Business-type activities:								
The Pines Machias Campus	15,728,931	11,400,005	870,694	-	-	(3,458,232)	(3,458,232)	-
The Pines Olean Campus	14,223,336	10,292,019	678,721	-	-	(3,252,596)	(3,252,596)	-
Onoville Marina	537,558	653,848	-	-	-	116,290	116,290	-
Land Bank Corporation	589,843	148,960	530,961	-	-	90,078	90,078	-
Sustainability and Growth Corporation	4,250	-	10,968	-	-	6,718	6,718	-
Total business-type activities	31,083,918	22,494,832	2,091,344	-	-	(6,497,742)	(6,497,742)	-
Total primary government	\$ 239,172,953	\$ 77,804,856	\$ 40,293,428	\$ 5,768,860	(108,808,067)	(6,497,742)	(115,305,809)	-
Component unit:								
Cattaraugus County Industrial Development Agency	\$ 332,465	\$ 374,503	\$ -	\$ -				42,038
Total component unit	\$ 332,465	\$ 374,503	\$ -	\$ -				42,038
General revenues:								
Real property taxes					54,389,704	-	54,389,704	-
Real property tax items					2,934,663	-	2,934,663	-
Non property tax items					51,416,522	-	51,416,522	-
Use of money and property					(2,161,466)			
Sale of property and compensation for loss					3,347,703	6	3,347,709	3,593
Miscellaneous					1,397,374	7,070	1,404,444	5,023
Total general revenues					111,324,500	7,076	113,493,042	8,616
Change in net position					2,516,433	(6,490,666)	(3,974,233)	50,654
Net position—beginning, as restated					(107,032,279)	(24,524,117)	(131,556,396)	1,344,283
Net position—ending					\$ (104,515,846)	\$ (31,014,783)	\$ (135,530,629)	\$ 1,394,937

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

COUNTY OF CATTARAUGUS, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2021

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 11,228,133	\$ -	\$ 1,976,753	\$ 13,204,886
Restricted cash and cash equivalents	8,397,405	6,900,922	7,953,684	23,252,011
Investments	36,217,186	-	-	36,217,186
Receivables (net of allowances):				
Taxes receivable	9,681,160	-	-	9,681,160
Accounts receivable	3,371,699	-	64,851	3,436,550
Due from other funds	74,985	-	-	74,985
Intergovernmental receivables	15,599,713	1,162,625	1,128,417	17,890,755
Prepaid items	1,681,917	-	-	1,681,917
Total assets	<u>\$ 86,252,198</u>	<u>\$ 8,063,547</u>	<u>\$ 11,123,705</u>	<u>\$ 105,439,450</u>
LIABILITIES				
Accounts payable	\$ 6,850,739	\$ 640,236	\$ 552,778	\$ 8,043,753
Accrued liabilities	4,341,883	148,667	277,049	4,767,599
Intergovernmental payables	9,543,205	-	-	9,543,205
Due to other funds	-	-	74,985	74,985
Unearned revenue	2,532,826	-	7,312,864	9,845,690
Total liabilities	<u>23,268,653</u>	<u>788,903</u>	<u>8,217,676</u>	<u>32,275,232</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue—property taxes	3,452,765	-	-	3,452,765
Unavailable revenue—State aid	1,126,928	-	-	1,126,928
Total deferred inflows of resources	<u>4,579,693</u>	<u>-</u>	<u>-</u>	<u>4,579,693</u>
FUND BALANCES				
Nonspendable	1,681,917	-	-	1,681,917
Restricted	4,737,651	7,274,644	670,432	12,682,727
Committed	517,403	-	-	517,403
Assigned	3,519,152	-	2,235,597	5,754,749
Unassigned	47,947,729	-	-	47,947,729
Total fund balances	<u>58,403,852</u>	<u>7,274,644</u>	<u>2,906,029</u>	<u>68,584,525</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 86,252,198</u>	<u>\$ 8,063,547</u>	<u>\$ 11,123,705</u>	<u>\$ 105,439,450</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Reconciliation of the Balance Sheet—Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2021

Amounts reported for governmental activities in the statement of net position (page 23) are different because:

Total fund balances—governmental funds (page 25)	\$ 68,584,525
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$343,667,771 and the accumulated depreciation is \$172,991,675.	170,676,096
Deferred charges associated with refunding of bonds are not reported in the governmental funds. The charge is reported as a deferred outflow of resources on the statement of net position and is recognized as a component of interest expense over the life of the related debt.	44,575
Uncollected property taxes of \$3,452,765 are not available to pay for current period expenditures and therefore are deferred inflows of resources in the funds.	3,452,765
Deferred outflows and inflows of resources related to pensions and other postemployment benefits ("OPEB") are applicable to future periods and, therefore, are not reported in the funds:	
Deferred outflows related to employer contributions	\$ 5,380,524
Deferred outflows related to experience and investment earnings	35,552,113
Deferred inflows related to pension plans	(53,621,077)
Deferred outflow related to OPEB	55,196,864
Deferred inflows related to OPEB	<u>(68,016,227)</u>
	(25,507,803)
Certain accrued revenues reported in the statement of net position are received after the availability period for recognition of revenue in the governmental funds.	226,695
Retained percentages are not a current liability and, therefore, are not reported in the funds.	(72,459)
Accrued interest expense for serial bonds and bond anticipation notes is not reported in the funds.	(225,779)
Long-term liabilities are not due and payable in the current period and, therefore are not reported in the funds. The effect of these items are:	
Serial bonds	\$ (35,936,099)
Premium on serial bonds	(805,803)
Compensated absences	(6,747,452)
Capital leases	(1,095,262)
OPEB obligation	(267,836,270)
Noncurrent workers' compensation	(9,095,473)
Net pension liability	<u>(178,102)</u>
	<u>(321,694,461)</u>
Total net position of governmental activities	<u>\$ (104,515,846)</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds
Year Ended December 31, 2021

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Real property taxes	\$ 56,475,693	\$ -	\$ -	\$ 56,475,693
Real property tax items	2,934,663	-	-	2,934,663
Non property tax items	37,149,594	-	14,266,928	51,416,522
Departmental income	15,209,001	-	14,512	15,223,513
Intergovernmental charges	5,850,837	-	424,183	6,275,020
Use of money and property	(2,194,630)	-	33,164	(2,161,466)
Licenses and permits	63,206	-	-	63,206
Fines and forfeitures	87,469	-	-	87,469
Sale of property and compensation for loss	2,925,187	-	422,516	3,347,703
Miscellaneous	1,394,632	-	2,742	1,397,374
Interfund revenues	29,897,838	-	3,762,978	33,660,816
State aid	18,951,864	4,370,678	24,722	23,347,264
Federal aid	18,079,555	480,767	2,063,358	20,623,680
Total revenues	<u>186,824,909</u>	<u>4,851,445</u>	<u>21,015,103</u>	<u>212,691,457</u>
EXPENDITURES				
Current:				
General government support	59,281,466	-	1,806,500	61,087,966
Education	8,024,148	-	-	8,024,148
Public safety	21,892,038	-	645,707	22,537,745
Health	21,845,039	-	-	21,845,039
Transportation	85,000	-	18,244,363	18,329,363
Economic assistance and opportunity	52,184,146	-	103,775	52,287,921
Culture and recreation	943,520	-	-	943,520
Home and community services	2,801,127	-	16,998	2,818,125
Employee benefits	6,439,412	-	-	6,439,412
Debt service:				
Principal	266,304	-	7,680,439	7,946,743
Interest and fiscal charges	70,997	-	1,158,847	1,229,844
Capital outlay	-	11,779,160	-	11,779,160
Total expenditures	<u>173,833,197</u>	<u>11,779,160</u>	<u>29,656,629</u>	<u>215,268,986</u>
Excess (deficiency) of revenues over expenditures	<u>12,991,712</u>	<u>(6,927,715)</u>	<u>(8,641,526)</u>	<u>(2,577,529)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	540,877	3,942,401	11,100,460	15,583,738
Transfers out	(10,279,798)	-	(5,303,940)	(15,583,738)
Issuance of refunding bonds	-	-	2,465,000	2,465,000
Issuance of serial bonds	-	3,513,099	-	3,513,099
Premium on bonds issued	-	-	505,160	505,160
Issuance of capital leases	181,394	-	-	181,394
Total other financing sources (uses)	<u>(9,557,527)</u>	<u>7,455,500</u>	<u>8,766,680</u>	<u>6,664,653</u>
Net change in fund balances	3,434,185	527,785	125,154	4,087,124
Fund balances—beginning	54,969,667	6,746,859	2,780,875	64,497,401
Fund balances—ending	<u>\$ 58,403,852</u>	<u>\$ 7,274,644</u>	<u>\$ 2,906,029</u>	<u>\$ 68,584,525</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances—Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2021

Amounts reported for governmental activities in the statement of activities (page 24) are different because:

Net change in fund balances—total governmental funds (page 27) \$ 4,087,124

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 outlays exceeded loss on disposition of capital assets and depreciation in the current period.

Capital asset additions	\$ 14,557,487	
Loss on disposition of capital assets	(1,001,677)	
Depreciation expense	<u>(11,169,848)</u>	2,385,962

Certain tax and other revenue in the governmental funds is deferred or not recognized because it is not available soon enough after year end to pay for the current period's expenditures. On the accrual basis, however, this is recognized regardless of when it is collected.

Change in property taxes receivable	\$ (2,085,989)	
Change in other receivables	<u>(1,083,338)</u>	(3,169,327)

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

Direct pension contributions	\$ 5,380,524	
Cost of benefits earned net of employee contributions	<u>(1,155,106)</u>	4,225,418

Deferred inflows of resources relating to OPEB result from actuarial changes in the census, changes in medical premiums that are different than expected healthcare cost trend rates, and changes in assumptions and other inputs. These amounts are shown net of current year amortization.

Change in OPEB assumptions	\$ 3,247,729	
Differences between expected and actual experience	<u>(23,909,272)</u>	(20,661,543)

Governmental funds report retained percentages expenditures on construction contracts when such retained percentage is paid. However, in the statement of activities retained percentages on construction contracts is reported as an expense as it accrues. 39,807

In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid. 12,153

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

Issuance of serial bonds	\$ (3,513,099)	
Issuance of refunding bonds	(2,465,000)	
Principal payments on serial bonds	7,574,494	
Premiums on serial bonds	(505,160)	
Amortization of premiums on serial bonds	115,813	
Amortization of deferred charge on refunding	(7,157)	
Issuance of capital leases	(181,394)	
Principal payments on capital leases	372,249	
Change in compensated absences	60,740	
Change in OPEB	14,341,916	
Change in noncurrent workers' compensation	<u>(196,563)</u>	15,596,839

Change in net position of governmental activities \$ 2,516,433

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

COUNTY OF CATTARAUGUS, NEW YORK
Statement of Net Position—Proprietary Funds
December 31, 2021

	Business-type Activities					Total Enterprise Funds
	The Pines Machias Campus	The Pines Olean Campus	Onoville Marina	Land Bank Corporation	Sustainability and Growth Corporation	
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 7,205,120	\$ 14,939,716	\$ 506,896	\$ 350,802	\$ 250,527	\$ 23,253,061
Restricted cash and cash equivalents	197,846	182,971	86,617	-	-	467,434
Receivable, resident (net of allowance)	1,476,980	1,345,452	-	-	-	2,822,432
Inventory	43,083	43,992	12,489	-	-	99,564
Other assets	800	800	-	-	-	1,600
Total current assets	<u>8,923,829</u>	<u>16,512,931</u>	<u>606,002</u>	<u>350,802</u>	<u>250,527</u>	<u>26,644,091</u>
Noncurrent assets:						
Notes receivable	-	-	-	-	409,579	409,579
Capital assets not being depreciated	207,021	61,351	813,215	-	-	1,081,587
Capital assets, net of accumulated depreciation	5,681,264	3,726,372	510,966	-	-	9,918,602
Total noncurrent assets	<u>5,888,285</u>	<u>3,787,723</u>	<u>1,324,181</u>	<u>-</u>	<u>409,579</u>	<u>11,409,768</u>
Total assets	<u>14,812,114</u>	<u>20,300,654</u>	<u>1,930,183</u>	<u>350,802</u>	<u>660,106</u>	<u>38,053,859</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows—relating to pensions	5,564,256	4,621,510	117,843	-	-	10,303,609
Deferred outflows—relating to OPEB	5,064,298	4,929,175	15,437	-	-	10,008,910
Total deferred outflows of resources	<u>10,628,554</u>	<u>9,550,685</u>	<u>133,280</u>	<u>-</u>	<u>-</u>	<u>20,312,519</u>
LIABILITIES						
Current liabilities:						
Accounts payable	312,624	323,445	1,305	4,250	4,250	645,874
Accrued liabilities	460,048	408,605	4,254	-	-	872,907
Accrued interest payable	39,271	698	-	-	-	39,969
Intergovernmental payables	-	-	4,831	-	-	4,831
Unearned revenue	-	33,362	86,617	-	-	119,979
Noncurrent liabilities due within one year:						
Serial bonds, net	554,896	65,775	-	-	-	620,671
Capital leases	6,272	-	-	-	-	6,272
Workers' compensation	519,387	481,645	4,284	-	-	1,005,316
Compensated absences	10,397	13,923	-	-	-	24,320
Total current liabilities	<u>1,902,895</u>	<u>1,327,453</u>	<u>101,291</u>	<u>4,250</u>	<u>4,250</u>	<u>3,340,139</u>
Noncurrent liabilities:						
Serial bonds, net	5,478,965	-	-	-	-	5,478,965
Capital leases	7,360	-	-	-	-	7,360
Workers' compensation	794,702	706,659	13,511	-	-	1,514,872
Compensated absences	197,534	264,546	-	-	-	462,080
Other postemployment benefits obligation	27,912,125	24,447,546	547,513	-	-	52,907,184
Net pension liability	24,211	20,109	513	-	-	44,833
Total noncurrent liabilities	<u>34,414,897</u>	<u>25,438,860</u>	<u>561,537</u>	<u>-</u>	<u>-</u>	<u>60,415,294</u>
Total liabilities	<u>36,317,792</u>	<u>26,766,313</u>	<u>662,828</u>	<u>4,250</u>	<u>4,250</u>	<u>63,755,433</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows—relating to pensions	7,289,084	6,054,102	154,373	-	-	13,497,559
Deferred inflows—relating to OPEB	6,440,330	5,601,926	-	-	-	12,042,256
Deferred gain on refunding	85,913	-	-	-	-	85,913
Total deferred inflows of resources	<u>13,815,327</u>	<u>11,656,028</u>	<u>154,373</u>	<u>-</u>	<u>-</u>	<u>25,625,728</u>
NET POSITION						
Net investment in capital assets	(245,121)	3,721,948	1,324,181	-	-	4,801,008
Unrestricted	<u>(24,447,330)</u>	<u>(12,292,950)</u>	<u>(77,919)</u>	<u>346,552</u>	<u>655,856</u>	<u>(35,815,791)</u>
Total net position	<u>\$ (24,692,451)</u>	<u>\$ (8,571,002)</u>	<u>\$ 1,246,262</u>	<u>\$ 346,552</u>	<u>\$ 655,856</u>	<u>\$ (31,014,783)</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2021

	Business-type Activities					Total Enterprise Funds
	The Pines Machias Campus	The Pines Olean Campus	Onoville Marina	Land Bank Corporation	Sustainability and Growth Corporation	
Operating revenues:						
Net service revenue	\$ 9,709,522	\$ 8,487,408	653,848	\$ -	\$ -	\$ 18,850,778
Operating grants and other operating revenue	-	-	-	530,961	10,968	541,929
Property sales	-	-	-	148,960	-	148,960
Total operating revenues	<u>9,709,522</u>	<u>8,487,408</u>	<u>653,848</u>	<u>679,921</u>	<u>10,968</u>	<u>19,541,667</u>
Operating expenses:						
Personnel services	6,458,779	5,694,049	196,596	-	-	12,349,424
Employee benefits	3,620,256	3,524,626	11,317	-	-	7,156,199
Contractual expenses	4,904,190	4,449,088	255,688	-	-	9,608,966
Depreciation, including indirect charges	568,609	554,807	73,957	-	-	1,197,373
Program services	-	-	-	540,477	-	540,477
Management and general	-	-	-	49,366	4,250	53,616
Total operating expenses	<u>15,551,834</u>	<u>14,222,570</u>	<u>537,558</u>	<u>589,843</u>	<u>4,250</u>	<u>30,906,055</u>
Operating (loss) gain	<u>(5,842,312)</u>	<u>(5,735,162)</u>	<u>116,290</u>	<u>90,078</u>	<u>6,718</u>	<u>(11,364,388)</u>
Nonoperating revenues (expenses):						
Intergovernmental transfer revenue	1,690,483	1,804,611	-	-	-	3,495,094
Grants and other revenue	870,694	678,721	-	-	-	1,549,415
Investment income	3	3	-	-	-	6
Interest expense	(177,857)	(506)	-	-	-	(178,363)
Gain (loss) on disposal of capital assets	760	(260)	-	-	-	500
Other nonoperating revenues	7,070	-	-	-	-	7,070
Total nonoperating revenues (expenses)	<u>2,391,153</u>	<u>2,482,569</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,873,722</u>
Change in net position	(3,451,159)	(3,252,593)	116,290	90,078	6,718	(6,490,666)
Total net position—beginning, as restated	<u>(21,241,292)</u>	<u>(5,318,409)</u>	<u>1,129,972</u>	<u>256,474</u>	<u>649,138</u>	<u>(24,524,117)</u>
Total net position—ending	<u>\$ (24,692,451)</u>	<u>\$ (8,571,002)</u>	<u>\$ 1,246,262</u>	<u>\$ 346,552</u>	<u>\$ 655,856</u>	<u>\$ (31,014,783)</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2021

	Business-type Activities					Total Enterprise Funds
	The Pines Machias Campus	The Pines Olean Campus	Onoville Marina	Land Bank Corporation	Sustainability and Growth Corporation	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from services provided	\$ 10,459,572	\$ 9,070,302	\$ 740,465	\$ -	\$ -	\$ 20,270,339
Receipts from grants	-	-	-	530,961	-	530,961
Receipts from property sales	-	-	-	148,960	-	148,960
Payments to suppliers and service providers	(4,909,162)	(4,448,135)	(459,485)	(585,593)	-	(10,402,375)
Payments to employees for salaries and benefits	(10,026,703)	(8,507,477)	(282,583)	-	-	(18,816,763)
Other receipts	-	-	-	-	10,968	10,968
Net cash (used for) provided by operating activities	<u>(4,476,293)</u>	<u>(3,885,310)</u>	<u>(1,603)</u>	<u>94,328</u>	<u>10,968</u>	<u>(8,257,910)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Receipts for intergovernmental transfer	1,690,483	1,804,611	-	-	-	3,495,094
Receipts from other nonoperating activities	877,764	678,721	-	-	-	1,556,485
Net cash provided by noncapital financing activities	<u>2,568,247</u>	<u>2,483,332</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,051,579</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Principal payments on serial bonds	-	(62,000)	-	-	-	(62,000)
Proceeds from issuance of refunding bonds	5,320,000	-	-	-	-	5,320,000
Redemption of refunding bonds	(6,535,000)	-	-	-	-	-
Bond premium	778,757	-	-	-	-	778,757
Principal payments on capital lease	(6,272)	-	-	-	-	(6,272)
Interest and other fiscal charges paid	(257,312)	(3,022)	-	-	-	(260,334)
Acquisition and construction of capital assets	(173,717)	(369,918)	(36,000)	-	-	(579,635)
Net cash used for capital and related financing activities	<u>(873,544)</u>	<u>(434,940)</u>	<u>(36,000)</u>	<u>-</u>	<u>-</u>	<u>(1,344,484)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts from investments	3	3	-	-	-	6
Receipts from notes receivable	-	-	-	-	54,203	54,203
Net cash provided by investing activities	<u>3</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>54,203</u>	<u>54,209</u>
Net change in cash and cash equivalents	(2,781,587)	(1,836,915)	(37,603)	94,328	65,171	(4,496,606)
Cash and cash equivalents—beginning	10,184,553	16,959,602	631,116	256,474	185,356	28,217,101
Cash and cash equivalents—ending	<u>\$ 7,402,966</u>	<u>\$ 15,122,687</u>	<u>\$ 593,513</u>	<u>\$ 350,802</u>	<u>\$ 250,527</u>	<u>\$ 23,720,495</u>
Reconciliation of operating gain (loss) to net cash provided by (used for) operating activities:						
Operating (loss) gain	\$ (5,842,312)	\$ (5,735,162)	\$ 116,290	\$ 90,078	\$ 6,718	\$ (11,364,388)
Adjustments to reconcile operating gain (loss) to net cash provided by (used for) operating activities:						
Depreciation expense	568,609	554,807	73,957	-	-	1,197,373
Decrease in accounts receivable	830,050	769,532	-	4,250	4,250	1,608,082
(Increase) decrease in inventories	(18,363)	(20,595)	(5,036)	-	-	(43,994)
Decrease in other assets	581	12,641	-	-	-	13,222
Decrease in due from other funds	-	-	120	-	-	120
(Increase) decrease in deferred outflows of resources	(1,474,178)	(1,533,901)	(6,721)	-	-	(3,014,800)
Increase (decrease) in accounts payable	12,810	8,907	(189,134)	-	-	(167,417)
Increase (decrease) in accrued items	19,315	67,890	(1,422)	-	-	85,783
(Decrease) in intergovernmental payables	-	-	(313)	-	-	(313)
(Decrease) in due to other funds	-	-	(9,434)	-	-	(9,434)
(Decrease) increase in unearned revenue	(80,000)	(186,638)	86,617	-	-	(180,021)
Increase in workers' compensation	80,409	74,565	662	-	-	155,636
(Decrease) increase in accrued compensated absences	(160,950)	27,304	-	-	-	(133,646)
(Decrease) in other postemployment benefits	(2,130,506)	(4,380,678)	(63,141)	-	-	(6,574,325)
(Decrease) in net pension liability	(5,318,356)	(972,828)	(109,943)	-	-	(6,401,127)
Increase in deferred inflows of resources	9,036,598	7,428,846	105,895	-	-	16,571,339
Total adjustments	<u>1,366,019</u>	<u>1,849,852</u>	<u>(117,893)</u>	<u>4,250</u>	<u>4,250</u>	<u>3,106,478</u>
Net cash (used for) provided by operating activities	<u>\$ (4,476,293)</u>	<u>\$ (3,885,310)</u>	<u>\$ (1,603)</u>	<u>\$ 94,328</u>	<u>\$ 10,968</u>	<u>\$ (8,257,910)</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Statement of Fiduciary Net Position—Fiduciary Fund
December 31, 2021

	<u>Custodial Fund</u>
ASSETS	
Restricted cash and cash equivalents	\$ 1,227,228
Due from other governments	<u>46,188</u>
Total assets	<u>\$ 1,273,416</u>
LIABILITIES	
Accounts payable	<u>\$ 3,758</u>
Total liabilities	<u>3,758</u>
NET POSITION	
Restricted for bail and courts	1,040,194
Other restricted net position	<u>229,464</u>
Total net position	<u>\$ 1,269,658</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Statement of Changes in Fiduciary Net Position—Fiduciary Fund
Year Ended December 31, 2021

	<u>Custodial Fund</u>
ADDITIONS	
Funds collected on behalf of others	\$ 4,150,320
Total additions	<u>4,150,320</u>
DEDUCTIONS	
Funds distributed on behalf of others	<u>4,244,852</u>
Total deductions	<u>4,244,852</u>
Change in net position	(94,532)
Net position—beginning	<u>1,364,190</u>
Net position—ending	<u>\$ 1,269,658</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Notes to the Financial Statements
Year Ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of Government-wide Financial Statements

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

Reporting Entity

The County was established in 1808 and is governed by the County Law and other laws of the State of New York. Independently elected officials of the County include the County Legislature, County Treasurer, County Clerk, Sheriff, and District Attorney. The Legislature is the governing body of the County. It consists of 17 members elected from 8 legislative districts for four-year terms. The County Legislature appoints a County Administrator to coordinate fiscal and operational functions.

Units of local government, which operate within the boundaries of the County, include the cities of Olean and Salamanca, as well as 32 towns and 9 villages. Public education is provided by the various city and other school districts.

The scope of activities included within the accompanying financial statements are those transactions which comprise County operations, and are governed by, or significantly influenced by, the County Legislature. The County provides mandated social service programs such as Medicaid, food stamps and other public assistance. Additionally, the County provides services and facilities in the areas of culture, recreation, police, youth, health, senior services and roads. The County also operates the Pines Healthcare and Rehabilitation Centers (Machias and Olean Campuses) and the Onoville Marina.

Blended Component Unit—The following blended component unit is a legally separate entity from the County, but is, in substance, part of the County’s operations and therefore data from this unit is combined with data of the primary government.

Cattaraugus County Land Bank Corporation—The Cattaraugus County Land Bank Corporation (the “Land Bank”) was created in September of 2016 by the Cattaraugus County

Board of Legislature under the provisions of the 1973 Laws of New York State. The Land Bank is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Land Bank is a blended component unit because the County is the sole corporate member of the Land Bank. The Land Bank's annual financial report can be obtained by writing the Cattaraugus County Land Bank Corporation, 303 Court Street, Little Valley, NY 14755.

Cattaraugus County Economic Sustainability and Growth Corporation—The Cattaraugus County Economic Sustainability and Growth Corporation (the “Sustainability and Growth Corporation”) was created in April of 2015 by the Cattaraugus County Legislature under the provisions of Section 201 of the Not-for-Profit Corporation Law of New York. The Sustainability and Growth Corporation is a nonprofit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The general purposes of the Sustainability and Growth Corporation are the planning and implementation of programs, projects, and activities designed to create or stimulate economic and community development in the County of Cattaraugus. The Sustainability and Growth Corporation is a blended component unit because the County is the sole corporate member of the Sustainability and Growth Corporation. Further information can be obtained by writing the Cattaraugus County Economic Sustainability and Growth Corporation, 303 Court Street, Little Valley, New York 14755.

Discretely Presented Component Unit—The component unit column in the basic financial statements includes the financial data of the County's discretely presented component unit. This unit is reported in a separate column to emphasize that it is legally separate from the County.

County of Cattaraugus Industrial Development Agency—The County of Cattaraugus Industrial Development Agency (the “CCIDA”) was created in 1971 by the Cattaraugus County Legislature under the provisions of Chapter 536 of the laws of New York State for the purpose of encouraging economic growth in Cattaraugus County. CCIDA is exempt from federal and state income taxes. CCIDA is a discretely presented component unit because members of CCIDA's board are appointed by the County Legislature and the CCIDA need County Legislature approval for various actions. CCIDA's annual financial report can be obtained by writing the County of Cattaraugus Industrial Development Agency, 9 East Washington Street, P.O. Box 1749, Ellicottville, New York 14731.

Excluded from the Financial Reporting Entity—Although the following are related to the County, they are not included in the County reporting entity.

Jamestown Community College—Jamestown Community College (the “College”) is a locally sponsored, two-year community college founded in 1950. The College is part of a statewide system of two-year institutions designed to provide technical, para-professional, and university parallel education. The College is one of thirty community colleges within the State University of New York (“SUNY”). SUNY Community Colleges are financed by New York State, student tuition, and sponsor contributions. In 1996, the State of New York amended Article 126 of the Education Law through Chapter 144 of the Laws of 1996. The law changed sponsorship of the College from the City of Jamestown to the Jamestown Community College Region, effective September 1, 1996. This region is made up of the City of Jamestown and Chautauqua and Cattaraugus Counties. The College is excluded from the financial reporting entity because the County is unable to appoint a voting majority of the Board of Trustees and the College is not fiscally dependent on the County. Further information can be obtained by writing Jamestown Community College, Administration Office, 525 Falconer Street, Jamestown, New York 14701.

Cattaraugus County Soil & Water Conservation District—The Cattaraugus County Soil & Water Conservation District (the “District”) was formed by an act of the Cattaraugus County Board of Supervisors on April 24, 1941, under the provisions of Article 3, Section 30, of the General Municipal Law. The District is a nonprofit corporation set up to coordinate state and federal conservation programs on a local level. The District provides education and technical assistance on managing soil, water, and related natural resources to municipalities, farmers, business owners, and homeowners. The District is excluded from the reporting entity because the County is unable to appoint a voting majority of the Board of Directors of the District and the District is not fiscally dependent on the County. Further information can be obtained by writing Cattaraugus County Soil & Water Conservation District, 8 Martha Street Suite 2, P.O. Box 1765, Ellicottville, NY 14731.

Basis of Presentation—Government-wide Financial Statements

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

As discussed earlier, the County has one discretely presented component unit. While the CCIDA is not considered to be a major component unit, it is shown in a separate column in the government-wide statements.

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

Basis of Presentation—Fund Financial Statements

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

The County reports the following major governmental funds:

- *General Fund*—The General Fund constitutes the primary operating fund of the County and accounts for all financial resources of the general government, except those required to be accounted for in other funds. The principal sources of revenue for the General Fund are property taxes and sales tax.
- *Capital Projects Fund*—The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment other than those financed by enterprise funds.

The County reports the following major enterprise funds:

- *The Pines Healthcare and Rehabilitation Center Fund*—Machias Campus—(“The Pines Machias Campus”) Nursing facility delivering long-term care and short-term rehabilitation services to the citizens of Cattaugus County and neighboring communities.
- *The Pines Healthcare and Rehabilitation Center Fund*—Olean Campus—(“The Pines Olean Campus”) Nursing facility delivering long-term care and short-term rehabilitation services to the citizens of Cattaugus County and neighboring communities.
- *Onoville Marina*—Marina maintained and operated by the Cattaugus County Department of Public Works.
- *Land Bank Corporation*—The Cattaugus County Land Bank, a blended component unit, is used to account for operations aimed to help communities recover from the effects of foreclosures.
- *Economic Sustainability and Growth Corporation*—The Cattaugus County Economic Sustainability and Growth Corporation, a blended component unit, was formed to promote economic growth and attract new business to the County.

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

Additionally, the County reports the following fund type:

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

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

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental

activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and 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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue sources (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue sources (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

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

The Custodial Fund is reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

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

Cash and Cash Equivalents and Investments—Cash and cash equivalents include cash on hand, demand deposits, time deposits and short-term, highly liquid investments which are readily convertible to known amounts of cash and have maturities of three months or less from the date of acquisition. The County’s investments are recorded at fair value in accordance with GASB.

Restricted Cash and Cash Equivalents—Restricted cash and cash equivalents represent amounts to support fund balance restrictions, unspent proceeds of debt, and resources received in advance relating to unearned revenue and deferred inflows of resources.

Receivables—Receivables are stated net of estimated allowances for uncollectible amounts. Amounts due from state and federal governments represent amounts owed to the County to reimburse it for expenditures incurred pursuant to state and federally funded programs. All major revenues of the County are considered “susceptible to accrual” under the modified accrual basis. These include property tax, sales tax, State and Federal aid, and various grant program revenues.

Inventory—Inventory, which is comprised of medical supplies and gasoline, is valued at the lower of cost using the first in, first out (FIFO) method or market value.

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

Notes Receivable—The Sustainability and Growth Corporation, a blended component unit of the County, records a note receivable at year-end. This note receivable represents a loan that is operated by the Sustainability and Growth Corporation for the purpose of making operating and capital loans to existing and potential companies located or locating operations within the County. These loans are made to create or retain jobs.

Capital Assets—Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements, as well as within the individual proprietary fund. Capital assets are defined by the County as assets with an initial, individual cost as defined below and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of acquisition.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

The County depreciates capital assets using the straight-line method over the following estimated useful lives:

Class of Assets	Primary Government	Capitalization Threshold
Land	None	\$ 5,000
Construction in progress	None	50,000
Buildings and improvements	40	50,000
Facilities and other improvements	30-40	50,000
Infrastructure	10-40	50,000
Computers	5	1
Software	3	5,000
Equipment and vehicles	2-20	1,000
Library books and materials	5	1

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

Unearned Revenue—Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial purposes. At December 31, 2021, the County reported \$2,532,826 of unearned revenues in the General Fund, \$7,312,864 in nonmajor governmental funds, and \$119,979 in business-type activities. These funds receive overpayments and grant money in advance but have not performed the related services, and therefore recognizes a liability.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2021, the County has three items that qualified for reporting in this category. The first item is related to pensions reported in the government-wide financial statements, as well as within individual proprietary funds. This represents the effect of the net change in the County's proportion of the collective net pension liability, the difference during the measurement period between the County's contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense, and any contributions to the pension system made subsequent to the measurement date. The second item is related to OPEB and is reported in the government-wide financial statements and represents the effects of the change in the County's proportion of the collective OPEB liability and difference during the measurement period between certain of the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability. The third item is related to a deferred charge on refunding, which the County reports within its governmental activities.

In addition to liabilities, the statement of financial position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has four items which qualify for reporting in this category. The first item, taxes receivable, arises only under a modified accrual basis of accounting. Accordingly, a deferred inflow of resources for taxes receivable is reported only on the governmental funds balance sheet. The second item reports deferred inflows related to State aid that has not met timing restrictions on both the governmental funds and balance sheet and the statement of net position. The third item represents the effect of the net change in the County's proportion of the collective net pension liability and the difference during the measurement periods between the County's contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the government-wide financial statements, as well as within the individual proprietary funds. The final item represents the effects of the change in the County's proportion of the collective OPEB liability and difference during the measurement period between certain of the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability and is reported on the government-wide financial statements, as well as within the individual proprietary funds.

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

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

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

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

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

Revenues and Expenditures/Expenses

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses—Proprietary funds distinguish *operating* revenues and expense from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues for the

Pines, Onoville Marina, Land Bank, and Sustainability and Growth Corporation are elderly assistance and healthcare related services, dock and marina charges, property grants, and economic development grants, respectively. Operating expenses for the Pines are nursing, dietary, ancillary, housekeeping, laundry, maintenance, fiscal, assessments and administrative services. Operating expenses for the Onoville Marina include contractual services and fringe benefits. Operating expenses for the Land Bank include program services and management and general expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property Taxes—The Countywide property tax is levied by the County upon the taxable real property, in the towns and cities in the County. Town taxes are levied along with the County tax while cities are levied separately. The levy is effective January 1st, the lien date, on the assessed valuation of property located in the County as of the preceding March 1st. The respective collection officers in each town and city collect such taxes.

County taxes are payable through January 31st without interest. After that, penalties are imposed on unpaid taxes by charging 1% interest in February, and an additional 1% interest in March. Unpaid taxes are returned to the County for collection April 1st. At that time, a return penalty of 5% is added to the original tax amount with 3% interest for the month of April. An additional 1% interest is added each month that the tax remains unpaid. County taxes within the City of Salamanca do not get returned to the County for collection. The City of Salamanca guarantees collection of all County taxes. Town taxes, levied along with the County tax, include special district, fire district and highway taxes. All towns first retain their share of taxes from collection and then remit the balance to the County. The City of Olean levies a city tax May 1st. Unpaid City of Olean taxes are returned to the County for collection on November 1st. The City of Salamanca taxes are levied and collected only by the city. Cattaraugus County does not collect City of Salamanca taxes. The County levies taxes for school districts throughout the County and is responsible for uncollected school district taxes. Additionally, at the option of the villages within the County, the County is responsible for uncollected village taxes. Therefore, if there are any unpaid and returned school, City of Olean, or village taxes, they will be relieved onto the County tax.

A petition and notice of foreclosure is filed in the Cattaraugus County Clerk's office in October for any property that has an unpaid tax lien at least twenty-one months old. A judgment of Foreclosure is obtained if the property is not redeemed by a date in January, a date that is fixed and identified in the petition and notice of foreclosure. A property tax auction is held, usually in May, following that judgment of foreclosure. All actions, along with necessary notices and advertisements are carried out according to Article 11 of the Real Property Tax Law.

Compensated Absences—The County's union contracts and agreements permit employees to accumulate earned but unused vacation and sick benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary funds financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

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

Pension Plan—The County is mandated by New York State law to participate in the New York State Local Employees' Retirement System ("ERS"). For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, and pension expense, information about the

fiduciary net position of the defined benefit pension plan, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 6.

Other Postemployment Benefits—In addition to providing pension benefits, the County provides payments for fractional values of unused sick leave for certain retired employees at the time of retirement as discussed in Note 7.

Other

Estimates—The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenditures, assets, liabilities, deferred outflows/inflows of resources, and disclosures of contingent liabilities at the date of the financial statements and during the reported period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2021, the County implemented GASB Statements No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*; No. 91, *Conduit Debt Obligations*; No. 93, *Replacement of Interbank Offered Rates*; and No. 98, *The Annual Comprehensive Financial Report*. GASB Statement No. 89 enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for certain interest costs. GASB Statement No. 91 clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. GASB Statement No. 93 addresses those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate (“IBOR”). GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR, which replaces the acronym for comprehensive annual financial report. The implementation of GASB Statements No. 89, 91, 93 and 98 did not have a material impact on the County’s financial position or results from operations.

Future Impacts of Accounting Pronouncements—The County has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 87, *Leases*, effective for the year ending December 31, 2022, No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; No. 96, *Subscription-Based Information Technology Arrangements*; and No. 99, *Omnibus 2022*, effective for the year ending December 31, 2023, and No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences*, effective for the year ended December 31, 2024. The County is, therefore, unable to disclose the impact that adopting GASB Statements No. 87, 94, 96, 99, 100, and 101 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

Legal Compliance—Budgets and Budgetary Accounting—Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, County Road Fund, Road Machinery Fund, Conewango Watershed Fund, and Debt Service Fund. The Capital Projects Fund is appropriated on a project-length basis. Other special revenue funds and the permanent fund

do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

The appropriated budget is prepared by fund, function, and department. The County's department heads may make transfers of appropriations within a department. The Administrator's Office is authorized by the County Legislature to transfer up to a total of \$10,000 per year into any budgetary account, with the following exceptions: (1) Departments of Social Services and Public Works, transfers can be made in excess of \$10,000 with the approval of the Chairman of the Finance Committee and the County Administrator, (2) transfers without limitation for the purpose of budgeting or amending appropriations and revenues for the Workforce Investment Board, upon notification from the federal government of the grant amount, and (3) transfers within the budget in connection with settlements of collective bargaining agreements. After November 1 of each budget year, the Administrator's Office is authorized to transfer without limitations for the purpose of closure of the County's financial books for the fiscal year, with the approval of the Chairman of the Finance Committee and the County Administrator. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Deficit Net Position—The County reported a governmental activities net position deficit of \$104,515,846. This deficit results primarily from the recognition of long-term liabilities related to OPEB and pension. The County anticipates that these deficits will be funded by future taxes. The Pines Machias Campus and the Pines Olean Campus proprietary funds reported net position deficits of \$24,692,451 and \$8,571,002. The County anticipates that this deficit will be remedied through enhanced operations or future subsidies from the County.

Blended Component Unit Restatement of Net Position—During the year ended December 31, 2021, the Land Bank corrected an error in its recording of unearned revenue. As a result of the change, the County's business-type activities' net position at December 31, 2020 was restated by \$97,657, from \$(24,621,774) to \$(24,524,117).

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County deposits cash into a number of bank accounts. Various statutes require some of these accounts and borrowing restrictions for specific funds, while the remainder is used for a combination of pooled County operating cash and investment purposes. Cash and cash equivalents represent demand deposits with banks and certificates of deposit held by financial institutions all having original maturities of less than three months. Management is responsible for accounting and safeguarding the patient trust funds, however the funds are not accessible by the County.

The County's investment policies are governed by State statutes. In addition, the County has its own written investment policy. County monies must be deposited in FDIC-insured commercial banks or trust companies located within New York State. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

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

Cash and cash equivalents (including restricted cash and cash equivalents) at December 31, 2021, are as follows:

	Governmental Activities	Business-type Activities	Fiduciary Fund	Total Balance
Petty cash (uncollateralized)	\$ 58,706	\$ 1,850	\$ -	\$ 60,556
Cash and cash equivalents	<u>36,398,191</u>	<u>23,718,645</u>	<u>1,227,228</u>	<u>61,344,064</u>
Total	<u>\$ 36,456,897</u>	<u>\$ 23,720,495</u>	<u>\$ 1,227,228</u>	<u>\$ 61,404,620</u>

Deposits—All deposits are carried at fair value and are classified by custodial credit risk at December 31, 2021 as follows:

	<u>December 31, 2021</u>	
	<u>Bank Balance</u>	<u>Carrying Amount</u>
FDIC Insured	\$ 2,250,000	\$ 2,250,000
Uninsured:		
Collateral held by bank's agent in the County's name	<u>58,151,382</u>	<u>59,094,064</u>
Total	<u>\$ 60,401,382</u>	<u>\$ 61,344,064</u>

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As noted above, by New York State statute all deposits in excess of FDIC insurance coverage must be collateralized. At December 31, 2021, the County's deposits were either FDIC insured or collateralized with securities held by the pledging bank's agent in the County's name.

Restricted Cash and Cash Equivalents—The County reports restricted cash and cash equivalents for certain fund balance restrictions, unspent proceeds of debt and resources received in advance relating to unearned revenue and unavailable revenue—state aid, and amounts held on behalf of others. At December 31, 2021, the County reported \$23,252,011 of restricted cash and cash equivalents within its governmental activities, \$467,434 within in its business-type activities, and \$1,227,228 within its Custodial Fund.

Investments—All investments are reported using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as presented below:

- Level 1. Quotes prices for identical assets or liabilities in active markets to which the County has access at the measurement date.
- Level 2. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar asses in markets that are not active;

- Observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
- Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value to the extent that observable inputs are not available.

Investments reported within governmental activities at December 31, 2021 are as follows:

	12/31/2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
GNMA bonds	\$ 36,454,776	\$ 36,217,186	\$ -	\$ -
	\$ 36,454,776	\$ 36,217,186	\$ -	\$ -

Interest Rate Risk—Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of deposits and investments. The County's investment policy minimizes the risk by structuring the investment portfolio so that the deposits and investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell deposits and investments on the open market prior to maturity. Deposits are primarily invested in short-term securities or similar investment pools with maturities less than one year. Investments are invested in long-term securities or similar investment pools with maturities greater than one year.

Custodial Credit Risk—Investments—Credit risk is defined as the risk that an issuer or other counterpart to an investment in debt securities will not fulfill its obligation. The County's investment policy minimizes credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the County does business, and diversifying the investment portfolio so that potential losses on individual securities are minimized. GNMA bonds and U.S. Treasury notes are backed by the full faith and credit of the U.S. government and are considered to be of the highest credit quality.

Concentration of Credit Risk—Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's policy places limits on the amount the County may invest in any one issuer of \$35 million. As of December 31, 2020, the County's investments in any single issuer do not exceed the limit established by its policy. Investments issued or explicitly guaranteed by the U.S. government are excluded from this requirement.

County of Cattaraugus Industrial Development Agency

The carrying amount and bank balance of cash and investments held by the CCIDA at December 31, 2021 was \$493,375 and \$731,608, respectively. The CCIDA's deposits were either fully covered by FDIC insurance or collateralized with securities held by the pledging bank's agent in CCIDA's name at December 31, 2021.

3. RECEIVABLES

Revenues accrued by the County at December 31, 2021:

Taxes Receivable—Represents unpaid county, school, and village taxes. At December 31, 2021, the General Fund reported taxes receivable of \$9,681,160.

Accounts Receivable—Represents amounts due from various sources. The County’s accounts receivable at December 31, 2021 are presented below:

General Fund:			
Various fees and charges		\$	3,371,699
Nonmajor Governmental Funds:			
County Road	\$	4,477	
Road Machinery		30,762	
Debt Service		<u>29,612</u>	<u>64,851</u>
Total governmental funds			<u>\$ 3,436,550</u>
Proprietary Funds:			
Resident accounts receivable, net		\$	<u>2,822,432</u>
Total proprietary funds			<u>\$ 2,822,432</u>

At December 31, 2021, the Statement of Net Position presents an additional \$226,695 in economic development loans within accounts receivable that are received after the availability period for recognition of revenue in the governmental funds’ financial statements.

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State, or other local municipalities. Intergovernmental receivables at December 31, 2021 are presented below:

Governmental Funds:			
General Fund:			
Due From New York State and Federal government		\$	15,599,713
Capital Projects Fund:			
Due From New York State and Federal government			1,162,625
Nonmajor Governmental Funds:			
County road	\$	1,122,640	
Road machinery		<u>5,777</u>	<u>1,128,417</u>
Total governmental funds			<u>\$ 17,890,755</u>

Cattaraugus County Sustainability and Growth Corporation

The Sustainability and Growth Corporation has two notes receivable in the amount of \$205,334 and \$204,245 due from local companies. The terms of the notes call for monthly payments of principal and interest totaling \$2,602 and \$2,829, respectively. The final payments of the notes are due in April 2024 and April 2028, respectively.

4. CAPITAL ASSETS

Governmental activities—Capital asset activity for governmental activities for fiscal year ending December 31, 2021 was as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, not being depreciated:				
Land	\$ 1,918,632	\$ -	\$ -	\$ 1,918,632
Construction in progress	40,672,217	6,179,008	2,170,455	44,680,770
Total capital assets, not being depreciated	<u>42,590,849</u>	<u>6,179,008</u>	<u>2,170,455</u>	<u>46,599,402</u>
Capital assets, being depreciated:				
Infrastructure	231,434,890	7,168,948	-	238,603,838
Buildings and improvements	27,161,909	-	-	27,161,909
Machinery and equipment	30,335,073	3,379,986	2,918,095	30,796,964
Books	505,658	-	-	505,658
Total capital assets, being depreciated	<u>289,437,530</u>	<u>10,548,934</u>	<u>2,918,095</u>	<u>297,068,369</u>
Less accumulated depreciation for:				
Infrastructure	126,551,925	8,550,046	-	135,101,971
Buildings and improvements	19,741,452	529,456	-	20,270,908
Machinery and equipment	16,939,210	2,090,346	1,916,418	17,113,138
Books	505,658	-	-	505,658
Total accumulated depreciation	<u>163,738,245</u>	<u>11,169,848</u>	<u>1,916,418</u>	<u>172,991,675</u>
Total capital assets, being depreciated	<u>125,699,285</u>	<u>(620,914)</u>	<u>1,001,677</u>	<u>124,076,694</u>
Governmental activities capital assets, net	<u>\$ 168,290,134</u>	<u>\$ 5,558,094</u>	<u>\$ 3,172,132</u>	<u>\$ 170,676,096</u>

Construction in progress at December 31, 2021 is comprised primarily of County roads, bridges, culverts, and building projects in which the project was not complete at year end.

Depreciation expense, for governmental activities, was charged to the functions and programs of the primary government as presented below:

Governmental activities:	
General government support	\$ 751,813
Education	70
Public safety	634,273
Health	71,521
Transportation	9,429,315
Economic assistance and opportunity	70,564
Culture and recreation	1,335
Home and community services	210,957
Total depreciation expense—governmental activities	<u>\$ 11,169,848</u>

Business-type activities—The Pines Funds—Capital assets for the primary government’s business-type activities—The Pines Funds—at December 31, 2021 are presented below:

The Pines Machias Campus		The Pines Olean Campus	
	Balance 12/31/2021		Balance 12/31/2021
Capital assets, not being depreciated		Capital assets, not being depreciated	
Construction in progress	\$ 207,021	Land	\$ 61,351
Total capital assets, not being depreciated	<u>207,021</u>	Total capital assets, not being depreciated	<u>61,351</u>
Capital assets, being depreciated		Capital assets, being depreciated	
Buildings and improvements	16,911,438	Buildings and improvements	7,525,506
Fixed and moveable equipment	<u>2,950,164</u>	Fixed and moveable equipment	<u>8,606,615</u>
Total capital assets, being depreciated	<u>19,861,602</u>	Total capital assets, being depreciated	<u>16,132,121</u>
Less accumulated depreciation	<u>14,180,338</u>	Less accumulated depreciation	<u>12,405,749</u>
Total capital assets, being depreciated, net	<u>5,681,264</u>	Total capital assets, being depreciated, net	<u>3,726,372</u>
Capital assets, net	<u>\$ 5,888,285</u>	Capital assets, net	<u>\$ 3,787,723</u>

Business-type activities—Onoville Marina—Capital assets for the primary government’s business-type activities—Onoville Marina—for the year ended December 31, 2021 as presented below:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, not being depreciated:				
Land	\$ 813,215	\$ -	\$ -	\$ 813,215
Total capital assets, not being depreciated	<u>813,215</u>	<u>-</u>	<u>-</u>	<u>813,215</u>
Capital assets, being depreciated:				
Buildings and improvements	2,556,675	26,709	-	2,583,384
Machinery and equipment	<u>323,755</u>	<u>9,291</u>	<u>602</u>	<u>332,444</u>
Total capital assets, being depreciated	<u>2,880,430</u>	<u>36,000</u>	<u>602</u>	<u>2,915,828</u>
Less accumulated depreciation for:				
Buildings and improvements	2,077,068	56,957	-	2,134,025
Machinery and equipment	<u>254,439</u>	<u>17,000</u>	<u>602</u>	<u>270,837</u>
Total accumulated depreciation	<u>2,331,507</u>	<u>73,957</u>	<u>602</u>	<u>2,404,862</u>
Total capital assets, being depreciated	<u>548,923</u>	<u>(37,957)</u>	<u>-</u>	<u>510,966</u>
Governmental activities capital assets, net	<u>\$ 1,362,138</u>	<u>\$ (37,957)</u>	<u>\$ -</u>	<u>\$ 1,324,181</u>

County of Cattaraugus Industrial Development Agency

Capital asset activity for the CCIDA for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, not being depreciated:				
Land	\$ 149,299	\$ -	\$ -	\$ 149,299
Total capital assets, not being depreciated	<u>149,299</u>	<u>-</u>	<u>-</u>	<u>149,299</u>
Capital assets, being depreciated:				
Improvements	929,373	-	-	929,373
Furniture and equipment	38,424	-	-	38,424
Total capital assets, being depreciated	<u>967,797</u>	<u>-</u>	<u>-</u>	<u>967,797</u>
Less accumulated depreciation	<u>(869,287)</u>	<u>(629)</u>	<u>-</u>	<u>(869,916)</u>
CCIDA capital assets, net	<u>\$ 247,809</u>	<u>\$ (629)</u>	<u>\$ -</u>	<u>\$ 247,180</u>

5. ACCRUED LIABILITIES

Accrued liabilities reported by the governmental funds at December 31, 2021, were as follows:

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Salary and employee benefits	\$ 2,066,883	\$ 148,667	\$ 277,049	\$ 2,492,599
Workers' compensation	<u>2,275,000</u>	<u>-</u>	<u>-</u>	<u>2,275,000</u>
Total accrued liabilities	<u>\$ 4,341,883</u>	<u>\$ 148,667</u>	<u>\$ 277,049</u>	<u>\$ 4,767,599</u>

Accrued liabilities reported by the proprietary funds at December 31, 2021, were as follows:

	The Pines Machias Campus	The Pines Olean Campus	Onoville Marina	Total Proprietary Funds
Salary and employee benefits	\$ 460,048	\$ 408,605	\$ 4,254	\$ 872,907
Accrued interest payable	<u>39,271</u>	<u>698</u>	<u>-</u>	<u>39,969</u>
Total accrued liabilities	<u>\$ 499,319</u>	<u>\$ 409,303</u>	<u>\$ 4,254</u>	<u>\$ 912,876</u>

6. RETIREMENT SYSTEM PENSION PLAN

Plan Descriptions and Benefits Provided

New York State and Local Employees' Retirement System ("ERS")—The County participates in the ERS (the "System"), which is a cost-sharing, multiple-employer, public employee retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head

of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (“NYSRSSL”). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System is included in the State’s financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244.

The system is noncontributory, except for employees who joined the ERS after July 27, 1976 who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 10, 2010, who generally contribute three percent (3%) to three and one half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers’ contributions based on salaries paid during the System’s fiscal year ending March 31.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2021, the County reported the following liabilities for its proportionate share of the net pension liabilities for ERS. The net pension liabilities were measured as of March 31, 2021. The total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of April 1, 2020, with update procedures used to roll forward the total net pension liabilities to the measurement date. The County’s proportion of the net pension liabilities were based on projections of the County’s long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the County.

	ERS		
	Governmental Activities	Business-type Activities	Primary Government
Measurement date	March 31, 2021	March 31, 2021	March 31, 2021
Net pension liability	\$ 178,102	\$ 44,833	\$ 222,935
County's portion of the Plan's total net pension liability	0.1788646%	0.0450240%	0.2238886%

For the year ended December 31, 2021, the County recognized pension expense of \$3,356,804 and \$844,979 for governmental and business-type activities, respectively. The deferred outflows of resources and deferred inflows of resources related to pensions reported at December 31, 2021 are presented on the following page.

	ERS					
	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Primary Government	Governmental Activities	Business-type Activities	Primary Government
Differences between expected and actual experiences	\$ 2,175,115	\$ 547,523	\$ 2,722,638	\$ -	\$ -	\$ -
Changes in assumption	32,747,324	8,243,193	40,990,517	617,623	155,470	773,093
Net difference between projected and actual earnings on pension plan investments	-	-	-	51,161,555	12,878,444	64,039,999
Changes in proportion and differences between the County's contributions and proportionate share of contributions	629,674	158,502	788,176	1,841,899	463,645	2,305,544
County contributions subsequent to the measurement date	5,380,524	1,354,391	6,734,915	-	-	-
Total	<u>\$ 40,932,637</u>	<u>\$ 10,303,609</u>	<u>\$ 51,236,246</u>	<u>\$ 53,621,077</u>	<u>\$ 13,497,559</u>	<u>\$ 67,118,636</u>

The County's contributions subsequent to the measurement date will be recognized as a reduction of the net position liability in the year ending December 31, 2022. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as presented below:

Year Ending December 31,	ERS		
	Governmental Activities	Business-type Activities	Primary Government
2022	\$ (3,605,983)	\$ (907,701)	\$ (4,513,684)
2023	(1,445,055)	(363,750)	(1,808,805)
2024	(3,010,401)	(757,782)	(3,768,183)
2025	(10,007,525)	(2,519,108)	(12,526,633)

Actuarial Assumptions—The total pension liabilities as of measurement date were determined by using actuarial valuations as noted in the table below, with update procedures used to roll forward the total pension liabilities to the measurement date. The actuarial valuations used and actuarial assumptions are presented below:

	ERS
Measurement date	March 31, 2021
Actuarial valuation date	April 1, 2020
Interest rate	5.90%
Salary scale	4.40%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.70%
Cost-of-living adjustments	1.40%

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

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

Measurement date	ERS	
	Target Allocation	Long-Term Expected Real Rate of Return
	March 31, 2021	
Asset class:		
Domestic equities	32.0 %	4.1 %
International equities	15.0	6.3
Private equity	10.0	6.8
Real estate	9.0	5.0
Absolute return strategies	3.0	4.5
Credit	4.0	3.6
Real assets	3.0	6.0
Fixed income	23.0	0.0
Cash	1.0	0.5
Total	100.0 %	

Discount Rate—The discount rate used to calculate the total pension liabilities was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Governmental Activities:			
Employer's proportionate share of the net pension liability/(asset)	\$ 49,434,393	\$ 178,102	\$ (45,247,726)
Business-type Activities:			
Employer's proportionate share of the net pension liability/(asset)	\$ 12,443,681	\$ 44,833	\$ (11,389,807)
Primary government			
Employer's proportionate share of the net pension liability/(asset)	\$ 61,878,074	\$ 222,935	\$ (56,637,533)

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

	(Dollars in Thousands)	
	ERS	
Valuation date	April 1, 2020	
Employers' total pension liability	\$	220,680,157
Plan fiduciary net position		220,580,583
Employers' net pension liability	\$	99,574
System fiduciary net position as a percentage of total pension liability		100.0%

County of Cattaraugus Industrial Development Agency

At December 31, 2021, the CCIDA reported the following liability for its proportionate share of the net pension liability for the System. The net pension liability was measured as of March 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The CCIDA's long-term share of contributions to the System relative to the projection of the CCIDA's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the NYSLRS in a report provided to the CCIDA.

	ERS
Actuarial Valuation Date	April 1, 2020
Net pension liability	\$ 620
CCIDA's portion of the Plan's total net pension liability	0.0006226%

For the year ended December 31, 2021 the CCIDA recognized pension expense of \$7,977. The CCIDA's deferred outflows and deferred inflows of resources related to pensions reported at December 31, 2021 are presented on the following page.

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,571	\$ -
Changes of Assumptions	113,988	2,150
Net difference between projected and actual earnings on pension investments	-	178,085
Changes in proportion and differences between the CCIDA's contributions and proportionate share of contributions	-	11,773
CCIDA contributions subsequent to the measurement date	26,618	-
Total	<u>\$ 148,177</u>	<u>\$ 192,008</u>

The CCIDA's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	ERS
2022	\$ (15,415)
2023	(7,317)
2024	(12,052)
2025	(35,665)

7. OTHER POSTEMPLOYMENT BENEFITS ("OPEB") OBLIGATION

Plan description—The County administers the Cattaraugus County Retiree Health Insurance Plan (the "Plan") as a single-employer defined benefit other postemployment benefit plan. The Plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the County subject to applicable collective bargaining and employment agreements. The Plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

Benefit provisions are based on individual contracts with the County, as negotiated from time to time. The Plan does not issue a publically available financial report. The County recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider.

Employees Covered by Benefit Terms—At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	599
Active employees	844
	<u>1,443</u>

Total OPEB Liability

The County's total OPEB liability of \$267,836,270 for governmental activities and \$52,907,184 for business-type activities was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021.

Actuarial Assumptions and Other Inputs—Calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the employer and the plan members) at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the January 1, 2021 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate changed from 2.00% effective January 1, 2021 to 1.84% effective December 31, 2021. The salary scale remained unchanged at 2.00%. The mortality improvement scale was updated from Scale MP-2020 mortality improvement scale on a generational basis to Scale MP-2021 mortality improvement scale on a generational basis. The annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2022_f4 (the Getzen model).

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2020 to December 31, 2020.

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

	Total OPEB Liability		
	Governmental Activities	Business-type Activities	Primary Government
Balances at December 31, 2020	\$ 282,178,186	\$ 56,073,659	\$ 338,251,845
Changes for the year:			
Service cost	11,037,896	2,020,038	13,057,934
Interest	5,150,238	1,015,032	6,165,270
Differences between expected and actual experience	(32,524,948)	(6,631,791)	(39,156,739)
Changes of assumptions or other inputs	8,353,383	1,850,810	10,204,193
Benefit payments	(6,358,485)	(1,420,564)	(7,779,049)
Net changes	(14,341,916)	(3,166,475)	(17,508,391)
Balances at December 31, 2021	\$ 267,836,270	\$ 52,907,184	\$ 320,743,454

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

	1% Decrease (0.84%)	Current Discount Rate (1.84%)	1% Increase (2.84%)
Governmental Activities:			
Net OPEB Liability	\$ 318,738,669	\$ 267,836,270	\$ 227,466,795
Business-type Activities:			
Net OPEB Liability	\$ 62,962,217	\$ 52,907,184	\$ 44,932,777
Primary government:			
Net OPEB Liability	\$ 381,700,886	\$ 320,743,454	\$ 272,399,572

Additionally, healthcare costs can be subject to considerable volatility over time. The table below presents the effect on the net OPEB liability of a 1% change in the initial (4.50%)/ultimate (3.78%) healthcare cost trend rates.

	1% Decrease (3.50%/2.78%)	Healthcare Cost Trend Rates (4.50%/3.78%)	1% Increase (5.50%/4.78%)
Governmental Activities:			
Net OPEB Liability	\$ 218,082,311	\$ 267,836,270	\$ 333,560,547
Business-type Activities:			
Net OPEB Liability	\$ 43,079,009	\$ 52,907,184	\$ 65,890,064
Primary government:			
Net OPEB Liability	\$ 261,161,320	\$ 320,743,454	\$ 399,450,611

Funding Policy—Authorization for the County to pay a portion of retiree health insurance premiums was enacted through various union contracts as specified above, which were ratified by the County Legislature. The County recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider. County governmental and business-type activities contributed \$6,358,485 and \$1,420,564 for the fiscal year ended December 31, 2021, respectively. The County’s contributions to the OPEB plan are based on negotiated contracts with three bargaining units, as discussed in Note 16. Any amendments to the employer’s contributions are subject to the collective bargaining agreements.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows and inflows of resources due to differences during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability are required to be determined. The table on the following page presents the County’s deferred inflows of resources at December 31, 2021.

	Deferred Outflows of Resources		
	Governmental	Business-type	Primary
	Activities	Activities	Government
Changes of assumptions	\$ 55,196,864	\$ 10,008,910	\$ 65,205,774
Total	<u>\$ 55,196,864</u>	<u>\$ 10,008,910</u>	<u>\$ 65,205,774</u>

	Deferred Inflows of Resources		
	Governmental	Business-type	Primary
	Activities	Activities	Government
Differences between expected and actual experience	\$ 50,405,992	\$ 9,001,608	\$ 59,407,600
Changes of assumptions	17,610,235	3,040,648	20,650,883
Total	<u>\$ 68,016,227</u>	<u>\$ 12,042,256</u>	<u>\$ 80,058,483</u>

The amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31,	Governmental Activities	Business-type Activities	Primary Government
2022	\$ (3,510,022)	\$ (711,002)	\$ (4,221,024)
2023	(3,510,022)	(726,133)	(4,236,155)
2024	(3,510,022)	(315,433)	(3,825,455)
2025	(1,978,701)	278,674	(1,700,027)
2026	1,296,082	(92,509)	1,203,573
Thereafter	(1,606,678)	(466,943)	(2,073,621)

8. RISK MANAGEMENT

The County records its risk management activities in the General Fund. The County assumes the liability for most risk including, but not limited to workers' compensation, employee health insurance, property damage, and personal injury liability. The insurance policies obtained at this time include: property; boiler and machinery; faithful performance bonds; and auto liability on specific vehicles of the Sheriff's Department. For these insurance policies, no amount of settlements exceeded the insurance coverage during the past three years. In order to control losses due to risk exposure, the risk management department has developed a program to identify, evaluate, control and fund various municipal exposures. The County assumes the risk for its nursing homes, the Pines, workers' compensation liabilities. The Pines pay an annual premium to the County.

Risk Management—The County carries commercial excess liability insurance of \$10,000,000 per occurrence with a \$20,000,000 aggregate annual limit for its government operations. The County carries commercial property coverage insurance subject to a maximum limit of any one occurrence of \$10,000,000. The County is self-insured for workers' compensation and employers' liability with a specific excess maximum limit of indemnity per occurrence of \$1,000,000 and an aggregate maximum limit of liability with respect to all occurrences taking place within the liability period of \$1,000,000. The County also carries employee dishonest coverage and commercial crime coverage insurance at varying limits dependent on the type of claim.

Litigation/Claims Payable—The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently able to be determined, in the opinion of the County's attorney and outside legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Cattaraugus County Health Plan—As of April 1, 1998, the County established a self-insured health plan for its eligible employees and retirees. The County's departments pay a "premium" to the plan based on the estimated costs, which is used to fund claims as they are incurred. The plan's current claims outstanding of \$1,765,971 are recorded within the General Fund as of December 31, 2021.

Worker's Compensation Plan—The County established a self-insured plan for worker's compensation by a local law on January 1, 1990. The plan is administered by the risk manager. The County is a participant in the plan and the cities of Olean and Salamanca, the towns and villages located within the County and other eligible public entities may elect to become a participant. The annual estimate of expense is apportioned among the participant's based on the total value of the participant's taxable real property bears to the aggregate full valuation of all participants. Since the County is the predominant participant in the plan, this is not considered a public entity risk pool per GASB. The worker's compensation activities of the County are recorded in the General Fund. At December 31, 2021, \$2,275,000 is reported as a liability in the General Fund as it is expected the claims will be paid within a reasonable time from year end.

All employees of the County participate in this program based on estimates of the amounts needed to pay prior and current year claims. During the year 2021, an actuarial study estimated the plan's noncurrent liability to be \$9,095,473 and \$2,520,188 for governmental and business-type activities, respectively, discounted at 1.5 percent. Changes in the claims liability for governmental and business-type activities for the fiscal years 2019, 2020, and 2021 are as follows:

	Governmental Activities			
	Beginning of Year	Changes in Estimates	Claims Payments	End of Year
2021	\$ 8,898,910	\$ 1,373,156	\$ 1,176,593	\$ 9,095,473
2020	9,273,864	1,399,373	1,774,327	8,898,910
2019	9,705,731	1,386,441	1,818,308	9,273,864

	Business-type Activities			
	Beginning of Year	Changes in Estimates	Claims Payments	End of Year
2021	\$ 2,364,552	\$ 1,087,245	\$ 931,609	\$ 2,520,188
2020	2,488,721	259,019	383,188	2,364,552
2019	2,581,987	299,419	392,685	2,488,721

9. LEASE OBLIGATIONS

Capital leases—The County has recorded capital leases for various equipment in long-term liabilities of governmental and business-type activities. Of the \$1,095,262 and \$13,632 in remaining payments for governmental and business-type activities, respectively, \$440,987 for governmental activities and \$6,272 for business-type activities is due during the year ending December 31, 2022.

The table below summarizes the requirements of the capital leases:

Year Ending December 31,	Governmental Activities	Business-Type Activities
2022	\$ 447,072	\$ 6,530
2023	419,728	6,530
2024	238,612	1,126
2025	210,933	-
2026	104,591	-
Total minimum lease payments	\$ 1,420,936	\$ 14,186
Less: amount representing interest	(325,674)	(554)
Present value of minimum lease payments	\$ 1,095,262	\$ 13,632

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Assets:		
Machinery and equipment	\$ 2,121,541	\$ 31,835
Less: Accumulated depreciation	(1,251,087)	(13,264)
Total	\$ 870,454	\$ 18,571

Operating leases—The County has entered into a number of operating leases. Lease expenditures for the year ended December 31, 2021, amounted to \$456,051. Future minimum payments under operating leases at December 31, 2021 were as presented below:

Year Ending December 31,	Governmental Activities
2022	\$ 329,031
2023	115,942
2024	86,309
2025	15,918
	\$ 547,200

10. LONG-TERM LIABILITIES

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

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

The County's outstanding long-term liabilities include bonds payable, compensated absences, capital leases, landfill post closure, OPEB obligation, noncurrent workers' compensation, and net pension liability.

A summary of changes in the County's long-term liabilities for the year ended December 31, 2021 is presented below:

	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021	Due Within One Year
Governmental activities:					
Serial bonds	\$ 37,532,494	\$ 5,978,099	\$ (7,574,494)	\$ 35,936,099	\$ 5,026,099
Premium on serial bonds	416,456	505,160	(115,813)	805,803	157,014
Bonds payable, net	37,948,950	6,483,259	(7,690,307)	36,741,902	5,183,113
Capital leases	1,286,117	181,394	(372,249)	1,095,262	440,987
Compensated absences	6,808,192	3,980,179	(4,040,919)	6,747,452	337,373
OPEB obligation	282,178,186	24,541,517	(38,883,433)	267,836,270	-
Noncurrent workers' compensation	8,898,910	1,373,156	(1,176,593)	9,095,473	-
Net pension liability*	48,280,758	-	(48,102,656)	178,102	-
Total governmental activities	<u>\$ 385,401,113</u>	<u>\$ 36,559,505</u>	<u>\$ (100,266,157)</u>	<u>\$ 321,694,461</u>	<u>\$ 5,961,473</u>
Business type activities:					
Serial bonds	\$ 6,659,000	\$ 5,320,000	\$ (6,597,000)	\$ 5,382,000	\$ 552,000
Premium on serial bonds	107,523	778,757	(168,644)	717,636	68,671
Bonds payable, net	6,766,523	6,098,757	(6,765,644)	6,099,636	620,671
Capital leases	19,904	-	(6,272)	13,632	6,272
Compensated absences	623,282	910,650	(1,047,532)	486,400	24,320
OPEB obligation	56,073,659	4,885,880	(8,052,355)	52,907,184	-
Noncurrent workers' compensation	2,364,552	1,087,245	(931,609)	2,520,188	1,005,316
Net pension liability*	9,853,810	-	(9,808,977)	44,833	-
Total business-type activities	<u>\$ 75,701,730</u>	<u>\$ 12,982,532</u>	<u>\$ (26,612,389)</u>	<u>\$ 62,071,873</u>	<u>\$ 1,656,579</u>

*Increases to the net pension liability are shown net of reductions.

Serial bonds—The County borrows money in order to acquire land or equipment or construction of buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government.

In the current year, the County issued \$3,513,099 in public improvement Serial Bonds for County bridge, road, and culvert improvements. The bonds were issued at a premium of \$144,326, carry an interest rate of 2.0%, and will mature on June 15, 2031.

On September 15, 2021, the County's governmental activities and business-type activities issued \$2,465,000 and \$5,320,000, respectively, in Public Improvement Refunding Serial Bonds (the "bonds"). The bonds were issued at a premium of \$1,139,591 and included issuance costs of \$117,561. The bonds mature on April 15, 2032 and carry an interest rate ranging from 2.0 to 4.0 percent. As a result, the original bonds are considered refunded and the liability of those bonds, \$2,665,000 for governmental activities and \$6,005,000 for business-type activities, has been removed from the financial statements. The refunding resulted in a net present value benefit savings of \$1,135,884.

A listing of bonded indebtedness transactions for the year ended December 31, 2021 is presented below:

Purpose	Issue/ Maturity Date	Interest Rate	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021
Governmental activities:						
Public improvement	2010/2024	2.11-6.75%	\$ 2,785,000	\$ -	\$ 660,000	\$ 2,125,000
Public improvement	2012/2027	2.00-2.50%	3,090,000	-	3,090,000	-
Public improvement	2013/2021	1.50-4.00%	275,000	-	275,000	-
Public improvement	2013/2028	2.25-3.00%	3,765,000	-	430,000	3,335,000
Public improvement	2015/2025	2.00%	2,000,000	-	380,000	1,620,000
Public improvement	2016/2023	2.00%	1,391,000	-	543,000	848,000
Public improvement	2016/2026	1.50%	2,850,000	-	450,000	2,400,000
Public improvement	2017/2032	2.00-3.00%	10,455,000	-	915,000	9,540,000
Public improvement	2019/2040	2.00-3.00%	7,410,000	-	595,000	6,815,000
Public improvement	2020/2032	2.00%	3,511,494	-	236,494	3,275,000
Public improvement	2021/2031	2.00%	-	3,513,099	-	3,513,099
Public improvement	2021/2032	2.00-4.00%	-	2,465,000	-	2,465,000
Total governmental activities			<u>\$ 37,532,494</u>	<u>\$ 5,978,099</u>	<u>\$ 7,574,494</u>	<u>\$ 35,936,099</u>
Business-type activities						
Public improvement - Pines	2011/2032	2.00-4.13%	\$ 6,535,000	\$ -	\$ 6,535,000	\$ -
Public improvement - Pines	2016/2023	2.00%	124,000	-	62,000	62,000
Public improvement - Pines	2021/2032	2.00-4.00%	-	5,320,000	-	5,320,000
Total business-type activities			<u>\$ 6,659,000</u>	<u>\$ 5,320,000</u>	<u>\$ 6,597,000</u>	<u>\$ 5,382,000</u>

Annual debt service interest requirements on bonds payable are as follows:

Year	Governmental Activities	Business-type Activities	Total
2022	\$ 752,225	\$ 185,460	\$ 937,685
2023	621,175	173,900	795,075
2024	492,643	161,750	654,393
2025	395,648	144,800	540,448
2026	326,106	125,700	451,806
2027-2031	869,045	337,400	1,206,445
2032-2036	206,425	9,500	215,925
2037-2041	50,250	-	50,250
Total	<u>\$ 3,713,517</u>	<u>\$ 1,138,510</u>	<u>\$ 4,852,027</u>

Amortization of bond premium—Bond premiums are being amortized on a straight-line basis over the life of the bonds. In the current year, the County’s serial bond issuance resulted in a premium of \$505,160 for governmental activities and \$778,757 for business-type activities. The unamortized premium as of December 31, 2021 for governmental activities is \$805,803 and \$717,636 for business-type activities.

Compensated absences—As explained in Note 1, the County records the value of compensated absences (primarily accrued vacation and sick time benefits) in long-term liabilities in the governmental and proprietary fund types. The annual budget of the operating funds provides funding for the current portion of these benefits. The value recorded at December 31, 2021 for governmental activities is \$6,747,452.

The value of compensated absences for the Pines Healthcare and Rehabilitation Centers (Machias and Olean Campus) and Onoville Marina is recorded as accrued liabilities in the proprietary funds. The amount recorded at December 31, 2021 is \$486,400.

In the governmental fund financial statements, none of the liability is reported, as it is not expected to be paid using expendable available resources. In proprietary funds, the entire amount of compensated absences related to employees of those funds is reported as a fund liability.

Capital leases—The County enters into long-term leases for various pieces of machinery and equipment. The outstanding balance at December 31, 2021 for governmental and business-type activities was \$1,095,262 and \$13,632, respectively. Refer to Note 9 for additional information related to the County’s leases.

Workers’ compensation and judgments and claims—The liability of the County's noncurrent workers' compensation totaled \$9,095,473 and \$2,520,188 at December 31, 2021 for governmental and business-type activities, respectively. There was no long-term liability related to the County's judgments and claims at December 31, 2020. Further discussion of the County's risk management programs can be found in Note 8.

OPEB obligation—As explained in Note 7, the County provides medical and prescription drug insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The estimated OPEB liability for governmental and business-type activities is estimated to be \$267,836,270 and \$52,907,184, respectively, at December 31, 2021.

Net Pension Liability—The County reports a liability for its proportionate share of the net pension liability for the Employees’ Retirement System. The net pension liability for governmental and business-type activities is \$178,102 and \$44,833, respectively, at December 31, 2021. Refer to Note 6 for additional information related to the County’s net pension liability.

The following is a maturity schedule of the County’s governmental activities’ indebtedness:

Year ending December 31,	Serial Bonds	Premium on Serial Bonds	Compensated Absences	Capital Leases	OPEB Obligation	Workers' Compensation	Net Pension Liability	Total
2022	\$ 5,026,099	\$ 157,014	\$ 337,373	\$ 440,987	\$ -	\$ -	\$ -	\$ 5,961,473
2023	4,945,000	132,207	-	252,901	-	-	-	5,330,108
2024	4,755,000	106,165	-	248,084	-	-	-	5,109,249
2025	3,975,000	98,056	-	127,760	-	-	-	4,200,816
2026	3,635,000	89,229	-	25,530	-	-	-	3,749,759
2027-2031	10,810,000	173,402	-	-	-	-	-	10,983,402
2032-2036	1,970,000	27,628	-	-	-	-	-	1,997,628
2037-2041	820,000	22,102	-	-	-	-	-	842,102
Thereafter	-	-	6,410,079	-	267,836,270	9,095,473	178,102	283,519,924
Total	<u>\$ 35,936,099</u>	<u>\$ 805,803</u>	<u>\$ 6,747,452</u>	<u>\$ 1,095,262</u>	<u>\$ 267,836,270</u>	<u>\$ 9,095,473</u>	<u>\$ 178,102</u>	<u>\$ 321,694,461</u>

The following is a maturity schedule of the County's business-type activities' indebtedness:

Year ending December 31,	Serial Bonds	Premium on Serial Bonds	Compensated Absences	Capital Lease	OPEB Obligation	Workers' Compensation	Net Pension Liability	Total
2022	\$ 552,000	\$ 68,671	\$ 24,320	\$ 6,272	\$ -	\$ 1,005,316	\$ -	\$ 1,656,579
2023	480,000	64,896	-	6,272	-	-	-	551,168
2024	490,000	64,896	-	1,088	-	-	-	555,984
2025	480,000	64,896	-	-	-	-	-	544,896
2026	475,000	64,896	-	-	-	-	-	539,896
2027-2031	2,430,000	324,485	-	-	-	-	-	2,754,485
2032-2036	475,000	64,896	-	-	-	-	-	539,896
Thereafter	-	-	462,080	-	52,907,184	1,514,872	44,833	54,928,969
Total	<u>\$ 5,382,000</u>	<u>\$ 717,636</u>	<u>\$ 486,400</u>	<u>\$ 13,632</u>	<u>\$ 52,907,184</u>	<u>\$ 2,520,188</u>	<u>\$ 44,833</u>	<u>\$ 62,071,873</u>

13. NET POSITION AND FUND BALANCE

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

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

Capital assets, net of accumulated depreciation	\$ 170,676,096
Related debt:	
Serial bonds issued	\$ (35,936,099)
Unamortized bond premium	(805,803)
Capital leases	(1,095,262)
Deferred charge on refunding	44,575
Unspent debt proceeds	<u>6,747,153</u>
Debt issued for capital assets	<u>(31,045,436)</u>
Net investment in capital assets	<u>\$ 139,630,660</u>

The table below is a reconciliation of the County's business-type activities net investment in capital assets:

Capital assets, net of accumulated depreciation	\$ 11,000,189
Related debt:	
Serial bonds issued	\$ (5,382,000)
Unamortized bond premium	(717,636)
Deferred charge on refunding	(85,913)
Capital leases	<u>(13,632)</u>
Debt issued for capital assets	<u>(6,199,181)</u>
Net investment in capital assets	<u>\$ 4,801,008</u>

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

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. As of December 31, 2021, the County reported nonspendable fund balance of \$1,681,917 for prepaid items within the General Fund.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grantors, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. As of December 31, 2021, the County had the restricted funds as shown below:

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
MDLF loan fund	\$ 288,166	\$ -	\$ -	\$ 288,166
Insurance	1,500,578	-	-	1,500,578
Workers' compensation	2,041,462	-	-	2,041,462
Other	907,445	-	-	907,445
Capital projects	-	7,274,644	-	7,274,644
Debt	-	-	664,746	664,746
Trust accounts	-	-	5,686	5,686
Total restricted fund balance	<u>\$ 4,737,651</u>	<u>\$ 7,274,644</u>	<u>\$ 670,432</u>	<u>\$ 12,682,727</u>

- **Restricted for MDLF loan fund**—Represents funds required to be used for economic development loans.
- **Restricted for insurance**—Represents resources that have been legally restricted for payments under the County’s self-insured healthcare program.
- **Restricted for workers’ compensation**—Represents resources that have been legally restricted for payments under the County’s self-insured workers’ compensation program.
- **Restricted for other**—Represents miscellaneous funds that are legally required to be used for specific purposes.
- **Restricted for capital projects**—Represents funds accumulated to finance all or part of the cost of construction, reconstruction, or acquisition of specific items.
- **Restricted for debt**—Represents funds restricted for future debt service payments.
- **Restricted for trust accounts**—Represents funds accumulated through the County’s Private Purpose Trust.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the County’s highest level of decision-making authority, or by its designated body or official. As of December 31, 2021, the County Legislature had committed \$517,403 for economic development.

In the fund financial statements, assigned fund balances are amounts that are subject to a purpose constraint established by the County Legislature, or by the County Treasurer. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

As of December 31, 2021, the following balances were considered to be assigned:

	General	Nonmajor	Total
	Fund	Governmental Funds	
Subsequent year's expenditures	\$ 2,495,126	\$ 16,800	\$ 2,511,926
Encumbrances	1,024,026	118,528	1,142,554
Transportation	-	1,374,893	1,374,893
Home and community services	-	58,216	58,216
Economic assistance and opportunity	-	667,160	667,160
Total assigned fund balance	<u>\$ 3,519,152</u>	<u>\$ 2,235,597</u>	<u>\$ 5,754,749</u>

The County will spend the most restricted dollars before less restricted where such spending is appropriate and the legal restriction does not limit the use of such restricted amount for the particular purpose in question in the following order: nonspendable (if funds become spendable), restricted, committed, assigned, and unassigned.

14. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are short term in nature and exist because of temporary advances or payments made on behalf of other funds. Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) move receipts restricted to debt service from the funds collecting the receipts to the fund making payments when due.

Interfund receivables, payables, and transfers of the County as of, and for the year ended December 31, 2021 are presented below:

Fund	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
Governmental funds:				
General Fund	\$ 74,985	\$ -	\$ 540,877	\$ 10,279,798
Capital Projects Fund	-	-	3,942,401	-
Nonmajor funds:				
County Road Fund	-	74,985	5,780,039	4,763,063
Road Machinery Fund	-	-	-	540,877
Conewango Watershed Fund	-	-	7,500	-
Debt Service Fund	-	-	5,312,921	-
Total	<u>\$ 74,985</u>	<u>\$ 74,985</u>	<u>\$ 15,583,738</u>	<u>\$ 15,583,738</u>

15. DEFERRED COMPENSATION PLAN

The County offers all employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. All assets at December 31, 2021 were held by a third-party in trust for the exclusive benefit of participants.

16. LABOR RELATIONS

The County's employees operate under seven collective bargaining units, the Civil Service Employees Association, Civil Service Employees Association Part-Time Employee Unit, Civil Service Employees Association Sheriff's Department Employees Unit, and the Deputy Sheriff's Supervisory Unit have contracts were settled through December 31, 2021. The Civil Service Employees Association Supervisory Unit, the Deputies Association, and the Corrections Supervisory Unit have contracts settled through December 31, 2022.

17. CONTINGENCIES

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

Sales tax—The State of New York periodically audits its distribution of sales tax revenues to counties throughout the state. Thus, revenues recorded as the fiscal year end are subject to revision should such an audit take place.

County of Cattaraugus Industrial Development Agency

The Agency is exposed to various risks of loss such as torts, theft, injuries, errors, omissions, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Any settled claims from these risks have not exceeded commercial insurance coverage for the past four years. In management's opinion, there are no material contingencies required to be accrued or disclosed.

18. COMMITMENTS

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Open encumbrances are reported as an assignment of fund balance since such commitments will be honored through budget appropriations in the subsequent year. The County considers encumbrances to be significant for amounts that are encumbered in excess of \$100,000. Significant encumbrances as of December 31, 2021, are as listed on the following page.

<u>Fund</u>	<u>Purpose</u>	<u>Amount Encumbered</u>
General	Parking lot construction	\$ 375,000
General	Truck	148,853
General	Ejection boxes	141,084

19. TAX ABATEMENTS

The County is subject to tax abatements granted by the County of Cattaraugus Industrial Development Agency (“CCIDA”). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the CCIDA and include the abatement of state, county, local and school district taxes, in addition to other assistance. In the case of the County, the abatements have resulted in reductions of property taxes, which the County administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. Under the agreements entered into by CCIDA, the County collected \$196,395 during 2021 in payments in lieu of taxes (“PILOT”), these collections were made in lieu of \$272,428 in property taxes.

20. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 21, 2022, which is the date the financial statements are available for issuance, and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

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REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF CATTARAUGUS, NEW YORK
Schedule of the Local Government's Proportionate Share of the
Net Pension Liability—Employees' Retirement System
Last Eight Fiscal Years*

	Year Ended December 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Measurement date	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Plan fiduciary net position as a percentage of the total pension liability	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%	97.2%
Governmental activities:								
County's proportion of the net pension liability	0.1788646%	0.1823251%	0.1752744%	0.1731715%	0.1809586%	0.1876835%	0.1812710%	0.1828785%
County's proportionate share of the net pension liability	<u>\$ 178,102</u>	<u>\$ 48,280,758</u>	<u>\$ 12,418,731</u>	<u>\$ 5,589,017</u>	<u>\$ 17,003,277</u>	<u>\$ 30,123,714</u>	<u>\$ 6,123,777</u>	<u>\$ 8,264,025</u>
County's covered payroll	\$ 45,584,248	\$ 43,421,670	\$ 43,165,559	\$ 40,315,085	\$ 37,291,706	\$ 39,168,416	\$ 38,596,795	\$ 38,036,952
County's proportionate share of the net pension liability as a percentage of its covered payroll	0.4%	111.2%	28.8%	13.9%	45.6%	76.9%	15.9%	21.7%
Business-type activities:								
County's proportion of the net pension liability	0.0450240%	0.0372115%	0.0344342%	0.0351677%	0.0355250%	0.0357492%	0.0373089%	0.0357014%
County's proportionate share of the net pension liability	<u>\$ 44,833</u>	<u>\$ 9,853,810</u>	<u>\$ 2,439,764</u>	<u>\$ 1,135,017</u>	<u>\$ 3,338,004</u>	<u>\$ 5,737,850</u>	<u>\$ 1,260,387</u>	<u>\$ 1,613,295</u>
County's covered payroll	\$ 9,366,372	\$ 10,713,423	\$ 8,480,236	\$ 8,187,183	\$ 7,320,934	\$ 7,460,650	\$ 7,943,937	\$ 7,425,539
County's proportionate share of the net pension liability as a percentage of its covered payroll	0.5%	92.0%	28.8%	13.9%	45.6%	76.9%	15.9%	21.7%
Total primary government:								
County's proportion of the net pension liability	0.223889%	0.219537%	0.209709%	0.208339%	0.216484%	0.223433%	0.218580%	0.218580%
County's proportionate share of the net pension liability	<u>\$ 222,935</u>	<u>\$ 58,134,568</u>	<u>\$ 14,858,495</u>	<u>\$ 6,724,034</u>	<u>\$ 20,341,281</u>	<u>\$ 35,861,564</u>	<u>\$ 7,384,164</u>	<u>\$ 9,877,320</u>
County's covered payroll	\$ 54,950,620	\$ 54,135,093	\$ 51,645,795	\$ 48,502,268	\$ 44,612,640	\$ 46,629,066	\$ 46,540,732	\$ 45,462,491
County's proportionate share of the net pension liability as a percentage of its covered payroll	0.4%	107.4%	28.8%	13.9%	45.6%	76.9%	15.9%	21.7%
Discretely Presented Component Unit								
Cattaraugus County Industrial Development Agency (the "Agency")								
Agency's proportion of the net pension liability	0.0006226%	0.0006642%	0.0006841%	0.0007056%	0.0007131%	0.0007382%		
Agency's proportionate share of the net pension liability	<u>\$ 620</u>	<u>\$ 175,874</u>	<u>\$ 48,470</u>	<u>\$ 22,774</u>	<u>\$ 67,000</u>	<u>\$ 118,480</u>		
Agency's covered payroll	\$ 161,695	\$ 149,986	\$ 148,003	\$ 143,813	\$ 140,006	\$ 137,781		
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	0.4%	117.3%	32.7%	15.8%	47.9%	86.0%		

*Information prior to the year ended December 31, 2014 is not available for governmental and business-type activities. Information prior to the year ended December 31, 2016 is not available for the Agency.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule of the Local Government's Contributions—
Employees' Retirement System
Last Eight Fiscal Years*

	Year Ended December 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:								
Contractually required contribution	\$ 6,993,245	\$ 6,424,562	\$ 6,059,572	\$ 6,075,650	\$ 6,183,891	\$ 7,019,630	\$ 7,510,080	\$ 7,715,652
Contributions in relation to the contractually required contribution	<u>(6,993,245)</u>	<u>(6,424,562)</u>	<u>(6,059,572)</u>	<u>(6,075,650)</u>	<u>(6,183,891)</u>	<u>(7,019,630)</u>	<u>(7,510,080)</u>	<u>(7,715,652)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 52,742,508	\$ 49,069,420	\$ 43,940,579	\$ 42,421,513	\$ 37,778,925	\$ 39,351,687	\$ 39,890,619	\$ 38,563,706
Contributions as a percentage of covered payroll	13.3%	13.1%	13.8%	14.3%	16.4%	17.8%	18.8%	20.0%
Business-type activities:								
Contractually required contribution	\$ 1,683,541	\$ 1,299,102	\$ 1,190,454	\$ 1,233,842	\$ 1,213,993	\$ 1,337,072	\$ 1,545,714	\$ 1,506,242
Contributions in relation to the contractually required contribution	<u>(1,683,541)</u>	<u>(1,299,102)</u>	<u>(1,190,454)</u>	<u>(1,233,842)</u>	<u>(1,213,993)</u>	<u>(1,337,072)</u>	<u>(1,545,714)</u>	<u>(1,506,242)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 10,682,842	\$ 9,185,791	\$ 8,632,496	\$ 8,614,956	\$ 7,416,582	\$ 7,495,559	\$ 8,210,230	\$ 7,528,371
Contributions as a percentage of covered payroll	15.8%	14.1%	13.8%	14.3%	16.4%	17.8%	18.8%	20.0%
Total primary government:								
Contractually required contribution	\$ 8,676,786	\$ 7,723,664	\$ 7,250,026	\$ 7,309,492	\$ 7,397,884	\$ 8,356,702	\$ 9,055,794	\$ 9,221,894
Contributions in relation to the contractually required contribution	<u>(8,676,786)</u>	<u>(7,723,664)</u>	<u>(7,250,026)</u>	<u>(7,309,492)</u>	<u>(7,397,884)</u>	<u>(8,356,702)</u>	<u>(9,055,794)</u>	<u>(9,221,894)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 63,425,350	\$ 58,255,211	\$ 52,573,075	\$ 51,036,469	\$ 45,195,507	\$ 46,847,246	\$ 48,100,849	\$ 46,092,077
Contributions as a percentage of covered payroll	13.7%	13.3%	13.8%	14.3%	16.4%	17.8%	18.8%	20.0%
Discretely Presented Component Unit								
Cattaraugus County Industrial Development Agency (the "Agency")								
Contractually required contribution	\$ 25,380	\$ 23,500	\$ 22,438	\$ 21,901	\$ 21,594	\$ 20,971		
Contributions in relation to the contractually required contribution	<u>(25,380)</u>	<u>(23,500)</u>	<u>(22,438)</u>	<u>(21,901)</u>	<u>(21,594)</u>	<u>(20,971)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
County's covered payroll	\$ 161,695	\$ 149,986	\$ 148,003	\$ 143,813	\$ 140,006	\$ 137,781		
Contributions as a percentage of covered payroll	15.7%	15.7%	15.2%	15.2%	15.4%	15.2%		

*Information prior to the year ended December 31, 2014 is not available for governmental and business-type activities. Information prior to the year ended December 31, 2016 is not available for the Agency.

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

	Year Ended December 31,			
	2021	2020	2019	2018
Governmental activities:				
Total OPEB Liability				
Service cost	\$ 11,037,896	\$ 9,384,877	\$ 7,707,571	\$ 9,756,513
Interest	5,150,238	6,674,094	7,869,201	8,572,210
Differences between actual and expected experience	(32,524,948)	-	(35,493,908)	-
Changes of assumptions or other inputs	8,353,383	35,870,353	34,008,103	(36,751,791)
Benefit payments	<u>(6,358,485)</u>	<u>(6,121,208)</u>	<u>(5,834,959)</u>	<u>(5,371,060)</u>
Net change in total OPEB liability	<u>(14,341,916)</u>	<u>45,808,116</u>	<u>8,256,008</u>	<u>(23,794,128)</u>
Total OPEB liability—beginning	<u>282,178,186</u>	<u>236,370,070</u>	<u>228,114,062</u>	<u>251,908,190</u>
Total OPEB liability—ending	<u>\$ 267,836,270</u>	<u>\$ 282,178,186</u>	<u>\$ 236,370,070</u>	<u>\$ 228,114,062</u>
Covered employee payroll	51,946,492	46,425,032	41,614,410	38,221,648
County's net OPEB liability as a percentage of covered employee payroll	515.6%	607.8%	568.0%	596.8%
Business-type activities:				
Total OPEB Liability				
Service cost	\$ 2,020,038	\$ 1,622,920	\$ 1,340,056	\$ 1,730,340
Interest	1,015,032	1,349,107	1,612,686	1,735,391
Differences between actual and expected experience	(6,631,791)	-	(6,045,688)	-
Changes of assumptions	1,850,810	6,475,522	6,901,140	(7,365,565)
Benefit payments	<u>(1,420,564)</u>	<u>(1,618,846)</u>	<u>(1,475,415)</u>	<u>(1,206,026)</u>
Net change in total OPEB liability	<u>(3,166,475)</u>	<u>7,828,703</u>	<u>2,332,779</u>	<u>(5,105,860)</u>
Total OPEB liability—beginning	<u>56,073,659</u>	<u>48,244,956</u>	<u>45,912,177</u>	<u>51,301,412</u>
Total OPEB liability—ending	<u>\$ 52,907,184</u>	<u>\$ 56,073,659</u>	<u>\$ 48,244,956</u>	<u>\$ 46,195,552</u>
Covered employee payroll	11,478,858	11,812,042	8,921,328	8,019,185
County's net OPEB liability as a percentage of covered employee payroll	460.9%	474.7%	540.8%	576.1%
Total primary government:				
Total OPEB Liability				
Service cost	\$ 13,057,934	\$ 11,007,797	\$ 9,047,627	\$ 11,486,853
Interest	6,165,270	8,023,201	9,481,887	10,307,601
Differences between actual and expected experience	(39,156,739)	-	(41,539,596)	-
Changes of assumptions	10,204,193	42,345,875	40,909,243	(44,117,356)
Benefit payments	<u>(7,779,049)</u>	<u>(7,740,054)</u>	<u>(7,310,374)</u>	<u>(6,577,086)</u>
Net change in total OPEB liability	<u>(17,508,391)</u>	<u>53,636,819</u>	<u>10,588,787</u>	<u>(28,899,988)</u>
Total OPEB liability—beginning	<u>338,251,845</u>	<u>284,615,026</u>	<u>274,026,239</u>	<u>303,209,602</u>
Total OPEB liability—ending	<u>\$ 320,743,454</u>	<u>\$ 338,251,845</u>	<u>\$ 284,615,026</u>	<u>\$ 274,309,614</u>
Covered employee payroll	63,425,350	58,237,074	50,535,738	46,240,833
County's net OPEB liability as a percentage of covered employee payroll	505.7%	580.8%	563.2%	593.2%

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

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

COUNTY OF CATTARAUGUS, NEW YORK
Schedule of Revenues, Expenditures and Changes in
Fund Balance—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 54,210,000	\$ 55,684,912	\$ 56,475,693	\$ 790,781
Real property tax items	2,563,739	2,563,739	2,934,663	370,924
Non property tax items	29,942,951	36,204,459	37,149,594	945,135
Departmental income	16,719,820	16,695,418	15,209,001	(1,486,417)
Intergovernmental charges	5,622,101	6,194,033	5,850,837	(343,196)
Use of money and property	1,290,764	1,290,764	(2,194,630)	(3,485,394)
Licenses and permits	55,300	55,300	63,206	7,906
Fines and forfeitures	127,993	124,824	87,469	(37,355)
Sale of property and compensation for loss	1,201,650	1,322,448	2,925,187	1,602,739
Miscellaneous	1,387,532	1,685,022	1,394,632	(290,390)
Interfund revenues	30,036,572	30,078,260	29,897,838	(180,422)
State aid	20,418,976	22,559,680	18,951,864	(3,607,816)
Federal aid	20,339,412	24,029,784	18,079,555	(5,950,229)
Total revenues	<u>183,916,810</u>	<u>198,488,643</u>	<u>186,824,909</u>	<u>(11,663,734)</u>
EXPENDITURES				
Current:				
General government support	57,279,249	62,412,778	59,281,466	3,131,312
Education	7,193,940	8,050,211	8,024,148	26,063
Public safety	22,620,773	23,420,495	21,892,038	1,528,457
Health	22,722,692	26,379,100	21,845,039	4,534,061
Transportation	85,000	85,000	85,000	-
Economic assistance and opportunity	58,646,758	59,970,946	52,184,146	7,786,800
Culture and recreation	739,521	1,078,950	943,520	135,430
Home and community services	3,473,323	3,890,161	2,801,127	1,089,034
Employee benefits	5,056,901	6,722,377	6,439,412	282,965
Debt service:				
Principal	249,843	275,754	266,304	9,450
Interest and fiscal charges	-	70,997	70,997	-
Total expenditures	<u>178,068,000</u>	<u>192,356,769</u>	<u>173,833,197</u>	<u>18,523,572</u>
Excess of revenues over expenditures	<u>5,848,810</u>	<u>6,131,874</u>	<u>12,991,712</u>	<u>6,859,838</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	724,187	540,877	540,877	-
Transfers out	(9,285,895)	(13,439,293)	(10,279,798)	3,159,495
Proceeds of capital lease	-	181,394	181,394	-
Total other financing sources (uses)	<u>(8,561,708)</u>	<u>(12,717,022)</u>	<u>(9,557,527)</u>	<u>3,159,495</u>
Net change in fund balances*	(2,712,898)	(6,585,148)	3,434,185	10,019,333
Fund balances—beginning	<u>54,969,667</u>	<u>54,969,667</u>	<u>54,969,667</u>	<u>-</u>
Fund balances—ending	<u>\$ 52,256,769</u>	<u>\$ 48,384,519</u>	<u>\$ 58,403,852</u>	<u>\$ 10,019,333</u>

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

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

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COUNTY OF CATTARAUGUS, NEW YORK
Notes to the Required Supplementary Information
Year Ended December 31, 2021

1. OPEB LIABILITY

Changes in Assumptions—Changes in assumptions reflect the effects of changes in the long-term discount rate, the mortality rate, and the healthcare trend rate. The discount changes from 2.00% effective January 1, 2021 to 1.84% effective December 31, 2021, mortality improvement scale was updated from Scale MP-2020 mortality improvement scale on a generational basis to Scale MP-2021 mortality improvement scale on a generational basis. The annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2022_f4 (the Getzen model).

2. BUDGETARY INFORMATION

Budgetary Basis of Accounting—Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, with the exception of the Capital Projects Fund, Economic Development Fund, and Coronavirus Fiscal Recovery Fund. The Capital Projects Fund is appropriated on a project-length basis; appropriations are approved through a County Legislative resolution at the project's inception and lapse upon termination of the project.

The appropriated budget is prepared by fund, function, and department. The County's department heads may make transfers of appropriations within a department. The Administrator's Office is authorized by the County Legislature to transfer up to a total of \$10,000 per year into any budgetary account, with the following exceptions: (1) Departments of Social Services and Public Works, transfers can be made in excess of \$10,000 with the approval of the Chairman of the Finance Committee and the County Administrator, (2) transfers without limitation for the purpose of budgeting or amending appropriations and revenues for the Workforce Investment Board, upon notification from the federal government of the grant amount, and (3) transfers within the budget in connection with settlements of collective bargaining agreements. After November 1 of each budget year, the Administrator's Office is authorized to transfer without limitations for the purpose of closure of the County's financial books for the fiscal year, with the approval of the Chairman of the Finance Committee and the County Administrator. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances.

Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements. The General Fund original budget for the year ended December 31, 2021 includes encumbrances from the prior year of \$281,627.

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SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS AND SCHEDULES OF NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

County Road Fund—required by Highway Law Section 114 and accounts for salaries and expenses of the county highway office, maintenance of county roads and bridges, snow removal and construction and reconstruction of county roads.

Road Machinery Fund—required by Highway Law Section 133 and accounts for purchases, repairs and maintenance of highway machinery, tools and equipment; for construction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment; and for the purchase of materials and supplies to provide an adequate central stockpile for highway, snow removal and bridge purposes.

Conewango Watershed Fund—provides for the maintenance of the Conewango Creek Watershed.

Economic Development Fund—provides for economic development opportunities, job expansion programs and support services of treatment programs for persons suffering from gaming addictions.

Coronavirus Fiscal Recovery Fund—is used to account for the County's Coronavirus State and Local Fiscal Recovery Funds program.

Debt Service Fund

To account for the accumulation of resources for the payment of principal and interest on the County's general obligation bonds.

Permanent Funds

Trust funds are used to account for assets held by the County in a trustee capacity.

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COUNTY OF CATTARAUGUS, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2021

	Nonmajor Special Revenue Funds	Debt Service	Permanent	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 1,976,753	\$ -	\$ -	\$ 1,976,753
Restricted cash and cash equivalents	7,312,864	635,134	5,686	7,953,684
Accounts receivable	35,239	29,612	-	64,851
Intergovernmental receivables	1,128,417	-	-	1,128,417
Total assets	<u>\$ 10,453,273</u>	<u>\$ 664,746</u>	<u>\$ 5,686</u>	<u>\$ 11,123,705</u>
LIABILITIES				
Accounts payable	\$ 552,778	\$ -	\$ -	\$ 552,778
Accrued liabilities	277,049	-	-	277,049
Due to other funds	74,985	-	-	74,985
Unearned revenue	7,312,864	-	-	7,312,864
Total liabilities	<u>8,217,676</u>	<u>-</u>	<u>-</u>	<u>8,217,676</u>
FUND BALANCES				
Restricted	-	664,746	5,686	670,432
Assigned	2,235,597	-	-	2,235,597
Total fund balances	<u>2,235,597</u>	<u>664,746</u>	<u>5,686</u>	<u>2,906,029</u>
Total liabilities and fund balances	<u>\$ 10,453,273</u>	<u>\$ 664,746</u>	<u>\$ 5,686</u>	<u>\$ 11,123,705</u>

COUNTY OF CATTARAUGUS, NEW YORK
Combining Statement of Revenues, Expenditures and Changes in Fund Balances—
Nonmajor Governmental Funds
Year Ended December 31, 2021

	Nonmajor Special Revenue Funds	Debt Service	Permanent	Total Nonmajor Governmental Funds
REVENUES				
Sales and use tax	\$ 13,724,375	\$ 542,553	\$ -	\$ 14,266,928
Departmental income	14,512	-	-	14,512
Intergovernmental charges	424,183	-	-	424,183
Use of money and property	30,164	3,000	-	33,164
Sale of property and compensation for loss	422,516	-	-	422,516
Miscellaneous	2,742	-	-	2,742
Interfund revenues	3,762,978	-	-	3,762,978
State aid	24,722	-	-	24,722
Federal aid	1,996,465	66,893	-	2,063,358
Total revenues	<u>20,402,657</u>	<u>612,446</u>	<u>-</u>	<u>21,015,103</u>
EXPENDITURES				
Current:				
General government support	1,806,500	-	-	1,806,500
Public safety	645,707	-	-	645,707
Transportation	18,244,363	-	-	18,244,363
Economic assistance and opportunity	103,775	-	-	103,775
Home and community services	16,998	-	-	16,998
Employee benefits	-	-	-	-
Debt service:				
Principal	105,945	7,574,494	-	7,680,439
Interest and fiscal charges	15,368	1,143,479	-	1,158,847
Total expenditures	<u>20,938,656</u>	<u>8,717,973</u>	<u>-</u>	<u>29,656,629</u>
Excess (deficiency) of revenues over expenditures	<u>(535,999)</u>	<u>(8,105,527)</u>	<u>-</u>	<u>(8,641,526)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,787,539	5,312,921	-	11,100,460
Transfers out	(5,303,940)	-	-	(5,303,940)
Refunding bonds issued	-	2,465,000	-	2,465,000
Premium on bonds issued	-	505,160	-	505,160
Total other financing sources (uses)	<u>483,599</u>	<u>8,283,081</u>	<u>-</u>	<u>8,766,680</u>
Net change in fund balances	(52,400)	177,554	-	125,154
Fund balances—beginning	<u>2,287,997</u>	<u>487,192</u>	<u>5,686</u>	<u>2,780,875</u>
Fund balances—ending	<u>\$ 2,235,597</u>	<u>\$ 664,746</u>	<u>\$ 5,686</u>	<u>\$ 2,906,029</u>

COUNTY OF CATTARAUGUS, NEW YORK
Combining Balance Sheet—Nonmajor Special Revenue Funds
December 31, 2021

	County Road	Road Machinery	Conewango Watershed	Economic Development	Coronavirus Fiscal Recovery	Total Nonmajor Special Revenue Funds
ASSETS						
Cash and cash equivalents	\$ -	\$ 1,228,984	\$ 75,023	\$ 670,054	\$ 2,692	\$ 1,976,753
Restricted cash and cash equivalents	-	-	-	1,694,352	5,618,512	7,312,864
Accounts receivable	4,477	30,762	-	-	-	35,239
Intergovernmental receivables	<u>1,122,640</u>	<u>5,777</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,128,417</u>
Total assets	<u>\$ 1,127,117</u>	<u>\$ 1,265,523</u>	<u>\$ 75,023</u>	<u>\$ 2,364,406</u>	<u>\$ 5,621,204</u>	<u>\$ 10,453,273</u>
LIABILITIES						
Accounts payable	\$ 399,106	\$ 150,771	\$ 7	\$ 2,894	\$ -	\$ 552,778
Accrued liabilities	250,000	24,357	-	-	2,692	277,049
Due to other funds	74,985	-	-	-	-	74,985
Unearned revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,694,352</u>	<u>5,618,512</u>	<u>7,312,864</u>
Total liabilities	<u>724,091</u>	<u>175,128</u>	<u>7</u>	<u>1,697,246</u>	<u>5,621,204</u>	<u>8,217,676</u>
FUND BALANCES						
Assigned	<u>403,026</u>	<u>1,090,395</u>	<u>75,016</u>	<u>667,160</u>	<u>-</u>	<u>2,235,597</u>
Total fund balances	<u>403,026</u>	<u>1,090,395</u>	<u>75,016</u>	<u>667,160</u>	<u>-</u>	<u>2,235,597</u>
Total liabilities and fund balances	<u>\$ 1,127,117</u>	<u>\$ 1,265,523</u>	<u>\$ 75,023</u>	<u>\$ 2,364,406</u>	<u>\$ 5,621,204</u>	<u>\$ 10,453,273</u>

COUNTY OF CATTARAUGUS, NEW YORK
Combining Statement of Revenues, Expenditures and Changes in Fund Balances—
Nonmajor Special Revenue Funds
Year Ended December 31, 2021

	<u>County Road</u>	<u>Road Machinery</u>	<u>Conewango Watershed</u>	<u>Economic Development</u>	<u>Coronavirus Fiscal Recovery</u>	<u>Total Nonmajor Special Revenue Funds</u>
REVENUES						
Sales and use tax	\$ 13,205,199	\$ 519,176	\$ -	\$ -	\$ -	\$ 13,724,375
Departmental income	10,275	-	-	4,237	-	14,512
Intergovernmental charges	195,414	218,869	9,900	-	-	424,183
Use of money and property	-	-	625	29,539	-	30,164
Sale of property and compensation for loss	3,364	419,152	-	-	-	422,516
Miscellaneous	2,742	-	-	-	-	2,742
Interfund revenues	-	3,762,978	-	-	-	3,762,978
State aid	24,722	-	-	-	-	24,722
Federal aid	222,559	-	-	-	1,773,906	1,996,465
Total revenues	<u>13,664,275</u>	<u>4,920,175</u>	<u>10,525</u>	<u>33,776</u>	<u>1,773,906</u>	<u>20,402,657</u>
EXPENDITURES						
Current:						
General government support	-	32,594	-	-	1,773,906	1,806,500
Public safety	645,707	-	-	-	-	645,707
Transportation	13,749,000	4,495,363	-	-	-	18,244,363
Economic assistance and opportunity	-	-	-	103,775	-	103,775
Home and community services	-	-	16,998	-	-	16,998
Debt service:						
Principal	-	105,945	-	-	-	105,945
Interest and fiscal charges	-	15,368	-	-	-	15,368
Total expenditures	<u>14,394,707</u>	<u>4,649,270</u>	<u>16,998</u>	<u>103,775</u>	<u>1,773,906</u>	<u>20,938,656</u>
Excess (deficiency) of revenues over expenditures	<u>(730,432)</u>	<u>270,905</u>	<u>(6,473)</u>	<u>(69,999)</u>	<u>-</u>	<u>(535,999)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	5,780,039	-	7,500	-	-	5,787,539
Transfers out	<u>(4,763,063)</u>	<u>(540,877)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,303,940)</u>
Total other financing sources (uses)	<u>1,016,976</u>	<u>(540,877)</u>	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>483,599</u>
Net change in fund balances	286,544	(269,972)	1,027	(69,999)	-	(52,400)
Fund balances—beginning	<u>116,482</u>	<u>1,360,367</u>	<u>73,989</u>	<u>737,159</u>	<u>-</u>	<u>2,287,997</u>
Fund balances—ending	<u>\$ 403,026</u>	<u>\$ 1,090,395</u>	<u>\$ 75,016</u>	<u>\$ 667,160</u>	<u>\$ -</u>	<u>\$ 2,235,597</u>

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OTHER INFORMATION

COUNTY OF CATTARAUGUS, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Debt Service Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and use tax	\$ -	\$ -	\$ -	\$ -
Use of money and property	4,000	4,000	3,000	(1,000)
Federal aid	66,751	66,751	66,893	142
Total revenues	<u>70,751</u>	<u>70,751</u>	<u>69,893</u>	<u>(858)</u>
EXPENDITURES				
Debt service:				
Principal	4,909,494	7,574,494	7,574,494	-
Interest and fiscal charges	988,141	1,148,975	1,143,479	5,496
Total expenditures	<u>5,897,635</u>	<u>8,723,469</u>	<u>8,717,973</u>	<u>5,496</u>
Deficiency of revenues over expenditures	<u>(5,826,884)</u>	<u>(8,652,718)</u>	<u>(8,648,080)</u>	<u>4,638</u>
OTHER FINANCING SOURCES				
Transfers in	5,317,559	5,317,559	5,312,921	(4,638)
Issuance of refunding bonds	-	2,465,000	2,465,000	-
Premium on bonds issued	-	360,834	505,160	144,326
Total other financing sources	<u>5,317,559</u>	<u>8,143,393</u>	<u>8,283,081</u>	<u>139,688</u>
Net change in fund balances*	(509,325)	(509,325)	(364,999)	144,326
Fund balances—beginning	<u>487,192</u>	<u>487,192</u>	<u>487,192</u>	<u>-</u>
Fund balances—ending	<u>\$ (22,133)</u>	<u>\$ (22,133)</u>	<u>\$ 122,193</u>	<u>\$ 144,326</u>

*The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of restricted fund balance.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—County Road Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and use tax	\$ 10,507,030	\$ 10,857,030	\$ 13,205,199	\$ 2,348,169
Departmental income	15,600	15,600	10,275	(5,325)
Intergovernmental charges	245,468	245,468	195,414	(50,054)
Sale of property and compensation for loss	-	-	3,364	3,364
Miscellaneous	-	-	2,742	2,742
State aid	8,000	8,000	24,722	16,722
Federal aid	-	-	222,559	222,559
Total revenues	<u>10,776,098</u>	<u>11,126,098</u>	<u>13,664,275</u>	<u>2,538,177</u>
EXPENDITURES				
Current:				
Public safety	803,270	715,169	645,707	69,462
Transportation	<u>13,982,053</u>	<u>14,696,773</u>	<u>13,749,000</u>	<u>947,773</u>
Total expenditures	<u>14,785,323</u>	<u>15,411,942</u>	<u>14,394,707</u>	<u>1,017,235</u>
Deficiency of revenues over expenditures	<u>(4,009,225)</u>	<u>(4,285,844)</u>	<u>(730,432)</u>	<u>3,555,412</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,723,899	8,934,896	5,780,039	(3,154,857)
Transfers out	<u>(4,763,063)</u>	<u>(4,763,063)</u>	<u>(4,763,063)</u>	<u>-</u>
Total other financing sources (uses)	<u>3,960,836</u>	<u>4,171,833</u>	<u>1,016,976</u>	<u>(3,154,857)</u>
Net change in fund balances*	(48,389)	(114,011)	286,544	400,555
Fund balances—beginning	<u>116,482</u>	<u>116,482</u>	<u>116,482</u>	<u>-</u>
Fund balances—ending	<u>\$ 68,093</u>	<u>\$ 2,471</u>	<u>\$ 403,026</u>	<u>\$ 400,555</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Road Machinery Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales and use tax	\$ 515,000	\$ 515,000	\$ 519,176	\$ 4,176
Intergovernmental charges	214,500	214,500	218,869	4,369
Sale of property and compensation for loss	-	336,963	419,152	82,189
Interfund revenues	<u>4,086,763</u>	<u>3,994,013</u>	<u>3,762,978</u>	<u>(231,035)</u>
Total revenues	<u>4,816,263</u>	<u>5,060,476</u>	<u>4,920,175</u>	<u>(140,301)</u>
EXPENDITURES				
Current:				
General government support	33,104	33,580	32,594	986
Transportation	4,250,687	5,428,238	4,495,363	932,875
Debt service:				
Principal	120,464	120,464	105,945	14,519
Interest and fiscal charges	<u>17,072</u>	<u>17,072</u>	<u>15,368</u>	<u>1,704</u>
Total expenditures	<u>4,421,327</u>	<u>5,599,354</u>	<u>4,649,270</u>	<u>950,084</u>
Excess (deficiency) of revenues over expenditures	<u>394,936</u>	<u>(538,878)</u>	<u>270,905</u>	<u>809,783</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(724,187)</u>	<u>(540,877)</u>	<u>(540,877)</u>	<u>-</u>
Total other financing sources (uses)	<u>(724,187)</u>	<u>(540,877)</u>	<u>(540,877)</u>	<u>-</u>
Net change in fund balances*	(329,251)	(1,079,755)	(269,972)	809,783
Fund balances—beginning	<u>1,360,367</u>	<u>1,360,367</u>	<u>1,360,367</u>	<u>-</u>
Fund balances—ending	<u>\$ 1,031,116</u>	<u>\$ 280,612</u>	<u>\$ 1,090,395</u>	<u>\$ 809,783</u>

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

COUNTY OF CATTARAUGUS, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Conewango Watershed Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental charges	\$ 10,200	\$ 10,200	\$ 9,900	\$ (300)
Use of money and property	-	-	625	625
Total revenues	<u>10,200</u>	<u>10,200</u>	<u>10,525</u>	<u>325</u>
EXPENDITURES				
Current:				
Home and community services	<u>34,500</u>	<u>34,500</u>	<u>16,998</u>	<u>17,502</u>
Total expenditures	<u>34,500</u>	<u>34,500</u>	<u>16,998</u>	<u>17,502</u>
Excess (deficiency) of revenues over expenditures	<u>(24,300)</u>	<u>(24,300)</u>	<u>(6,473)</u>	<u>17,827</u>
OTHER FINANCING SOURCES				
Transfers in	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Total other financing sources	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Net change in fund balances*	(16,800)	(16,800)	1,027	17,827
Fund balances—beginning	<u>73,989</u>	<u>73,989</u>	<u>73,989</u>	<u>-</u>
Fund balances—ending	<u>\$ 57,189</u>	<u>\$ 57,189</u>	<u>\$ 75,016</u>	<u>\$ 17,827</u>

*The net change in fund balances was included in the budget as an appropriation (i.e. spenddown) of fund balance.

STATISTICAL SECTION

This part of the County’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents:	<u>Page</u>
Financial Trends	82
<i>These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	90
<i>These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.</i>	
Debt Capacity	94
<i>These schedules present information to help the reader assess the affordability of the County’s current level of outstanding debt and the County’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information	99
<i>These schedules offer demographic and economic indications to help the reader understand the environment within which the County’s financial activities take place.</i>	
Operating Information	101
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual audited financial statements for the relevant year.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule I—Net Position by Component
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2012 ¹	2013	2014	2015	2016	2017 ²	2018 ³	2019	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 65,523,167	\$ 79,554,856	\$ 82,757,133	\$ 93,080,798	\$ 100,553,821	\$ 105,595,741	\$ 121,325,150	\$ 130,725,656	\$ 130,495,801	\$ 139,630,660
Restricted	16,237,024	7,210,785	8,301,108	6,349,627	8,270,386	13,972,453	5,899,111	6,343,617	10,219,164	5,935,574
Unrestricted	<u>(22,158,313)</u>	<u>(16,806,230)</u>	<u>(19,433,498)</u>	<u>(32,468,915)</u>	<u>(45,472,280)</u>	<u>(65,094,347)</u>	<u>(234,961,233)</u>	<u>(239,860,288)</u>	<u>(247,747,244)</u>	<u>(250,082,080)</u>
Total net position—governmental activities	<u>\$ 59,601,878</u>	<u>\$ 69,959,411</u>	<u>\$ 71,624,743</u>	<u>\$ 66,961,510</u>	<u>\$ 63,351,927</u>	<u>\$ 54,473,847</u>	<u>\$ (107,736,972)</u>	<u>\$ (102,791,015)</u>	<u>\$ (107,032,279)</u>	<u>\$ (104,515,846)</u>
Business-type activities:										
Net investment in capital assets	\$ 4,295,380	\$ 3,654,946	\$ 3,837,033	\$ 3,347,674	\$ 3,381,903	\$ 3,558,567	\$ 3,359,629	\$ 4,643,479	\$ 4,831,760	\$ 4,801,008
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>(2,902,298)</u>	<u>(3,517,248)</u>	<u>(3,607,412)</u>	<u>(5,082,256)</u>	<u>748,588</u>	<u>2,946,780</u>	<u>(24,419,167)</u>	<u>(24,193,803)</u>	<u>(29,355,877)</u>	<u>(35,815,791)</u>
Total net position—business-type activities	<u>\$ 1,393,082</u>	<u>\$ 137,698</u>	<u>\$ 229,621</u>	<u>\$ (1,734,582)</u>	<u>\$ 4,130,491</u>	<u>\$ 6,505,347</u>	<u>\$ (21,059,538)</u>	<u>\$ (19,550,324)</u>	<u>\$ (24,524,117)</u>	<u>\$ (31,014,783)</u>
Primary government:										
Net investment in capital assets	\$ 69,818,547	\$ 83,209,802	\$ 86,594,166	\$ 96,428,472	\$ 103,935,724	\$ 109,154,308	\$ 124,684,779	\$ 135,369,135	\$ 135,327,561	\$ 144,431,668
Restricted	16,237,024	7,210,785	8,301,108	6,349,627	8,270,386	13,972,453	5,899,111	6,343,617	10,219,164	5,935,574
Unrestricted	<u>(25,060,611)</u>	<u>(20,323,478)</u>	<u>(23,040,910)</u>	<u>(37,551,171)</u>	<u>(44,723,692)</u>	<u>(62,147,567)</u>	<u>(259,380,400)</u>	<u>(264,054,091)</u>	<u>(277,103,121)</u>	<u>(285,897,871)</u>
Total net position—primary government	<u>\$ 60,994,960</u>	<u>\$ 70,097,109</u>	<u>\$ 71,854,364</u>	<u>\$ 65,226,928</u>	<u>\$ 67,482,418</u>	<u>\$ 60,979,194</u>	<u>\$ (128,796,510)</u>	<u>\$ (122,341,339)</u>	<u>\$ (131,556,396)</u>	<u>\$ (135,530,629)</u>

¹ Governmental Accounting Standards Board Statement ("GASB") No. 63—"Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources and Net Position" renamed net assets to net position effective for the year ended December 31, 2012.

² During the year ended December 31, 2017, the Cattaraugus County Land Bank Corporation met the criteria within GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*, to be presented as a blended component unit of the County's primary government.

³ During the year ended December 31, 2018, the Cattaraugus County Sustainability and Growth Corporation met the criteria within GASB Statement No. 80, *Blending Requirements for Certain Units - an amendment of GASB Statement No. 14*, to be presented as a blended component unit of the County's primary government.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule II—Changes in Net Position
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2012	2013	2014	2015	2016	2017 ²	2018 ³	2019	2020	2021 ⁴
Primary government:										
Expenses:										
Governmental activities:										
General government support	\$ 22,127,411	\$ 22,826,232	\$ 24,858,003	\$ 26,431,776	\$ 22,336,500	\$ 23,862,677	\$ 27,340,206	\$ 28,722,722	\$ 26,523,146	\$ 64,427,622
Education	6,792,998	6,577,067	6,769,610	8,143,513	6,847,512	7,992,020	7,079,831	7,959,610	6,038,594	8,394,493
Public safety	20,595,430	19,760,244	21,621,499	21,648,839	24,349,526	24,404,403	24,104,378	24,370,884	28,306,098	23,517,760
Health	21,868,915	20,238,508	20,687,482	21,358,959	22,975,027	22,288,254	21,786,118	21,664,448	24,469,562	22,830,808
Transportation	21,865,334	20,553,035	20,117,441	21,657,459	21,811,928	23,986,027	21,687,409	23,399,588	27,553,089	28,174,486
Economic assistance and opportunity	56,595,804	55,187,043	57,257,782	56,586,921	63,951,853	63,317,518	62,455,483	60,059,114	61,343,417	55,786,147
Culture and recreation	1,000,549	903,645	1,324,896	1,376,046	832,368	1,187,147	1,001,710	1,090,612	873,103	988,394
Home and community services	2,588,530	2,207,867	3,573,002	3,424,112	2,583,189	2,896,143	2,717,879	3,091,486	3,182,702	2,860,290
Interest and other fiscal charges	1,376,764	1,761,358	1,161,622	1,021,976	988,882	997,982	1,217,261	1,014,539	1,179,429	1,109,035
Total governmental activities	<u>154,811,735</u>	<u>150,014,999</u>	<u>157,371,337</u>	<u>161,649,601</u>	<u>166,676,785</u>	<u>170,932,171</u>	<u>169,390,275</u>	<u>171,373,003</u>	<u>179,469,140</u>	<u>208,089,035</u>
Business-type activities:										
The Pines Machias Campus	14,248,547	13,930,060	14,538,562	14,385,772	15,149,060	15,438,858	14,390,412	14,810,065	16,641,174	15,728,931
The Pines Olean Campus	12,000,750	12,016,716	12,587,449	11,968,130	12,871,780	12,772,191	12,794,911	13,378,113	14,518,202	14,223,336
Onoville Marina	502,666	694,275	554,578	561,427	579,567	570,417	559,813	676,495	706,576	537,558
Lank Bank Corporation ²	-	-	-	-	-	40,119	89,414	584,575	555,937	589,843
Sustainability and Growth Corporation ³	-	-	-	-	-	-	270,116	18,779	4,250	4,250
Total business-type activities	<u>26,751,963</u>	<u>26,641,051</u>	<u>27,680,589</u>	<u>26,915,329</u>	<u>28,600,407</u>	<u>28,821,585</u>	<u>28,104,666</u>	<u>29,468,027</u>	<u>32,426,139</u>	<u>31,083,918</u>
Total expenses	<u>181,563,698</u>	<u>176,656,050</u>	<u>185,051,926</u>	<u>188,564,930</u>	<u>195,277,192</u>	<u>199,753,756</u>	<u>197,494,941</u>	<u>200,841,030</u>	<u>211,895,279</u>	<u>239,172,953</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General government support	6,280,584	3,369,543	4,060,217	3,790,375	4,441,304	5,322,468	5,828,283	5,302,676	5,058,614	36,813,652
Education	-	-	-	-	-	-	-	-	-	275
Public safety	2,950,261	3,287,712	3,421,851	3,945,846	2,484,322	2,463,909	2,565,682	2,530,754	2,817,624	3,800,566
Health	10,670,716	10,866,756	11,084,413	10,989,780	10,786,055	10,904,715	11,135,325	11,103,263	8,986,647	9,462,756
Transportation	361,445	560,559	579,565	274,781	351,625	335,156	525,764	518,565	436,901	-
Economic assistance and opportunity	1,948,570	2,494,478	2,209,769	1,583,450	2,118,364	1,763,698	2,364,280	2,684,622	2,619,569	3,629,988
Culture and recreation	1,424	899	432	407	140	65	-	247	90	130,138
Home and community services	1,385,856	1,308,387	1,254,679	1,232,816	1,183,522	1,192,564	1,246,504	1,206,673	1,321,698	1,472,649
Operating grants and contributions	36,030,052	35,253,388	35,339,742	36,008,220	36,411,867	37,572,291	37,612,764	36,726,944	37,639,557	38,202,084
Capital grants and contributions	3,916,991	5,290,150	7,025,098	6,684,608	7,725,130	5,342,210	6,038,206	8,088,358	6,242,360	5,768,860
Total governmental activities	<u>63,545,899</u>	<u>62,431,872</u>	<u>64,975,766</u>	<u>64,510,283</u>	<u>65,502,329</u>	<u>64,897,076</u>	<u>67,316,808</u>	<u>68,162,102</u>	<u>65,123,060</u>	<u>99,280,968</u>

(continued)

COUNTY OF CATTARAUGUS, NEW YORK
Schedule II—Changes in Net Position
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2012	2013	2014	2015	2016	2017 ²	2018 ³	2019	2020	2021
Business-type activities:										
The Pines Machias Campus:										
Charges for services	9,627,534	9,691,950	10,244,276	10,223,043	10,360,363	10,096,103	11,040,148	11,400,197	13,733,864	11,400,005
Operating grants and contributions	1,391,414	2,633,828	2,438,533	1,828,900	7,138,731	5,552,422	3,928,548	3,961,232	1,197,170	870,694
The Pines Olean Campus:										
Charges for services	8,537,513	9,351,688	9,860,129	9,542,521	9,793,753	10,405,646	10,878,910	11,271,908	12,576,564	10,292,019
Operating grants and contributions	1,623,597	3,098,194	2,186,177	1,639,633	6,624,632	4,526,022	3,650,877	3,821,388	1,133,949	678,721
Onoville Marina:										
Charges for services	567,276	564,494	570,183	590,480	514,758	543,084	580,120	560,368	573,045	653,848
Operating grants and contributions	1,347	6	-	-	-	-	-	-	-	-
Lank Bank Corporation:										
Charges for services	-	-	-	-	-	34,258	34,176	63,594	65,425	148,960
Operating grants and contributions	-	-	-	-	-	-	89,414	585,192	555,937	530,961
Sustainability and Growth Corporation:										
Charges for services	-	-	-	-	-	-	186,949	-	-	-
Operating grants and contributions	-	-	-	-	-	-	539,000	10,123	7,410	10,968
Total business-type activities	<u>21,748,681</u>	<u>25,340,160</u>	<u>25,299,298</u>	<u>23,824,577</u>	<u>34,432,237</u>	<u>31,157,535</u>	<u>30,928,142</u>	<u>31,674,002</u>	<u>29,843,364</u>	<u>24,586,176</u>
Total program revenues	<u>85,294,580</u>	<u>87,772,032</u>	<u>90,275,064</u>	<u>88,334,860</u>	<u>99,934,566</u>	<u>96,054,611</u>	<u>98,244,950</u>	<u>99,836,104</u>	<u>94,966,424</u>	<u>123,867,144</u>
Net revenue (expense):										
Governmental activities	(91,265,836)	(87,583,127)	(92,395,571)	(97,139,318)	(101,174,456)	(106,035,095)	(102,073,467)	(103,210,901)	(114,346,080)	(108,808,067)
Business-type activities	<u>(5,003,282)</u>	<u>(1,300,891)</u>	<u>(2,381,291)</u>	<u>(3,090,752)</u>	<u>5,831,830</u>	<u>2,335,950</u>	<u>2,823,476</u>	<u>2,205,975</u>	<u>(2,582,775)</u>	<u>(6,497,742)</u>
Total net (expense) revenue	<u>(96,269,118)</u>	<u>(88,884,018)</u>	<u>(94,776,862)</u>	<u>(100,230,070)</u>	<u>(95,342,626)</u>	<u>(103,699,145)</u>	<u>(99,249,991)</u>	<u>(101,004,926)</u>	<u>(116,928,855)</u>	<u>(115,305,809)</u>

(continued)

COUNTY OF CATTARAUGUS, NEW YORK
Schedule II—Changes in Net Position
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2012 ¹	2013	2014	2015	2016	2017 ²	2018 ³	2019	2020	2021 ⁴
General revenues and transfers:										
Governmental activities:										
Property taxes, levied for										
general purpose	47,826,735	49,699,236	50,709,951	51,257,147	51,057,586	52,962,950	53,817,607	55,313,609	54,216,597	54,389,704
Property taxes items	2,564,153	2,719,829	2,831,949	2,584,600	2,694,099	2,443,916	2,479,969	2,406,605	3,052,987	2,934,663
Non property tax items	35,942,987	37,450,673	38,133,477	38,559,496	37,417,074	39,071,485	41,657,149	42,685,495	43,461,202	51,416,522
Use of money and property	1,200,346	958,279	916,542	914,697	788,249	839,440	1,052,342	2,778,103	3,711,303	(2,161,466)
Sale of property and										
compensation for loss	1,356,604	1,353,100	1,509,560	2,552,992	2,622,258	2,139,120	3,629,690	3,167,920	1,800,947	3,347,703
Miscellaneous	1,638,907	6,306,345	2,495,373	3,620,122	2,985,607	742,176	1,308,136	1,805,126	1,373,059	1,397,374
(Loss) gain on asset disposition	(414,194)	(546,802)	(121,833)	(2,842,418)	-	-	-	-	-	-
Transfers	-	-	(2,414,116)	(1,611,731)	-	-	-	-	-	-
Total governmental activities	<u>90,115,538</u>	<u>97,940,660</u>	<u>94,060,903</u>	<u>95,034,905</u>	<u>97,564,873</u>	<u>98,199,087</u>	<u>103,944,893</u>	<u>108,156,858</u>	<u>107,616,095</u>	<u>111,324,500</u>
Business-type activities:										
Unrestricted investment earnings	54,870	5,908	7,938	6,037	-	-	-	-	46	-
Sale of property and										
compensation for loss	-	-	-	-	-	-	-	-	-	6
Miscellaneous	50,562	39,995	41,892	35,435	33,183	38,906	28,212	23,697	-	7,070
(Loss) gain on asset disposition	(941)	(396)	9,268	-	-	-	-	-	-	-
Transfers	-	-	2,414,116	1,611,731	60	-	-	-	-	-
Total business-type activities	<u>104,491</u>	<u>45,507</u>	<u>2,473,214</u>	<u>1,653,203</u>	<u>33,243</u>	<u>38,906</u>	<u>28,212</u>	<u>23,697</u>	<u>46</u>	<u>7,076</u>
Total primary government	<u>90,220,029</u>	<u>97,986,167</u>	<u>96,534,117</u>	<u>96,688,108</u>	<u>97,598,116</u>	<u>98,237,993</u>	<u>103,973,105</u>	<u>108,180,555</u>	<u>107,616,141</u>	<u>111,331,576</u>
Change in net position:										
Governmental activities	(1,150,298)	10,357,533	1,665,332	(2,104,413)	(3,609,583)	(7,836,008)	1,871,426	4,945,957	(6,729,985)	2,516,433
Business-type activities	(4,898,791)	(1,255,384)	91,923	(1,437,549)	5,865,073	2,374,856	2,851,688	2,229,672	(2,582,729)	(6,490,666)
Total change in net position	<u>\$ (6,049,089)</u>	<u>\$ 9,102,149</u>	<u>\$ 1,757,255</u>	<u>\$ (3,541,962)</u>	<u>\$ 2,255,490</u>	<u>\$ (5,461,152)</u>	<u>\$ 4,723,114</u>	<u>\$ 7,175,629</u>	<u>\$ (9,312,714)</u>	<u>\$ (3,974,233)</u>

(concluded)

¹ Governmental Accounting Standards Board Statement ("GASB") No. 63-"Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources and Net asseets to net position effective for the year ended December 31, 2012.

² During the year ended December 31, 2017, the Cattaraugus County Land Bank Corporation met the criteria within GASB Statement No. 80, *Blending Requirements for - an amendment of GASB Statement No. 14*, to be presented as a blended component unit of the County's primary government.

³ During the year ended December 31, 2018, the Cattaraugus County Sustainability and Growth Corporation met the criteria within GASB Statement No. 80, *Blending Units - an amendment of GASB Statement No. 14*, to be presented as a blended component unit of the County's primary government.

⁴ During the year ended December 31, 2021, the County elected to record certain interfund revenues and associated expenditures within the government-wide financial statements. Previously, the associated expenditures were netted against interfund revenue.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule III—Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Nonspendable	\$ 2,253,463	\$ 2,284,415	\$ 2,086,111	\$ 1,907,244	\$ 1,663,741	\$ 1,579,937	\$ 1,392,707	\$ 1,689,430	\$ 1,601,192	\$ 1,681,917
Restricted	1,805,027	2,018,082	2,197,453	2,197,453	2,208,250	2,931,764	4,052,374	4,509,456	4,368,429	4,737,651
Committed	-	868,968	122,500	122,500	85,000	-	-	315,478	421,610	517,403
Assigned	3,028,834	4,893,624	3,203,691	2,606,932	2,549,862	3,323,615	2,743,239	4,066,386	2,712,898	3,519,152
Unassigned	<u>23,282,432</u>	<u>30,077,797</u>	<u>36,912,672</u>	<u>36,698,052</u>	<u>37,085,752</u>	<u>34,680,036</u>	<u>36,827,434</u>	<u>37,867,657</u>	<u>45,865,538</u>	<u>47,947,729</u>
Total General Fund	<u>\$ 30,369,756</u>	<u>\$ 40,142,886</u>	<u>\$ 44,522,427</u>	<u>\$ 43,532,181</u>	<u>\$ 43,592,605</u>	<u>\$ 42,515,352</u>	<u>\$ 45,015,754</u>	<u>\$ 48,448,407</u>	<u>\$ 54,969,667</u>	<u>\$ 58,403,852</u>
All other governmental funds:										
Restricted	\$ 16,517,801	\$ 15,976,977	\$ 10,684,939	\$ 11,855,126	\$ 12,615,554	\$ 17,291,098	\$ 10,883,457	\$ 9,841,283	\$ 7,239,737	\$ 7,945,076
Assigned	<u>862,905</u>	<u>614,274</u>	<u>1,418,130</u>	<u>937,024</u>	<u>1,303,639</u>	<u>1,794,894</u>	<u>1,550,283</u>	<u>2,140,406</u>	<u>2,287,997</u>	<u>2,235,597</u>
Total all other governmental funds	<u>\$ 17,380,706</u>	<u>\$ 16,591,251</u>	<u>\$ 12,103,069</u>	<u>\$ 12,792,150</u>	<u>\$ 13,919,193</u>	<u>\$ 19,085,992</u>	<u>\$ 12,433,740</u>	<u>\$ 11,981,689</u>	<u>\$ 9,527,734</u>	<u>\$ 10,180,673</u>

COUNTY OF CATTARAUGUS, NEW YORK
Schedule IV—Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Real property taxes ¹	\$ 47,017,722	\$ 49,883,573	\$ 50,870,611	\$ 50,984,054	\$ 51,846,046	\$ 54,384,843	\$ 53,919,044	\$ 55,953,868	\$ 52,993,339	\$ 56,475,693
Real property tax items	2,564,153	2,719,829	2,831,949	2,584,600	2,694,099	2,443,916	2,479,969	2,406,605	3,052,987	2,934,663
Non property tax items	35,942,987	37,450,673	38,133,477	38,559,496	37,417,074	39,071,485	41,657,149	42,685,495	43,461,202	51,416,522
Departmental income	16,244,660	16,819,452	16,290,536	15,722,496	15,932,947	15,968,146	17,024,706	17,302,248	14,998,677	15,223,513
Intergovernmental charges	7,120,189	6,556,293	6,274,606	6,318,430	5,244,879	5,724,991	6,375,444	5,790,170	6,121,852	6,275,020
Use of money and property	1,286,897	1,042,585	1,012,622	1,017,516	880,934	979,218	1,189,372	2,913,855	3,884,220	(2,161,466)
Licenses and permit	-	-	49,559	65,284	88,591	79,912	59,409	54,093	56,436	63,206
Fines and forfeitures	-	-	269,085	274,825	195,836	209,526	206,279	200,289	129,566	87,469
Sale of property and compensation for loss	1,356,604	1,353,100	1,509,560	2,552,992	2,645,890	2,139,120	3,629,690	3,167,920	1,800,947	3,347,703
Miscellaneous	1,484,426	6,140,683	2,309,542	3,382,545	2,225,240	1,222,596	1,892,148	1,988,406	1,348,836	1,397,374
Interfund revenues	25,081,087	25,593,891	26,830,694	27,783,238	28,784,148	30,665,631	31,171,773	32,783,410	32,683,050	33,660,816
State aid	18,687,683	19,513,555	19,877,746	21,754,824	24,218,747	22,367,532	20,688,437	25,792,163	23,739,104	23,347,264
Federal aid	20,968,221	20,894,750	22,427,339	20,765,797	19,739,888	20,546,969	22,962,533	19,023,139	20,077,425	20,623,680
Total revenues	177,754,629	187,968,384	188,687,326	191,766,097	191,914,319	195,803,885	203,255,953	210,061,661	204,347,641	212,691,457
Expenditures:										
Current:										
General government support	41,139,897	41,460,191	43,431,107	45,415,232	42,785,115	47,711,401	50,005,525	52,788,630	53,400,270	61,087,966
Education	6,775,966	6,569,625	6,755,996	8,132,550	6,847,973	7,988,762	7,057,194	7,959,519	6,038,502	8,024,148
Public safety	18,531,604	19,193,749	19,961,551	20,564,544	20,671,227	20,386,348	21,304,779	21,877,247	23,174,559	22,537,745
Health	19,932,954	19,351,280	19,249,923	19,774,751	19,657,735	19,836,146	20,038,848	20,252,552	21,051,184	21,845,039
Transportation	15,361,359	16,744,477	15,283,099	16,595,569	16,381,672	15,559,274	18,985,707	17,251,245	16,237,947	18,329,363
Economic assistance and opportunity	53,171,320	53,954,910	55,351,304	54,271,844	59,165,919	57,921,858	59,078,166	57,706,802	54,510,823	52,287,921
Culture and recreation	1,073,148	1,009,016	1,392,094	1,393,486	822,027	1,015,402	1,037,155	1,127,750	817,294	943,520
Home and community services	2,121,053	2,076,278	3,273,823	3,033,296	2,236,707	2,709,146	2,794,644	2,953,983	2,713,292	2,818,125
Employee benefits	5,454,391	4,448,813	4,218,935	4,236,099	5,237,582	5,846,646	5,893,629	6,120,443	6,656,889	6,439,412
Debt service:										
Principal	4,668,939	4,820,448	4,565,838	4,497,445	4,556,517	4,682,919	4,566,192	4,732,329	5,061,142	7,946,743
Interest and fiscal charges	1,371,892	1,182,739	1,293,907	1,048,831	1,019,140	914,853	1,233,534	973,284	1,220,095	1,229,844
Capital outlay	12,621,983	14,693,985	11,670,845	15,338,912	15,986,418	19,010,657	16,335,709	21,877,221	13,507,820	11,779,160
Total expenditures	182,224,506	185,505,511	186,448,422	194,302,559	195,368,032	203,583,412	208,331,082	215,621,005	204,389,817	215,268,986

(continued)

COUNTY OF CATTARAUGUS, NEW YORK
Schedule IV—Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other financing sources (uses)										
Transfers in	14,839,730	15,597,123	13,755,307	18,846,011	17,353,770	15,377,878	14,575,034	17,819,908	12,969,263	15,583,738
Transfers out	(14,839,730)	(15,597,123)	(16,169,423)	(20,457,742)	(17,353,770)	(15,377,878)	(14,575,034)	(17,819,908)	(12,969,263)	(15,583,738)
Other financing sources ²	6,191,461	13,912,449	66,571	3,847,028	8,212,535	12,911,145	923,279	8,539,946	4,109,481	6,664,653
Other financing uses	-	(7,391,647)	-	-	(3,571,355)	-	-	-	-	-
Total other financing sources (uses)	6,191,461	6,520,802	(2,347,545)	2,235,297	4,641,180	12,911,145	923,279	8,539,946	4,109,481	6,664,653
Net change in fund balances	<u>\$ 1,721,584</u>	<u>\$ 8,983,675</u>	<u>\$ (108,641)</u>	<u>\$ (301,165)</u>	<u>\$ 1,187,467</u>	<u>\$ 5,131,618</u>	<u>\$ (4,151,850)</u>	<u>\$ 2,980,602</u>	<u>\$ 4,067,305</u>	<u>\$ 4,087,124</u>
Debt service as a percentage of noncapital expenditures	3.56%	3.51%	3.35%	3.10%	3.11%	3.03%	3.02%	2.94%	3.29%	4.57%

¹ Prior to fiscal year-end 2012, real property taxes were combined with real property tax items for reporting purposes.

² Includes debt issuance proceeds and premiums.

(concluded)

COUNTY OF CATTARAUGUS, NEW YORK
Schedule V—Governmental Funds Tax Revenues by Source
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

Year	Non-Property Taxes						Total
	General Property Taxes	General Sales Taxes	Room Occupancy Taxes	E-911 Taxes	Mortgage Taxes	Automobile Use Taxes	
2012	\$ 47,017,722	\$ 33,678,580	\$ 777,917	\$ 267,112	\$ 751,145	\$ 468,233	\$ 82,960,709
2013	49,883,573	35,227,613	749,506	262,144	727,266	484,144	87,334,246
2014	50,870,611	36,081,711	771,957	258,118	549,415	472,276	89,004,088
2015	50,984,054	36,462,531	772,666	256,095	578,260	489,944	89,543,550
2016	51,846,046	35,194,149	703,026	251,102	816,285	452,512	89,263,120
2017	54,384,843	36,870,078	814,716	233,494	626,148	527,049	93,456,328
2018	53,919,044	39,279,583	967,933	285,789	628,932	494,912	95,576,193
2019	55,953,868	40,224,811	1,018,755	309,286	629,880	502,763	98,639,363
2020	52,993,339	40,901,095	935,477	289,252	734,490	439,424	96,293,077
2021	55,495,000	47,239,948	1,255,800	303,521	1,138,058	488,415	105,920,742

COUNTY OF CATTARAUGUS, NEW YORK
Schedule VI—Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Year ¹	Assessed Value	Full Value	Ratio of Assessed Value to Full Value	Total Effective Rate ²
2012	\$ 3,302,907,818	\$ 3,941,812,945	83.79%	\$ 12.55
2013	3,461,022,026	3,975,879,182	87.05%	12.88
2014	3,477,266,336	3,969,147,171	87.61%	13.18
2015	3,503,829,432	4,024,860,494	87.05%	13.16
2016	3,543,032,182	4,124,055,507	85.91%	12.96
2017	3,677,616,557	4,247,062,554	86.59%	12.85
2018	3,688,985,815	4,371,781,079	84.38%	12.65
2019	3,756,020,822	4,408,282,321	85.20%	12.84
2020	3,770,189,756	4,500,225,402	83.78%	12.33
2021	3,931,433,771	4,825,882,453	81.47%	11.50

¹ The years indicated relate to the tax levy year. Assessments are compiled from the County's tax rolls for the preceding year and the equalization rate shown relates to such.

² The total effective rate represents the average of all county tax rates per \$1,000 of assessed property value of the County of Cattaraugus.

Source: Cattaraugus County Real Property Services

COUNTY OF CATTARAUGUS, NEW YORK
Schedule VII—Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Unaudited)

Year	County Effective Rates ¹	County Direct Rates ²	Overlapping Rates ³			
			Cities, Towns & Villages	School Districts	Fire Districts	Other Special Districts
2012	12.55	\$ 1.80-169.72	\$ 0.23-90.26	\$ 7.56-129.57	\$ 0.14-12.34	\$ 0.01-275.28
2013	12.88	4.82-43.78	0.79-57.10	7.96-132.39	0.12-11.15	0.01-275.28
2014	13.18	5.31-46.19	0.71-59.78	8.35-131.40	0.12-11.35	0.02-273.56
2015	13.16	9.94-74.08	0.60-59.78	5.48-132.88	0.10-12.40	0.03-277.79
2016	12.96	9.73-77.93	0.59-59.78	5.80-125.38	0.10-12.50	0.02-277.79
2017	12.85	10.01-79.12	0.60-59.78	5.94-123.34	0.07-12.65	0.02-221.41
2018	12.65	9.55-85.67	0.61-59.78	1.25-129.73	0.09-13.63	0.02-181.41
2019	12.84	9.74-85.66	0.62-61.78	1.20-123.75	0.09-13.63	0.02-181.41
2020	12.33	9.16-83.64	0.62-63.72	1.20-125.17	0.09-13.79	0.26-72.27
2021	11.50	11.50-83.66	0.35-63.66	1.08-126.49	0.04-13.82	0.26-289.89

¹ The County has a complex rate structure that would make the calculation of a direct rate extremely difficult, since its revenue base cannot be sufficiently disaggregated for each applicable rate. The County substituted an effective rate instead.

² Equalization rates vary by town making it necessary to present the County tax rate as a range

³ Overlapping rates are those of local governments that apply to property owners within the County. The range presented reflects different rates charged to various property owners depending on the municipality the property is located in. Not all overlapping rates apply to all the County's property owners.

Source: Division of Real Property Tax, Department of Finance, County of Cattaraugus, New York and New York State Comptroller's Office.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule VIII—Principal Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	Type of Business	2021			2012		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
State of New York	Government	\$ 272,289,250	1	6.93%	\$ 265,566,240	1	8.04%
National Fuel Gas Supply	Utility	104,160,236	2	2.65%	23,010,544	5	0.70%
National Grid	Utility	78,719,824	3	2.00%	83,412,293	3	2.53%
Niagara Mohawk Power Corp	Utility	75,140,876	4	1.91%	-	-	n/a
NYS Electric & Gas Corp	Utility	26,485,764	5	0.67%	25,447,069	4	0.77%
Win-Sum Ski Corp	Resort	25,635,000	6	0.65%	20,699,406	6	0.63%
Park Centre Development Inc	Retail	14,851,500	7	0.38%	-	-	n/a
Indeck-Olean LP Total	Industry	10,600,000	8	0.27%	-	-	n/a
Agree Stores, LLC	Retail	9,335,000	9	0.24%	-	-	n/a
Pengilly Corp Total	Housing	8,189,600	10	0.21%	-	-	n/a
St. Bonaventure University	Education	-	-	n/a	151,239,600	2	4.58%
Verizon Telecommunications	Utility	-	-	n/a	20,640,925	7	0.62%
BG Olean	Retail	-	-	n/a	19,389,500	8	0.59%
Home Depot	Retail	-	-	n/a	7,200,000	10	0.22%
Total		\$ 625,407,050		15.91%	\$ 616,605,577		18.67%

Source: County of Cattaraugus Treasurer's Office

COUNTY OF CATTARAUGUS, NEW YORK
Schedule IX—Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended December 31,	County Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Periods	Total Collections to Date	
		Amount	Percentage of Total Levy		Amount	Percentage of Levy ²
2012	\$ 72,807,122	\$ 68,246,310	93.74%	\$ 3,292,950	\$ 71,539,260	98.26%
2013	74,464,469	69,966,170	93.96%	3,621,347	73,587,517	98.82%
2014	76,213,272	71,810,731	94.22%	3,936,390	75,747,121	99.39%
2015	77,242,519	72,461,759	93.81%	4,091,977	76,553,736	99.11%
2016	77,664,779	73,323,540	94.41%	4,225,806	77,549,346	99.85%
2017	79,363,401	75,366,738	94.96%	4,263,576	79,630,314	100.34%
2018	80,868,461	76,753,973	94.91%	3,536,632	80,290,605	99.29%
2019	82,047,186	78,256,908	95.38%	4,393,195	82,650,103	100.73%
2020	82,095,595	77,394,194	94.27%	4,245,850	81,640,044	99.45%
2021	82,500,123	78,150,783	94.73%	N/A	78,150,783	94.73%

¹ Town receivers of taxes collect real property taxes for the respective town and County. The respective town receivers distribute the collected tax monies to the towns prior to distributing the balance collected to the County. The towns, thereby, are assured of full collections. Each year, the town receivers turn over uncollected items to the County. The County satisfies the full amount of the unpaid school taxes. Responsibility for the unpaid taxes rests with the County.

² The amounts recorded in the "Delinquent Collections in Subsequent Periods" represents total previous period collections for that year. Therefore, in certain periods the Percentage of Levy recorded appears as over 100% of the total.

Source: County of Cattaraugus Treasurer's Office

COUNTY OF CATTARAUGUS, NEW YORK
Schedule X—Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities		Business-type Activities		Total Primary Government	Percentage of Personal Income ²	Debt per Capita ²
	General Obligation Bonds ¹	Capital Leases	General Obligation Bonds ¹	Capital Leases			
2012	\$ 35,344,004	\$ 3,225	\$ 11,450,319	\$ -	\$ 46,797,548	0.07%	592.37
2013	37,412,555	50,864	10,844,693	10,171	48,318,283	0.07%	614.07
2014	32,761,207	89,816	10,247,862	7,900	43,106,785	0.08%	553.00
2015	32,002,070	94,884	9,655,325	5,457	41,757,736	0.09%	537.37
2016	32,125,424	67,267	9,100,614	2,828	41,296,133	0.09%	534.61
2017	40,274,111	28,348	8,535,868	-	48,838,327	0.08%	635.58
2018	35,778,826	787,580	7,944,242	-	44,510,648	0.09%	576.23
2019	39,267,628	1,015,511	7,354,794	26,176	47,664,109	0.08%	626.20
2020	37,948,950	1,286,117	6,766,523	19,904	46,021,494	0.09%	609.49
2021	36,741,902	1,095,262	6,099,636	13,632	43,950,432	0.10%	575.07

¹ Serial bonds are presented net of related premiums or discounts.

² See Schedule XIV for personal income and population data.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XI—Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Year	Population	General Bonded Debt Outstanding				Percentage of Net Bonded Debt to Estimated Actual Value ³	Net Bonded Debt per Capita ⁴
		Estimated Actual Value of Property	Net Bonded Debt ¹	Less: Debt Service Funds ²	Net Bonded Debt		
2012	79,000	\$ 3,941,812,945	\$ 46,794,323	\$ 56,510	\$ 46,737,813	1.19%	\$ 591.62
2013	78,685	3,975,879,182	48,257,248	102,313	48,154,935	1.21%	612.00
2014	77,951	3,969,147,171	43,009,069	568,385	42,440,684	1.07%	544.45
2015	77,708	4,024,860,494	41,657,395	452,755	41,204,640	1.02%	530.25
2016	77,245	4,124,055,507	41,226,038	544,558	40,681,480	0.99%	526.66
2017	76,840	4,247,062,554	48,809,979	420,387	48,389,592	1.14%	629.74
2018	77,245	4,371,781,079	43,723,068	310,434	43,412,634	0.99%	562.01
2019	76,117	4,408,282,321	46,622,422	459,572	46,162,850	1.05%	606.47
2020	75,508	4,500,225,402	44,715,473	487,192	44,228,281	0.98%	585.74
2021	76,426	4,825,882,453	42,841,538	664,746	42,176,792	0.87%	551.86

Notes: Detail regarding the County's outstanding debt can be found in the notes to the financial statements.

¹ General bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.

² Amount restricted for debt service principal payments.

³ See Schedule VI for property value data.

⁴ See Schedule XIV for personal income and population data.

Source: County of Cattaraugus Annual Financial Report to the State of New York, Office of the State Comptroller and US Bureau of the Census, and Trial Balance

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XII—Computation of Estimated Direct and Overlapping Debt
As of December 31, 2021
(Unaudited)

Governmental Unit	Gross Indebtedness ¹	Estimated Exclusions ²	Net Indebtedness	Percentage Applicable ³	County of Cattaraugus Portion
Estimated direct debt:					
County of Cattaraugus	\$ 42,841,538	\$ 664,746	\$ 42,176,792	17.31%	\$ 7,299,814
Estimated overlapping debt:					
Towns:					
Allegany	-	-	-	0.00%	-
Ashford	1,122,180	-	1,122,180	0.45%	5,087
Carrollton	-	-	-	0.00%	-
Coldspring	-	-	-	0.00%	-
Conewango	31,115	-	31,115	0.01%	4
Dayton	-	-	-	0.00%	-
East Otto	-	-	-	0.00%	-
Ellicottville	835,000	-	835,000	0.34%	2,817
Farmersville	160,974	-	160,974	0.07%	105
Franklinville	230,446	-	230,446	0.09%	215
Freedom	-	-	-	0.00%	-
Great Valley	27,734	-	27,734	0.01%	3
Hinsdale	190,000	-	190,000	0.08%	146
Humphrey	-	-	-	0.00%	-
Ischua	-	-	-	0.00%	-
Leon	-	-	-	0.00%	-
Little Valley	233,333	-	233,333	0.09%	220
Lyndon	-	-	-	0.00%	-
Machias	-	-	-	0.00%	-
Mansfield	248,066	-	248,066	0.10%	249
Napoli	160,000	-	160,000	0.06%	103
New Albion	9,675	-	9,675	0.00%	-
Olean	386,000	-	386,000	0.16%	602
Otto	140,000	-	140,000	0.06%	79
Perrysburg	1,971,386	-	1,971,386	0.80%	15,701
Persia	-	-	-	0.00%	-
Portville	51,097	-	51,097	0.02%	11
Randolph	1,983,038	-	1,983,038	0.80%	15,887
Red House	-	-	-	0.00%	-
Salamanca	-	-	-	0.00%	-
South Valley	-	-	-	0.00%	-
Yorkshire	128,137	-	128,137	0.05%	66

(continued)

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XII—Computation of Estimated Direct and Overlapping Debt
As of December 31, 2021
(Unaudited)

Governmental Unit	Gross Indebtedness ¹	Estimated Exclusions ²	Net Indebtedness	Percentage Applicable ³	County of Cattaraugus Portion
Cities:					
Olean	37,823,219	142,680	37,680,539	15.67%	5,903,163
Salamanca	534,865	-	534,865	0.22%	1,185
Villages:					
Allegany	-	-	-	0.00%	-
Cattaraugus	881,700	-	881,700	0.37%	3,220
Delevan	379,764	-	379,764	0.16%	597
Ellicottville	4,076,604	-	4,076,604	1.69%	68,835
Franklinville	30,000	-	30,000	0.01%	4
Little Valley	131,155	28,977	102,178	0.05%	56
Portville	956,529	31,358	925,171	0.40%	3,665
South Dayton	102,948	-	102,948	0.04%	44
School districts:					
Allegany-Limestone	13,975,000	315,781	13,659,219	5.79%	790,655
Cattaraugus-Little Valley	25,877,900	2,190,437	23,687,463	10.72%	2,538,965
Ellicottville	6,485,000	447,450	6,037,550	2.69%	162,174
Franklinville	6,460,000	393,577	6,066,423	2.68%	162,321
Gowanda	2,605,000	264,088	2,340,912	1.08%	25,258
Hinsdale	5,595,000	675,897	4,919,103	2.32%	113,997
Olean City	18,900,000	354,285	18,545,715	7.83%	1,451,826
Pine Valley	8,785,000	584,015	8,200,985	3.64%	298,412
Portville	7,580,000	75,509	7,504,491	3.14%	235,613
Randolph	4,580,000	-	4,580,000	1.90%	86,884
Salamanca	10,345,000	4,256	10,340,744	4.28%	443,090
West Valley	260,000	363,713	(103,713)	0.11%	(112)
Yorkshire-Pioneer	40,415,000	2,556,258	37,858,742	16.74%	6,337,500
Total estimated overlapping debt	<u>204,687,865</u>	<u>8,428,281</u>	<u>196,259,584</u>		<u>18,669,689</u>
Total estimated direct and overlapping debt	<u>\$ 241,429,767</u>	<u>\$ 9,093,027</u>	<u>\$ 232,336,740</u>		<u>\$ 24,160,077</u>

¹ Direct debt includes the full amount of outstanding long-term debt instruments—including bonds, certificates of participation, loans, and capital leases—of the government.

² Exclusions reflect the amount available for repayment in debt service reserves.

³ Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Cattaraugus County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Debt information is obtained from the towns, villages and school districts within the County. County debt information is provided by the County's Treasurer's Office.

(concluded)

**COUNTY OF CATTARAUGUS, NEW YORK,
Schedule XIII—Legal Debt Margin Information
As of December 31, 2021
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2021	
Estimated Actual Value of Real Property (After Exemptions):	
2017	\$ 4,247,062,554
2018	4,371,781,079
2019	4,408,282,321
2020	4,500,225,402
2021	<u>4,825,882,453</u>
Total five-year valuation	<u>22,353,233,809</u>
Average full valuation	<u>4,470,646,762</u>
Debt limit - 7% of average full valuation ¹	<u>\$ 312,945,273</u>
Debt applicable to limit:	
Primary government - general obligation bonds	41,318,099
Primary government - capital leases	<u>1,108,894</u>
Net indebtedness subject to debt limit	<u>42,426,993</u>
Less other deductions allowed by law ²	
Cash on hand - earnings on investments and premiums	<u>-</u>
Total amount of net indebtedness applicable to debt limit	<u>42,426,993</u>
Legal debt margin ³	<u>\$ 270,518,280</u>
Percentage of debt contracting power exhausted	13.56%

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt limit	\$ 264,874,881	\$ 270,242,021	\$ 273,815,673	\$ 277,031,166	\$ 280,500,574	\$ 284,774,069	\$ 290,354,212	\$ 296,464,587	\$ 303,119,696	\$ 312,945,273
Total net debt applicable to limit	<u>45,138,064</u>	<u>46,008,839</u>	<u>42,374,816</u>	<u>41,104,884</u>	<u>40,452,267</u>	<u>48,139,493</u>	<u>43,927,580</u>	<u>47,077,338</u>	<u>45,497,515</u>	<u>42,426,993</u>
Legal debt margin	<u>\$ 219,736,817</u>	<u>\$ 224,233,182</u>	<u>\$ 231,440,857</u>	<u>\$ 235,926,282</u>	<u>\$ 240,048,307</u>	<u>\$ 236,634,576</u>	<u>\$ 246,426,632</u>	<u>\$ 249,387,249</u>	<u>\$ 257,622,181</u>	<u>\$ 270,518,280</u>
Total net debt applicable to the limit as a percentage of debt limit	17.04%	17.03%	15.48%	14.84%	14.42%	16.90%	15.13%	15.88%	15.01%	13.56%

¹ The provisions of Section 104 of the Local Finance Law specifies debt limits of Counties of New York State.

² Under the State Constitution, indebtedness contracted for the construction of sewer facilities may be excluded, in ascertaining the debt incurring power of the County upon application to and the technical approval of the State Comptroller. The County has not submitted such application, so it cannot formally exclude such indebtedness.

³ There is no constitutional limitation of the amount that may be raised by the County by tax on real estate in any fiscal year to pay interest and principal on all indebtedness.

Sources: County of Cattaraugus Annual Financial Report to the State of New York, and Office of the State Comptroller.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XIV—Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Population	Per Capita Personal Income ¹	Personal Income ²	Unemployment Rate ³
2012	79,000	\$ 34,417	\$ 2,718,943	9.3%
2013	78,685	34,556	2,719,039	8.5%
2014	77,951	35,594	2,774,588	7.0%
2015	77,708	36,826	2,861,675	6.3%
2016	77,245	36,876	2,848,487	6.0%
2017	76,840	38,644	2,969,405	6.2%
2018	77,245	39,085	3,019,111	5.3%
2019	76,117	39,995	3,044,299	5.8%
2020	75,508	41,774	3,154,271	6.7%
2021	76,426	45,200	3,454,455	3.6%

¹ Data represents per capita income for Cattaraugus County.

² Estimated, in thousands.

³ Unemployment rates obtained from the U.S. Bureau of Labor Statistics

Sources: U.S. Bureau of the Census, New York State Department of Labor/Empire State Development, U.S. Department of Labor—Bureau of Labor Statistics and the Bureau of Economic Analysis.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XV—Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Employer	Type	2021			2012		
		Approx. No. of Employees	Rank	Percentage of Labor Force ¹	Approx. No. of Employees	Rank	Percentage of Total County Employment ¹
Seneca Nation of Indians	Seneca Nation Government Services	1,800	1	5.34%	1,800	1	4.68%
Cattaraugus County	Governmental Services	1,227	2	3.64%	1,300	2	3.38%
Seneca Allegany Casino	Casino Operations	1,200	3	3.56%	1,200	3	3.12%
Olean General Hospital	Medical Services	945	4	2.80%	945	5	2.46%
ALCAS	Household & Professional Cutlery Manufacturer	829	5	2.46%	829	6	2.16%
The Rehab Center/SubCon	Rehabilitation & Professional Cutlery Manufacturer	650	6	1.93%	537	9	1.40%
Cattaraugus-Allegany BOCES	Educational Services	644	7	1.91%	644	7	1.68%
St. Bonaventure University	Educational Services	540	8	1.60%	475	10	1.24%
Gowanda Central School District	Educational Services	432	9	1.28%	-	-	n/a
Walmart	Retail	415	10	1.23%	-	-	n/a
Siemens Energy (formerly Dresser-Rand)	Educational Services	-	-	n/a	1,032	4	2.69%
Pioneer Central School District	Educational Services	-	-	n/a	632	8	1.64%

¹ Estimated.

Source: Cattaraugus County Continuing Disclosure Statement and U.S. Bureau of Labor Statistics.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XVI—Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program:	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General government support	96	103	97	127	109	103	96	48	47	47
Education	1	1	1	1	-	1	1	-	-	-
Public safety	137	134	134	157	134	140	145	164	156	153
Health	107	89	74	97	91	91	91	95	91	90
Transportation	112	102	98	111	99	122	144	125	124	134
Economic assistance	179	187	175	199	192	196	200	204	206	197
Culture and recreation	3	4	5	6	4	4	4	6	5	5
Home and community services	<u>12</u>	<u>14</u>	<u>11</u>	<u>14</u>	<u>13</u>	<u>7</u>	<u>-</u>	<u>10</u>	<u>11</u>	<u>10</u>
Total	<u>647</u>	<u>634</u>	<u>595</u>	<u>712</u>	<u>642</u>	<u>664</u>	<u>681</u>	<u>652</u>	<u>640</u>	<u>636</u>

Source: County of Cattaraugus Treasurer's Office

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XVII—Operating Indicators
Last Ten Fiscal Years
(Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sheriff:										
Arrests	1,285	1,152	1,138	754	724	739	850	674	593	773
Traffic summons	3,666	2,843	2,403	2,280	2,099	1,821	1,800	1,523	1,016	1,271
DWI summons	43	59	39	66	63	76	55	56	42	61
Jail:										
Inmates	1,309	1,280	1,316	1,113	1,028	1,042	1,035	873	451	476
Probation:										
Intakes	286	281	260	201	157	177	102	96	95	121
Investigations	629	574	563	537	521	547	546	473	357	295
Individuals supervised	1,143	1,223	1,184	1,140	1,126	1,091	1,066	1,025	885	774
Public Works:										
Road paving (miles)	142.37	63.27	44.29	39.17	41.24	17.70	25.62	25.66	12.07	21.87
Bridge replacement	1	3	3	3	1	2	2	1	2	1
Bridge rehabilitation	1	1	7	3	5	-	2	3	1	-
Refuse Collection:										
Refuse collected (tons per day)	29.62	27.28	27.22	27.35	27.39	28.28	28.15	31.87	32.62	27.00
Recyclables collected (tons per day)	5.75	4.14	4.30	4.55	4.43	4.11	4.14	5.84	10.46	6.60
Department of Motor Vehicles:										
Drivers licenses issued	16,776	10,885	8,442	7,824	8,423	14,773	16,800	19,341	11,941	8,911
Permits issued	2,740	1,709	2,548	2,054	2,501	2,518	2,548	2,607	2,578	2,956
Non-driver ID cards issued	987	1,129	1,099	1,148	1,140	1,332	1,458	1,620	936	1,588
Voter registrations	1,174	546	539	551	723	1,537	2,314	2,983	2,685	2,569
Health:										
Animal vaccinations (rabies)	3,127	3,650	3,676	2,911	1,687	1,687	1,498	1,490	1,160	907
Food service facility investigations	704	683	658	613	621	570	552	570	92	141
Immunization visits	3,064	2,745	2,747	2,821	2,977	3,438	3,381	2,895	587	593
Rabies exposure investigations	185	189	196	230	230	208	215	234	244	205
Water supply system inspections	192	192	185	124	128	121	142	119	42	66
Family planning clinic visits	1,632	1,714	1,489	1,327	1,112	1,300	1,302	1,201	722	613
STI clinic visits	352	363	271	198	197	265	564	505	225	135
Flu vaccinations	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,203
Covid vaccinations	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	36,313

Source: Various County Departments.

COUNTY OF CATTARAUGUS, NEW YORK
Schedule XVII—Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sheriff:										
Jail	1	1	1	1	1	1	1	1	2	2
Vans	3	3	3	3	3	2	2	2	2	2
Cars	30	32	39	38	32	40	42	32	19	10
SUVs	3	4	6	8	6	5	6	10	28	42
Pickups	-	-	1	1	1	1	1	1	1	1
Trailers	2	2	2	2	2	2	2	2	2	3
ATVs	-	-	-	-	-	-	-	-	3	3
Boats	1	1	1	1	1	2	2	2	2	2
Tactical vehicle	-	-	-	-	-	-	4	4	2	2
Snowmobile	2	2	2	2	2	2	2	2	2	2
Transportation:										
Roads (miles)	396.89	396.90	396.91	394.29	392.62	392.52	392.47	392.30	392.30	391.92
Bridges	267	267	268	268	268	268	267	264	264	266
Culverts	257	257	257	257	257	257	256	256	256	256
Drainage structures	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,500	1,500	1,497
Home and Community Services:										
Transfer stations	8	8	8	8	8	8	8	8	8	7
Haul trucks	7	7	7	8	8	8	6	7	7	7

Source: Various County Departments.