



NASSAU COUNTY
LONG ISLAND, NEW YORK

COUNTY OF NASSAU, NEW YORK

**Financial Statements
and Supplementary Information
(Together with Independent Auditors' Report)**

December 31, 2024

and

**Single Audit Reports and Schedule as Required by the
Office of Management and Budget
Uniform Guidance**

Year Ended December 31, 2024

COUNTY OF NASSAU, NEW YORK

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION AND SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Honorable Bruce A. Blakeman, Nassau County Executive,
the Honorable Elaine Phillips, Nassau County Comptroller
and the Members of the Legislature of the County of Nassau, New York

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2024, the respective changes in financial position and the respective budgetary comparisons for the General Fund, Police District Fund and Sewer and Storm Water District Fund 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 Nassau Community College, Nassau Health Care Corporation, Nassau Regional Off-Track Betting Corporation, Nassau County Industrial Development Agency, Nassau County Local Economic Assistance Corporation, Nassau County Bridge Authority and Nassau County Interim Finance Authority, (collectively "component units") which represent approximately 3%, 17% and 3%, respectively, of the assets, net position, and revenues of the governmental activities, and approximately 99%, 99%, 99%, respectively of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for such component units, are based solely on the reports of the other auditors.

Basis for Opinions

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

Emphasis of Matters

Control Period

As discussed in Notes 1 and 2 to the financial statements, the County is under a control period as imposed by the Nassau County Interim Finance Authority ("NIFA"). Our opinions are not modified with respect to this matter.

Uncertainty Regarding Going Concern

The report of the independent auditor of Nassau Health Care Corporation (“NHCC”), a discretely presented component unit of the County, contained an emphasis of matter paragraph concerning NHCC’s ability to continue as a going concern. Our opinions are not modified with respect to this matter.

Our independent auditor report for Nassau County Tobacco Settlement Corporation (“NCTSC”), a blended component unit of the County, contained an emphasis of matter paragraph concerning NCTSC’s ability to continue as a going concern. Our opinions are not modified with respect to this matter.

Restatement

The County, inclusive of blended component units, adopted Governmental Accounting Standards Board (“GASB”) Statement No. 101, *Compensated Absences* (“GASB 101”), effective January 1, 2024. The beginning net position was restated for the effect of the change in the accounting principle. As a result, the statement of activities reported a prior period adjustment of \$144.6 million, which decreased beginning net position. The decrease in net position was due to addition of leave to be used for time off in the future, the evaluation of leave types not previously included in the liability, and the inclusion of salary related payments. This is discussed further in Note 26 to the financial statements. Our opinions are not modified with respect to this matter.

The report of the independent auditor of Nassau Community College (“NCC”), a discretely presented component unit of the County, contained an emphasis of matter paragraph, which is further discussed in Note 26 to the financial statements, regarding a change in accounting principle for GASB 101. Accordingly, the net position balance has been restated as of September 1, 2023. Our opinions are not modified with respect to this matter.

The report of the independent auditor of Nassau Health Care Corporation (“NHCC”), a discretely presented component unit of the County, contained an emphasis of matter paragraph, which is further discussed in Note 26 to the financial statements, regarding a change in accounting principle for GASB 101. Accordingly, the net position balance has been restated as of January 1, 2024. Our opinions are not modified with respect to this matter.

The report of the independent auditor of Nassau County Bridge Authority (“NCBA”), a discretely presented component unit of the County, contained an emphasis of matter paragraph, which is further discussed in Note 26 to the financial statements, regarding a correction of errors in the previously issued financial statements. Accordingly, the net position balance has been restated as of January 1, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, 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 the schedules included under required supplementary information in the accompanying table of contents and the information included in Note 17 to the accompanying financial statements be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We, and the other auditors, have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 accompanying combining and individual fund financial statements and schedules, combining statement of net position and activities and other supplementary information (as indicated in the table of contents), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements and schedules, combining statement of net position and activities and other supplementary information (as indicated in the table of contents) are 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 included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

Report on the Control Period Calculation Schedule

Opinion

We have audited the accompanying Control Period Calculation Schedule (the "Schedule") of the County, which comprises the Control Period Calculation results of the County's five primary operating funds in accordance with the reporting provisions of the agreement between the County and NIFA dated December 8, 2017 (the "Contract") for the year ended December 31, 2024, and the related notes to the Schedule.

In our opinion, the Schedule referred to above presents fairly, in all material respects, the Control Period Calculation results of the County's five primary operating funds for the year ended December 31, 2024, as determined in accordance with the reporting provisions of the Contract.

Basis for Opinion

We conducted our audit in accordance with GAAS. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 2 to the basic financial statements, which describes the control period calculation basis of accounting. The Schedule is prepared by the County on the basis of the reporting provisions of the Contract, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with the reporting provisions of the Contract and for determining that the contractual basis of accounting is an acceptable basis for the preparation of the Schedule in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 Schedule.

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 misstatements of the Schedule, 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 of the Schedule.
- 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 Schedule.

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.

Other Matters

The information presented in Exhibit E-2, Control Period Calculation Schedule – Historical Data, for the years ended December 31, 2017 through December 31, 2020 was subjected to the auditing procedures applied in the respective year-end audits of the Schedule by other auditors, whose reports stated it was fairly stated in all material respects with the audited Schedule from which it has been derived.

Restrictions on Use – Report on Control Period Calculation

Our report is intended solely for the information and use of the County and NIFA and is not intended to be and should not be used by anyone other than these specified parties.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

New York, NY
September 12, 2025



MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (MD&A) provides a narrative overview and analysis of the financial activities of Nassau County for the fiscal year ended December 31, 2024. This section should be read in conjunction with the Letter of Transmittal and the County's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to the County's basic financial statements, which include the following components:

- 1) government-wide financial statements,
- 2) fund financial statements and
- 3) notes to the basic financial statements.

This report also contains supplementary information that is intended to furnish additional detail to support the basic financial statements.

Government-wide financial statements. The government-wide financial statements present a long-term view of the County's finances and provide information about the County, including its component units, using the *economic resources measurement focus* and *the accrual basis of accounting*. The economic resources measurement focus looks at the transactions and events that have increased or decreased the total economic resources of the government during the accounting period being reported. The accrual basis of accounting requires revenues to be recognized as soon as they are earned, regardless of the timing of related inflows of cash, and it requires expenses to be recognized as soon as they are incurred, regardless of the timing of related outflows of cash. There are two government-wide financial statements: The *Statement of Net Position (Deficit)* and the *Statement of Activities*.

The government-wide financial statements report the activity and balances for the County and its blended component units (known as the primary government), as well as its discretely presented component units (presented separately), all of which are identified in Note 1 of the financial statements, titled, *Summary of Significant Accounting Policies*. Financial information for discretely presented component units is reported separately from the financial information presented for the primary government itself. Exhibits X-1 and X-2 are government-wide financial statements.

The *Statement of Net Position (Deficit)* presents information on all the County's assets, liabilities, and deferred outflows and inflows of resources. Net position (deficit) is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. 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. It should be noted that unrestricted net position deficits may be created because many governments have long-term liabilities that are funded on a pay-as-you-go basis, appropriating resources each year as payments come due, rather than accumulating assets in advance. Common examples include litigation, compensated absences, and other postemployment benefits.



The *Statement of Activities* divides a government's activities into three elements: its governmental activities, its business-type activities (currently not applicable to the County), and the activities of its component units.

Both government-wide financial statements distinguish functions of the County that are principally supported by taxes, charges for services, operating and capital grants. The governmental activities of the County include general administration, public safety, social services, recreation, health, education, and public works.

Fund financial statements. The remaining statements in the Annual Comprehensive Financial Report are fund financial statements (governmental fund statements and fiduciary fund statements) that focus on individual parts of the County government, reporting on the County's operations in more detail than the government-wide 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 funds fall into three categories: governmental funds, proprietary funds, and fiduciary funds. The County has governmental and fiduciary funds, but not proprietary funds.

Differences between the government-wide statements and the governmental fund statements results include differing measurement focuses and basis of accounting between the statements. The *Statement of Activities* (government-wide financial statements) reflects the net costs of each major function of operations, which differs from the presentation of revenues and expenditures in the *Statement of Revenues, Expenditures and Changes in Fund Balances – Total Budgetary Authority, Actual and Budgetary Basis* (governmental fund financial statement), which reflects the County's modified accrual and budgetary presentation. Exhibits X- 4 and X- 6 reconcile the differences between the fund level and government-wide statements.

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 generally focus on short-term (one year or less) inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. The governmental fund financial statements employ the *current financial resources measurement focus* and are presented using *the modified-accrual basis of accounting*. The current financial resources measurement focus requires the fund financial statements to report short-term inflows and outflows of financial resources.

It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements because the focus of governmental funds is narrower than that of the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-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 eleven governmental funds and six blended component unit governmental funds. Information is presented separately in the Governmental Funds - Balance Sheet (Exhibit X-3) and in the Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit X-5) for funds considered to be the major funds and in aggregate for the funds considered to be nonmajor funds.

The major governmental funds are:

- the General Fund;
- the NIFA Fund (the general fund of a blended component unit);
- the Police District Fund;
- the Sewer and Storm Water District Fund;
- the Capital Fund;
- the Disputed Assessment Fund; and
- the American Rescue Plan Act (ARPA) Fund.

Data from the other ten nonmajor governmental funds (five are managed by the County and five are blended component unit funds) are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Combining and Individual Fund Statements and Schedules section of this report.

The County adopts an annual appropriated budget for components of its General Fund, Police District Fund, Sewer and Storm Water District Fund, and Environmental Protection Fund¹. The County carries over unexpended encumbrances and the corresponding budget. A budgetary comparison statement, including carryovers, has been provided to demonstrate compliance with its budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The fiduciary funds employ the *economic resources measurement focus* and *accrual basis of accounting*, similar to the government-wide statements. The County reports one type of fiduciary fund which presents balances and activity related to resources held for others.

The governmental fund financial statements may be found on pages 65 and 67 of this report. Exhibits X- 3 and X-5 are governmental fund financial statements and Exhibits X-10 and X-11 are fiduciary fund financial statements.

Notes to the financial statements. The notes to the financial statements 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 in Exhibit X-14 of this report.

¹ This fund is used to purchase and preserve open space and for other purposes in accordance with the County's environmental programs, established by Local Law No. 14 of 2004 and Local Law No. 10 of 2006.



Other information. In addition to the basic financial statements and accompanying notes, this report also presents *Required Supplementary Information* (RSI) of the County's progress in funding its obligations to provide pension and other postemployment benefits (OPEB) to its employees. Required supplementary information can be found immediately after the notes to the financial statements. *Other Supplemental Information* that includes Combining and Individual Fund Statements and Schedules on nonmajor funds and major funds, may be found immediately following the RSI, beginning with Exhibit A-1 of this report.

FINANCIAL REPORTING ENTITY

The financial reporting entity consists of the County government and its component units, both blended and discretely presented, which are legally separate organizations that meet the criteria for reporting as a component unit, either because the entity has a financial dependence on the County or the County appoints a voting majority of that organization's governing body, and the County is able to either impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the County. The County's component units are comprised of the following:

Blended Component Units, which are included in both the government-wide (as components of the primary government) and governmental fund statements, represent:

- Nassau County Interim Finance Authority² (NIFA);
- Nassau County Sewer and Storm Water Finance Authority (NCSSWFA); and
- Nassau County Tobacco Settlement Corporation (NCTSC).

Discretely Presented Component Units, two major and five non-major, which are included in only the government-wide statements and shown separately from the primary government, represent:

- The major discretely presented component units are:
 - Nassau Health Care Corporation (NHCC); and
 - Nassau Community College (NCC)
- The non-major discretely presented component units are:
 - Nassau Regional Off-Track Betting Corporation (OTB);
 - Nassau County Industrial Development Agency (NCIDA);
 - Nassau County Local Economic Assistance Corporation (NCLEAC);
 - Nassau County Bridge Authority (NCBA); and
 - Nassau County Land Bank (NCLB).

See Note 1, *Summary of Significant Accounting Policies* of the financial statements for further explanations of the component units.

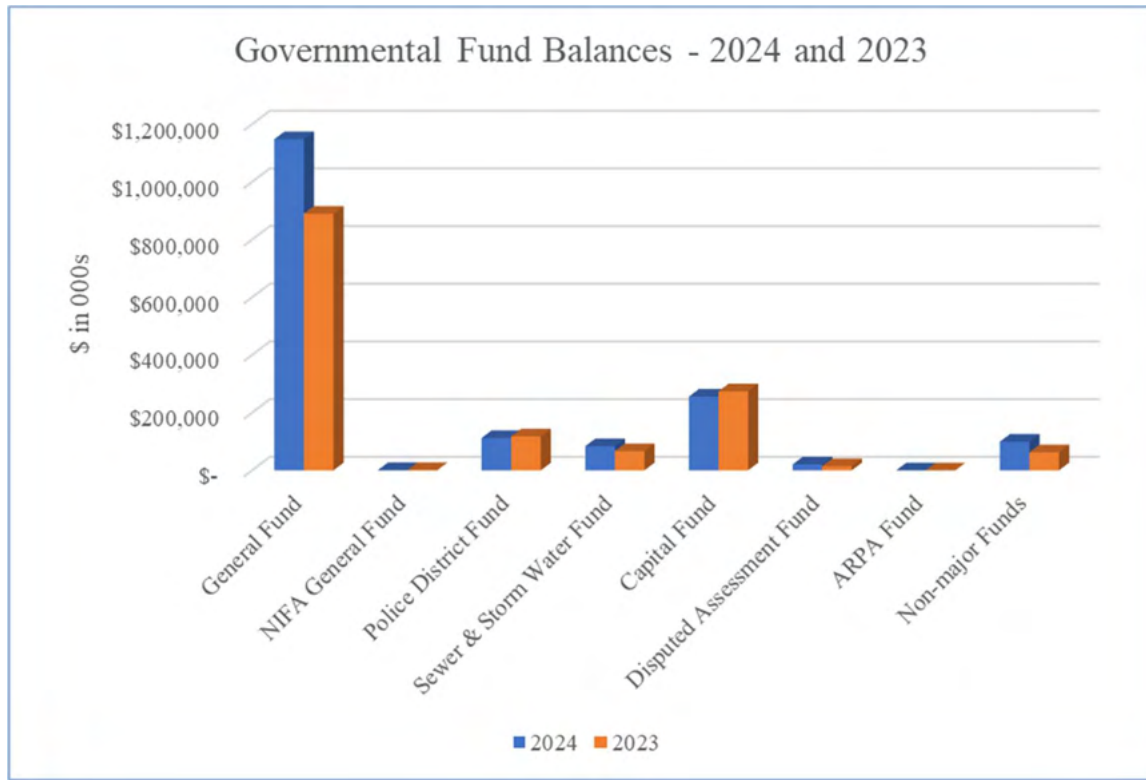
² The Nassau County Interim Finance Authority (NIFA) is a blended component unit of the County, which provides State oversight of the County's finances. Refer to the description of NIFA in the Letter of Transmittal, Note 1 *Summary of Significant Accounting Policies*, Blended Component Units (a), and Note 2, *Control Period Calculation*, of the accompanying financial statements for more information about NIFA.



FINANCIAL HIGHLIGHTS

Governmental Funds

As shown in Exhibit X-5, the County ended the 2024 fiscal year with a net change to GAAP fund balance of \$294.1 million in all its governmental funds, both operating and non-operating, an increase of \$417.4 million from the prior year. The chart below presents governmental fund balances for fiscal year end 2024 and 2023.



The surplus of \$294.1 million was comprised of the following:

- \$269.9 million surplus attributed to the County’s three operating funds³, an increase from 2023 by \$344.0 million:
 - the General Fund surplus of \$258.2 million is attributed to several factors, the key to which was \$247.4 million of Federal Aid transferred from the ARPA Fund, used to cover lost revenues incurred during the COVID-19 pandemic;

³ Defined as the General Fund, the Police District Fund and the Sewer and Storm Water District Fund. These funds represent the daily activity of governmental functions and are primarily funded by sales tax and other recurring revenue streams and property taxes. Monitoring the fiscal activities of these funds is key to ensuring our policy makers and management have the relevant information needed to make sound decisions that ultimately have positive long-term impacts on the County’s fiscal trajectory.



- the Police District Fund shortfall of \$5.3 million is primarily the result of higher fringe benefits due to pension costs (\$15.5 million) and termination pay (\$2.8 million) offset by a higher levy for this fund than originally budgeted (\$7.6 million);
- the Sewer and Storm Water District Fund surplus of \$17.0 million is mainly attributed to \$25.0 million of Federal Aid transferred from the ARPA Fund, used to cover lost revenues incurred during the COVID-19 pandemic offset by lower recoveries; and
- \$24.2 million surplus attributed to the remaining funds, both major and non-major, an increase over 2023 of \$73.4 million, primarily due to:
 - the Capital Fund deficit of \$18.3 million mainly due to higher capital outlays and less bond proceeds due to lower borrowing levels;
 - a surplus in the Disputed Assessment Fund of \$5.9 million attributed to interest revenue earned on the cash balances in that fund;
 - a surplus in the Grant Fund (non-major) of \$12.8 million primarily due to \$6 million of revenue recognized for the Falaise Estate (Sands Point Preserve) resulting from the sale of artwork at the estate, offset by lower contractual costs related to program expenditures;
 - a surplus in the debt service fund of the blended component unit NIFA of \$13.8 million primarily the result of debt service expenditures that were less than in the prior year due primarily to the 2023 bond refunding offset by bond issuance costs for a tender offer executed in 2024; and
 - a surplus in the Capital Reserve Fund (non-major) of \$10 million which was established and funded in 2024 and whose purpose is to finance the costs of acquiring general purpose vehicles.

As shown in Exhibit X-5, factors contributing to the governmental funds' GAAP net change in fund balance of \$294.1 million were driven by several causes. There were higher revenues of \$337.4 million and lower expenditures and debt service costs totaling \$65.9 million. Federal and State Aid were the primary drivers of the increase in revenues. Increases in Sales Tax, and Preempted Sales Tax in Lieu of Property Taxes⁴, and Interdepartmental Revenues were mainly offset by decreases in Rents and Recoveries and Fines and Forfeiture revenues. Current expenditures increased over 2023 by \$70 million, primarily due to higher costs in Social Services, Health, and Protections of Persons, offset by reduced payments for property tax refunds (tax certiorari). Debt service was lower than the prior year (\$135.9 million) due primarily to the 2023 cash defeasance of \$91.3 million of County serial bonds and NIFA's bond tender offer executed in 2024.

Total revenues and net other financing sources increased by \$337.4 million and \$14.1 million, respectively, over 2023. The contributing factors affecting the increase in revenues and net other financing sources included:

- Federal Aid revenue increased over the prior year by \$262.4 million primarily in the ARPA fund as prior years unearned revenue was recognized in 2024;

⁴ Preempted Sales Tax in Lieu of Property Taxes is also known as "Part County Sales Tax". New York State Tax Law §1262(d), provides cities and towns a share of certain sales taxes related to hotel occupancy, restaurants, and other retail establishments. This law gives cities a choice to receive their share of sales tax revenues directly or to receive them as a credit to their county property tax levies. The towns may only receive the revenues via a credit to the property tax levies. The City of Glen Cove elected to receive their share of sales taxes as a credit to their property tax levies, while the City of Long Beach receives a direct distribution of these sales taxes from New York State. All three towns (Hempstead, North Hempstead and Oyster Bay) receive the revenues via a credit to their property tax levies.



- State Aid revenue of \$443.3 million increased over the prior year by \$62.3 million is primarily the result of an increase in Grant Fund revenues of \$24.3 million comprised of higher Human Services (Behavioral Health) grant advances recognized in 2024 (\$12.1 million) and an increase in revenues in the Police Department, Correctional Center and Probation related to public safety and criminal justice (\$10.8 million). The remaining increase is comprised of several factors; an increase in State Operating Assistance (STOA) funding received for the County's bus service (\$6.3 million), Raise the Age and Juvenile Detention Center services (\$7.2 million); Social Services Public Financial Assistance (\$5.2 million); Indigent Legal services (\$3.6 million); and an increase of \$6.8 million in the Capital Fund primarily due to New York State Department of Transportation reimbursement of expenditures incurred for bridge repairs;
- Sales Tax revenues of \$1.4 billion surpassed the prior year by \$19.2 million; Preempted Sales Tax in Lieu of Property Taxes revenues increased by \$7.5 million over the prior year, although falling short against the budget by approximately \$2.8 million;
- Rents and Recoveries decreased over 2023 by \$24.6 million primarily due to recoveries recorded in 2023 related to sewer operations;
- An increase in the net Other Financing Sources of \$14.1 million was primarily the result of transactions related to bond activity: (a) an increase of \$2.6 million in refunding bonds as a result of a bond tender offer by NIFA in 2024; (b) \$5.5 million increase in bond proceeds; and (c) \$2.1 million increase in premiums on bond issuances. The remaining difference is attributed to the 2023 loss on the termination of a lease, which was an Other Financing Use in 2023. See the *Debt* section in the MD&A for further discussion of bond transactions.

The contributing factors affecting the \$65.9 million decrease in total expenditures were as follows:

- Debt service costs decreased \$135.9 million over 2023 driven by the 2023 cash defeasance of serial bonds which reduced the County's bonds outstanding by \$91.3 million, and decreases in the debt service costs recognized by the County's blended component units, NIFA and NCSSWFA, in accordance with amortization tables.
- Payments for Tax Certiorari decreased to \$43.9 million in 2024, \$93.7 million less than the \$137.6 million reported in 2023. The decrease was due to the County's efforts in the prior year to pay down the backlog of property tax refunds and reduce the long-term liability.
- Suits and Damages (Judgments and Settlements) expenditures decreased from the prior year by \$27.1 million to \$42.9 million. Similar to Payments for Tax Certiorari costs, the decrease was due to the County's efforts in the prior year to settle and pay down outstanding litigation and reduce the long-term liability.
- Offsetting the decreases in expenditures above were the following increases in total expenditures:
 - Social Services expenditures increased \$82.8 million over 2023 driven by higher expenditures for Purchased Services (\$23.2 million), the County's share of Medicaid costs (\$29.5 million), and Recipient Grants (\$25.1 million).
 - Protection of Persons expenditures increased over 2023 by \$41.1 million mainly due to increases in salaries and fringe benefits in the General and Police District Funds of approximately \$33.4 million, which were driven by contractual salary increases;



- Health expenditure increased over 2023 by \$33.6 million driven by additional costs for Early Intervention services, contractual services, and salaries and fringe benefits.

The ending GAAP fund balance for all governmental funds was \$1,719.6 million, up from \$1,425.5 million at 2023 fiscal year-end. Of the ending fund balance of 2024:

- \$1,343.6 million is attributed to the three operating funds, comprised as follows;
 - \$1,148.0 million to the General Fund⁵;
 - \$112.1 million to the Police District Fund; and
 - \$83.5 million to the Sewer and Storm Water District Fund.

The Capital Fund and the Disputed Assessment Fund's (DAF) ending fund balances were \$255.6 million and \$20.2 million, respectively, and the remainder of \$100.1 million is comprised of the ending fund balances in multiple nonmajor funds and the NIFA fund.

Total assets for all governmental funds as of December 31, 2024 increased by \$110.8 million over the prior fiscal year. The primary factors for the increase were:

- the 2024 agreement with Las Vegas Sands (Sands) to lease the Nassau County Coliseum and surrounding property, resulting in a \$139.2 million net increase of the GASB Statement No. 87 lease receivable;
- an increase in Interfund Receivables of \$73.8 million due to year-end transfers that were not yet settled as of fiscal year-end;
- a \$37.7 million increase to Prepaid Assets in the General Fund and the Police District Fund primarily related to the health insurance premium for 2025 that was prepaid in 2024, as well as an increase in the prepaid portion of the pension invoices paid in December 2024 due to higher pension costs; and
- an increase in Due from Other Governments, \$34.9 million, mostly related to State Aid receivable for the reimbursement of expenditures incurred during the fiscal year.
- These increases are offset with decreases in (a) Restricted Investments and Certificates of Deposit of \$122.9 million, primarily the result of the maturity of the certificate of deposit in the ARPA Fund; (b) Cash with Fiscal Agent of \$51.9 million primarily due to the revenue recognition of these funds as capital expenditures incurred on the related projects are reimbursed; and (c) Due from Component Unit of \$28.9 million primarily related to the settlement of debt service reimbursements owed to the County by NHCC.

Total liabilities for the governmental funds as of December 31, 2024, decreased by \$316.5 million, primarily due to decreases in:

- Unearned Revenue of \$297.4 million related to Federal Aid, primarily due to \$272.4 million that was recognized in the ARPA Fund and transferred in 2024 to the General and Sewer and Storm Water District Funds as replacement of lost revenue due to the coronavirus;
- Due to Component Units of \$33.3 million, primarily resulting from the settlement of accounts

⁵ As defined in Note 3 of the MD&A.



payable due to NHCC for services provided;

- Other Liabilities of \$26.3 million, primarily attributed to the reclassification of unrecognized collections for the lease of the County's Coliseum to Deferred Inflows of Resources in accordance with the lessor reporting requirements of GASB Statement No. 87, *Leases*; and
- Accrued Liabilities of \$45.8 million primarily due to the timing for the payment of liabilities.
- These decreases were offset by increases in Interfund Payables of \$73.8 million, which corresponds to the Interfund Receivables increase noted above, and Accounts Payable of \$10.2 million due to the timing of payments due.

Total Deferred Inflows of Resources as of December 31, 2024, increased over the prior year by approximately \$133.1 million, primarily driven by:

- Deferred Inflows – Leases: the new Nassau County Coliseum lease agreement with Sands, accounted for under GASB Statement No. 87, which resulted in the total increase of \$167.2 million in Deferred Inflows of Resources attributed to leases;
- Deferred Inflows of Resources - Preempted Sales Tax in Lieu of Property Taxes (a/k/a Part County Sales Tax): Decrease of \$27.3 million was due to the recognition of these revenues in 2024. Because Part County Sales Tax represents preempted sales tax in lieu of property taxes, any excess collected in a fiscal year over the budgeted amount is deferred and is applied as a reduction to property taxes due from the County's three towns and the City of Glen Cove; and
- Deferred Inflows of Resources related to GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (PPPs) of \$7.1 million due to an amendment to a service concession agreement which resulted in a reversal of the receivable for installment payments, as well as the corresponding deferred inflow of resources.

See Sales Tax section in this MD&A. See Note 1, *Summary of Significant Accounting Policies* for more details on Deferred Inflows of Resources, Part County Sales Tax, Leases, and PPPs.

For the three operating funds only⁶, total assets, liabilities, and deferred inflows of resources, were \$2,139.0 million, \$542.6 million, and \$252.9 million, respectively. This represents increases in assets and deferred inflows of resources of \$353.3 million and \$133.4 million, respectively, offset by a decrease in liabilities of \$50.0 million over the prior year.

The 2024 results allowed the County to reserve funds for management of future long-term obligations.

⁶ Ibid.



KEY FACTORS AFFECTING FISCAL YEAR 2024

As discussed in the letter of transmittal, there were several key factors affecting the results for fiscal year 2024. These are outlined below.

Collective Bargaining Agreements and Arbitration

In March 2024, the Investigators Police Benevolent Association (IPBA) entered into a new collective bargaining agreement through a Memorandum of Agreement (MOA) with the County. IPBA represents investigators employed by the County's District Attorney's Office. The MOA set the terms and conditions of employment for employees in the negotiating unit's collective bargaining agreement, which had expired on December 31, 2017. The MOA covers the period between January 1, 2018 and June 30, 2026. The agreement raises wages by 15% over a period of 8 ½ years, requires all members to contribute towards their health insurance, and sets the terms of other matters. In May 2024, the agreement was approved by the County Legislature and NIFA.

In 2023, the County and the Civil Service Employees Association (CSEA) entered into Memorandum of Agreement (MOA) agreement, which set terms and conditions for the employees in the negotiating unit due to the expiration of the unit's contract on December 31, 2017. The MOA included retroactive salary payments that had been budgeted for in previous fiscal years; these payments were accrued in 2023 and paid to members in 2024. There were additional concessions and awards made in that MOA, including the transfer of all employees and retirees of the negotiating unit to the Excelsior health insurance plan from the Empire health insurance plan beginning January 1, 2024. Both plans are administered by NYSHIP. Subsequent to the ratification and approval of the MOA, retirees of the bargaining unit entered litigation against the County and the courts issued a temporary restraining order, prohibiting the County from transferring the retirees to the Excelsior Plan, which resulted in higher health benefit costs than originally anticipated for fiscal year 2024. In early 2024, the County was informed that the Excelsior Plan would cease to exist. In late 2024, the bargaining unit took the County to court to prevent the County from transferring the employees in the negotiation unit beginning in 2025, to a high-deductible plan outside of NYSHIP's administration. The court instructed the County to transfer the employees to the Empire Plan in 2025 but required the County and CSEA to settle the cost of health insurance benefits via arbitration. The parties utilized a mediator and in 2025, agreed upon a Memorandum of Agreement that revised the previously ratified and approved MOA. See Note 24, *Subsequent Events*, for further information.

Debt Transactions

On May 29, 2024, the County issued Series A General Improvement Bonds in the amount of \$253.8 million. The Series A bonds bear interest rates between 4% and 5% with maturity dates ranging from April 2026 to April 2054. The Series A bonds were issued to fund various public purposes, including capital projects, and to pay costs of issuance. The County had no short-term borrowing in 2024.

The County's blended component unit, NIFA, executed a bond tender offer in 2024. The transaction refunded \$161.7 million of outstanding bonds and issued \$133.0 million of sales tax secured bonds.

See Note 14, *Notes Payable and Long-Term Obligations* for further details.



Significant Transactions

In 2024, the County recognized \$282.6 million of Federal Aid (Coronavirus State and Local Fiscal Recovery Funds) in the ARPA Fund, of which \$247.4 million and \$25.0 million were transferred to the General Fund and the Sewer and Storm Water District Fund, respectively, for revenues lost during the COVID-19 pandemic. As of December 31, 2024, approximately \$19.6 million of Federal ARPA funds remain obligated, but unspent.

In August 2024, the County entered into a new agreement with Las Vegas Sands (Sands) to lease the area surrounding, and including, the Nassau County Coliseum, for 42 years. The County's previous lease of the Coliseum with Nassau Live Center, LLC was terminated on June 2, 2023, and, therefore, the County recorded in 2023, a reduction in the Lease Receivable and Deferred Inflow of Resources, as well as a loss on the termination. The new transaction with Las Vegas Sands resulted in an increase in Lease Receivable of \$140.2 million and a Deferred Inflow of Resources of \$170.2 million, in accordance with GASB Statement No. 87, *Leases*, reporting requirements. See Note 11, *Leases* and Note 24, *Subsequent Events*, for further information.

In fiscal year 2024, the County transferred surpluses of \$274.1 million from the General Fund to the various reserves which are components of the General Fund for reporting purposes, and \$10 million to the Capital Reserve Fund, which was established in 2024, in accordance with General Municipal Law. The Police District Fund transferred a \$9 million surplus to the Employee Accrued Benefit Liability Reserve Fund. Moneys transferred to the reserve funds have been, and will be used to pay various costs, including tax certiorari payments, litigation, longevity, debt service, police termination costs, workers' compensation, and pension costs. During the fiscal year, the County paid tax certiorari and litigation costs utilizing reserve balances transferred in previous years. This resulted in current year expenditures and a reduction in long-term liabilities. Tax certiorari payments, litigation payments for suits and damages, and payments of termination pay as contributions to a 401(a) benefit plan of \$43.0 million, \$43.5 million, and \$9.5 million, respectively, were paid from reserve funds. See Exhibit B-13 for details of the balances in the reserve funds that are included in the General Fund.

The County also transferred from the General Fund to the Police Headquarters Fund and the Fire Prevention Fund, both components of the General Fund for reporting purposes, \$184.0 million and \$22.1 million, respectively. These transfers were included in the 2024 Adopted Budget as support for the operations of those two funds.

GASB Statement Adoptions

In 2024, the County adopted GASB Statement No. 101, *Compensated Absences* in compliance with GASB requirements. With the adoption of GASB 101, the County recognizes compensated absences (unused vacation, sick and other contractual leave) when the leave has been earned, accumulates, is unused and is more likely than not to be used for time off or paid in cash. See Note 14, *Notes Payable and Long-Term Obligations*, Note 20, *Compensated Absences*, Note 25, *Change in Accounting Principles*, and Note 26, *Restatement and Prior Period Adjustment*, for further information.



ANALYSIS OF 2024 GOVERNMENT-WIDE FINANCIAL STATEMENTS

The County's accumulated net deficit, on a government-wide basis in accordance with GAAP, was \$6,845.0 million, which represented an improvement of \$98.8 million in the net deficit over fiscal year 2023's balance of \$6,943.8 million.

The Statement of Net Position (Deficit)

The Statement of Net Position (Deficit) for the 2024 fiscal year reports a deficit balance of \$6,845.0 million in net position. The adoption of GASB Statement No. 101 increased the beginning deficit by \$144.6 million as of January 1, 2024. See Note 26, *Restatement and Prior Period Adjustment*, for further details of the effect of the adoption of the new standard on the 2024 fiscal year results. The effects of unfunded long-term obligations, such as OPEB⁷, and the estimated liabilities for tax certiorari, litigation, and the net pension liability, as well as infrastructure spending, are significant factors in creating a deficit balance. As noted earlier, the net position over time may serve as a useful indicator of a government's financial position. Table 1 illustrates that the County's net deficit improved by \$98.8 million during 2024 when compared to the 2023 net deficit.

⁷ New York State Law does not permit municipalities other than New York City to reserve for OPEB.



Table 1
Condensed Statement of Net Position
(dollars in thousands)

Total Primary Governmental Activities

	2024	2023	Change
Current and Other Assets	\$ 2,751,810	\$ 2,716,271	\$ 35,539
Capital Assets	4,415,896	4,279,852	136,044
Total Assets	7,167,706	6,996,123	171,583
Total Deferred Outflows of Resources	1,561,419	1,124,300	437,119
Current and Other Liabilities	1,531,034	1,923,098	(392,064)
Long-Term Liabilities	12,999,746	12,278,309	721,437
Total Liabilities	14,530,780	14,201,407	329,373
Total Deferred Inflows of Resources	1,043,338	862,848	180,490
Net Investment in Capital Assets	2,775,548	2,623,118	152,430
Restricted	509,632	350,410	159,222
Unrestricted	(10,130,173)	(9,917,360)	(212,813)
Total Net Position (Deficit)	\$ (6,844,993)	\$ (6,943,832)	\$ 98,839

Total assets increased by \$171.6 million. Increases in Capital Assets (both depreciable and non-depreciable) (\$136.0 million), Prepaid Assets (\$37.7 million) and increases in Lease Receivable (\$138.0 million) contributed to this growth. This growth was offset by a net decrease in unrestricted and restricted Cash and Cash Equivalents, Restricted Investments, Restricted Certificate of Deposit, and Cash Held by Fiscal Agent (net decrease of \$178.0 million), as well as decrease in Due from Component Unit of \$29.0 million due primarily to settlement of the reimbursement of debt service payments made by the County on NHCC's behalf. The County makes debt service payments on NHCC's outstanding bonds, and payments to NHCC for services provided are held as liabilities until the debt service reimbursement is settled.

Deferred outflows of resources increased by \$437.1 million mainly attributed to an increase to the OPEB liability of \$461.9 million, offset by a decrease of \$20.1 million attributed to the pension liability. The OPEB and net pension liabilities are actuarially valued in accordance with GASB Statement No. 75 and GASB Statement No. 68, respectively.



Total liabilities increased by \$329.4 million, which represented the net of a decrease in current liabilities of \$392.1 million and an increase in noncurrent liabilities of \$721.4 million. The decrease in current liabilities is primarily due to:

- A decrease in unearned grant revenue of \$297.4 million resulting primarily from the recognition of deferred revenue in the ARPA fund of \$282.7 million;
- Decreases in Accounts Payable and Accrued Liabilities of \$35.6 million due primarily to the 2023 accrual of the retroactive salary payments due to employee members of the CSEA and COBA collective bargaining units resulting from the 2023 approval of new agreements with those units;
- A decrease in Other Liabilities of \$23.2 million mostly due to the reclassification of unrecognized rental collections for the Coliseum property. In 2024, approximately \$30 million was classified as Deferred Inflows of Resources related to lessor leases;
- A reduction of \$33.3 million in Due to Component Unit is primarily the result of the settlement of balances owed to NHCC for services provided for fiscal years 2021 and 2022.
- No new short-term financing was needed in 2024 due to higher cash on-hand thus there were no short-term notes payable as of fiscal year-end 2024;

Swings among different components of non-current liabilities resulted in a net increase in total non-current liabilities by \$721.4 million as compared to 2023.

- Increases in non-current liabilities were comprised of the following:
 - The OPEB liability increased by \$845.7 million from the long-term liability of \$5,899.4 million reported in 2023, primarily due to the following significant changes: (a) a decrease in the discount rate from 3.72% in the prior year to 3.26% for the 2024 fiscal year's valuation, which increased the liability by \$448 million; and (b) the effect of healthcare trend assumptions changes to the plan, which increased the liability by \$325 million. These increases were offset by a decrease in the liability of \$44 million resulting from the change in the OPEB eligibility requirement for CSEA members from 10 years to 20 years of service effective for termination/retirement after June 30, 2026, which was stipulated in the MOA approved in 2023⁸. The OPEB liability is actuarially computed, with full valuations performed biennially; the next full valuation will be computed for fiscal year 2025. See Note 19, *Other Postemployment Benefits*, for more information;
 - Compensated Absences increased \$128.3 million compared to 2023, which is primarily the result of the adoption of GASB 101 (see Note 20, *Compensated Absences*, for further information); and
 - Serial Bonds payable (net of deferred bond premium and discount) increased by \$48.4 million primarily the net result of bonds issued in 2024, offset by reductions due to scheduled debt service and NIFA's bond tender offer.

⁸ The OPEB eligibility requirement for CSEA members was revised in a subsequent MOA ratified by the membership and approved by the County Legislature and NIFA in 2025. See Note 24, *Subsequent Events*, for more information.



- Offsetting the increases discussed above in non-current liabilities were:
 - A \$196.9 million decline in the net pension liability. The net pension liability is actuarially determined by the State and provided to the County because the County participates in the State's retirement system;
 - A reduction in the estimated liability for litigation of \$78.0 million primarily due to litigation settlements during 2024;
 - The tax certiorari liability decreased by \$10.7 million primarily due to continued tax certiorari payments from the monies the County had reserved for this purpose offset by an increase in the valuation of the long-term component of the liability;
 - The noncurrent portion of the long-term liability due to the County's component unit, NHCC, decreased by \$7.5 million, to \$208.3 million. This is a contractual liability to the hospital to reimburse the entity for the County's proportionate share of employee benefits attributed to employees who had been County employees prior to the creation of the hospital public benefit corporation in 1999. This amount was actuarially computed.

Deferred inflows of resources increased by \$180.5 million mainly due to an increase of \$217.0 million attributed to the pension liability, and as previously disclosed in the governmental fund section, the deferred inflows of resources related to the lessor leases of \$167.2 million. These increases were offset by a decrease in the deferred inflows of resources attributed to the OPEB liability (\$184.0 million) and \$27.3 million related to Part County Sales Tax that is deferred if the amount collected in the fiscal year exceeds the adopted budget.⁹ The OPEB and net pension liabilities are actuarially valued in accordance with GASB Statement No. 75 and GASB Statement No. 68, respectively.

See Exhibit X-1 for the full Statement of Net Position (Deficit).

The County has \$2.8 billion invested in its capital assets, recorded at acquisition cost, net of accumulated depreciation and amortization, and related debt, liabilities, and deferred inflows and outflows of resources. Capital assets are used by the County in the provision of services to the taxpayers. This investment of County equity is allocated to the County's capital assets, which are not liquid assets, and are not immediately available to support future expenses.

The County's Statement of Net Position (Deficit) shows a deficit balance of \$6.8 billion in net position as of December 31, 2024, and an unrestricted net deficit of \$10.1 billion. Unrestricted net deficit reflects all liabilities that are not related to the County's assets and are not expected to be repaid from restricted resources. Accordingly, the County will have to allocate future revenues towards the payment of these liabilities.

⁹ See Note 1, *Summary of Significant Accounting Policies* for further information on Part County Sales Tax.



Tax Certiorari: Under New York State Real Property Tax Law (RPTL) Article 18, Nassau County is a Special Assessing Unit (SAU) responsible for determining assessments for most taxing jurisdictions in the County. By virtue of the law, the County is also responsible for the entire liability associated with property tax refunds on behalf of the towns, special districts, and all but one of the 56 school districts and approximately 200 other taxing jurisdictions located within the County, and for refunding any excess taxes paid when property owners' assessment grievances are not settled before taxes are calculated. The County is not permitted to charge these refunds back to the taxing jurisdictions. This results in the County paying refunds to property owners even after funds have been allocated to the respective taxing jurisdictions, resulting in a net loss for the County. This has resulted in extraordinary tax certiorari liability for the County.

The County's tax certiorari liability decreased by \$22.4 million to \$247.2 million at fiscal year-end 2024, driven primarily by tax certiorari payments made in 2024 from the reserve. See Note 23B, *Contingencies and Commitments – Tax Certioraris*, for the details of what comprises the total tax certiorari liability balance.

The Disputed Assessment Fund (DAF) is funded by a disputed assessment charge on commercial properties and the funds are restricted to paying only commercial property refunds. As such, any liability related to the DAF identified as part of the total tax certiorari liability as of fiscal year-end is excluded from the calculation of the long-term liability for tax certiorari because the refund is already funded. The DAF fund paid out approximately \$42.2 million of property tax refunds to commercial property owners in fiscal year 2024. These payouts did not impact the County's finances for the fiscal year as they represented a return of the DAF charges collected. See Note 23B, *Contingencies and Commitments – Tax Certioraris*, for the details of what comprises the total tax certiorari liability balance.

As of December 31, 2024, the estimated tax certiorari liability of \$217.4 million as reported in Note 14 *Notes Payable and Long-term Obligations* and on the Statement of Net Position (Deficit), excludes liabilities for commercial property tax certiorari that are reported in the DAF. See Note 14, *Notes Payable and Long-Term Obligations* and Note 23B, *Contingencies and Commitments – Tax Certioraris*, for further information.



The Statement of Activities

The Statement of Activities for the fiscal year ended December 31, 2024, details the improvement in the County’s Government-wide net worth from 2023 to 2024. Table 2 summarizes the changes in the County’s net position (deficit).

	2024	2023	Change
Revenues			
Program Revenues			
Charges for Services	\$ 357,162	\$ 363,066	\$ (5,904)
Operating Grants	969,976	638,787	331,189
Capital Grants	44,038	57,093	(13,055)
General Revenues			
Property Taxes	952,297	944,587	7,710
Sales Taxes	1,579,735	1,553,027	26,708
Other Taxes	93,523	96,895	(3,372)
Tobacco Settlement Revenues	17,502	20,292	(2,790)
Investment Income	129,821	147,052	(17,231)
Opioid Litigation Settlement Revenue	7,682	11,419	(3,737)
Other General Revenues	56,248	62,437	(6,189)
Total Revenues	4,207,984	3,894,655	313,329
Expenses			
Legislative	18,847	14,467	4,380
Judicial	106,727	94,448	12,279
General Administration	501,419	595,439	(94,020)
Protection of Persons	1,241,950	1,042,538	199,412
Health	350,117	316,925	33,192
Public Works	433,879	417,310	16,569
Recreation and Parks	63,695	60,458	3,237
Social Services	702,680	611,224	91,456
Corrections	346,801	312,711	34,090
Education	31,768	30,099	1,669
Interest on Long-Term Obligations	166,630	168,818	(2,188)
Total Expenses	3,964,513	3,664,437	300,076
Increase (Decrease) in Net Position (Deficit)	243,471	230,218	13,253
Net Position (Deficit) Beginning, as previously reported	(6,943,832)	(7,174,050)	230,218
Effect of Change in Accounting Principle	(144,632)		(144,632)
Net Position (Deficit) Beginning, as restated	(7,088,464)	(7,174,050)	85,586
Net Position (Deficit) Ending	\$ (6,844,993)	\$ (6,943,832)	\$ 98,839

Several factors set forth below impacted the County’s net position/(deficit).

- Program Revenues attributed to Charges for Services decreased by \$5.9 million primarily due to lower Rents and Recoveries offset by higher Departmental Revenues. Charges for Services represent revenues collected, not including grants or general revenues, that are charges to customers, applicants



or others who purchase, use or directly benefit from the goods, services or privileges provided, or are otherwise directly affected by the services of the County and its programs;

- Operating Grants increased over the prior year by \$331.2 million primarily the result of an increase in the ARPA fund as prior year grants were able to be recognized in 2024, and increased funding from Federal and State reimbursements for Social Services programs;
- An increase in Sales Tax of \$26.7 million, primarily in Countywide collections. The first half of the year's collections were basically flat to the prior year, however the second half of the year saw a 1.76% improvement over the same period of 2023;
- Deferred Preempted Sales Tax in Lieu of Property Taxes (Part County Sales Tax), which is recognized as Property Taxes¹⁰, increased by \$7.7 million. Part County Sales Tax collected in excess of budgeted revenues, is deferred until the excess may be applied to the property tax levy;;
- Investment Income decreased by \$17.2 million resulting from a decrease in restricted and unrestricted cash and cash equivalents, restricted certificates of deposit, and restricted investments balance of \$126.1 million coupled with declining interest rates in 2024;
- Capital Grants declined over 2023 by \$13.1 million primarily due to lower grant funding received for the Bay Park Conveyance capital project, which will divert effluent from the Bay Park Sewage Facility to the Cedar Creek Sewage Facility, which is partially funded by the State Revolving Fund;
- Lower Opioid Litigation Settlement funds of \$7.7 million were received in 2024, which was a decrease of \$3.7 million from the \$11.4 million reported in the prior year; and
- Other Revenues declined \$6.2 million over the prior year primarily due to lower Interest and Penalty on Taxes of \$2.5 million and a decrease of \$3.3 million in the Nassau Community College Central Utility Plant (CUP) reimbursement.
- Total Expenses increased over 2023 by \$300.1 million. Almost all functions had increases in expenses due to higher pension expense of \$48.3 million over the prior year resulting from the actuarially valued liability and higher OPEB expenses of \$153.5 million due to the actuarial valuation, which was the result of a lower discount rate, changes to plan assumptions, and a change in the OPEB eligibility requirement. In addition to these factors:
 - The remainder of the variance in General Administration expenses is primarily comprised of the decrease in tax certiorari payments (\$93.7 million) and litigation costs (\$27.1 million) in 2024 over the prior year, as these costs are a component of the General Administration function, offset by higher costs associated with retiree health insurance benefits and contractual services.
 - Protection of Persons expenses increased over the prior year by \$199.4 million, with higher OPEB costs and pension costs of \$88.5 million and \$38.5 million, respectively, being the primary drivers of the increase. These costs are actuarially computed. Contractually agreed upon increases in salaries and related fringe benefits, along with costs associated with retiree health insurance benefits are also factors in the increase in expenses over the prior year.

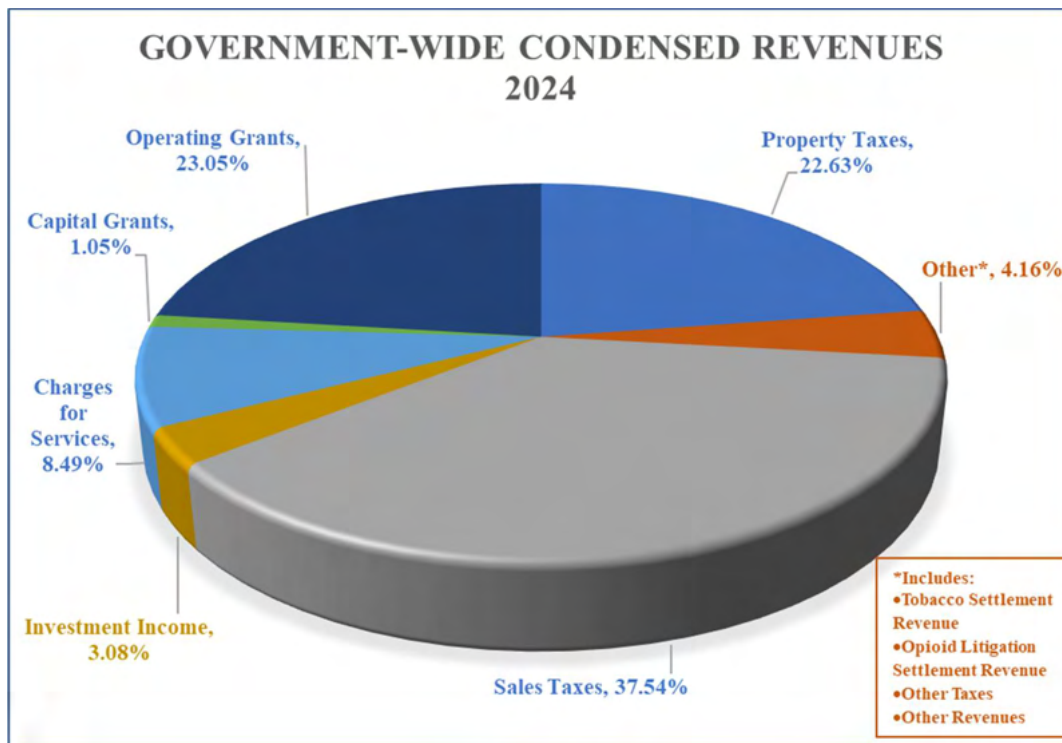
¹⁰ See Exhibit 14 - Note 1, *Summary of Significant Accounting Policies*, for more details of Preempted Sales Tax in Lieu of Property Taxes (Part County Sales Tax).



MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2024

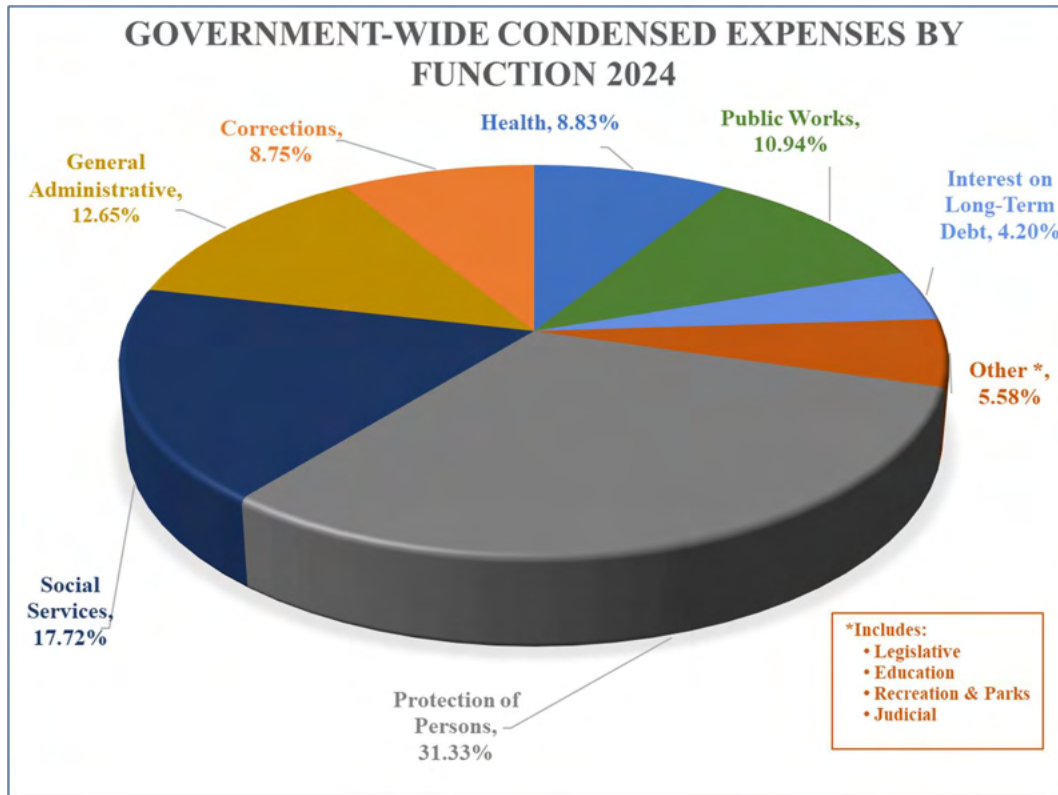
- In addition to the effects related to OPEB and pension costs, as discussed previously, Social Services Costs related to Medicaid, Recipient Grants¹² and Purchased Services¹³ increased \$77.8 million. Medicaid costs increased due to an increase in the required County Medicaid weekly share payments to New York State. Recipient Grants had a 9% caseload increase over 2023, which was still below the pre-pandemic levels. Purchased Services costs increased by 23% due to day care expenditures rising as a result of market rates increasing as promulgated by the NYS Office of Children and Family Services, which took effect in June 2022. In addition, NYS expanded the eligibility requirement to increase the availability and quality of childcare programs effective August 2022.
- The increase in Corrections expenditures of \$34.1 million was mainly the result of the effects of the pension liability and OPEB.
- The increase in Health expenses, over 2023, of \$33.2 million, is mainly due to increased costs for Early Intervention (\$16.0 million), contractual expenses for mental health (\$4.8 million) and opioid addiction services (\$4.5 million).

See Exhibit X-2 for the full Statement of Activity.



¹² Recipient Grants are payments made directly to clients of the Department of Social Services (DSS) for programs such as Temporary Assistance for Needy Families (TANF), Safety Net Assistance (SNA), Adoption Subsidy, Foster Care, and the Home Energy Assistance Program (HEAP).

¹³ Purchased Services are payments made to agencies that operate independently of Nassau County for Social Service programs such as Day Care, Preventive Services, Child Protective Services, and Adult Protective Services. The County also provides Domestic Violence, Adoption, Independent Living, and Homemaking Services.



ANALYSIS OF 2024 GOVERNMENTAL FUND FINANCIAL STATEMENTS

The County's *governmental fund statements (balance sheet and statement of revenues, expenditures and changes in fund balance)* tell how the general governmental services were financed in the short-term, as well as what money remains for future spending. These statements present the government's current financial resources (which include its cash and cash equivalents and those assets that are expected to be converted into cash within the next year) and the current liabilities that these assets will be used to retire.

For reporting purposes, the County's general operations are financed through three primary operating funds, which have different tax bases:

- the General Fund;
- the Police District Fund; and
- the Sewer and Storm Water Fund.



The General Fund includes several funds¹⁴ that are managed separately, but reported on a GAAP basis, as part of the General Fund:

- the Fire Prevention Fund;
- the Police Headquarters Fund;
- the Debt Service Fund;
- the Litigation Fund;
- the Retirement Contribution Reserve Fund;
- the Technology Fund;
- the Open Space Fund;
- the Employee Benefit Accrued Liability Reserve Fund;
- the Bond Indebtedness Reserve Fund;
- the Excess Sales Tax Fund¹⁵;
- the Opioid Litigation Settlement Fund; and
- the Operating Reserve Fund.

Resources are transferred to the County's Debt Service Fund to pay current debt service obligations.

The County's sewer and storm water operations are funded through the Sewer and Storm Water District Fund. NCSSWFA, a blended component unit of the County, collects sewer assessment fees from County taxpayers and provides those funds to the Sewer and Storm Water District to fund its operations. The County contracts with an outside vendor to manage the operations of the sewer system.

The financial activities of the County's police precincts are funded through the Police District Fund. Taxpayers residing in villages and cities with their own police force do not contribute to the tax base of the Police District Fund.

The County also has a series of other non-operating funds such as the Environmental Protection Fund, the Grant Fund, the Federal Emergency Management Agency (FEMA) Fund, the Capital Project Fund, the Disputed Assessment Fund (DAF), the COVID-19 Fund (COV), the American Rescue Plan Act (ARPA) Fund, and the Capital Reserve Fund, which was established in 2024 in accordance with NYS General Municipal Law. The COV and ARPA Funds were established to manage and track the stimulus funds received from the Federal government for the COVID-19 pandemic and the corresponding expenditures. The activity in the funds listed above, excluding the Environmental Protection Fund, is not funded with a County property tax levy. The DAF Fund is funded via a disputed assessment charge made on commercial properties.

¹⁴ The following funds were established in accordance with New York State General Municipal Law: The Retirement Contribution Reserve Fund; Employee Benefit Accrued Liability Reserve Fund; and the Bond Indebtedness Reserve Fund.

¹⁵ The Excess Sales Tax Fund had no activity for 2023 or 2024.



Sales Tax

Sales Tax is the major revenue source for the County, followed by Property Tax, State and Federal Aid, and Departmental Revenues. These categories have remained relatively constant as a percentage in relation to total revenues in recent years.

Sales Tax secures NIFA's bonds, which are outstanding through November 15, 2035. The State Comptroller remits monthly County sales tax collections directly to NIFA to pay its debt service costs required for each fiscal year before any residual sales tax is transferred to the County. See Note 1, *Summary of Significant Accounting Policies*, in the financial statements.

GENERAL FUND BUDGET VARIANCES

The County cannot legally incur expenditures for which no appropriation has been previously provided, either at the time of initial budget adoption or through subsequent supplemental appropriation. Consequently, there can be no expenditures that exceed the total appropriation set by the County Legislature. The variances discussed below are a comparison of actuals on a budgetary basis to the modified budget (total budgetary authority).

The County ended the 2024 fiscal year with a General Fund ending fund balance of \$1,221.4 million on a budgetary basis, up from \$922.3 million as of fiscal year-end 2023, an increase of \$299.1 million. The County's budgetary surplus is comprised of several variances from the modified budget.

In its governmental funds, the County ended the 2024 fiscal year with a net change in GAAP fund balance of \$258.3 million in the General Fund, an increase of \$371.7 million from (\$113.4) million as of the end of the prior fiscal year. The difference between the General Fund's budgetary surplus of \$1,221.4 million, and the reporting surplus of \$1,147.9 million is primarily due to:

- adjustments required to eliminate the effect of encumbrances that cross fiscal years;
- the recognition of expenditures incurred, but not paid in the fiscal year;
- adjustments to defer revenues recognized on a budgetary basis that require amortization;
- an adjustment to pension contributions to match the actual time period covered;
- the adjustment for revenue receivables that have not been collected within the County's period of availability (see Note 1, *Summary of Significant Accounting Policies*, for explanation of the County's period of availability); and
- the effect of GASB pronouncements that impact GAAP reporting, but not budgetary.



Original Budget versus Total Budgetary Authority

The General Fund's original budget (adopted budget) was modified for revenues, total expenditures, and other financing sources. There was a need for amendments to reallocate appropriations among departments when it became clear which departments would have shortages at fiscal year-end and to facilitate the transfer of surpluses to reserves:

- The General Fund's original budgeted revenues of \$3,031.3 million were modified up by \$55.7 million to \$3,087.0 million. The modifications were needed to accommodate necessary increases in appropriations (see below) that were affected via higher interest income (\$10 million) received and higher Federal and State Aid (totaling \$45.7 million) received for Pre-School Education and the Social Services Block Grant, Aid to Dependent Children and Home Relief.
- The General Fund's original budgeted current expenditures of \$2,955.5 million were modified up by \$311.4 million to \$3,266.9 million during the fiscal year. Most departments and expenditures were affected by the reallocation of appropriations including increases for General Administration and Protection of Persons salaries and fringe benefits, Suits and Damages, Social Services programs, (Social Service Block Grant, Aid to Dependent Children and Home Relief), Payments for Tax Certiorari, and to provide appropriations to transfer operating surpluses to reserve funds. Several of the reserve funds that are reported as part of the General Fund did not have an original budget but instead were supplementally appropriated. Reductions in appropriations in Public Works offset the increases noted above.
- The General Fund's original budget for Other Financing Sources – Transfers In was modified from \$61.9 million to \$246.3 million, a change of \$184.4 million, which resulted from the transfer in from the ARPA funding used to cover lost revenues incurred during the COVID-19 pandemic. The funds were supplementally appropriated to transfer surplus to the reserve funds to better manage long-term liabilities.

Total Budgetary Authority versus Actual on a Budgetary Basis

The variances discussed below are a comparison of total budgetary authority to actual on a budgetary basis as shown in Exhibit X-7.

General Fund Revenues

Recurring revenue streams for Departmental Revenues, Fines and Forfeitures, Rents and Recoveries and Payments in Lieu of Taxes (PILOTs) were negatively affected in 2024, with actual revenue not meeting total budgetary authority levels. The primary factors affecting General Fund revenues are set forth below:

- *Sales Tax:*
 - Countywide Sales Tax revenues (which exclude Preempted Sales Tax in Lieu of Property Taxes) and including the NIFA Fund, were minimally better compared to the modified budget. Sales tax collections were sluggish in the early part of 2024 but regained some momentum as the year progressed. The impact of inflation both helps and hurts the sales tax collections; it helps with inflated prices and thus higher collections but negatively affects consumer confidence and spending.



- A portion of the actual receipts appear in the NIFA Fund since it draws County Sales Tax to pay County-related debt service. Countywide Sales Tax reported in the General Fund was \$99.9 million under budget (see Exhibit X-7) offset by \$104.5 million reported in the NIFA Fund in the financial statements (see Exhibit X-5).
- *State Aid:* Revenues surpassed the budget by \$20.3 million, primarily due to higher aid for Pre-School Education, Raise the Age, State Operating Assistance (STOA), which was used to fund the County's bus system, Social Services Block Grant, and Public Financial Assistance.
- *Interest Income:* surpassed the budget by \$18.4 million due to actual interest rates being higher than budgeted interest rates.
- *Departmental Revenue:* Reported revenue was \$20.7 million lower than budgeted primarily due to ambulance fees and GIS tax map verification fees; ambulance and GIS tax verification fees were \$11.0 million and \$4.9 million less than budgeted, respectively. Departmental Revenues related to commercial property owner's income and expense reporting were budgeted at \$5.0 million but not realized.
- *Fines and Forfeitures:* Revenues were below budget by \$12.0 million, primarily due to lower traffic and parking violations including Red Light Camera and School Bus Stop Cameras.
- *Other Revenue:* exceeded the budget by \$2.9 million, primarily due to opioid litigation settlement moneys of \$7.7 million received in 2024 that was unbudgeted. The County Legislature has authorized the use of the settlement funds for treatment and prevention of opioid addiction and to support existing County programs that assist with drug addiction. This was offset by lower than budgeted Central Utility Plant (CUP) charges to Nassau Community College (\$4.5 million).

General Fund Expenditures

All governmental functions within the General Fund were under budget primarily due to increases from the adopted budgeted amounts to cover projected shortfalls that did not meet the new projected levels. The primary factors were:

- *General Administration* expenditures were under budget by \$96.7 million primarily due to lower salaries (\$30.9 million), fringe benefits (\$48.8 million), lower contractual services costs (\$6.5 million), lower utility costs (\$7.4 million) and lower general expenditures (\$3.1 million) than budgeted. Salaries and fringe benefits are lower than budget mainly due to vacant positions. Contractual services costs were lower than budgeted primarily in Information Technology and County Attorney departments primarily due to appropriations unspent for encumbrances.
- *Protection of Persons* expenditures were under budget by \$42.8 million. The total budgetary authority was increased from the original adopted budget, anticipating salary and fringe benefit costs, however, actual costs were lower than budgeted. The surplus was primarily due to lower than budgeted salaries (\$21.1 million), fringe benefits costs (\$10.6 million) and contractual services (\$7.1 million) mainly in the Police Headquarters Fund and the Fire Commission Fund, which are components of the General Fund.



- *Suits and Damages* also referred to Judgments and Settlements, were \$62.6 million lower than the total budgetary authority, which had been increased from the original adopted budget. These costs include structured settlements paid by the County. Most expenditures were reported in the Litigation Fund reserve, a component of the General Fund. The actual payments were lower than what the County had appropriated for these costs.
- *Payments for Tax Certiorari* were \$33.9 million lower than the total budgetary authority as fewer tax certiorari payments were made in 2024. In 2023, reserve funds were utilized to pay down a portion of the backlog of tax certiorari liabilities. These costs were reported in the Litigation Fund reserve, a component of the General Fund.
- *Social Services* expenditures were under budget by \$21.8 million primarily due to lower Social Services such as, Purchased Services (\$8.7 million), Emergency Vendor Payments (\$3.9 million), and contractual services expenditures (\$5.7 million), as well as lower than budgeted salaries and fringe benefits (\$3.2 million).
- *Corrections* expenditures were under budget by \$23.7 million primarily due to lower salaries and fringe costs (\$21.9 million) related to vacant positions costs, and general and contractual services expenditures (\$1.8 million) related primarily to unspent, but budgeted obligations.
- *Public Works* expenditures were under budget by \$17.8 million when compared to total budgetary authority. This is primarily due to lower-than-expected contractual expenditures and obligations (\$15.2 million) in Highway and Engineering, as well as lower than budgeted salaries and fringe benefit costs (\$2.2 million).
- *Health* expenditures were under budget by \$13.0 million primarily due to lower than budgeted expenditures in children's Early Intervention Services (\$4.3 million) and contractual expenditures that were budgeted, but not spent (\$7.8 million), the majority (\$4.8 million) of which was for opioid assistance, prevention and education programs that are funded with opioid litigation settlement funds.
- *Debt Service* expenditures were \$26.2 million lower than the total budget authority, primarily due to lower principal and interest costs on bonds than budgeted.

Other Financing Sources and Uses

Net Other Financing Sources and Uses were \$180.8 million better than budgeted primarily due to higher interest earned from NIFA (\$3.3 million) and on capital fund balances (\$6.9 million), as well as a net Transfers In/Out that was \$173.5 million better than the total budgetary authority mainly due to the transfer of revenues from the ARPA Fund (\$63.1 million better than budget), with the remainder being Transfers In/Out that were budgeted but did not take place.



Fund Balance of the Major Governmental Funds

	General Fund	NIFA Fund	Police District Fund	Sewer and Storm Water District Fund	Capital Fund	Disputed Assessment Fund	ARPA Fund	Total Nassau County Major Funds
Fund Equity, as of December 31, 2022	\$ 1,003,105	\$ 1,098	\$ 95,224	\$ 49,380	\$ 320,690	\$ 8,808	\$	\$ 1,478,305
Add: 2023 Revenues	2,906,568	102,924	516,717	192,188	75,020	5,987	20,033	3,819,437
Less: 2023 Expenditures	3,074,810	2,805	493,359	126,792	367,607		20,033	4,085,406
2023 Other financing sources, net	54,816	(100,323)	(1,128)	(48,242)	245,843	(444)		150,522
Fund Equity, as of December 31, 2023	\$ 889,679	\$ 894	\$ 117,454	\$ 66,534	\$ 273,946	\$14,351	\$	\$ 1,362,858
Add: 2024 Revenues	2,986,115	107,810	505,344	168,811	75,039	6,022	282,553	4,131,694
Less: 2024 Expenditures	3,041,310	2,930	509,465	128,616	334,490		10,106	4,026,917
2024 Other financing sources, net	313,457	(104,844)	(1,226)	(23,190)	241,144	(153)	(272,447)	152,741
Fund Equity, as of December 31, 2024	\$ 1,147,941	\$ 930	\$ 112,107	\$ 83,539	\$ 255,639	\$20,220	\$	\$ 1,620,376

Table 3 shows the accumulated fund balance in the County’s *major* governmental funds of \$1,620.4 million at the end of 2024. Major funds are those in which the fund’s total assets and deferred outflows of resources, total liabilities and deferred inflows of resources, revenues, or expenditures are greater than 10% of the corresponding element(s) total of each type of governmental fund and greater than 5% of the corresponding element(s) total of the combined governmental funds. In governmental funds, other financing sources and uses, transfers in and out, and gains or losses from extraordinary items are excluded when computing whether a fund meets the 5% threshold.

The County must include all funds that meet these criteria in its Governmental Funds Balance Sheet (Exhibit X-3) and its Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit X-5), however, the County may also include other funds that do not meet the 10% or 5% criteria, but whose exclusion may mislead a user of the report. The NIFA Fund, which represents NIFA’s general fund, has been included as a major fund primarily because of the interrelationship between it and the County for reporting the effects of sales tax, the County’s largest revenue source. For the fiscal year ended December 31, 2024; (a) the Sewer and Storm Water District Fund did not meet the criteria of a major fund, however, because it is one of the three operating funds of the County, it was included as a major fund for the fiscal year; (b) the DAF Fund did not meet the criteria of a major fund, however, due to its purpose of funding Class 4 commercial property tax certiorari refunds and the collection of the disputed assessment charge from Class 4 commercial property owners, it was included as a major fund for the fiscal year; and (c) the ARPA Fund did not meet the criteria of a major fund, however, due to the recognition of Federal Aid to replace revenues lost during the coronavirus pandemic, it was included as a major fund for the fiscal year.



The primary changes to fund balance were as follows:

Total fund balance in the General Fund increased by \$258.2 million, from \$889.7 million to \$1,147.9 million.

- This increase is due primarily to these factors: higher Federal and State Aid reimbursements; higher Sales Tax revenues; lower debt service as a result of the bond defeasance that took place in 2023, reducing serial bonds outstanding; lower property tax refunds, and judgments and settlement claims paid from reserved balances; and the recognition of funds transferred from the ARPA Fund to replace revenue lost during the COVID-19 pandemic.

Total fund balance in the Police District Fund decreased by \$5.4 million, from \$117.5 million to \$112.1 million.

- The decrease is primarily due to higher salary, fringe benefits and interdepartmental (chargeback) costs.

Total fund balance in the Capital Fund decreased by \$18.3 million, from \$273.9 million to \$255.6 million.

- The decrease is primarily the net result of lower Federal Aid, primarily related to the Bay Park Conveyance Project, and less in bond proceeds from the issuance of bonds.

Total fund balance in the Sewer and Storm Water District Fund increased by \$17.0 million, from \$66.5 million to \$83.5 million.

- The increase in fund balance is primarily the result of unbudgeted PILOT revenues recognized in the fund, lower contractual costs for the operations of the sewer system and lower utility costs.

Total fund balance in the Disputed Assessment Fund increased by \$5.8 million, from \$14.4 million to \$20.2 million.

- The increase is the result of investment earnings on the balances held in the fund.

The ARPA Fund was established in 2021 to report ARPA funding received and program expenditures incurred.

- In 2024, funding received in prior years was recognized and used to cover revenue losses in the General Fund incurred during the COVID-19 pandemic.

Total fund balance in the NIFA Fund changed minimally, from \$0.89 million to \$0.93 million.

- The increase is the result of a timing difference between the sales tax revenues withheld by NIFA for debt service payments and the actual debt service payments.



CAPITAL INVESTMENTS

The County’s Capital Assets, net of Depreciation/Amortization, at December 31, 2024 were \$4,415.9 million, an increase of \$136.0 million over the prior year. See Table 1, Condensed Statement of Net Position (Deficit).

During the 2024 fiscal year, the County had the following outlays related to the County’s capital projects: \$112.5 million in sewer district improvements and upgrades (designated with an * in Table 4 below); \$71.7 million in public safety projects; \$42.8 million in roads; \$37.2 million in buildings; \$39.8 million in infrastructure-related improvements (this amount does not include any capital outlays related to Nassau Community College); and the \$30.5 million remainder in various project categories. The County made capital improvements during 2024 in the following areas:

The difference between the \$334.5 million detailed in Table 4, Capital Improvements, and the net increase to capital assets as reported in the government-wide financial statements of \$136.0 million represents the adjustments necessary to report capital assets on a full accrual basis, including expenditures that are related to retainage withheld on construction-in-progress. Additional information on the County’s capital assets activity can be found in Note 10, *Capital Assets*, to the financial statements.

Project Category	Amount
Buildings	\$ 37.2
Equipment	4.7
Infrastructure	39.8
Parks	7.5
Public Safety	71.7
Roads	42.8
Technology	3.0
Traffic	13.1
Transportation	2.2
Collection *	15.2
Disposal *	93.1
Storm Water *	4.2
	\$ 334.5

* Total \$112.5 million in sewer district improvements and upgrades

The County, in partnership with the State Department of Environmental Conservation (DEC), has undertaken the Bay Park Conveyance Project to improve water quality and storm resiliency in Long Island’s Western Bays by upgrading its existing wastewater management infrastructure. The project officially began in March 2021 with a Notice to Proceed issued to the design-build contractor, Western Bays Constructors.



When completed, this project is expected to convey treated water from Bay Park, which currently discharges an average of 50 million gallons per day (mgd) of treated water into Reynolds Channel, to the Cedar Creek Water Pollution Control Plant's (Cedar Creek) ocean outfall. The project includes construction of a 2-mile-long force main from the Bay Park facility to an existing aqueduct under Sunrise Highway to convey treated water, rehabilitation of a 7.3-mile stretch of the aqueduct, and construction of a 1.6-mile-long force main to connect the rehabilitated aqueduct to the existing Cedar Creek outfall, which discharges and diffuses treated water three miles offshore in the Atlantic Ocean.

DEBT

As of December 31, 2024, the par value of the County's serial bond debt outstanding was \$2.2 billion. The par value of the outstanding serial bonds for the County's blended component units, NIFA, NCSSWFA, NCTSC, was \$1.4 billion as of fiscal year-end. The combined \$3.6 billion in outstanding long-term debt for the County and its blended component units (excluding accreted interest) as of December 31, 2024, increased by approximately \$30.3 million compared to the combined long-term debt outstanding as of December 31, 2023. This increase was due primarily to the issuance of County bonds of \$253.9 million offset by scheduled maturities and NIFA bond placement offer in 2024.

Of the total debt outstanding, \$3.2 billion is recourse debt to the County and the balance is recourse only to NCTSC, secured by the tobacco settlement revenue.

The County provides a direct-pay guarantee on \$84.5 million of outstanding bonds from the refunding and new money debt issued in October 2004 and refunded in April 2009 by NHCC. NHCC's debt was subsequently remarketed, and the swaps eliminated in 2021. See Note 14, *Notes Payable and Long-Term Obligations*, in the accompanying financial statements.

During 2024, the County issued a total of \$253.8 million of serial bonds, \$133.0 million of NIFA refunding bonds, and \$1.0 million of New York State Environmental Facilities Corporation (EFC)¹⁶ Bonds. Of the \$253.8 million in long-term debt issued by the County \$246.2 million was used to fund its capital program, and \$7.6 million was used to fund various Nassau Community College (NCC) projects. Offsetting new issuances were maturities of the County, NIFA, NCTSC and NCSSWFA in 2024 of \$357.5 million combined¹⁷, a decrease in payments of debt service of \$78.1 million from the prior year primarily due to NIFA's bond refunding.

In September 2024, Series 2024B Refunding Bonds were issued to the County through NYS EFC in the amount of \$1.015 million. The bonds were issued by EFC as a refinancing initiative on behalf of the County and other municipalities that previously financed projects through the Clean Water and Drinking Water State Revolving Funds¹⁸ (SRF) Series 2014B Bonds.

The County did not issue short-term debt notes during 2024.

¹⁶ The New York State Environmental Facilities Corporation (EFC) is a public benefit corporation of New York State which administers and finances two State Revolving Funds (SRFs), pursuant to the Federal Water Quality Act and the Federal Safe Drinking Water Act. The Clean Water SRF provides financings for wastewater projects and the Drinking Water SRF provides financings for drinking water projects.

¹⁷ The \$357.5 million includes \$161.7 million of NIFA refunding bonds.

¹⁸ The Clean Water SRF provides interest-subsidized loans to local governments for eligible environmental projects such as sewer and storm water improvement initiatives.



State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of the average full valuation of taxable real estate of the County for the most recent five-year period. The current debt limitation for the County is \$21.6 billion, which is significantly in excess of the County’s outstanding general obligation debt.¹⁹ The County has \$1.8 billion in bonds authorized, but unissued.

	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024
General Obligation County Bonds	\$ 1,724,026	\$ 253,829	\$ 116,305	\$ 1,861,550
SRF Revenue Bonds	314,604	1,015	15,343	300,276
Total Serial Bonds - County	<u>2,038,630</u>	<u>254,844</u>	<u>131,648</u>	<u>2,161,826</u>
NIFA Sales Tax Secured Bonds	1,079,820	132,960	214,768	998,012
Sewer Finance Authority	61,055		10,285	50,770
Tobacco Settlement Asset Backed Bonds	381,805		825	380,980
Total Serial Bonds - Blended Component Units	<u>1,522,680</u>	<u>132,960</u>	<u>225,878</u>	<u>1,429,762</u>
Total Serial Bonds	<u>3,561,310</u>	<u>387,804</u>	<u>357,526</u>	<u>3,591,588</u>
Accreted interest - Tobacco Settlement Asset Backed Bonds	122,070	11,138	144	133,064
Total Serial Bonds and Accreted Interest	<u>\$ 3,683,380</u>	<u>\$ 398,942</u>	<u>\$ 357,670</u>	<u>\$ 3,724,652</u>

The County has Cash Held with Fiscal Agent as a result of new money from the issuance of specific EFC bonds. These monies are distributed to the County as County expenditures are completed and approved. The beginning balance of Cash Held with Fiscal Agent was \$60.0 million made up of \$46.5 million from the EFC Series 2023C bond, \$8.9 million from the EFC Series 2022B bond and \$4.6 million from the EFC Series 2019A bond. In 2024, the County withdrew a total of \$51.9 million from the new money held by the fiscal agent leaving a balance of \$8.1 million from the EFC Series 2023C bond. No new bonds with new money were issued in 2024.

There is substantial doubt on NCTSC’s ability to continue as a going concern. Payment of debt service on the Series 2006 Bonds are dependent upon receipt of tobacco settlement revenues. The current amount of receipts received annually, and cash levels may be insufficient to satisfy the debt service payment due on June 1, 2026. See Note 1, *Summary of Significant Accounting Policies, Reporting Entity*, for further information.

¹⁹ See Schedule T-15 for additional information.



THE COUNTY’S CREDIT RATING

The County’s long-term debt ratings at December 31, 2024, were as follows:

- Moody’s Investors Service: *Aa2 (stable outlook)*;
- S&P Global Ratings: *AA- (positive outlook)*; and
- Fitch Ratings: *AA (stable outlook)*.

This represented an improvement over the prior fiscal year.

The County's Bond Ratings						
	2023-May		2024-May		2025-May	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Moody's Investors Service	Aa3	Positive	Aa2	Stable	Aa2	Stable
S&P Global Ratings	AA-	Stable	AA-	Positive	AA	Stable
Fitch Ratings	A+	Positive	AA	Stable	AA	Stable

Subsequent to fiscal year-end 2024, the County’s long-term bond ratings and/or outlooks were raised or revised as noted in the chart above.

As of December 31, 2024, NIFA’s long-term debt, secured by County sales tax, was unchanged for Standard & Poor’s and Fitch and ratings were withdrawn by Moody’s:

- Standard & Poor’s (*AAA, stable outlook*)
- Fitch (*AAA, stable outlook*)

NHCC GOING CONCERN

NHCC has experienced recurring operating losses, a working capital deficit and has a total negative net position of \$1,381.7 million and \$1,233.6 million at December 31, 2024, and 2023 (as restated), respectively, and is dependent on the continuation of Federal, State and local subsidies, certain of which have or are scheduled to end or be reduced. These matters raise substantial doubt about NHCC’s ability to continue as a going concern. This is the fourth consecutive year that substantial doubt about the hospital’s ability to continue as a going concern has been noted by its independent auditor. Prior to fiscal year 2021, the hospital’s independent auditor noted three consecutive years of a going concern uncertainty.



CURRENTLY KNOWN FACTS, CONDITION, OR DECISIONS

On April 30, 2025, CSEA members voted in favor of an amended Memorandum of Agreement (MOA), which amends the MOA dated August 7, 2023. The new MOA requires CSEA employees to contribute 3% of base salary towards the cost of health insurance beginning January 1, 2026, as well as maintains the vesting period for health insurance in retirement to 10 years, amongst other reductions that impact the union employees.

On May 14, 2025, the County issued Series A General Improvement Bonds in the amount of \$281 million. The Series A Bonds were issued to fund various public purposes, including capital projects, and to pay costs of issuance.

In June 2025, the courts ruled that the County's Mortgage Block Fee of \$300 was excessive. The County was given 60 days from the ruling to revise its fee. The County is appealing this decision.

See Note 24, *Subsequent Events*, of the accompanying financial statements for further details related to these transactions.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be emailed to NCComptroller@nassaucountyny.gov.

BASIC FINANCIAL STATEMENTS

EXHIBIT X-1

COUNTY OF NASSAU, NEW YORK

**STATEMENT OF NET POSITION (DEFICIT)
DECEMBER 31, 2024 (Dollars in Thousands)**

	<u>Primary Government</u>		<u>Component</u>
	<u>Governmental</u>		<u>Units</u>
	<u>Activities</u>		<u>Units</u>
<u>ASSETS</u>			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,218,071	\$	174,899
Investments	12		
Restricted Cash and Cash Equivalents	505,224		1,260
Restricted Certificate of Deposit	70,868		
Restricted Investments	22,857		1,649
Cash Held by Fiscal Agent	8,112		
Sales Tax Receivable	178,602		
Student Accounts and Loans Receivable			10,863
Less Allowance for Doubtful Accounts			(6,232)
Due from Primary Government			13,669
Due from Other Governments	289,988		1,247
Less Allowance for Doubtful Accounts	(7,452)		
Other Receivables			48,865
Accounts Receivable	53,913		50,608
Less Allowance for Doubtful Accounts	(6,052)		
Real Property Taxes Receivable	81,792		
Less Allowance for Doubtful Accounts	(9,050)		
Property Held for Sale			433
Lease Receivable	1,067		2,753
PPP Receivable	228		
Disputed Assessment Fund Collections Receivable	10		
Due from Component Unit	55,711		
Inventories			11,868
Prepays	86,945		4,694
Other Assets	20,207		3,969
Total Current Assets	<u>2,571,053</u>		<u>320,545</u>
NON CURRENT ASSETS:			
Restricted Cash and Cash Equivalents	16,729		2,615
Restricted Investments			39,500
Net Pension Asset			3,524
Capital Assets Not Being Depreciated and Amortized	1,951,676		27,387
Depreciable and Amortizable Capital Assets	5,535,529		1,226,395
Less Accumulated Depreciation and Amortization	(3,071,309)		(886,285)
Lease Receivable	148,987		11,570
PPP Receivable	4,288		
Tax Sale Certificates	4,366		
Tax Real Estate Held for Sale	6,387		
Other Assets			52,651
Total Non Current Assets	<u>4,596,653</u>		<u>477,357</u>
Total Assets	<u>7,167,706</u>		<u>797,902</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Loss on Bond Refunding	22,021		12,053
Deferred Bond Issuance Costs, net			173
Deferred Outflows - Pensions	641,309		111,198
Deferred Outflows - Other Postemployment Benefits	898,089		210,271
Total Deferred Outflows of Resources	<u>\$ 1,561,419</u>	\$	<u>333,695</u>

(Continued)

EXHIBIT X-1**COUNTY OF NASSAU, NEW YORK****STATEMENT OF NET POSITION (DEFICIT)
DECEMBER 31, 2024 (Dollars in Thousands)**

	<u>Primary Government</u>		<u>Component</u>
	<u>Governmental</u>		<u>Units</u>
	<u>Activities</u>		
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable and Accrued Liabilities	\$ 397,198	\$	541,633
Retainage Payable	26,185		
Unearned Revenue	153,222		13,187
Property Tax Refund Payable	18,484		
Due to Primary Government			6,004
Due to Component Units	52,699		
Due to Other Governments			940
Accrued Interest Payable	38,723		1,759
Current Portion of Long-Term Liabilities	687,616		93,006
Disputed Assessment Fund Deposits Held	70,147		
Estimated Tax Certiorari Liability Related to Disputed Assessment Fund	4,367		
Other Liabilities - Current	82,393		3,536
	<u>1,531,034</u>		<u>660,065</u>
NON CURRENT LIABILITIES:			
Accounts Payable and Accrued Liabilities			662
Due to Primary Government			7,879
Notes Payable			4,347
Bonds Payable, Net of Deferred Bond Premium/Discount (Net of Amortization)	3,890,435		90,320
Liability to Third-Party Payors, net			60,983
Accrued Liabilities - Term Pay			770
Compensated Absences	585,178		139,172
Arbitrage Liability	1,033		
Lease Liability	110,499		5,004
Subscription Liability	1,310		1,473
Deferred Payroll	29,978		
Estimated Workers' Compensation Liability	277,920		
Estimated Tax Certiorari Liability	150,379		
Estimated Liability for Litigation	368,058		72,650
Pollution Remediation Liability	1,750		
Contractual Liability due to Nassau Health Care Corporation	208,304		
Net Pension Liability	629,749		126,076
Total OPEB Liability	6,745,153		1,406,337
Other Liabilities - Non Current			30,784
	<u>12,999,746</u>		<u>1,946,457</u>
Total Liabilities	<u>14,530,780</u>		<u>2,606,522</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Gain on Bond Refunding	20,795		
Deferred Inflows - Property Taxes - Part County Sales Tax Offset	10,360		
Deferred Inflows - Mitchel Field	21,146		
Deferred Inflows - Leases	179,125		12,530
Deferred Inflows - Pensions	251,355		71,630
Deferred Inflows - PPPs	61,536		3,271
Deferred Inflows - Other postemployment benefits	499,021		170,378
	<u>1,043,338</u>		<u>257,809</u>
NET POSITION (DEFICIT)			
Net Investment in Capital Assets	2,775,548		290,096
Restricted:			
Nassau Community College - Scholarships and Other			3,879
Nassau Community College - Student Loans			227
Pension			3,524
Capital Projects	12,912		
Debt Service	175,572		
Open Space	2,110		
General Administration	169,238		1,494
Protection of Persons	34,527		
Judgments and Settlements	20,220		
Health	77,449		
Public Works	6,958		
Property Rehabilitation			15
Capital Acquisition Fund			913
Various Purposes	1,353		
FEMA - Public Works	9,293		
Unrestricted	(10,130,173)		(2,032,882)
Total Net Position (Deficit)	<u>\$ (6,844,993)</u>	\$	<u>(1,732,734)</u>

See accompanying notes to financial statements.

(Concluded)

EXHIBIT X-2

COUNTY OF NASSAU, NEW YORK

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position					
	Expenses	Program Revenues			Primary Government	Component Units
		Charges for Services	Operating Grants	Capital Grants	Governmental Activities	
Primary Government:						
Legislative	\$ 18,847	\$	\$ 2,822	\$	\$ (16,025)	
Judicial	106,727	62,287	11,397		(33,043)	
General Administration	501,419	83,272	326,813		(91,334)	
Protection of Persons	1,241,950	61,041	15,006		(1,165,903)	
Health	350,117	20,314	170,462		(159,341)	
Public Works	433,879	56,422	136,338	44,038	(197,081)	
Recreation and Parks	63,695	35,405	56		(28,234)	
Social Services	702,680	20,958	279,883		(401,839)	
Corrections	346,801	3,602	27,199		(316,000)	
Education	31,768	13,861			(17,907)	
Interest on Leases and SBITAs	2,191				(2,191)	
Interest on Long-Term Debt	164,439				(164,439)	
Total Primary Government	\$ 3,964,513	\$ 357,162	\$ 969,976	\$ 44,038	\$ (2,593,337)	
Component Units	\$ 1,030,442	\$ 675,811	\$ 36,077	\$ 14,722		\$ (303,832)
General Revenues:						
Taxes:						
Property Taxes					\$ 952,297	
Sales Tax and Preempted Sales Tax in Lieu of Property Taxes					1,579,735	
Other Taxes					93,523	
State and Local Appropriations						100,534
Tobacco Settlement Revenue and Tobacco Receipts					17,502	
Investment Income					129,821	6,524
Opioid Litigation Settlement Revenue					7,682	
Royalty Income						30,529
Other					56,248	10,412
Total General Revenues					2,836,808	147,999
Change in Net Position (Deficit)					243,471	(155,833)
Net Position (Deficit) - Beginning, as previously reported					(6,943,832)	(1,561,035)
Cumulative Effect of Change in Accounting Principle and Error Correction (See Notes 25 & 26)					(144,632)	(15,866)
Net Position (Deficit) - Beginning, as restated (See Note 26)					(7,088,464)	(1,576,901)
Net Position (Deficit) - Ending					\$ (6,844,993)	\$ (1,732,734)

See accompanying notes to financial statements.

EXHIBIT X-3

COUNTY OF NASSAU, NEW YORK

**GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2024 (Dollars in Thousands)**

	General Fund	NIFA Fund	Police District Fund	Sewer and Storm Water District Fund	Capital Fund	Disputed Assessment Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS:									
Cash and Cash Equivalents	\$ 503,599	\$ 791	\$ 95,084	\$ 105,255	\$ 381,572	\$	\$	\$ 131,770	\$ 1,218,071
Investments								12	12
Cash Held with Fiscal Agent					8,112				8,112
Restricted Cash and Cash Equivalents	402,043					55,356	47,821	16,733	521,953
Restricted Certificate of Deposit						70,868			70,868
Restricted Investments								22,857	22,857
Sales Tax Receivable	13,988	164,614							178,602
Due from Other Governments	212,286			4	39,099			38,599	289,988
Less Allowance for Doubtful Accounts	(7,452)								(7,452)
Accounts Receivable	44,456		197	8,584	22			423	53,682
Less Allowance for Doubtful Accounts				(6,052)					(6,052)
Lease Receivable	150,054								150,054
PPP Receivable	4,516								4,516
Interest Receivable		231							231
Real Property Taxes Receivable	81,792								81,792
Less Allowance for Doubtful Accounts	(9,050)								(9,050)
Disputed Assessment Fund Collections Receivable						10			10
Tax Sale Certificates	4,366								4,366
Tax Real Estate Held for Sale	6,387								6,387
Interfund Receivables	263,330		38,672	479	148			31,472	334,101
Advances Receivable	37,193			28,962					66,155
Due from Component Unit	54,855				856				55,711
Prepays	57,935	85	27,414	611				900	86,945
Other Assets	14,960		4,313	249	207			478	20,207
TOTAL ASSETS	1,835,258	165,721	165,680	138,092	430,016	126,234	47,821	243,244	3,152,066
LIABILITIES:									
Accounts Payable	\$ 108,582	\$	\$ 417	\$ 707	\$ 26,859	\$	\$ 600	\$ 11,732	\$ 148,897
Accrued Liabilities	126,546	197	7,048	3,127	64,141	24,398	2,619	14,132	242,208
Unearned Revenue	10,311				17,127		19,615	106,169	153,222
Property Tax Refund Payable	18,484								18,484
Interfund Payables	48,080	164,594	36,536	47,911	95	153	24,987	11,745	334,101
Advances Payable					66,155				66,155
Due to Component Units	52,512							187	52,699
Other Liabilities	72,318		9,572	408		81,463		95	163,856
Total Liabilities	436,833	164,791	53,573	52,153	174,377	106,014	47,821	144,060	1,179,622
DEFERRED INFLOWS OF RESOURCES:									
Unavailable Revenue - Period of Availability	11,261			2,400					13,661
Unavailable Revenue - Property Taxes	24,330								24,330
Deferred Inflows - Leases	179,125								179,125
Deferred Inflows - PPPs	4,262								4,262
Property Taxes - Part County Sales Tax Offset	10,360								10,360
Deferred Inflows - Mitchel Field	21,146								21,146
Total Deferred Inflows of Resources	250,484			2,400					252,884
FUND BALANCE (DEFICIT):									
Fund Balances (Deficit):									
Nonspendable	115,949	85	27,525	611				1,091	145,261
Spendable:									
Restricted	355,379		33,942		2,912	20,220		97,179	509,632
Committed	327,386		15,823		252,727			406	596,342
Assigned	269,849	845	34,817	82,928				508	388,947
Unassigned	79,378								79,378
Total Fund Balance (Deficit)	1,147,941	930	112,107	83,539	255,639	20,220		99,184	1,719,560
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 1,835,258	\$ 165,721	\$ 165,680	\$ 138,092	\$ 430,016	\$ 126,234	\$ 47,821	\$ 243,244	\$ 3,152,066

See accompanying notes to financial statements.

EXHIBIT X-4

COUNTY OF NASSAU, NEW YORK

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2024 (Dollars in Thousands)**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds	\$ 1,719,560
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation	4,415,896
Deferred outflows of resources not reported in governmental funds:	
Deferred loss on refunding	22,021
Pensions	641,309
Other postemployment benefits	898,089
Other assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	37,991
Deferred inflows of resources not recorded in the governmental funds:	
Deferred gain on refunding	(20,795)
Pensions	(251,355)
Public-Private Partnerships	(57,274)
Other postemployment benefits	(499,021)
Premiums, discounts and accreted interest on debt issued is recorded in the governmental funds as revenue and expenditures. In the Statement of Net Position these are recorded as a liability and amortized over the lives of the debt	(487,120)
Long-term liabilities are not due and payable in the current period and accordingly are not reported in the funds:	
Accrued liabilities, retainage payable, and interest payable	(71,001)
Current portion of long-term liabilities	(687,616)
Bonds payable	(3,403,315)
Lease liability	(110,499)
Net pension liability	(629,749)
Subscription Liability	(1,310)
Total OPEB Liability	(6,745,153)
Other long-term liabilities	<u>(1,615,651)</u>
Net position (deficit) of governmental activities	<u>\$ (6,844,993)</u>

See accompanying notes to financial statements.

EXHIBIT X-5

COUNTY OF NASSAU, NEW YORK

**GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	General Fund	NIFA Fund	Police District Fund	Sewer and Storm Water District Fund	Capital Fund	Disputed Assessment Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:									
Property Taxes	\$ 315,716	\$	\$ 473,734	\$ 154,559	\$	\$ 153	\$	\$ 7,467	\$ 951,629
Payments in Lieu of Taxes	32,534		16,758	7,853					57,145
Preempted Sales Tax in Lieu of Property Taxes	123,085								123,085
Interest and Penalties on Taxes	35,432								35,432
Sales Tax	1,352,176	104,474							1,456,650
Tobacco Settlement Revenue and Tobacco Receipts								17,502	17,502
Special Taxes	33,294							3,084	36,378
Departmental Revenue	171,956		3,488	1,024	821			10,497	187,786
Interest Income	59,042	3,336	6,640	4,323	15,478	5,869		6,281	100,969
Licenses and Permits	15,147		3,397	862					19,406
Fines and Forfeitures	88,460		776					1,177	90,413
Rents and Recoveries	13,964		62	190	17			360	14,593
Interdepartmental Revenues	122,264		489						122,753
Interfund Revenues	10,823							213	11,036
Other Revenues	62,780				34			300	63,114
Opioid Litigation Settlement Revenue	7,682								7,682
State Aid	332,295				36,404			74,642	443,341
Federal Aid	209,465				22,285		282,553	71,019	585,322
Total Revenues	2,986,115	107,810	505,344	168,811	75,039	6,022	282,553	192,542	4,324,236
EXPENDITURES:									
Current:									
Legislative	14,979						2,822		17,801
Judicial	92,692							6,458	99,150
General Administration	339,986	2,815					5,806	42,455	391,062
Protection of Persons	610,740		509,465				3	12,673	1,132,881
Health	294,454						562	58,825	353,841
Public Works	230,400			109,415			913	942	341,670
Recreation and Parks	43,322							4,285	47,607
Social Services	684,383							22,519	706,902
Corrections	297,386							1,895	299,281
Education	15,964								15,964
Payments for Tax Certiorari	43,897								43,897
Aid to Towns and Cities	93,723								93,723
Suits and Damages	42,874								42,874
Other	21,792								21,792
Capital Outlay:									
General					216,880				216,880
Sewage Districts					110,025				110,025
Education					7,585				7,585
Debt Service:									
Principal	116,305			14,329				64,355	194,989
Interest	82,716			4,872				55,120	142,708
Principal - Leases	10,679	51						187	10,917
Interest - Leases	2,080	64							2,144
Principal - SBITAs	301								301
Interest - SBITAs	47								47
Bond Issuance Costs	2,590							1,099	3,689
Total Expenditures	3,041,310	2,930	509,465	128,616	334,490		10,106	270,813	4,297,730
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(55,195)	104,880	(4,121)	40,195	(259,451)	6,022	272,447	(78,271)	26,506
OTHER FINANCING SOURCES (USES):									
Transfers In	313,425		9,000	25,076	8			10,156	357,665
Transfers Out	(19,164)		(10,226)	(39,730)	(7,432)	(153)	(272,447)	(8,513)	(357,665)
Transfers In of Investment Income	11,862			3,616					15,478
Transfers Out of Investment Income					(15,478)				(15,478)
Transfers In from NIFA	5,304	1,921						101,522	108,747
Transfers Out to NIFA		(106,765)						(1,982)	(108,747)
Transfers In from NCSSWFA				150,260				175,750	326,010
Transfers Out to NCSSWFA				(162,412)				(163,598)	(326,010)
Transfers In from NCTSC								150	150
Transfers Out to NCTSC								(150)	(150)
Issuance of Debt					254,845				254,845
Refunding Bonds Issued								132,960	132,960
Payment to Refunded Bonds Escrow Agent					(1,015)			(144,822)	(145,837)
Premium on Bonds	2,030				10,216			13,378	25,624
Total Other Financing Sources (Uses)	313,457	(104,844)	(1,226)	(23,190)	241,144	(153)	(272,447)	114,851	267,592
NET CHANGE IN FUND BALANCE (DEFICIT)	258,262	36	(5,347)	17,005	(18,307)	5,869		36,580	294,098
TOTAL FUND BALANCE AT BEGINNING OF YEAR	889,679	894	117,454	66,534	273,946	14,351		62,604	1,425,462
TOTAL FUND BALANCE AT END OF YEAR	\$ 1,147,941	\$ 930	\$ 112,107	\$ 83,539	\$ 255,639	\$ 20,220	\$	\$ 99,184	\$ 1,719,560

See accompanying notes to financial statements.

EXHIBIT X-6

COUNTY OF NASSAU, NEW YORK

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

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

Net change in fund balance - total governmental funds \$ 294,098

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 depreciation and amortization in the current period:

Purchase of capital assets	321,700	
Depreciation and amortization expense	(184,448)	
Other	<u>(1,208)</u>	136,044

Net change in deferred outflows of resources and other assets not reported in the funds:

Deferred outflows of resources	<u>437,221</u>	
Other assets		437,221

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.

1,470

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Total OPEB liability	(877,869)	
Net pension liability/asset	196,934	
Change in accrued interest payable and accrued expenses	(361)	
Deferred inflows of resources	(48,852)	
Change in other long-term liabilities	<u>143,112</u>	(587,036)

The issuance of long-term debt (e.g., bonds) 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 has any effect on the net position. Also, governmental funds report the effect of gains or losses on refunding's, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The following amounts are net effect of these differences in the treatment of long-term debt and related items:

Change in premiums and discounts	2,947	
Change in accreted interest	(10,994)	
Proceeds from sales of bonds	(254,845)	
Principal payments of bonds	194,843	
Refunding Bonds Issued	(132,960)	
Payment to Escrow Agent Refunded Debt	<u>162,683</u>	(38,326)

Change in net position - governmental activities \$ 243,471

See accompanying notes to financial statements.

EXHIBIT X-7**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TOTAL BUDGETARY AUTHORITY, ACTUAL, AND BUDGETARY BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 17)	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues:						
Property Taxes	\$ 316,442	\$ 316,442	\$ 315,716	\$	\$ 315,716	\$ (726)
Payments in Lieu of Taxes	36,237	36,237	32,534		32,534	(3,703)
Preempted Sales Tax in Lieu of Property Taxes	125,868	125,868	123,085		123,085	(2,783)
Interest and Penalties on Taxes	32,513	32,513	35,432		35,432	2,919
Sales Tax	1,452,057	1,452,057	1,352,176		1,352,176	(99,881)
Special Taxes	31,890	31,890	33,294	127	33,421	1,531
Departmental Revenue	192,484	192,484	171,956	(207)	171,749	(20,735)
Interest Income	31,085	41,085	59,042	492	59,534	18,449
Licenses and Permits	14,658	14,658	15,147		15,147	489
Fines and Forfeitures	100,465	100,465	88,460		88,460	(12,005)
Rents and Recoveries	31,191	31,191	13,964	7,832	21,796	(9,395)
Interdepartmental Revenues	114,122	114,122	122,264		122,264	8,142
Interfund Revenues	7,679	7,679	10,823		10,823	3,144
Other Revenues	68,381	68,381	62,780	794	63,574	(4,807)
Opioid Litigation Settlement Revenue			7,682		7,682	7,682
State Aid	288,089	312,044	332,295		332,295	20,251
Federal Aid	188,115	209,877	209,465		209,465	(412)
Total Revenues	3,031,276	3,086,993	2,986,115	9,038	2,995,153	(91,840)
Expenditures:						
Current:						
Legislative	16,705	17,386	14,979	1,710	16,689	697
Judicial	104,826	99,729	92,692	3,234	95,926	3,803
General Administration	402,661	481,323	339,986	44,647	384,633	96,690
Protection of Persons	612,574	656,791	610,740	3,273	614,013	42,778
Health	278,109	328,019	294,454	20,594	315,048	12,971
Public Works	267,513	258,417	230,400	10,247	240,647	17,770
Recreation and Parks	45,244	48,139	43,322	3,019	46,341	1,798
Social Services	671,097	731,987	684,383	25,812	710,195	21,792
Corrections	300,239	327,465	297,386	6,342	303,728	23,737
Education	16,856	18,853	15,964		15,964	2,889
Payments for Tax Certiorari	40,000	77,753	43,897		43,897	33,856
Aid to Towns and Cities	94,069	93,723	93,723		93,723	
Suits and Damages	45,000	105,450	42,874		42,874	62,576
Other	60,583	21,837	21,792	9	21,801	36
Total Current	2,955,476	3,266,872	2,826,592	118,887	2,945,479	321,393
Debt Service:						
Principal	127,360	127,360	116,305		116,305	11,055
Interest	95,545	95,545	82,716		82,716	12,829
Principal - Leases			10,679	(10,679)		
Interest - Leases			2,080	(2,080)		
Principal - SBITAs			301	(301)		
Interest - SBITAs			47	(47)		
Bond Issuance Costs	4,880	4,880	2,590		2,590	2,290
Total Debt Service	227,785	227,785	214,718	(13,107)	201,611	26,174
Total Expenditures	3,183,261	3,494,657	3,041,310	105,780	3,147,090	347,567
Excess (Deficiency) of Revenues Over (Under) Expenditures	(151,985)	(407,664)	(55,195)	(96,742)	(151,937)	255,727
Other Financing Sources (Uses):						
Transfers In	61,933	246,280	313,425		313,425	67,145
Transfers Out	(106,139)	(116,534)	(19,164)	9,000	(10,164)	106,370
Transfers In of Investment Income	5,000	5,000	11,862		11,862	6,862
Transfer In from NIFA	2,000	2,000	5,304		5,304	3,304
Premium on Bonds	4,880	4,880	2,030		2,030	(2,850)
Total Other Financing Sources (Uses)	(32,326)	141,626	313,457	9,000	322,457	180,831
Net Change in Fund Balance	(184,311)	(266,038)	258,262	(87,742)	170,520	436,558
Fund Balance at Beginning of Year	184,311	266,038	889,679	161,215	1,050,894	784,856
Fund Balance at End of Year	\$	\$	\$ 1,147,941	\$ 73,473	\$ 1,221,414	\$ 1,221,414

See accompanying notes to financial statements.

EXHIBIT X-8**COUNTY OF NASSAU, NEW YORK**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TOTAL BUDGETARY AUTHORITY, ACTUAL, AND BUDGETARY BASIS
POLICE DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 17)	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues:						
Property Taxes	\$ 466,176	\$ 473,734	\$ 473,734	\$	\$ 473,734	\$
Payments in Lieu of Taxes	16,758	16,758	16,758		16,758	
Departmental Revenue	2,297	3,739	3,488		3,488	(251)
Interest Income	850	5,350	6,640	(1,113)	5,527	177
Licenses and Permits	4,098	4,098	3,397		3,397	(701)
Fines and Forfeits	1,245	1,245	776		776	(469)
Rents and Recoveries			62		62	62
Interdepartmental Revenue			489		489	489
Total Revenues	491,424	504,924	505,344	(1,113)	504,231	(693)
Expenditures:						
Current:						
Protection of Persons	492,356	496,856	509,465	(16,077)	493,388	3,468
Total Expenditures	492,356	496,856	509,465	(16,077)	493,388	3,468
Excess (Deficiency) of Revenues Over (Under) Expenditures	(932)	8,068	(4,121)	14,964	10,843	2,775
Other Financing Sources (Uses):						
Transfers In			9,000	(9,000)		
Transfers Out	(1,227)	(1,227)	(10,226)		(10,226)	(8,999)
Total Other Financing Sources (Uses)	(1,227)	(1,227)	(1,226)	(9,000)	(10,226)	(8,999)
Net Change in Fund Balance (Deficit)	(2,159)	6,841	(5,347)	5,964	617	(6,224)
Fund Balance (Deficit) at Beginning of Year	2,159	(6,841)	117,454	2,587	120,041	126,882
Fund Balance (Deficit) at End of Year	\$	\$	\$ 112,107	\$ 8,551	\$ 120,658	\$ 120,658

See accompanying notes to financial statements.

EXHIBIT X-9**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TOTAL BUDGETARY AUTHORITY, ACTUAL, AND BUDGETARY BASIS
SEWER AND STORM WATER DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 17)	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues:						
Property Taxes	\$	\$	\$ 154,559	\$	\$ 154,559	\$ 154,559
Payments in Lieu of Taxes			7,853		7,853	7,853
Departmental Revenue	1,603	1,603	1,024	(34)	990	(613)
Interest Income	2,400	3,650	4,323		4,323	673
Licenses and Permits	750	750	862		862	112
Rents and Recoveries	4,126	4,126	190	2,031	2,221	(1,905)
Total Revenues	8,879	10,129	168,811	1,997	170,808	160,679
Expenditures:						
Current:						
Public Works	121,849	123,950	109,415	2,841	112,256	11,694
Debt Service:						
Principal	14,109	14,359	14,329		14,329	30
Interest	10,439	6,156	4,872		4,872	1,284
Total Expenditures	146,397	144,465	128,616	2,841	131,457	13,008
Excess (Deficiency) of Revenues Over (Under) Expenditures	(137,518)	(134,336)	40,195	(844)	39,351	173,687
Other Financing Sources (Uses):						
Transfers In			25,076		25,076	25,076
Transfers Out	(36,546)	(39,730)	(39,730)		(39,730)	
Transfers In of Investment Income	625	625	3,616		3,616	2,991
Transfer In from NCSSWFA	149,224	149,224	150,260		150,260	1,036
Transfer Out to NCSSWFA			(162,412)		(162,412)	(162,412)
Total Other Financing Sources (Uses)	113,303	110,119	(23,190)		(23,190)	(133,309)
Net Change in Fund Balance	(24,215)	(24,217)	17,005	(844)	16,161	40,378
Fund Balance at Beginning of Year	24,215	24,217	66,534	1,031	67,565	43,348
Fund Balance at End of Year	\$	\$	\$ 83,539	\$ 187	\$ 83,726	\$ 83,726

See accompanying notes to financial statements.

EXHIBIT X-10

COUNTY OF NASSAU, NEW YORK

**STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2024 (Dollars in Thousands)**

Custodial Fund

ASSETS:

Cash and Cash Equivalents	\$	81,230
Due from Component Unit		938
Other Assets		18

TOTAL ASSETS 82,186

LIABILITIES:

Accounts Payable		9,302
Due To Local Governments		23,435
Taxes Due To Other Governments		7,917
Due to Others		41,532

TOTAL LIABILITIES 82,186

FIDUCIARY NET POSITION \$

See accompanying notes to financial statements.

EXHIBIT X-12

COUNTY OF NASSAU, NEW YORK
STATEMENT OF NET POSITION (DEFICIT)
ALL DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY
DECEMBER 31, 2024
(WITH THE NASSAU COMMUNITY COLLEGE AUGUST 31, 2024)
(Dollars in Thousands)

	Nassau Community College	Nassau Health Care Corporation	Nonmajor Discretely Presented Component Units	Total Discretely Presented Component Units
ASSETS				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 57,253	\$ 76,095	\$ 41,551	\$ 174,899
Restricted Cash and Cash Equivalents			1,260	1,260
Restricted Investments		1,649		1,649
Student Accounts and Loans Receivable	10,863			10,863
Less Allowance for Doubtful Accounts	(6,232)			(6,232)
Property Held for Sale			433	433
Due from Primary Government		13,665	4	13,669
Due from Other Governments	1,247			1,247
Other Receivables	3,295	45,181	389	48,865
Lease Receivable	17	2,736		2,753
Accounts Receivable, net		49,534	1,074	50,608
Inventories		11,845	23	11,868
Prepays Expenses	1,225	3,313	156	4,694
Other Assets - Current		3,032	937	3,969
Total Current Assets	67,668	207,050	45,827	320,545
NON CURRENT ASSETS:				
Restricted Cash and Cash Equivalents			2,615	2,615
Deferred Bond Issuance Costs				
Restricted Investments	2,852	36,648		39,500
Right to Use SBITA Assets - net	228	4,635		4,863
Net Pension Asset	3,524			3,524
Lease Receivable	1,514	10,056		11,570
Capital Assets Not Being Depreciated or Amortized	3,319	23,625	443	27,387
Depreciable Capital Assets	442,777	677,630	95,516	1,215,923
Less Accumulated Depreciation	(243,472)	(574,193)	(68,620)	(886,285)
Right to Use Asset, net of Accumulated Amortization	5,185	424		5,609
Other Assets		52,651		52,651
Total Non Current Assets	215,927	231,476	29,954	477,357
Total Assets	283,595	438,526	75,781	797,902
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Loss on Bond Refunding		12,053		12,053
Deferred Bond Issuance Costs, net			173	173
Pensions	20,806	86,754	3,638	111,198
Other Postemployment Benefits	59,147	143,806	7,318	210,271
Total Deferred Outflows of Resources	\$ 79,953	\$ 242,613	\$ 11,129	\$ 333,695

(Continued)

EXHIBIT X-12

COUNTY OF NASSAU, NEW YORK
STATEMENT OF NET POSITION (DEFICIT)
ALL DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY
DECEMBER 31, 2024
(WITH THE NASSAU COMMUNITY COLLEGE AUGUST 31, 2024)
(Dollars in Thousands)

	Nassau Community College	Nassau Health Care Corporation	Nonmajor Discretely Presented Component Units	Total Discretely Presented Component Units
LIABILITIES				
CURRENT LIABILITIES:				
Accounts Payable and Accrued Liabilities	\$ 15,934	\$ 522,883	\$ 2,816	\$ 541,633
Unearned Revenue	12,528		659	13,187
Due To Primary Government	5,842		162	6,004
Due To Other Governments			940	940
Accrued Interest Payable		1,759		1,759
Current portion of SBITA Liability	89	3,713		3,802
Current Portion of Postemployment Retirement Benefits Liability	18,666	22,625	2,709	44,000
Current Portion of Long-Term Liabilities	2,031	40,768	873	43,672
Current Portion of Lease Liabilities	1,108	358	66	1,532
Other Liabilities - Current	1,786	1,375	375	3,536
Total Current Liabilities	57,984	593,481	8,600	660,065
NON CURRENT LIABILITIES:				
Accounts Payable and Accrued Liabilities			662	662
Notes Payable			4,347	4,347
Bonds Payable, net		83,306	7,014	90,320
Lease Liability	4,489	127	388	5,004
Liability to Third-Party Payors, net		60,983		60,983
Accrued Liabilities - Termination Pay	770			770
Compensated Absences	55,063	82,040	2,069	139,172
Estimated Liability for Litigation	150	72,500		72,650
Due to Primary Government	7,879			7,879
Liability for Future Pension Expense	12,532	110,837	2,707	126,076
SBITA Liability	130	1,343		1,473
Postemployment Retirement Benefits Liability	514,561	831,150	60,626	1,406,337
Other Long-Term Liabilities		30,784		30,784
Total Non Current Liabilities	595,574	1,273,070	77,813	1,946,457
Total Liabilities	653,558	1,866,551	86,413	2,606,522
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue				
Pensions	12,016	57,749	1,865	71,630
Other Postemployment Benefits	37,034	127,438	5,906	170,378
Lease Related	1,421	11,109		12,530
Service Concession Agreements	3,271			3,271
Total Deferred Inflows of Resources	53,742	196,296	7,771	257,809
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	202,221	72,857	15,018	290,096
Restricted:				
Nassau Health Care Corporation - Health Services		1,494		1,494
Nassau Community College - Scholarships and Other	3,879			3,879
Pension	3,524			3,524
Nassau Community College - Student Loans	227			227
Capital Acquisition Fund			913	913
Property Rehabilitation			15	15
Unrestricted	(553,603)	(1,456,059)	(23,220)	(2,032,882)
Total Net Position (Deficit)	\$ (343,752)	\$ (1,381,708)	\$ (7,274)	\$ (1,732,734)

See accompanying notes to financial statements.

(Concluded)

EXHIBIT X-13**COUNTY OF NASSAU, NEW YORK**

STATEMENT OF ACTIVITIES
ALL DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH THE NASSAU COMMUNITY COLLEGE AUGUST 31, 2024)
(Dollars in Thousands)

	Nassau Community College	Nassau Health Care Corporation	Nonmajor Discretely Presented Component Units	Total Discretely Presented Component Units
<u>Expenses</u>	\$ 220,506	\$ 753,490	\$ 56,446	\$ 1,030,442
<u>Program Revenues:</u>				
Charges for Services	42,620	598,605	34,586	675,811
Operating Grants and Contributions	35,936		141	36,077
Capital Grants and Contributions	14,722			14,722
Total Program Revenues	93,278	598,605	34,727	726,610
Net Program Revenues (Expenses)	(127,228)	(154,885)	(21,719)	(303,832)
<u>General Revenues</u>				
State and Local Appropriations	100,534			100,534
Investment Income	1,672	3,613	1,239	6,524
Gain/(Loss) on Sale of Real Property			(96)	(96)
Other	3,208	3,213	4,087	10,508
Royalty Income			30,529	30,529
Total General Revenues	105,414	6,826	35,759	147,999
Change in Net Position (Deficit)	(21,814)	(148,059)	14,040	(155,833)
Net Position (Deficit) - Beginning of Year, as previously reported	(312,705)	(1,227,057)	(21,273)	(1,561,035)
Change in application of accounting principle and error correction	(9,233)	(6,592)	(41)	(15,866)
Net Position (Deficit) - Beginning of Year, as restated	(321,938)	(1,233,649)	(21,314)	(1,576,901)
Net Position (Deficit) - End of Year	\$ (343,752)	\$ (1,381,708)	\$ (7,274)	\$ (1,732,734)

See accompanying notes to financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The County of Nassau (the County), incorporated in 1899, contains three towns, two cities and sixty-four incorporated villages. These financial statements present the County (the primary government) which includes all funds, elected offices, departments and agencies of the County, as well as boards and commissions, since the County is financially accountable for these, and its legally separate component units.

Component units are legally separate organizations for which the County is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading. Financial accountability can occur at the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County. Financial accountability can also occur when the component unit is fiscally dependent on the County.

The County appoints the voting majority of the governing boards of the following component units; Nassau County Industrial Development Agency (the NCIDA), Nassau County Local Economic Assistance Corporation (the NCLEAC), Nassau County Sewer and Storm Water Finance Authority (the NCSSWFA), Nassau County Tobacco Settlement Corporation (the NCTSC), Nassau Regional Off-Track Betting Corporation (the OTB) and the Nassau County Land Bank Corporation (the NC Land Bank). The County has the ability to remove the appointed members of those organizations' governing boards at will and as such has the ability to impose its will on the organizations.

The County appoints half of the voting members of the governing board of the Nassau Community College, (NCC).

The Nassau County Interim Finance Authority (NIFA), and Nassau Health Care Corporation (d/b/a NuHealth) (NHCC) have the voting majority of their governing boards appointed by the Governor of the State of New York or local legislative appointments. These component units are considered part of the reporting entity of the County because of the fiscal dependence and the financial burden that is placed on the County.

The Nassau County Bridge Authority (the Bridge Authority) is included as a discretely presented component unit due to the financial integration with the primary government, as it would be misleading to exclude.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. The following component units are blended with the governmental funds of the County: NIFA's general fund as a major special revenue fund and its debt service as a non-major debt service fund, and both NCSSWFA's and NCTSC's general and debt service funds as non-major special revenue and debt service funds, respectively. The services of the blended component units are almost exclusively for the County.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)**

The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the government. The services provided by the discretely presented component units are for the citizenry of the County. Combining statements for the discretely presented component units are presented in Exhibits X-12, X-13, A-3 and A-4. These component units include NCC and NHCC as major component units and the Bridge Authority, OTB, NCIDA, NCLEAC, and NC Land Bank as non-major component units. The activities of these component units are accounted for in a manner similar to private business enterprises, in which the focus is on the periodic determination of revenues, expenses, and net income.

The County continuously assesses the need to include various organizations within the County whose status as a component unit may change due to financial dependence, legislative developments or level of influence the County may exercise over such entity.

Discretely Presented Component Units - Financial data of the County's component units that are not part of the primary government is reported in the component units' column in the government-wide financial statements, to emphasize that these component units are legally separate from the County. They include the following:

Major Component Units

- (a) ***The Nassau Community College*** (NCC) – was formed in 1959 by the State University of New York (SUNY) and provides educational services under New York State Education Law. It is reported as a component unit as the County appoints half of its governing body of ten members, the County approves its budget, issues debt for NCC purposes and provides approximately 28% of NCC's 2024 budgeted revenues through a County-wide real property tax levy. In 2024, NCC's tax levy was reduced by \$12 million of the County's budgeted preempted sales tax in lieu of property taxes, to arrive at NCC's final tax levy, which was reported by NCC as property tax revenue. Therefore, NCC is discretely presented. NCC has authority to enter into contracts under New York State Education Law and to sue and be sued. NCC is presented in accordance with policies prescribed by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis for Public Colleges and Universities*, and in accordance with New York State Education Law. This component unit is presented as of, and for its fiscal year ended, August 31, 2024.

These financial statements present NCC and its component units, the Nassau Community College Foundation, Inc. and the Faculty-Student Association of Nassau Community College, Inc. Component units are legally separate entities that are included in NCC's reporting entity because of the significance of their operating or financial relationships with NCC. The Nassau Community College Foundation, Inc. and the Faculty-Student Association of Nassau Community College, Inc. have fiscal year ends of August 31st, the same as that of NCC.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)****Discretely Presented Component Units (Continued)****Major Component Units (Continued)**

- (b) Nassau Health Care Corporation (d/b/a NuHealth) (NHCC) is a public benefit corporation created pursuant to New York State Public Authorities Law Section 3401, et seq. in 1996 for the purposes of acquiring and operating the health facilities of the County. Effective September 29, 1999 (the Transfer Date), a transaction was executed which transferred ownership of the County health facilities to the NHCC, which included Nassau University Medical Center (NUMC), A. Holly Patterson Extended Care Facility (AHP), Faculty Practice Plan, Nassau Health Care Foundation (NHCF), and the Health Centers. Concurrent with the transaction, \$259.7 million of Nassau Health Care Corporation Health System Revenue Bonds, Series 1999 were issued. During 2004, \$303.4 million of Nassau Health Care Corporation Bonds, Series 2004 were issued to refund the NHCC's Revenue Bond Series 1999, fund certain capital projects and provide working capital. In 2009, a portion of the Series 2004 Bonds were redeemed with the issuance of the Series 2009 bonds. The bonds are insured and guaranteed by the County. The bonds are secured by payments made to NHCC by the County.

The County provides a direct pay faith and credit guaranty, dated March 1, 2009, to bondholders of the payment of principal, interest, and redemption payments on NHCC's outstanding Series 2009 A-D bonds (\$84.5 million as of December 31, 2024) as scheduled without acceleration. The County has not been called upon to make any payments under the guaranty. The guaranty cannot be amended without the consent of the trustee (on behalf of the holders of the Bonds). The County's obligations under the guaranty are independent of NHCC's ability to remain a going concern. A schedule of the remaining debt service for the Series 2009 A-D bonds as of December 31, 2024, may be found in Note 14, *Notes Payable and Long-Term Obligations*.

On July 1, 2021, fixed rate interest Series 2009 Bonds were issued pursuant to a remarketing of the prior Series 2009A (Federally taxable), Series 2009 B, C and D (non-taxable) variable rate demand bonds (VRDB) which had been in place since April 2009. The July 1, 2021 remarketing of the bonds resulted in the newly designated Series 2009 non-taxable fixed rate instruments and eliminated the requirements for swap agreements and letters of credit that had been in place in conjunction with the variable rate demand bond (VRDB) structure of the prior bonds.

In September 2004, the NHCC and the County executed a stabilization agreement (the Stabilization Agreement) amending the original 1999 acquisition agreement. The Stabilization Agreement intended to resolve disputed charges, clarify language in existing agreements and identify the principles to govern more comprehensive successor arrangements. A successor agreement (the Successor Agreement) was executed in 2007 superseding the Stabilization Agreement. The Successor Agreement clarifies the services provided by the NHCC to the County and establishes the mechanism for payments to the NHCC by the County and provides the NHCC with capital funding and such agreement is in effect until 2029.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)****Discretely Presented Component Units (Continued)****Major Component Units (Continued)****(b) Nassau Health Care Corporation (Continued)**

NHCC is fiscally dependent on the County should certain NHCC debt service reserve funds fall below their requirements. NHCC is considered to be a component unit of the County and is presented as a proprietary type component unit on the accrual basis of accounting. NHCC, Ltd., a wholly-owned subsidiary of the NHCC (the Captive) was incorporated as an exempted company on September 24, 1999 under laws of the Cayman Islands and operates under the terms of an unrestricted Cayman Islands Class B Insurer's license. The license allows the Captive to conduct insurance business, other than domestic business, from the Cayman Islands. The NHCC accounts for its investment in the limited liability company using the equity method.

During fiscal year 2024, NHCC had a governing board consisting of fifteen voting directors and three non-voting directors. Eight of the voting directors are appointed by the Governor of the State of New York on the recommendation of various State and County elected officials. Seven of the voting directors, and two of the non-voting directors, are appointed directly by the County Executive or the County Legislature. The Chief Executive Officer of NHCC is the final non-voting director. See Note 24, *Subsequent Events*, for more information on the restructuring of the NHCC Board of Directors that took place in 2025.

NHCC has experienced recurring operating losses, has a total negative net position of \$1.4 billion at December 31, 2024, and is dependent on the continuation of federal, state and local subsidies, certain of which have or are scheduled to end or be reduced. These matters raise substantial doubt about NHCC's ability to continue as a going concern. For fiscal year 2024, the Nassau County Interim Finance Authority (NIFA) had oversight of the operations of NHCC and in that capacity, reviews certain operational aspects of NHCC. On June 5, 2025, NIFA imposed a control period for NHCC. See Note 24, *Subsequent Events*, for further information.

Nonmajor Component Units

- (c) The Nassau Regional Off-Track Betting Corporation (the OTB) was created by the New York State Legislature as a public benefit corporation. The County is its sole shareholder. It is reported as a component unit as the County Legislature appoints its governing body, which consists of a Board of Directors made up of three members. The County receives a small portion of winning wagers made at County racetracks and all net operating profits from OTB, however, the County has not received any net operating profit from OTB due to OTB's continued operating deficits. The OTB is shown as a proprietary type component unit and is presented on the accrual basis of accounting. At the close of 2024, there were sixteen operational facilities. OTB remits video lottery terminal revenue to the County under a separate agreement.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)****Discretely Presented Component Units (Continued)****Nonmajor Component Units (Continued)**

- (d) The Nassau County Industrial Development Agency (the NCIDA) is a public benefit corporation established on August 6, 1976 by Code Section 922, which became Chapter 674 of the Laws of 1975. NCIDA's purpose is to serve as a core resource for new and existing private firms and companies within the County to support the growth, expansion, and ongoing operations of such organizations that allow the community to thrive by issuing taxable and tax-exempt revenue bonds that provide financial assistance using only non-taxpayer dollars. It is reported as a component unit as the County appoints its governing body and may remove the NCIDA Board at will. The NCIDA has sole authority for establishing administrative and fiscal policy in the pursuit of its objectives. The County is not liable for any obligations or deficits the NCIDA may incur, nor does it share in any surpluses. The NCIDA is shown as a proprietary type component unit and is presented on the accrual basis of accounting. The NCIDA entered into a revocable lease agreement with the County to use office and storage space in Mineola, New York. The agreement allows either party to terminate with sixty days' written notice.
- (e) The Nassau County Local Economic Assistance Corporation (the NCLEAC) was created as a local development corporation. On September 20, 2010, the County Legislature adopted a resolution authorizing the formation of NCLEAC pursuant to Section 1411 of the New York Not-for-Profit Corporation Law. The mission of NCLEAC is to serve as a core resource for new and existing philanthropic and charitable organizations within the County to support growth, expansion and ongoing operations of non-profit organizations that allow the community to thrive by serving as a conduit financing entity issuing taxable and tax-exempt revenue debt and providing other assistance to the non-profit sector in the County. NCLEAC has been determined to be a proprietary type component unit of the County and is presented on the accrual basis of accounting.

The County appoints the governing board of NCLEAC, which results in the interdependency with the County. The County is not liable for any obligations or deficits NCLEAC may incur, nor does it share in any surpluses. NCLEAC entered into a sublicense and cooperation agreement with NCIDA to use office space and storage space, as well as provide administrative services for NCLEAC as it has officers but no employees. The officers and some of the directors of NCLEAC serve in similar positions for the NCIDA. NCLEAC is charged accordingly for the rental and services provided by NCIDA.

NCLEAC's primary source of operating revenue is from bond issuance and straight lease fees, which are computed as a percentage of the total project. Fees are recorded when earned, at the time of closing on the sale of bonds and straight lease arrangements.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)****Discretely Presented Component Units (Continued)****Nonmajor Component Units (Continued)**

- (f) The Nassau County Bridge Authority (the Bridge Authority) is a Public Benefit Corporation created by the New York State Legislature pursuant to Chapter 893 of the Laws of 1945.

The Bridge Authority operates and maintains the Atlantic Beach Bridge across Reynolds Channel between the Villages of Lawrence and Atlantic Beach in Nassau County.

The Bridge Authority, pursuant to New York State law, is composed of a five-member board, appointed by the County Executive with approval of the County Legislature. Each board member serves a five-year term without compensation. The board is presently comprised of a chairman and four board members.

- (g) The Nassau County Land Bank the (NC Land Bank) is a not-for-profit corporation and a New York State Public Authority, organized pursuant to the New York State Land Bank Act (Article 16 of the Not-for-Profit Corporation Law). The NC Land Bank was organized on June 20, 2016. The NC Land Bank was authorized by the County, its sponsoring government, by Ordinance 87-2015, enacted by the Nassau County Legislature by unanimous affirmative vote on July 13, 2015, and approved on July 14, 2015, by the Nassau County Executive.

The NC Land Bank's mission is to direct its funding and efforts to decrease the number of vacant, abandoned and tax distressed properties within the County, having the effect of restoring such properties to productive use and revitalizing, improving, and creating value in the communities in which they are located.

The NC Land Bank is managed by a Board of Directors consisting of seven members appointed in the manner pursuant to the Certificate of Incorporation and Nassau County Ordinance No. 87-2015. Five members are appointed by the County Executive, four of whom are recommended by the Legislative Majority and Minority leaders, the other two members are the County Attorney and the Director of Housing and Community Development, or their designees. As of December 31, 2024, two Board positions were vacant.

The NC Land Bank meets the criteria of being categorized as a component unit of the County because it is a separate legal entity, and County management appoints a voting majority of the board members. The NC Land Bank was established to address the still lingering effects of the foreclosure crisis affecting the County. The County is able to impose its will on the NC Land Bank through its voting majority members.

Bonds or any other obligation of the NC Land Bank are not considered debt of the County or of the State of New York (the State).

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)****Blended Component Units**

- (a) Nassau County Interim Finance Authority (NIFA) is included as a blended component unit of the County's primary government because it is a financing instrumentality of the County. It acts as a temporary financial intermediary to the County and is authorized to act as an oversight authority to the County under certain circumstances. It reports using the governmental model and its funds are reported as part of the County's major funds (NIFA Fund) and as part of the County's non-major funds (NIFA Debt Service Fund).

NIFA is a corporate governmental agency and instrumentality of the State constituting a public benefit corporation created by the Nassau County Interim Finance Authority Act, Chapter 84 of the Laws of 2000, as supplemented by Chapter 179 of the Laws of 2000 and as may be amended from time to time, including, but not limited to, Chapter 528 of the Laws of 2002, and Chapters 314 and 685 of the Laws of 2003 (the Act). The Act became effective June 23, 2000. Although legally separate and independent of Nassau County, NIFA is a component unit of the County for County financial reporting purposes and, accordingly, is included in the County's financial statements.

NIFA is governed by seven directors, each appointed by the Governor, including one each appointed upon the recommendation of the Majority Leader of the State Senate, the Speaker of the Assembly, and the State Comptroller. The Governor also designates the chairperson and vice chairperson from among the directors.

NIFA has power under the Act to monitor and oversee the finances of the County, and upon declaration of a "Control Period" as defined in the Act, provide additional oversight authority. Under the Act, NIFA may at times issue bonds to refund bonds previously issued by NIFA and its initial ability to issue bonds, other than refunding bonds, expired in 2007. However, in April 2020, New York State enacted legislation to renew NIFA's ability to issue bonds through December 31, 2021, for various Nassau County purposes as defined in the Act, to help the County close budget gaps created by the coronavirus pandemic. The legislation allows for NIFA to issue bonds and notes without limit to finance capital projects, finance cash flow needs of the county, as well as any County deficit including costs resulting from tax certiorari judgments or settlements of the County for proceedings commenced on or after June 1, 2000, in an amount not to exceed \$800 million. No bond of NIFA may mature later than January 31, 2051, or more than 30 years from its date of issuance.

Revenues of NIFA consist of sales tax revenues, defined as net collections from sales and compensating use taxes, penalties and interest authorized by the State and imposed by the County on the sale and use of tangible personal property and services in the County, investment earnings on money and investments on deposit in various NIFA accounts. Sales tax revenues collected by the State Comptroller for transfer to NIFA are not subject to appropriation by the State or County. Revenues of NIFA that are not required to pay debt service, operating expenditures, and other costs of NIFA are payable to the County.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)*****Blended Component Units (Continued)*****(a) Nassau County Interim Finance Authority (Continued)**

On January 26, 2011, NIFA adopted a resolution which imposed a Control Period on the County pursuant to the Act. It had determined that the County's proposed budget for fiscal year 2011 reflected a substantial likelihood that it would produce a major operating fund deficit in excess of one percent of the aggregate result of operations of such funds. During a control period, NIFA is required to withhold transitional State aid and is empowered, among other things, to approve or disapprove proposed contracts and borrowings by the County and Covered Organizations (as defined in the Act); approve, disapprove or modify the County's Multi-Year Financial Plan; issue binding orders to the appropriate local officials; impose a wage freeze; and terminate the control period upon finding that no condition exists which would permit imposition of a Control Period. For fiscal year 2024, the County remained in a Control Period. See Note 2, *Control Period Calculation*, for more information on the NIFA Control Period and its effect on the County.

All legislative actions with regard to the approval of contracts or resolutions to borrow funds require NIFA's final authorization.

On June 5, 2025, NIFA imposed a control period for NHCC. See Note 24, *Subsequent Events*, for further information.

(b) The Nassau County Tobacco Settlement Corporation (NCTSC) is a special purpose local development corporation, and is an instrumentality of, but separate and apart from the County, incorporated under the provisions of the New York State Not-For-Profit Corporation Law. Although legally separate from and independent of the County, NCTSC is considered an affiliated organization. Accordingly, the NCTSC is being reported as a blended component unit for financial reporting purposes in the County's financial statements.

The Board of Directors of NCTSC has three members, one of whom must meet certain requirements of independence: (i) one appointed by a majority vote of the County Legislature, (ii) one who must be the County Treasurer, *ex officio*, designated by the County Executive and (iii) one selected by (i) and (ii). For the year ended December 31, 2024, one position was vacant.

On November 23, 1999, NCTSC entered into a Purchase and Sale Agreement (Agreement) dated as of October 1, 1999 with the County pursuant to which NCTSC acquired from the County, among other things, all of the County's right, title, and interest under the Master Settlement Agreement (MSA) and the Consent Decree, as such terms are defined in the Agreement, and which are referred to herein as Tobacco Settlement Revenues (TSRs).

The consideration paid by NCTSC to the County for such acquisition consisted of \$247.5 million in cash (of which \$77.5 million was paid into escrow for the benefit of the County) and the sole beneficial interest in NCTSC Residual Trust (Residual Trust), a Delaware business trust, to which NCTSC has conveyed a residual interest in all the TSRs. The NCTSC funded such consideration from the proceeds of its Tobacco Settlement Asset-Backed Bonds, Series A, which are referred to herein as the 1999 Bonds. NCTSC's right to receive TSRs is its primary revenue source.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Reporting Entity (Continued)*****Blended Component Units (Continued)*****(b) The Nassau County Tobacco Settlement Corporation (Continued)**

On April 5, 2006, NCTSC, issued \$431.0 million of NCTSC Tobacco Settlement Asset-Backed bonds, Series 2006 (Series 2006 Bonds) pursuant to an Amended and Restated Indenture dated as of March 1, 2006. Proceeds were used for a number of purposes including, to refund all of NCTSC's 1999 Bonds then currently outstanding, and to fund a Senior Liquidity Reserve for Series 2006 Senior Bonds.

In accordance with the terms and payment schedule of its Series 2006 Bonds, a debt service payment of \$44.3 million, comprised of principal, accreted interest and interest of \$30.5 million, \$5.4 million, and \$8.4 million, is due on June 1, 2026. Payment with respect to the Series 2006 Bonds are dependent upon receipt of TSRs. Due to the current amount of TSR receipts received yearly and cash and cash equivalent levels being insufficient to satisfy the debt service payment due on June 1, 2016, there are conditions that raise substantial doubt on the NCTSC's ability to continue as a going concern, as the potential of an event of default on the Series 2006 Bonds exists. The ability to continue as a going concern is dependent upon NCTSC's ability to refinance or restructure the Series 2006 Bonds. NCTSC has and will continue to monitor the market for potential restructuring opportunities.

(c) The Nassau County Sewer and Storm Water Finance Authority (NCSSWFA) is a public benefit corporation established in 2003 by the State under the Nassau County Sewer and Storm Water Finance Authority Act (the NCSSWFA Act), codified as Title-10-D of Article 5 of the Public Authorities Law of the State. The NCSSWFA was established for the purpose of refinancing outstanding sewer and storm water resources debt issued by or on behalf of the County and financing future County sewer and storm water resources projects. The NCSSWFA may issue debt in an amount up to \$350.0 million for such purposes (exclusive of debt issued to refund or otherwise repay the NCSSWFA debt). The NCSSWFA Act, and other legal documents of the NCSSWFA, established various financial relationships between the County and the NCSSWFA.

NCSSWFA is governed by seven board members, one seat is currently vacant, each appointed by the County Executive with confirmation by the County Legislature. Each member serves a three-year term without compensation.

Most of the NCSSWFA's revenues are derived through the imposition, by the County, of assessments for sewer and storm water resources services. The County has directed each city and town receiver of taxes to remit all such assessments directly to the trustee for the NCSSWFA's bonds. The NCSSWFA receives funds to service all NCSSWFA debt and pay its operating expenditures. Remaining funds are remitted to the Nassau County Sewer and Storm Water District (the Sewer District). The Sewer District is responsible for paying debt service on County Sewer Bonds (as of the 2014 Agreement) and the operational costs of the System.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

Complete financial statements of the individual component units may be obtained from their respective administrative offices:

Nassau Community College
 One Education Drive
 Garden City, NY 11530

Nassau County Interim Finance Authority
 1305 Franklin Avenue, Suite 302
 Garden City, NY 11530

Nassau Health Care Corporation
 2201 Hempstead Turnpike
 East Meadow, NY 11554

Nassau County Tobacco Settlement Corp.
 One West Street, 1st Floor
 Mineola, NY 11501

Nassau Regional Off-Track Betting
 Corporation
 139 Liberty Avenue
 Mineola, NY 11501

Nassau County Sewer and Storm Water
 Finance Authority
 One West Street, 1st Floor
 Mineola, NY 11501

Nassau County Industrial Development
 Agency
 One West Street
 Mineola, NY 11501

Nassau County Bridge Authority
 160 Beach 2nd Street,
 Lawrence, NY 11559

Nassau County Local Economic
 Assistance Corporation
 One West Street, 4th Floor
 Mineola, NY 11501

Nassau County Land Bank
 40 Main Street, Suite C
 Hempstead, NY 11550

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. BASIS OF PRESENTATION**

The accompanying basic financial statements of the County of Nassau (the County) are presented in conformity with Generally Accepted Accounting Principles (GAAP) for governments in the United States of America as prescribed by the GASB.

The following is a summary of the significant accounting policies and reporting practices of the County:

Government-wide Statements: The government-wide financial statements, (i.e., the Statement of Net Position and the Statement of Activities), display information about the primary government and its component units. These statements include the financial activities of the overall government except for fiduciary activities. Eliminations of internal activity have been made in these statements. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. All of the activities of the County as primary government are governmental activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (i) charges for services such as rental revenue from operating leases on buildings, lots, etc., and (ii) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program.

Taxes and other revenues not properly included among program revenues are reported as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for the governmental and fiduciary fund categories are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

The County uses funds to report on its fund balance and the changes in fund balance. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, fiduciary, and proprietary. There are no proprietary funds in the primary government. Each category, in turn, is divided into separate "fund types".

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. BASIS OF PRESENTATION (Continued)**

The County reports the following major governmental funds:

General Fund – This fund is the principal operating fund of the County through which the County provides most County-wide services. This fund is used to account for and report all financial resources not accounted for and reported in another fund. Its principal sources of revenue are sales tax, the County-wide real property tax, other local taxes and charges, departmental revenues, and Federal and State aid. In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), certain County budgetary funds were consolidated into the General Fund for reporting purposes. The budgetary funds included in the General Fund are the Debt Service Fund, the Police Headquarters Fund, the Fire Prevention Fund, the Technology Fund, the Open Space Fund, the Litigation Fund, the Retirement Contribution Reserve Fund, the Employee Accrued Benefit Liability Reserve Fund, the Bond Indebtedness Reserve Fund, the Excess Sales Tax Fund, Opioid Litigation Settlement Fund and Operating Reserve Fund. Exhibits B-12 and B-13 provide details of the current fiscal year for each of the funds comprising the County’s General Fund.

Major Special Revenue Funds – are used to account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects.

NIFA Fund – This fund accounts for sales tax revenues received by NIFA and for general administration expenditures, as well as transfers to Nassau County. The County reports the NIFA Fund as a major fund because management believes it is important for users for public interest purposes.

Police District Fund - This fund is used to provide police services to those areas of the County that do not maintain their own local police forces. Revenues are raised principally through a special real property tax levied only in those areas served by the County police.

Sewer and Storm Water District (SSW) Fund – This fund consists of the sewage treatment and collection districts and is responsible for the operation and repair of the County sewage collection areas and maintaining and enhancing the region’s water environment. Revenues are raised principally through a special real property tax levied to areas served by the sewage treatment and collection districts. The County reports the Sewer and Storm Water District Fund as a major fund because management believes it is important for users for public interest purposes.

Disputed Assessment Fund - The Disputed Assessment Fund (DAF) became operational in 2017. The County’s Administrative Code was amended by New York State Legislation in relation to the levy and extension of real property taxes on class four properties (i.e., commercial properties) and established a disputed assessment charge. The DAF was created as a mechanism to maintain collections and record distributions of the disputed assessment charges to commercial property owners who are due tax certiorari refunds.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. BASIS OF PRESENTATION (Continued)***Major Special Revenue Funds (Continued)*

American Rescue Plan (ARPA) Fund - the ARPA Fund (ARP) was established in the 2021 fiscal year to account for Federal American Rescue Plan Act (ARPA) funding received by the County and the uses of those funds. The ARP Fund does not have an annually adopted budget. Revenues and expenditures are recorded in each of the programs established by the County's Administration and approved by the County's Legislature. In accordance with Federal guidelines on the use of ARPA funding, the County has obligated the ARPA funds by December 31, 2024, and plans to spend the funds no later than December 31, 2026.

Capital Fund - This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets. This fund is used to account for the expenditures for County general improvement capital construction projects. Some of the major project initiatives included in this fund are aimed at enhancements to County buildings, rehabilitation of County roadways, drainage improvements, redevelopment of park facilities and major capital equipment purchases. Funding for these projects is primarily provided by the issuance of long-term debt, but also may be supplemented by Federal and State aid grant awards.

The County has the following nonmajor funds:

Nonmajor Special Revenue Funds

Environmental Protection Fund - This fund was used to purchase and preserve open space and for other purposes in accordance with the County's environmental programs, established by Local Law No. 14 of 2004 and Local Law No. 10 of 2006.

Capital Reserve Fund - This fund was established on July 1, 2024 by resolution of the County's Legislature and was created pursuant to Section 6-c (2)(b) of the General Municipal Law, as amended. The purpose of the fund is to accumulate funds and finance the purchase of vehicles with a period of probable usefulness of less than five years.

Tobacco Settlement Corporation Fund - This fund was used to segregate proceeds remaining from the 1999 securitization of certain tobacco settlement revenues and reports all activity for the Tobacco Settlement Corporation other than debt service.

Sewer Finance Authority Fund - This fund accounts for sewer and storm water assessments and other revenues received by NCSSWFA for its general administration expenditures, transfers to the NCSSWFA Debt Service Fund to pay NCSSWFA debt service as it comes due, and distributions to the County (on behalf of the Sewer and Storm Water District Fund).

Grant Fund - This fund accounts for outside funding the County receives, primarily from New York State and Federal government agencies that reimburse the cost of certain programs. This fund is used to enhance existing services, provide new services, act as seed money for new service programs, and partially or fully cover the costs of services mandated by the State or Federal government, and pay overtime for special public safety programs among other things.

Federal Emergency Management Assistance (FEMA) Fund - This fund accounts for the funding that the County received from the Federal government that reimbursed cost of disaster recovery programs related to Superstorm Sandy and other FEMA supported disasters. There is on-going activity in this fund related to FEMA project worksheets not yet closed out.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. BASIS OF PRESENTATION (Continued)***Nonmajor Special Revenue Funds (Continued)*

COVID Fund – The COVID Fund was established in fiscal year 2020 for the purpose of accounting for Federal Coronavirus Relief funding received from the Federal government and related eligible expenditures. The COVID Fund also accounts for eligible pandemic-related expenditures that are expected to qualify for Federal Emergency Management Agency (FEMA) reimbursement.

Nonmajor Debt Service Funds – are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest in future years.

Tobacco Settlement Corporation Debt Service Fund – This fund is used to account for and report financial resources that are for NCTSC principal and interest payments, and also includes the Senior Liquidity Reserve Account.

Sewer Finance Authority Debt Service Fund – This fund is used to account for and report financial resources that are for NCSSWFA principal and interest payments, and for future resources that are being accumulated for principal and interest in future years.

NIFA Debt Service Fund – This fund is used to account for and report resources that are restricted or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest in future years. This fund accounts for debt service costs for serial bonds issued by NIFA to fund the County's long-term financing needs.

The County also reports the following fund type:

Fiduciary Fund – The Fiduciary Fund holds resources that are not for the County's benefit. The County acts in a custodial capacity. Balances reported in the Fiduciary Fund are held in custody for beneficiaries and require no further action or demand from beneficiaries to release the assets. Assets held by the County in a custodial capacity include balances Held for Other Governments for (a) traffic and parking violations, (b) fines, and (c) payments in lieu of taxes collected by the County but belonging to other local governments. Funds Held for Others include custodial balances related to (a) the County's discretely presented component unit, the Nassau Community College; (b) New York State Court and Trust funds which represent monies paid to the courts for legal matters and deposits and withdrawals may only be made through court orders; and (c) cash bail held for inmates that are either returned to inmates or forfeited to the courts. Taxes Collected and Due to Other governments include custodial balances related to (a) mortgage taxes collected by the County on behalf of the State and Metropolitan Transit Authority (MTA) and other local municipalities; and (b) payroll taxes withheld for the Nassau Community College as the County acts as payroll processor for the component unit.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. BASIS OF PRESENTATION (Continued)****Recently Adopted Accounting Standards**

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100). Statement No. 100 amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, to address diversity in applying existing standards in practice. The new standard defines four categories of accounting changes and error corrections and related accounting and financial reporting requirements:

- Changes in accounting principle must be reported retroactively by restating prior periods.
- Changes in accounting estimate must be reported prospectively by recognizing the change in the current period.
- Changes to and within the financial reporting entity must be reported by adjusting beginning balances of the current period.
- Error corrections resulting from mathematical mistakes, misuse of information, or misapplication of accounting principle should be reported retroactively by restating prior periods.

The statement also addresses display of accounting changes and error corrections in the financial statements, disclosures in the notes to the financial statements, and presentation in required supplementary information and other supplementary information. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The County has determined that there is no impact to the County's financial position or results of operations due to the adoption of this Statement. However, one of the County's nonmajor discretely presented component units revised its beginning net position due to the effect of error corrections. See Note 26, *Restatement and Prior Period Adjustment*, for further information.

In June 2022, GASB issued Statement No. 101, *Compensated Absences* (GASB 101). Statement No. 101 replaces Statement No. 16, *Accounting for Compensated Absences*, to align recognition and measurement guidance for all types of compensated absences under a unified model, resulting in greater consistency and improved comparability. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The implementation of the Statement resulted in the County reporting additional leave that may be used in the future, and the inclusion of salary-related payments, to the compensated absences liability balance. See Note 26, *Restatement and Prior Period Adjustment*, for the impact that the adoption of this Statement had on the County's financial position and results of operations. See Note 20, *Compensated Absences*, for additional information on the change to the estimation of the liability.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. BASIS OF PRESENTATION (Continued)****New Accounting Standards Not Yet Effective**

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures* (GASB 102). The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The County has not completed the process of evaluating the impact that will result from implementing this Statement and is therefore unable to determine the impact that adopting this Statement will have on its financial position and results of operations when it is adopted.

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements* (GASB 103). GASB 103 seeks to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. GASB 103 requires that the information presented in Management's Discussion and Analysis (MD&A) be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. The Statement emphasizes that the analyses provided in MD&A should avoid unnecessary duplication and detailed analyses should explain why balances and results of operations changed.

In addition, GASB 103 requires the inflows and outflows related to unusual or infrequent transactions be displayed as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statement of resource flows. GASB 103 also prescribes changes to proprietary fund statement reporting to present operating income (loss) and noncapital subsidies prior to reporting other nonoperating revenues and expenses.

GASB 103 requires governments to present budgetary comparison information using a single method of communication, as RSI (Required Supplementary Information), and quantifying with explanations, variances between original and final budget amounts, and variances between final budget and actual amounts. The County currently reports budgetary comparison communication information within the basic financial statements (Exhibits X-7, X-8, and X-9), as well as in other supplementary information. The requirements of the Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The County has not completed the process of evaluating the impact that will result from implementing this Statement and is therefore unable to determine the impact that adopting this Statement will have on its financial position and results of operations when it is adopted.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* (GASB 104). GASB 104 establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Within the note disclosures for capital assets, information about the following capital assets and the related amortization should be disclosed separately:

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**A. BASIS OF PRESENTATION (Continued)****New Accounting Standards Not Yet Effective (Continued)**

- a) Lease assets reported in accordance with GASB Statement No. 87, *Leases*, by major class of underlying asset;
- b) Intangible right-to-use assets recognized by an operator in accordance with GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, by major class of underlying public-public partnership asset;
- c) Subscription assets reported in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.
- d) Intangible assets other than those described above in (a), (b), and (c), by major class of asset.

GASB 104 also requires a government to evaluate, for each reporting period, whether a capital asset is held for sale. Factors for determining whether a capital asset is held for sale are outlined in the Statement. Capital assets held for sale should continue to be reported within the appropriate major class of capital asset, however, disclosures should be made in the notes to the financial statements, with separate disclosures of historical cost and accumulated depreciation or amortization, by major class of asset. The disclosure of capital assets held for sale should be made for both governmental activities and business-type activities. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The County has not completed the process of evaluating the impact that will result from implementing this Statement and is therefore unable to determine the impact that adopting this Statement will have on its financial position and results of operations when it is adopted.

B. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS

The basis of accounting determines when transactions are reported 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 recognized when earned and expenses are recognized at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County either gives or receives value without directly receiving or giving equal value in exchange, include, for example, sales and property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized when the underlying 'exchange' transaction takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Tobacco Settlement Revenues (TSRs) are recognized as they are collected due to the unpredictability of the revenues and the difficulty with which to estimate the amounts earned.

All discretely presented component units are reported using the economic resources measurement focus and the accrual basis of accounting. Their revenues are recognized in the period earned and expenses are recognized in the period incurred. Their unbilled services receivable is recognized as revenue.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**B. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS (Continued)**

Governmental funds 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 measurable when the amount of the revenue is subject to reasonable estimation. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues exclusive of revenue from Federal and State supported programs, to be available if they are collected within 60 days of the end of the current fiscal period. Revenue from Federal and State supported programs, are considered available if collected within one year of year-end. All other revenue items that are not measurable are recognized when cash is received by the government. Revenue receivables that are not collected within the 60 days are reclassified to Deferred Inflows of Resources.

Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, with the following exceptions that are in conformity with GAAP: general long-term obligation principal and interest are reported only when due, vacation and sick leave when paid, judgments and claims when settled and due, other postemployment benefits when due, pension expenditures when due and depreciation is not recognized as an expenditure.

The fiduciary fund is reported using the economic resources measurement focus and the accrual basis of accounting.

Transfers among funds are recognized in the accounting period in which the interfund receivable and payable arise.

Nassau Community College – NCC reports as a special purpose government entity engaged only in business type activities as defined in GASB Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities*.

Nassau Health Care Corporation - In its accounting and financial reporting, the NHCC follows the pronouncements of the GASB as appropriate for special purpose entities engaging in other business-type activities.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BUDGETS AND BUDGETARY ACCOUNTING

A legally appropriated budget is adopted for each fiscal year for the General Fund, and some of its components; the Police Headquarters, the Debt Service and the Fire Prevention Funds, and each of the Special Revenue Funds, with the exception of ARPA, DAF, NIFA, NCSSWFA, NCTSC, COVID, Grant and FEMA Funds. The remainder of the funds that are consolidated into the General Fund for reporting purposes may not have annually adopted budgets. The NIFA fund consists of sales tax revenues collected by the State Comptroller and transferred to the fund and are not subject to appropriation by the State or County. NCSSWFA funds are not subject to appropriation as they consist of property taxes (sewer assessments) collected by the city and town receiver of taxes and the County has directed them to remit all such assessments to NCSSWFA’s Trustee in accordance with the 2014 Agreement. NCTSC funds consist of Tobacco Settlement Revenues received annually as a result of a Master Settlement Agreement between the Tobacco Settlement Corporation and Tobacco Manufacturing Companies. The Grant, ARP, COVID, and FEMA Funds are appropriated for the life of specific grants, not for annual fiscal periods. The DAF has no legally adopted budget as the fund was specifically established by State legislation which restricts how the fund is utilized.

The budget as reported include prior year fund encumbrances carried forward, as well as current year authorizations. In the case of the Grant Fund, an appropriated budget is legally adopted for the life of each grant as it is received. The FEMA Fund’s appropriated budget was legally adopted for the life of the FEMA project worksheets submitted to FEMA for reimbursement of expenditures incurred beginning in 2012 during Superstorm Sandy. The County Legislature also authorizes and rescinds spending and financing authority in a Capital Budget. Each project authorized has continuing budget authority until the project is completed or rescinded. All appropriated budgets are adopted by ordinance of the County Legislature on the same modified accrual basis of accounting used to report revenues and expenditures, and encumbrances are treated as charges to appropriations when recorded. All supplemental appropriations amending appropriated budgets as originally adopted are also provided by ordinance of the County Legislature. While the County remains under NIFA control period, NIFA must approve the budget legally adopted by the County Legislature.

During the fiscal year ended December 31, 2024, supplemental appropriations for the General Fund and appropriation budgets for the Grant, ARPA, CAR, COVID, DAF and SSW Funds were adopted and are included in the Statement of Revenues, Expenditures and Changes in Fund Balances, Total Budgetary Authority, Actual and Budgetary Basis for the General, SSW and CAR Funds, and the Schedule of Expenditures by County Departments and Offices, Total Budgetary Authority and Actual for the Grant, ARPA, FEMA and COVID Funds, as follows (dollars in thousands):

Supplemental Appropriations:

General Fund	\$	653,416
Appropriation Budgets:		
Grant Fund		231,992
ARPA Fund		385,003
CAR Fund		5,000
COVID Fund		116,799
DAF Fund		153
SSW Fund		<u>1,250</u>
Total Supplemental Appropriations and Appropriation Budgets	\$	<u>1,393,613</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**C. BUDGETS AND BUDGETARY ACCOUNTING (Continued)**

Appropriations, which have not been expended or encumbered by the end of the fiscal period, lapse at that time, except for the Grant, FEMA, ARPA, COVID and Capital Funds, whose budgets are legally adopted for the life of the grant, or until the capital project is completed.

The County followed these procedures in establishing the budgetary data reflected in the financial statements:

1. The proposed budget must be presented to the County Legislature not later than September 15th. (For the NCC, the proposed budget is submitted on or before the second Monday in July for the fiscal year commencing the following September 1st). The proposed budgets include proposed expenditures and the means of financing them.
2. Each year during a control period (as described under the Reporting Entity), the NIFA Act requires the County to submit the proposed budget to NIFA no later than September 15th, which must be consistent with the accompanying multi-year financial plan that the County must submit for NIFA's approval.
3. Public hearings are conducted to obtain public comments.
4. Budgets must be adopted by the County Legislature no later than October 30th of the prior year. (For the NCC, the budget is legally enacted on or before the third Monday in August).
5. The legally appropriated budget approved by the County Legislature must be approved by NIFA pursuant to its statutory authority during a control period. Should NIFA disapprove the budget, the Legislature and County Executive are required to modify the budget to meet NIFA's expectations and are consistent with the County's Multi-Year Financial Plan approved by NIFA.
6. The County Executive has the power to veto revisions to the proposed budget made by the Legislature. The Legislature may override a vetoed item within 7 days by an affirmative veto of at least 13 of the 19 members.
7. The appropriated budget can be legally amended by the County Legislature subsequent to its initial adoption. Proposed amendments can be submitted by the County Executive to the Legislature at any time during the fiscal year. These proposed amendments are then voted on by the Legislature at the next available meeting. Amendments, which are legally approved by the Legislature, are immediately reflected in the operating appropriated budget.
8. Formal budgetary integration is employed as a management control device during the year for the governmental funds. The legal level of budgetary control is exercised at the object appropriation level within a fund's departmental control center. The County Legislature must approve all transfers and supplemental appropriations at this level.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**D. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies, are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds. Encumbrances outstanding at year-end are reported within governmental funds as restricted, committed or assigned fund balance since they do not constitute expenditures or liabilities.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts in demand deposits, as well as highly liquid investments, with original maturities of three months or less from the date acquired by the County or its component units, except for assets whose use has been restricted. In accordance with General Municipal Law of the State, the County may invest in certificates of deposits, money market and time deposit accounts, repurchase agreements, obligations of the United States Government and obligations of the State and its various municipal subdivisions.

Restricted cash and investments represent amounts held for payment of future debt service and amounts with use restricted by regulations.

As required by law, all cash deposits and cash equivalents are required to be fully collateralized or insured. Bank balances are covered by Federal Depository Insurance Corporation (FDIC) insurance or by collateral consisting of obligations of the United States Government held by the County's agent in the County's name, or agents of its component units in their names.

F. INVESTMENTS AND CERTIFICATES OF DEPOSIT

The County invests in certificates of deposit which have a maturity of three to six months. Due to the liquidity of the certificates of deposit, those with three-month maturities are reported as cash and cash equivalents and those with six-month maturities are reported as investments.

NIFA investments, except for highly liquid market investments with maturities of three months or less at the time of purchase, are reported at fair value. Investment income, including changes in fair value of investments, is reported in operations. Restricted investments represent amounts held by NIFA's Bond Trustee for the payment of future debt service payments, as well as amounts restricted by contractual agreements and regulations for NCTSC.

NCSSWFA investments, except for highly liquid market investments with maturities of three months or less at the time of purchase, are reported at fair value, which includes accrued interest receivable.

G. INVENTORIES

Inventory on hand for the County is not significant and is recorded as an expenditure in the period purchased.

NHCC inventories, which are prepaid supplies, are carried at the lower of cost or market. Cost is determined by the first-in, first-out valuation method.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**H. CAPITAL ASSETS**

All capital assets, which are acquired or constructed for general governmental purposes, are reported as expenditures in the fund that finances the asset acquisition and are accounted for and reported in the government-wide financial statements, as capital assets, if they meet the County's capitalization criteria. These statements also contain the County's infrastructure elements that are required to be capitalized under GAAP. Infrastructure assets include public domain assets such as roads, bridges, streets, sidewalks, curbs and gutters, drainage systems, lighting systems, and the like. Real property acquired in 1984 and prior (except for infrastructure assets) is recorded at historical cost based on an appraisal performed in 1984. Real property acquired after 1984 as well as all infrastructure assets are recorded at historical cost. In accordance with GASB 87, the County has recorded as a capital asset, right to use assets for leases, where the County is the lessee. Where the County is the lessor, the underlying assets continue to be reported as capital assets. In accordance with GASB 96, the County records an intangible right to use asset (Subscription IT Asset) at the present value of future subscription payments over the subscription term.

Equipment with a unit cost of \$5,000 or more is included in the financial statements as general capital assets of the County. Electronic equipment valued at a unit cost of \$500 or more and all other equipment valued at \$1,000 or more is inventoried and recorded for internal control purposes. Donated capital assets, if material, are stated at their acquisition value as of the date of the donation. Intangible assets are classified as capital assets if identifiable. Intangible assets are characterized as an asset that lacks physical substance, is nonfinancial in nature, and has an initial useful life extending beyond a single reporting period. The County has software categorized as intangible capital assets which are amortized based on the applicable useful lives as determined by management using factors in accordance with GASB 51.

It is NHCC's policy to capitalize assets in excess of \$1,000 dollars that have useful lives of more than one year and NCC's policy to capitalize all assets that have useful lives of more than five years.

I. DEPRECIATION

Depreciation is defined by the American Institute of Certified Public Accountants (AICPA) as a method of accounting which aims to distribute the cost or value of tangible capital assets, less any salvage value, over the estimated useful life of the assets in a systematic and rational manner. Capital assets should be depreciated over their estimated useful lives unless they are inexhaustible. Accumulated depreciation is reported for land improvements, buildings, equipment and infrastructure. The County's land improvements consist of exhaustible capital assets, such as swimming pools, parking lots, and playgrounds. Land, which is an inexhaustible asset, and construction in progress are not depreciated. Land improvements, buildings, equipment, and infrastructure are depreciated, using straight-line method of depreciation, over their estimated useful lives of 20 years for land improvements, 40 years for buildings, 3 to 25 years for equipment and 15 to 40 years for infrastructure. Right to use assets are amortized in accordance with GASB 87, on a straight-line basis over the lease term. Intangible assets are amortized in accordance with their individual useful lives. Currently, the County has two intangible assets that are amortized over useful lives of 15 and 20 years. The intangible right to use asset (Subscription IT Asset), are amortized in accordance with GASB 96, on a straight-line basis over its useful life or the non-cancellable subscription term, whichever is shorter. Assets recorded under GASB 94 are depreciated in accordance with the County's depreciation policy.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**I. DEPRECIATION (Continued)**

Depreciation is recorded by the major discretely presented component units, as follows:

Nassau Community College - Depreciation on buildings, land improvements and infrastructure, and equipment is calculated using the straight-line method over the assets' estimated useful lives, ranging from 5 to 50 years. Library books are not depreciated.

Nassau Health Care Corporation - Depreciation is computed over the estimated useful life of each class of depreciable assets, ranging from 3 to 40 years, and is computed using the straight-line method. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring these assets.

J. PREPAIDS

Prepays represent amounts paid as of year-end, which will benefit future operations and are accounted for using the consumption method. Typically, the County's prepaids primarily consist of retirement benefits. In December 2024, the County prepaid its health insurance premiums and its pension invoices that were due January 2025 and February 2025, respectively.

K. ALLOWANCE FOR DOUBTFUL ACCOUNTS

The County reviews real property taxes receivables by performing an analysis of historical collectability of its property taxes to determine a reasonable collectability percentage which is then applied to the current year balance to arrive at the allowance for doubtful property taxes. All other receivables (accounts receivable and due from other governments) are reviewed, including communicating with the various County departments to determine if factors have changed that would warrant changes to the receivable or the allowance.

NCC calculates an estimate of uncollectable student accounts and loan receivable balances according to the methodology developed based on the history of collections. All student accounts and loan receivable balances are written off if not collected after three years. Balances that are outstanding for more than two years are reserved in accordance with the NCC's policy. NHCC's allowance for doubtful patient accounts is based upon its management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage and other collection indicators.

L. NET POSITION AND FUND BALANCE CLASSIFICATIONS

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a) Net investment in capital assets - Consists of capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds (including related premiums, discounts, and related deferred inflows and outflows of resources), notes, payables, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**L. NET POSITION AND FUND BALANCE CLASSIFICATIONS (Continued)**

- c) Unrestricted net position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets.” A deficit will require future funding.

When both restricted and unrestricted resources are available for use, the County normally uses restricted resources first, and then unrestricted resources as needed, unless there are legal requirements to the contrary. The County does not have a formal policy with respect to the order in which unrestricted resources are to be used, therefore, in accordance with GASB Statement No. 54, the County’s unrestricted resources will be used in the following order: committed, assigned, and unassigned.

The classification of fund balance is based on the extent to which the County is obligated to abide by constraints on the specific purposes for which government funds may be spent. The fund balance classifications are as follows:

Nonspendable - includes fund balance amounts that cannot be spent because they are either not in spendable form, will not convert to cash within the current period, or are legally or contractually required to be maintained intact.

Restricted - includes fund balance amounts that are restricted to specific purposes. The restrictions must be imposed by external parties, such as creditors, grantors, or other governments, constitutional provisions, or enabling legislation.

Committed - includes fund balance amounts that are constrained for specific purposes pursuant to formal action of the government’s highest level of authority. For the County, the highest level of authority is the County Legislature. An ordinance committing the funds must be enacted prior to year- end in order to commit fund balance. The funds may not be used for any other purpose unless the constraint is changed by a similar action taken by the County Legislature prior to year-end.

Assigned - includes fund balance amounts that are constrained by the government’s intent to be used for specific purposes but are considered neither restricted nor committed. The County Legislature may assign fund balance, as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s budget. The County Legislature via approval of the annual budget, authorizes Department Heads who have been appointed by the County Executive and confirmed by the County Legislature, to assign amounts to be used for a specific purpose. Amounts in the assigned fund balance classification are intended to be used by the County for the specific purpose of that fund but do not meet the criteria to be classified as committed. 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. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned - includes the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**L. NET POSITION AND FUND BALANCE CLASSIFICATIONS (Continued)**

The County has a budgetary policy to set recommended levels of budgetary fund balance for its internally defined budgetary funds of no less than four percent of budgeted expenditures. The County's internally defined budgetary funds include the General Fund (standalone), the Police Headquarters Fund, the Fire Prevention Fund, the Debt Service Fund and the Police District Fund, which has a separate tax base from the other funds. The policy stipulates that use of unreserved fund balance is restricted to: (i) non-recurring expenses that promote important policy objectives; or (ii) extraordinary operating and capital purposes that could not be anticipated, and which otherwise cannot be financed with current revenues in the annual operating budget.

M. COMPENSATED ABSENCES

GASB 101, *Compensated Absences*, was adopted by the County in fiscal year 2024. GASB 101 revised the reporting for compensated absences to include leave that has been earned and is more than likely to be used, whether or not it may be paid upon separation from the County. The Statement also required the County to include salary-related payments. This resulted in a change in the calculation of the estimate for this liability and an increase in the County's long-term liability.

County employees receive vacation time, sick leave, and other leave benefits pursuant to their respective collective bargaining agreement or County ordinance covering their terms of employment. Under the terms of the County's multiple labor agreements, County employees accumulate earned but unused vacation, sick, floating holidays, personal leave, compensatory, and other leave benefits. These benefits may be used during service with the County or paid out during severance, in accordance with the employee's respective collective bargaining agreement or County ordinance.

The County recognizes a liability for leave time when the leave is earned and available for the employee, accumulates, and is more likely than not to be used for time off or paid in cash during severance.

The cash value of these accumulated unpaid and unused employee benefits, and the salary related costs (e.g., Social Security) has been accrued and reported with other long-term liabilities in the government-wide Statement of Net Position.

The liability for vested or accumulated vacation, sick leave and/or other leave benefits, which are "more likely than not" to be used, is recorded as current and non-current obligations in the government-wide statements. The long-term portion of compensated absences will not be liquidated with expendable available financial resources.

The current portion of this obligation is estimated based on historical trends and leave, which is likely to be used or expires in the subsequent period and therefore, will most likely be liquidated with current available resources. Compensated absence liabilities and expenditures are reported in the governmental funds when they have matured (paid or are due and payable), such as, if the leave were used, or as a result of employee resignations, terminations or retirements. The amount that is expected to be liquidated with current available resources is reported as expenditures and a liability in the fund that gave rise to the liability.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**M. COMPENSATED ABSENCES (Continued)**

In accordance with Section 1.03(h) of the Acquisition Agreement between the County and NHCC that resulted from the establishment of NHCC as a public-benefit corporation (PBC), the County is responsible for a pro-rata share of costs related to pre-PBC vacation and sick leave liabilities (termination pay) for certain retirees. These costs are included in the County's Compensated Absences liability. The agreement specified that the cost of employees' termination pay be reimbursed to NHCC by the County based on an allocation of the employees' dates and length of service with the County and NHCC. The amounts reimbursed for termination pay are paid upon the employees' severance from the hospital. See Note 20, *Compensated Absences*, for more information.

N. GRANTS AND OTHER INTERGOVERNMENTAL REVENUES

Federal and State grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other Federal and State reimbursement type grants are recorded as intergovernmental receivables and revenues when the related expenditures or expenses are incurred.

In 2012, the County sustained significant damage due to Super-storm Sandy (Storm), with repair and recovery efforts continuing into 2025.

The County's costs for emergency protective measures, debris removal and other recovery efforts through the fiscal year ended December 31, 2024, total approximately \$240.5 million. Through 2024, the County has recorded a total of \$217.7 million of FEMA aid related to this recovery effort. Funding has also been received from the NYS Community Development Block Grant-Disaster Relief (CDBG-DR) program of approximately \$20.8 million as of year-end 2024. The County has funded approximately \$5.1 million of expenditures that exceed the amounts obligated by the CDBG-DR program.

Expenditures for capital projects related to the Storm's costs, including the repair efforts related to Bay Park, total approximately \$822.1 million through 2024. A total of \$400.9 million has been recorded as revenue from FEMA through year-end 2024.

In 2021 and 2022, the County received \$385.0 million of cash under the American Rescue Plan Act (ARPA). The funds may only be used for costs incurred within a specific time period, beginning March 3, 2021, with all funds obligated by December 31, 2024, and all funds spent by December 31, 2026. In 2024, the County transferred ARPA funds of \$247.4 million and \$25.0 million to the General Fund and Sewer and Storm Water District Fund, respectively, to cover lost revenues incurred during the COVID-19 pandemic. As of year-end December 31, 2024, the County has utilized \$365.4 million of the money received. The remaining \$19.6 million has been obligated and is expected to be spent prior to the December 31, 2026 deadline.

O. SALES TAX AND PREEMPTED SALES TAX IN LIEU OF PROPERTY TAXES

Sales Tax is the major revenue source for the County. The County is unique in that upon the creation of NIFA in 2000 by the State, the State authorized the State Comptroller to remit monthly County sales tax collections directly to NIFA for it to withhold and pay its debt service costs required for each fiscal year before any residual sales tax is transferred to the County. The County reports the total collection, including the portion withheld by NIFA, as County sales tax and reports the portion retained by NIFA as an Other Financing Use. NIFA currently has bonds outstanding through November 15, 2035.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**O. SALES TAX AND PREEMPTED SALES TAX IN LIEU OF PROPERTY TAXES
(Continued)**

Preempted Sales Tax in Lieu of Property Taxes (also referred to as Part County Sales Tax) is a component of sales tax as reported in the government-wide statements. Preempted Sales Tax in Lieu of Property Taxes is reported separately in the governmental funds statements (see Exhibit X-5). New York State Tax Law §1262(d), provides cities and towns a share of certain sales taxes related to hotel occupancy, restaurants, and other retail establishments. This law gives cities a choice to receive their share of sales tax revenues directly or to receive them as a credit to their county property tax levies. The towns may only receive the revenues via a credit to the property tax levies.

The County contains two cities and three towns. The City of Glen Cove elected to receive its share of sales taxes as a credit to its property tax levies, while the City of Long Beach receives a direct distribution of these sales taxes from the State. All three towns (Hempstead, North Hempstead, and Oyster Bay) receive the revenues via a credit to their property tax levies.

The portion of sales tax revenues that the three towns and the City of Glen Cove are entitled to, are budgeted and recorded separately from other sales taxes, and are referred to as Preempted Sales Tax in Lieu of Property Taxes, or “Part County” sales tax. This segregation ensures that the property tax bills for the three towns and the City of Glen Cove properly reflect an equal reduction in what otherwise would have been County property taxes owed.

As Part County sales taxes offset the current fiscal year’s payment of County property taxes by the three towns and the City of Glen Cove, actual collections may only be recognized up to the amount budgeted each year.

- Variances of actual sales tax received as compared to what is included in the annual adopted budget must be either credited or collected in a subsequent year. Because of the timing of when the operating budget is adopted and when the County’s books are closed, any variance to budget for Part County Sales Tax is delayed for two years.
 - If the actual amount of sales tax collected is greater than budgeted, the County effectively collected too much in property taxes from the City and towns. The County defers this revenue and applies a credit to the municipalities’ property tax invoices due with the County’s next full fiscal year.
 - If the actual amount of sales tax collected is less than budgeted, the County effectively collected too little in property taxes from the City and towns. The County must collect this difference in the property tax invoices that will be billed to the municipalities in the County’s next full fiscal year and reports a due from other governments in its financial statements.
- The amount of the deferral or due from other governments varies each year based on the year-end results of sales tax collections.

In 2024, the County applied the 2024 budgeted Part County Sales Tax of \$125.9 million to County property taxes for 2024 levied on the three Towns and City of Glen Cove in the amount of \$113.9 million, and the remainder of \$12.0 million against the property taxes levied for the Nassau Community College.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**P. REAL PROPERTY TAX**

County real property taxes are levied on or before the third Monday in December and recorded as a receivable on January 1, the first day of the succeeding fiscal year. They are collected in two semi-annual installments, payable on January 1 and July 1 by the town and city receivers of taxes together with the town and city tax levies, all of which become a lien on January 1. The town receivers of taxes likewise collect real property taxes for all towns, school districts and special districts in the County, and return to the County after June 1st for school taxes and September 1st for general taxes, any uncollected taxes receivable. Pursuant to the Nassau County Administrative Code (Administration Code), the County assumes the burden of such uncollected taxes and has the responsibility for collection from the taxpayers.

Property tax revenue in governmental funds is recognized in the year for which it is levied provided that it is payable and collected before the current fiscal year-end or within 60 days thereafter in order to be available to pay for liabilities of the current fiscal year.

At year-end, adjustments are made for taxes that are estimated to be uncollectible, or collectible but not available soon enough in the next year to finance current period expenditures. Property tax revenue not available is reported as deferred inflow of resources for the governmental fund financial statements. For government-wide reporting, property tax revenue is recognized in the year when levied, net of allowance for uncollectible amounts.

Each year, the County evaluates the collectability of the real property tax receivables to determine whether the allowance for real property taxes receivable is adequate. The determination is based on the trend in collectability, as evidenced by the actual collections over the prior years. Any adjustment to the allowance is recorded in the County's financial statements.

When budgeting, property taxes are used to fund the difference between appropriations and estimated non-property tax revenues. The New York State Constitution places a legal limit on the authority to impose real property taxes for counties at two percent of the average full valuation of real estate for the five years preceding the current year for general government services other than the payment of principal and interest on its long-term debt. If taxes are levied in excess of this limit, the NYS Comptroller has the ability to withhold certain local assistance. The maximum taxing authority controlling the levy of County real property taxes for 2024 was \$5.3 billion. The constitutional tax margin was \$4.9 billion or approximately 93.35% of the maximum taxing authority in 2024. See Exhibit T-10.

In addition to the legal tax limit, the New York State Legislature and the New York State Governor enacted legislation in 2011 that establishes a "property tax cap" on the amount that a local government's property tax levy can increase each year. Chapter 97 of the Laws of 2011 (Part A-Property Tax Cap) establishes a tax levy limit (hereafter referred to as the "property tax cap") that affects all local governments, most school districts in the State, except New York City, and a host of other independent taxing entities such as library, fire and water districts. The law was effective for local fiscal years beginning in 2012 and for the 2012-13 school year. Under this law, the growth in the property tax levy, the total amount to be raised through property taxes charged on the municipality's taxable assessed value of property, will be capped at 2 percent or the rate of inflation, whichever is less, with some exceptions. Local communities have the ability to override the cap.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**P. REAL PROPERTY TAX (Continued)**

The property tax cap is a restriction on the year-to-year increase in the tax levy, while the constitutional tax limit is a restriction on the total amount of the levy in any single year. Therefore, the property tax cap is a separate restriction imposed upon counties, cities, towns and villages that is in addition to the threshold constraint of the constitutional tax limit. Counties, cities, towns, and villages must meet both requirements.

Q. INTERFUND TRANSACTIONS

During normal operations, the County has numerous transactions among funds, including transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as interfund transfers. The General Fund provides administrative and other services to other funds. Amounts charged to the users for these services are based on the County's cost allocation plan and are treated as revenues in the General Fund and as expenditures in the user funds.

These amounts charged are eliminated in the government-wide financial statements.

In addition, numerous interfund transfers are recorded to ensure proper accounting under GAAP. For example, expenditures, such as software development costs in the preliminary stage, a portion of which may be paid for using the proceeds from borrowings, would be transferred from the County's Capital Fund to the County's General Fund to properly reflect the nature of the transaction. At fiscal year-end, the County may choose to transfer General Fund surpluses to various reserve funds in an effort to mitigate future unbudgeted costs related to long-term obligations. These transactions will appear as interfund transfers.

Interfund revenues are offset by an equal amount of interfund expenditures. The County reports the revenues and expenditures rather than netting the two in order to properly reflect the transactions by departments, primarily in the general and administrative line, for users of the financial statements.

R. PAYABLE TO BROKER

Investments are recorded as an asset based on the trade date (order date) of the purchase and results in a payable to investment broker until such time as funds for the purchase have been transferred to the broker on the settlement date and delivery of the investments have been received.

S. NOTES PAYABLE

Tax anticipation notes (TANs) and revenue anticipation notes (RANs) are generally recorded as fund liabilities in the fund receiving the proceeds. Bond anticipation notes (BANs) are classified as fund liabilities in the funds receiving the proceeds unless all legal steps have been taken to refinance the notes and the intent is supported by an ability to consummate refinancing the short-term note on a long-term basis at which time they are recorded as other financing sources in the fund financial statements and bonds payable in the government-wide Statement of Net Position. The County had no notes payable at December 31, 2024.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**T. LONG-TERM OBLIGATIONS**

In the fund statements, long-term obligations are not reported as liabilities. Debt proceeds are reported as other financing sources and payments of principal and interest reported as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures. For long-term liabilities, only that portion expected to be financed from expendable available financial resources and due in the fiscal year is reported as a fund liability of a governmental fund.

All long-term liabilities are reported in the government-wide Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable as reported include applicable bond premiums and discounts. Long-term liabilities expected to be financed from discretely presented component unit operations are accounted for in the respective component unit financial statements.

Examples of long-term obligations reported by the County include serial bonds issued, compensated absences, the County's proportionate share of the net pension liability, tax certiorari liability, and other postemployment benefits. Descriptions and the reporting of those obligations may be found in Note 14, *Notes Payable and Long-Term Obligations*.

U. CLAIMS

The County self-insures for most risks, with certain exceptions. In the fund financial statements, expenditures for judgments and claims and workers' compensation are recorded when paid or due. In the government-wide financial statements, the estimated liability for all judgments and claims is recorded as a liability. This liability includes an estimate for incurred but not reported (IBNR) claims, which are claims for events that have occurred but have not yet been reported to the governmental entity as of the date of the financial statements.

In 2021, the County entered into an agreement to extend the contractual obligation to reimburse NHCC for the cost of certain insurance coverage, and to indemnify NHCC for liability and related costs not covered by insurance, in connection with NHCC's provision of health care services at the Correctional Center. The County was not required under the agreement to indemnify NHCC for claims arising out of non-jail-based healthcare services. Claims related to treatment at NHCC are the responsibility of NHCC, subject to the insurance coverage described above. A discussion of potential liability arising from disputed claims with prior vendor Armor Correctional Health Services Inc. is discussed in potential litigation liability section of this 2024 Annual Comprehensive Financial Report.

Most other risks are assumed directly by the County.

V. NET PENSION LIABILITY – PROPORTIONATE SHARE

For purposes of measuring the net pension liability - proportionate share, deferred outflows of resources and deferred inflow of resources related to pensions, and pension expense, information about the fiduciary net position of the System have been determined on the same basis as they are reported by the System. For this purpose, the System recognizes benefits payments when due and payable in accordance with the benefit terms and reports investments at fair value.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**W. OTHER POSTEMPLOYMENT BENEFITS (OPEB) HEALTHCARE COSTS**

In addition to providing pension benefits, the County provides health insurance coverage and survivor benefits for retired employees and their survivors. County employees become eligible for these benefits when an employee completes the required years of service with the County and may retire. The required years of service may vary and is dependent upon the employee's position, and the terms of the collective bargaining agreement or Ordinance under which the individual is employed.

Generally, a non-uniformed employee who has 10 years of service with the County and may retire is eligible for individual benefits. Uniformed employees need only 20 years of service with no minimum age requirement. The County also provides, upon retirement, vision benefits to all employees except ordinance employees and elected officials.

Health care benefits are primarily provided by the New York State Health Insurance Program (NYSHIP or the Empire Plan) whose premiums are based on the benefits paid throughout the State during the year. In addition, the County offers retirees alternative plans at an additional cost paid by the retiree.

The County recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the governmental funds in the year paid. The liability for postemployment benefits healthcare costs is recorded as a non-current liability in the government-wide statements. The County retains an actuary to estimate the liability each year.

X. CONTRACTUAL LIABILITY DUE TO NHCC

The County is currently responsible for a pro-rata share of costs related to health insurance premiums and Medicare reimbursement for certain retirees in accordance with Section 1.03(h) of the Acquisition Agreement between the County and NHCC that resulted from the establishment of NHCC as a public-benefit corporation (PBC).

The agreement specified that the cost of employees' other postemployment benefits in the form of health insurance and Medicare reimbursement, be reimbursed to NHCC by the County based on an allocation of the employees' dates and length of service with the County and NHCC. The County's pro-rata share of NHCC retirees' health insurance and Medicare reimbursement are reimbursed to NHCC.

The reimbursement to NHCC for retirement benefits for health insurance and Medicare reimbursement is included in the Contractual Liability Due to NHCC.

The Contractual Liability Due to NHCC as of December 31, 2024, was calculated based upon the actuary's January 1, 2023 valuation report. The liability is revalued every three years. It represents an estimate of the County's future liability under the Acquisition Agreement for NHCC retirees who had been employed by the County at the time that NHCC became a PBC.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Y. ESTIMATED TAX CERTIORARI PAYABLE**

The County has claims that have been filed against the Board of Assessors, for the correct determination of the assessed valuation (certiorari proceedings) assessment roll. The County has issued bonds in prior years in order to pay for a portion of these property tax refunds. No tax certiorari payments were made in 2024 with bond proceeds. A portion of these settlements are paid as tax certiorari expenditures in the governmental funds. The estimated liability is a synopsis of all unpaid claims as of December 31st. This includes Writs (all classes), Small Claims, Assessor Petitions, Unpaid Refunds, and Projected Refunds on Settlements, and includes interest accrued from the date of the filing to the present year. Not all components have liability every year, but many do. Valuation by appraisers and county attorneys, as well as, the historical value of the settlements, are used to calculate assessment reductions and ultimately determine refunds owed.

Tax certiorari payments for commercial properties may be made using funds accumulated in the DAF Fund. See Note 23B, *Contingencies and Commitments – Tax Certioraris*, for further details.

Z. ADVANCES RECEIVABLE AND PAYABLE

The County's General Fund, and Sewer and Storm Water District Fund make cash advances to the Capital Fund when funding is needed to continue an existing capital project prior to the issuance of bonds or bond anticipation notes. As of December 31, 2024, \$37.2 million in advances were due to the General Fund, and \$29.0 million were due to the Sewer and Storm Water District Fund. Upon the issuance of bonds or bond anticipation notes, the proceeds from those issuances are used to repay the outstanding advances. If the County repays the advances shortly after the fiscal year-end, the advances would be reported as part of the interfund receivables and payables due to the timeliness of repayment. However, the County issued bonds on May 14, 2025, to repay the outstanding advances and fund capital projects, therefore, as of 2024 year-end the advances appear as Advances Receivable in the governmental fund statements.

AA. USE OF ESTIMATES

Significant accounting estimates reflected in the County's financial statements include estimated tax certiorari liability, the allowance for doubtful accounts, allowance for property taxes, workers' compensation claims, compensated absences, deferred payroll, estimated liability for litigation claims, postemployment retirement benefits liability, net pension liability, pollution remediation liability and depreciation. Actual results could differ from these estimates.

AB. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

GASB 96 defines a SBITA as a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**AB. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)
(Continued)**

The subscription term includes the period during which the County has a noncancellable right to use the underlying IT assets. The subscription term will also include periods covered by an option to extend (when it is reasonably certain the County or SBITA vendor will exercise that option) or to terminate (when it is reasonably certain that the County or SBITA vendor will not exercise that option).

At the commencement of the SBITA term, the County initially measures the subscription liability at the present value of payments expected to be made during the SBITA term (less any SBITA incentives). Subsequently, the subscription liability is reduced by the principal portion of license payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the software contract commencement date, such as a prepaid license fee, and any capitalizable initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life or the non-cancellable subscription term, whichever is shorter. The County's Subscription Assets are presented as part of Depreciable/Amortizable Capital Assets in the Statement of Net Position and as Subscription IT Assets, being amortized, in Note 10, *Capital Assets*.

As part of the evaluation process for adopting GASB 96, the County analyzed its SBITAs and instituted a policy to establish a materiality threshold excluding any SBITAs that result, at initial recognition, in a subscription asset under \$100,000. As of fiscal year ended December 31, 2024, the County has reported all SBITA commitments.

GASB 96 requires that future subscription payments should be discounted using either (a) the interest rate the SBITA vendor charges the government, which may be implicit, or (b) the government's incremental borrowing rate if the interest rate is not readily determinable. The County utilized its incremental borrowing rate as provided by its financial advisor.

**AC. PUBLIC-PRIVATE PARTNERSHIPS (PPPs) AND AVAILABILITY PAYMENT
ARRANGEMENTS (APAs)**

GASB 94 defines a PPP as an arrangement in which a government (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. Some PPPs are considered Service Concession Arrangements (SCAs) if they meet all of the following criteria: 1) The transferor conveys to the operator the right and related obligation to provide public services through the use and operation of an underlying PPP asset in exchange for significant consideration, such as an up-front payment, installment payments, a new facility, or improvements to an existing facility. 2) The operator collects and is compensated by fees from third parties. 3) The transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services. 4) The transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**AC. PUBLIC-PRIVATE PARTNERSHIPS (PPPs) AND AVAILABILITY PAYMENT ARRANGEMENTS (APAs) (Continued)**

The County (the transferor) recognized a receivable for installment payments and a deferred inflow of resources to account for PPPs in its governmental funds using the current financial resources measurement focus. The deferred inflow of resources was measured at the initial value of the receivable for installment payments, plus the amount of any payments received at or before the commencement of the PPP term (e.g., an up-front payment associated with a PPP). The County will subsequently recognize the deferred inflow of resources as inflows of resources (revenue), in a systematic and rational manner over the PPP term.

The PPP term is defined as the period during which an operator has a noncancellable right to use an underlying PPP asset, plus, if applicable, certain periods if it is reasonably certain, based on all relevant factors, that the transferor or the operator either will exercise an option to extend the PPP or will not exercise an option to terminate the PPP.

The County discounted the sum of all future installment payments using incremental borrowing rates (IBR) ranging from 3.4% to 3.57%, which were received from its financial advisor.

The County also has three availability payment arrangements (APA) related to the operation and maintenance of the County's transit bus system, sewer system, and energy system.

GASB 94 defines an APA as an arrangement in which a government compensates an operator for activities that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The payments by the government are based entirely on the asset's availability for use rather than on tolls, fees, or similar revenues or other measures of demand. Availability for use may be based on specified criteria such as the physical condition of the asset, construction milestones, or the achievement of certain availability measures. In an APA, a government procures a capital asset or service, rather than receiving compensation to allow another entity to provide public services. An APA may be similar to a PPP that includes a variable payment provision; however, in contrast to a PPP, the other party to an APA is receiving compensation from the government based entirely on availability to perform and not the actual performance of a public service.

The components of an APA that are related to providing services for the operation or maintenance of a nonfinancial asset is accounted for as outflows of resources by the government in the period to which the payments relate. See Note 13, *Public-Private Partnerships (PPP)* for further information.

2. CONTROL PERIOD CALCULATION

The Nassau County Interim Finance Authority (NIFA) is a corporate governmental agency and instrumentality of the State of New York constituting a public benefit corporation created by the Nassau County Interim Finance Authority Act. NIFA is a blended component unit of the County.

NIFA has certain powers under the Act to monitor and oversee the County's finances, including covered organizations, and upon the declaration of a "control period," additional oversight authority as disclosed in Note 1(A).

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

2. CONTROL PERIOD CALCULATION (Continued)

On January 26, 2011, NIFA adopted a resolution which imposed a control period on the County pursuant to the Act as it determined that the County's proposed fiscal 2011 budget reflected a substantial likelihood that the budget would produce a deficit in excess of one percent of the aggregate result of operations in the funds (specified in the Act as the General Fund, the Police Headquarters Fund, the Police District Fund, the Fire Prevention Fund and the Debt Service Fund) assuming all revenues and expenditures are reported in accordance with generally accepted accounting principles.

During a control period, NIFA has the authority to withhold transitional State Aid and is empowered, among other things, to approve or disapprove proposed contracts and borrowings by the County and covered organizations; approve, disapprove or modify the County's financial plan; issue binding orders to the appropriate local officials; impose a wage freeze; and terminate the control period upon finding that no condition exists which would permit imposition of a control period.

The County reports its financial statements in accordance with GAAP for governments. The County's Administration manages and reports the County's annual fiscal surplus or deficit under a budgetary basis, accounting for variances between actual revenues and expenditures against total budgetary authority.

On December 22, 2011, the County executed the "Nassau County Interim Finance Authority and the County of Nassau Side Agreement re: the Sale of the Mitchel Field Revenue Stream Agreement" (the Side Letter), whereby the County agreed, in consideration for recognizing on a budgetary basis the entire \$37 million purchase price proceeds from the sale of the Mitchel Field revenue streams as revenues in fiscal 2011, to implement an additional reporting methodology consistent with NIFA's requirement that acknowledged:

- The County could use all of the purchase price proceeds from the Mitchel Field Revenue Stream Agreement as a cash infusion in accordance with the second bullet (below) with the understanding that such proceeds would not contribute substantially to GAAP revenues in any subsequent year due to the accounting treatment prescribed by GAAP (which requires ratable recognition over time consistent with the underlying lease timeframe);
- Consistent with borrowing/financing transactions (such as those for tax certiorari refunds or termination payments) the proceeds may be considered as contributing to "budgetary balance" inasmuch as that measure is considered on a "budgetary basis"; however, neither that term nor that kind of "balance" is relevant to NIFA's consideration of GAAP revenues; and
- Any discussion of or presentation on the County's budgetary and financial results must give equal or greater prominence to the GAAP measurement of performance in those official presentation and releases in a manner acceptable to NIFA.

As a result of the executed Side Letter, beginning with the County's 2011 fiscal year results, the County has been required to report its fiscal results of its operating funds using the Control Period Calculation, which is based on GAAP reporting, adjusted to exclude certain other financing sources (such as, unspent bond proceeds and operational costs paid with bond proceeds).

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

2. CONTROL PERIOD CALCULATION (Continued)

Under the Control Period Calculation requirement, the budgetary basis results of the County’s five budgetary operating funds, the General (not consolidated), Fire Prevention, Police Headquarters, Police District, and Debt Service Funds, are converted to results on a modified accrual basis (GAAP for governmental funds) then adjustments are made to remove the effect of other financing sources that are derived from the issuance of bonds (i.e., bond proceeds and premiums) and are used to pay for operational expenditures. For the fiscal year 2024, the County reported a \$46.8 million surplus under the Control Period Calculation reporting for the five funds listed above.

The Control Period Calculation requires that certain other financing sources that are sourced from bond proceeds be eliminated from the GAAP results. Exhibit E-1 shows the Control Period Calculation for fiscal year 2024; the \$54.2 million of 2024 surplus, on a modified accrual basis, for the five funds of the County is reduced by bond proceeds of \$7.4 million transferred to the operating funds to pay debt service expenditures.

The table below reconciles the County’s results, as reported in the governmental funds of the Annual Comprehensive Financial Report (see Exhibit X-5) of \$252.9 million to the results for the five funds as defined above.

For fiscal year 2024, the County’s governmental funds reported a \$258.3 million surplus in the General Fund and a shortfall of \$(5.3) million in the Police District Fund (PDD), for a total change in net fund balance of \$252.9 million (rounded). Included in the County’s General Fund under governmental GAAP are several reserve funds that are not treated as operating funds for County management purposes. Those funds are the Litigation Fund (LIT), the Employee Benefit Accrued Liability Reserve Fund (EBF), the Bond Indebtedness Reserve Fund (BIF), the Retirement Contribution Reserve Fund (RCF), the Technology Fund (TCF), the Open Space Fund (OSF), the Opioid Litigation Settlement Fund (OLS), and the Operating Reserve Fund (ORF). The total 2024 governmental GAAP results of those funds that were included in the General Fund’s change in fund balance of \$258.3 million, was \$198.7 million.

Below is a reconciliation of the County’s 2024 results for the governmental funds as reported in the Annual Comprehensive Financial Report to the 2024 results for only the five budgetary funds (dollars in thousands):

	Change in fund balance per Exhibit X-5	LIT	EBF	BIF	RCF	TCF	OSF	OLS	ORF	Total	2024 GAAP net change in fund balance
General Fund	\$ 258,262	\$83,351	\$33,950	\$17,547	\$13,176	\$4	\$94	\$7,697	\$42,935	\$198,754	\$59,508
PDD Fund	(5,347)										(5,347)
	<u>\$ 252,915</u>	<u>\$83,351</u>	<u>\$33,950</u>	<u>\$17,547</u>	<u>\$13,176</u>	<u>\$4</u>	<u>\$94</u>	<u>\$7,697</u>	<u>\$42,935</u>	<u>\$198,754</u>	<u>\$54,161</u>

For County budgetary purposes and NIFA Statutory Act, the County's 5 budgetary funds are the General Fund, the Police Headquarters Fund, the Fire Prevention Fund, the Debt Service Fund, and the Police District Fund.

Exhibits E-1 and E-2 present the Control Period Calculation Schedule and the Control Period Calculation Schedule Historical Data.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

3. DEPOSITS AND INVESTMENTS

As of December 31, 2024, the County's total cash and cash equivalents, which consisted of cash in money market interest bearing bank accounts at rates averaging 4.27%, for the governmental funds and the fiduciary funds, were \$1.75 billion and \$81.2 million, respectively. The County's bank balances were fully covered by the Federal Deposit Insurance Corporation (the FDIC), except for the two Local Government Investment Pools (LGIP) and/or pledged collateral held by third party financial institutions acting as agent for the County. The third-party collateral consists of U.S. Treasuries, GNMA, and other obligations of the U.S. government.

As of December 31, 2024, total investments amounted to \$93.7 million. The investments consisted of U.S. Treasury Notes, Certificates of Deposit, and other obligations of the U.S. government, which are explicitly guaranteed by the U.S. government and therefore not considered to have credit risk. NCTSC also invests in shares of a money market fund, which invests in short-term U.S. Treasury securities paying a fixed, variable or floating interest rate and in repurchase agreements backed by U.S. Treasury securities.

The County participates in the Cooperative Liquid Assets Securities System (CLASS), a cooperative investment pool, established pursuant to Articles 3-A and 5-G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC, as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission (the SEC) and is subject to all the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York, and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30th. The County's position in the pool, \$205,547,878 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days. CLASS is rated AAAM by Standard & Poor's Financial Services. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high-quality portfolio of investments legally permissible for municipalities and school districts in the State. Due to the highly liquid nature of this pool, it is included in the Cash and Cash Equivalents.

The County also participates in NY MuniTrust® Local Government Investment Pool (LGIP or Pool). The Pool is an intermunicipal agreement (IMA) created through a municipal cooperation agreement (Municipal Cooperation Agreement) made pursuant to New York General Municipal Law, Articles 3-A and 5-G (collectively, the Act). The Pool is authorized to invest in various securities issued by the United States and its agencies. The amount reported represents the amortized cost of the cooperative shares and is considered to approximate fair value. The County's position in the cooperative as of December 31, 2024, is \$50 million and is equal to the value of the Pool shares. Due to the highly liquid nature of this Pool, it is included in the Cash and Cash Equivalents.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

3. DEPOSITS AND INVESTMENTS (Continued)

Interest rate risk is the risk that the fair value of investments could be adversely affected by the change in interest rates. Duration limits are used to control the portfolios exposure to interest rate changes. Investments are limited to less than one year in duration.

Credit risk is the risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. Credit risk arises whenever a borrower is expecting to use future cash flows to pay a current debt. Investors are compensated for assuming credit risk by way of interest payments from the borrower or issuer of a debt obligation. Credit risk may be eliminated or minimized by purchasing certain securities, such as obligations of the U.S. government or those explicitly guaranteed by the U.S. government.

State law and NIFA policies limit investments to those authorized by the State statutes. NIFA has a written investment policy which is designed to protect deposits and investment principal by limiting permitted investments. Concentration risk disclosure is required for NIFA for positions of 5 percent or more in securities of a single issuer. At December 31, 2024, NIFA had all its investments in U.S. Treasury Bills. All investments are held by NIFA's trustee bank solely as agent of NIFA. All investments mature in less than six months.

The following table summarizes the County's unrestricted and restricted cash and cash equivalents (including fiduciary funds and blended component units) and the investment position on December 31, 2024 (dollars in thousands):

	Cash and Cash Equivalents	Investments	Certificates of Deposit	Total
Cash and Cash Equivalents	\$ 1,829,366	\$	\$	\$ 1,829,366
Certificates of deposit			70,868	70,868
Treasury notes and investments		22,869		22,869
Totals	<u>\$ 1,829,366</u>	<u>\$ 22,869</u>	<u>\$ 70,868</u>	<u>\$ 1,923,103</u>
Governmental Funds	\$ 1,748,136	\$ 22,869	\$ 70,868	\$ 1,841,873
Fiduciary Funds	81,230			81,230
Totals	<u>\$ 1,829,366</u>	<u>\$ 22,869</u>	<u>\$ 70,868</u>	<u>\$ 1,923,103</u>

NCTSC's restricted cash equivalents of \$16.7 million consist of shares in a money market fund which invests in short-term U.S. Treasury securities paying fixed or variable interest rates, and in repurchase agreements backed by U.S. Treasury securities that are stated at amortized cost, which approximates fair value. This fund carried a credit rating of AAAM by S&P Global Ratings and Aaa-mf by Moody's Investors Service, Inc. as of December 31, 2024.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

3. DEPOSITS AND INVESTMENTS (Continued)

The County maintains a consolidated disbursement account with a financial institution on behalf of the College. At August 31, 2024, the College had a cash balance of \$57.3 million, of which \$26.0 million was held by the County on behalf of the College, and the bank balance was \$27.5 million. The bank balance is covered by the FDIC and by eligible collateral held by the County’s agent in the County’s name.

At August 31, 2024, the carrying amount (fair value) of the College’s investments was \$2.9 million.

At December 31, 2024, all of NHCC’s cash and cash equivalents are insured through the FDIC, or collateralized by NHCC’s third-party trustee or the pledging financial institution’s trust department in the name of NHCC, to the full extent of the deposits.

4. FAIR VALUE MEASUREMENT

NIFA and NCSSWA categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation of inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique provided by third party custodians. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

The following is a summary of the fair value hierarchy of the fair value of the County’s (which include NIFA and NCSSWFA) investments as of December 31, 2024 (dollars in thousands):

<u>Investment by Fair Value Level</u>	Credit Quality Rating	Total	Fair Value Measurements Using:		
			Quoted Prices in Active Market for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Debt Securities					
U.S. Government securities	N/A	\$ 22,869	\$ 1,281	\$ 21,588	\$
Total investment by fair value level		<u>\$ 22,869</u>	<u>\$ 1,281</u>	<u>\$ 21,588</u>	<u>\$</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

4. FAIR VALUE MEASUREMENT (Continued)

The following is a summary of the total investments held by the County as of December 31, 2024 (dollars in thousands):

Investments	\$ 12
Restricted Investments	22,857
	<u>\$ 22,869</u>

At December 31, 2024, the County’s major discretely presented component units’ financial instruments are measured at fair value were categorized between Levels 1, 2, and 3 as follows (dollars in thousands):

<u>Investment by Fair Value Level</u>	<u>Total</u>	<u>Fair Value Measurements Using:</u>		
		<u>Quoted Prices in Active Market for Identical Assets Level 1</u>	<u>Significant Other Observable Inputs Level 2</u>	<u>Significant Unobservable Inputs Level 3</u>
Cash and cash equivalents	\$ 34,969	\$ 34,969	\$	\$
Certificates of deposit	918		918	
Equity securities	40	40		
Mutual funds	1,495	1,495		
Municipal bonds	399		399	
U.S Treasury Bills	1,464		1,464	
	<u>\$ 39,285</u>	<u>\$ 36,504</u>	<u>\$ 2,781</u>	<u>\$</u>
Certificates of Deposit*				<u>\$</u>

* Non-negotiable certificates of deposit that are not required to be leveled.

The following is a summary of the total investments held by the County’s major discretely presented component units as of December 31, 2024 (dollars in thousands):

Restricted Investments	<u>\$ 41,149</u>
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

5. DUE FROM OTHER GOVERNMENTS

Due from Other Governments at December 31, 2024 represents aid, grants, and other amounts receivable from the State and Federal governments. The following summarizes such receivables (dollars in thousands), exclusive of the allowance for doubtful accounts, which is shown on the governmental funds statement (Exhibit X-3):

Fund	2024		
	Federal	State/Other*	Total
General Fund	\$ 70,285	\$ 155,989	\$ 226,274
NIFA Fund		164,614	164,614
Sewer & Storm Water District Fund	4		4
Capital Fund	30,734	8,365	39,099
Nonmajor Governmental Funds	17,289	21,310	38,599
TOTAL RECEIVABLE	\$ 118,312	\$ 350,278	\$ 468,590

* Sales tax receivable of \$178,602 (both General and NIFA funds) due from NYS, is reported separately in the financial statements as sales tax receivable.

6. TAX SALE CERTIFICATES

Tax Sale Certificates includes the amount of delinquent real property taxes, which could not be sold and which the County was required to retain. It also includes the value of tax sale certificates bought by the public and subsequently reacquired by the County upon default of the purchaser.

7. TAX REAL ESTATE HELD FOR SALE

Tax Real Estate Held for Sale (Tax Real Estate) includes real property, which the County has acquired primarily through tax enforcement proceedings. The property is valued at the amount of the delinquent tax liens, which could not be sold and which the County was required to retain.

Real property designated as Tax Real Estate is accounted for as an asset of the General Fund inasmuch as it is not being considered for use by the County at this time but rather is available for sale to private buyers. Since any taxes unpaid to other funds from this property were paid to those funds by the General Fund, no portion of this asset is allocable to those other funds.

Certain real property which was acquired by the County as Tax Real Estate and subsequently designated for public use is currently not available for sale and is included as part of the capital assets in the government-wide Statement of Net Position.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. Interfund Receivables, Payables and Transfers

Interfund Receivables and Payables generally result when one fund receives cash or pays expenditures on behalf of another or as a result of recording interfund revenues and expenditures. The outstanding balances between funds result primarily from the time lag between the date the reimbursement is received and the date the interfund goods and services are provided. An interfund receivable and payable would be the result of a transfer between funds in the County’s audit period (month 13), where the interfund transfers are recorded in the County’s fiscal period but because the cash cannot move in “month 13”, one fund would have an interfund receivable as of year-end while the other fund would report an interfund payable. Until the interfund receivable and payable are settled by the Treasurer, with cash moving between the two funds, the balance sheet asset and liability will remain. The largest of the interfund transactions in the table below is the result of cash due to the County from NIFA for Sales Tax revenues accrued as a Due from NIFA. See Note 1, *Summary of Significant Accounting Policies, Reporting Entity, Blended Component Units (a)*, for information on NIFA and its relationship to the County. Transactions between the General Fund and the Sewer and Storm Water District Fund, Police District Fund and the Environmental Protection Fund (nonmajor) are to account for debt service chargebacks in the proper fund. Other interfund transactions include those between the blended component units’ debt service and general funds to account for debt service costs.

See Note 1Q, *Summary of Significant Accounting Policies, Interfund Transactions*, for additional description of interfund transactions reported by the County.

Each individual fund’s Interfund Receivables and Interfund Payables as of December 31, 2024, are reconciled as follows (dollars in thousands):

December 31, 2024	General Fund	NIFA Fund	Police District Fund	Sewer & Storm Water District Fund	Capital Fund	Disputed Assessment Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
INTERFUND RECEIVABLE									
General Fund	\$	\$	\$ 37,930	\$ 2	\$ 148	\$	\$	\$ 10,000	\$ 48,080
NIFA Fund	143,122							21,472	164,594
Police District Fund	36,536								36,536
Sewer & Storm Water District Fund	47,911								47,911
Capital Fund	94			1					95
Disputed Assessment Fund	153								153
American Rescue Plan Fund	24,987								24,987
Nonmajor Governmental Funds	10,527		742	476					11,745
TOTAL RECEIVABLE	\$ 263,330	\$	\$ 38,672	\$ 479	\$ 148	\$	\$	\$ 31,472	\$ 334,101
INTERFUND PAYABLE									
General Fund	\$	\$ (143,122)	\$ (36,536)	\$ (47,911)	\$ (94)	\$ (153)	\$ (24,987)	\$ (10,527)	\$ (263,330)
NIFA Fund									
Police District Fund	(37,930)							(742)	(38,672)
Sewer & Storm Water District Fund	(2)				(1)			(476)	(479)
Capital Fund	(148)								(148)
Disputed Assessment Fund									
American Rescue Plan Fund									
Nonmajor Governmental Funds	(10,000)	(21,472)							(31,472)
TOTAL PAYABLE	\$ (48,080)	\$ (164,594)	\$ (36,536)	\$ (47,911)	\$ (95)	\$ (153)	\$ (24,987)	\$ (11,745)	\$ (334,101)

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

A. Interfund Receivables, Payables and Transfers (Continued)

The Transfers illustrated below are primarily balances that account for year-end transactions to report the governmental funds in accordance with GAAP. Transfers between the General Fund and the Police District Fund represent year-end budgetary transfers of surpluses to reserve funds (\$10,226 thousand) and the (\$9,000 thousand) offset to reflect the accurate GAAP reporting. The transactions are reported gross to illustrate the correct interfund receivables and interfund payables. The transactions between the General Fund and the Sewer and Storm Water District Fund account for the debt service chargebacks described in the paragraph above. Transfers from the American Rescue Plan Fund to the General Fund and the Sewer and Storm Water District Fund of \$247,447 thousand and \$25,000 thousand, respectively, represent the recognition of Federal ARPA funding to compensate for lost income in 2020 and 2021 resulting from the COVID-19 pandemic. The transactions between NCSSWFA and the Sewer and Storm Water District Fund represent sewer assessments levied on County residents by NCSSWFA and transferred to the Sewer and Storm Water District Fund for the operations of the County’s sewer system.

The amounts shown below are in thousands of dollars.

December 31, 2024	Transfers In:								Total
	General Fund	NIFA Fund	Police District Fund	Sewer & Storm Water District Fund	Capital Fund	Disputed Assessment Fund	American Rescue Plan Fund	Nonmajor Governmental Funds	
Transfers Out:									
General Fund	\$	\$	\$ 9,000	\$	\$ 8	\$	\$	\$ 10,156	\$ 19,164
NIFA Fund	5,243							101,522	106,765
Police District Fund	10,226								10,226
Sewer & Storm Water District Fund	39,730							162,412	202,142
Capital Fund	19,234			3,676					22,910
Disputed Assessment Fund	153								153
American Rescue Plan Fund	247,447			25,000					272,447
Nonmajor Governmental Funds	8,558	1,921		150,276				13,488	174,243
TOTAL	\$ 330,591	\$ 1,921	\$ 9,000	\$178,952	\$ 8	\$	\$	\$ 287,578	\$ 808,050

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

B. Due from/Due to Primary Government and Component Units

The total amounts shown as Due to Primary Government and Due from/to Component Units (discretely presented) at December 31, 2024 do not offset each other as they include accounts of the College at the end of their fiscal year on August 31, 2024, and the NHCC, which has timing differences with the County. The following reconciles the December 31, 2024, amount by carrying forward the College transactions affecting these accounts from September 1, 2024 through December 31, 2024 and the NHCC for the timing differences.

<u>Dollars in Thousands</u>	<u>2024</u>
Due from Primary Government (Exhibit X-1), Component Units	\$ 13,669
Due to Primary Government (Exhibit X-1), Component Units	<u>(13,883)</u>
Net Due from Primary Government, Component Units	<u>\$ (214)</u>
Nassau Community College Transactions from September 1, to December 31:	
Decrease in due to Capital Fund	\$ (372)
Decrease in due to Fiduciary Fund	(955)
Increase in due from General Fund	5,088
Increase in due from Other Funds	<u>200</u>
Subtotals	3,961
Nassau Health Care Corporation	
Net Change in Encumbrances	(2,601)
Due from Component Units - Fiduciary per Balance Sheet: (Exhibit X-10)	938
Due from Component Units - Governmental per Balance Sheet (Exhibit X-3)	55,711
Due to Component Units - Governmental per Balance Sheet (Exhibit X-3)	(52,699)
Pass-through revenues from OTB and timing	<u>(5,096)</u>
Due to Component Units - Fiduciary and Governmental	<u>\$ 214</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

9. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will, as necessary, 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 is applicable to future reporting period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until that time. The County currently has items that qualify for reporting in this category; deferred loss on bond refunding, the deferred charges on other post-employment benefits and deferred charges on pensions.

Deferred loss on bond refunding is the difference between the reacquisition (refunding) price and the net carrying amount of the old debt and it is recognized as a component of interest expense over the shorter of the life of the refunded or refunding debt.

The deferred outflows for OPEB are the portion of changes in the Net OPEB liability that are not immediately recognized in OPEB expense. These changes include differences between actual and expected experiences, changes in assumptions and differences between expected and actual earnings on plan investments. It also includes contributions paid subsequent to the measurement date.

The deferred outflows stemming from the defined benefit pension plan, consists of changes in the components of the County's net proportional share of the pension plan's net pension liability, that is, the County's proportionate share of the changes in the pension plan's total pension liability and in the pension plan's fiduciary net position. It also may include contributions paid subsequent to the pension plan's measurement date if applicable.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenues) until that time. The County has several items that qualify for reporting in this category; deferred gain on refundings, Property Taxes - Part County Sales Tax offset, Mitchell Field – sale of future rental revenue, pensions, public-private partnerships, leases in which the County is a lessor, and other-post employment benefits.

A deferred gain on refunding results from the difference in the carrying value of refunded debt and its acquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

9. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Unavailable property taxes are reported in the governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide statements availability is not a factor in recognizing revenue, so the inflow of resources (property tax revenue) is recognized. The property taxes - Part County sales tax offset is a tax collected on hotel room occupancy and alcoholic beverages in Nassau County, outside of the City of Long Beach. The tax is used to offset General Fund property taxes in the three towns located in the County and the City of Glen Cove. Any Part County sales tax in excess of budget is reclassified as a deferred inflow of resources because it is an advance of a subsequent year's property tax levy.

Deferred inflow of resources - Mitchel Field represents the deferred portion of the County's 2011 sale of 30 years of future rental revenue streams from eighteen long-term ground leases of County-owned property in the Mitchel Field area of Uniondale.

The deferred inflow of resources related to pension results from differences between expected and actual experience, changes in assumptions or other inputs. The effect on the net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expenses in a systematic and rational manner over a closed period of five years. These amounts are deferred and included in pension expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

The difference between the consideration received and the liability derived from the public-private partnerships is reported as a deferred inflow of resources because the revenue will be recognized over the term of the agreement.

The balance reported as the deferred inflow of resources related to leases in which the County is the lessor represents the initial measurement of the deferred inflow of resources less any amounts subsequently recognized as revenue. The initial measurement of the deferred inflow of resources is based on the initial measurement of the lease receivable and lease payments received from the lessee before the commencement of the lease. Over the term of each lease, the deferred inflow of resources is recognized as revenue in a systematic and rational manner.

The deferred inflow of resources for OPEB is the portion of changes in the Net OPEB liability that is not immediately recognized in OPEB expense. These changes include differences between actual and expected experiences, changes in assumptions and difference between expected and actual earnings on plan investments.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

10. CAPITAL ASSETS

The 2024 capital assets inclusive of the blended component unit, NIFA, are reconciled to the 2024 amounts reported on Exhibit X-1 in the table below (dollars in thousands):

	<u>Governmental Activities</u>
Capital assets not being depreciated and amortized	\$ 1,951,676
Depreciable and amortizable capital assets	5,535,529
Accumulated depreciation and amortization	<u>(3,071,309)</u>
Capital assets - net	4,415,896
Outstanding related debt, liabilities, and deferred outflows/inflows of resources	<u>(1,640,348)</u>
Net investment in capital assets	<u>\$ 2,775,548</u>

The County evaluates capital assets for prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The County’s practice is to record an impairment loss in the period when its service utility has declined significantly and unexpectedly. In 2024, no impairment losses were recognized related to the County.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

10. CAPITAL ASSETS (Continued)

Activity for capital assets, inclusive of the blended component unit, NIFA, reconciled to the 2024 amount reported in Exhibit X-1, is summarized below (dollars in thousands):

Primary Government	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024
Governmental activities:				
Capital assets, not being depreciated and amortized:				
Land	\$ 256,067	\$	\$ 19	\$ 256,048
Intangible - Land Dev Rights	8,804			8,804
Construction in progress	1,515,500	275,942	104,618	1,686,824
Total capital assets, not being depreciated and amortized	1,780,371	275,942	104,637	1,951,676
Capital assets, being depreciated and amortized:				
Intangible	63,740			63,740
Land Improvements	118,790	403		119,193
Buildings	1,410,626	8,892		1,419,518
Equipment	480,013	41,419	16,892	504,540
Infrastructure	3,180,704	97,990		3,278,694
Leased Assets:				
Buildings	145,645	1,691		147,336
Equipment	273			273
Subscription Asset	2,235			2,235
Total capital assets, being depreciated and amortized	5,402,026	150,395	16,892	5,535,529
Total capital assets	7,182,397	426,337	121,529	7,487,205
Less accumulated depreciation and amortization:				
Intangible	21,013	2,757		23,770
Land Improvements	88,909	2,471		91,380
Buildings	737,808	33,019		770,827
Equipment	318,358	38,695	15,684	341,369
Infrastructure	1,714,986	94,482		1,809,468
Leased Assets:				
Buildings	21,053	12,656		33,709
Equipment	124	73		197
Subscription Asset	294	295		589
Total accumulated depreciation and amortization	2,902,545	184,448	15,684	3,071,309
Total capital assets, being depreciated and amortized, net	2,499,481	(34,053)	1,208	2,464,220
Governmental activities capital assets, net	\$ 4,279,852	\$ 241,889	\$ 105,845	\$ 4,415,896

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

10. CAPITAL ASSETS (Continued)

The table below presents the reconciliation of the reduction of construction in progress to the additions to capital assets (dollars in thousands):

	<u>County</u>
Transfer from construction in progress	\$ 104,618
Additions to capital assets:	
Land improvements	\$ 404
Buildings	6,224
Infrastructure	97,990
	\$ 104,618

Depreciation and amortization expense was charged to functions of the primary government for the fiscal year ended December 31, 2024, as follows (dollars in thousands):

	<u>Land</u>					<u>Total</u>
	<u>Intangible</u>	<u>Improvements</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Infrastructure</u>	
Functions:						
Legislative	\$	\$	\$ 6	\$ 53	\$	\$ 59
Judicial		30	1,083	560		1,673
General Administration	2,757	30	22,212	18,046		43,045
Protection of Persons	295		2,847	12,308	2,656	18,106
Health			101	130		231
Public Works		1,672	8,808	5,023	87,707	103,210
Recreation and Parks		709	5,645	932	4,119	11,405
Social Services		30	181	63		274
Corrections			4,792	1,653		6,445
Total depreciation and amortization expense	\$ 3,052	\$ 2,471	\$ 45,675	\$ 38,768	\$ 94,482	\$ 184,448

Total capital assets of the County, as of December 31, 2024, is \$7.5 billion with accumulated depreciation and amortization of \$3.1 billion.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

10. CAPITAL ASSETS (Continued)

Nassau Community College Capital Assets

The following is a summary of NCC’s capital assets at cost, except as noted (dollars in thousands):

	Balance at September 1, 2023	Additions	Reductions	Balance at August 31, 2024
Capital assets, not being depreciated and amortized:				
Land	\$ 2,733	\$	\$	\$ 2,733
Construction in Progress	36,624		36,624	
Library	651		65	586
Total capital assets, not being depreciated and amortized	40,008		36,689	3,319
Capital assets, being depreciated and amortized:				
Land improvements	32,139	213		32,352
Infrastructure	35,721	5,889		41,610
Buildings	215,743	898		216,641
Building improvements	88,983	44,650		133,633
Equipment	17,095	903		17,998
Leased Assets				
Buildings	8,413			8,413
Subscription assets	330	106		436
Total capital assets, being depreciated and amortized	398,424	52,659		451,083
Total capital assets	429,689	52,553	36,689	445,553
Less accumulated depreciation and amortization:				
Land improvements	13,000	1,556		14,556
Infrastructure	15,503	2,229		17,732
Buildings	135,391	4,169		139,560
Building improvements	51,122	5,299		56,421
Equipment	13,820	849		14,669
Leased Assets				
Buildings	2,150	1,078		3,228
Subscription assets	70	138		208
Total accumulated depreciation and amortization	231,056	15,318		246,374
Net capital assets being depreciated and amortized	167,368	37,341		204,709
Total capital assets, net	\$ 207,376	\$ 37,341	\$ 36,689	\$ 208,028

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

10. CAPITAL ASSETS (Continued)

Nassau Community College Capital Assets (Continued)

Capital assets of the Faculty-Student Association, a component unit of the College as of August 31, 2024, consisted of the following (dollars in thousands):

	Balance
	August 31, 2024
Furniture and equipment	\$ 312
Vans	232
	<u>544</u>
Less accumulated depreciation	<u>(534)</u>
Total capital assets (net)	<u>\$ 10</u>

Total capital assets of NCC and the Faculty-Student Association, a component unit of NCC, as of August 31, 2024, were \$454.9 million with accumulated depreciation of \$246.9 million.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

10. CAPITAL ASSETS (Continued)

Nassau Health Care Corporation Capital Assets

The following is a summary of the NHCC's capital assets at cost, except as noted (dollars in thousands):

	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024
Capital assets, not being depreciated and amortized:				
Land	\$ 12,498	\$	\$	\$ 12,498
Construction in progress	11,529		402	11,127
Total capital assets, not being depreciated and amortized	<u>24,027</u>		<u>402</u>	<u>23,625</u>
Capital assets, being depreciated and amortized:				
Buildings and improvements	249,006			249,006
Fixed equipment	126,373	8,545		134,918
Land improvements	17,130			17,130
Movable equipment	272,149	4,427		276,576
Leased Assets:				
Equipment	2,236	111		2,347
Subscription assets	9,440	2,449		11,889
Total capital assets, being depreciated and amortized	<u>676,334</u>	<u>15,532</u>		<u>691,866</u>
Total capital assets	<u>700,361</u>	<u>15,532</u>	<u>402</u>	<u>715,491</u>
Less accumulated depreciation and amortization for:				
Buildings and improvements	194,443	6,849		201,292
Fixed equipment	111,775	1,427		113,202
Land improvements	14,973	229		15,202
Movable equipment	233,268	11,229		244,497
Leased Assets:				
Equipment	1,467	456		1,923
SBITA's	3,392	3,862		7,254
Total accumulated depreciation and amortization	<u>559,318</u>	<u>24,052</u>		<u>583,370</u>
Net capital assets being depreciated and amortized	<u>117,016</u>	<u>(8,520)</u>		<u>108,496</u>
Total capital assets, net	<u>\$ 141,043</u>	<u>\$ (8,520)</u>	<u>\$ 402</u>	<u>\$ 132,121</u>

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

11. LEASES

Lessee Leases

Nassau County (inclusive of blended component unit NIFA), leases various properties and equipment. As the lessee, Nassau County (the County) recognizes a lease liability and intangible right-to-use lease asset in the Statement of Net Position. The County recognizes all lease liabilities based on individual contract stipulations.

For all leases that meet the criteria of GASB 87, at the commencement of the lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, such as prepaid rent. Subsequently, the lease asset is amortized on a straight-line basis over its useful life or the non- cancellable lease term, whichever is shorter.

As part of the evaluation process to determine whether a lease meets the criteria of GASB 87, the County analyzes its lessee leases to evaluate whether or not the lease meets a materiality threshold established by the County, which excludes any lessee leases that result in a lease liability of under \$100,000.

Right-to-Use Lease Asset and Lease Liability

During the current fiscal year, the County continues to maintain contractual agreements for various leases of real properties and equipment ranging from 2 – 19 years in length based on the non-cancelable portion of the contractual agreements as the lessee.

Additionally, in January 2024, the County executed a lease extension for the Jamaica Bus Terminal, extending the lease term to December 31, 2024. The extension resulted in a \$1.7 million adjustment to both the Right-to-Use Asset and Lease Liability.

The County recorded the following at December 31, 2024 for all lessee leases in accordance with GASB 87 (dollars in thousands):

Right-to-Use Assets	\$ 147,609
Accumulated Amortization	<u>(33,906)</u>
Net Right-to-Use Assets	<u>\$ 113,703</u>
Lease Liability	<u>\$ 119,109</u>

The County is required to make payments throughout the year for both principal and interest. The leases have interest rates ranging from 0.65% - 2.76% utilizing the County’s estimated incremental borrowing rate as obtained from its financial advisor.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

11. LEASES (Continued)

Right-to-Use Lease Asset and Lease Liability (Continued)

Scheduled lease payments for the years ending December 31 beginning in fiscal year 2025 are as follows (dollars in thousands):

Fiscal Year Ending December 31,	Primary Government		
	Principal	Interest	Total
2025	\$ 8,610	\$ 1,948	\$ 10,558
2026	8,160	1,811	9,971
2027	8,483	1,671	10,154
2028	8,724	1,526	10,250
2029	9,109	1,376	10,485
2030-2034	51,307	4,381	55,688
2035-2039	20,870	799	21,669
2040-2043	3,846	119	3,965
Total	<u>\$ 119,109</u>	<u>\$ 13,631</u>	<u>\$ 132,740</u>

Lessor Leases

The County also leases County-owned land and properties to others. As the lessor, the County recognizes a lease receivable and deferred inflow of resources in the Statement of Net Position. The County recognizes all lease receivables based on individual contract stipulations.

For all leases that meet the criteria of GASB 87, at the commencement of the lease, the County initially measures the lease receivable at the present value of lease payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources will be recognized as revenue over the lease term using the straight-line method.

As part of the evaluation process to determine whether a lease meets the criteria of GASB 87, the County analyzes its existing lessor leases to evaluate whether or not the lease meets a materiality threshold established by the County, which excludes any lessor leases that result in a lease receivable of under \$100,000.

Lease Receivable and Deferred Inflow of Resources

During the current fiscal year, the County continues to maintain contractual leasing agreements for land and properties ranging from 2 to 42 years in length, based on the non-cancelable portion of the contractual agreements.

During the current fiscal year, the County entered into a 42-year lease agreement with Las Vegas Sands (Sands) for County-owned land, with monthly fixed rent payments ranging from \$75,000 to \$1.1 million. Under the terms of this contract, the County could recognize a portion of the payment received from Sands, which had been paid under a previous lease agreement with the entity. Because the funds were received prior to the start of the lease term, this amount, \$30 million, was recorded as part of the corresponding Deferred Inflow of Resources. The upfront payment will be amortized over the 42-year term of the lease.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

11. LEASES (Continued)

Lease Receivable and Deferred Inflow of Resources (Continued)

For the lease with Sands, the initial lease receivable and deferred inflow of resources recognized for the fiscal year ended December 31, 2024, are as follows (dollars in thousands):

	Initial Lease Receivable Recognized	Initial Deferred Inflow of Resources Recognized
Land	\$ 140,240	\$ 170,240
Total	<u>\$ 140,240</u>	<u>\$ 170,240</u>

The County recorded the following at December 31, 2024 for all leases where the County was the lessor in accordance with GASB 87 (dollars in thousands):

Lease Revenue	\$ 2,990
Deferred Inflow of Resources	<u>179,125</u>
Total Inflow of Resources	<u>\$ 182,115</u>

Lease Receivable	<u>\$ 150,054</u>
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The County is expected to receive lease payments throughout the year for both principal and interest. The leases have interest rates ranging from 0.65% to 4.2% utilizing Nassau County’s estimated incremental borrowing rate as obtained from its financial advisor.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

11. LEASES (Continued)

Lease Receivable and Deferred Inflow of Resources (Continued)

Scheduled lease receipts for the years ending December 31 beginning in fiscal year 2025, are as follows (dollars in thousands):

Fiscal Year Ending December 31,	Primary Government		
	Principal	Interest	Total
2025	\$ 1,067	\$ 1,075	\$ 2,142
2026	1,084	1,077	2,161
2027	1,101	3,579	4,680
2028	987	6,132	7,119
2029	606	6,240	6,846
2030-2034	2,956	32,944	35,900
2035-2039	2,787	36,086	38,873
2040-2044	26	39,720	39,746
2045-2049	11,682	32,202	43,884
2050-2054	23,945	24,508	48,453
2055-2059	35,115	18,383	53,498
2060-2064	49,471	9,596	59,067
2065-2066	19,227	682	19,909
	<u>\$ 150,054</u>	<u>\$ 212,224</u>	<u>\$ 362,278</u>

Nassau Community College

Lessee Leases

NCC has one lease agreement that contains two separate payment arrangements. One is for the building itself and one for the improvements made on the building. The remaining term as of August 31, 2024 was 70 months. There is one 5-year term option to extend, however NCC does not believe, at this time, that it is reasonably certain that NCC will extend the agreement. Additionally, NCC has a lease agreement with the Nassau County Department of Parks and Recreation with a remaining term of 81 months at August 31, 2024.

NCC recorded the following at August 31, 2024 (dollar in thousands):

Right-to-Use Assets	\$	8,413
Accumulated Amortization		<u>(3,229)</u>
Net Right-to-Use Assets	\$	<u>5,184</u>

Lease Liability \$ 5,597

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

11. LEASES (Continued)

Nassau Community College (Continued)

Lessee Leases (Continued)

NCC is required to make payments throughout the year for both principal and interest. The leases have interest rates ranging from 2.06% - 8.00% .

Scheduled lease payments for the years ending August 31 beginning in fiscal year 2025 are as follows (dollars in thousands):

	NCC		
	Principal	Interest	Total
2025	\$ 1,108	\$ 123	\$ 1,231
2026	1,135	96	1,231
2027	1,163	68	1,231
2028	1,182	39	1,221
2029	1,009	9	1,018
Total	<u>\$ 5,597</u>	<u>\$ 335</u>	<u>\$ 5,932</u>

Lessor Leases

NCC leases building space for a wireless tower at a rate of 2.06% with a term of 376 months. Over the term of the lease, NCC will receive \$1,571.7 thousand of lease revenue. During the year, NCC recognized \$50.2 thousand of lease revenue and \$1,421.2 thousand as deferred inflow of resources.

Activity of the lease inflows for the year ended August 31, 2024, is summarized as follows (dollars in thousands):

Lease Revenue	\$ 50
Deferred Inflow of Resources	<u>1,421</u>
Total Inflow of Resources	<u>\$ 1,471</u>

Lease Receivable \$ 1,531

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

11. LEASES (Continued)

Nassau Community College (Continued)

Lessor Leases (Continued)

NCC is expected to receive lease payments throughout the year for both principal and interest. Scheduled lease receipts for the years ending August 31 beginning in fiscal year 2025 are as follows (dollars in thousands):

	NCC		
	Principal	Interest	Total
2025	\$ 17	\$ 31	\$ 48
2026	19	31	50
2027	20	30	50
2028	22	30	52
2029	24	30	54
2030-2034	157	139	296
2035-2039	224	120	344
2040-2044	306	92	398
2045-2049	406	56	462
2050-2054	336	12	348
Total	<u>\$ 1,531</u>	<u>\$ 571</u>	<u>\$ 2,102</u>

Nassau Health Care Corporation

Lessee Leases

Right to use lease asset activity for the year ended December 31, 2024, was as follows (dollars in thousands):

Right-to-Use Assets	\$ 2,347
Accumulated Amortization	<u>(1,923)</u>
Net Right-to-Use Assets	<u>\$ 424</u>

Lease Liability \$ 485

NHCC has entered into certain lease agreements that are collateralized by the underlying assets and bear interest at rates of approximately 5%.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

11. LEASES (Continued)

Nassau Health Care Corporation (Continued)

Lessee Leases (Continued)

The following is the activity of right-to-use lease liabilities for the year ended December 31, 2024 (dollars in thousands):

	NHCC		
	Principal	Interest	Total
2025	\$ 358	\$ 16	\$ 374
2026	127	3	130
Total	\$ 485	\$ 19	\$ 504

Lessor Leases

NHCC leases to independent third parties. The rental income under these lease agreements was approximately \$943 thousand in 2024. As of December 31, 2024, NHCC has lease receivables of approximately \$12,792 thousand and deferred inflows of resources of approximately \$11,109 thousand associated with these leases.

Activity of the lease inflows for the year ended December 31, 2024, is summarized as follows (dollars in thousands):

Lease Revenue	\$ 943
Deferred Inflow of Resources	11,109
Total Inflow of Resources	\$ 12,052

Lease Receivable \$ 12,792

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

12. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

Subscription Asset and Subscription Liability

The County is the licensee for various noncancelable Subscription Based Information Technology Arrangements (SBITAs). As the licensee, The County recognizes a SBITA Liability and SBITA Asset in the Statement of Net Position. The County had determined that one contractual agreement met this threshold for recognition under GASB 96 as of December 31, 2024. The County recognizes its subscription liability based on the individual contract stipulations.

During the current fiscal year, the County had no new material contractual agreements for information technology software license. The County maintains the existing contract with a subscription term of seven years starting from the County’s adoption date of January 1, 2023.

The County recorded the following at December 31, 2024 (dollars in thousands):

Subscription IT Assets	\$ 2,235
Accumulated Amortization	<u>(589)</u>
Subscription IT Assets, net	<u>\$ 1,646</u>
Subscription Liability	<u>\$ 1,618</u>

The County is required to make payments throughout the year for both principal and interest on the SBITA liability. The SBITA liability was measured using an interest rate of 2.44%, utilizing the County’s estimated incremental borrowing rate obtained from the County’s financial advisor.

Scheduled license payments for the years ending December 31 beginning in fiscal year 2025 are as follows (dollars in thousands):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 308	\$ 40	\$ 348
2026	316	32	348
2027	323	25	348
2028	331	17	348
2029	340	8	348
	<u>\$ 1,618</u>	<u>\$ 122</u>	<u>\$ 1,740</u>

Additionally, the County maintains software contracts that contain variable payments that are applicable under GASB 96. The variable payments are based upon the number of users on the platform, amount of storage used by the County and/or number of analytic products that the platform provides in the service period. For the year ended December 31, 2024, the County had outflows of resources of \$3.3 million in variable payments. The County did not incur expenses such as termination penalties or losses due to impairment related to its SBITA activities.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

12. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)
(Continued)

Subscription Asset and Subscription Liability (Continued)

Nassau Community College

NCC has recorded \$436 million as intangible right-to-use software arrangements in capital assets which met the criteria of a SBITA; thus, requiring it to be recorded by NCC as intangible assets and a SBITA liability. These assets are amortized over the lease terms.

The following is the activity of SBITA assets and liabilities for the year ended August 31, 2024 (dollars in thousands):

	August 31, 2023	Additions	Reductions	August 31, 2024
SBITA Assets	\$ 330	\$ 106	\$	\$ 436
Accumulated Amortization	70	138		208
SBITA Assets, net	<u>\$ 260</u>	<u>\$ (32)</u>	<u>\$</u>	<u>\$ 228</u>
SBITA Liability	<u>\$ 253</u>	<u>\$ 160</u>	<u>\$ 194</u>	<u>\$ 219</u>

NCC's SBITA liabilities are measured at the discounted present value of the expected future payments. The discount rate utilized was 3.72% for Unimarket and T2 Systems, and 4.29% for CampusCE.

Annual requirements to amortize long-term obligations and related interest are as follows:

	Principal	Interest	Total
2025	\$ 89	\$ 6	\$ 95
2026	64	2	66
2027	66		66
	<u>\$ 219</u>	<u>\$ 8</u>	<u>\$ 227</u>

Nassau Health Care Corporation

NHCC has entered into certain SBITA agreements that are collateralized by the underlying assets and bear interest at rates of approximately 5%.

The following is the activity of SBITA assets and liabilities for the year ended December 31, 2024 (dollars in thousands):

	December 31, 2023	Additions	Reductions	December 31, 2024
SBITA Assets	\$ 9,440	\$ 2,449	\$	\$ 11,889
Accumulated Amortization	3,392	3,862		7,254
SBITA Assets, net	<u>\$ 6,048</u>	<u>\$ (1,413)</u>	<u>\$</u>	<u>\$ 4,635</u>
SBITA Liability	<u>\$ 6,372</u>	<u>\$ 2,449</u>	<u>\$ 3,765</u>	<u>\$ 5,056</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

12. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)
(Continued)

Subscription Asset and Subscription Liability (Continued)

Nassau Health Care Corporation (Continued)

The following is a schedule by year of future contractual principal and interest (based on interest rates at December 31, 2024) payments on SBITA liabilities at December 31, 2024 (dollars in thousands):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 3,713	\$ 163	\$ 3,876
2026	597	54	651
2027	626	23	649
2028	120	1	121
	<u>\$ 5,056</u>	<u>\$ 241</u>	<u>\$ 5,297</u>

13. PUBLIC-PRIVATE PARTNERSHIPS (PPPs)

As of December 31, 2024, the County maintains various Service Concession Arrangements (SCAs) and Public-Private Partnerships (PPPs), that are required to be reported under GASB 94.

Dover License Permit Agreement (PPP)

In June of 2022, the County, acting by and through the Department of Parks, Recreation & Museums, entered into a public-private partnership arrangement with Dover Gourmet Corporation (Dover), under which Dover would operate and manage food services of the Nickerson Beach Park Facilities. The arrangement has an original term of 10 years with an optional renewal period of 2 years.

During the remaining terms of the agreement, the County will receive a flat fee payment each year payable in equally monthly installment payment ranging from \$25,000 to \$70,000 as defined in the payment schedule in the arrangement. The monthly installment payments were discounted at a rate of 3.4% when determining the PPP receivable. The County will also receive a fee from a percentage of gross receipts derived from Dover’s activities.

For the year ended December 31, 2024, the County reported revenue of \$32,442 from the installment payments receivable and \$246,455 for fees from a percentage of gross receipts. As of December 31, 2024, the County recorded \$2.1 million in assets and \$2.0 million in deferred inflow of resources.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

13. PUBLIC-PRIVATE PARTNERSHIPS (PPP) (Continued)**EGB Hospitality License Permit Agreement (SCA)**

In October of 2022, the County, acting by, and through the Department of Parks, Recreation & Museums, entered into a service concession arrangement with EGB Hospitality LLC (EGB) under which EGB would develop, facilitate, improve, and enhance the public use and enjoyment of the premises comprising of a restaurant, catering hall, cigar bar, and the golf course and other concessions, located at Eisenhower Park in East Meadow, NY. EGB would also operate a food service concession on the premises defined in the arrangement. The arrangement has an original term of 15 years that would start after the preliminary term of 15 months, with an optional renewal period of 5 years.

During the preliminary term, EGB was required to carry out significant capital improvements on the existing restaurants on the premises. The restaurants were open to the public on September 26, 2023. The County executed a new amendment which removed the flat fee structure and instead will collect payments under a revenue sharing arrangement based on a percentage (11.8%) of gross receipts from EGB each year. As a result, the County reversed the receivable for installment payments as well as the corresponding deferred inflow of resources balances to reflect the terms of the amended agreement.

The County recorded capital improvements assets of \$2.5 million during the current fiscal year along with a corresponding deferred inflow of resources. For the year ended December 31, 2024, the County reported revenue of \$1.7 million under the revenue sharing agreement. As of December 31, 2024, the County recorded an asset of \$7.3 million and a Deferred Inflow of Resources of \$7.3 million.

Long Island Swimming Agreement (SCA)

In 2014, the County, acting by and through the Department of Parks, Recreation & Museums, entered into a service concession arrangement with Long Island Swimming LTD (LI Swimming) under which LI Swimming would construct, develop, operate and maintain an adjacent first class indoor/outdoor auxiliary pool on a portion of the land in Eisenhower Park adjacent to the Aquatic Center, accommodating a wide range of sports, recreation, exhibition, wellness, public interests and community events. The arrangement has an original term of 20 years that would start after the preliminary term.

During the remaining terms of the SCA, the County will receive a flat fee payment each year payable in equally monthly installment payments ranging from \$62,089 to \$70,000, as defined in the payment schedule in the arrangement. The monthly installment payments were discounted at a rate of 3.4% when determining the PPP receivable.

For the year ended December 31, 2024, the County reported revenue of \$55,184 from the installment payments receivable. As of December 31, 2024, the County recorded \$3.6 million in assets and \$3.5 million in deferred inflow of resources.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

13. PUBLIC-PRIVATE PARTNERSHIPS (PPP) (Continued)**Morley Tennis Agreement (SCA)**

In 2009, the County, acting by, and through the Department of Parks, Recreation & Museums, entered into a service concession arrangement with Christopher Morley Tennis LLC (Morley) under which Morley would renovate, operate, and manage a tennis professional facility and pro-shop concession for the accommodation, enjoyment and convenience of the public located at Christopher Morley Park in Roslyn/North Hills, NY. The arrangement has an original term of 20 years, with an optional renewable period, that continues through the end of April 2035.

During the remaining terms of the SCA, the County will receive a flat fee payment each year payable in equally monthly installment payments ranging from \$129,000 to \$157,000, as defined in the payment schedule in the arrangement. The monthly installment payments were discounted at a rate of 3.4% when determining the PPP receivable. The County will also receive a fee from a percentage of gross receipts derived from Morley's activities.

For the year ended December 31, 2024, the County reported revenue of \$113,461 from the installment payments receivable and \$149,511 for fees from a percentage of gross receipts. As of December 31, 2024, the County recorded \$8.1 million in assets and \$8.0 million in deferred inflow of resources.

Twin Rinks Agreement (SCA)

In 2014, the County, acting by and through the Department of Parks, Recreation & Museums, entered into a service concession arrangement with Twin Rinks at Eisenhower, LLC (Twin Rinks) under which Twin Rinks would develop, facilitate, improve, and enhance an indoor public recreation indoor ice rink facility for the accommodation, enjoyment and convenience of the public located on a portion of the land in Eisenhower Park. The arrangement has an original term of 30 years.

During the remaining terms of the SCA, the County will receive a flat fee payment each year payable in equally monthly installment payment ranging from \$138,000 to \$180,000 defined in the payment schedule in the arrangement. The monthly installment payments were discounted at a rate of 3.57% when determining the PPP receivable.

For the year ended December 31, 2024, the County reported revenue of \$111,461 from the installment payments receivable. As of December 31, 2024, the County recorded \$40.8 million in assets and \$40.7 million in deferred inflow of resources.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

13. PUBLIC-PRIVATE PARTNERSHIPS (PPP) (Continued)**Nassau Community College**

NCC has entered into a ten-year service concession arrangement with Follett Higher Education (Follett) for the operations of NCC's bookstore. The arrangement incorporates yearly guaranteed commissions paid by Follett. The yearly payments are paid quarterly. NCC recorded a receivable and deferred inflow of \$2.2 million and \$2.7 million, respectively, for the present value of the total payments to be received over the term of the agreement.

The installation of the purchased equipment was completed, and it was put into service on September 1, 2018. NCC will retain the equipment purchased by Follett at the end of the contract period. NCC has included the equipment purchase and related installation costs totaling \$0.9 million, net of depreciation, as part of equipment in the capital assets section of the Statement of Net Position. NCC has also recorded a deferred inflow for the purchase to be amortized on a straight-line basis over the contract period. The amount of deferred inflow at August 31, 2024, is \$0.5 million. In the event the contract is terminated prior to its ten-year term, NCC will repay Follett for the unamortized portion of the equipment.

On April 15, 2024, NCC terminated its ten-year service concession arrangement with CulinArt Group, which has been serving as NCC's food service provider. As of August 31, 2024, NCC accrued \$0.7 million related to the termination of this agreement.

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS**County of Nassau Notes Payable and Long-Term Obligations**

In May 2024, the County issued Series A General Obligation Bonds in the amount of \$253.8 million. The Series A bonds bear interest at 4.0% and 5.0% with maturity dates ranging from April 2026 to April 2054. The Series A bonds maturing on or after April 1, 2035, are subject to optional redemption on April 1, 2034 or any date thereafter. The Series A bonds were issued to fund various public purposes, including capital projects, and to pay costs of issuance.

In September 2024, Series 2024B Refunding Bonds were issued to the County through New York State Environmental Facilities Corporation (EFC) State Revolving Fund in the amount of \$1.015 million. The Series 2024B refunding bonds bear interest ranging from 4.565% to 4.595% with maturity dates ranging from November 2024 to November 2028. The bonds were issued by EFC as a refinancing initiative on behalf of the County and other municipalities that previously financed projects through the Clean Water and Drinking Water State Revolving Funds Series 2014B bonds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

County of Nassau Notes Payable and Long-Term Obligations (Continued)

Long – Term Obligations

General long-term obligations of the County, NIFA, NCTSC and NCSSWFA are recorded in the government-wide Statement of Net Position. The debt of NCTSC is paid by NCTSC tobacco settlement revenue. The amounts including the range of interest rates, issue dates, and maturity dates, are as follows (dollars in thousands):

	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024	Due Within One Year
General Long-Term Obligations					
Debt:					
General Obligation County Bonds - (2.00% to 5.375%, issued in 2009 through 2024, maturity dates 2025 through 2054)	\$ 1,724,026	\$ 253,829	\$ 116,305	\$ 1,861,550	\$ 75,180
State Revolving Fund Bonds - (1.287% to 6.182%, issued in 2011 through 2024, maturity dates 2025 through 2053)	314,604	1,015	15,343	300,276	11,578
Total Serial Bonds - County	<u>2,038,630</u>	<u>254,844</u>	<u>131,648</u>	<u>2,161,826</u>	<u>86,758</u>
Sales Tax Secured Bonds - NIFA, (0.709% to 5%, issued in 2015 through 2024, maturity dates 2025 through 2035)	1,079,820	132,960	214,768	998,012	92,875
Nassau County Sewer and Storm Water Finance Authority System Revenue Bonds Series 2014A (5.0%, issued in 2014, maturity dates 2025 through 2034)	61,055		10,285	50,770	8,640
Tobacco Settlement Asset-Backed Bonds, Series 2006 (5.0% to 7.35%, issued in 2006, maturity dates 2026 through 2060)	381,805		825	380,980	
Total Serial Bonds - NIFA, NCSSWFA, NCTSC	<u>1,522,680</u>	<u>132,960</u>	<u>225,878</u>	<u>1,429,762</u>	<u>101,515</u>
Total Serial Bonds	<u>3,561,310</u>	<u>387,804</u>	<u>357,526</u>	<u>3,591,588</u>	<u>188,273</u>
Accreted interest - Tobacco Settlement Asset Backed Bonds	122,070	11,138	144	133,064	
Total Serial Bonds and Accreted Interest	<u>3,683,380</u>	<u>398,942</u>	<u>357,670</u>	<u>3,724,652</u>	<u>188,273</u>
Deferred Bond Premium/Discount (net of amortization)	368,032	25,624	28,571	365,085	11,029
Total Serial Bonds and accreted interest, net of deferred bond premium/discount	<u>\$ 4,051,412</u>	<u>\$ 424,566</u>	<u>\$ 386,241</u>	<u>\$ 4,089,737</u>	<u>\$ 199,302</u>
Total Long-Term Bonds and accreted interest, net of deferred bond premium/discount and Long-Term Bond Anticipation Notes	<u>\$ 4,051,412</u>	<u>\$ 424,566</u>	<u>\$ 386,241</u>	<u>\$ 4,089,737</u>	<u>\$ 199,302</u>

There were no long-term bond anticipation notes outstanding at December 31, 2024.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

County of Nassau Notes Payable and Long-Term Obligations (Continued)

Long – Term Obligations (Continued)

Other long-term obligations of the County and NIFA, are recorded in the government-wide Statement of Net Position. The amounts are as follows (dollars in thousands):

	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024	Due Within One Year
Balances carried forward	\$ 4,051,412	\$ 424,566	\$ 386,241	\$ 4,089,737	\$ 199,302
Other:					
Compensated Absences*	643,336		2,439	640,897	55,719
Arbitrage Liability		1,033		1,033	
Deferred Payroll	49,884	5,083	16,828	38,139	8,161
Estimated Liability for Workers' Compensation	308,691	44,402	36,800	316,293	38,373
Estimated Tax Certiorari Liability**	238,352	21,397	42,319	217,430	74,000
Estimated Liability for Litigation	475,525		99,844	375,681	7,623
Subscription-Based IT Arrangements (SBITA) Liability	1,919		301	1,618	308
Lease Liability	128,336		9,227	119,109	8,610
Pollution Remediation	1,785		35	1,750	
Contractual Liability due to NHCC	230,269		7,231	223,038	14,734
Net Pension Liability - Employee Retirement System (ERS)	345,715	102,176	221,482	226,409	
Net Pension Liability - Police and Fire Retirement System (PFRS)	480,968	145,959	223,587	403,340	
OPEB Liability	6,148,070	1,176,834	298,965	7,025,939	280,786
Total Other	9,052,850	1,496,884	959,058	9,590,676	488,314
Total General Long-Term Obligations	\$ 13,104,262	\$ 1,921,450	\$ 1,345,299	\$ 13,680,413	\$ 687,616

* Restated for cumulative effect of change in accounting principle for implementation of GASB Statement No. 101; the amounts noted as a reduction represent a net decrease in the compensated absence liability.

** The amount reported in this table is exclusive of the governmental funds tax certiorari payable of \$11,316 (current portion of \$4,367 and long-term portion of \$6,949) and property tax refund payable of \$18,484. The total estimated certiorari payable presented in the government-wide statements is \$247,230. See Note 23(B).

Pension Costs for employees are paid by the General Fund, Police District Fund, Sewer and Storm Water District Fund, depending on where the employee is assigned to work, while OPEB costs are charged to the final fund to which the employee was assigned and worked before severing from the County. Where permissible by grantors the Grant Fund may be charged pension costs for employees who are assigned to the program and are eligible for reimbursement under the program.

In 2024, the proceeds from the issuance of long-term serial bonds by the County and its blended component units are used to fund various purposes including capital asset purchases and non-capitalizable project expenditures. As of December 31, 2024, total serial bonds outstanding were \$3.7 billion which were issued to provide funding for tax certiorari claims and bonded operating expenses; capitalizable assets; non-capitalizable project expenditures; debt on capital assets of NCC; and debt on capital assets of NHCC and its affiliates that are no longer the County's assets. Included in the total serial bonds outstanding is approximately \$0.9 billion related to State Water Pollution Control Revolving Fund, Sewage Purpose, NCSSWFA, and NCTSC bonds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

County of Nassau Notes Payable and Long-Term Obligations (Continued)

Long – Term Obligations (Continued)

Revenues from the Special Revenue Sewer Funds will be utilized to finance the debt service for the sewer and storm water purpose bonds and a portion of the State Water Pollution Control Revolving Fund revenue bonds. County general obligation bonds issued for environmental protection are financed by the Environmental Protection Fund. All other County debt service will be financed by the General Fund. For the governmental activities, claims and judgments are generally liquidated by the General Fund and compensated absences are liquidated principally by the General and Police Funds. Deferred payroll and net pension liability are liquidated based on the assigned location of the employee in each fund.

The annual requirements and sources to amortize the County’s General Improvement serial bonds payable as of December 31, 2024, are as follows (dollars in thousands):

Years Ending December 31,	Debt Service Requirements					
	Principal		Interest		Total	
	General County Budgets	Sewer District Budgets	General County Budgets	Sewer District Budgets	General County Budgets	Sewer District Budgets
2025	\$ 75,180	\$ 11,578	\$ 90,638	\$ 10,909	\$ 165,818	\$ 22,487
2026	83,950	9,461	82,888	10,562	166,838	20,023
2027	90,920	9,646	79,107	10,277	170,027	19,923
2028	55,010	9,827	74,620	9,985	129,630	19,812
2029	46,505	9,363	71,816	9,695	118,321	19,058
2030-2034	298,320	45,618	314,512	44,461	612,832	90,079
2035-2039	391,910	49,652	231,799	36,778	623,709	86,430
2040-2044	365,465	54,869	139,244	27,066	504,709	81,935
2045-2049	284,380	59,510	67,571	15,532	351,951	75,042
2050-2054	169,910	40,752	13,951	3,236	183,861	43,988
Total	\$1,861,550	\$ 300,276	\$ 1,166,146	\$ 178,501	\$3,027,696	\$ 478,777

At December 31, 2024, the County’s legal debt margin was approximately \$21.6 billion and total long-term obligation bonds authorized but unissued for general County and sewage district purposes were approximately \$1.8 billion.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NIFA Long-Term Obligations

A summary of changes in long-term debt for the blended component unit is as follows (dollars in thousands):

	(As Restated) Balance at January 1, 2024	Additions	Reductions	Balance at December 31, 2024	Due Within One Year
Bonds payable:					
Sales tax secured bonds payable	\$ 1,079,820	\$ 132,960	\$ 214,768	\$ 998,012	\$ 92,875
Premiums	160,825	13,378	15,869	158,334	
Total bonds payable	<u>1,240,645</u>	<u>146,338</u>	<u>230,637</u>	<u>1,156,346</u>	<u>92,875</u>
Lease liability	1,032		51	981	76
Total OPEB Liability	2,738	656	132	3,262	165
Net pension liability	195	82	96	181	
Compensated absences liability*	<u>586</u>		<u>54</u>	<u>532</u>	<u>97</u>
Total long-term debt	<u>\$ 1,245,196</u>	<u>\$ 147,076</u>	<u>\$ 230,970</u>	<u>\$ 1,161,302</u>	<u>\$ 93,213</u>

*Restated for the cumulative effect of the change in accounting principle for the implementation of GASB Statement No. 101

The change in the compensated absences liability reflected in the table above is the net change in the liability. The lease payable, compensated absences liability, net pension liability and total OPEB liability will be liquidated through the NIFA Fund.

Bonds of NIFA are issued pursuant to an indenture, as supplemented and amended, (the Indenture) between NIFA and the United States Trust Company of New York and its successor, The Bank of New York Mellon (the Trustee), under which NIFA has pledged its right, title, and interest in revenues of NIFA to secure repayment of NIFA debt. The Act provides that NIFA's pledge of its revenues represents a perfected first security interest on behalf of holders of its bonds.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NIFA Long-Term Obligations (Continued)

The lien of the Indenture on the revenues for the security of NIFA bonds is prior to all other liens thereon. NIFA does not have any significant assets or sources of funds other than sales tax revenue and amounts on deposit pursuant to the Indentures. NIFA does not have independent taxing power.

Pursuant to the Act, as amended, no bond of NIFA may mature later than January 31, 2051.

As of December 31, 2024, NIFA had outstanding fixed rate sales tax secured bonds in the amount of \$998.0 million maturing at various dates through the year 2035. The Series 2021A bonds maturing on or after November 15, 2031, are subject to optional redemption or mandatory tender prior to their stated maturity dates, in whole or part, on any date on or after May 15, 2031, at 100% of the principal amounts plus accrued interest at date of redemption.

The 2021B bonds are subject to optional redemption or mandatory tender prior to their stated maturity dates, in whole or part on any date, at 100% of the principal amounts or at the present value of the remaining scheduled principal and interest discounted to the redemption date plus 5 basis points for those bonds maturing in 2025, 2027, and 2029 or plus 10 basis points for bonds that mature in 2026, 2028, and 2030.

The 2024A bonds are not subject to redemption prior to maturity.

Fixed Rate Bonds - NIFA’s outstanding bonds bear interest at rates ranging between 0.709% and 5.0%. Interest on NIFA bonds is payable on May 15th and November 15th of each year. Principal on all bonds is payable on November 15th. A debt service account has been established under the Indenture to provide for the payment of interest and principal of bonds outstanding under the Indenture. The Trustee makes monthly deposits to the debt service account in the amount of debt service accrued through the end of that month. This monthly deposit is essentially one-sixth of the next interest payment and one-twelfth of the next principal payment. Because of this monthly deposit requirement, the amount accrued for debt service (“debt service set aside”) in NIFA’s financial statements in any year will not be the same as the debt service on the bonds paid to bondholders in that year.

Aggregate debt service to maturity, pursuant to the stated terms of the bond indenture agreements, as of December 31, 2024, is as follows (dollars in thousands):

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 92,875	\$ 35,958	\$ 128,833
2026	77,605	34,348	111,953
2027	76,570	32,906	109,476
2028	99,822	31,240	131,062
2029	106,080	28,850	134,930
2030 - 2034	457,430	83,065	540,495
2035	87,630	3,945	91,575
	<u>\$ 998,012</u>	<u>\$ 250,312</u>	<u>\$ 1,248,324</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NCSSWFA Long-Term Obligations

A summary of changes in long-term debt for the blended component unit are as follows (dollars in thousands):

	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024	Due within One Year
Revenue bonds payable:					
Series 2014A	\$ 61,055	\$	\$ 10,285	\$ 50,770	\$ 8,640
Premiums	10,369		1,954	8,415	
Total bonds payable	<u>\$ 71,424</u>	<u>\$</u>	<u>\$ 12,239</u>	<u>\$ 59,185</u>	<u>\$ 8,640</u>

According to the 2014 Financing Agreement, the County is required to levy assessments and/or impose charges each year of no less than 200% of NCSSWFA’s fiscal year’s debt service payment requirements over the life of the debt. The 2014 General Revenue Bond Resolution, dated as of October 1, 2014, requires that NCSSWFA pledged those revenues to the trustee as security for the debt service payments. The 2014 System Revenue Bonds proceeds were used to refinance outstanding NCSSWFA bonds previously issued for capital improvements to the sewer and storm water system, to fund additional capital improvements thereto, and to pay costs of issuance.

The bonds bear interest at a rate of 5%. Aggregate debt service to maturity for NCSSWFA bonds as of December 31, 2024, excluding premiums, are as follows (dollars in thousands):

Years Ending December 31,	Principal	Interest	Total
2025	\$ 8,640	\$ 2,539	\$ 11,179
2026	9,075	2,106	11,181
2027	9,530	1,653	11,183
2028	10,000	1,176	11,176
2029	1,990	676	2,666
2030-2034	<u>11,535</u>	<u>1,787</u>	<u>13,322</u>
	<u>\$ 50,770</u>	<u>\$ 9,937</u>	<u>\$ 60,707</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)**NCTSC Long-Term Obligations**

In 1999, the NCTSC issued \$294.5 million of the 1999 Bonds. On April 5, 2006, NCTSC issued \$431.0 million of Tobacco Settlement Asset-Backed Bonds, Series 2006 (Series 2006 Bonds) pursuant to an Amended and Restated Indenture dated as of March 1, 2006 (the Indenture). The Series 2006 Bonds consisted of the Series 2006A-1 Taxable Senior Current Interest Bonds of \$42.6 million, the Series 2006A-2 Senior Convertible Bonds of \$37.9 million, the Series 2006A-3 Senior Current Interest Bonds of \$291.5 million, and the Series 2006B-E Subordinate Capital Appreciation Bonds (CAB) of \$58.9 million. Unless otherwise indicated, defined terms have the meanings ascribed to them in the Offering Circular for the Series 2006 Bonds dated March 31, 2006.

NCTSC used the proceeds from the Series 2006 Bonds, along with other funds, to: (i) refund all of the 1999 Bonds then-currently outstanding in the aggregate principal amount of \$272.1 million; (ii) fund a Senior Liquidity Reserve for the Series 2006 Senior Bonds of \$24.0 million; (iii) pay the costs of issuance of the Series 2006 Bonds; (iv) fund certain projected requirements for the Operating Account; (v) fund interest on the Series 2006 Bonds through the December 1, 2007 payment; and (vi) pay certain amounts to the NCTSC Residual Trust as registered owner of the Residual Certificate. Pursuant to the Indentures, Tobacco Settlement Revenues (TSRs) received on or after April 1, 2008, are subject to the lien of the Indenture. Interest and principal paid on these bonds in 2024 totaled \$16.7 million and \$0.97 million, respectively.

Any additional revenues received above the required debt service payments are required to fund sinking fund installments and/or Turbo Redemptions. NCTSC received TSRs that were sufficient to meet the minimum debt service interest of \$16.7 million on its Series 2006 Bonds during 2024 as well as a turbo payment in the amount of \$0.97 million. In accordance with the Indenture Agreement, the Senior Liquidity Reserve Account was underfunded at its required level by \$7.6 million on December 31, 2024.

Payments with respect to the Series 2006 Bonds are dependent upon receipt of TSRs. The Series 2006 Bonds are special obligations of NCTSC payable solely from the pledged revenues, the Senior Liquidity Reserve Account and other funds and accounts as provided in the Indenture. NCTSC has no other assets available for the payment of the Series 2006 Bonds. NCTSC is the sole entity responsible for paying its debt.

Failure to pay when due any interest or principal on Bonds, will constitute an event of default.

Pursuant with the terms of the Series 2006 Bonds in an event of default, until all senior bonds are no longer outstanding, NCTSC's trustee will apply all required funds pro rata, first, to the accrued interest on the Senior Current Interest Bonds and Swap Payments, and second, principal or accreted value of all Series 2006 Bonds then outstanding. Then until all first subordinate bonds are no longer outstanding, NCTSC's trustee will apply all required funds pro-rata, to the accreted value on all first subordinate bonds outstanding. The same payment application applies to the remaining bonds in sequential order of their subordination.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NCTSC Long-Term Obligations (Continued)

The amount of TSRs received is dependent on many factors, including, but not limited to, future domestic cigarette consumption, the financial capability of the Participating Manufacturers (the PMs), litigation affecting the Master Settlement Agreement (MSA) and related legislation and enforcement of state legislation related to the MSA and the tobacco industry. Payments by the PMs under the MSA are subject to certain adjustments, which may be material. See Note 1, *Summary of Significant Accounting Policies, Reporting Entity, Blended Component Units (b) The Nassau County Tobacco Settlement Corporation*, for a discussion of the conditions that raise substantial doubt on NCTSC's ability to continue as a going concern.

A summary of the changes in long-term liabilities for the NCTSC for the year ended December 31, 2024, are as follows (dollars in thousands):

	Balance			Balance		Due within
	January 1, 2024	Additions	Reductions	December 31, 2024	One Year	
Bonds Payable	\$ 381,804	\$	\$ 824	\$ 380,980	\$	
Plus: Accreted interest	122,072	11,138	146	133,064		
Less: Bond discount	(3,942)	282		(3,660)		
Total bonds payable	\$ 499,934	\$ 11,420	\$ 970	\$ 510,384	\$	

Bonds outstanding and amounts including accretion since issuance at December 31, 2024, are as follows (dollars in thousands):

Description	Original Date Issued	Original Amount	Interest Rate	Maturity Date	Amount Outstanding	Amount Outstanding Including Acc. Interest
2006A2	4/5/2006	\$ 37,906	5.25%	6/1/2026	\$ 30,497	\$ 35,915
2006A3 (2035)	4/5/2006	97,005	5.00%	6/1/2035	97,005	97,005
2006A3 (2046)	4/5/2006	194,535	5.13%	6/1/2046	194,535	194,535
2006B	4/5/2006	10,670	5.80%	6/1/2046	10,670	31,153
2006C	4/5/2006	9,867	6.00%	6/1/2046	9,867	29,878
2006D	4/5/2006	37,604	6.40%	6/1/2060	37,604	122,456
2006E	4/5/2006	802	7.35%	6/1/2060	802	3,102
					\$ 380,980	514,044
					Unamortized Bond Discount	(3,660)
						\$ 510,384

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NCTSC Long-Term Obligations (Continued)

The following table summarizes NCTSC’s minimum future debt service requirements as of December 31, 2024 (dollars in thousands):

Years Ending December 31,	Principal	Interest	Total
2025	\$	\$ 16,706	\$ 16,706
2026	30,497	21,181	51,678
2027		14,820	14,820
2028		14,820	14,820
2029		14,820	14,820
2030-2034		74,101	74,101
2035-2039	97,005	52,275	149,280
2040-2044		49,850	49,850
2045-2049	215,072	206,382	421,454
2050-2054			
2055-2059			
2060	38,406	1,141,808	1,180,214
	<u>\$ 380,980</u>	<u>\$ 1,606,763</u>	<u>\$ 1,987,743</u>

Nassau Community College Long-Term Obligations

Long-term liability activity for the year ended August 31, 2024, are as follows (dollars in thousands):

	Balance at August 31, 2023 (Restated)	Additions	Reductions	Balance at August 31, 2024	Due within one Year
Due to County - ERS deferral	\$ 6,354	\$	\$	\$ 6,354	\$
Due to County - Long-Term Note	3,459		945	2,514	989 *
Deposits held in custody for others	3		3		
Accrued Compensated Absences **	56,978		1,915	55,063	
Accrued Liabilities - termination pay	8,796		5,995	2,801	2,031
Estimated liability for litigation	150			150	
Other Liability - long-term	758		758		
Lease Liability	6,559		962	5,597	1,108
Net pension liability (asset) TRS	1,328		4,852	(3,524)	
Net pension liability (asset) ERS	20,523		7,991	12,532	
Other Postemployment Benefits	458,069	75,158		533,227	18,666
Subscription Based Information Technology Arrangements	253	160	195	218	89
Total long-term notes and liabilities	<u>\$ 563,230</u>	<u>\$ 75,318</u>	<u>\$ 23,616</u>	<u>\$ 614,932</u>	<u>\$ 22,883</u>

*This amount is included in the due to primary government reported as current liabilities in Exhibit X-12.

**The change in the compensated absences liability is presented as a net change.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Nassau Community College Long-Term Obligations (Continued)

As of August 31, 2024, principal and interest payments for the Due to County – long-term note are as follows (dollars in thousands):

<u>Years Ending August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 989	\$ 88	\$ 1,077
2026	745	42	787
2027	780	3	783
Total	<u>\$ 2,514</u>	<u>\$ 133</u>	<u>\$ 2,647</u>

Dormitory Authority – State of New York - NCC has entered into financing agreements with the Dormitory Authority – State of New York (DASNY) for the purpose of financing the State’s one-half share of various capital construction costs. The bonds are special obligations of DASNY, payable from amounts to be appropriated each year by the State pursuant to a provision of the State Education Law, and from monies in the debt service reserve fund held by the trustee. The amounts to be appropriated annually are assigned under the agreement from the County to DASNY. DASNY has no taxing power. Accordingly, under the constitution of the State, the availability of funds to make annual payments is subject to annual appropriations being made by the State Legislature. The State Education Law that allows the State to make these appropriations does not constitute a legally enforceable obligation of the State and the State is not legally required to appropriate such funds. The bonds are not a debt of the State, and the State is not liable for them.

No revenue or assets of NCC or the County have been pledged or will be available to pay the debt service on the DASNY bonds. The County has not pledged its full faith and credit to the payments of principal and interest on the bonds. DASNY will not have title to, a lien on, or a security interest in any of the projects being financed by the bonds or in other property of the County or NCC.

Nassau County - The County has issued general obligation serial bonds for various NCC construction projects. This debt is the obligation of the County. No revenues or assets of NCC have been pledged or will be available to pay debt service on the bonds. The County has pledged its full faith and credit to the payment of principal and interest on the bonds.

NCC recognized \$14.7 million in capital contributions for contributions of fixed assets in the fiscal year ended August 31, 2024.

During fiscal year 2016, the County issued general obligation bonds of which a portion of the proceeds was used for NCC termination pay. NCC has included a liability in the amount of \$2.5 million related to these bonds in the Due to Primary Government balance in the Statement of Net Position.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Nassau Health Care Corporation Long-Term Obligations

The schedule of the changes in the NHCC’s long-term liabilities for 2024 are as follows (dollars in thousands):

	Balance at January 1, 2024 (Restated)	Additions	Reductions	Balance at December 31, 2024	Due within one year
Bonds Payable, net	\$ 118,485	\$	\$ 19,199	\$ 99,286	\$ 15,980
Third party liabilities	50,287	27,178	13,736	63,729	2,746
Compensated Absences*	96,798	23,191	28,833	91,156	9,116
Self insurance liability	79,306	11,289	5,169	85,426	12,926
Accrued pension benefits	154,910		44,073	110,837	
Postemployment health insurance	731,911	145,626	23,762	853,775	22,625
Lease and SBITA liabilities	7,222	2,560	4,241	5,541	4,071
Other	33,957	36,520	38,318	32,159	1,375
Total long-term liabilities	<u>\$ 1,272,876</u>	<u>\$ 246,364</u>	<u>\$ 177,331</u>	<u>\$ 1,341,909</u>	<u>\$ 68,839</u>

*Balance restated due to the adoption of GASB 101

NHCC has long-term debt at December 31, 2024, which consisted of the following (dollars in thousands):

Series 2009 Tax Exempt Bonds bearing fixed rate interest of 5% per annum. Interest is payable semi-annually on August 1 and February 1 of each year through Bond maturity on August 1, 2029. Bond principal is payable annually on August 1 of each year through Bond maturity on August 1, 2029.

Series 2009 Tax Exempt Bonds outstanding	\$ 84,455
Bond Premium, net of amortization of \$10,791	14,132
Other	699
Total long-term debt	<u>99,286</u>
Current portion	15,980
Long-term portion	<u>\$ 83,306</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

14. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Nassau Health Care Corporation Long-Term Obligations (Continued)

NHCC is the primary obligor for its bond issues. In addition, Nassau County guarantees, absolutely, irrevocable and unconditionally to the Bond Trustee and all the bond owners, the full and prompt payment of scheduled principal and interest of the bonds, under a guaranty issued by the County pursuant to an ordinance adopted by the County dated March 1, 2009. The guaranty cannot be amended without the consent of the trustee (on behalf of the holders of the Bonds). The County has not been called upon to make any payments under the guaranty.

Pursuant to the Stabilization Agreement and, subsequently, the Successor Agreement, the County deposits amounts owed to NHCC, in an escrow account reserved for payment of the Bonds. The Amendment directs the County to first apply amounts due NHCC to bond debt service by deposit of such payments with the bond trustee. Any funds in excess of the debt service requirements should be paid directly to NHCC.

In April 2009, NHCC issued multi-modal Variable Rate Demand Bonds (VRDB), Refunding Bonds. In connection with the issuance of the April 2009 Bonds, NHCC incurred a loss on refunding (the difference between the reacquisition price and the net carrying amount of the old debt) which is classified as a deferred outflow of resources. Amortization of the deferred loss was \$3.7 million for the year ended December 31, 2024, and accumulated amortization as of December 31, 2024, was \$19.4 million.

The outstanding Series 2009 Bonds were subsequently re-issued on July 1, 2021, pursuant to a remarketing of the prior Series 2009A (Federal Taxable), Series 2009 B, C and D (Non-Taxable) VRDB which had been in place since April 2009. The primary purpose of the remarketing of the bonds in 2021 was to eliminate market risks associated with the VRDB's as well as the requirements for swap agreements and letters of credit that had been in place in conjunction with the VRDB structure. The remarketing of the bonds resulted in the newly designated Series 2009 non-taxable, fixed rate instruments in which the proceeds and the premium were used to terminate SWAPS's prior VRDB structure, downsize the outstanding principal balance and pay the cost of issuance. No significant economic gain or loss nor change in cash flow resulted from the remarketing.

Principal payments on the Series 2009 Bonds are due annually on August 1. Interest payments are due semi-annually, payable on February 1 and August 1. Payments applicable to long-term debt for years subsequent to December 31, 2024, are as follows (dollars in thousands):

Years Ending December 31,	Principal	Estimated Interest	Total
2025	\$ 15,980	\$ 4,223	\$ 20,203
2026	16,420	3,424	19,844
2027	16,890	2,603	19,493
2028	17,340	1,758	19,098
2029	17,825	891	18,716
	\$ 84,455	\$ 12,899	\$ 97,354

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

15. REFINANCING OF LONG-TERM OBLIGATIONS**Defeasance of Debt**

Prior to December 31, 2024, the County defeased certain general obligation bonds and combined sewer district bonds by refinancing them and placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. As of December 31, 2024, approximately \$82.7 million of outstanding bonds (including NCSSWFA) are considered defeased.

NIFA Refunding

During 2024, NIFA retired/currently refunded \$161.7 million of Series 2021B of fixed rate sales-tax secured bonds, at a discount of \$16.8 million, by issuing refunding bonds (sales-tax secured) in a par amount of \$133.0 million (Series 2024) at a premium of \$13.4 million and utilization of \$0.4 million of NIFA's investments held for debt service. The refunding resulted in an estimated gain of \$8.8 million of future cash flow savings, with an estimated present value gain of \$8.0 million. The difference between the reacquisition prices and the net carrying values of the refunded bonds generated deferred accounting gains, resulting in deferred inflows of resources. The accounting gain was \$19.7 million, which will be amortized as an adjustment to interest expense.

NIFA Defeasance of Debt

In prior years and the current year, NIFA defeased certain bonds by placing the proceeds of the new bonds in an irrevocable escrow account (the "Trust") to provide for all future debt service payments on the old bonds. Accordingly, the Trust account assets and the liability for the defeased bonds are not included in NIFA's financial statements. At December 31, 2024, there are no defeased bonds outstanding.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

16. PENSION PLANS***Plan Description***

The County, NIFA, NCC, and NHCC participate in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as the New York State and Local Retirement System (the System). These are cost-sharing multiple-employer defined benefit retirement systems. 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 (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The 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. NYS implemented a new Voluntary Defined Contribution Program (VDC). County employees may also elect to participate in the VDC, a defined contribution retirement program, established under Chapter 18 of the Laws of 2012 which amended portions of the RSSL. Beginning July 1, 2013, the VDC plan option was made available to all unrepresented employees hired on or after July 1, 2013, and earning a full-time rate of \$75,000 or more on an annual basis. Employees receiving pension benefits from a public retirement system in NYS are not eligible to join or continue active participation in the VDC. An employer contribution of 8% of salary will be made for the duration of employment based on annual wages in a given calendar year. Employee contributions, also required for the duration of employment, range from 3-6% based upon estimated gross annual wages in a given calendar year. Benefits are determined by the amount contributed each year and the success of the investments.

The County, NIFA, NCC and NHCC also participate in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

16. PENSION PLANS (Continued)**Benefits Provided**

The System provides retirement benefits as well as death and disability benefits.

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2.0% of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20% of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% of the average of the previous two years.

Tiers 3, 4, and 5

Eligibility: Tiers 3, 4 and 5 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tiers 3, 4 and 5 members with five or more years of service may retire as early as age 55 with reduced benefits. Tiers 3 and 4 members, age 55 or older with 30 or more years of service, may retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tiers 3, 4, and 5 members, each year of final average salary is limited to no more than 10% of the average of the previous two years.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

16. PENSION PLANS (Continued)**Benefits Provided (Continued)**Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2.0% of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10% of the average of the previous two years.

Special Plans

The 25-Year Plans allow retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allows retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

Disability Retirement Benefits

Disability retirement benefits are available to members unable to perform their job duties because of permanent, physical or mental capacity. There are three types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility, benefit amounts, and other rules such as offsets or other benefits depend upon a member's tier years of service plan.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, for a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

16. PENSION PLANS (Continued)**Benefits Provided (Continued)****Post-Retirement Benefit Increases**

A cost-of-living adjustment is provided annually to: 1) all pensioners who have attained age 62 and have been retired for five years; 2) all pensioners who have attained age 55 and have been retired for ten years; 3) all disability pensioners, regardless of age, who have been retired for five years; 4) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and 5) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50% of the annual Consumer Price Index as published by the U.S. Bureau of Labor but cannot be less than 1% or exceed 3%.

Funding Policy

The System is noncontributory except for those members who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3% of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

Under the authority of the NYSRSSL, the State Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. The County's actual contributions were equal to 100% of the actuarially required amounts for the plan year ended March 31, and included additional contributions to fund various early retirement incentives made available to County employees and prior service credits. The credits and miscellaneous adjustments represent modifications made by the NYSERS for prior years' contributions due to differences between estimated and actual salaries for the plan year. NCC's employees who are ERS members are included in the County's records with the NYSRSSL. The State calculates the County's (including NCC) required annual contribution payment using these contribution rates and the projected retirement earnings of the County's (and NCC's) current employees. NCC reimburses the County annually for its share of the pension costs attributed to its employees who are ERS members.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

16. PENSION PLANS (Continued)

Funding Policy (Continued)

2024 Contributions based on the State fiscal year ending March 31, 2024, for ERS and PFRS members were as follows (in thousands of dollars):

	<u>Annual Required Contribution</u>	<u>Credit & Miscellaneous Adjustments</u>	<u>Prepayment Discount</u>	<u>Amortization/ Deferral</u>	<u>Total Payment</u>
ERS	\$ 73,793	\$ 82	\$	\$	\$ 73,875
PFRS	107,219	(510)			106,709

The contractually required contributions recorded by the County, inclusive of blended component units, for the year ended December 31, 2024, were as follows (in thousands):

	<u>Contractually Required Contribution</u>
ERS	\$ 77,912
PFRS	\$ 130,273

Deferred Pension Contributions - NHCC

NYSRSSL Chapter 57 of the Laws of 2010 authorized the New York State and local employers to amortize over 10 years at 2.85% (2018), 2.33% (2017), 3.21% (2016), 3.15% (2015) and 3.67% (2014) interest, the portion of their annual bill that exceeded 14.9%, 15.1%, 14.5%, 13.5% and 12.5% of payroll for its 2018, 2017, 2016, 2015 and 2014 pension bills, respectively. There was no deferral of pension contributions subsequent to 2018. Total amount due at December 31, 2024 related to these deferred pension contributions is approximately \$3.8 million, of which \$0.7 million is included in current liabilities and \$3.1 million included as part of other long-term liabilities.

Net Pension Liabilities/(Assets) Pension Expense, Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pension

At December 31, 2024 the County (inclusive of NIFA), reported a liability of \$629.7 million for its proportionate share of the net pension liabilities/(assets) of the System. The net pension liability/(asset) was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2023, with updated procedures to roll forward the total pension liability to March 31, 2024. The County's proportion of the net pension liability/(asset) was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

16. PENSION PLANS (Continued)

Net Pension Liabilities/(Assets) Pension Expense, Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pension (Continued)

Below is the County’s (inclusive of NIFA), NCC’s, and NHCC’s proportionate share of the net pension liability of the System and its related employer allocation percentage (in thousands of dollars).

	Primary Government				Major Discretely Presented Component Units		
	County		NIFA		NCC		NHCC
	ERS	PFRS	ERS	Total	ERS	TRS	ERS
Measurement Date	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	March 31, 2024	June 30, 2024	March 31, 2024
Net Pension Liability (Asset)	\$ 226,228	\$ 403,340	\$ 181	\$ 629,749	\$ 12,532	\$ (3,524)	\$ 110,837
Allocation of the System's Total Net Liability (Asset)	1.54%	8.51%	0.00%		0.09%	0.12%	0.75%

There was no significant change in the County’s (inclusive of NIFA), NCC’s, and NHCC’s proportionate share from March 31, 2023 to March 31, 2024.

For the year ended December 31, 2024, the County, exclusive of component units, recognized pension expense of \$248.1 million (\$102.7 million for ERS and \$145.4 million for PFRS).

At December 31, 2024, the County (inclusive of NIFA), NCC and NHCC reported deferred outflows and inflows of resources related to ERS and PFRS pensions from the following sources (in thousands of dollars):

	Primary Government						Major Discretely Presented Component Units			
	Deferred Outflows of Resources			Deferred Inflows of Resources			Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	PFRS	Total	ERS	PFRS	Total	NCC*	NHCC	NCC*	NHCC
Differences between expected and actual experience	\$ 72,943	\$ 124,277	\$ 197,220	\$ 6,175	\$	\$ 6,175	\$ 4,037	\$ 35,700	\$ 342	\$ 3,023
Changes of assumptions	85,619	152,157	237,776				4,738	9,149		
Net difference between projected and actual earnings on pension plan investments				110,625	109,499	220,124			6,122	54,143
Changes in proportion and differences between the employer's contribution and proportionate	27,154	15,177	42,331	18,535	6,521	25,056	1,499	41,905	1,026	583
Employer's contribution subsequent to the measurement date, net of prepaid amounts	60,388	103,594	163,982				1,813			
Total	\$ 246,104	\$ 395,205	\$ 641,309	\$ 135,335	\$ 116,020	\$ 251,355	\$ 12,087	\$ 86,754	\$ 7,490	\$ 57,749

*Amounts are reported for the year ended August 31, 2024

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

16. PENSION PLANS (Continued)

Net Pension Liabilities/(Assets) Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

For the year ended August 31, 2024, NCC recognized a reduction to pension expense of \$0.2 million related to TRS. At August 31, 2024, NCC reported deferred outflows of resources and deferred inflows of resources related to TRS from the following sources (in thousands):

	NCC TRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,794	\$
Changes of assumptions	2,108	355
Net difference between projected and actual earnings on pension plan investments		3,915
Changes in proportion and differences between the Employer's contribution and proportionate share of contributions	616	256
Employer's contribution subsequent to the measurement date	2,201	
Total	<u>\$ 8,719</u>	<u>\$ 4,526</u>

Contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in fiscal year 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands of dollars):

	<u>Primary Government</u>		<u>Major Discretely Presented Component Units</u>		
	<u>ERS</u>	<u>PFRS</u>	<u>NCC*</u>		<u>NHCC</u>
			<u>ERS</u>	<u>TRS</u>	<u>ERS</u>
Year Ended December 31, 2025	\$ (38,685)	\$ (25,921)	\$ (2,732)	\$ (1,718)	\$ (17,076)
2026	46,151	122,647	2,788	4,383	23,267
2027	66,905	69,575	4,244	(586)	33,541
2028	(23,990)	(9,338)	(1,516)	(743)	(10,727)
2029		18,628		487	
Thereafter				169	
Totals	<u>\$ 50,381</u>	<u>\$175,591</u>	<u>\$ 2,784</u>	<u>\$ 1,992</u>	<u>\$ 29,005</u>

* Amounts reported for the year ended August 31, 2024.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

16. PENSION PLANS (Continued)

Actuarial Assumptions – ERS and PFRS

The net pension liability/(asset) as of March 31, 2024, was determined by using an actuarial valuation as of April 1, 2023, with updated procedures used to roll forward the total pension liability to March 31, 2024. The actuarial valuations used the following actuarial assumptions:

	ERS	PFRS
Actuarial cost method	Entry age normal	Entry age normal
Inflation	2.9%	2.9%
Salary scale	4.4%	6.2%
Investment rate of return, including inflation	5.9%	5.9%
Cost of living adjustments	1.5% annually	1.5% annually
Decrement tables	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality Improvement	Society of Actuaries Scale MP-2021	Society of Actuaries Scale MP-2021

The long-term rate of return on ERS and PFRS pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2024, are summarized below for ERS and PFRS:

Asset Class	Target Allocation	Long-term Expected Rate of Return *
Domestic equity	32.00%	4.00%
International equity	15.00%	6.65%
Private equity	10.00%	7.25%
Real estate	9.00%	4.60%
Opportunistic/Absolute Return Strategy	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	3.00%	5.79%
Fixed Income	23.00%	1.50%
Cash	1.00%	0.25%
	<u>100.00%</u>	

*The real rate of return is net of the long-term inflation assumption of 2.9% in 2024.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

16. PENSION PLANS (Continued)

Actuarial Assumptions – ERS and PFRS (Continued)

Long-Term Expected Rate of Return - NHCC

The long-term rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance.

Actuarial Assumptions – NCC - TRS

The net pension liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023, with updated procedures used to roll forward the total pension liability to June 30, 2024. The actuarial assumptions used in the June 30, 2024 valuation were based on the actuarial experience study for the period July 1, 2015 to June 30, 2020.

The actuarial valuations used the following actuarial assumptions:

	TRS
Actuarial cost method	Aggregate Cost Method
Inflation	2.4%
Salary scale	Based on Years of Service
	5 years - 5.18%
	35 years - 1.95%
Investment rate of return, including inflation	6.95% compounded annually
Cost of living adjustments	1.3% annually
Mortality Improvement	Society of Actuaries Scale MP-2021

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

16. PENSION PLANS (Continued)

Actuarial Assumptions – NCC – TRS (Continued)

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2024, are summarized below for TRS:

Asset Class	Target Allocation	Long-term Expected Rate of Return*
Domestic equity	33.00%	6.60%
International Equity	15.00%	7.40%
Global Equities	4.00%	6.90%
Real Estate	11.00%	6.30%
Private Equity	9.00%	10.00%
Domestic Fixed Income	16.00%	2.60%
Global Bonds	2.00%	2.50%
High-yield Bonds	1.00%	4.80%
Private debt	2.00%	5.90%
Real Estate Debt	6.00%	3.90%
Cash Equivalents	1.00%	0.50%
	100.00%	

*Real rates of return are net of pension plan investment expenses and long-term inflation expectations.

Discount Rate

The discount rate used to calculate the total pension liability was 5.9% for the System (ERS and PFRS). The discount rate used to measure the total pension liability was 6.95% for TRS. 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 actuarially determined statutorily required rates, actuarially determined. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

16. PENSION PLANS (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption – ERS and PFRS

The following presents the County’s (inclusive of NIFA), NCC, and NHCC’s proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9%, as well as what the County’s (inclusive of NIFA), NCC, and NHCC’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (4.9%) or 1-percentage point higher (6.9%) than the current rate (in thousands of dollars):

		Major Discretely Presented Component Units			
		Primary Government		NCC	NHCC
		ERS	PFRS	ERS	ERS
Net Pension Liability (Asset):					
1% Decrease	4.9%	\$ 712,015	\$ 942,802	\$ 39,402	\$ 348,482
Current Assumption	5.9%	\$ 226,409	\$ 403,340	\$ 12,532	\$ 110,837
1% Increase	6.9%	\$ (179,078)	\$ (42,255)	\$ (9,910)	\$ (87,646)

Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to the Discount Rate Assumption – TRS

The following presents NCC’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.95%, as well as what NCC’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (5.95%) or 1-percentage point higher (7.95%) than the current rate (in thousands of dollars):

	1% Decrease 5.95%	Current Discount 6.95%	1% Increase 7.95%
Net Pension Liability (Asset)	\$ 16,276	\$ (3,524)	\$ (20,176)

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

16. PENSION PLANS (Continued)**Optional Retirement Program (ORP) - NCC**

College employees may also participate in an ORP under Internal Revenue Service Section 401(a), which is a multiple-employer defined contribution plan administered by separate vendors: TIAA-CREF, Metropolitan Life, VALIC, and AETNA. ORP employer and employee contributions are dictated by state law. The ORP provides benefits through annuity contracts and provides retirement and death benefits to those employees who elected to participate in an ORP. Benefits are determined by the number of individual accumulations and the retirement income option selected. All benefits generally vest after the completion of one year of service if the employee is retained thereafter. Employer contributions are not remitted to an ORP plan until an employee is fully vested. As such there are no forfeitures reported by these plans if an employee is terminated prior to vesting. Employees who joined an ORP after July 27, 1976, and have less than ten years of service or membership, are required to contribute 3% of their salary. Those joining on or after April 1, 2012, are required to contribute between 3% and 6%, dependent upon their salary for their entire working career. Employer contributions range from 8% to 15% depending upon when the employee was hired. For ORP, the employer contributions are equal to 100% of the required contributions deducted from their salaries and remitted on a current basis to the respective ORP. For the year ended August 31, 2024, the College recognized pension expense of approximately \$4.02 million.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NYS ERS financial report. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244-0001, or it may be found at <http://www.osc.state.ny.us/retire/publications/index.php>.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

17. RECONCILIATION OF GAAP FUND BALANCES TO BUDGETARY BASIS (Unaudited)

The following reconciles fund balances at December 31, 2024, as prepared on a GAAP basis to the budgetary basis of reporting (dollars in thousands):

	General Fund	Police District Fund	Sewer & Storm Water District Fund	Capital Fund	Disputed Assessment Fund	Nonmajor Governmental Funds
Fund Balances at December 31, 2024, Prepared in accordance with GAAP	\$ 1,147,941	\$ 112,107	\$ 83,539	\$ 255,639	\$ 20,220	\$ 99,184
Add:						
Available for Other Judgments	14,957					
Available for Termination Pay	31,109					
Pension Benefits - Modified Accrual Basis Only	104,721	56,047	679			2,440
Deferred Inflows - Mitchel Field	21,146					
Deferred Inflows - Period of Availability	11,261		2,400			
Principal Payment for NCC Termination Pay	980					
Net effect of GASBs 87/94/96	8,316					
Modified Accrual Basis GAAP adjustments	1,604	820				
Less:						
Net effect of Encumbrances	(117,697)	(2,250)	(2,892)			
Due from Component Unit	(140)					
Reclass Termination pay for NCC	(2,784)					
Available for Other Judgments		(14,957)				
Available for Termination Pay		(31,109)				
Modified Accrual Basis GAAP adjustments				(136)		
Unbudgeted FEMA Fund						(9,293)
Unbudgeted Grant Fund						(20,422)
Unbudgeted NCTSC						(403)
Unbudgeted Capital Project Fund				(255,503)		
Unbudgeted NCSSWFA						(1,411)
Unbudgeted NCTSC Debt Service Fund						(16,729)
Unbudgeted NIFA Debt Service Fund						(42,960)
Fund Balances at December 31, 2024, Prepared on the Budgetary Basis of Reporting	<u>\$ 1,221,414</u>	<u>\$ 120,658</u>	<u>\$ 83,726</u>	<u>\$</u>	<u>\$ 20,220</u>	<u>\$ 10,406</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

18. FUND BALANCES

Fund balance classifications for the governmental funds at December 31, 2024 were (dollars in thousands):

	General Fund	NIFA Fund	Police District Fund	Sewer & Storm Water District Fund	Capital Fund	Disputed Assessment Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:								
Prepays/GASB 87 & 94	\$ 67,754	\$ 85	\$ 27,414	\$ 611	\$	\$	\$ 900	\$ 96,764
Advances to Capital Fund	37,193							37,193
Graded pension payment	4,648		111				191	4,950
Long-term receivable due from component unit	6,354							6,354
Total Nonspendable	115,949	85	27,525	611			1,091	145,261
Spendable:								
Restricted for:								
Capital projects/Outlays					2,912		10,000	12,912
Debt service	114,614						60,958	175,572
Open space	2,110							2,110
Legislative	1,042							1,042
Judgments and settlements						20,220		20,220
Judicial							107	107
General Administration	164,163						5,075	169,238
Protection of Persons			33,942				585	34,527
Health	73,450						3,999	77,449
Public Works							16,251	16,251
Recreation and Parks							52	52
Social Services							89	89
Corrections							63	63
Total Restricted	355,379		33,942		2,912	20,220	97,179	509,632
Committed to:								
Capital projects					252,727			252,727
Technology	92							92
General Administration	176,900							176,900
Environmental Protection							406	406
Protection of Persons	30,615		15,823					46,438
Health	26,495							26,495
Judgments and settlements	93,284							93,284
Total Committed	327,386		15,823		252,727		406	596,342
Assigned to:								
Legislative	1,341							1,341
Judicial	2,960							2,960
General Administration	27,546	845					366	28,757
Protection of Persons	60		34,817					34,877
Health	4,068							4,068
Public Works	26,014			82,928			142	109,084
Recreation and Parks	2,981							2,981
Social Services	31,983							31,983
Corrections	6,896							6,896
Judgments and Settlements	166,000							166,000
Total Assigned	269,849	845	34,817	82,928			508	388,947
Unassigned								
	79,378							79,378
Total Fund Balance	\$ 1,147,941	\$ 930	\$ 112,107	\$ 83,539	\$ 255,639	\$ 20,220	\$ 99,184	\$ 1,719,560

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

19. OTHER POSTEMPLOYMENT BENEFITS**Plan Description**

The County established and administers a single-employer defined benefit Other Postemployment Benefit (OPEB) plan for its employees. Article 11 of the State Compiled Statute grants the authority to establish and amend the benefit terms and financial requirements to the County Executive and the County Legislature. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

The County provides health care benefits in accordance with New York State Health Insurance Rules and Regulations administered by the New York State Department of Civil Service (the NYSHIP plan). The County's several union contracts and ordinances require the County to provide all eligible enrollees with either the NYSHIP plan or other equivalent health insurance. Substantially all of the County's retirees and employees are enrolled in the NYSHIP Plan. NYSHIP is a defined benefit agent multiple-employer healthcare plan.

Eligibility for health benefits upon retirement are governed by Ordinance, bargaining unit, age, and years of service. In general, all Nassau County employees must reach age 55 to be eligible for post-retirement health insurance benefits, unless otherwise indicated below.

Non-union employees hired after 2008 are required to have 10 years of governmental service, 5 years of which must be with the County. Civil Service Employees Association Local 830 (CSEA) and Nassau County Investigators Police Benevolent Association (IPBA) employees (other than those Probation Officers, Fire Marshalls, AMTs, Deputy Sheriff and in Correctional Center titles) are required to complete 5 years of credited service if hired before August 22, 2003 and terminated prior to January 1, 2024, and ten years of credited service if hired after August 22, 2003.

The collective bargaining agreement between the County and CSEA, which was ratified and approved in 2023, enacted a requirement that all CSEA members regardless of hire date (other than those Probation Officers, Fire Marshalls, AMTs, Deputy Sheriff and in Correctional Center titles) to have 20 years of County employment in order to be vested in health insurance benefits upon retirement if they separated from the County after June 30, 2026. With the approval of a Memorandum of Agreement in 2025, the 10 year vesting requirement for health insurance for CSEA employees was maintained (see Note 24, *Subsequent Events*, for more details). CSEA employees who are Probation Officers, Fire Marshalls, AMTs, Deputy Sheriff or in Correctional Center job titles are eligible for early retirement after 25 years of service, regardless of age. Nassau County Police Benevolent Association (PBA), Nassau County Superior Officers Association (SOA), and Nassau County Detectives Association (DAI) employees are eligible after 20 years of service, regardless of age. Nassau County Sheriff's Correction Officers Benevolent Association (COBA) employees are eligible after 25 years of service, regardless of age.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

19. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employee Contributions

The County provides group health care benefits for retirees (and for eligible dependents and survivors of retirees). Some retirees are required to contribute towards the cost of their health insurance premiums. The following are the retiree contributions towards the cost of said premiums for County employees:

- Non-union (Ordinance #543-1995) employees earning a salary of less than \$30,000 in the year of retirement: No employee contribution.
- Non-union (Ordinance #543-1995) employees hired on or after January 1, 2002 and before July 1, 2014, and earning a salary of greater than \$30,000 per year, in the year of retirement: Contribute 5% of premium for single coverage and 10% of the premium for family coverage.
- Non-union (Ordinance #543-1995) employees hired on or after July 1, 2014, and earning a salary greater than \$30,000 per year, in the year of retirement: Contribute 15% of premium for single or family coverage if enrolled in The Empire Plan. If enrolled in an alternative plan then the County shall pay, towards the cost of the premium in either the single or family plan, all amounts up to the monetary equivalent of 85% of the cost of The Empire Plan. To the extent the annual premium of said alternative plan exceeds the 85% of the cost of The Empire Plan, the employee shall pay the difference.
- CSEA employee: No employee contribution.
- IPBA employees: No employee contribution.
- Union employees (PBA, DAI, SOA, COBA) hired on or after April 1, 2014: Contribute 15% of premium for single or family coverage if enrolled in The NYSHIP Plan. If enrolled in an alternative plan then the County shall pay, towards the cost of the premium in either the single or family plan, all amounts up to the monetary equivalent of 85% of the cost of The NYSHIP Plan. To the extent the annual premium of said alternative plan exceeds 85% of the cost of The NYSHIP Plan, the employee shall pay the difference.
- Employees who retired prior to 1976 pay contributions (varies as a percentage of the premium).

Employees Covered by Benefit Terms

The number of participants as of January 1, 2023, the valuation date of the most recent actuarial valuation is as follows:

Actives	7,475
Retirees	11,695
Spouses of Retirees	<u>6,285</u>
	<u>25,455</u>

This valuation reflects a change in the OPEB eligibility requirement for CSEA union members from 10 years of service to 20 years of service, effective for termination/retirement after June 30, 2026. This change decreased plan liabilities by \$44 million. In addition, this valuation reflects updates to the healthcare trend which increased plan liabilities by \$325 million. Also reflected in this valuation is a change in the discount rate from 3.72% to 3.26% resulting in an increase in plan liabilities of \$448 million. The net effect of all assumption changes is an increase of \$773 million.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

19. OTHER POSTEMPLOYMENT BENEFITS (Continued)***Total OPEB Liability***

The County's total OPEB liability of \$7.0 billion was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2023, with updated procedures used to roll forward the OPEB liability to the measurement date. Of the total liability, approximately \$280 million represents the current portion and is reported in current liabilities on the government-wide Statement of Net Position.

Funding Policy

Nassau County pays for OPEB benefits on a pay-as-you-go basis. Since the County is not pre-funding these benefits, no actuarially determined contribution is determined.

Actuarial Assumptions and Other Inputs

The projections of benefits for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the employer's annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members at that point.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

19. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The total OPEB liability as of December 31, 2024, is based on the results of the January 1, 2023 actuarial valuation rolled forward to the measurement date of December 31, 2023, and was determined using the following actuarial assumptions and other inputs:

Inflation: 2.3% per annum, compounded annually

Discount Rate: 3.26% per annum

The health cost trend assumptions are as follows:

Fiscal Year	Prior to Medicare Eligibility	After Medicare Eligibility	Medicare Part B Reimbursements
2023*	9.5%	22.9%	5.9%
2024*	0.8%	0.9%	5.9%
2025	6.3%	6.6%	1.0%
2026	5.7%	6.0%	11.0%
2027	5.2%	5.4%	4.8%
2028	5.1%	5.3%	7.1%
2029	4.9%	5.1%	5.8%
2030	4.8%	4.9%	6.3%
2031	4.6%	4.7%	7.0%
2032	4.5%	4.5%	7.0%
2033	4.3%	4.3%	5.9%
2034-2039	4.1%	4.1%	5.9%
2040-2048	4.1%	4.1%	4.4%
2049	4.1%	4.2%	4.4%
2050	4.1%	4.2%	3.9%
2051-2064	4.2%	4.2%	3.9%
2065-2066	4.1%	4.1%	3.9%
2067-2068	4.0%	4.0%	3.9%
2069	3.9%	3.9%	3.9%
2070	3.9%	3.9%	3.8%
2071-2073	3.8%	3.8%	3.8%
2074-2079	3.7%	3.7%	3.8%
2080-2089	3.7%	3.7%	3.9%
2090+	3.7%	3.7%	3.7%

*Reflects actual 2024 and 2025 NYSHIP premium equivalent rates and Medicare Part B premiums.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

19. OTHER POSTEMPLOYMENT BENEFITS (Continued)***Actuarial Assumptions and Other Inputs (Continued)***

The Society of Actuaries (SOA) developed and regularly updates a long-term medical trend model based on detailed research performed by a committee of economists and actuaries, which include a representative from Milliman. Milliman uses this model as the foundation for the trend that it recommends to our clients for postretirement medical valuations, with certain adjustments designed to produce trends that are appropriate for employer plans. These adjustments include incorporating assumed administrative cost trend where applicable and removing the impact of age-related morbidity (since age-related morbidity assumptions are applied separately in the valuation when applicable). Ultimate rates were determined considering historic and projected rates of real growth, long-term inflation and additional growth attributable to technology, and medical costs as a component of gross domestic product (GDP). Trend rates also reflect the expected impact of short-term inflation.

The Medicare Part B inflation rates were based on recent history and expected changes for the near future.

For purposes of applying the Entry Age Normal cost method, the healthcare trend prior to the first calendar year shown in the table above is based on the ultimate rates as described in the above table.

No trend was applied to the vision payment.

Medicare Eligibility: Age 65

Actuarial Cost Method: Entry Age Normal Cost Method

The discount rate was based on the yield or index rate for 20-year, tax exemption general obligation municipal bonds with an average rating of AA or higher and the individual entry age actuarial cost method is used.

Mortality rates and mortality improvement rates are from the August 2023 Annual Report to the Comptroller of the New York State and Local Retirement System (NYSLRS) Employees' Retirement System (ERS) and the NYSLRS Police and Fire Retirement System (PFRS). Separate tables for healthy annuitant (Clerks version is used for non-police), disabled annuitant and employees are used. The mortality projection scale applied to the annuitant mortality tables used is SOA Scale in effect on measurement date (MP-2021). As generational tables, they reflect mortality improvements both before and after the measurement date.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

19. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability (dollars in thousands):

	Primary Government			Major Discretely Presented Components	
	Nassau County	Nassau County Interim Finance Authority	Total	*Nassau Community College	Nassau Health Care Corporation
Balance at December 31, 2023	\$ 6,145,332	\$ 2,738	\$ 6,148,070	\$ 458,069	\$ 731,911
Changes for the year:					
Service Cost	172,191	83	172,274	11,434	29,067
Interest	230,991	102	231,093	17,166	27,894
Effect on plan changes	(44,280)	105	(44,175)		(1,278)
Effect of economic/demographic gains or losses	(36,392)	(12)	(36,404)	1,276	
Effect of assumption changes or inputs	772,996	366	773,362	(459)	88,666
Benefit payments, including implicit rate subsidy	(218,161)	(120)	(218,281)	45,741	(22,485)
Net Change	877,345	524	877,869	75,158	121,864
Balance at December 31, 2024	\$ 7,022,677	\$ 3,262	\$ 7,025,939	\$ 533,227	\$ 853,775

*Nassau Community College data as of fiscal year ended August 31, 2024.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County (inclusive of NIFA), NCC and NHCC as well as what the County's and the major discretely presented component unit's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current rate (dollar in thousands).

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

19. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate (Continued)

	<u>Primary Government</u>	<u>Major Discretely Presented Component Units</u>	
		<u>NCC</u>	<u>NHCC</u>
Discount Rate:			
1% Decrease	\$ 8,176,707	\$ 610,929	\$ 976,959
Current Assumption	\$ 7,025,939	\$ 533,227	\$ 853,775
1% Increase	\$ 6,105,732	\$ 469,409	\$ 752,295

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the County (inclusive of NIFA), NCC and NHCC as well as what the County’s and the major discretely presented component unit’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (1.0%) or 1-percentage-point higher (1.0%) than the current rate (dollar in thousands).

	<u>Primary Government</u>	<u>Major Discretely Presented Component Units</u>	
		<u>NCC</u>	<u>NHCC</u>
Current Trend Rate:			
1% Decrease	\$ 5,982,662	\$ 459,711	\$ 738,879
Current Assumption	\$ 7,025,939	\$ 533,227	\$ 853,775
1% Increase	\$ 8,362,766	\$ 624,838	\$ 996,769

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

19. OTHER POSTEMPLOYMENT BENEFITS (Continued)

For the year ended December 31, 2024, the County, inclusive of its blended component unit, recognized OPEB expense of \$476.2 million. At December 31, 2024, the County reported deferred inflows of resources related to OPEB from the following sources (dollars in thousands):

	<u>Primary Government</u>		<u>Major Discretely Presented Component Units</u>			
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
			<u>NCC</u>	<u>NHCC</u>	<u>NCC</u>	<u>NHCC</u>
Differences between expected and actual experience	\$ 31,267	\$ 37,215	\$ 1,349	\$ 12,071	\$ 5,062	\$ 1,255
Changes of assumptions	622,555	461,806	45,061	131,735	31,972	126,183
Contributions made subsequent to measurement date	244,267		12,737			
	<u>\$ 898,089</u>	<u>\$ 499,021</u>	<u>\$ 59,147</u>	<u>\$ 143,806</u>	<u>\$ 37,034</u>	<u>\$ 127,438</u>

The County’s contribution (inclusive of NIFA) made subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in OPEB expenses as follows (dollars in thousands):

	<u>Primary Government</u>	<u>Major Discretely Presented Component Units</u>	
		<u>NCC</u>	<u>NHCC</u>
Years Ending December 31, 2025	\$ 4,949	\$ (726)	\$ 18,893
2026	(7,851)	2,861	5,516
2027	75,859	7,241	(5,698)
2028	81,845		(16,796)
2029			14,453
	<u>\$ 154,802</u>	<u>\$ 9,376</u>	<u>\$ 16,368</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

20. COMPENSATED ABSENCES

County employees are entitled to accumulate unused vacation, sick, holiday, compensatory time, personal leave and other various leave types based upon the employee's applicable collective bargaining agreement (CBA). Certain of the leave types are payable upon termination in accordance with the employee's CBA. Other leave types are allowed to be carried to a subsequent period and used by the employee within the CBA's stipulated period.

The County's compensated absences liability includes an estimate of the accumulated unused leave portion which is deemed more likely than not to be used as time off in the future and the accumulated unused leave payable to the employees upon separation from the County.

At current salary levels, the County's liability for the payment of these accumulations is approximately \$640.9 million, inclusive of blended components units at December 31, 2024.

Nassau Community College

NCC provides employees with vacation leave, sick leave, and other related benefits. Employees may be entitled to payment for unused vacation and sick leave upon retirement, termination, resignation, or death. Severance payments are calculated based on the number of unused days and the applicable daily rate at the time of separation. The maximum number of unused days eligible for payout is determined by collective bargaining agreements and ordinances.

At August 31, 2024, NCC's compensated absences liability was \$55.1 million, a \$1.9 million net change over the prior fiscal year's restated balance.

Nassau Health Care Corporation

At December 31, 2024, NHCC's compensated absences liability was \$91.2 million.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

21. DEFERRED PAYROLL

In 2009, the County entered into agreements with the CSEA, the PBA, the SOA, the DAI, and the COBA unions, and certain Ordinance employees, to defer 10 days' pay, which shall be paid to the employee on separation of service at the salary rate then in effect. The County also entered into collective bargaining agreements with CSEA, PBA, SOA, DAI, and COBA that include deferrals of wages and longevity that cover various periods of time during 2007 through 2016.

The amount accrued at December 31, 2024 was \$38.1 million and will be paid upon employee separation from the County. The non-current component of this accrual is reported as a long-term liability in the government-wide Statement of Net Position, as certain contractual arrangements to provide for the payment of these commitments at specific dates in future fiscal periods.

In addition, termination pay for accumulated leave in excess of \$5,000 for CSEA and Ordinance members shall be paid by the County in three equal installments of accumulated days on the three consecutive Januarys following termination. Of the amount accrued at December 31, 2024, approximately \$8.2 million represents termination pay for accumulated leave, with a portion scheduled for annual payments over a three-year period beginning in January 2025. This amount is included in the County's liability reported in the government-wide Statement of Net Position.

Included in the County's deferred payroll liability is an amount accrued for NCC. NCC entered into a similar wage deferral agreement in 1992 originally to be paid to eligible employees on September 1, 2002, but continues to be accrued in accordance with their current contractual agreement. Subsequently, in the 2015/2016 contract year, NCC entered into an agreement with Nassau Community College Federation of Teachers (NCCFT) to defer a portion of wages, which shall be paid to the members at separation or retirement. The total amounts accrued at the NCC's fiscal year close of August 31, 2024, was approximately \$1.4 million and will be paid upon employee separation from the NCC; this amount is included in the County's deferred payroll liability reported in the government-wide Statement of Net Position.

401(a) Special Pay Plan

In 2024, the County signed various Memorandum of Understandings with all County Unions to institute a 401 (a) Special Pay Plan to be administered by a third party.

The 401(a) constitutes an additional retirement benefit for eligible employees that enables them to take accumulated sick, vacation and other leave pay and place it into a qualified IRS retirement plan upon separation.

Contributions are mandatory for all eligible employees under CSEA, COBA, PBA, SOA and DAI, who meet certain qualifications. Actual contribution amounts may vary by employee. Each union's collective bargaining agreement dictates the eligibility for employees to qualify or options to participate in this benefit.

To be eligible for the plan, CSEA employees must be at least 55 years of age, CSEA - Public Safety employees must be at least 50 years old or have 25 years of service as credited by NYSLRS. Non-union contracted employees must be or turn 55 in the year of separation. The other unions, COBA, DAI, IPBA, PBA and SOA have no minimum age but require a minimum severance payout amount of \$5,000.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

22. TAX ABATEMENT DISCLOSURE

Net Tax abatements affecting Nassau County taxes totaling \$39.2 million are issued by three Industrial Developmental Agencies (IDAs) as established by Article 18-A of General Municipal Law, of New York State. These agencies are:

Glen Cove Industrial Development Agency
9 Glen Street
Glen Cove, New York 11542

Town of Hempstead Industrial Development Agency
350 Front Street, Room 234-A
Hempstead, New York 11550

Nassau County Industrial Development Agency
1 West Street, 4th Floor
Mineola, New York 11501

Tax abatements are issued to provide opportunities to actively promote, attract, encourage and develop economically sound commerce and industry. Real estate tax exemptions and sales tax exemptions can be granted through a PILOT (Payment in Lieu of Taxes) program. When companies enter into PILOT agreements with one of the three IDAs, 100% of the real estate property tax associated with the property in the agreement is abated and is offset by a PILOT payment as stated in the agreement. Sales tax abatements allow for companies to pay no sales tax on construction or equipment purchases that occur during the construction phase of the project.

PILOT payments due to Nassau County from the Nassau County IDA are paid directly to the County Treasurer. The Town of Hempstead collected the PILOTs for the Town of Hempstead IDA in 2024 and the Glen Cove IDA collected its own; both IDAs are required to remit to the County its share of each PILOT. If the provisions in each PILOT agreement are not met, this may trigger recapture payments, which are made directly to the IDA and then remitted to the County. The IDAs are authorized and deemed eligible to enter into PILOT agreements per Real Property Tax Law, Section 412-a and General Municipal Law, Section 874.

The IDAs are required to submit an Annual Report to the State of New York Authorities Budget Office (Authority) by April 1st of each year. The annual reports provide information for all fiscal year activity for agreement entered into by each IDA. The reports have been submitted to the Authority but are unaudited and were not yet approved by the Authority at the time of the County's receipt.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

22. TAX ABATEMENT DISCLOSURE (Continued)

Information relevant to the disclosure of these programs for the fiscal year ended December 31, 2024 is shown below.

<u>Nassau County Industrial Development Agency</u>		Dollars in Thousands			
Project	Program	Sales Tax Abated	County Real Property Tax Abated	PILOT Payments to County	Net Abatement
Bonds/Notes Issuance					
	Finance, Insurance and Real Estate	\$	\$ 425	\$ 414	\$ 11
	Other Categories		12	4	8
	Services		232	130	102
Leases					
	Agriculture		23	6	17
	Finance, Insurance and Real Estate	969	6,199	2,473	4,695
	Manufacturing		1,765	771	994
	Other Categories	1,269	4,094	1,578	3,785
	Services		5,724	2,901	2,823
	Wholesale Trade	176	566	394	348
	Total	\$ 2,414	\$ 19,040	\$ 8,671	\$ 12,783

<u>Town of Hempstead Industrial Development</u>		Dollars in Thousands			
Project	Program	Sales Tax Abated	County Real Property Tax Abated	PILOT Payments to County	Net Abatement
Bonds/Notes Issuance					
	Finance, Insurance and Real Estate	\$	\$ 115	\$ 41	\$ 74
Leases					
	Construction	649	1,979	227	2,401
	Finance, Insurance and Real Estate	363	2,113	472	2,004
	Manufacturing		94	147	(53)
	Other Categories	67	2,336	649	1,754
	Retail Trade	67	20,610	2,575	18,102
	Services		1,529	380	1,149
	Transportation, Communication, Electric		286	102	184
	Wholesale Trade		144	41	103
	Total	\$ 1,146	\$ 29,206	\$ 4,634	\$ 25,718

<u>Glen Cove Industrial Development Agency</u>		Dollars in Thousands			
Project	Program	Sales Tax Abated	County Real Property Tax Abated	PILOT Payments to County	Net Abatement
Leases					
	Construction	\$	\$ 829	\$ 174	\$ 655
	Finance, Insurance and Real Estate		88	55	33
	Real Estate		32	12	20
	Retail Trade		27	11	16
	Total	\$	\$ 976	\$ 252	\$ 724
Grand Total all IDAs		\$ 3,560	\$ 49,222	\$ 13,557	\$ 39,225

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

22. TAX ABATEMENT DISCLOSURE (Continued)

No amounts are received from other governments or from any Industrial Development Agency. All payments are made directly to Nassau County. The County has opted to present all abatement information in the prohibited from being disclosed.

Nassau County has entered directly into a PILOT agreement with the Long Island Power Authority (LIPA). This does not represent an abatement agreement as its purpose was not to abate property tax but to comply with a property tax cap requirement.

23. CONTINGENCIES AND COMMITMENTS**A. Claims and Litigation**

The County, its officers and employees are defendants in litigation. Such litigation includes, but is not limited to, actions commenced, and claims asserted against the County arising out of alleged torts, alleged breaches of contracts (which include union and employee disputes), condemnation proceedings, and other alleged violations of law. The County self-insures for everything except for property insurance on its police helicopters and selected leased facilities; a blanket fidelity bond covering all County employees; public official bonds and the following coverage for the summer recreation program: accident insurance, umbrella liability and general liability. Settlements have not exceeded insurance coverage in any of the last three years. Essentially all other risks are assumed directly by the County. All malpractice occurrences at NHCC facilities that the County owned prior to September 29, 1999, are the responsibility of the County of which there are no active cases. Subsequent malpractice occurrences arising from events in connection with NHCC are the responsibility of NHCC (See Footnote 23 E. *Nassau Health Care Corporation Insurance* for further discussion). The County remains liable to indemnify NHCC for liability arising out of NHCC's delivery of healthcare services at the Nassau County Correctional Center for the period of September 1, 2017 through February 28, 2021. However, commencement of such claims within this period will be precluded with the expiration of relevant statutes of limitations.

The County annually appropriates sums for the payment of judgments and settlements of claims and litigation. Appropriations may be financed, in whole or in part, pursuant to the Local Finance Law by the issuance of County debt, subject to approval by the County Legislature, however, while the County remains under a NIFA control period, approval would be required by NIFA as well as the County Legislature. The County intends to defend itself vigorously against all claims and in all litigation. Estimated liabilities of approximately \$375.7 million for claims and litigation (excluding tax certiorari claims) have been recorded as a liability in the government-wide financial Statement of Net Position as of December 31, 2024. Approximately \$316.3 million has been recorded as a liability in the government-wide financial Statement of Net Position, at December 31, 2024, related to workers' compensation claims, as estimated by a third-party actuary. The workers' compensation amount is a liability separate from all other non-workers' compensation claims and litigation.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

23. CONTINGENCIES AND COMMITMENTS (Continued)

A. Claims and Litigation (Continued)

The schedule below presents the changes in claims liabilities for the past two years for workers' compensation and litigation and malpractice liability and includes an estimate of claims that have been incurred but not yet reported (dollars in thousands):

	Workers'		Litigation	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Unpaid claims and claim adjustment expenditures at the beginning of the year	<u>\$ 308,691</u>	<u>\$ 322,702</u>	<u>\$ 475,525</u>	<u>\$ 568,799</u>
Incurred claims and claim adjustment				
Expenditures:				
Increase (decrease) in provision for the estimate of risk losses and changes to the prior year estimated losses	<u>44,402</u>	<u>20,601</u>	<u>(73,571)</u>	<u>(39,000)</u>
Payments:				
Payments made on losses	<u>36,800</u>	<u>34,612</u>	<u>26,273</u>	<u>54,274</u>
Total unpaid claims, claim adjustment expenditures and claims incurred but not reported at the end of the year	<u>\$ 316,293</u>	<u>\$ 308,691</u>	<u>\$ 375,681</u>	<u>\$ 475,525</u>

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

23. CONTINGENCIES AND COMMITMENTS (Continued)**A. Claims and Litigation (Continued)****Utilities Litigation under RPTL Article 18**

New York Telephone Company (now known as Verizon), New York Water Service Corporation (now known as American Water), Long Island Water Corporation (now known as American Water) and KeySpan (collectively, the Utilities) have each filed actions and proceedings challenging the determination of their taxes in 1997, 1998, 1999, and 2000 in the non-County-wide special districts such as police, fire, water and library districts. The Utilities allege that the County erroneously placed all parcels in classes in calculating their assessed values for the payment of special district taxes. The Supreme Court, Nassau County declared that the assessments violated Real Property Tax Law (RPTL) and constitutional requirements of equal protection. The court directed that discovery be conducted and a trial held to determine the amount of tax refunds, if any, to be awarded to the Utilities. In 2002, the Appellate Division, Second Department, determined that the County violated the RPTL, but granted the County summary judgment dismissing the complaints on the grounds that no refunds should be awarded because of the fiscal impact on the special districts.

In 2004, the Court of Appeals remitted the case to the Supreme Court, Nassau County for a trial on both the amount of the refunds due and whether those damages would have such an adverse impact on the County that no refunds should be ordered. In the KeySpan litigation, the Supreme Court, Nassau County denied the County's motion to dismiss the complaint and ordered discovery to proceed in the matter and the related Utilities cases. The court then stayed discovery pending the County's appeal to the Appellate Division concerning the application of the so-called County guaranty in these matters. In 2014, the Appellate Division denied the County's appeal and the Court of Appeals denied the County's application for leave to appeal the Appellate Division's decision. The court lifted the stay of discovery, and the County has appealed the court's denial of its motion to dismiss on the grounds that the relief sought could only be granted by the exclusive remedy of an RPTL Article 7 challenge. Plaintiffs have appealed the court's denial of their motion for re-argument based on the court's ruling that evidence of financial hardship could be a mitigating factor in determining damages. A trial on damages was scheduled for July 20, 2021; however, the County settled with KeySpan. The County agreed to a \$62 million structured settlement to be paid over a four-year period. Equal installment payments of \$15.5 million per year commenced in December 2021, and the structured payment period ended December 2024.

The litigation with the two remaining utilities, Verizon and American Water, will continue to trial to set damages. The County intends to continue to defend itself vigorously in these actions and proceedings. It is not possible to predict the outcome of these actions and proceedings or their ultimate impact on the County's financial condition and therefore, the County cannot state with certainty the amount of a refund if the court were to order one, but has estimated, depending on the methodology of calculation, that such refund could be as high as \$137.5 million.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

23. CONTINGENCIES AND COMMITMENTS (Continued)**A. Claims and Litigation (Continued)****Adjusted Base Proportion (ABP) Litigation**

In 2018, the County was served with two summonses and complaints challenging the manner in which the County calculated current base proportions (CBPs), adjusted base proportions (ABPs) and special district annual adjustments beginning in 2014 under Article 18 of the RPTL as a result of certain demolition of a power plant in Glenwood Landing, New York between 2012 and 2015. In one action, National Grid Generation LLC and Keyspan Gas East Corporation d/b/a National Grid allege that in 2014 the County calculated the CBPs, ABPs and special district annual adjustments in a manner that failed to reflect the demolition of the plant and thereby caused the plaintiffs' class three utility property to pay an excessive amount of taxes and a disproportionate share of the tax burden as compared to class one, class two and class four properties. The complaint further alleges that based on the purported 2014 error, all calculations for subsequent tax years were made in error. In the second action, New York American Water Company Inc. makes substantially similar allegations. In each action, plaintiffs seek, among other forms of relief, tax refunds in the amount of the alleged overpayment of taxes. Neither complaint specifies the amount of the tax refunds or damages sought. The County's motions to dismiss the actions have been denied. The parties have concluded with discovery and the parties have fully submitted their cross-motions for summary judgment. Both plaintiffs have filed suit for subsequent tax years. These actions have been held in abeyance while the 2018 cases are litigated. In October 2022, County's summary judgment motion to dismiss the 2017 tax year was granted. Plaintiffs filed an appeal of this decision. Appellate briefs are pending; no date for oral argument has been set. At this time, the County's ultimate potential liability cannot be determined and the County is in the process of evaluating different scenarios with respect to the recalculation of the APBs. The County will continue to defend itself vigorously in these actions and proceedings.

On June 2, 2022, National Grid filed a summons and complaint with similar allegations that the County's calculation of the CBPs and ABPs were incorrect under Article 18 of the RPTL as a result of the County's failure to remove and exempt from the tax rolls properties owned by Long Island Power Authority (LIPA) and to enter into Payments in Lieu of Taxes (PILOT) agreements with LIPA pursuant to Public Authorities Law (PAL) regulating LIPA. National Grid alleges that by failing to remove and exempt the LIPA properties, LIPA paid taxes instead of making PILOT payments; in addition, plaintiffs further allege that certain LIPA properties should have been subject to the 2% cap pursuant to PAL. The failure to exempt LIPA properties and enter into proper PILOT agreements caused the plaintiffs' class three utility property to pay an excessive amount of taxes and a disproportionate share of the tax burden as compared to class one, class two and class four properties. At this time the County's ultimate potential liability cannot be determined and the County is in the process of evaluating different scenarios with respect to the recalculation of the CBPs and APBs. The County will continue to defend itself vigorously in these actions and proceedings.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

23. CONTINGENCIES AND COMMITMENTS (Continued)**A. Claims and Litigation (Continued)****Other Litigation****Fair Labor Standards Act (FLSA) Litigations**

In 2015, 2016, and 2017, certain members of County collective bargaining units respectively filed five lawsuits in federal court challenging the County's calculation of overtime under the federal Fair Labor Standards Act ("FLSA"). Among plaintiffs' allegations are that the County did not calculate their overtime correctly because longevity pay, shift differential payments and hazardous duty payments were not included in their regular rate of pay, and that the County systemically failed to pay overtime timely within the pay period earned. The court has certified or is expected to certify respective classes of County employees that allegedly may have been affected by an improper calculation and payment of overtime and has consolidated certain lawsuits for efficiency. In one of the lawsuits, the County successfully defended the plaintiff's challenge to the County's designation of certain employees as FLSA exempt. If plaintiffs are successful in establishing that the County's calculations of overtime are not consistent with FLSA, the County would be responsible for liquidated damages for the classes. Since 2021, three of the FLSA litigations were resolved. However, in 2022 two additional FLSA class actions were commenced arising from similar fact patterns. The County will continue to defend itself vigorously in these actions and proceedings. The County cannot state with certainty the amount of such potential damages and attorneys' fees, but has estimated, depending on the size of the classes and the methodology of calculation, that they could total approximately \$50 million.

Disputed Assessment Charge (DAC) Litigation

In 2018, certain taxpayers filed two lawsuits against the County and others alleging that the enactment of the DAC by the State (prior to the 2018 amendments to the DAC law) and its implementation by the County violated various provisions of the State constitution, the RPTL and the County Administrative Code. In 2019, certain taxpayers filed an action seeking to compel the refund of certain DAC charges on the 2017 and 2018 tax rolls. The County moved to dismiss this petition based on the failure to name necessary parties. This application was granted in part; but the action was still permitted to proceed. In 2020, the trial court decision granted plaintiff summary judgment on the causes of action finding that the DAC law is an unconstitutional delegation of authority to the Nassau County Assessor because the law does not provide the assessor sufficient guidelines to determine DAC charge in excess of 10%. The remaining causes of action were dismissed. The trial court did not direct that 2017 and 2018 disputed assessment charges be refunded to commercial property owners, finding that they are not entitled to a refund as they would otherwise have been required to pay the amount withheld in taxes in a prior decision, but the judgment has not been settled. Should such a refund be directed, the County would be obligated to refund approximately \$30 million. The County Treasurer has not distributed excess DAC monies to the other taxing jurisdictions during the pendency of this litigation. The County has perfected the appeal from the judgment of the trial court and intends to continue to defend itself vigorously against these actions and proceedings.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

23. CONTINGENCIES AND COMMITMENTS (Continued)**A. Claims and Litigation (Continued)****Other Litigation (Continued)****Joseph Jackson v. County of Nassau, et al.**

In 2018, plaintiff Joseph Jackson filed an action against the County and various County police officers alleging claims of false arrest and wrongful imprisonment under 42 U.S.C. §1983. After serving twenty-three years in prison, plaintiff's conviction was vacated after an investigation by the County District Attorney's Office determined that a police officer failed to turn over certain exculpatory evidence to the plaintiff when he was the defendant in a criminal case. The plaintiff also alleges that his confession was the product of coercion. Discovery has closed and the County has filed a motion for summary judgment. The County will continue to defend itself vigorously in these actions and proceedings. It is not possible to predict the outcome of these actions and proceedings or their ultimate impact on the County's financial condition; however, the County estimates that, in the event of a final adverse decision, the amount of damages for which the County may be liable could be in excess of \$30 million.

Orleana/Dutch Broadway

In 2018, an individual driving a vehicle on Dutch Broadway struck several children walking on the sidewalk of Dutch Broadway. As a result of this incident, three complaints have been filed against the County alleging that the defective design of Dutch Broadway and Elmont Road caused serious injuries to the children. The County will continue to defend itself vigorously in these actions and proceedings. It is not possible to predict the outcome of these actions and proceedings or their ultimate impact on the County's financial condition; however, the County estimates that, in the event of a final adverse decision(s), the amount of damages for which the County may be liable could be in excess of \$30 million.

Armor Litigations

Between 2012 and 2017, multiple claims were filed against the County and Armor Correctional Health Services Inc. (Armor) alleging medical malpractice and/or tortious conduct in connection with the provision of health care services to inmates at the Nassau County Correctional Center. Pursuant to agreement, Armor is required to indemnify the County for its losses resulting from Armor's acts or omissions in performing such services and to include the County as an additional insured on its applicable insurance policy or policies. In 2019, issues as to the extent of the indemnification and additional insured coverage have been raised between the County and Armor. If Armor and/or its insurance carrier(s) successfully disclaim any financial obligation to indemnify the County for the multiple claims, then the County could be solely responsible for any liability determined by a court. The County will continue to defend itself vigorously in these actions and proceedings. It is not possible to predict the outcome of these actions and proceedings or their ultimate impact on the County's financial condition; however, the County estimates that, in the event of a final adverse decision(s), the amount of damages for which the County may be liable could be in excess of \$30 million.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

23. CONTINGENCIES AND COMMITMENTS (Continued)**A. Claims and Litigation (Continued)****Other Litigation (Continued)****Driver Responsibility Fee (DRF)**

In November 2024, the Appellate Division invalidated the driver responsibility fee (DRF), and other fees (collectively, the “Disputed Fees”) imposed by the County which exceeded the \$50 statutory fine and \$25 late fee permitted under VTL 1111-b. On February 4, 2025, plaintiff’s request for the courts to decide the pending motion for class action certification was denied, and the County’s request to defer a ruling on the class certification motion until the motion for partial summary judgment is determined was granted. On March 7, 2025, the County filed a motion for partial summary judgment to dismiss all claims that seek a refund of the Disputed Fees. If the court determines that the putative class plaintiff is entitled to a refund, the County could potentially be ordered to disgorge fees collected from 2010 through the termination of fee collection in late 2024 (the “Collection Period”). The dollar amount of the disputed fees varied and totaled approximately \$400 million during the Collection Period. The County will continue to defend itself vigorously in these actions and proceedings and believes it has meritorious defenses. The County cannot state with certainty the amount of such potential damages and attorneys’ fees, but such damages may be significant.

Pollution Remediation

The County has identified and recorded in its financial statements for the fiscal year ended December 31, 2024, an estimated cost for pollution remediation related to a few sites owned and/or previously operated by the County. Historic uses have contributed to various forms of environmental pollution to these properties. The County continues to monitor the sites in accordance with the New York State Department of Environmental Conservation (NYSDEC) requirements.

An estimated cost of \$1.8 million has been recorded as a liability in the County’s government-wide Statement of Net Position as of December 31, 2024. The costs are estimated obligated costs which may be used to address cleanup costs in the event the County is required to decommission or demolish the sites. The liability was developed by taking into consideration construction costs for monitoring, demolition projects, including engineering, construction management and contractor costs.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

23. CONTINGENCIES AND COMMITMENTS (Continued)**B. Tax Certiorari**

There were 243,506 taxpayers' claims (residential and commercial) filed against the Department of Assessment, for the incorrect determination of assessed valuation (certiorari proceedings) for the 2024 (May 1, 2025) assessment roll, a decrease of 4,352 over the prior year. An amount estimated for future settlements and judgments of \$217.4 million has been recorded as a long-term obligation in the government-wide Statement of Net Position as of December 31, 2024, of which approximately \$74.0 million is the current portion. In 2024, an additional \$18.5 million was accrued as a liability for tax certioraris and is included as current liabilities in the governmental fund statements and the Statement of Net Position. The County's Assessment Review Commission (ARC) revalues the year-end tax certiorari liability each year. The estimate of this liability is a synopsis of all unpaid refund claims as of December 31, 2024. This includes Writs, Small Claims, Assessor Petitions, Unpaid Refunds, and Projected Refunds on Settlements. Not all components have liability every year, but most components will have a liability. ARC segregates the liability by "new" liability – those claims that have been added for the current tax year; and "old" liability which are all unsettled claims from past years for the purpose of computing the total obligation.

The liability is estimated differently depending on the type of liability. Each year, open liabilities are revalued to adjust for interest accrued and settlements. Estimates are based on historical trends, assessed valuations, as well as other factors.

Disputed Assessment Fund

Disputed assessment charges on class four, commercial properties, were enacted by New York State Real Property Tax Law effective with the County's 2016-2017 tax roll. A subsequent change was made to the law and the County's Administrative Code, which allowed the disputed assessment charge to be levied on all class four properties instead of only on those properties where the property assessment was being grieved. Thus, balances held in the DAF are accounted for separately to segregate the collections under the original law (2017 and 2018 collections) and the revised law (post 2018 collections).

For fiscal 2024, the DAF's total liabilities in the governmental funds were \$106.0 million. The liabilities are comprised of the following: \$0.1 million in Interfund Payables due to the General Fund for the County's share of DAF charges related to class 4 assessments; \$24.4 million of DAF charges due to the three Towns and County school districts, reported as Accrued Liabilities; and the remainder of \$81.5 million representing the remaining disputed assessment charges held by the fund to pay for future class four tax certiorari refunds or distribute to the Towns, school districts and County, as applicable.

In the government-wide Statement of Net Position for fiscal year ended December 31, 2024, the County reported \$24.4 million in Accrued Liabilities, \$4.4 million of tax certiorari liabilities as Estimated Tax Certiorari Liability related to Disputed Assessment Fund (current liability) and \$6.9 million reported as part of the Estimated Tax Certiorari Liability (noncurrent liability). The remaining liability of \$70.2 million, is recorded as Disputed Assessment Fund Deposits Held (current liabilities). The difference between the \$81.5 million reported in the governmental fund statements and the \$70.2 million reported in the government-wide statements represents the \$4.4 million of current and \$6.9 million noncurrent liabilities that have been recognized on a full accrual basis in the government-wide financial statements.

NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED DECEMBER 31, 2024

23. CONTINGENCIES AND COMMITMENTS (Continued)

B. Tax Certiorari (Continued)

Until the Article 7 cases for class four property owners are decided, the County cannot determine how much of the 2017 and 2018 DAF collections will be returned to commercial property owners or distributed to the County and other municipalities. DAF charges collected in 2019-2024 may be used to pay for any class four tax certiorari refund and is not limited to specific properties. Thus, DAF charges collected in 2024 are available to pay for class four tax certiorari liabilities and reduced the long-term liability reported in the government-wide Statement of Net Position by this amount.

Summary of Tax Certiorari Liability
Statement of Net Position as of December 31, 2024
(in thousands)

Current Liabilities:

Property Tax Refund Payable (due and payable in 2024) in Governmental Funds:

Short-term tax certiorari liability - operating	\$ 18,484
Property Tax Refund Payable in Governmental Funds (Exhibit X-3)	18,484
Current Portion of Long-Term Estimated Tax Certiorari Liability:	
Estimated Tax Certiorari Liability - DAF	4,367
Current Portion of Long-term Estimated Tax Certiorari	74,000
Total Current Tax Certiorari Liability per Government-wide Funds	96,851
(Exhibit X-1)	96,851

Non-Current Liabilities:

Estimated Tax Certiorari Liability - DAF	6,949
Non-Current Portion of Long-term Estimated Tax Certiorari Liability	143,430
Total Non-Current Tax Certiorari Liability per Government-wide	150,379
Funds (Exhibit X-1)	150,379

Total Tax Certiorari Liability	\$ 247,230
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**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

23. CONTINGENCIES AND COMMITMENTS (Continued)**C. Contingencies under Grant Programs**

The County participates in a number of Federal and State grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives.

Provisions for certain expected disallowances, where considered necessary, have been made as of December 31, 2024. In the County's opinion, any additional disallowances resulting from these audits will not be material.

D. Certain Third - Party Reimbursement Matters

Net patient service revenue of NHCC's health facilities included amounts estimated to be reimbursable by third-party payer programs. Such amounts are subject to revision based on changes in a variety of factors as set forth in the applicable regulations. It is the opinion of NHCC's management, that adjustments, if any, would not have a material effect on the County's financial position.

E. Nassau Health Care Corporation Insurance

For the policy years ended September 29, 2007 to 2024, the Captive issued hospital professional and employee benefits policies on a claims-made basis and commercial general liability policies on an occurrence basis. The Captive's liability on the hospital professional and employee benefits policies is \$12,500 per person (\$10,000 for policy years prior to 2008 and for 2021, \$7,000 for policy years 2008 to 2020, and \$12,500 for 2022 and 2023) with no aggregate limit and \$1,000 per claim up to an aggregate of \$1,000, respectively. An excess buffer limit of \$3,000 per person/\$3,000 in the aggregate was introduced above the \$7,000 per person primary limit on the hospital professional policy for the September 29, 2012, renewal and amended to \$5,000 per person/\$5,000 in the aggregate as of January 1, 2021, and \$7,500 per person/\$7,500 in the aggregate as of January 1, 2022. During 2015, the Captive entered into a commutable agreement with the Corporation, initiating a \$1,000 deductible limit on all open claims as of December 31, 2015. The liability on commercial general policies is \$1,000 per occurrence, except for fire damages, where the limit is \$50 for any one fire, and medical payment, where the limit is \$5 for any one person, up to an aggregate of \$3,000.

At December 31, 2024, the Captive was in compliance with its minimum capital requirement.

In April 2016, the respective boards of NHCC and NHCC, Ltd., the Captive, agreed to make certain changes to the Insurance Program as follows: NHCC would have, retain and be responsible for the first \$1,000 of losses for all hospital professional liability claims made from 1999 to the present, and would have, retain and be responsible for the first \$1,000 of losses for all hospital professional liability claims on a going forward basis. NHCC, Ltd., would be responsible for reimbursing NHCC under the terms and conditions of hospital's professional liability excess coverage attaching at \$1,000 for all open claims from 1999 and forward.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

23. CONTINGENCIES AND COMMITMENTS (Continued)

E. Nassau Health Care Corporation Insurance (Continued)

The Captive’s activity in the loss reserves and loss adjustment expenses is summarized as follows:

	<u>2024</u>	<u>2023</u>
Balance at beginning of year	\$ 17,873	\$ 17,985
Incurred related to current year	<u>11,353</u>	<u>(112)</u>
Total incurred	<u>11,353</u>	<u>(112)</u>
Balance at end of year	<u>\$ 29,226</u>	<u>\$ 17,873</u>

Losses and loss adjustment expenses for incurred claims for prior years reflect changes in estimates of the ultimate settlement of such losses.

Insurance reserves and the related insurance losses and loss adjustment expenses, recorded through the Captive, are recorded on an undiscounted basis at December 31, 2024.

In addition to the insurance coverage purchased from the Captive, the Corporation purchases umbrella and other coverage from commercial insurers. For the year ended December 31, 2024, this insurance expense totaled \$3,132.

F. Capital Commitments

At December 31, 2024, there were capital project contract commitments of \$783.9 million, of which approximately \$463.8 million may require future funding. All capital project commitments are encumbered in the County’s financial system. Some of these capital project commitments are included in the material encumbrances table in Footnote 23G *Material Encumbrances* below.

G. Material Encumbrances

Material encumbrances (greater than \$5 million) as of December 31, 2024, were as follows (dollars in thousands):

<u>Capital Fund</u>	
Construction:	
Infrastructure	\$ 21,350
Buildings	6,583
Disposal	142,122
Financial System	12,000
Public Safety	11,585
Collection	140,267
<u>Grant Fund</u>	
Bus Services	\$ 53,832
<u>General Fund</u>	
Special Education contracts	\$ 5,255
<u>ARPA Fund</u>	
Legislative Initiatives	\$ 10,991

These encumbrances are included in restricted, committed and assigned fund balances of the respective funds.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

24. SUBSEQUENT EVENTS**Debt Issuance**

On May 14, 2025, the County issued Series A General Improvement Bonds in the amount of \$281 million. The Series A bonds bear interest rates between 4% and 5% with maturity dates ranging from April 2026 to April 2055. The Series A Bonds were issued to fund various public purposes, including capital projects, and to pay costs of issuance.

County Lease Agreement of the Nassau Coliseum with Las Vegas (Sands)

In April 2025, Sands announced that it would not apply for a gaming license from New York State.

In June 2025, the Town of Hempstead unanimously approved rezoning the site of the Nassau Coliseum. The newly adopted zoning designation is known as the Mitchel Field Integrated Resort District, and allows for gambling, bars and nightclub facilities to be built on the site, and structures to be built at greater heights than would generally be permitted.

Civil Service Employees Association (CSEA) Memorandum of Agreement (MOA)

On August 7, 2023, an MOA between CSEA and the County was signed, approving a collective bargaining agreement from January 1, 2018 through December 31, 2030. As part of the agreement, effective January 1, 2024, CSEA employee's health insurance was transferred to NYSHIP's Excelsior Plan. The New York State Department of Civil Service terminated the Excelsior Plan effective December 31, 2024. This led to arbitration with CSEA and a proposed amended MOA. The MOA requires CSEA employees to contribute 3% of base salary towards the cost of health insurance beginning in 2026 and maintains the healthcare vesting at 10 years, amongst other provisions.

On April 30, 2025, the CSEA members voted in favor of the amended MOA and the MOA was approved by the County Legislature on May 19, 2025, and NIFA on June 5, 2025.

New York State (NYS) Legislature Approves the Restructuring of Nassau Health Care Corporation (NHCC) Board of Directors

In May 2025, the NYS Legislature approved the restructuring of NHCC's Board of Directors (Board) effective June 1, 2025. The restructuring change reduces NHCC's board from 15 voting members to 11. A majority of the board members, six, are to be appointed by the NYS governor, four of which will serve four-year terms and the remaining two-year terms. Two of the Directors will be appointed by the County Executive for two-year terms; two Directors will be appointed by the County Legislature's Majority Leader, for initial terms of three years; and one Director will be appointed by the County Legislature's Minority Leader for an initial term of three years. The governor will also designate the appointment of the Board Chair. The County will no longer maintain control of NHCC's Board through its four seats. The NYS Legislature also assigned oversight responsibilities to NIFA, allowing NIFA to impose controls on NHCC in various scenarios.

On June 5, 2025, NIFA declared a control period on NHCC due to its 2023 and 2024 operating deficits, which exceed the statutory one percent threshold imposed by the NIFA Act. In addition, the restructuring required that all contracts or obligations over one million dollars receive approval from NIFA.

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024**

24. SUBSEQUENT EVENTS (Continued)**Nassau County's Mortgage Block Fee**

Nassau County charges a block fee of \$300 for the recording and indexing of real property documents. The fee applies to mortgage recordings, mortgage lien satisfactions and lien cancelations.

In June 2025, a Nassau County Supreme Court judge ruled that the fees were excessive, inappropriate, and served as an unconstitutional tax. The County was given 60 days from the ruling to lower the block fee to an amount that matches the cost to administer the service. The County was also directed to refund the excessive portion of the fees to residents who paid the fee between June 10, 2025, up until the fee is adjusted. The Courts are in the process of determining whether those who paid the fee from January 1, 2017 until June 9, 2025, are also eligible for a refund. The County has appealed the decision.

25. CHANGE IN ACCOUNTING PRINCIPLES

The County adopted GASB Statement No. 101, *Compensated Absences* during the year ended December 31, 2024. Prior to the adoption of GASB Statement No. 101, the County accounted for, and recognized, accumulated unused vacation, sick and other contractual leave based upon estimated amounts payable to the employees at termination, in accordance with each collective bargaining agreement or Ordinance.

With the adoption of GASB 101, the County recognizes compensated absences when the leave:

- has not been used and is attributable to services already rendered;
- accumulates and may be carried to a future reporting period; and
- is more likely to be used for time off in the future and/or will be settled in cash at termination.

As a result of the adoption of GASB 101, the County included in its compensated absences liability estimates for leave that may not be payable upon termination from the County but is more likely than not, to be used prior to separation from the County.

The compensated absences were measured using the employees pay rate in effect as of December 31, 2024, and include an amount calculated for salary related payments.

The changes were incorporated into the government-wide financial statements. See Note 26, *Restatement and Prior Period Adjustment* for details on the effect on opening net position resulting from the adoption of GASB 101.

Nassau Community College

During the year ended August 31, 2024, NCC implemented GASB Statement No. 101, *Compensated Absences*. In 2024, the compensated absences liability was computed by including leave that is more likely than not to be taken prior to separation, in accordance with GASB 101. In prior years, the liability included only leave expected to be paid upon termination. This change was applied prospectively.

For the year ended August 31, 2024, the net decrease in the liability for compensated absences was \$1.9 million. See Note 26, *Restatement and Prior Period Adjustment* for details on the effect on opening net position resulting from the adoption of GASB 101.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

25. CHANGE IN ACCOUNTING PRINCIPLES (Continued)

Nassau Health Care Corporation

NHCC adopted GASB Statement No. 101, *Compensated Absences* retrospectively effective January 1, 2023, which resulted in an increase to the compensated absences liability and decrease to beginning net position of \$6.6 million.

26. RESTATEMENT AND PRIOR PERIOD ADJUSTMENT

With the adoption of GASB 101, 2024 beginning net position for the primary government, inclusive of blended component units, was restated for the effect of the change in accounting principle. As a result, the Statement of Activities reported a prior period adjustment of \$144.6 million, which decreased beginning net position. The decrease in net position was due to the addition of leave to be used for time off in the future, the evaluation of leave types that were not previously included in previous liability estimates, and the inclusion of salary related payments to the compensated absences liability as of January 1, 2024. The effect on beginning net position for the primary government is as follows (dollars in thousands):

	<u>Primary Government</u>		
	<u>County</u>	<u>NIFA</u>	<u>Total</u>
Net Position - Beginning, as previously reported	\$ (5,720,575)	\$ (1,223,257)	\$ (6,943,832)
Cumulative effect of change in accounting principle	<u>(144,542)</u>	<u>(90)</u>	<u>(144,632)</u>
Net Position - Beginning, as restated	<u>\$ (5,865,117)</u>	<u>\$ (1,223,347)</u>	<u>\$ (7,088,464)</u>

Nassau Community College

The effect of the restatement due to the change in accounting principle resulting from the adoption of GASB 101 was a decrease of \$9.2 million to NCC’s beginning net position. Beginning net position was restated as follows (dollars in thousands):

	<u>NCC</u>
Net Position - Beginning, as previously reported	\$ (312,705)
Cumulative effect of change in accounting principle	<u>(9,233)</u>
Net Position - Beginning, as restated	<u>\$ (321,938)</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2024

26. RESTATEMENT AND PRIOR PERIOD ADJUSTMENT (Continued)

Nassau Health Care Corporation

NHCC adopted GASB 101 by retroactively restating its opening balance for fiscal year 2023. The effect of the restatement due to the change in accounting principle was a decrease of \$6.6 million to NHCC's beginning net position for January 1, 2024, as reported in the County's financial statements. Beginning net position was restated as follows (dollars in thousands):

	<u>NHCC</u>
Net Position - Beginning, as previously reported 2024	\$ (1,227,057)
Cumulative effect of change in accounting principle	<u>(6,592)</u>
Net Position - Beginning, as restated 2024	<u>\$ (1,233,649)</u>

Nonmajor Discretely Presented Component Units

The Nassau County Off-Track Betting Corporation (NCOTB), a nonmajor discretely presented component unit of the County, implemented the provisions of GASB 101 for the year ended December 31, 2024. As a result, NCOTB reported a cumulative effect of change in accounting principle to the January 1, 2024 Beginning Net Position of \$105,032.

The Nassau County Bridge Authority, a nonmajor discretely presented component unit of the County, reported a prior period adjustment to its December 31, 2023 beginning net position due to the correction of errors. NCBA revised assets, deferred outflow of resources related to its pension, liabilities, net investment in capital assets and unrestricted net position. As part of the error correction, the net investment in capital assets was increased by \$18,206,956 and unrestricted net position was decreased by the same amount, resulting in a net effect on net position of \$0 for this correction. The total effect of all the corrections was \$63,800.

The table below shows the effects on Beginning Net Position, as reported for each of the component units. Beginning net position was restated as follows (dollars in thousands):

	<u>Nonmajor Discretely Presented Component Units</u>		
	<u>NCBA</u>	<u>NCOTB</u>	<u>Total</u>
Net Position - Beginning, as previously reported 2024	\$ 19,488	\$ (44,990)	\$ (25,502)
Cumulative effect of change in accounting principle and correction of errors	<u>64</u>	<u>(105)</u>	<u>(41)</u>
Net Position - Beginning, as restated 2024	<u>\$ 19,552</u>	<u>\$ (45,095)</u>	<u>\$ (25,543)</u>

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT X-15

COUNTY OF NASSAU, NEW YORK

**SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OTHER
POSTEMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS
(Dollars in Thousands)**

Financial Report Date, December 31st:	2024	2023	2022	2021	2020	2019	2018	2017
OPEB Measurement Date of December 31st:	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability								
Service cost	\$ 172,274	\$ 218,266	\$ 210,196	\$ 215,597	\$ 157,787	\$ 200,891	\$ 167,002	\$ 172,674
Interest	231,093	142,073	141,941	176,111	215,912	220,624	215,385	203,005
Effect on plan changes	(44,175)	(179)	88					
Effect of economic/demographic gains or losses	(36,404)	17,094	(26,711)	195,881	(6,455)	(127,858)	(8,486)	
Effect of assumptions or changes in inputs	773,362	(807,894)	63,396	(117,672)	936,922	(1,191,457)	507,107	(174,314)
Benefit payments	(218,281)	(198,517)	(192,583)	(200,301)	(200,481)	(212,542)	(186,464)	(181,813)
Net Change in Total OPEB Liability	877,869	(629,157)	196,327	269,616	1,103,685	(1,110,342)	694,544	19,552
Total OPEB Liability - Beginning	6,148,070	6,777,227	6,580,900	6,311,284	5,207,599	6,317,941	5,623,397	5,603,845
Total OPEB Liability - Ending	\$ 7,025,939	\$ 6,148,070	\$ 6,777,227	\$ 6,580,900	\$ 6,311,284	\$ 5,207,599	\$ 6,317,941	\$ 5,623,397
Covered - employee payroll	1,074,625	941,431	903,896	903,062	899,858	895,357	920,699	890,837
Total OPEB liability as a percentage of covered employee payroll	653.80%	653.06%	749.78%	728.73%	701.36%	581.62%	686.21%	631.25%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4, to pay other postemployment benefits (OPEB).

The County currently contributed enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

Changes in Benefit Terms

2023 Measurement date - retirement and vested termination eligibility conditions based on changes to NYS ERS benefits to Tiers 5 and 6.

Changes of Assumptions

Discount Rate	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%	3.44%	3.78%
Mortality								
2023 Measurement date - August 2023 Annual Report to the Comptroller on Actuarial Assumptions SOA MP-2021								
2022 Measurement date - August 2020 Annual Report to the Comptroller on Actuarial Assumptions SOA MP-2021								
2020 Measurement date - August 2020 Annual Report to the Comptroller on Actuarial Assumptions SOA MP-2020								
2018 Measurement date - April 1, 2016 Actuarial Valuation of the New York State and Local Retirement System, modified to use Scale MP-2019								
2017 Measurement date - April 1, 2016 Actuarial Valuation of the New York State and Local Retirement System, modified to use Scale MP-2018								
2016 Measurement date - RP-2000, Scale AA								

These amounts are inclusive of NIFA.

EXHIBIT X-16

COUNTY OF NASSAU, NEW YORK

**SCHEDULE OF CONTRIBUTIONS
NYSLRS PENSION PLAN**

(Dollars in Thousands)

	December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
ERS										
Contractually required contributions	\$ 77,912	\$ 70,097	\$ 71,017	\$ 83,313	\$ 76,413	\$ 75,099	\$ 75,447	\$ 76,262	\$ 78,390	\$ 83,909
Contributions recognized by the Plan in relation to the contractually required contributions	\$ 77,912	\$ 70,097	\$ 71,017	\$ 81,209	\$ 68,460	\$ 66,939	\$ 65,949	\$ 62,891	\$ 60,079	\$ 55,084
Contribution deficiency	\$ _____	\$ _____	\$ _____	\$ 2,104	\$ 7,953	\$ 8,160	\$ 9,498	\$ 13,371	\$ 18,311	\$ 28,825
Covered Payroll	\$ 628,778	\$ 514,660	\$ 512,360	\$ 507,537	\$ 507,833	\$ 521,914	\$ 475,820	\$ 466,288	\$ 459,538	\$ 443,847
Contributions recognized by the Plan as a percentage of covered payroll	12.39%	13.62%	13.86%	16.00%	13.48%	12.83%	13.86%	13.49%	13.07%	12.41%
Note: ERS amounts include NIFA										
PFRS										
Contractually required contributions	\$ 130,273	\$ 104,275	\$ 96,736	\$ 92,815	\$ 82,473	\$ 80,983	\$ 84,789	\$ 90,249	\$ 87,729	\$ 83,369
Contributions recognized by the Plan in relation to the contractually required contributions	\$ 130,273	\$ 104,275	\$ 96,736	\$ 91,499	\$ 77,602	\$ 76,751	\$ 77,619	\$ 78,693	\$ 74,838	\$ 68,290
Contribution deficiency	\$ _____	\$ _____	\$ _____	\$ 1,316	\$ 4,871	\$ 4,232	\$ 7,170	\$ 11,556	\$ 12,891	\$ 15,079
Covered Payroll	\$ 478,558	\$ 470,814	\$ 421,056	\$ 386,231	\$ 344,531	\$ 397,626	\$ 397,626	\$ 359,301	\$ 369,238	\$ 358,147
Contributions recognized by the Plan as a percentage of covered payroll	27.22%	22.15%	22.97%	23.69%	22.52%	19.30%	19.52%	21.90%	20.27%	19.07%

EXHIBIT X-17

COUNTY OF NASSAU, NEW YORK

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

NYSLRS PENSION PLAN

(Dollars in Thousands)

	March 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
ERS										
County's proportion of the net pension liability (asset)	1.5380327%	1.6124152%	1.6529321%	1.6748782%	1.8639277%	1.8675593%	1.8724633%	1.9311317%	1.9032212%	1.8941615%
County's proportionate share of the net pension liability (asset)	\$ 226,409	\$ 345,715	\$ (135,249)	\$ 1,617	\$ 462,707	\$ 123,801	\$ 56,464	\$ 169,283	\$ 284,906	\$ 59,955
Covered Payroll	\$ 543,819	\$ 513,089	\$ 508,752	\$ 507,765	\$ 518,383	\$ 488,597	\$ 488,594	\$ 459,179	\$ 432,163	\$ 437,562
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	41.63%	67.38%	-26.58%	0.32%	89.26%	25.34%	11.56%	36.87%	65.93%	13.70%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
Note: ERS amounts include NIFA.										
PFRS										
County's proportion of the net pension liability (asset)	8.5051336%	8.7290462%	8.7471749%	8.2791796%	8.5238853%	8.6611111%	8.9840456%	9.2157622%	9.0120228%	8.564898%
County's proportionate share of the net pension liability (asset)	\$ 403,340	\$ 480,968	\$ 49,644	\$ 143,705	\$ 455,552	\$ 145,252	\$ 90,776	\$ 190,995	\$ 266,827	\$ 23,576
Covered Payroll	\$ 472,750	\$ 433,496	\$ 394,938	\$ 354,956	\$ 370,047	\$ 392,858	\$ 404,320	\$ 370,711	\$ 337,599	\$ 341,143
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	85.32%	110.95%	12.57%	40.49%	123.11%	36.97%	22.45%	51.52%	79.04%	6.91%
Plan fiduciary net position as a percentage of the total pension liability	89.72%	87.43%	98.66%	95.79%	84.86%	95.09%	96.93%	93.50%	90.20%	99.00%

The amounts presented for each fiscal year were determined as of the System's measurement date, March 31st.

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

EXHIBIT A-1

COUNTY OF NASSAU, NEW YORK

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024 (Dollars in Thousands)**

	Nonmajor Special Revenue Funds						Nonmajor Debt Service Funds		Total Nonmajor Governmental Funds	
	Environmental Protection Fund	Capital Reserve Fund	Tobacco Settlement Corp Fund	Sewer Finance Authority Fund	Grant Fund	FEMA Fund	COVID Fund	Tobacco Settlement Corp Fund		NIFA Fund
ASSETS										
Cash and Cash Equivalents	\$ 8,865	\$	\$ 368	\$ 590	\$ 114,608	\$ 7,327	\$ 12	\$	\$	\$ 131,770
Investments				12						12
Restricted Cash and Cash Equivalents								16,729	4	16,733
Restricted Investments				1,269					21,588	22,857
Due from Other Governments					35,534	3,058	7			38,599
Accounts Receivable					423					423
Interfund Receivables		10,000							21,472	31,472
Prepays			37		863					900
Other Assets					478					478
TOTAL ASSETS	\$ 8,865	\$ 10,000	\$ 405	\$ 1,871	\$ 151,906	\$ 10,385	\$ 19	\$ 16,729	\$ 43,064	\$ 243,244
LIABILITIES										
Accounts Payable	\$	\$	\$	\$	11,727	\$	\$ 5	\$	\$	\$ 11,732
Accrued Liabilities			2		14,127	2	1			14,132
Unearned Revenues					105,115	1,054				106,169
Interfund Payables	8,459			460	2,673	36	13		104	11,745
Due to Component Unit					187					187
Other Liabilities					95					95
Total Liabilities	8,459		2	460	133,924	1,092	19		104	144,060
FUND BALANCE										
Nonspendable			37		1,054					1,091
Spendable:										
Restricted		10,000		1,269	16,928	9,293		16,729	42,960	97,179
Committed	406									406
Assigned			366	142						508
Unassigned										
Total Fund Balance	406	10,000	403	1,411	17,982	9,293		16,729	42,960	99,184
TOTAL LIABILITIES AND FUND BALANCE	\$ 8,865	\$ 10,000	\$ 405	\$ 1,871	\$ 151,906	\$ 10,385	\$ 19	\$ 16,729	\$ 43,064	\$ 243,244

NOTE: Nassau County Sewer Finance Authority Debt Service Fund reported no balances in its balance sheet as of December 31, 2024.

EXHIBIT A-2

COUNTY OF NASSAU, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Nonmajor Special Revenue Funds						Nonmajor Debt Service Funds			Total Nonmajor Governmental Funds	
	Environmental Protection Fund	Capital Reserve Fund	Tobacco Settlement Corp Fund	Sewer Finance Authority Fund	Grant Fund	FEMA Fund	COVID Fund	Tobacco Settlement Corp Fund	Sewer Finance Authority Fund		NIFA Fund
Revenues:											
Property Taxes	\$ 7,467	\$	\$	\$	\$	\$	\$	\$	\$	\$	7,467
Tobacco Receipts								17,502			17,502
Special Taxes					3,084						3,084
Departmental Revenue					10,497						10,497
Interest Income	253		6	958	1,625			1,168		2,270	6,281
Fines and Forfeits					1,177						1,177
Rents and Recoveries					360						360
Interfund Revenue					213						213
Other Revenues					300						300
State Aid					74,642						74,642
Federal Aid					70,928	91					71,019
Total Revenues	7,720		6	958	162,826	91	1	18,670		2,270	192,542
Expenditures:											
Current:											
Legislature											
Judicial					6,458						6,458
General Administration			119	32	42,261		43				42,455
Protection of Persons					12,673						12,673
Health					58,825						58,825
Public Works					878	64					942
Recreation and Parks					4,285						4,285
Social Services					22,519						22,519
Corrections					1,895						1,895
Total Current			119	32	149,794	64	43				150,052
Debt Service:											
Principal								970	10,285	53,100	64,355
Interest								16,731	3,053	35,336	55,120
Principal - Leases					187						187
Bond Issuance Costs										1,099	1,099
Total Debt Service					187			17,701	13,338	89,535	120,761
Total Expenditures			119	32	149,981	64	43	17,701	13,338	89,535	270,813
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,720		(113)	926	12,845	27	(42)	969	(13,338)	(87,265)	(78,271)
Other Financing Sources (Uses):											
Transfers In		10,000				19	137				10,156
Transfers Out	(8,459)					(54)					(8,513)
Transfers In from NIFA										101,522	101,522
Transfers Out to NIFA										(1,982)	(1,982)
Transfers In from NCSSWFA				162,412					13,338		175,750
Transfers Out to NCSSWFA				(163,598)							(163,598)
Transfers In from NCTSC			150								150
Transfers Out to NCTSC								(150)			(150)
Refunding Bonds Issued										132,960	132,960
Premium on Bonds										13,378	13,378
Payment to Refunded Bonds Escrow Agent										(144,822)	(144,822)
Total Other Financing Sources (Uses)	(8,459)	10,000	150	(1,186)		(35)	137	(150)	13,338	101,056	114,851
Net Change in Fund Balance	(739)	10,000	37	(260)	12,845	(8)	95	819		13,791	36,580
Fund Balance Beginning of Year	1,145		366	1,671	5,137	9,301	(95)	15,910		29,169	62,604
Fund Balance End of Year	\$ 406	\$ 10,000	\$ 403	\$ 1,411	\$ 17,982	\$ 9,293	\$	\$ 16,729	\$	\$ 42,960	\$ 99,184

**COMBINING STATEMENT OF NET POSITION AND
ACTIVITIES**

EXHIBIT A-3

COUNTY OF NASSAU, NEW YORK

**COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY
DECEMBER 31, 2024 (Dollars in Thousands)**

	Nassau County Bridge Authority	Nassau Regional Off-Track Betting Corporation	Nassau County Industrial Development Agency	Nassau County Local Economic Assistance Corporation	Nassau County Land Bank	Total Nonmajor Discretely Presented Component Units
ASSETS						
CURRENT ASSETS:						
Cash and Cash Equivalents	\$ 16,391	\$ 20,391	\$ 2,840	\$ 1,562	\$ 367	\$ 41,551
Restricted Cash and Cash Equivalents		1,245			15	1,260
Due from Primary Government					4	4
Property Held for Sale					433	433
Other Receivables	354				35	389
Accounts Receivable		718	356			1,074
Inventories	23					23
Prepays	105		50	1		156
Other Assets - Current		937				937
Total Current Assets	16,873	23,291	3,246	1,563	854	45,827
NON CURRENT ASSETS:						
Restricted Cash and Cash Equivalents	2,615					2,615
Deferred Bond Issuance Costs						
Capital Assets Not Being Depreciated		432		11		443
Depreciable Capital Assets	70,680	24,700	136			95,516
Less Accumulated Depreciation	(46,090)	(22,423)	(107)			(68,620)
Total Non Current Assets	27,205	2,709	29	11		29,954
Total Assets	44,078	26,000	3,275	1,574	854	75,781
DEFERRED OUTFLOWS OF RESOURCES						
Deferred bond issuance costs, net	173					173
Pensions	1,025	2,316	297			3,638
Other Postemployment Benefits	1,102	6,216				7,318
Total Deferred Outflows of Resources	2,300	8,532	297			11,129
LIABILITIES						
CURRENT LIABILITIES:						
Accounts Payable and Accrued Liabilities	652	1,782	366	1	15	2,816
Project Deposits				8		8
Unearned Revenues	532		113	14		659
Current Portion of Postemployment Retirement Benefits Liability	328	2,381				2,709
Due To Primary Government		130			32	162
Due to Other Governments		940				940
Current Portion of Long-Term Liabilities	391	482				873
Current Portion of Lease Liabilities		66				66
Other Liabilities - Current		358			9	367
Total Current Liabilities	1,903	6,139	479	23	56	8,600
NON CURRENT LIABILITIES:						
Accounts Payable and Accrued Liabilities		662				662
Notes Payable		4,347				4,347
Bonds Payable	7,014					7,014
Lease Liability		388				388
Compensated Absences	486	1,361	222			2,069
Net Pension Liability	960	1,517	230			2,707
Postemployment Retirement Benefits Liability	10,220	49,149	1,257			60,626
Total Non Current Liabilities	18,680	57,424	1,709			77,813
Total Liabilities	20,583	63,563	2,188	23	56	86,413
DEFERRED INFLOWS OF RESOURCES						
Pensions	498	1,163	204			1,865
Other Postemployment Benefits	1,659	4,247				5,906
Total Deferred Inflows of Resources	2,157	5,410	204			7,771
NET POSITION/(DEFICIT)						
Net Investment in Capital Assets	17,402	(2,424)	29	11		15,018
Restricted:						
Property Rehabilitation					15	15
Capital Acquisition Fund		913				913
Unrestricted	6,236	(32,930)	1,151	1,540	783	(23,220)
Total Net Position (Deficit)	\$ 23,638	\$ (34,441)	\$ 1,180	\$ 1,551	\$ 798	\$ (7,274)

EXHIBIT A-4**COUNTY OF NASSAU, NEW YORK****COMBINING STATEMENT OF ACTIVITIES
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Nassau County Bridge Authority	Nassau Regional Off-Track Betting Corporation	Nassau County Industrial Development Agency	Nassau County Local Economic Assistance Corporation	Nassau County Land Bank	Total Nonmajor Discretely Presented Component Units
Expenses	\$ 9,056	\$ 44,842	\$ 2,115	\$ 146	\$ 287	\$ 56,446
Program Revenues:						
Charges for Services	12,772	20,210	1,243	361		34,586
Operating Grants and Contributions					141	141
Total Program Revenues	12,772	20,210	1,243	361	141	34,727
Net Program Revenues (Expenses)	3,716	(24,632)	(872)	215	(146)	(21,719)
General Revenues						
Federal, State and Local Appropriations						
Investment Income	332	708	140	59		1,239
Gain/(Loss) on Sale of Real Property					(96)	(96)
Other	38	4,049				4,087
Royalty Income		30,529				30,529
Total General Revenues	370	35,286	140	59	(96)	35,759
Change in Net Position (Deficit)	4,086	10,654	(732)	274	(242)	14,040
Net Position (Deficit) - Beginning of Year, as previously reported	19,488	(44,990)	1,912	1,277	1,040	(21,273)
Change in application of accounting principle and correction of error	64	(105)				(41)
Net Position (Deficit) - Beginning of Year, as restated	19,552	(45,095)	1,912	1,277	1,040	(21,314)
Net Position (Deficit) - End of Year	\$ 23,638	\$ (34,441)	\$ 1,180	\$ 1,551	\$ 798	\$ (7,274)

OTHER SUPPLEMENTARY INFORMATION

EXHIBIT B-1

COUNTY OF NASSAU, NEW YORK

**COMPARATIVE SCHEDULE OF ACTUAL REVENUES VS. MODIFIED BUDGET
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Revenues</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<u>PROPERTY TAXES</u>	\$ 316,442	\$ 316,442	\$ 315,716	\$	\$ 315,716	\$ (726)
<u>PAYMENTS IN LIEU OF TAXES</u>	36,237	36,237	32,534		32,534	(3,703)
<u>PREEMPTED SALES TAX IN LIEU OF PROPERTY TAXES</u>						
Towns and City of Glen Cove	125,868	125,868	123,085		123,085	(2,783)
Total Preempted Sales Tax in Lieu of Property Taxes	125,868	125,868	123,085		123,085	(2,783)
<u>INTEREST AND PENALTIES ON TAXES</u>	32,513	32,513	35,432		35,432	2,919
<u>SALES TAX *</u>	1,452,057	1,452,057	1,352,176		1,352,176	(99,881)
<u>SPECIAL TAXES</u>						
Admission Tax - Belmont Park	120	120	5		5	(115)
Emergency Phone Tax	6,485	6,485	7,375		7,375	890
Entertainment Tax	2,465	2,465	2,590		2,590	125
Motor Vehicle Tax	17,056	17,056	18,141		18,141	1,085
Off-Track Betting Surtax	1,639	1,639	1,002		1,002	(637)
HM Historic Building	170	170	170		170	
Hotel-Motel Room Tax	3,955	3,955	4,011	127	4,138	183
Total Special Taxes	31,890	31,890	33,294	127	33,421	1,531
<u>DEPARTMENTAL REVENUE</u>						
Assessment	30,145	30,145	20,169		20,169	(9,976)
Board of Elections	40	40	2		2	(38)
Civil Service	373	373	530		530	157
Correctional Center	1,700	1,700	1,329	12	1,341	(359)
County Attorney	208	208	(5)		(5)	(213)
County Clerk	40,653	40,653	39,976	22	39,998	(655)
County Comptroller	11	11	9		9	(2)
District Attorney	1	1	9		9	8
Fire Commission	8,000	8,000	7,801		7,801	(199)
Health						
Administration	2	2	14		14	12
Children's Early Intervention	975	975	1,122	(13)	1,109	134
Pre School Education	7,500	7,500	8,963		8,963	1,463
Laboratory Research	30	30	60		60	30
Personal Health	4	4	4		4	
Human Services						
Administration			1		1	1
Information Technology	25	25	20		20	(5)
Legislature						
Medical Examiner	25	25	15		15	(10)
Recreation and Parks						
Recreation Services	21,838	21,838	23,674	623	24,297	2,459
Police Ambulance Fees	23,975	23,975	13,009		13,009	(10,966)
Police Fees	225	225	759		759	534
Probation	1,567	1,567	1,372		1,372	(195)

(Continued)

EXHIBIT B-1

COUNTY OF NASSAU, NEW YORK

COMPARATIVE SCHEDULE OF ACTUAL REVENUES VS. MODIFIED BUDGET

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
<u>DEPARTMENTAL REVENUE</u>						
Public Administrator	\$ 475	\$ 475	\$ 648	\$	\$ 648	\$ 173
Public Works - Administration	20	20	194	49	243	223
Public Works - Highway and Engineering	33,356	33,356	34,314	(9)	34,305	949
Public Works - Facilities Maintenance			138		138	138
Purchasing	60	60	94		94	34
Social Services						
Administration	1,503	1,503	2,433	(462)	1,971	468
Aid to Dependent Children	2,850	2,850	2,326		2,326	(524)
Burials	2	2				(2)
Children in Foster Homes	35	35	12		12	(23)
Home Energy Assistance Program	200	200	149		149	(51)
Children in Institutions	75	75	162		162	87
Education of Handicapped Children	12,791	12,791	9,139	(429)	8,710	(4,081)
Home Relief	2,150	2,150	3,098		3,098	948
Medicaid MMIS	850	850	(110)		(110)	(960)
Title XX	60	60	92		92	32
Traffic and Parking Violations			8		8	8
Treasurer	760	760	426		426	(334)
Total Departmental Revenue	192,484	192,484	171,956	(207)	171,749	(20,735)
<u>INTEREST INCOME</u>	31,085	41,085	59,042	492	59,534	18,449
<u>LICENSES AND PERMITS</u>						
Pistol Permit	1,155	1,155	1,415		1,415	260
Day Camp Permits	151	151	142		142	(9)
Food Establishments	3,414	3,414	3,541		3,541	127
Hazardous Materials Registration Fees	1,800	1,800	1,827		1,827	27
Home Improvements	3,061	3,061	2,802		2,802	(259)
Health Club License	20	20				(20)
Realty Subdivision Filing	102	102	19		19	(83)
Road Openings	1,117	1,117	1,213		1,213	96
Swimming Pools and Bathing Beaches	276	276	266		266	(10)
Temporary Residence Inspection Permit	120	120	105		105	(15)
Weights & Measures	1,765	1,765	1,655		1,655	(110)
Cross Connections	60	60	106		106	46
Water Supply Plan Review	155	155	390		390	235
Tattoo Parlor / Piercing	20	20	55		55	35
Impact Assessment Fee	200	200	318		318	118
Predemolition Inspection	146	146	162		162	16
Taxi and Limo Registration Fees	175	175				(175)
ATM Registration Fees	140	140				(140)
Maps - Sewers	20	20	8		8	(12)
Hauling Permits	67	67	69		69	2
Licensing	171	171				(171)
Cost of Construction Fee	470	470	1,054		1,054	584
Traffic Signal Permit	53	53				(53)
Total Licenses and Permits	14,658	14,658	15,147		15,147	489

(Continued)

EXHIBIT B-1**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL REVENUES VS. MODIFIED BUDGET****GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
FINES AND FORFEITS	\$ 100,465	\$ 100,465	\$ 88,460	\$	\$ 88,460	\$ (12,005)
RENTS AND RECOVERIES						
Rental of Mitchel Field	1,516	1,516	1,904	(369)	1,535	19
Coliseum Rental	5,900	5,900		11,339	11,339	5,439
Coliseum Utilities			(135)	(283)	(418)	(418)
Landmark Property Rental	1,100	1,100	805		805	(295)
Mitchel Field Veterans Housing	547	547	520	112	632	85
Lost and Abandoned Property	21	21	462		462	441
Cash Recoveries	750	750	4		4	(746)
Audit Recoveries	45	45				(45)
Police Vehicle Recovery	385	385	326		326	(59)
Vendor Recoveries	400	400	267		267	(133)
Accounts Receivables Recoveries	100	100				(100)
Revenue Recovery Account	35	35				(35)
Settlement Reimbursement	250	250	9		9	(241)
Recovery of Damage to County Property	750	750	115		115	(635)
Recovery of Prior Year Appropriations	10,363	10,363	1,600	(243)	1,357	(9,006)
Recovery of Workers' Compensation	1,500	1,500	503		503	(997)
Rental of County Property	2,249	2,249	1,906	122	2,028	(221)
Rental of Voting Machines	150	150	250		250	100
Sale of County Property	4,230	4,230	1,269	144	1,413	(2,817)
Proceeds from Online Auction	250	250	282		282	32
Prior Year Grant Fund Recoveries	650	650	887		887	237
Lessor Base Rent			2,990	(2,990)		
Total Rents and Recoveries	31,191	31,191	13,964	7,832	21,796	(9,395)
INTERDEPARTMENTAL REVENUES						
Office of Budget and Management	60,936	60,936	69,600		69,600	8,664
Correctional Center	320	320	181		181	(139)
County Attorney	1,507	1,507	841		841	(666)
District Attorney	453	453	453		453	
Human Services	100	100				(100)
Information Technology	18,923	18,923	15,471		15,471	(3,452)
Police Department	15,814	15,814	16,792		16,792	978
Public Works - Administration	15,514	15,514	17,968		17,968	2,454
Public Works - Groundwater Remediation	507	507	921		921	414
Social Services	48	48	37		37	(11)
Total Interdepartmental Revenues	114,122	114,122	122,264		122,264	8,142
INTERFUND REVENUES						
Revenues from Indirect Cost Chargebacks	58	58	137		137	79
Interfund Revenue	7,544	7,544	10,517		10,517	2,973
Stop DWI Grant Revenue	77	77	169		169	92
Total Interfund Revenue	7,679	7,679	10,823		10,823	3,144
OTHER REVENUES						
OTB Profits	20,000	20,000	20,000		20,000	
Intergovernmental Transfers	31,631	31,631	27,626	992	28,618	(3,013)
PPP Revenue			198	(198)		
FIT/NonFIT Revenue	16,750	16,750	13,861		13,861	(2,889)
Other Revenue			1,095		1,095	1,095
Total Other Revenues	68,381	68,381	62,780	794	63,574	(4,807)

(Continued)

EXHIBIT B-1

COUNTY OF NASSAU, NEW YORK

**COMPARATIVE SCHEDULE OF ACTUAL REVENUES VS. MODIFIED BUDGET
GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
<u>OPIOID LITIGATION SETTLEMENT REVENUE</u>	\$	\$	\$ 7,682	\$	\$ 7,682	\$ 7,682
<u>STATE AID</u>						
Budget	5,020	5,020	6,179		6,179	1,159
Consumer Affairs	45	45	40		40	(5)
Correctional Center	1,144	1,144	1,030		1,030	(114)
Court Facility Aid	780	780	439		439	(341)
District Attorney	77	77	1,189		1,189	1,112
Fire Prevention, Safety, Communication and Education	155	155	107		107	(48)
Health						
Administration	1,388	1,388	2,387		2,387	999
Children's Early Intervention	13,260	13,260	10,859		10,859	(2,401)
Pre School Education	73,478	89,603	94,637		94,637	5,034
Environmental Health	2,300	2,300	3,566		3,566	1,266
Laboratory Research	713	713	709		709	(4)
Personal Health	3,257	3,257	5,140		5,140	1,883
Housing and Intergovernmental Affairs	111	111	82		82	(29)
Human Services						
Administration	13,171	13,171	13,774		13,774	603
Debt Service Fund	1,254	1,254	1,254		1,254	
Police Department	750	750	2,350		2,350	1,600
Emergency Management			3		3	3
Medical Examiner			36		36	36
Probation	9,921	9,921	14,800		14,800	4,879
Public Works						
Administration			228		228	228
Highway and Bridge Maintenance	115,146	115,146	118,460		118,460	3,314
Roads and Bridge Maintenance			56		56	56
State Aid Reimbursement - Buffalo			10		10	10
Social Services						
Administration	6,173	6,173	6,771		6,771	598
Aid to Dependent Children	100	100	131		131	31
Burials	2	2				(2)
Children in Foster Homes	435	435	4		4	(431)
Children in Institutions	2,050	2,050	1,318		1,318	(732)
Division of Services	7,446	7,446	6,580		6,580	(866)
Education of Handicapped Children	5	5				(5)
Home Relief	12,673	20,503	19,156		19,156	(1,347)
Juvenile Delinquents	257	257	411		411	154
Medicaid MMIS	600	600	59		59	(541)
Public Financial Assistance	8,688	8,688	11,160		11,160	2,472
Subsidized Adoptions	2,600	2,600	2,268		2,268	(332)
Title XX	5,000	5,000	7,012		7,012	2,012
Veterans Service Agency	90	90	90		90	
Total State Aid	288,089	312,044	332,295		332,295	20,251
<u>FEDERAL AID</u>						
Correctional Center	4,818	4,818	3,576		3,576	(1,242)
County Attorney	255	255	281		281	26
Budget Office			496		496	496
Debt Service	345	345	190		190	(155)
District Attorney	94	94	87		87	(7)
Emergency Management	480	480	3		3	(477)
Fire Commission			301		301	301
Human Rights	100	200	164		164	(36)
Housing	371	371	413		413	42

(Continued)

EXHIBIT B-1

COUNTY OF NASSAU, NEW YORK

COMPARATIVE SCHEDULE OF ACTUAL REVENUES VS. MODIFIED BUDGET

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
<u>FEDERAL AID (Continued)</u>						
Human Services	\$ 5,784	\$ 5,784	\$ 5,542	\$	\$ 5,542	\$ (242)
Parks			29		29	29
Police Department	75	75	124		124	49
Probation	46	46	57		57	11
Public Works	21,881	21,881	15,508		15,508	(6,373)
Social Services						
Administration	9,011	9,011	9,623		9,623	612
Aid to Dependent Children	19,050	24,400	24,439		24,439	39
Children in Foster Homes	1,275	1,275	1,052		1,052	(223)
Children in Institutions	3,750	3,750	2,451		2,451	(1,299)
Division of Services	15,830	15,830	11,066		11,066	(4,764)
Home Energy Assistance Program	200	200	63		63	(137)
Medicaid MMIS	900	900	(881)		(881)	(1,781)
Public Financial Assistance	19,950	19,950	18,715		18,715	(1,235)
Subsidized Adoptions	2,000	2,000	2,578		2,578	578
Title XX	81,900	98,212	113,588		113,588	15,376
Total Federal Aid	188,115	209,877	209,465		209,465	(412)
Total Revenues	3,031,276	3,086,993	2,986,115	9,038	2,995,153	(91,840)
<u>OTHER FINANCING SOURCES</u>						
Transfers In	61,933	246,280	313,425		313,425	67,145
Transfers in of Investment Income	5,000	5,000	11,862		11,862	6,862
Transfer in from NIFA	2,000	2,000	5,304		5,304	3,304
Bond Premium	4,880	4,880	2,030		2,030	(2,850)
Total Other Financing Sources	73,813	258,160	332,621		332,621	74,461
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 3,105,089	\$ 3,345,153	\$ 3,318,736	\$ 9,038	\$ 3,327,774	\$ (17,379)

* Paid to County \$93,215; paid to NIFA \$1,258,961

** Total revenues and other financing sources, estimates per the 2024 County budget as adopted	\$ 3,600,836
Less: Intrafund Budget Eliminations	(470,747)
Less: Appropriated Fund Balance	(25,000)
Original Budget per above	3,105,089
Add: Supplemental Appropriations	653,416
Less: Appropriated Fund Balance	(393,176)
Less: Intrafund Modified Budget Eliminations	(20,176)
Budget Estimates, Total Revenues and Other Financing Sources	\$ 3,345,153

(Concluded)

EXHIBIT B-2

COUNTY OF NASSAU, NEW YORK

**COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY
GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
CURRENT:						
LEGISLATIVE						
Legislature						
Legislators						
Salaries	\$ 6,458	\$ 6,156	\$ 6,156	\$	\$ 6,156	\$
Fringe Benefits	3,040	3,502	3,482	(73)	3,409	93
Equipment	9					
General Expenses	19	13	11	1	12	1
Contractual Services	80	80	65	15	80	
Legislative Central Staff						
Salaries	901	1,026	951		951	75
Fringe Benefits	489	541	538	(11)	527	14
Equipment	64	64	22	1	23	41
General Expenses	2,102	2,414	1,937	212	2,149	265
Contractual Services	2,057	2,057	434	1,575	2,009	48
Legislative Budget Review						
Salaries	1,013	1,013	880		880	133
Fringe Benefits	454	501	497	(10)	487	14
Equipment	3	3				3
General Expenses	13	13	6		6	7
Contractual Services	3	3				3
Total Legislative	16,705	17,386	14,979	1,710	16,689	697
JUDICIAL						
Court Administration						
Fringe Benefits	832	449	449		449	
District Attorney						
Salaries	52,956	50,307	50,097		50,097	210
Fringe Benefits	19,527	21,993	21,854	(459)	21,395	598
Equipment	1,827	916	442	86	528	388
General Expenses	2,206	1,812	1,232	477	1,709	103
Contractual Services	3,101	2,614	1,564	923	2,487	127
District Attorney Total	79,617	77,642	75,189	1,027	76,216	1,426
Public Administrator						
Salaries	601	535	532		532	3
Fringe Benefits	309	774	770	(16)	754	20
General Expenses	3	3	2		2	1
Contractual Services	13	13	13		13	
Public Administrator Total	926	1,325	1,317	(16)	1,301	24
Traffic and Parking Violations						
Salaries	4,814	3,848	3,795		3,795	53
Fringe Benefits	2,051	2,373	2,356	(49)	2,307	66
Equipment	9	9	2		2	7
General Expenses	143	94	63	9	72	22
Contractual Services	16,434	13,989	9,521	2,263	11,784	2,205
Traffic and Parking Violations Total	23,451	20,313	15,737	2,223	17,960	2,353
Total Judicial	104,826	99,729	92,692	3,234	95,926	3,803

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY****GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
GENERAL ADMINISTRATION						
Asian American Affairs						
Salaries	\$ 553	\$ 269	\$ 269	\$	\$ 269	\$
Fringe Benefits	129	753	749	(16)	733	20
Equipment	11	1				1
General Expenses	67	5	2		2	3
Asian American Affairs Total	760	1,028	1,020	(16)	1,004	24
Assessment						
Salaries	12,942	10,666	10,526		10,526	140
Fringe Benefits	7,138	7,795	7,739	(162)	7,577	218
General Expenses	1,215	597	465	62	527	70
Contractual Services	2,041	737	196	100	296	441
Interfund Charges	3,707	5,054	5,054		5,054	
Assessment Total	27,043	24,849	23,980		23,980	869
Board of Assessment Review						
Salaries	6,137	5,702	5,652		5,652	50
Fringe Benefits	2,336	2,140	2,125	(45)	2,080	60
General Expenses	257	79	73	6	79	
Interfund Charges	1,899	2,176	2,176		2,176	
Board of Assessment Review Total	10,629	10,097	10,026	(39)	9,987	110
Board of Elections						
Administration						
Salaries	5,435	4,092	4,062		4,062	30
Fringe Benefits	2,032	1,877	1,864	(39)	1,825	52
Equipment	24	24	20		20	4
General Expenses	221	169	80	34	114	55
General Elections						
Salaries	16,712	11,936	11,844		11,844	92
Fringe Benefits	5,152	5,471	5,433	(114)	5,319	152
Equipment	61	34	20	13	33	1
General Expenses	3,559	3,511	2,797	279	3,076	435
Contractual Services	559	587	513	74	587	
Primary Elections						
Salaries	2,984	1,326	1,326		1,326	
Fringe Benefits	20	615	612	(13)	599	16
Equipment		51	51		51	
General Expenses	1,617	1,555	1,291	120	1,411	144
Contractual Services	1,251	782	223	531	754	28
Board of Elections Total	39,627	32,030	30,136	885	31,021	1,009
Civil Service						
Salaries	5,912	5,116	5,071		5,071	45
Fringe Benefits	2,720	3,044	3,023	(63)	2,960	84
Equipment	10	10	3		3	7
General Expenses	404	404	388	14	402	2
Contractual Services	20					
Civil Service Total	9,066	8,574	8,485	(49)	8,436	138
County Attorney						
Salaries	9,617	9,679	9,634		9,634	45
Fringe Benefits	5,289	5,600	5,566	(117)	5,449	151
Equipment	12	11	10		10	1
General Expenses	694	533	507	23	530	3
Contractual Services	14,572	24,803	15,239	6,690	21,929	2,874
Workers' Compensation	8,466	6,200	6,200		6,200	
County Attorney Total	38,650	46,826	37,156	6,596	43,752	3,074
County Clerk						
Salaries	6,951	6,055	5,832		5,832	223
Fringe Benefits	4,108	4,577	4,546	(95)	4,451	126
Equipment	187	106	79	26	105	1
General Expenses	269	198	159	28	187	11
Contractual Services	1,785	1,766	766	972	1,738	28
County Clerk Total	13,300	12,702	11,382	931	12,313	389
County Comptroller						
Salaries	9,490	9,061	9,009		9,009	52
Fringe Benefits	4,528	5,442	5,409	(114)	5,295	147

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY****GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
GENERAL ADMINISTRATION (Continued)						
Equipment	\$ 12	\$ 11	\$ 1	\$	\$ 1	\$ 10
General Expenses	316	241	235	5	240	1
Contractual Services	2,834	1,293	738	431	1,169	124
County Comptroller Total	17,180	16,048	15,392	322	15,714	334
County Executive						
Salaries	1,701	1,439	1,439		1,439	
Fringe Benefits	1,017	1,203	1,193	(25)	1,168	35
Equipment	2	8	8		8	
General Expenses	98	78	64	11	75	3
Contractual Services	20					
County Executive Total	2,838	2,728	2,704	(14)	2,690	38
County Treasurer						
Salaries	2,192	1,976	1,955		1,955	21
Fringe Benefits	1,189	1,406	1,397	(29)	1,368	38
Equipment	4	4				4
General Expenses	548	342	309		309	33
Contractual Services	650	419	57	127	184	235
County Treasurer Total	4,583	4,147	3,718	98	3,816	331
Office of Constituent Affairs						
Salaries	1,628	1,349	1,349		1,349	
Fringe Benefits	716	698	695	(15)	680	18
Office of Constituent Affairs Printing & Graphics						
General Expenses	127	127				127
Contractual Services	3	3				3
Office of Constituent Affairs Total	2,474	2,177	2,044	(15)	2,029	148
Office of Emergency Management						
Salaries	1,130	903	898		898	5
Fringe Benefits	391	413	410	(9)	401	12
General Expenses	165	165	30	134	164	1
Office of Emergency Management Total	1,686	1,481	1,338	125	1,463	18
Information Technology						
Administration						
Salaries	12,160	11,715	11,649	(25)	11,624	91
Fringe Benefits	5,844	7,042	7,006	(158)	6,848	194
General Expenses	4,492	3,643	3,104	445	3,549	94
Contractual Services	35,219	30,746	20,928	7,844	28,772	1,974
Utilities	3,918	3,651	3,391	158	3,549	102
Information Technology Total	61,633	56,797	46,078	8,264	54,342	2,455
Housing and Intergovernmental Affairs:						
Salaries	1,208	996	996		996	
Fringe Benefits	780	904	899	(19)	880	24
General Expenses	3	3				3
Housing and Intergovernmental Affairs Total	1,991	1,903	1,895	(19)	1,876	27
Labor Relations						
Salaries	667	469	469		469	
Fringe Benefits	308	266	265	(6)	259	7
General Expenses	8	8	1		1	7
Contractual Services	535	189	137	3	140	49
Labor Relations Total	1,518	932	872	(3)	869	63

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY****GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
GENERAL ADMINISTRATION (Continued)						
Management and Budgets						
Salaries (net of offsets)	\$ (6,781)	\$ 33,718	\$ 4,018	\$	\$ 4,018	\$ 29,700
Fringe Benefits	4,186	55,639	5,796	2,672	8,468	47,171
Equipment	28					
General Expenses	220	349	344	4	348	1
Contractual Services	3,625	3,193	1,303	1,354	2,657	536
Interdepartmental	5,985	5,441	5,441		5,441	
Flexible Spending Benefits						
Management and Budgets Total	7,263	98,340	16,902	4,030	20,932	77,408
Personnel						
Salaries	912	830	830		830	
Fringe Benefits	283	293	291	(6)	285	8
General Expenses	35	18	11	7	18	
Contractual Services	112	74	56	18	74	
Personnel Total	1,342	1,215	1,188	19	1,207	8
Mass Transportation						
Pt. Lookout/Lido Beach Bus Rt.	288	288	138		138	150
Metropolitan Suburban Bus Auth.	1,930	1,930	1,930		1,930	
LIRR Station Maintenance	37,602	36,433	37,526	(1,093)	36,433	
MTA-LIRR Operating Assistance	11,584	11,584	11,584		11,584	
Physically Challenged Transportation	610	610	610		610	
Intermodal Center Subsidy - Transit Bus	65					
Mass Transportation Total	52,079	50,845	51,788	(1,093)	50,695	150
Purchasing						
Salaries	1,381	1,279	1,272		1,272	7
Fringe Benefits	870	1,024	1,018	(21)	997	27
Equipment	1	1				1
General Expenses	18	18	12	1	13	5
Contractual Services	324	246	112	107	219	27
Purchasing Total	2,594	2,568	2,414	87	2,501	67
Office of Real Estate Services						
Salaries						
Fringe Benefits	31	39	39	(1)	38	1
Insurance on Buildings	2,635	2,635	812	1,370	2,182	453
Rent	16,988	17,245	2,899	12,970	15,869	1,376
Office of Real Estate Services Total	19,654	19,919	3,750	14,339	18,089	1,830
Public Utility Authority						
General Expenses	390	390		390	390	
Public Utility Authority Total	390	390		390	390	
Office of Records Management						
Salaries	910	556	546		546	10
Fringe Benefits	474	492	488	(10)	478	14
Equipment	720	695	276	419	695	
General Expenses	120	34	26	6	32	2
Contractual Services	182	43		38	38	5
Office of Records Management Total	2,406	1,820	1,336	453	1,789	31
Building Management						
Salaries	10,106	9,582	9,470		9,470	112
Fringe Benefits	6,482	7,737	7,695	(162)	7,533	204
Equipment	77	45	22	23	45	
General Expenses	3,838	3,529	2,190	1,244	3,434	95
Contractual Services	7,936	7,548	4,844	2,487	7,331	217
Utility Costs	42,696	38,876	25,873	5,742	31,615	7,261
Interdepartmental Charges	11,615	15,385	15,385		15,385	
Building Management Total	82,750	82,702	65,479	9,334	74,813	7,889
Office of the Inspector General						
Salaries	1,150	1,125	874		874	251
Equipment	2	2				2
General Expenses	53	78	29	22	51	27
Office of the Inspector General Total	1,205	1,205	903	22	925	280
Total General Administration	402,661	481,323	339,986	44,647	384,633	96,690

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY
GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
PROTECTION OF PERSONS						
Commission on Human Rights						
Salaries	\$ 728	\$ 659	\$ 656	\$	\$ 656	\$ 3
Fringe Benefits	425	481	478	(10)	468	13
Equipment	3	3				3
General Expenses	25	25	20		20	5
Contractual Services	6	6				6
Commission on Human Rights Total	1,187	1,174	1,154	(10)	1,144	30
Commissioner of Accounts						
Fringe Benefits	62	69	68	(1)	67	2
Commissioner of Accounts Total	62	69	68	(1)	67	2
Consumer Affairs						
Salaries	2,097	1,752	1,738		1,738	14
Fringe Benefits	1,344	1,542	1,532	(32)	1,500	42
Equipment	5	5	4		4	1
General Expenses	152	59	30	9	39	20
Contractual Services	214	124	29	38	67	57
Consumer Affairs Total	3,812	3,482	3,333	15	3,348	134
Fire Commission						
Salaries	14,149	15,303	14,123		14,123	1,180
Fringe Benefits	7,476	8,098	7,679	(258)	7,421	677
Equipment	164	164	43	6	49	115
General Expenses	357	357	96	88	184	173
Contractual Services	5,350	5,259	5,029	40	5,069	190
Interfund Charges	4,442	4,534	4,534		4,534	
Fire Commission Total	31,938	33,715	31,504	(124)	31,380	2,335
Police Headquarters						
Salaries	281,154	318,385	295,717	2,834	298,551	19,834
Fringe Benefits	187,108	202,551	202,210	(9,469)	192,741	9,810
Workers' Compensation	7,032	7,350	7,350		7,350	
Equipment	3,687	2,687	1,235	405	1,640	1,047
General Expenses	12,644	10,644	5,739	2,696	8,435	2,209
Contractual Services	32,370	29,578	16,472	6,290	22,762	6,816
Utilities	2,946	2,446	1,562	519	2,081	365
Interfund Charges	30,447	30,921	30,921		30,921	
Police Headquarters Total	557,388	604,562	561,206	3,275	564,481	40,081
Medical Examiner						
Salaries	11,707	10,805	10,747		10,747	58
Fringe Benefits	4,465	1,410	1,402	(29)	1,373	37
Equipment	137	82	69	13	82	
General Expenses	1,003	1,008	835	103	938	70
Contractual Services	90	83	26	29	55	28
Medical Examiner Total	17,402	13,388	13,079	116	13,195	193
Office of Crime Victims Advocate						
Salaries	443	272	272		272	
Fringe Benefits	146	119	118	(2)	116	3
Equipment	1	1				1
General Expenses	95	9	6	4	10	(1)
Contractual Services	100					
Office of Crime Victims Advocate Total	785	401	396	2	398	3
Total Protection of Persons	612,574	656,791	610,740	3,273	614,013	42,778

(Continued)

EXHIBIT B-2

COUNTY OF NASSAU, NEW YORK

**COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY
GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
HEALTH						
Health Department						
Administration						
Salaries	\$ 3,237	\$ 3,010	\$ 2,990	\$	\$ 2,990	\$ 20
Fringe Benefits	1,861	3,004	2,985	(63)	2,922	82
Equipment	20	5	(1)		(1)	6
General Expenses	102	74	58	1	59	15
Interdepartmental Charges	3,089	2,838	2,838		2,838	
Environmental Health						
Salaries	9,240	8,930	8,280		8,280	650
Fringe Benefits	5,425	8,184	8,069	(169)	7,900	284
Equipment	27	13	(7)		(7)	20
General Expenses	124	107	101	3	104	3
Contractual Services	88	13	21	(115)	(94)	107
Interdepartmental Charges	652	411	411		411	
Laboratory Research						
Salaries	1,070	1,327	982		982	345
Fringe Benefits	613	914	871	(18)	853	61
Equipment	24					
General Expenses	609	536	221	241	462	74
Contractual Services	145	142	68	61	129	13
Interdepartmental Charges	385	142	142		142	
Public Health						
Salaries	2,892	2,509	2,494		2,494	15
Fringe Benefits	1,433	2,507	2,491	(52)	2,439	68
Equipment		900	4		4	896
General Expenses	115	72	59	3	62	10
Contractual Services	61	60	54	(14)	40	20
Various Direct Expenses	5,000	5,000	5,000		5,000	
Interdepartmental Charges	566	412	412		412	
Early Intervention						
Salaries	3,696	3,806	2,959		2,959	847
Fringe Benefits	2,113	2,789	2,681	(56)	2,625	164
Equipment	8	4	4		4	
General Expenses	42	16	15	1	16	
Interdepartmental Charges	478	385	385		385	
Early Intervention Charges	27,060	22,362	22,362		22,362	
Preschool Education						
Salaries	62					
Fringe Benefits	9					
General Expenses	4	2	2		2	
Contractual Services	388	422	370	(31)	339	83
Early Intervention Charges	142,031	190,407	183,777	2,315	186,092	4,315
Health Department Total	212,669	261,303	251,098	2,107	253,205	8,098
Mental Health, Chemical Dependency and Disabled Services						
Administration						
Salaries	1,006	1,048	2,088		2,088	(1,040)
Fringe Benefits	1,492	2,397	2,384	(50)	2,334	63
General Expenses	3,023	4,819	4,850		4,850	(31)
Contractual Services	15,421	15,421	5,740	7,173	12,913	2,508
Interdepartmental Charges	1,383	813	981		981	(168)
Opioid Prevention and Education	21,762	20,862	4,745	11,365	16,110	4,752
Direct Services						
Fringe Benefits	34	37	37	(1)	36	1
Mental Health, Chemical Dependency and Disabled Services Total	44,121	45,397	20,825	18,487	39,312	6,085
Pre-PBC Costs						
Pre-PBC Retiree Fringe Benefits	21,319	21,319	22,531		22,531	(1,212)
Pre-PBC Costs Total	21,319	21,319	22,531		22,531	(1,212)
Total Health	278,109	328,019	294,454	20,594	315,048	12,971

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY****GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
<u>PUBLIC WORKS</u>						
Administration						
Salaries	\$ 4,414	\$ 4,576	\$ 3,346	\$	\$ 3,346	\$ 1,230
Fringe Benefits	2,974	2,871	2,767	(58)	2,709	162
Workers' Compensation	2,430	1,562	1,562		1,562	
Interdepartmental Charges	2,862					
Direct Expenses	300	475	475		475	
General Expenses	188	117	96	15	111	6
Contractual Services	4,545	3,153	601	2,412	3,013	140
Highway and Engineering						
Salaries	7,524	7,073	6,976		6,976	97
Fringe Benefits	4,994	5,714	5,670	(119)	5,551	163
Equipment	51	14		14	14	
General Expenses	100	24	23	1	24	
Contractual Services	191,829	187,494	170,329	2,456	172,785	14,709
Utility Costs	1,348	1,438	1,438	(2)	1,436	2
Road and Bridge Maintenance						
Salaries	13,143	11,761	11,605		11,605	156
Fringe Benefits	8,209	9,508	9,434	(198)	9,236	272
Equipment	277	264	193	65	258	6
General Expenses	5,075	4,222	2,368	1,764	4,132	90
Contractual Services	4,834	4,279	2,014	1,945	3,959	320
Groundwater Remediation						
Salaries	3,016	2,960	2,839		2,839	121
Fringe Benefits	1,881	2,268	2,249	(47)	2,202	66
Equipment	31	3,114	2,809	185	2,994	120
General Expenses	4,741	3,777	2,397	1,273	3,670	107
Contractual Services	1,097	937	393	541	934	3
Interdepartmental Charges	1,650	816	816		816	
Total Public Works	267,513	258,417	230,400	10,247	240,647	17,770
<u>RECREATION AND PARKS</u>						
Administration						
Contractual Services	223	223		197	197	26
Technical Service						
General Expenses	1	1				1
Contractual Services	8	8		5	5	3
Recreation Service						
Salaries	20,993	22,006	21,804		21,804	202
Fringe Benefits	9,896	11,341	11,261	(236)	11,025	316
Equipment	479	355	281	10	291	64
General Expenses	2,057	2,003	1,537	204	1,741	262
Contractual Services	11,335	11,950	8,439	2,588	11,027	923

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY****GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
RECREATION AND PARKS (Continued)						
Museum						
General Expenses	\$ 1	\$ 1	\$	\$	\$	\$ 1
Contractual Services	251	251		251	251	
Total Recreation and Parks	45,244	48,139	43,322	3,019	46,341	1,798
SOCIAL SERVICES						
Bar Association - Public Defender	17,624	18,803	18,550	230	18,780	23
Hispanic Affairs (CASA)						
Salaries	553	365	365		365	
Fringe Benefits	85	109	108	(2)	106	3
Equipment	10					
General Expenses	42	24	16	7	23	1
Contractual Services	25					
Hispanic Affairs (CASA) Total	715	498	489	5	494	4
Human Services						
Salaries	2,357	2,128	879		879	1,249
Fringe Benefits	1,675	810	801	(17)	784	26
Equipment	39	6	6		6	
General Expenses	90	90	55	2	57	33
Contractual Services	3,345	3,345	216	2,911	3,127	218
Interdepartmental Charges	590	521	409		409	112
Human Services Total	8,096	6,900	2,366	2,896	5,262	1,638
Legal Aid Society	9,849	8,263	7,671	584	8,255	8
Minority Affairs						
Salaries	1,121	991	991		991	
Fringe Benefits	434	505	503	(11)	492	13
Equipment	25	3	3		3	
General Expenses	62	43	41	1	42	1
Contractual Services		136	159	(23)	136	
Minority Affairs Total	1,642	1,678	1,697	(33)	1,664	14
Senior Citizens Affairs						
Administration						
Salaries	1,521	1,546	1,407		1,407	139
Fringe Benefits	1,223	1,653	1,644	(35)	1,609	44
General Expenses	16	16	14	2	16	
Contractual Services	27,974	27,974	18,305	6,255	24,560	3,414
Interdepartmental Charges	609	609	519		519	90
Senior Citizens Affairs Total	31,343	31,798	21,889	6,222	28,111	3,687
Social Services Department						
Administration						
Salaries	4,427	4,012	3,971		3,971	41
Fringe Benefits	2,477	2,758	2,738	(57)	2,681	77
Equipment	5	5	4		4	1
General Expenses	312	291	275	10	285	6
Contractual Services	2,819	2,794	1,845	684	2,529	265
Interdepartmental Charges	13,984	16,246	16,246		16,246	
Public Financial Assistance						
Salaries	21,975	20,503	20,235		20,235	268
Fringe Benefits	12,094	14,024	13,923	(292)	13,631	393
Equipment	10	13	12		12	1
General Expenses	409	418	380	31	411	7
Contractual Services	7,403	7,346	4,809	1,108	5,917	1,429

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY
GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
SOCIAL SERVICES (continued)						
Division of Services						
Salaries	\$ 26,414	\$ 24,004	\$ 23,270	\$	\$ 23,270	\$ 734
Fringe Benefits	14,286	16,088	15,925	(334)	15,591	497
General Expenses	232	247	232	10	242	5
Contractual Services	209	186	131	17	148	38
Handicapped Children Education						
Emergency Vendor Payments	28,835	26,917	15,667	8,725	24,392	2,525
Physically Challenged						
Salaries	303	308	399		399	(91)
Fringe Benefits	278	446	445	(10)	435	11
General Expenses	2	2				2
Interdepartmental Charges	632	632	672		672	(40)
Aid to Dependent Children TANF						
Recipient Grants	14,000	18,050	18,050		18,050	
Emergency Vendor Payments	8,621	8,871	8,109	605	8,714	157
Home Relief SAFETY NET						
Recipient Grants	31,000	57,338	57,338		57,338	
Emergency Vendor Payments	14,850	16,993	16,993		16,993	
Children in Institutions-PINS						
Emergency Vendor Payments	13,679	13,655	12,642	1,012	13,654	1
Children in Foster Homes						
Recipient Grants	2,328	2,347	2,347		2,347	
Purchased Services	4	4	3		3	1
Emergency Vendor Payments	825	669	669		669	
Juvenile Delinquents						
Emergency Vendor Payments	1,866	1,866	46	673	719	1,147
Training Schools						
Emergency Vendor Payments	2,200	2,967	2,967		2,967	
Children in Institutions-Non Secure Detention						
Emergency Vendor Payments	674	674	556	45	601	73
Social Service Administration						
Recipient Grants	7,374	6,319	6,319		6,319	
Burials						
Emergency Vendor Payments	340	230	230		230	
Medicaid						
Medicaid	245,158	250,009	250,009		250,009	
Home Energy Assistance						
Recipient Grants	400	258	258		258	
Title-XX						
Purchased Services	107,997	132,366	123,866	(229)	123,637	8,729
Social Services Department Total	588,422	649,856	621,581	11,998	633,579	16,277
Veterans Service Agency						
Salaries	819	669	664		664	5
Fringe Benefits	346	398	395	(8)	387	11
General Expenses	22	11	11		11	
Contractual Services	47	4	1	3	4	
Veterans Service Agency Total	1,234	1,082	1,071	(5)	1,066	16

(Continued)

EXHIBIT B-2**COUNTY OF NASSAU, NEW YORK****COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY
GENERAL FUND****FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
<u>SOCIAL SERVICES (continued)</u>						
Youth Board						
Salaries	\$ 456	\$ 464	\$ 665	\$	\$ 665	\$ (201)
Fringe Benefits	493	747	743	(16)	727	20
Contractual Services	10,805	11,480	7,249	3,931	11,180	300
Interdepartmental Charges	418	418	412		412	6
Youth Board Total	12,172	13,109	9,069	3,915	12,984	125
Total Social Services	671,097	731,987	684,383	25,812	710,195	21,792
<u>CORRECTIONAL CENTER</u>						
Correctional Center						
Salaries	123,449	142,203	125,362		125,362	16,841
Fringe Benefits	70,308	78,127	75,886	(1,592)	74,294	3,833
Workers' Compensation	9,032	9,486	9,486		9,486	
Equipment	314	558	472	55	527	31
General Expenses	5,575	5,852	4,060	1,236	5,296	556
Contractual Services	34,350	30,046	22,647	6,461	29,108	938
Utility Costs	1,801	1,739	1,729	6	1,735	4
Correctional Center Total	244,829	268,011	239,642	6,166	245,808	22,203
Sheriff						
Salaries	8,720	10,659	10,350		10,350	309
Fringe Benefits	5,044	6,517	6,443	(135)	6,308	209
General Expenses	34	34	23	3	26	8
Sheriff Total	13,798	17,210	16,816	(132)	16,684	526
Correctional Center and Sheriff Total	258,627	285,221	256,458	6,034	262,492	22,729
Probation						
Administration						
Salaries	24,722	23,688	23,435		23,435	253
Fringe Benefits	13,280	15,010	14,906	(313)	14,593	417
Equipment	90	63	40	1	41	22
General Expenses	472	461	265	106	371	90
Contractual Services	1,899	1,842	1,102	514	1,616	226
Interdepartmental Charges	1,149	1,180	1,180		1,180	
Probation Total	41,612	42,244	40,928	308	41,236	1,008
Total Corrections	300,239	327,465	297,386	6,342	303,728	23,737
<u>EDUCATION</u>						
Payment to Long Beach Schools	106	106	106		106	
State School Tuition	16,750	16,750	13,861		13,861	2,889
Nassau Community College Support		1,997	1,997		1,997	
Total Education	16,856	18,853	15,964		15,964	2,889
<u>AID TO TOWNS AND CITIES</u>						
Aid to Towns and Cities	94,069	93,723	93,723		93,723	
<u>SUITS AND DAMAGES</u>						
Suits and Damages	45,000	105,450	42,874		42,874	62,576
<u>PAYMENTS OF TAX CERTIORARI</u>						
Tax Certiorari	40,000	77,753	43,897		43,897	33,856
<u>OTHER EXPENDITURES</u>						
Intergovernmental Charges	20,695	20,553	20,557	(4)	20,553	
Lido-Point Lookout Fire District	6	6	6		6	
Reserve for Contingencies	39,380	7				7
Other Expenses	78	853	832		832	21
Fringe Benefits	424	418	397	13	410	8
Total Other Expenditures	60,583	21,837	21,792	9	21,801	36

(Continued)

EXHIBIT B-2

COUNTY OF NASSAU, NEW YORK

**COMPARATIVE SCHEDULE OF ACTUAL EXPENDITURES
VS. TOTAL BUDGETARY AUTHORITY
GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
Debt Service:						
Principal	\$ 127,360	\$ 127,360	\$ 116,305	\$	\$ 116,305	\$ 11,055
Interest	95,545	95,545	82,716		82,716	12,829
Financing Costs	4,880	4,880	2,590		2,590	2,290
Principal on Leases			10,679	(10,679)		
Interest on Leases			2,080	(2,080)		
Principal on SBITA			301	(301)		
Interest on SBITA			47	(47)		
Total Debt Service	227,785	227,785	214,718	(13,107)	201,611	26,174
Total Expenditures	3,183,261	3,494,657	3,041,310	105,780	3,147,090	347,567
<u>OTHER FINANCING USES</u>						
Transfers Out	106,139	116,534	19,164	(9,000)	10,164	106,370
TOTAL OTHER FINANCING USES	106,139	116,534	19,164	(9,000)	10,164	106,370
TOTAL EXPENDITURES AND TRANSFERS OUT	\$ 3,289,400	\$ 3,611,191	\$ 3,060,474	\$ 96,780	\$ 3,157,254	\$ 453,937
*Appropriations per the 2024 budget as adopted						\$ 3,600,836
Intrafund Budget Elimination						(470,747)
Outstanding encumbrances, January 1, 2024						159,311
Original Budget per above						3,289,400
Add: Supplemental appropriations						653,416
Less: Intrafund Modified Budget eliminations						(331,625)
Total Budgetary Authority						\$ 3,611,191

Note - Budgetary authority in the General Fund is not controlled at all department levels, but by Control Center, which may comprise several departments, thus overspending on appropriations in one department is covered by surplus in another.

(Concluded)

EXHIBIT B-3**COUNTY OF NASSAU, NEW YORK**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TOTAL BUDGETARY AUTHORITY, ACTUAL AND BUDGETARY BASIS
POLICE DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues:						
Property Taxes	\$ 466,176	\$ 473,734	\$ 473,734	\$	\$ 473,734	\$
Payments in Lieu of Taxes	16,758	16,758	16,758		16,758	
Departmental Revenue	2,297	3,739	3,488		3,488	(251)
Interest Income	850	5,350	6,640	(1,113)	5,527	177
Licenses and Permits	4,098	4,098	3,397		3,397	(701)
Fines and Forfeits	1,245	1,245	776		776	(469)
Rents and Recoveries			62		62	62
Interdepartmental Revenue			489		489	489
Total Revenues	491,424	504,924	505,344	(1,113)	504,231	(693)
Expenditures:						
Protection of Persons:						
Salaries	261,708	273,091	275,924	(2,833)	273,091	
Fringe Benefits	178,023	168,846	181,737	(15,493)	166,244	2,602
Workers' Compensation	11,110	11,656	11,656		11,656	
Equipment	2,437	412	188	125	313	99
General Expenses	7,451	6,362	4,131	1,522	5,653	709
Contractual Services	2,119	1,242	631	576	1,207	35
Utility Costs	1,927	1,565	1,516	26	1,542	23
Interdepartmental Charges	27,581	33,682	33,682		33,682	
Total Expenditures	492,356	496,856	509,465	(16,077)	493,388	3,468
Excess (Deficiency) of Revenues Over (Under) Expenditures	(932)	8,068	(4,121)	14,964	10,843	2,775
Other Financing Sources (Uses):						
Transfers In			9,000	(9,000)		
Transfers Out	(1,227)	(1,227)	(10,226)		(10,226)	(8,999)
Total Other Financing Sources (Uses)	(1,227)	(1,227)	(1,226)	(9,000)	(10,226)	(8,999)
Net Change in Fund Balance (Deficit)	(2,159)	6,841	(5,347)	5,964	617	(6,224)
Fund Balance (Deficit) Beginning of Year	2,159	(6,841)	117,454	2,587	120,041	126,882
Fund Balance (Deficit) End of Year	\$	\$	\$ 112,107	\$ 8,551	\$ 120,658	\$ 120,658

EXHIBIT B-4**COUNTY OF NASSAU, NEW YORK**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TOTAL BUDGETARY AUTHORITY, ACTUAL AND BUDGETARY BASIS
SEWER AND STORM WATER DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
Revenues:						
Property Taxes	\$	\$	\$ 154,559	\$	\$ 154,559	\$ 154,559
Payments in Lieu of Taxes			7,853		7,853	7,853
Departmental Revenue	1,603	1,603	1,024	(34)	990	(613)
Interest Income	2,400	3,650	4,323		4,323	673
Licenses and Permits	750	750	862		862	112
Rents and Recoveries	4,126	4,126	190	2,031	2,221	(1,905)
Total Revenues	8,879	10,129	168,811	1,997	170,808	160,679
Expenditures:						
Public Works:						
Salaries	8,306	9,056	8,413		8,413	643
Fringe Benefits	6,131	7,231	7,114	(51)	7,063	168
Equipment	10	10	3		3	7
General Expenses	2,336	2,336	1,054	908	1,962	374
Contractual Services	79,941	79,941	73,840	1,472	75,312	4,629
Utility Costs	7,173	14,073	10,873	286	11,159	2,914
Interdepartmental Charges	7,267	8,118	8,118		8,118	
Other	10,685	3,185		226	226	2,959
Debt Service:						
Principal	14,109	14,359	14,329		14,329	30
Interest	10,439	6,156	4,872		4,872	1,284
Total Expenditures	146,397	144,465	128,616	2,841	131,457	13,008
Excess (Deficiency) of Revenues Over (Under) Expenditures	(137,518)	(134,336)	40,195	(844)	39,351	173,687
Other Financing Sources (Uses):						
Transfer In			25,076		25,076	25,076
Transfer Out	(36,546)	(39,730)	(39,730)		(39,730)	
Transfer In of Investment Income	625	625	3,616		3,616	2,991
Transfers In from NCSSWFA	149,224	149,224	150,260		150,260	1,036
Transfer Out to NCSSWFA			(162,412)		(162,412)	(162,412)
Total Other Financing Sources (Uses)	113,303	110,119	(23,190)		(23,190)	(133,309)
Net Change in Fund Balances	(24,215)	(24,217)	17,005	(844)	16,161	40,378
Fund Balance Beginning of Year	24,215	24,217	66,534	1,031	67,565	43,348
Fund Balance End of Year	\$	\$	\$ 83,539	\$ 187	\$ 83,726	\$ 83,726

EXHIBIT B-5**COUNTY OF NASSAU, NEW YORK**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TOTAL BUDGETARY AUTHORITY, ACTUAL AND BUDGETARY BASIS
DISPUTED ASSESSMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<u>Revenues:</u>						
Property Taxes	\$	\$ 153	\$ 153	\$	\$ 153	\$
Interest Income			5,869		5,869	5,869
Total Revenues		153	6,022		6,022	5,869
<u>Other Financing Uses:</u>						
Transfer Out		(153)	(153)		(153)	
Total Other Financing Uses		(153)	(153)		(153)	
Net Change in Fund Balance			5,869		5,869	5,869
Fund Balance Beginning of Year			14,351		14,351	14,351
Fund Balance End of Year	\$	\$	\$ 20,220	\$	\$ 20,220	\$ 20,220

EXHIBIT B-6

COUNTY OF NASSAU, NEW YORK

**SCHEDULE OF EXPENDITURES BY COUNTY ARPA PROGRAMS
TOTAL BUDGETARY AUTHORITY AND ACTUAL
AMERICAN RESCUE PLAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)
(INCLUDING LIFETIME ACTIVITY THROUGH DECEMBER 31, 2024)**

County ARPA Programs	Budgetary Authority as of December 31, 2024	Expenditures and Transfers through December 31, 2023	Available Budgetary Authority for 2024	2024 Expenditures and Transfers Out	Remaining Budgetary Authority December 31, 2024
American Rescue Plan	\$ 272,447	\$	\$ 272,447	\$ 272,447	\$
Household Assistance Program	27,715	28,269	(554)	(550)	(4)
Boost Main St Small Business Grt Program	30,000	26,834	3,166	1,942	1,224
Boost NC Technical Assist Partner & Grts	600	300	300		300
Boost NC Resource Ctr Staff, Supp, Ad Buy	931	835	96	96	
Boost NC Tourism Program	5,855	1,855	4,000	3,955	45
Septic Grant Program	3,330	1,440	1,890	564	1,326
Groundwater Conservation Program	3,579	1,616	1,963	349	1,614
Veterans Support Programs	1,614	954	660		660
Behavioral Health Support	2,759	2,759			
Expansion of Youth Services	1,793	1,793			
Expansion of Office of the Aging Programs	2,167	2,167			
Health & Social Services Grant Programs	4,466	3,730	736	393	343
Additional Consulting Assistance	5,853	5,280	573	152	421
Public Safety Aid - VEEB	2,000	500	1,500		1,500
COVID-19 Disinfecting	3,668	3,668			
COVID-19 Summer Internship Program	337	126	211	211	
Office of Health Equity	440	266	174	169	5
Fire Comm Cad Enhancement	449	446	3	3	
Legislative Initiatives	15,000		15,000	2,822	12,178
Total	\$ 385,003	\$ 82,838	\$ 302,165	\$ 282,553	\$ 19,612

Note: Budgetary Authority in the ARPA Fund is not restricted by program, only Control Center and Object Class, thus remaining budgetary authority may be reclassified

EXHIBIT B-7

COUNTY OF NASSAU, NEW YORK

SCHEDULE OF EXPENDITURES BY COUNTY DEPARTMENTS AND OFFICES
 TOTAL BUDGETARY AUTHORITY AND ACTUAL
 GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)
 (INCLUDING LIFETIME ACTIVITY THROUGH DECEMBER 31, 2024)

County Departments, Offices and Boards	Budgetary Authority as of December 31, 2024	Expenditures through December 31, 2023	Available Budgetary Authority for 2024	2024 Expenditures	Remaining Budgetary Authority December 31, 2024
Affirmative Action	\$ 1,240	\$ 1,140	\$ 100	\$	\$ 100
Assessment	13,000	11,363	1,637		1,637
Behavioral Health	847,076	606,265	240,811	43,919	196,892
Budget and Management	50,123	18,972	31,151	5,701	25,450
CASA	735	466	269		269
Consumer Affairs	250	229	21		21
Correctional Center	21,301	17,746	3,555	583	2,972
County Attorney	295	295			
County Clerk	649	496	153	75	78
County Comptroller	805	446	359		359
Crime Victim Advocate	1,010	62	948	171	777
Criminal Justice Coordinating Council	72,146	63,230	8,916	3,193	5,723
Cultural Development	441	437	4		4
District Attorney	74,336	56,724	17,612	3,265	14,347
Drug and Alcohol	693,474	527,186	166,288		166,288
Board of Election	15,402	9,834	5,568	2,033	3,535
Emergency Management	81,450	60,374	21,076	4,393	16,683
Fire Commission	6,729	5,506	1,223	124	1,099
General Services	415	315	100		100
Health	437,485	356,783	80,702	12,565	68,137
Housing and Inter- governmental Affairs	1,004,266	878,863	125,403	20,831	104,572
Human Rights	1,897	1,702	195		195
Human Services	18,062	8,195	9,867	2,341	7,526
Information Technology	433	394	39		39
Labor	50	46	4		4
Medical Center	5,119	188	4,931		4,931
Medical Examiner	22,319	19,083	3,236	948	2,288
Mental Health	213,875	169,654	44,221		44,221
Miscellaneous	91,127	72,570	18,557		18,557
Planning	35,090	23,778	11,312	202	11,110
Police	234,267	177,117	57,150	10,453	46,697
Probation	62,441	47,634	14,807	1,312	13,495
Public Works	27,710	20,394	7,316	676	6,640
Real Estate Services	521,301	166,804	354,497	9,228	345,269
Records Management	114	113	1		1
Recreation and Parks	78,646	60,600	18,046	4,285	13,761
Senior Citizen Affairs	63,162	60,291	2,871		2,871
Sheriff	66	55	11		11
Shared Services	650	642	8		8
Social Services	333,169	250,046	83,123	22,519	60,604
Traffic Safety Board	79,027	72,720	6,307	977	5,330
Veterans Services	458	424	34		34
Women's Services	194	148	46		46
Youth Board	39,081	31,638	7,443		7,443
Total	5,150,886	3,800,968	1,349,918	149,794	1,200,124
Debt Service - Leases (GASB 87)*			187	187	
Total	\$ 5,150,886	\$ 3,800,968	\$ 1,350,105	\$ 149,981	\$ 1,200,124

*GASB 87 entries do not affect budgetary authority

EXHIBIT B-8

COUNTY OF NASSAU, NEW YORK

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TOTAL BUDGETARY AUTHORITY, ACTUAL, AND BUDGETARY BASIS
ENVIRONMENTAL PROTECTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Positive (Negative)
<u>Revenues:</u>						
Property Taxes	\$ 8,211	\$ 8,211	\$ 7,467	\$	\$ 7,467	\$ (744)
Interest Income			253		253	253
Total Revenues	8,211	8,211	7,720		7,720	(491)
<u>Other Financing Sources (Uses):</u>						
Transfers Out	(8,460)	(8,460)	(8,459)		(8,459)	1
Total Other Financing Sources (Uses)	(8,460)	(8,460)	(8,459)		(8,459)	1
Net Change in Fund Balance	(249)	(249)	(739)		(739)	(490)
Fund Balance Beginning of Year	249	249	1,145		1,145	896
Fund Balance End of Year	\$	\$	\$ 406	\$	\$ 406	\$ 406

EXHIBIT B-9

COUNTY OF NASSAU, NEW YORK

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TOTAL BUDGETARY AUTHORITY, ACTUAL, AND BUDGETARY BASIS
CAPITAL RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Positive (Negative)</u>
<u>Other Financing Sources (Uses):</u>						
Transfers In	\$	\$ 5,000	\$ 10,000	\$	\$ 10,000	\$ 5,000
Total Other Financing Sources (Uses)		5,000	10,000		10,000	5,000
Net Change in Fund Balance		5,000	10,000		10,000	5,000
Fund Balance Beginning of Year		(5,000)				5,000
Fund Balance End of Year	\$	\$	\$ 10,000	\$	\$ 10,000	\$ 10,000

EXHIBIT B-10**COUNTY OF NASSAU, NEW YORK**

**SCHEDULE OF EXPENDITURES BY COUNTY DEPARTMENTS AND OFFICES
TOTAL BUDGETARY AUTHORITY AND ACTUAL
FEMA FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)
(INCLUDING LIFETIME ACTIVITY THROUGH DECEMBER 31, 2024)**

County Departments, Offices and Boards	Budgetary Authority as of December 31, 2024	Expenditures and Transfers through December 31, 2023	Available Budgetary Authority for 2024	2024 Expenditures and Transfers Out	Remaining Budgetary Authority December 31, 2024
Budget and Management	\$ 30	\$ 27	\$ 3	\$ 3	\$
Correctional Center	179	179			
County Attorney	25	23	2	2	
County Comptroller	135	135			
Office of Constituent Affairs	55	55			
County Executive	69	62	7	7	
District Attorney	100	100			
Board of Election	249	249			
Emergency Management	1,576	1,578	(2)		(2)
Fire Commission	883	882	1		1
Health	914	914			
Human Services	68	68			
Information Technology	300	300			
Labor Relations	2	2			
Legislature	1	1			
Medical Examiner	4	4			
Personnel	31	28	3	3	
Police	11,577	11,576	1		1
Police Headquarters	10,974	10,968	6		6
Probation	419	419			
Public Works	196,130	201,003	(4,873)	101	(4,974)
Shared Services	13	13		2	(2)
Recreation and Parks	2,616	2,616			
Social Services	73	73			
STEP Program	14,778	9,071	5,707		5,707
Total	\$ 241,201	\$ 240,346	\$ 855	\$ 118	\$ 737

Note - Budgetary authority in the FEMA fund is not restricted by department only Control Center and Object Class, thus remaining budgetary may be reclassified.

EXHIBIT B-11

COUNTY OF NASSAU, NEW YORK

**SCHEDULE OF EXPENDITURES BY COUNTY DEPARTMENTS AND OFFICES
TOTAL BUDGETARY AUTHORITY AND ACTUAL
COVID FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)
(INCLUDING LIFETIME ACTIVITY THROUGH DECEMBER 31, 2024)**

County Departments, Offices and Boards	Budgetary Authority as of December 31, 2024	Expenditures and Transfers through December 31, 2023	Available Budgetary Authority for 2024	2024 Expenditures	2024 Transfers (*)	Remaining Budgetary Authority December 31, 2024
Budget and Management	\$ 10,475	\$ 747	\$ 9,728	\$	\$ 43	\$ 9,685
Consumer Affairs	174	174				
Correctional Center	2,298	2,298				
District Attorney	81	81				
Office of Constituent Affairs	283	283				
Emergency Management	1,285	1,285		43	(43)	
Fire Commission	4,304	4,304				
Health	2,633	2,633				
Housing and Intergovernmental Affairs	304	304				
Human Services	578	578				
Information Technology	2,365	2,365				
Labor Relations	172	172				
Legislature	11	11				
Medical Examiner	903	903				
Minority Affairs	171	171				
Parks and Recreation	2	2				
Police	83,522	83,522				
Probation	207	207				
Public Works	254	254				
Public Works Facilities Management	4,648	4,500	148			148
Public Works - Sewers	33	33				
Sheriff	1,233	1,233				
Social Services	795	795				
Veterans Services	68	68				
Total	\$ 116,799	\$ 106,923	\$ 9,876	\$ 43	\$	\$ 9,833

* Note - Budgetary Authority in the COVID Fund is not restricted by department, only Control Center and Object Class, thus remaining budgetary authority may be reclassified.

EXHIBIT B-12

COUNTY OF NASSAU, NEW YORK

COMBINING BALANCE SHEET

GENERAL FUND

DECEMBER 31, 2024 (Dollars in Thousands)

	General Fund	Debt Service Fund	Fire Prevention Fund	Police Headquarters Fund	Technology Fund	Open Space Fund	Employee Benefit Accrued Liability Reserve Fund
ASSETS:							
Cash and Cash Equivalents	\$ 129,339	\$ 23,349	\$ 2,013	\$ 13,839	\$ 92	\$	\$
Restricted Cash and Cash Equivalents	141,175					2,110	38,687
Sales Tax Receivable	13,988						
Due from Other Governments	211,596			690			
Less Allowance for Doubtful Accounts	(7,452)						
Accounts Receivable	43,575			881			
Lease Receivable	150,054						
PPP Receivables	4,516						
Real Property Taxes Receivable	81,792						
Less Allowance for Doubtful Accounts	(9,050)						
Tax Sale Certificates	4,366						
Tax Real Estate Held for Sale	6,387						
Interfund Receivables	373,052	73,736	225	11,990			38,651
Advances Receivable	37,193						
Due from Component Units	54,855						
Prepays	29,577		636	27,722			
Other Assets	9,908		189	4,863			
TOTAL ASSETS	\$ 1,274,871	\$ 97,085	\$ 3,063	\$ 59,985	\$ 92	\$ 2,110	\$ 77,338
LIABILITIES:							
Accounts Payable	\$ 88,491	\$	\$ 79	\$ 2,637	\$	\$	\$
Accrued Liabilities	114,010	3	370	8,001			
Unearned Revenue	10,311						
Property Tax Refund Payable	9,481						
Interfund Payables	282,354	103,723	3,716	87,144			22,334
Due to Component Units	52,387		102	23			
Other Liabilities	62,680		170	9,468			
Total Liabilities	619,714	103,726	4,437	107,273			22,334
DEFERRED INFLOWS OF RESOURCES:							
Unavailable Revenue - Period of Availability	11,261						
Property Taxes - Part County Sales Tax Offset	10,360						
Deferred Inflows - Leases	179,125						
Deferred Inflows - PPPs	4,262						
Unavailable Revenue - Property Taxes	24,330						
Deferred Inflows - Mitchel Field	21,146						
Total Deferred Inflows of Resources	250,484						
FUND BALANCE (DEFICIT):							
Fund Balances (Deficit):							
Nonspendable	86,840		751	28,358			
Spendable:							
Restricted	58,194					2,110	55,004
Committed					92		
Assigned	95,849						
Unassigned	163,790	(6,641)	(2,125)	(75,646)			
Total Fund Balance (Deficit)	404,673	(6,641)	(1,374)	(47,288)	92	2,110	55,004
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)	\$ 1,274,871	\$ 97,085	\$ 3,063	\$ 59,985	\$ 92	\$ 2,110	\$ 77,338

(Continued)

EXHIBIT B-12

COUNTY OF NASSAU, NEW YORK

COMBINING BALANCE SHEET

GENERAL FUND

DECEMBER 31, 2024 (Dollars in Thousands)

	Litigation Fund	Bond Indebtedness Fund	Opioid Litigation Settlement Fund	Retirement Contribution Reserve Fund	Operating Reserve Fund	Intrafund Eliminations	Total General Fund
ASSETS:							
Cash and Cash Equivalents	\$ 209,280	\$	\$ 28,315	\$	\$ 97,372	\$	\$ 503,599
Restricted Cash and Cash Equivalents		70,573	73,450	76,048			402,043
Sales Tax Receivable							13,988
Due from Other Governments							212,286
Less Allowance for Doubtful Accounts							(7,452)
Accounts Receivable							44,456
Lease Receivable							150,054
PPP Receivables							4,516
Real Property Taxes Receivable							81,792
Less Allowance for Doubtful Accounts							(9,050)
Tax Sale Certificates							4,366
Tax Real Estate Held for Sale							6,387
Interfund Receivables	173,958	10,000		10,000	39,597	(467,879)	263,330
Advances Receivable							37,193
Due from Component Units							54,855
Prepays							57,935
Other Assets							14,960
TOTAL ASSETS	\$ 383,238	\$ 80,573	\$ 101,765	\$ 86,048	\$ 136,969	\$ (467,879)	\$ 1,835,258
LIABILITIES:							
Accounts Payable	\$ 17,039	\$	\$ 336	\$	\$	\$	\$ 108,582
Accrued Liabilities	2,678		1,484				126,546
Unearned Revenue							10,311
Property Tax Refund Payable	9,003						18,484
Interfund Payables	16,688					(467,879)	48,080
Due to Component Units							52,512
Other Liabilities							72,318
Total Liabilities	45,408		1,820			(467,879)	436,833
DEFERRED INFLOWS OF RESOURCES:							
Unavailable Revenue - Period of Availability							11,261
Property Taxes - Part County Sales Tax Offset							10,360
Deferred Inflows - Leases							179,125
Deferred Inflows - PPPs							4,262
Unavailable Revenue - Property Taxes							24,330
Deferred Inflows - Mitchel Field							21,146
Total Deferred Inflows of Resources							250,484
FUND BALANCE (DEFICIT):							
Fund Balances (Deficit):							
Nonspendable							115,949
Spendable:							
Restricted		80,573	73,450	86,048			355,379
Committed	163,830		26,495		136,969		327,386
Assigned	174,000						269,849
Unassigned							79,378
Total Fund Balance (Deficit)	337,830	80,573	99,945	86,048	136,969		1,147,941
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE (DEFICIT)	\$ 383,238	\$ 80,573	\$ 101,765	\$ 86,048	\$ 136,969	\$ (467,879)	\$ 1,835,258

(Concluded)

EXHIBIT B-13

COUNTY OF NASSAU, NEW YORK

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	General Fund	Debt Service Fund	Fire Prevention Fund	Police Headquarters Fund	Technology Fund	Open Space Fund	Employee Benefit Accrued Liability Reserve Fund
REVENUES:							
Property Taxes	\$ 28,650	\$	\$ 705	\$ 286,361	\$	\$	\$
Payments in Lieu of Taxes	23,191		405	8,938			
Preempted Sales Tax in Lieu of Property Taxes	123,085						
Interest and Penalties on Taxes	35,432						
Sales Tax	1,352,176						
Special Taxes	7,778			25,516			
Departmental Revenue	150,387		7,801	13,768			
Interest Income	27,704		159	465	4	24	751
Licenses and Permits	13,732			1,415			
Fines and Forfeitures	62,290			26,170			
Rents and Recoveries	13,144		2	231		70	
Interdepartmental Revenues	105,472			16,792			
Interfund Revenues	10,732			91			
Other Revenues	62,649	131					
Opioid Litigation Settlement Revenue							
State Aid	328,584	1,254	107	2,350			
Federal Aid	208,850	190	301	124			
Total Revenues	2,553,856	1,575	9,480	382,221	4	94	751
EXPENDITURES:							
Current:							
Legislative	14,979						
Judicial	92,435						
General Administration	331,280						
Protection of Persons	17,964		31,096	552,981			543
Health	288,977						536
Public Works	229,760						246
Recreation and Parks	43,127						
Social Services	683,624						140
Corrections	290,583						5,215
Education	15,964						
Payments for Tax Certiorari	753						
Aid to Towns and Cities	93,723						
Suits and Damages	3,446						
Other	21,792						
Debt Service:							
Principal		116,305					
Interest		82,716					
Principal - Leases	10,679						
Principal - SBITA				301			
Interest - Leases	2,080						
Interest - SBITA				47			
Bond Issuance Costs		2,590					
Total Expenditures	2,141,166	201,611	31,096	553,329			6,680
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	412,690	(200,036)	(21,616)	(171,108)	4	94	(5,929)
OTHER FINANCING SOURCES (USES):							
Transfers In	349,289	298,500	22,064	183,986			49,055
Transfers Out	(707,661)	(101,474)	(836)	(23,486)			(9,176)
Transfers In of Investment Income	11,862						
Transfers In from NIFA	5,304						
Premium on Bonds		2,030					
Total Other Financing Sources (Uses)	(341,206)	199,056	21,228	160,500			39,879
NET CHANGE IN FUND BALANCE (DEFICIT)	71,484	(980)	(388)	(10,608)	4	94	33,950
TOTAL FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	333,189	(5,661)	(986)	(36,680)	88	2,016	21,054
TOTAL FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 404,673	\$ (6,641)	\$ (1,374)	\$ (47,288)	\$ 92	\$ 2,110	\$ 55,004

(Continued)

EXHIBIT B-13

COUNTY OF NASSAU, NEW YORK

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Litigation Fund	Bond Indebtedness Fund	Opioid Litigation Settlement Fund	Retirement Contribution Reserve Fund	Operating Reserve Fund	Intrafund Eliminations	Total General Fund
REVENUES:							
Property Taxes	\$	\$	\$	\$	\$	\$	\$ 315,716
Payments in Lieu of Taxes							32,534
Preempted Sales Tax in Lieu of Property Taxes							123,085
Interest and Penalties on Taxes							35,432
Sales Tax							1,352,176
Special Taxes							33,294
Departmental Revenue							171,956
Interest Income	11,110	7,547	4,764	3,176	3,338		59,042
Licenses and Permits							15,147
Fines and Forfeitures							88,460
Rents and Recoveries	517						13,964
Interdepartmental Revenues							122,264
Interfund Revenues							10,823
Other Revenues							62,780
Opioid Litigation Settlement Revenue			7,682				7,682
State Aid							332,295
Federal Aid							209,465
Total Revenues	11,627	7,547	12,446	3,176	3,338		2,986,115
EXPENDITURES:							
Current:							
Legislative							14,979
Judicial	257						92,692
General Administration	8,706						339,986
Protection of Persons	8,156						610,740
Health	192		4,749				294,454
Public Works	394						230,400
Recreation and Parks	195						43,322
Social Services	619						684,383
Corrections	1,185				403		297,386
Education							15,964
Payments for Tax Certiorari	43,144						43,897
Aid to Towns and Cities							93,723
Suits and Damages	39,428						42,874
Other							21,792
Debt Service:							
Principal							116,305
Interest							82,716
Principal - Leases							10,679
Principal - SBITA							301
Interest - Leases							2,080
Interest - SBITA							47
Bond Issuance Costs							2,590
Total Expenditures	102,276		4,749		403		3,041,310
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(90,649)	7,547	7,697	3,176	2,935		(55,195)
OTHER FINANCING SOURCES (USES):							
Transfers In	174,000	10,000		10,000	40,000	(823,469)	313,425
Transfers Out						823,469	(19,164)
Transfers In of Investment Income							11,862
Transfers In from NIFA							5,304
Premium on Bonds							2,030
Total Other Financing Sources (Uses)	174,000	10,000		10,000	40,000		313,457
NET CHANGE IN FUND BALANCE (DEFICIT)	83,351	17,547	7,697	13,176	42,935		258,262
TOTAL FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	254,479	63,026	92,248	72,872	94,034		889,679
TOTAL FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 337,830	\$ 80,573	\$ 99,945	\$ 86,048	\$ 136,969	\$	\$ 1,147,941

(Concluded)

EXHIBIT C-1**COUNTY OF NASSAU, NEW YORK****CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Land*	Intangible Assets	Land Improvements	Buildings	Equipment	Infrastructure	Construction in Progress	Total
Legislative	\$	\$	\$	\$ 254	\$ 378	\$	\$	\$ 632
Judicial	2,593		1,933	73,629	7,980			86,135
General Administration	176,863	72,544	1,898	452,122	201,750			905,177
Protection of Persons	7,711		190	113,872	183,131	42,817		347,721
Health	475			4,672	2,452			7,599
Public Works	32,218		33,894	333,848	81,964	3,135,878		3,617,802
Recreation and Parks	35,653		77,438	233,354	9,545	99,981		455,971
Social Services	535		3,840	19,967	762			25,104
Corrections			-	187,800	16,578	18		204,396
Lease Assets **				147,336	273			147,609
Subscription Assets **		2,235						2,235
Subtotal Capital Assets	256,048	74,779	119,193	1,566,854	504,813	3,278,694		5,800,381
Construction in Progress							1,686,824	1,686,824
Total Capital Assets	256,048	74,779	119,193	1,566,854	504,813	3,278,694	1,686,824	7,487,205
Less: Accumulated Depreciation and Amortization		24,359	91,380	804,536	341,566	1,809,468	1,261,841	3,071,309
Total Net Capital Assets	\$ 256,048	\$ 50,420	\$ 27,813	\$ 762,318	\$ 163,247	\$ 1,469,226	\$ 424,983	\$ 4,415,896

* Land is not depreciated.

** Lease assets and corresponding amortization are reported in General Administration. Subscription asset and corresponding amortization are reported in Protection of Persons.

EXHIBIT C-2

COUNTY OF NASSAU, NEW YORK

**STATEMENT OF CHANGES IN CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2024 (Dollars in Thousands)**

	Capital Assets January 1, 2024	Additions*	Reductions*	Capital Assets December 31, 2024
Legislative	\$ 639	\$ 48	\$ 55	\$ 632
Judicial	84,900	1,293	58	86,135
General Administration	897,373	13,445	5,641	905,177
Protection of Persons	334,260	19,195	5,734	347,721
Health	8,412	211	1,024	7,599
Public Works	3,521,902	99,401	3,501	3,617,802
Recreation and Parks	445,399	11,113	541	455,971
Social Services	25,233	102	231	25,104
Corrections	200,626	3,896	126	204,396
Lease Assets **	145,918	1,691		147,609
Subscription Asset**	2,235			2,235
Construction in Progress	1,515,500	275,942	104,618	1,686,824
Total Capital Assets	7,182,397	426,337	121,529	7,487,205
Less: Accumulated Depreciation and Amortization	2,902,545	184,448	15,684	3,071,309
Total Changes in Net Capital Assets	\$ 4,279,852	\$ 241,889	\$ 105,845	\$ 4,415,896

* Additions and reductions include land, buildings, equipment, infrastructure and intangible assets for the County and the transfer of construction in progress.

** Lease assets (buildings and equipment) and corresponding amortization are reported in General Administration. Subscription asset and corresponding amortization are reported in Protection of Persons.

EXHIBIT D-1

COUNTY OF NASSAU, NEW YORK

STATEMENT OF CASH IN BANKS*

ALL FUNDS OF THE PRIMARY GOVERNMENT

DECEMBER 31, 2024 (Dollars in Thousands)

CASH BALANCES BY FUND:

General Fund	\$	905,642
NIFA Fund		791
Police District Fund		95,084
Sewer and Storm Water District Fund		105,255
Capital Fund		389,684
Disputed Assessment Fund		55,356
American Rescue Plan Fund		47,821
Nonmajor Governmental Funds		148,503
Custodial Fund		81,230

Total Cash Balances By Funds \$ 1,829,366 **

CASH BALANCES BY BANK:

The Bank of New York	\$	1,385
Held by Fiscal Agent - EFC		8,112
Bank of America		237,104
JP Morgan Chase		496,279
Capital One Bank		57,458
Hanover Bank		10,000
NY MuniTrust***		50,000
NYCLASS LG Investment Pool***		205,548
Santander Bank		331,903
Sterling National Bank		73,202
TD Bank		81,540
Wells Fargo		114,678
Deutsche Bank****		16,729
MTB Bank		100,000
US Bank		45,000
Petty Cash		428

Total Cash Balances By Bank \$ 1,829,366

*See Exhibit X-14 Note 3, Deposits and Investments

**The Cash Balance reported on this Statement will equal the sum of the Cash and Cash Equivalents plus Restricted Cash and Cash Equivalents and Cash Held by Fiscal Agent appearing on the Statement of Net Position (Deficit) (Exhibit X-1) for the Primary Government and the Cash Balances, as of the fiscal year end, reported in the Statement of Fiduciary Net Position (Exhibit X-10).

*** The Investment Pool is not FDIC insured.

**** Represents the Nassau County Tobacco Settlement Corporation's restricted cash equivalents.

FINANCIAL SCHEDULES (pursuant to NIFA resolution)

EXHIBIT E-2

COUNTY OF NASSAU, NEW YORK

**CONTROL PERIOD CALCULATION SCHEDULE - HISTORICAL DATA
LAST EIGHT FISCAL YEARS**

	<u>(\$'s in millions)</u>							
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net Change in Fund Balance - General and Police District Fund, as Adjusted to Primary Operating Funds * (from Exhibit E-1)	<u>\$ 54.2</u>	<u>\$ 19.6</u>	<u>\$ 79.7</u>	<u>\$ 27.2</u>	<u>\$ 103.1</u>	<u>\$ 138.9</u>	<u>\$ (17.4)</u>	<u>\$ (58.8)</u>
Less: Adjustments for Resources Included in Other Financing Sources/Uses								
Premiums on Bonds (Net of Bond Issuance Costs)							(2.0)	
Borrowed Funds to Pay Property Tax Refunds						(61.1)	(38.5)	(0.7)
Borrowed Funds to Pay Other Operating Expenditures		(0.3)				(0.2)	(3.1)	(3.5)
Transfer of Revenue From Other Funds to Offset Debt Expenditures	(7.4)				(12.5)	(0.8)	(0.2)	(0.2)
Total Other Financing Sources/Uses to be Eliminated	<u>(7.4)</u>	<u>(0.3)</u>			<u>(12.5)</u>	<u>(62.1)</u>	<u>(43.8)</u>	<u>(4.4)</u>
Results Under Control Period Calculation	<u>\$ 46.8</u>	<u>\$ 19.3</u>	<u>\$ 79.7</u>	<u>\$ 27.2</u>	<u>\$ 90.6</u>	<u>\$ 76.8</u>	<u>\$ (61.2)</u>	<u>\$ (63.2)</u>

* Includes: General Fund, Police Headquarters Fund, Police District Fund, Fire Prevention Fund, and Debt Service Fund.



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

To the Honorable Bruce A. Blakeman, Nassau County Executive,
the Honorable Elaine Phillips, Nassau County Comptroller
and the Members of the Legislature of the County of Nassau, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Nassau, New York (the "County"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents, and have issued our report thereon dated September 12, 2025. Our report includes a reference to other auditors who audited the financial statements of Nassau Community College, Nassau Regional Off-Track Betting Corporation, Nassau Health Care Corporation ("NHCC"), Nassau County Industrial Development Agency ("IDA"), Nassau County Local Economic Assistance Corporation, Nassau County Bridge Authority and Nassau County Interim Finance Authority, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. Our report contained emphasis of matter paragraphs concerning the County being under a control period as imposed by the Nassau County Interim Finance Authority, Nassau Community College net position balance restatement as of September 1, 2023 and the County, Nassau County Bridge Authority, and NHCC's net position balance restatement as of January 1, 2024 and Nassau County Tobacco Settlement Corporation's and NHCC's ability to continue as a going concern.

Report on Internal Control Over Financial Reporting

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

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

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



Report on Compliance and Other Matters

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

Purpose of this Report

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

CBIZ CPAs P.C.

New York, NY
September 12, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Bruce A. Blakeman, Nassau County Executive,
the Honorable Elaine Phillips, Nassau County Comptroller
and Members of the Legislature of the County of Nassau, New York

Report on Compliance for Each Major Federal Program

Opinion of Each Major Federal Program

We have audited the County of Nassau, New York's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2024. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of Nassau Community College and Nassau Health Care Corporation ("NHCC") which received federal awards which are not included in the schedule of expenditures of federal awards for the year ended December 31, 2024. Our audit, described in the first paragraph, did not include the operations of Nassau Community College because a separate audit was performed of Nassau Community College in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance") as of its year-end of August 31, 2024. Our audit, described below, also did not include the operations of Nassau Health Care Corporation because they engage other auditors to perform an audit in accordance with Uniform Guidance as of its year-end December 31, 2024.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis of Opinion on Each Major Federal Program

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

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



Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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



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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 12, 2025, which contained unmodified opinions on those financial statements, and included emphasis of matter paragraphs concerning the County being under a control period as imposed by the Nassau County Interim Finance Authority, Nassau Community College net position balance restatement as of September 1, 2023 and the County, Nassau County Bridge Authority, and NHCC's net position balance restatement as of January 1, 2024 and Nassau County Tobacco Settlement Corporation's and NHCC's ability to continue as a going concern. Our report also included a reference to other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

CBIZ CPAs P.C.

New York, NY
September 24, 2025

COUNTY OF NASSAU, NEW YORK
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Agriculture:				
Pass-Through From: NYS Department of Education				
Child Nutrition Cluster				
School Breakfast Program	10.553	280401951000	\$ 12,436	\$ -
National School Lunch Program	10.555	280401951000	19,861	-
Total Child Nutrition Cluster			<u>32,297</u>	<u>-</u>
Pass-Through From: NYS Department of Health				
WIC Special Supplemental Nutrition Program for Women, Infants, and Children - Administrative Expenditures	10.557	C38224GG-3450000	1,420,328	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children - Non-cash Assistance	10.557	C38224GG-3450000	4,618,854	-
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children			<u>6,039,182</u>	<u>-</u>
Pass-Through From: NYS Office of Temporary and Disability Assistance				
SNAP Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Not available	9,366,773	-
Total U.S. Department of Agriculture			<u>15,438,252</u>	<u>-</u>
U.S. Department of Housing and Urban Development (HUD):				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218		18,095,774	15,618,737
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218		39,491	39,491
Total CDBG - Entitlement Grants Cluster			<u>18,135,265</u>	<u>15,658,228</u>
Emergency Solutions Grant Program	14.231		1,060,650	1,060,650
Home Investment Partnerships Program	14.239		1,842,680	1,732,807
Pass-Through From: Housing Trust Fund Corporation/Governor's Office of Storm Recovery (GOSR)				
CDBG - Disaster Recovery Grants - Pub. L. No. 113-2 Cluster				
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)				
Community Reconstruction Program	14.269	Not available	637,745	-
Total U.S. Department of Housing and Urban Development			<u>21,676,340</u>	<u>18,451,685</u>
U.S. Department of Justice:				
Comprehensive Forensic DNA Analysis Grant Program	16.036		175,929	-
State Criminal Alien Assistance Program (SCAAP)	16.606		2,302,661	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738		403,971	-
DNA Backlog Reduction Program	16.741		250,111	-
Equitable Sharing Program	16.922		1,864,906	-
Pass-Through From: NYS Office of Victim Services				
Crime Victim Assistance	16.575	OVS01-C11311GG-1080200, C11312GG	1,521,403	-
Pass-Through From: NYS Division of Criminal Justice Services				
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	FS23662431, FS24662453, C662432, C662454	122,369	-
Total U.S. Department of Justice			<u>6,641,350</u>	<u>-</u>

(Continued)

COUNTY OF NASSAU, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Transportation:				
FMCSA Cluster				
Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	20.237		\$ 713,206	\$ -
Federal Transit Cluster				
Federal Transit-Capital Investment Grants	20.500		253,634	-
Federal Transit-Formula Grants	20.507		7,494,305	-
COVID-19 - Federal Transit-Formula Grants	20.507		13,203,904	-
Total Federal Transit Cluster			20,951,843	-
Pass-Through From: New York Metropolitan Transportation Council				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	C033468	22,866	-
Highway Planning and Construction	20.205	C033468	80,134	-
Pass-Through From: NYS Department of Transportation				
Highway Planning and Construction	20.205	DO40281, D040398, D040158, D040324, D040748, D040862, D040865, D036043, D040653, D035928, D035272, D0357421, D040277 0761.27-GPI, D040276 0761.26-WELSBACH	13,300,849	-
Total Highway Planning Construction			13,380,983	-
Highway Safety Cluster				
Pass-Through From: NYS Division of Criminal Justice Services				
State and Community Highway Safety	20.600	Not available	87,332	-
Pass-Through From: NYS Governor's Traffic Safety Committee				
State and Community Highway Safety	20.600	C002696	112,147	-
National Priority Safety Programs	20.616	T007081, T007201, C002772	79,300	-
Total Highway Safety Cluster			278,779	-
Total U.S. Department of Transportation			35,347,677	-
U.S. Department of Treasury:				
Equitable Sharing	21.016		1,803,045	-
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		283,433,239	5,428,000
Total U.S. Department of Treasury			285,236,284	5,428,000
U.S. Environmental Protection Agency:				
Pass-Through From: NYS Department of Health				
Beach-Monitoring and Notification Program Implementation Grants	66.472	C37060GG	58,350	-
Total U.S. Environmental Protection Agency			58,350	-
U.S. Department of Education:				
Pass-Through From: NYS Department of Health				
Special Education - Grants for Infants and Families	84.181	DOH01-C36416GG-3450000	560,096	-
Total U.S. Department of Education			560,096	-

(Continued)

**COUNTY OF NASSAU, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. Department of Health and Human Services:				
HIV Emergency Relief Project Grants	93.914		\$ 5,829,261	\$ 5,773,035
Pass-Through From: Nassau Association of County and City Health Officials				
Non-ACA/PPHF-Building Capacity of the Public Health System to Improve Population Health Through National Nonprofit Organizations	93.424	NU38OT00172-04-02	\$ 5,017	\$ -
Strengthening Public Health Systems and Services Through National Partnerships to Improve and Protect the Nation's Health	93.421	2023-110708	\$ 74,425	\$ -
Pass-Through From: NYS Department of Health				
Immunization Cooperative Agreements	93.268	C32528GG	125,835	-
COVID-19 - Immunization Cooperative Agreements	93.268	C36942GG	338,265	-
Total Immunization Cooperative Agreements			464,100	-
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	C37237GG	102,900	-
Maternal and Child Health Services Block Grant to the States	93.994	DSOHO1-C35727GG-3450000, C30903GG	305,220	-
Children's Health Insurance Program	93.767	Not available	558,034	-
Medicaid Cluster				
Medical Assistance Program	93.778	Not available	14,022,625	-
Total Medicaid Cluster			14,022,625	-
Pass-Through From: NYS Office of Temporary and Disability Assistance				
Child Support Enforcement	93.563	Not available	4,286,433	-
Low-Income Home Energy Assistance	93.568	Not available	5,479,047	-
Temporary Assistance for Needy Families (TANF)	93.558	Not available	40,499,372	-
Pass-Through From: NYS Office of Children and Family Services				
CCDF Cluster				
Child Care and Development Block Grant	93.575	Not available	112,963,140	-
Guardianship Assistance	93.090	Not available	32,597	-
Marylee Allen Promoting Safe and Stable Families	93.556	Not available	450,787	-
Refugee & Entrant Assistance - State/Replacement Designee Administered Program	93.566	Not available	3,380	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Not available	288,525	-
Foster Care, Title IV-E	93.658	Not available	5,109,535	-
Adoption Assistance	93.659	Not available	2,011,858	-
Social Services Block Grant	93.667	Not available	5,264,981	-
John H. Chafee Foster Care Independence Program	93.674	Not available	89,959	-
Pass-Through From: Health Research, Inc.				
Public Health Emergency Preparedness	93.069	1624-18, 1624-19	698,578	-
COVID-19 - Epidemiology Lab Capacity for Infectious Diseases	93.323	6842-01, 6427-01	28,518	-
Pass-Through From: NYS Office for the Aging				
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	Not available	90,568	90,568
Medicare Enrollment Assistance Program	93.071	Not available	68,827	30,168
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	Not available	1,172,638	1,172,638
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	Not available	736,877	653,013
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Not available	2,912,989	2,881,800
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	Not available	694,535	694,534
Nutrition Services Incentive Program	93.053	Not available	214,739	214,739
Total Aging Cluster			5,731,778	5,616,724
COVID-19 - Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	Not available	33,504	-
National Family Caregiver Support Title III, Part E	93.052	Not available	772,532	772,532
COVID-19 - National Family Caregiver Support Title III, Part E	93.052	Not available	129,751	129,751
Total National Family Caregiver Support Title, Part E			902,283	902,283
Elder Justice Act Adult Protective Services	93.698	Not available	9,236	-

(Continued)

COUNTY OF NASSAU, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Amount Provided to Subrecipients
Pass-Through From: NYS Office for the Aging				
Elder Abuse Prevention Interventions Program	93.747	Not available	67,269	-
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	Not available	62,692	62,692
Pass-Through From: NYS Office of Mental Health				
Block Grants for Community Mental Health Services	93.958	Not available	1,212,726	694,811
Total U.S. Department of Health and Human Services			206,747,175	13,170,281
U.S. Department of Homeland Security:				
Assistance to Firefighters Grant	97.044		561,049	-
Port Security Grant Program	97.056		1,153,140	-
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083		137,598	-
Pass-Through From: NYS Division of Homeland Security & Emergency Services				
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	Not available	15,205,395	-
COVID-19 - Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	Not available	349,602	-
Ophelia - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Not available	123,924	-
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)			15,678,921	-
Emergency Management Performance Grants	97.042	C834105, C834115	9,021	-
Homeland Security Grant Program	97.067	C154193, C971703, C154113, C190197, C190334, T160141, C971760, C884310, C971753, C971790, C971700, C834188, C154199, C190144, C834198, C160013, C160206, C971770, C190282, T180185, T180286, C971792, C971702, C190146, C190283, C175027, C160083, C160156, SH19-1056-D02/CR971790, SH20-1025-D01/CR971700	5,000,869	-
Total U.S. Department of Homeland Security			22,540,598	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 594,246,122	\$ 37,049,966

COUNTY OF NASSAU, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule” or “SEFA”) includes the federal award activity of the County of Nassau, New York (the “County”) under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the “Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

The County’s reporting entity is defined in Note 1 of the County’s basic financial statements. All federal awards received directly from federal agencies, as well as passed through from other government agencies, are included on the Schedule, except for Nassau Community College and Nassau Health Care Corporation. Nassau Community College and Nassau Health Care Corporation have a single audit conducted by other auditors.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures are reported on the modified accrual basis of accounting for grants which are accounted for in the governmental fund types, except for expenditures of U.S. Department of Agriculture (School Breakfast Program, National School Lunch Program), U.S. Department of Justice (Equitable Sharing Program, State Criminal Alien Assistance Program (SCAAP)), and U.S. Department of Treasury (Equitable Sharing Program) which are reported on a cash basis.

Federal Emergency Management Agency (“FEMA”) expenditures are reported on the SEFA when: (1) FEMA has approved the County’s Project, and (2) the County has incurred eligible expenditures. FEMA federal awards expended in years subsequent to the fiscal year in which the Project is approved are reported in the County’s SEFA in those subsequent years.

Expenditures are reported following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* for grant awards prior to December 26, 2014 and *Cost Principles for State, Local, and Indian Tribal Governments*, 2 CFR Subpart E for grant awards after December 26, 2014, wherein certain types of expenditures/expenses are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 – DISASTER GRANTS PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS) ASSISTANCE LISTING NUMBER #97.036, HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY GRANT (CDBG-DR) ASSISTANCE LISTING NUMBER #14.269

Hurricane Sandy

In 2012, the County sustained damage from Hurricane Sandy (the “Storm”), mainly from downed trees and floodwaters. The County’s costs for emergency protective measures, debris removal and other recovery efforts reported in the SEFA for 2024 according to the FEMA reporting guidelines totaled \$15,205,395. This is comprised of incurred expenditures of \$1,698,333 between 2012-2023 and \$13,507,062 in Financial Year 2024.

Tropical Storm Ophelia

On September 24, 2023, Long Island braced for flooding as Tropical Storm Ophelia moved north after making a landfall in North Carolina. As Ophelia slowly moved north, it was downgraded to a tropical depression but was still felt across Long Island. Waves of heavy rain and gusty winds continued to move through the area. A state of emergency was declared for New York City and Long Island due to torrential rainfall.

The County incurred damage and has reported a total of \$123,924 of expenditures in Financial Year 2024.

**COUNTY OF NASSAU, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024**

**NOTE 3 – DISASTER GRANTS PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)
ASSISTANCE LISTING NUMBER #97.036, HURRICANE SANDY COMMUNITY DEVELOPMENT BLOCK
GRANT DISASTER RECOVERY GRANT (CDBG-DR) ASSISTANCE LISTING NUMBER #14.269
(Continued)**

CDBG-DR

In 2014, Governor Andrew Cuomo announced that the State of New York would provide the 10% local match for entities that are in the Superstorm Sandy FEMA Public Assistance (“PA”) program. The funds come from the United States Department of Housing and Urban Development (“HUD”) Community Development Block Grant Disaster Recovery (“CDBG-DR”) program. These pass-through funds are administered by the Governor’s Office of Storm Recovery (“GOSR”). GOSR committed to paying the County’s local match related to Bay Park’s restoration for all expenditures obligated under Project Worksheet (“PW”) #3714. All other PWs were subject to a payment of the County’s local share up to \$19.6 million for FEMA obligations of \$196 million.

The programs noted in the SEFA under Assistance Listing Number #14.269 – Hurricane Sandy CDBG-DR provide additional funds for various Community Reconstruction projects, which all met HUD national objectives. These pass-through funds are also administered by the GOSR. The County has reported a total of \$637,745 in CDBG-DR funding for Financial Year 2024 related to these projects.

NOTE 4 – RELATIONSHIP TO THE BASIC FINANCIAL STATEMENTS

Reconciliation of Federal Expenditures Reported in the SEFA to the Annual Comprehensive Financial Report:

The differences between the Federal expenditures reported in the SEFA and the County’s Annual Comprehensive Financial Report are primarily comprised of the 2024 Women, Infants and Children Program (“WIC”), of which disbursements to the program recipients or vendors, were drawn directly from NYS accounts, and are not included in the County’s basic financial statements, cash reporting for some programs, accounting accrual and other reporting differences for some programs, federal revenue not required to be reported in the SEFA and Disaster Grants reporting differences as shown in the schedule below:

Total Expenditures per Schedule of Expenditures of Federal Awards	\$ 594,246,122
Adjustments:	
Add: Federal Amounts not required to be reported in the SEFA*	1,660,129
Add: Cash basis adjustments - Asset Forfeiture	567,760
Less: Other accounting accruals and prior period adjustments	(1,563,192)
Less: Disaster Grant - Adjustments	(4,344,139)
Less: On Top Adjustments	(626,165)
Less: WIC vouchers	(4,618,854)
Federal Aid revenue as reported in the Statement of Revenues, Expenditures and Changes in Fund Balances of the Annual Comprehensive Financial Report	\$ 585,321,661

*Build America Bonds, Inmate Housing Reimbursement, Section 8 and other non-reportable Federal amounts.

**COUNTY OF NASSAU, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2024**

NOTE 5 – FEDERAL ASSET FORFEITURES-UNEXPENDED CASH BALANCES

The County receives funds under Federal Asset Forfeiture Programs administered by the U.S. Department of Justice and the U.S. Department of the Treasury, respectively. Unexpended cash balances on-hand relating to these programs at December 31, 2024 were as follows:

Direct/Pass Through Grantor	Assistance Listing Number	2024 Cash Balances
U.S. Department of Justice:		
Police Department	16.922	\$ 5,273,342
District Attorney	16.922	4,982,665
Correctional Center	16.922	512,674
Total U.S. Department of Justice - Equitable Sharing Program		10,768,681
U.S. Department of Treasury:		
Police Department	21.016	9,729,339
Total U.S. Department of Treasury-Equitable Sharing Program		9,729,339
Total Federal Equitable Sharing and Asset Forfeiture Funds on Hand		\$ 20,498,020

NOTE 6 – INDIRECT COST RATES

Indirect costs are included in the reported expenditures to the extent they are included in the federal financial reports used as the source for the data presented. Indirect costs are charged at different rates according to the County's indirect cost rate study and may not be charged based upon the agreement with a grantor. The County has elected not to use the 10 percent *de minimis* indirect cost rate or the increased 15 percent rate allowed under Uniform Guidance as of October 1, 2024.

**COUNTY OF NASSAU, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024**

Section I—Summary of Independent Auditors' Results

Financial Statement

Type of Auditors' report issued whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

_____ Yes X No

Significant deficiencies identified not considered to be material weaknesses?

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

_____ Yes X No

Significant deficiencies identified not considered to be material weaknesses?

_____ Yes X None reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516a?

_____ Yes X No

Identification of major federal programs:

U.S. Department of Agriculture:

WIC Special Supplemental Nutrition Program for Women, Infants, and Children (Assistance Listing Number 10.557)

U.S. Department of Treasury:

COVID-19 - Coronavirus State and Local Fiscal Recovery Funds (Assistance Listing Number 21.027)

U.S. Department of Health and Human Services:

Child Support Services (Assistance Listing Number 93.563)

Foster Care – Title IV-E (Assistance Listing Number 93.658)

Medicaid Cluster:

Medical Assistance Program (Assistance Listing Number 93.778)

U.S. Department of Homeland Security:

Disaster Grants – Public Assistance (Presidentially Declared Disasters) (Assistance Listing Number 97.036)

Dollar threshold used to distinguish between Type A and Type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

 X Yes _____ No

**COUNTY OF NASSAU, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2024**

Section II—Financial Statement Findings

There were no matters to report.

Section III—Federal Award Findings and Questioned Costs

A. Internal Control Findings

There were no matters to report.

B. Compliance Findings

There were no matters to report.

**COUNTY OF NASSAU, NEW YORK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2024**

Section IV–Summary Schedule of Prior Audit Findings

Prior Audit Findings:

None reported.