



NASSAU COUNTY BRIDGE AUTHORITY

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION WITH
INDEPENDENT AUDITOR'S REPORT

December 31, 2024

NASSAU COUNTY BRIDGE AUTHORITY
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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Commissioners
Nassau County Bridge Authority
Lawrence, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Nassau County Bridge Authority (the "Authority"), a component unit of the County of Nassau, New York, as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of December 31, 2024, and the respective changes in its financial position and cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority 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.

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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 generally accepted auditing standards 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 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 Authority'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority'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 on pages 4 through 10 and the Schedule of the Authority's Proportionate Share of the Net Pension Asset/(Liability), the Schedule of Authority's Pension Contributions, and the Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios on pages 32 through 34 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 Authority'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 Authority's internal control over financial reporting and compliance.

Emphasis of Matter

As described in Note 13 to the financial statements, corrections of errors in the previously issued financial statements were required. Our opinion is not modified with respect to this matter.

Sheehan & Company, C.P.A., P.C.

Brightwaters, New York
March 19, 2025

NASSAU COUNTY BRIDGE AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS

The Nassau County Bridge Authority’s (Authority) discussion and analysis of the financial performance provides an overall review of the Authority’s financial activities for the fiscal year ended December 31, 2024, in comparison with the year ended December 31, 2023, with emphasis on the current year. This should be read in conjunction with the financial statements and notes to financial statements, which immediately follow this section.

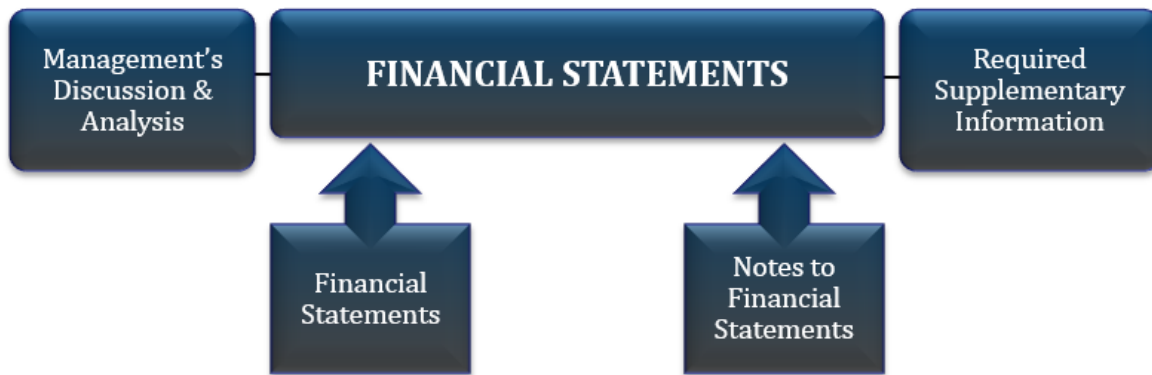
1. FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2024 are as follows:

- The Authority’s total net position increased by \$4,085,962. This was due to an excess of revenues over expenses based on the economic resources measurement focus and the accrual basis of accounting and a prior period adjustment of \$63,800 to correct errors in previously issued financial statements discovered during the current year audit.
- The Authority’s total expenses for the year, as reflected in the financial statements, totaled \$9,055,624. Of this amount, \$13,141,586 was offset by operating revenues consisting of tolls and non-operating revenues consisting of interest earnings and other revenues.

2. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management’s discussion and analysis (MD&A), the financial statements, and required supplementary information other than MD&A. The financial statements consist of financial statements and notes to financial statements. A graphic display of the relationship of these statements follows:



A. Financial Statements

The financial statements present the activities of the Authority and are organized to provide an understanding of the fiscal performance of the Authority, as a whole, in a manner similar to a private sector business. There are three financial statements - the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. These statements provide both an aggregate and long-term view of the Authority’s finances.

NASSAU COUNTY BRIDGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Revenues are recognized in the period when they are earned and expenses are recognized in the period when the liability is incurred. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods.

The Statement of Cash Flows

The Statement of Cash Flows presents the change in cash and cash equivalents resulting from operating, non-capital, capital, and investing activities. The statement presents cash receipts and cash disbursement information, without consideration of the earnings events, when an obligation arises, or depreciation of capital assets.

The Notes to Financial Statements

The Notes to Financial Statements provide required disclosures and other information that are essential to a full understanding of the material data provided in the statements. The notes present information about the Authority's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies, and subsequent events, if any.

3. FINANCIAL ANALYSIS OF THE AUTHORITY AS A WHOLE

A. Net Position

The Authority's total net position increased by \$4,085,962 between fiscal year December 31, 2024 and 2023. The increase is due to revenues in excess of expenses based on the economic resources measurement focus and the accrual basis of accounting. The December 31, 2023 balances were restated to correct errors in previously issued financial statements, which resulted in a net increase in net position of \$63,800. See Notes to Financial Statements, Note 13 "Corrections of Errors in Previously Issued Financial Statements" for additional information. A summary of the Authority's Statements of Net Position follows:

	2024	Restated 2023	Increase (Decrease)	Percentage Change
Assets				
Current and Other Assets	\$ 16,872,315	\$ 12,737,153	\$ 4,135,162	32.47 %
Non-Current Assets	2,615,300	2,615,300	-	0.00 %
Capital Assets, Net	24,589,996	25,739,417	(1,149,421)	(4.47)%
Total Assets	44,077,611	41,091,870	2,985,741	7.27 %
Deferred Outflows of Resources				
	2,299,972	2,908,379	(608,407)	(20.92)%
Liabilities				
Current and Other Liabilities	1,183,980	2,153,733	(969,753)	(45.03)%
Long-Term Liabilities	7,891,291	8,259,706	(368,415)	(4.46)%
Total OPEB Liability	10,547,262	10,418,824	128,438	1.23 %
Net Pension Liability - Proportionate Share	959,983	1,325,096	(365,113)	(27.55)%
Total Liabilities	20,582,516	22,157,359	(1,574,843)	(7.11)%

NASSAU COUNTY BRIDGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

	2024	Restated 2023	Increase (Decrease)	Percentage Change
Deferred Inflows of Resources	\$ 2,156,950	\$ 2,290,735	\$ (133,785)	(5.84)%
Net Position				
Net Investment in				
Capital Assets	17,402,288	18,206,956	(804,668)	(4.42)%
Unrestricted	6,235,829	1,345,199	4,890,630	363.56 %
Total Net Position	\$ 23,638,117	\$ 19,552,155	\$ 4,085,962	20.90 %

The increase in current and other assets is primarily related to increases in cash.

Non-current assets represent restricted cash related to bond covenants and reserves for debt service. These amounts remained the same as the prior year as there were no changes in the requirements.

The decrease in capital assets, net is due to depreciation/amortization expense in excess of capital assets additions. The accompanying Notes to Financial Statements, Note 6 "Capital Assets" provides additional information.

Deferred outflows of resources represent contributions to the pension plans subsequent to the measurement date and actuarial adjustments of the pension plans that will be amortized in future years, and the amount of deferred charges from the bond refunding that is being amortized over the remaining term of the bonds.

The decrease in current and other liabilities is mainly due to a reduction in accounts payable and accrued liabilities.

The decrease in long-term liabilities is due to decreases in bonds payable due to the repayment of the current maturity of indebtedness, and compensated absences.

The total other postemployment benefits (OPEB) liability increase is based on the actuarial valuation of the plan. The accompanying Notes to Financial Statements, Note 10 "Postemployment Healthcare Benefits" provides additional information.

Net pension liability – proportionate share represents the Authority's share of the New York State and Local Employees' Retirement System's (ERS) collective net pension liability, at the measurement date of the respective year. The decrease in net pension liability is primarily due to the net change in the market value of the ERS pension plan assets being in excess of the net change in the plan's total pension liability at the current measurement date. The accompanying Notes to Financial Statements, Note 8 "Pension Plans – New York State" provides additional information.

Deferred inflows of resources represent actuarial adjustments of the pension and OPEB plans that will be amortized in future years.

The net investment in capital assets is the investment in capital assets at cost, net of accumulated depreciation/amortization, and related outstanding debt.

The unrestricted amount relates to the balance in the Authority's net position. Additionally, certain unfunded liabilities will have the effect of reducing the Authority's unrestricted net position. One such unfunded liability is the total OPEB liability. In accordance with state guidelines, the Authority is only permitted to fund OPEB on a "pay as you go" basis and is not permitted to accumulate funds for the OPEB liability.

NASSAU COUNTY BRIDGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

B. Changes in Net Position

The results of operations, as a whole, are reported in the Statement of Revenues, Expenses, and Changes in Net Position in a programmatic format in the accompanying financial statements. The December 31, 2023 balances were restated to reflect corrections to errors in the previously issued financial statements. These corrections resulted in a decrease in the 2023 revenues of \$454,380 and a net decrease in expenses of \$518,180. See Notes to Financial Statements, Note 13 "Corrections of Errors in Previously Issued Financial Statements" for additional information. A summary of this statement for the years ended December 31, 2024 and 2023 is as follows:

	2024	Restated 2023	Increase (Decrease)	Percentage Change
Revenues				
Operating Revenues				
Charges for Services	\$ 12,771,652	\$ 9,970,551	\$ 2,801,101	28.09 %
Non-Operating Revenues				
Interest income	331,612	321,028	10,584	3.30 %
Other income	38,322	43,121	(4,799)	(11.13)%
Total Revenues	<u>13,141,586</u>	<u>10,334,700</u>	<u>2,806,886</u>	27.16 %
Expenses				
Employee compensation & benefits	4,249,784	3,979,741	270,043	6.79 %
Contract services	1,272,814	578,470	694,344	120.03 %
Materials, equipment, & other	737,595	925,215	(187,620)	(20.28)%
Utilities	100,800	87,921	12,879	14.65 %
Debt service - interest	261,494	362,075	(100,581)	(27.78)%
Depreciation - Unallocated	2,433,137	2,598,948	(165,811)	(6.38)%
Total Expenses	<u>9,055,624</u>	<u>8,532,370</u>	<u>523,254</u>	6.13 %
Total Changes in Net Position	<u>\$ 4,085,962</u>	<u>\$ 1,802,330</u>	<u>\$ 2,283,632</u>	126.70 %

The Authority's total net position increased by \$4,085,962 and \$1,802,330 for the years ended December 31, 2024 and 2023, as restated, respectively.

The Authority's revenues increased when compared to the prior year, primarily due to the following changes:

- Charges for services increased as a result of increased toll revenue.
- Interest income increased due to the rise in interest rates resulting in higher earnings.

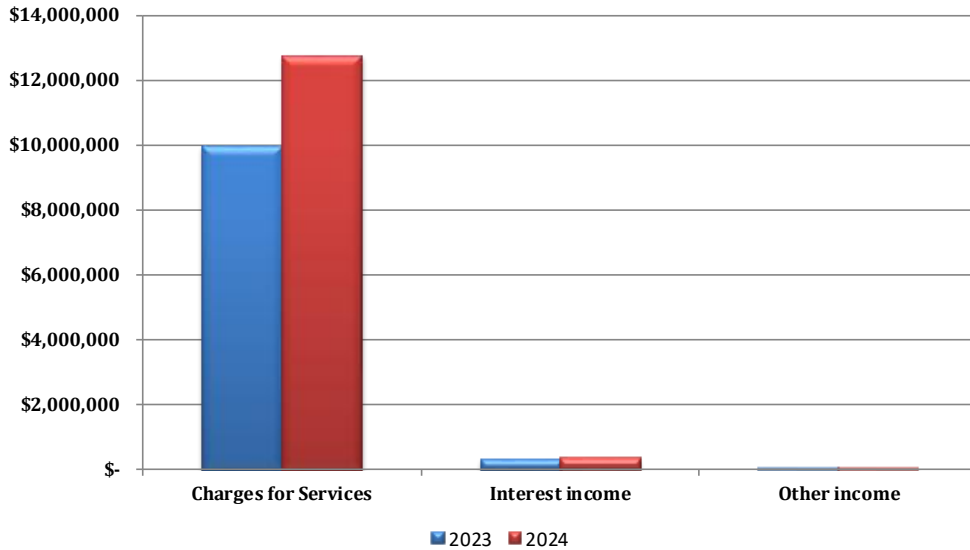
The Authority's expenses increased when compared to the prior year, primarily due to the following changes:

- Contract services increased largely due to costs associated with the implementation of the EZ-Pass program, which includes maintenance costs and additional credit card fees.
- Employee compensation and benefits increased based on contractual increases, changes in employees from part-time to full-time, higher health insurance premiums, and the impact of the net change in actuarially determined OPEB costs and pension costs.
- Depreciation unallocated decreased as a result of the current year's disposals.
- Debt service interest decreased as bond interest and the amortization of bond issuance costs were offset by the amortization of premiums associated with the bonds.

NASSAU COUNTY BRIDGE AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
(Continued)

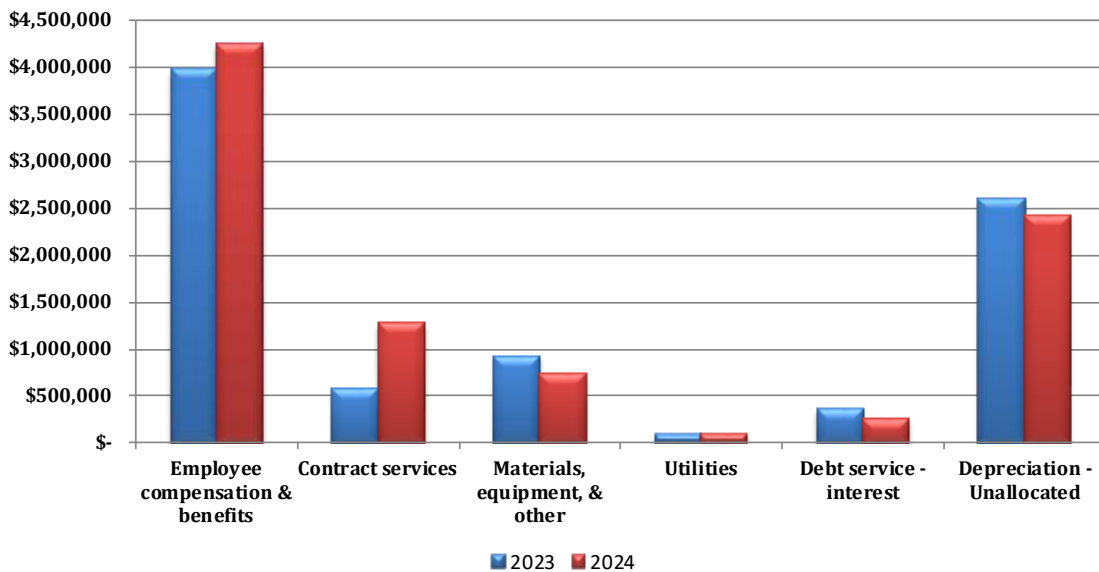
As indicated on the graphs that follow, charges for services is the largest component of revenues recognized (i.e., 97.2% and 96.5% of the total for the years 2024 and 2023, respectively). Employee compensation and benefits and depreciation - unallocated are the largest categories of expenses incurred (i.e., 73.8% and 77.1% of the total for the years 2024 and 2023, respectively).

A graphic display of the distribution of revenues for the two years follows:



	Charges for Services	Interest income	Other income
2023	96.5%	3.1%	0.4%
2024	97.2%	2.5%	0.3%

A graphic display of the distribution of expenses for the two years follows:



	Employee compensation & benefits	Contract services	Materials, equipment, & other	Utilities	Debt service - interest	Depreciation - Unallocated
2023	46.6%	6.8%	10.9%	1.0%	4.2%	30.5%
2024	46.9%	14.1%	8.1%	1.1%	2.9%	26.9%

NASSAU COUNTY BRIDGE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

4. CAPITAL ASSETS, DEBT ADMINISTRATION, AND OTHER LONG-TERM LIABILITIES

A. Capital Assets

At December 31, 2024, the Authority had invested in a broad range of capital assets, as indicated in the following table. The net decrease in capital assets is due to depreciation expense of \$2,433,137 in excess of capital asset additions of \$1,283,716 for the year ended December 31, 2024. A summary of the Authority's capital assets, net of accumulated depreciation/amortization at December 31, 2024 and 2023 is as follows:

	2024	Restated 2023	Increase (Decrease)	Percentage Change
Construction in Progress	\$ -	\$ 65,319	\$ (65,319)	(100.00)%
Bridge Open Grating & Painting	8,243,605	8,667,738	(424,133)	(4.89)%
Bridge Rehabilitation	1,477,191	2,489,051	(1,011,860)	(40.65)%
Bridge Substructure	1,488,594	1,411,067	77,527	5.49 %
Bridge Tower Renovation	293,519	317,738	(24,219)	(7.62)%
Building Improvements	1,160,293	1,177,652	(17,359)	(1.47)%
Computer Equipment	48,407	51,510	(3,103)	(6.02)%
Furniture & Equipment	529,366	354,227	175,139	49.44 %
Lock Motor Replacement	81,551	92,305	(10,754)	(11.65)%
Mechanical Electrical & Grid	5,920,849	6,264,421	(343,572)	(5.48)%
New Gas Meter Project	5,396	6,745	(1,349)	(20.00)%
NW Bulkhead Rehabilitation	23,450	25,856	(2,406)	(9.31)%
Replacement of Fuel Tank	17,034	20,557	(3,523)	(17.14)%
Roadway	310,568	405,288	(94,720)	(23.37)%
Security Systems	163,190	-	163,190	N/A
Timber Fender System	284,831	311,958	(27,127)	(8.70)%
Tollbooth Equipment Upgrade	4,175,679	3,694,659	481,020	13.02 %
Tollbooth HVAC	29,856	32,215	(2,359)	(7.32)%
Transformer Elevation	317,885	329,881	(11,996)	(3.64)%
Website Development	18,732	21,230	(2,498)	(11.77)%
	<u>\$ 24,589,996</u>	<u>\$ 25,739,417</u>	<u>\$ (1,149,421)</u>	(4.47)%

B. Debt Administration

At December 31, 2024, the Authority had a total debt of \$6,795,000. The decrease in outstanding debt represents principal payments made during the year. A summary of outstanding debt at December 31, 2024 and 2023 is as follows:

	Issue Date	Interest Rate	2024	2023	Increase (Decrease)	Percentage Change
Bonds Payable						
	8/7/2023	4.00 - 5.00%	<u>\$ 6,795,000</u>	<u>\$ 7,070,000</u>	<u>\$ (275,000)</u>	(3.89)%

NASSAU COUNTY BRIDGE AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
(Continued)

C. Other Long-Term Liabilities

Included in the Authority’s long-term liabilities are the estimated amounts due for compensated absences payable, which is based on employment contracts, total OPEB liability, and net pension liability – proportionate share, which are based on actuarial valuations. A summary of the outstanding other long-term liabilities at December 31, 2024 and 2023 is as follows:

	2024	Restated 2023	Increase (Decrease)	Percentage Change
Compensated absences payable	\$ 530,404	\$ 543,069	\$ (12,665)	(2.33)%
Total OPEB liability	10,547,262	10,418,824	128,438	1.23 %
Net pension liability - proportionate share	959,983	1,325,096	(365,113)	(27.55)%
	<u>\$12,037,649</u>	<u>\$12,286,989</u>	<u>\$ (249,340)</u>	(2.03)%

5. ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

A. Subsequent Year’s Budget

The Authority’s budget for 2025 estimates operating revenues of \$11,769,064 and non-operating revenues of \$370,000 for total revenues of \$12,139,064. In addition, the budget for 2025 estimates operating expenses of \$10,100,091 and non-operating expenses of \$892,800 for total expenses of \$10,992,891.

B. Future Budgets

Significant increases in costs such as energy, pension, and health insurance may have an impact on the Authority’s future budgets.

6. CONTACTING THE AUTHORITY

This financial report is designed to provide the reader with a general overview of the Authority’s finances and to demonstrate the Authority’s accountability for the funds it receives. Requests for additional information can be directed to:

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

NASSAU COUNTY BRIDGE AUTHORITY

Statement of Net Position

December 31, 2024

ASSETS

Current Assets

Cash and cash equivalents:

Unrestricted	\$ 16,390,977
Receivables	
Accounts receivables	353,169
Prepays	104,863
Inventory	23,306
	<u>16,872,315</u>

Non-Current Assets

Restricted cash and cash equivalents	615,300
Bond covenant restricted cash and cash equivalents	2,000,000
Capital assets, net of accumulated depreciation/amortization	24,589,996
	<u>27,205,296</u>
 Total Assets	 <u>44,077,611</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred bond issuance costs, net	173,179
Pension	1,024,699
Other postemployment benefits	1,102,094
	<u>2,299,972</u>
 Total Deferred Outflows of Resources	 <u>2,299,972</u>

LIABILITIES

Payables

Accounts payable and accrued expenses	651,519
Collections in Advance	532,461
Long-term liabilities	
Due and payable within one year	
Bonds payable, net	346,420
Compensated absences payable	44,843
Total other postemployment benefits liability	327,590
Due and payable after one year	
Bonds payable, net	7,014,467
Compensated absences payable	485,561
Total other postemployment benefits liability	10,219,672
Net pension liability - proportionate share	959,983
	<u>20,582,516</u>
 Total Liabilities	 <u>20,582,516</u>

DEFERRED INFLOWS OF RESOURCES

Pension	498,183
Other postemployment benefits	1,658,767
	<u>2,156,950</u>
 Total Deferred Inflows of Resources	 <u>2,156,950</u>

NET POSITION

Net investment in capital assets	17,402,288
Unrestricted	6,235,829
	<u>23,638,117</u>
 Total Net Position	 <u>\$ 23,638,117</u>

NASSAU COUNTY BRIDGE AUTHORITY
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2024

OPERATING REVENUES		<u>\$ 12,771,652</u>
OPERATING EXPENSES		
Salaries		2,555,452
Repairs & maintenance		585,192
Office expense		133,795
Uniforms		16,115
Pass cards & decals		2,493
Automobile		45,281
Utilities		88,171
Telephone		12,629
Retirement plan		450,640
Employee benefits		610,696
Payroll taxes		209,795
Insurance		549,817
Bonded Trustee & call fees		5,476
Professional fees		255,643
Armored carrier		19,653
Payroll service		11,209
Computer		98,338
EZ-Pass Operational Costs		287,397
Depreciation		2,433,137
Other postemployment benefits		423,201
		<u>8,794,130</u>
Total Operating Expenses		<u>8,794,130</u>
Income from Operations		<u>3,977,522</u>
NON-OPERATING REVENUES AND (EXPENSES)		
Interest income		331,612
Other income		38,322
Bond interest expense		(250,497)
Amortization expense		(10,997)
		<u>108,440</u>
Total Non-operating Expenses		<u>108,440</u>
Change in Net Position		4,085,962
Total Net Position - Beginning of Year, as Restated		<u>19,552,155</u>
Total Net Position - End of Year		<u><u>\$ 23,638,117</u></u>

NASSAU COUNTY BRIDGE AUTHORITY**Statement of Cash Flows**

For the Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and other sources	\$ 12,745,147
Payments to suppliers and service providers	(2,286,548)
Payments to employees for salaries and benefits	(4,679,043)
Net Cash Provided by Operating Activities	<u>5,779,556</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Cash receipts from non-operating sources	<u>38,322</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition and construction of capital assets	(1,349,035)
Principal paid on debt	(275,000)
Interest paid on debt	(266,797)
Amortization of deferred bond premium	(80,750)
Amortization of deferred bond issuance costs	10,997
Net Cash Used in Capital and Related Financing Activities	<u>(1,960,585)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	<u>418,056</u>
Net Increase in Cash	4,275,349
Cash at Beginning of Year, as Restated	<u>14,730,928</u>
Cash at End of Year	<u>\$ 19,006,277</u>

**RECONCILIATION OF OPERATING INCOME TO
NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 3,977,522
Adjustments to reconcile operating income net cash provided by operating activities:	
Depreciation/amortization expense	2,433,137
(Increase) Decrease in:	
Other receivables	40,397
Prepays	4,295
Inventory	9,051
Deferred outflows of resources	597,410
Increase (Decrease) in:	
Accounts payable and accrued expenses	(832,231)
Collections in Advance	(66,900)
Compensated absences payable	(12,665)
Total other postemployment benefits liability	128,438
Net pension liability - proportionate share	(365,113)
Deferred inflows of resources	(133,785)
Net Cash Provided by Operating Activities	<u>\$ 5,779,556</u>

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Authority is a component unit of Nassau County (County) and accordingly, the financial statements of the Authority are included in the financial statements of the County.

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

The Authority, pursuant to the state law, is composed of a 5 member board who are appointed by the County Executive of Nassau County with approval of the Nassau County Legislature. Each Board member serves a 5 year term without compensation. The Board is presently comprised of a chairman and four board members.

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies used by the Authority are as follows:

A. Reporting Entity

The financial reporting entity is based on criteria set forth by GASB. The financial reporting entity is the primary government, the Authority, as well as component units and other organizational entities determined to be includable in the Authority's financial reporting entity, based on the nature and significance of their relationship with the Authority. The accompanying financial statements present the activities of the Authority. The decision to include a potential component unit in the Authority's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no other entities that would be included in the Authority's reporting entity.

B. Basis of Presentation

Financial Statements

The Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows present information about the overall governmental financial activities of the Authority. Governmental activities generally are financed through toll revenues and other exchange and non-exchange transactions.

The Statement of Net Position presents the financial position of the Authority at fiscal year end. The Statement of Revenues, Expenses, and Changes in Net Position presents a comparison between operating expenses and revenues for the Authority's governmental activities. Tolls are the primary source of operating revenues. Revenues that are not classified as operating revenues, including interest income, are presented as non-operating revenues.

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Measurement Focus and Basis of Accounting

The activities of the Authority are accounted for similarly to those often found in the private sector using the flow of economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, net positions, revenues, and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred. The flow of economic resources refers to the reporting of all the net position available to the Authority. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities (whether current or non-current), and associated activities are reported and equity is reported as net positions.

Basis of accounting describes when changes are recognized. The accrual basis of accounting recognizes changes in net position when the underlying event occurs, regardless of the timing of related cash flows.

The Authority uses the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when incurred. Proprietary-type accounting also distinguishes operating revenue and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenue is tolls. Operating expenses include the cost of service, administration, and depreciation of capital assets. All revenues not meeting these definitions are reported as non-operating revenues and expenses.

D. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net resources are available, the Authority's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes to Financial Statements.

E. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingencies at the date of the financial statements and the reported revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including compensated absences, OPEB, pensions costs, potential contingent liabilities, and useful lives of capital assets.

F. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank deposits, and investments with an original maturity date of 90 days or less from the date of acquisition.

Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves. Restricted cash and cash equivalents are comprised of monies related to the 2023 bond resolution. The minimum amount required as per the bond resolution is \$2,000,000. Additionally, the total amount of restricted cash and cash equivalents, designated for the 2012 Capital Constructions Project, at December 31, 2024, was \$615,300.

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

G. Receivables

Receivables are shown net of an allowance for uncollectible accounts, if any. However, no allowance for uncollectibles has been provided since it is believed that such allowance would not be material.

H. Inventory and Prepaid Items

Inventory of salt and sand is recorded at cost on a first-in, first-out basis (FIFO). Inventory is accounted for on the consumption method.

Prepaid items represent payments made by the Authority for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as assets on the Statement of Net Position using the consumption method.

Under the consumption method, a current asset for the inventory and/or prepaid item is recorded at the time of receipt and/or purchase and an expense is reported in the year the goods or services are consumed.

I. Capital and Intangible Assets

Capital and intangible assets are reported at actual cost, when the information is available, or estimated historical cost based on professional third-party information. Donated assets are reported at acquisition value at the date of donation.

All capital and intangible assets, except construction in progress, are depreciated/amortized on a straight-line basis over their estimated useful lives as follows:

	<u>Capital Threshold</u>	<u>Estimated Useful Life</u>
Bridge Open Grating & Painting	\$ 500	25 years
Bridge Rehabilitation	500	25 years
Bridge Substructure	500	30 years
Bridge Tower Renovation	500	20 years
Building Improvements	500	10 - 39 years
Computer Equipment	500	5 years
Furniture & Equipment	500	5 - 10 years
Lock Motor Replacement	500	25 years
Mechanical Electrical & Grid	500	25 years
New Gas Meter Project	500	20 years
NW Bulkhead Rehabilitation	500	25 years
Replacement of Fuel Tank	500	15 years
Roadway	500	20 - 25 years
Security Systems	500	10 years
Timber Fender System	500	20 years
Tollbooth Equipment Upgrade	500	5 - 10 years
Tollbooth HVAC	500	15 years
Transformer Elevation	500	30 years
Website Development	500	10 years

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

J. Deferred Outflows of Resources

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net assets that applies to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time. The Authority has three items that qualify for reporting in this category. First is the unamortized amount of deferred bond issuance costs that are being amortized as a component of interest expense on the straight-line basis through October 1, 2040. The second item is related to pensions and consists of the Authority's proportionate share of changes in the collective net pension asset or liability not included in collective pension expense and the Authority's contributions to the New York State and Local Employees' Retirement System (ERS) subsequent to the measurement date. The third item is related to OPEB and represents the change in the total OPEB liability not included in OPEB expense.

K. Collections in Advance

Collections in advance arise when resources are received by the Authority before it has a legal claim to them, as when EZ-Pass discount tag monies are received in advance from payers prior to the services being rendered by the Authority. These amounts are recorded as liabilities in the financial statements. The liabilities are removed and revenues are recognized in subsequent periods when the Authority has legal claim to the resources.

L. Employee Benefits – Compensated Absences

Compensated absences consists of unpaid accumulated sick, vacation, and compensatory leave.

Sick leave eligibility and accumulation is specified in collective bargaining agreements and individual employment contracts. Upon retirement, resignation, or death, employees may contractually receive a payment based on unused accumulated sick leave.

Vacation eligibility and accumulation is specified in collective bargaining agreements and individual employment contracts. Some earned benefits may be forfeited if not taken within varying time periods. Employees are compensated for unused accumulated vacation leave through paid time off or cash payment upon retirement, termination, or death.

The Authority recognizes a liability for compensated absences, including vacation and sick leave, when employees have earned the right to leave and it is more likely than not that the leave will be used for time off or paid out in cash or settled through other means.

The liability for compensated absences is measured at the employee's pay rate at the reporting date, including salary-related payments such as social security and Medicare taxes.

The Authority uses the FIFO method to determine which leave balances are used first.

M. Other Benefits

Eligible Authority employees participate in the ERS.

Authority employees may choose to participate in the Authority's elective deferred compensation plan established under Internal Revenue Code §457.

The Authority provides individual or family health insurance coverage for active employees pursuant to collective bargaining agreements and individual employment contracts.

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

In addition to providing these benefits, the Authority provides individual, family, or surviving spouse postemployment health insurance coverage for eligible retired employees. Collective bargaining agreements and individual employment contracts determine if Authority employees are eligible for these benefits if they reach normal retirement age while working for the Authority. Healthcare benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the Authority and the employee. The cost of postemployment health insurance coverage is recognized on the economic resources measurement focus and the accrual basis of accounting in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*.

N. Long-Term Debt

The Authority borrows money in order to acquire equipment, construct buildings, or make improvements. These long-term liabilities are full faith and credit debt of the local government. The premiums received on long-term debt issuances are netted with bonds payable and amortized over the life of the bonds.

O. Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net assets that applies to a future reporting period and so will not be recognized as an inflow of resources (revenues/expense credit) until that time. The Authority has two items that qualify for reporting in this category. The first item is related to pensions and consists of the Authority's proportionate share of changes in the collective net pension asset or liability not included in collective pension expense. The second item is related to OPEB and represents the change in the total OPEB liability not included in OPEB expense.

P. Equity Classifications

In the Statement of Net Position, there are two classes of net position:

Net investment in capital assets – Consists of net capital assets (cost less accumulated depreciation/amortization) reduced by outstanding balances of related debt obligations from the acquisition, construction, or improvement of those assets.

Unrestricted – Reports the balance of net position that does not meet the definition of the above classification.

2. CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year ended December 31, 2024, the Authority implemented GASB Statement No. 100, Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions and assessing accountability.

For the fiscal year ended December 31, 2024, the Authority implemented GASB Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has not been used but not yet paid in cash or settled through noncash means. This liability would include leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used as time off or otherwise paid in cash or settled through noncash means.

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. FUTURE ACCOUNTING STANDARDS

The GASB Statements are issued to set GAAP for state and local governments. The following is not an all-inclusive list of GASB statements issued, but statements that the Authority feels may have a future impact on these financial statements. The Authority will evaluate the impact of these pronouncements and implement them, as applicable, if material.

Effective for the Year Ending	Statement
December 31, 2025	GASB No. 102 – <i>Certain Risk Disclosures</i>
December 31, 2026	GASB No. 103 – <i>Financial Reporting Model Improvements</i>
December 31, 2026	GASB No. 104 – <i>Disclosure of Certain Capital Assets</i>

GASB Statement No. 102 was issued to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

GASB Statement No. 103 was issued 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. This Statement also addresses certain application issues.

GASB Statement No. 104 requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

4. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets

An annual budget is prepared by the Authority's staff and presented to the Board before each fiscal year. Budgets are adopted on a basis consistent with generally accepted accounting principles. The budget details the Authority's plan to earn and expend funds for charges incurred for operations, maintenance, certain interest, and other charges for the fiscal year. All unexpended or encumbered appropriations in the budget remaining at the end of the fiscal year lapse.

The Authority adopts a multi-year capital plan to prioritize capital needs and resources to ensure that key assets are replaced, improved, or upgraded in a timely manner. Capital projects may be authorized after the adoption of the capital plan to reflect changing needs, priorities, and funding opportunities. No appropriations for capital projects in the capital plan lapse until the purpose of the appropriation was made, has been accomplished or changed.

5. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The Authority's investment policies are governed by state statutes and Authority policy. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. Collateral is required for demand and time deposits, and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of New York State and its municipalities. Investments are stated at fair value.

Custodial credit risk is the risk that in the event of a bank failure, the Authority may be able to recover deposits or collateral securities that are in possession of an outside agency. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

- A. Uncollateralized,
- B. Collateralized by securities held by the pledging financial institution, or
- C. Collateralized by securities held by the pledging financial institution's trust department or agent but not in the Authority's name.

At December 31, 2024, the Authority's aggregate bank balances not covered by depository insurance at year end, and exposed to custodial risk in the amount of \$615,300. The remaining balances were collateralized with securities held by pledging financial institutions, or its trust department or agent in the Authority's name.

The Authority did not have any investments at year end or during the year. Consequently, the Authority was not exposed to any material interest rate risk or foreign currency risk.

6. CAPITAL ASSETS

Capital asset balances at December 31, 2023 were restated due to errors in capital assets additions. Capital assets balances and activity for the year ended December 31, 2024, were as follows:

	Restated Balance December 31, 2023	Additions	Reductions	Balance December 31, 2024
Capital asset not being depreciated				
Construction in Progress	\$ 65,319	\$ -	\$ (65,319)	\$ -
Capital assets being depreciated/amortized				
Bridge Open Grating & Painting	11,112,487	20,734		11,133,221
Bridge Rehabilitation	35,082,045		(8,886)	35,073,159
Bridge Substructure	1,434,983	128,574		1,563,557
Bridge Tower Renovation	484,390			484,390
Building Improvements	2,493,834	48,336		2,542,170
Computer Equipment	259,113	17,118	(122,024)	154,207
Furniture & Equipment	1,943,097	253,876	(402,483)	1,794,490
Lock Motor Replacement	268,850			268,850
Mechanical Electrical & Grid	9,384,900	32,031		9,416,931
New Gas Meter Project	26,965			26,965
NW Bulkhead Rehabilitation	60,150			60,150
Replacement of Fuel Tank	52,845			52,845
Roadway	2,426,095	10,331	(115,223)	2,321,203
Security Systems		164,974		164,974
Timber Fender System	542,537			542,537
Tollbooth Equipment Upgrade	4,022,632	673,061	(211,504)	4,484,189
Tollbooth HVAC	698,694		(487,544)	211,150
Transformer Elevation	359,871			359,871
Website Development	24,975			24,975
Total capital assets being depreciated/amortized	<u>70,678,463</u>	<u>1,349,035</u>	<u>(1,347,664)</u>	<u>70,679,834</u>

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

	Restated Balance December 31, 2023	Additions	Reductions	Balance December 31, 2024
Less accumulated depreciation/amortization for:				
Bridge Open Grating & Painting	\$ 2,444,749	\$ 444,867	\$ -	\$ 2,889,616
Bridge Rehabilitation	32,592,994	1,011,860	(8,886)	33,595,968
Bridge Substructure	23,916	51,047		74,963
Bridge Tower Renovation	166,652	24,219		190,871
Building Improvements	1,316,182	65,695		1,381,877
Computer Equipment	207,603	20,220	(122,023)	105,800
Furniture & Equipment	1,588,870	78,736	(402,482)	1,265,124
Lock Motor Replacement	176,545	10,754		187,299
Mechanical Electrical & Grid	3,120,479	375,603		3,496,082
New Gas Meter Project	20,220	1,349		21,569
NW Bulkhead Rehabilitation	34,294	2,406		36,700
Replacement of Fuel Tank	32,288	3,523		35,811
Roadway	2,020,807	105,051	(115,223)	2,010,635
Security System	-	1,784		1,784
Timber Fender System	230,579	27,127		257,706
Tollbooth Equipment Upgrade	327,973	192,043	(211,506)	308,510
Tollbooth HVAC	666,479	2,359	(487,544)	181,294
Transformer Elevation	29,990	11,996		41,986
Website Development	3,745	2,498		6,243
Total accumulated depreciation/amortization	<u>45,004,365</u>	<u>2,433,137</u>	<u>(1,347,664)</u>	<u>46,089,838</u>
Total Capital Assets Being Depreciated/Amortized	<u>25,674,098</u>	<u>(1,084,102)</u>	<u>-</u>	<u>24,589,996</u>
Capital assets, net	<u>\$ 25,739,417</u>	<u>\$ (1,084,102)</u>	<u>\$ (65,319)</u>	<u>\$ 24,589,996</u>

A. Ownership

The County has legal ownership of the facilities of the Authority, including the land and the Bridge. The Authority uses the facilities at no charge pursuant to a contract with the County, dated March 1, 1950. Under this contract, the Authority has the right to use the facilities in perpetuity; this contract cannot be amended by the County without the written consent of the Authority.

B. Impairment Losses

The Authority evaluated prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Authority's policy is to record an impairment loss in the period when the Authority determines that the carrying amount of the asset will not be recoverable. At December 31, 2024, the Authority has not recorded any such impairment losses.

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

7. LONG-TERM LIABILITIES

A. Changes

The following table summarizes the changes in governmental activities in long-term liabilities, excluding pension liability, for the year ended December 31, 2024:

	Restated Balance December 31, 2023	Additions	Reductions	Balance December 31, 2024	Amounts Due Within One Year
Long-term debt:					
Bonds payable	\$ 7,070,000	\$	\$ (275,000)	\$ 6,795,000	\$ 285,000
Deferred premium	646,637		(80,750)	565,887	61,420
	<u>7,716,637</u>	-	<u>(355,750)</u>	<u>7,360,887</u>	<u>346,420</u>
Other long-term liabilities:					
Compensated absences	543,069		(12,665)	530,404	44,843
Total OPEB liability	<u>10,418,824</u>	<u>128,438</u>		<u>10,547,262</u>	<u>327,590</u>
	<u>\$ 18,678,530</u>	<u>\$ 128,438</u>	<u>\$ (368,415)</u>	<u>\$ 18,438,553</u>	<u>\$ 718,853</u>

Additions and reductions to compensated absences are shown net since it is impractical to separately determine these amounts. The maturity of compensated absences is not determinable.

For total OPEB liability, please see the subsequent section titled "Postemployment Healthcare Benefits" for additional information.

B. Bonds Payable

Bonds payable comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at December 31, 2024
Revenue bond - 2023	8/7/2023	10/1/2040	4.00 - 5.00%	<u>\$ 6,795,000</u>

The following summary of debt service requirements for bonds payable:

Year Ending December 31,	Principal	Interest	Total
2025	\$ 285,000	\$ 322,800	\$ 607,800
2026	300,000	308,550	608,550
2027	315,000	293,550	608,550
2028	330,000	277,800	607,800
2029	350,000	261,300	611,300
2030-2034	2,040,000	1,024,750	3,064,750
2035-2039	2,590,000	467,700	3,057,700
2040	585,000	23,400	608,400
	<u>\$ 6,795,000</u>	<u>\$ 2,979,850</u>	<u>\$ 9,774,850</u>

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Premiums on Obligations

The Authority issued revenue bonds on August 7, 2023 and received premiums on obligations of \$646,637. This premium is being amortized as a component of interest expense on the weighted-average basis over the life of these revenue bonds as follows:

Year Ending December 31,	Deferred Premium
2025	\$ 61,420
2026	58,719
2027	55,880
2028	52,903
2029	49,763
2030-2034	195,453
2035-2039	89,048
2040	2,701
	\$ 565,887

D. Interest Expense

Interest on long-term debt for the year was composed of:

Interest paid	\$ 336,550
Less interest accrued in the prior year	(86,003)
Plus interest accrued in the current year	80,700
Less amortization of deferred premiums	(80,750)
Total interest expense on long-term debt	\$ 250,497

8. PENSION PLANS – NEW YORK STATE

A. Plan Description

The Authority participates in the ERS. This is a cost-sharing multiple-employer, defined benefit, public employee retirement systems. The system provides retirement, disability, withdrawal, and death benefits to plan members and beneficiaries related to years of service and final average salary.

B. Provisions and Administration

Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). The net position of the ERS is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the ERS. As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as the trustee of the Fund and is the administrative head of the ERS. Once a public employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Authority also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. That

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

report, including information with regard to benefits provided may be found on the NYS Comptroller's website 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.

C. Funding Policy

The ERS is noncontributory except for employees who joined after July 27, 1976 with less than ten years of credited service, who contribute 3% of their salary, or joined on or after January 1, 2010 and before April 1, 2012, who contribute 3% of their salary throughout active membership. For employees hired on or after April 1, 2012, employee contribution rates are dependent upon salaries and range from 3% to 6% of salary throughout active membership. Employers are required to contribute at an actuarially determined rate based on covered salaries paid. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the fiscal year ended March 31st, and employer contributions are either paid by the prior December 15th less a 1% discount or by February 1st. The Authority paid 100% of the required contributions as billed by the ERS for the current year. The Authority's average contribution rate was 15.29% of covered payroll for the fiscal year ended March 31, 2024.

The Authority's share of the required contributions, based on covered payroll for the current year ended December 31, 2024, was \$319,301 at the contribution rate of 14.56%.

D. Pension Asset/(Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the Authority reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for the ERS. The net pension asset/(liability) was measured as of March 31, 2024. The total pension liability used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The Authority's proportion of the net pension asset/(liability) was based on a projection of the Authority's long-term share of contributions to the ERS relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS in reports provided to the Authority.

Measurement date	March 31, 2024
Authority's proportionate share of the net pension liability	\$ (959,983)
Authority's portion of the Plan's net pension liability	0.0065198%
Change in proportion since the prior measurement date	0.0003405

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

For the year ended December 31, 2024, the Authority recognized pension expense of \$450,451. At December 31, 2024, the Authority reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred	
	Outflows of Resources	Inflows of Resources
Differences between expected and actual experience	\$ 309,210	\$ 26,176
Changes of assumptions	362,948	
Net difference between projected and actual earnings on pension plan investments		468,947
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions	101,379	3,060
Authority contributions subsequent to the measurement date	251,162	
Total	\$ 1,024,699	\$ 498,183

Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending May 31,	Governmental
2025	\$ (140,665)
2026	214,068
2027	295,421
2028	(93,470)
	\$ 275,354

Actuarial Assumptions

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

Measurement date	March 31, 2024
Actuarial valuation date	April 1, 2023
Inflation	2.90%
Salary increases	4.40%
Investment rate of return (net of investment expense, including inflation)	5.90%
Cost of living adjustments	1.50%

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Demographic assumptions used in the April 1, 2023 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2020. Demographic assumptions are primarily based on System experience over the period April 1, 2015 – March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected 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.

The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized below:

	Target Allocation	Long-term Expected Real Rate of Return
Measurement date		March 31, 2024
Asset class		
Domestic equity	32.0%	4.00%
International equity	15.0%	6.65%
Real estate equity	9.0%	4.60%
Private equity	10.0%	7.25%
Alternative investments	10.0%	5.25-5.79%
Fixed income	23.0%	1.50%
Cash	1.0%	0.25%
	100.0%	

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption

The following presents the Authority's proportionate share of the net pension asset/(liability) calculated using the discount rate of 5.9%, as well as what the Authority's proportionate share of the net pension asset/(liability) 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:

	1% Decrease 4.90%	Current Assumption 5.90%	1% Increase 6.90%
Authority's proportionate share of the net pension asset / (liability)	\$ (3,018,285)	\$ (959,983)	\$ 759,126

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Pension Plan Fiduciary Net Position

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

Measurement date	March 31, 2024
<i>(Dollars in thousands)</i>	
Employers' total pension liability	\$ (240,696,851)
Plan fiduciary net position	<u>225,972,801</u>
Employers' net pension liability	<u>\$ (14,724,050)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	93.88%

Prepayments to the Pension Plan

Employer contributions are paid annually based on the ERS' fiscal year, which ends on March 31st. Annual payments are due February 1st. An employer can elect to prepay the amount due by December 15th to receive a 1% discount. The Authority paid the annual invoice in December. This resulted in a prepayment of \$83,721 for the period of January 1, 2025 through March 31, 2025. Employee contributions are remitted monthly.

9. PENSION PLANS - OTHER

Deferred Compensation Plan

The Authority has established a deferred compensation plan in accordance with Internal Revenue Code §457 for all employees. The Authority makes no contributions to this Plan. The amount deferred by eligible employees for the year ended December 31, 2024 totaled \$46,562 into §457 plans, and \$405 into §457 ROTH plans.

10. POSTEMPLOYMENT HEALTHCARE BENEFITS

A. General Information about the OPEB Plan

Plan Description – The Authority provides OPEB for eligible retired employees. The benefits provided to employees upon retirement are based on provisions in various contracts that the Authority has in place with different classifications of employees. The plan is a single-employer defined benefit OPEB plan administered through the New York State Health Insurance Program – Empire Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided – The Authority provides medical and Medicare Part B reimbursement coverage for eligible retirees. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the Authority offices and are available upon request.

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Employees Covered by Benefit Terms – At January 1, 2024, the following employees were covered by the benefit terms:

Inactive members or beneficiaries currently receiving benefits	17
Inactive members entitled to but not yet receiving benefits	-
Active members	27
	44

B. Total OPEB Liability

The Authority’s total OPEB liability of \$10,547,262 was measured as of December 31, 2024, and was determined by an actuarial valuation as of January 1, 2024. Updated procedures were used to roll forward the total OPEB liability to the measurement date.

Actuarial Assumptions and Other Inputs – The total OPEB liability, as of the measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%	
Discount rate	4.28%	
Healthcare cost trend rates	6.50%	decreasing to an ultimate rate of 4.04% by 2075
Retirees' share of benefit-related costs	25.00%	of projected health insurance premiums for retirees

The discount rate was based on a review of the yield derived from the S & P Municipal Bond 20 Year High Grade Index.

Mortality rates were based on Pub-2010 General Employees/Retirees Headcount-Weighted table projected fully generationally using MP-2021 mortality improvement scale.

C. Changes in the Total OPEB Liability

Balance at December 31, 2023	\$ 10,418,824
Changes for the year	
Service cost	307,626
Interest on total OPEB liability	422,570
Changes in benefit terms	(30,355)
Differences between expected and actual experience	189,470
Changes in assumptions or other inputs	(433,283)
Benefit payments	(327,590)
	128,438
Balance at December 31, 2024	\$ 10,547,262

Changes of assumptions and other inputs reflect a change in the discount rate from 4.00% in 2023 to 4.28% in 2024.

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.28%) or 1 percentage point higher (5.28%) than the current discount rate:

	1% Decrease 3.28 %	Discount Rate 4.28 %	1% Increase 5.28 %
Total OPEB liability	\$ (12,160,645)	\$ (10,547,262)	\$ (9,232,099)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.50% to 3.04%) or 1 percentage point higher (7.50% to 5.04%) than the current healthcare cost trend rate:

	1% Decrease 5.50%	Healthcare Cost Cost Trend Rates 6.50%	1% Increase 7.50%
	decreasing to	decreasing to	decreasing to
Governmental Activities	3.04%	4.04%	5.04%
Total OPEB liability	\$ (9,005,258)	\$ (10,547,262)	\$ (12,493,393)

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

For the year ended December 31, 2024, the Authority recognized OPEB expense of \$423,201. At December 31, 2024, the Authority reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 820,490	\$ 37,889
Changes of assumptions	281,604	1,620,878
	\$ 1,102,094	\$ 1,658,767

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ (385,492)
2026	(371,811)
2027	249,391
2028	(48,761)
	\$ (556,673)

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

11. RISK FINANCING AND RELATED INSURANCE

The Authority is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and other losses. These risks are currently covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage as compared to the prior year and settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

12. COMMITMENTS AND CONTINGENCIES

Litigation

The Authority is involved in lawsuits arising from the normal conduct of affairs. The Authority believes that the outcome of any matters will not have a material effect on these financial statements.

13. CORRECTION OF ERRORS IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS

The following are corrections of errors to the December 31, 2023 net position:

Net Assets - Beginning of Year, as Reported	\$ 19,488,355
Adjustments:	
<u>Assets:</u>	
Overstatement of Cash	(324,467)
Understatement of Accounts Receivable	324,467
Uncollectible Receivable Prior Years	(3,975)
Prepays: Pension	68,139
Capital Assets	82,800
Understatement of Capital Assets	65,319
Understatement of Receivable for Interest	148,956
	361,239
 <u>Deferred outflows: Pension</u>	 204,416
 <u>Liabilities</u>	
Understatement of Retainage Payable	65,319
EZ-Pass Discount Tags - 12/2023	599,361
Duplicated Accounts Payable in Prior Year	(140,745)
Compensated Absences Calculation	(22,080)
	501,855
 <u>Net Position</u>	
Net Investment in Capital Assets	18,206,956
Unrestricted Net Position	(18,206,956)
	-
 Total Prior Period Adjustment	 63,800
 Net Assets - Beginning of Year, as Restated	 \$ 19,552,155

NASSAU COUNTY BRIDGE AUTHORITY
NOTES TO FINANCIAL STATEMENTS
(Continued)

14. LEASES

In May 2001, the Authority entered into a 30-year lease agreement with the Atlantic Beach Fire District for the Fire District's use of a parcel of land on the Southeast side of the Atlantic Beach Bridge for a total of \$1 per year, which was paid in full upon execution of the agreement.

15. SUBSEQUENT EVENTS

The Authority has evaluated subsequent events through the date of the auditor's report, which is the date the financial statements were available to be issued. No significant events were identified that would require adjustment of or disclosure in the financial statements, except as follows:

The Authority adopted a new capital asset policy in February 2025, wherein it increased the capitalization threshold from \$500 to \$5,000.

NASSAU COUNTY BRIDGE AUTHORITY
Schedule of the Authority's Proportionate Share of the Net Pension Asset/(Liability)
 Last Nine Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's proportion of the net pension asset/(liability)	0.0065198%	0.0061793%	0.060318%	0.005604%	0.005740%	0.006248%	0.005864%	0.006117%	0.006489%
Authority's proportionate share of the net pension asset/(liability)	\$ 959,983	\$ 1,325,096	\$ 493,071	\$ (5,580)	\$ (1,520,005)	\$ (442,654)	\$ (189,257)	\$ (574,809)	\$ (1,041,507)
Authority's covered payroll	\$ 2,189,949	\$ 2,033,692	\$ 2,019,393	\$ 1,807,419	\$ 1,810,847	\$ 1,724,509	\$ 1,748,116	N/A	N/A
Authority's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	43.84 %	65.16 %	24.42 %	0.31 %	83.94 %	25.67 %	10.83 %	N/A	N/A
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%	90.68%
Discount rate	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

NASSAU COUNTY BRIDGE AUTHORITY
Schedule of the Authority's Pension Contributions
Last Nine Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 319,301	\$ 264,088	\$ 254,130	\$ 292,560	\$ 264,875	\$ 254,530	\$ 258,459	\$ 261,590	N/A
Contributions in relation to the contractually required contribution	(319,301)	(264,088)	(254,130)	(292,560)	(264,875)	(254,530)	(258,459)	(261,590)	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's covered payroll	2,193,293	2,177,433	2,005,618	1,943,095	1,781,223	1,805,512	1,711,359	1,729,779	N/A
Contributions as a percentage of covered payroll	15%	12%	13%	15%	15%	14%	15%	15%	N/A

NASSAU COUNTY BRIDGE AUTHORITY
Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios
Last Seven Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability							
Service cost	\$ 307,626	\$ 219,489	\$ 409,718	\$ 423,103	\$ 382,354	\$ 283,593	\$ 323,410
Interest on total OPEB liability	422,570	374,471	237,731	238,886	280,695	365,080	320,821
Changes in benefit terms	(30,355)	-	-	-	-	-	-
Differences between expected and actual experience	189,470	1,061,788	79,605	(189,437)	(1,195,269)	(931,767)	-
Changes of assumptions or other inputs	(433,283)	428,990	(3,185,633)	121,042	1,739,525	1,743,804	(854,204)
Benefit payments	<u>(327,590)</u>	<u>(266,891)</u>	<u>(253,401)</u>	<u>(250,131)</u>	<u>(198,252)</u>	<u>(196,807)</u>	<u>(190,925)</u>
Net change in total OPEB liability	128,438	1,817,847	(2,711,980)	343,463	1,009,053	1,263,903	(400,898)
Total OPEB liability, beginning	<u>10,418,824</u>	<u>8,600,977</u>	<u>11,312,957</u>	<u>10,969,494</u>	<u>9,960,441</u>	<u>8,696,538</u>	<u>9,097,436</u>
Total OPEB liability, ending	<u>\$ 10,547,262</u>	<u>\$ 10,418,824</u>	<u>\$ 8,600,977</u>	<u>\$ 11,312,957</u>	<u>\$ 10,969,494</u>	<u>\$ 9,960,441</u>	<u>\$ 8,696,538</u>
Covered employee payroll	\$ 1,835,040	\$ 1,845,470	\$ 1,872,801	\$ 1,815,673	\$ 1,627,413	\$ 1,696,608	\$ 1,628,728
Total OPEB liability as a percentage of covered employee payroll	574.8%	564.6%	459.3%	623.1%	674.0%	587.1%	533.9%
Discount rate	4.28%	4.00%	4.31%	N/A	N/A	N/A	N/A
Healthcare trend rates	6.50% to 4.04% by 2075	6.25% to 4.14% by 2076	N/A	N/A	N/A	N/A	N/A

An additional year of historical information will be added each year, subsequent to the year of implementation, until 10 years of historical data is available.

Note to Required Supplementary Information

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

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

To the Board of Commissioners
Nassau County Bridge Authority
Lawrence, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Nassau County Bridge Authority (the “Authority”) as of and for the year ended December 31, 2024, and the related notes to the financial statements and its cash flows, which collectively comprise the Authority's financial statements, and have issued our report thereon dated March 19, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 Authority'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.

To the Board of Commissioners
Nassau County Bridge Authority

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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control, described in the accompanying Schedule of Findings as Finding 2024-01, to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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*.

Authority Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying Schedule of Findings. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sheehan & Company, C.P.A., P.C.

Brightwaters, New York
March 19, 2025

**Nassau County Bridge Authority
December 31, 2024
Schedule of Findings**

Number: 2024-01

Finding: The Authority's 2023 financial statements contained material misstatements which required several prior period adjustments during the current year audit.

Criteria: An initial audit was performed during the year ended December 31, 2024, which required that procedures be performed over the Authority's opening balances.

Condition: During our procedures performed over opening balances, we noted several significant prior period adjustments were required to correct errors identified in the Authority's 2023 financial statements. These included:

- An adjustment of \$324,467 to correct an overstatement of cash and an understatement of accounts receivable for December 2023 MTA revenues received in January 2024. The Authority's 2023 financial statements included such revenues within outstanding cash transfers and therefore required adjustment.
- An adjustment of \$68,139 to record a prepaid expense related to the 2023 payment of the Authority's New York State and Local Retirement System (NYSLRS) pension contribution, but for which \$68,139 pertained to the period January 1, 2024 to March 31, 2024.
- An adjustment of \$82,800 to capitalize and depreciate tollbooth equipment and painting costs expensed in the prior year.
- An adjustment to record retainage payable of \$65,319 pertaining to the Authority's Chesterfield Contract that was due as of December 31, 2023.
- An adjustment of \$148,956 to record 2023 interest revenues and related receivable on the Authority's Certificate of Deposit not recognized in 2023.
- An adjustment of \$140,745 to reverse duplicated items recorded within December 31, 2023 accounts payable. Such transactions were recorded within both 2023 expense and 2023 capital assets.
- An adjustment of \$22,080 to adjust the December 31, 2023 compensated absences balance.

Nassau County Bridge Authority
December 31, 2024
Schedule of Findings (Continued)

- An adjustment of \$204,416 to adjust the December 31, 2023 deferred outflows of pensions balance.
- An adjustment of \$599,361 to defer EZ Pass Discounted Tag revenues that pertained to 2024 but that were recognized in 2023.
- An adjustment of \$3,975 was required to reduce 2023 accounts receivable for items deemed not collectible.

Cause: There did not appear to be adequate knowledge of financial reporting in previous years to properly review and approve the financial statements in accordance with *Government Auditing Standards*.

Effect: This resulted in misstatements to the Authority's 2023 financial statements, requiring material prior period audit adjustments. The following is an aggregated summary of financial statement areas requiring prior period material adjustment:

- A total increase in the Authority's 2023 assets of \$361,239.
- A total increase in the Authority's 2023 deferred outflows of pensions of \$204,416.
- A total increase in the Authority's 2023 liabilities of \$501,855.
- A total increase to 2023 fund balance of \$63,800.

Recommendation: We are pleased to report that during 2024, the Authority has since corrected all prior period adjustments identified during 2023 opening balance procedures performed. The Authority has also engaged a contract accountant to assist with the year-end closing process. As noted in our Communication with Those Charged with Governance, we recommend the Authority re-establish its audit committee to assist with oversight of the financial process.

**View of
Responsible
Official:**

The Nassau County Bridge Authority has addressed any items identified during the audit. 2024 did not require any adjustments. Misstatements identified were solely related to 2023, so this schedule should drop off next year. The Authority has hired a new accounting firm to assist with the closing process and hired new management in 2024.