

COUNTY OF TIOGA

Owego, New York

EXECUTIVE SUMMARY

December 31, 2016



COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2016 AUDIT REPORT AND FINDINGS

Financial Statements

Independent Auditor's Report on Basic Financial Statements

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Single Audit (Uniform Guidance) Report

Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance

Auditor's Communication with Those Charged with Governance at the Conclusion of the Audit

Management Comment Letter

Description of Report and Findings

Unmodified opinion on the County of Tioga's (the County) basic financial statements for the year ended December 31, 2016.

Report on the County's compliance with laws and regulations that may have a direct and material effect on the basic financial statements, and on the County's internal control structure policies and procedures based on the auditor's understanding of the internal control structure and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified **no material weaknesses and two significant deficiencies in internal control** over financial reporting at the financial statement level and **no material instances of noncompliance**.

Report on 1) the County's internal control structure policies and procedures used in administering federal award programs; and 2) compliance requirements with respect to its federal award programs. This report identified **one instance of noncompliance and no material internal control weaknesses** regarding compliance in accordance with Uniform Guidance.

There are numerous federal award programs; expenditures amounted to \$11,143,914.

A letter that specifically addresses certain required communications to the Legislature in accordance with professional standards - there were **no comments of concern** related to:

- Qualitative Aspects of Accounting Practices
- Difficulties Encountered in Performing the Audit
- Corrected and Uncorrected Misstatements
- Disagreements with Management
- Management Representations
- Management Consultations with Other Independent Accountants
- Other Audit Findings or Issues
- Other Matters

A letter to management with any other selected communications. The letter contains discussion of significant deficiencies, other matters, and other discussion items.

COUNTY OF TIOGA

5 YEAR FINANCIAL STATEMENT ANALYSIS

GENERAL FUND	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
ASSETS					
Cash and investments	\$ 20,928,303	\$ 17,713,850	\$ 13,075,438	\$ 11,675,314	\$ 10,972,716
Taxes receivable	6,573,874	7,010,849	6,404,030	6,254,643	7,124,699
Due from state and federal	5,380,494	5,810,589	6,555,906	5,452,958	7,683,603
Other receivables	719,735	125,812	1,006,230	792,221	872,561
Prepaid expenses	622,326	720,962	847,111	1,379,495	781,314
Due from other governments	-	-	40,506	-	25,640
Due from other funds	1,455,924	1,455,924	3,258,689	346,556	529,964
Total Assets	\$ <u>35,680,656</u>	\$ <u>32,837,986</u>	\$ <u>31,187,910</u>	\$ <u>25,901,187</u>	\$ <u>27,990,497</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Accounts payable and accruals	\$ 1,468,640	\$ 997,871	\$ 2,206,434	\$ 2,431,351	\$ 2,184,705
Due to other governments	3,883,963	4,968,860	4,512,729	4,405,529	6,294,390
Due to other funds	1,831,964	1,831,964	2,605,343	1,808,234	3,190,052
Unearned revenue	1,662,667	1,122,814	2,669,387	956,016	840,740
Deferred inflows of resources	2,211,609	2,367,742	2,259,071	2,031,514	1,957,440
Total Liabilities and Deferred Inflows of Resources	<u>11,058,843</u>	<u>11,289,251</u>	<u>14,252,964</u>	<u>11,632,644</u>	<u>14,467,327</u>
FUND BALANCES					
Nonspendable	622,326	720,962	847,111	1,379,495	781,314
Restricted	400,458	441,823	417,236	486,834	475,097
Assigned	1,982,057	2,314,782	2,477,096	1,887,753	3,753,013
Unassigned	21,616,972	18,071,168	13,193,503	10,514,461	8,513,746
Total Fund Balances	<u>24,621,813</u>	<u>21,548,735</u>	<u>16,934,946</u>	<u>14,268,543</u>	<u>13,523,170</u>
Total Liabilities and Deferred Inflows of Resources, and Fund Balances	\$ <u>35,680,656</u>	\$ <u>32,837,986</u>	\$ <u>31,187,910</u>	\$ <u>25,901,187</u>	\$ <u>27,990,497</u>

Note: Abstracted from audited financials - See audit reports for complete information

COUNTY OF TIOGA
5 YEAR FINANCIAL STATEMENT ANALYSIS
(CONTINUED)

	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
REVENUES					
Real property taxes and tax items	\$ 25,182,022	\$ 23,932,908	\$ 23,390,519	\$ 23,947,541	\$ 22,831,313
Nonproperty tax items	19,354,376	19,717,783	19,892,019	18,823,090	19,778,733
Departmental income	4,796,657	4,572,470	4,697,165	7,195,471	7,243,322
Intergovernmental charges	311,532	421,031	555,946	516,905	725,519
Use of money and property	100,796	81,864	48,711	61,913	83,659
Fines and forfeitures	84,433	80,608	99,849	99,364	121,401
Other	431,135	394,674	521,428	331,431	372,429
State sources	9,781,598	8,821,819	9,509,821	8,810,869	10,025,619
Federal sources	6,848,125	7,705,798	7,138,990	8,028,295	7,786,462
Other					
Total Revenues	<u>66,890,674</u>	<u>65,728,955</u>	<u>65,854,448</u>	<u>67,814,879</u>	<u>68,968,457</u>
EXPENDITURES					
General governmental support	10,348,399	10,234,786	10,660,758	10,331,288	10,461,164
Education	4,468,732	4,091,128	4,501,850	4,269,886	4,164,315
Public safety	8,299,810	7,648,139	7,131,869	7,268,216	7,132,224
Public health	4,652,355	4,364,389	4,740,561	6,008,829	6,700,779
Transportation	190,734	-	1,179,181	987,387	813,822
Economic assistance and opportunity	18,957,933	18,501,704	19,629,686	20,746,825	21,058,883
Culture and recreation	346,422	338,412	338,028	285,172	322,207
Home and community service	628,662	767,759	704,465	702,591	632,540
Employee benefits	11,576,056	11,302,934	11,074,461	12,176,498	11,787,400
Debt service (principal and interest)	2,107,699	2,114,957	1,822,886	1,654,580	1,694,739
Total Expenditures	<u>61,576,802</u>	<u>59,364,208</u>	<u>61,783,745</u>	<u>64,431,272</u>	<u>64,768,073</u>
Excess of Revenues	<u>5,313,872</u>	<u>6,364,747</u>	<u>4,070,703</u>	<u>3,383,607</u>	<u>4,200,384</u>
Transfers (out)	<u>(2,240,794)</u>	<u>(1,750,958)</u>	<u>(1,404,300)</u>	<u>(2,638,234)</u>	<u>(3,446,787)</u>
Net Change in Fund Balance	<u>\$ 3,073,078</u>	<u>\$ 4,613,789</u>	<u>\$ 2,666,403</u>	<u>\$ 745,373</u>	<u>\$ 753,597</u>

Note: Abstracted from audited financials - See audit reports for complete information

COUNTY OF TIOGA
5 YEAR FINANCIAL STATEMENT ANALYSIS
(CONTINUED)

	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
REVENUES AND TRANSFERS IN IN OTHER FUNDS					
Refuse and Garbage Fund	\$ <u>1,160,631</u>	\$ <u>1,274,039</u>	\$ <u>1,061,202</u>	\$ <u>1,069,668</u>	\$ <u>1,218,951</u>
County Road Fund	\$ <u>2,026,381</u>	\$ <u>2,028,546</u>	\$ <u>1,942,813</u>	\$ <u>2,010,269</u>	\$ <u>1,965,067</u>
Road Machinery Fund	\$ <u>838,362</u>	\$ <u>44,602</u>	\$ <u>697,323</u>	\$ <u>696,934</u>	\$ <u>635,543</u>
Special Grant Fund	\$ <u>408,635</u>	\$ <u>310,464</u>	\$ <u>505,024</u>	\$ <u>470,089</u>	\$ <u>1,379,999</u>
Capital Projects Funds	\$ <u>1,753,890</u>	\$ <u>4,510,703</u>	\$ <u>4,326,126</u>	\$ <u>14,368,760</u>	\$ <u>4,895,527</u>
	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>
EXPENDITURES AND TRANSFERS OUT IN OTHER FUNDS					
Refuse and Garbage Fund	\$ <u>1,293,240</u>	\$ <u>1,175,694</u>	\$ <u>1,195,461</u>	\$ <u>1,203,723</u>	\$ <u>1,219,529</u>
County Road Fund	\$ <u>2,336,075</u>	\$ <u>2,299,157</u>	\$ <u>1,933,001</u>	\$ <u>1,961,094</u>	\$ <u>1,960,461</u>
Road Machinery Fund	\$ <u>557,465</u>	\$ <u>629,038</u>	\$ <u>660,376</u>	\$ <u>689,875</u>	\$ <u>634,345</u>
Special Grant Fund	\$ <u>400,149</u>	\$ <u>341,271</u>	\$ <u>496,493</u>	\$ <u>467,590</u>	\$ <u>1,375,583</u>
Capital Projects Funds	\$ <u>5,586,186</u>	\$ <u>6,785,683</u>	\$ <u>8,540,816</u>	\$ <u>5,244,341</u>	\$ <u>5,659,829</u>

Note: Abstracted from audited financials - See audit reports for complete information

COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2016 AUDIT

AUDIT FOCUS/REPORTING OBJECTIVES:

1) Financial Statements

- * Management's Discussion and Analysis
- * Government-wide Financial Statements
- * Governmental Fund Financial Statements
- * Notes to Financial Statements
- * Budgetary Comparison Schedules and Other Required Supplementary Information
- * Supplementary Information

2) Single Audit

- * Study and Evaluation of Internal Controls
- * Testing of Compliance with Laws and Regulations

AUDIT APPROACH:

- * Preliminary Planning
- * Consideration of Internal Control Structure
- * Tests of Controls
- * Tests of Compliance with Laws and Regulations
- * Substantive Testing of Financial Information

AUDIT REPORTS:

- * Report on Financial Statements and Schedule of Expenditures of Federal Awards
- * Report on Internal Control over Financial Reporting and on Compliance and Other Matters
- * Report on Compliance with Requirements Applicable to Major Programs and Internal Control over Compliance with Uniform Guidance

UNDERSTANDING THE COUNTY'S OPERATIONS:

- * Services Provided
- * Assessment of Accounting and Reporting System
- * Nature of Activities
- * Special Reporting Requirements
- * Nature of Compliance Requirements
- * Assessment of Management

FACTORS AFFECTING THE SCOPE OF TESTING:

- * Effectiveness of Overall Financial Controls
- * Qualifications of Key Personnel
- * Appropriate Segregation of Duties
- * Budget Administration
- * Ability to Issue Timely and Accurate Financial Reports

CONSIDERATION OF INTERNAL CONTROL STRUCTURE:

- * Ability to Demonstrate Compliance with Laws and Regulations
- * Effectiveness of Budget Process
- * Accuracy and Comprehensiveness of Internal Reporting
- * Existence of Adequate Policies and Procedures