

**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE
AT THE CONCLUSION OF THE AUDIT**

The Chairman and Members
of the County Legislature
County of Tioga
Owego, New York

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Tioga (the County) for the year ended December 31, 2018. We did not audit the financial statements of the aggregate discretely presented component units; Tioga County Industrial Development Agency and Tioga County Soil and Water Conservation District. Those financial statements were audited by other auditors whose reports have been furnished to us. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 17, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the County are described in Note 1 to the financial statements. During the year ended December 31, 2018, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." We noted no transactions entered into by the County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were self-insurance liabilities, other postemployment benefits liability, compensated absences, accumulated depreciation, and pension obligations.

Management's estimates of self-insurance liabilities, other postemployment benefits liability, compensated absences, accumulated depreciation, and pension obligations are based on various assumptions. Self-insurance and other postemployment benefits liability estimates are based on actuarial calculations. The compensated absences estimate, which includes accrued vacation, sick, and other paid absences time, is based on labor agreements, hours accrued, and pay rates. Accumulated depreciation estimates are based on the historical cost of assets and their estimated useful lives, and accounting and reporting for pensions are based on the County's proportionate share of the NYS Retirement System Plan liabilities. We evaluated the key factors and assumptions used to develop the self-insurance liabilities, other postemployment benefits liability, compensated absences, accumulated depreciation, and pension obligations in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures to the financial statements were:

The disclosures of capital assets, pension obligations, other postemployment benefits, and long-term debt and obligations, the details of which are presented in Notes 5, 6, 7, 9, and 10 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements identified as a result of audit procedures, other than those considered to be trivial.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 5, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the County's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the County's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

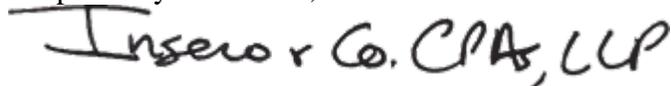
We applied certain limited procedures to the Management's Discussion and Analysis, budgetary comparison information, the Schedule of County's Contributions - NYSLRS Pension Plan, the Schedule of the County's Proportionate Share of the Net Pension Liability, and the Schedule of Changes in the County's Total OPEB Liability and Related Ratios, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining Balance Sheet - Non-Major Governmental Funds and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds and the Schedule of Expenditures of Federal Awards which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the County Legislature, and management of the County of Tioga and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully Submitted,



Inero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 5, 2019