

COUNTY OF TIOGA

Owego, New York

EXECUTIVE SUMMARY

December 31, 2017



COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2017 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, 2017.

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 or 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 **no instances of noncompliance and no material internal control weaknesses** regarding compliance in accordance with Uniform Guidance.

There are numerous federal award programs; expenditures amounted to \$11,847,534.

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 other matters, and other discussion items.

COUNTY OF TIOGA

5 YEAR FINANCIAL STATEMENT ANALYSIS

GENERAL FUND	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>
ASSETS					
Cash and investments	\$ 15,434,717	\$ 20,928,303	\$ 17,713,850	\$ 13,075,438	\$ 11,675,314
Taxes receivable	7,095,318	6,573,874	7,010,849	6,404,030	6,254,643
Due from state and federal	7,346,883	5,380,494	5,810,589	6,555,906	5,452,958
Other receivables	704,526	719,735	125,812	1,006,230	792,221
Prepaid expenses	1,010,128	622,326	720,962	847,111	1,379,495
Due from other governments	14,815			40,506	
Due from other funds		1,455,924	1,455,924	3,258,689	346,556
Total Assets	<u>\$ 31,606,387</u>	<u>\$ 35,680,656</u>	<u>\$ 32,837,986</u>	<u>\$ 31,187,910</u>	<u>\$ 25,901,187</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Accounts payable and accruals	\$ 746,448	\$ 1,468,640	\$ 997,871	\$ 2,206,434	\$ 2,431,351
Due to other governments	4,562,878	3,883,963	4,968,860	4,512,729	4,405,529
Due to other funds	-	1,831,964	1,831,964	2,605,343	1,808,234
Unearned revenue	1,026,721	1,662,667	1,122,814	2,669,387	956,016
Deferred inflows of resources	2,675,652	2,211,609	2,367,742	2,259,071	2,031,514
Total Liabilities and Deferred Inflows of Resources	<u>9,011,699</u>	<u>11,058,843</u>	<u>11,289,251</u>	<u>14,252,964</u>	<u>11,632,644</u>
FUND BALANCES					
Nonspendable	1,010,128	622,326	720,962	847,111	1,379,495
Restricted	412,476	400,458	441,823	417,236	486,834
Assigned	3,222,336	1,982,057	2,314,782	2,477,096	1,887,753
Unassigned	17,949,748	21,616,972	18,071,168	13,193,503	10,514,461
Total Fund Balances	<u>22,594,688</u>	<u>24,621,813</u>	<u>21,548,735</u>	<u>16,934,946</u>	<u>14,268,543</u>
Total Liabilities and Deferred Inflows of Resources, and Fund Balances	<u>\$ 31,606,387</u>	<u>\$ 35,680,656</u>	<u>\$ 32,837,986</u>	<u>\$ 31,187,910</u>	<u>\$ 25,901,187</u>

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

COUNTY OF TIOGA

5 YEAR FINANCIAL STATEMENT ANALYSIS (CONTINUED)

	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>
REVENUES					
Real property taxes and tax items	\$ 24,238,463	\$ 25,182,022	\$ 23,932,908	\$ 23,390,519	\$ 23,947,541
Nonproperty tax items	20,680,920	19,354,376	19,717,783	19,892,019	18,823,090
Departmental income	4,881,556	4,796,657	4,572,470	4,697,165	7,195,471
Intergovernmental charges	130,041	311,532	421,031	555,946	516,905
Use of money and property	83,663	100,796	81,864	48,711	61,913
Fines and forfeitures	103,681	84,433	80,608	99,849	99,364
Other	67,064	431,135	394,674	521,428	331,431
State sources	10,493,237	9,781,598	8,821,819	9,509,821	8,810,869
Federal sources	6,919,007	6,848,125	7,705,798	7,138,990	8,028,295
Other					
Total Revenues	<u>67,597,632</u>	<u>66,890,674</u>	<u>65,728,955</u>	<u>65,854,448</u>	<u>67,814,879</u>
EXPENDITURES					
General governmental support	11,058,940	10,348,399	10,234,786	10,660,758	10,331,288
Education	4,811,419	4,468,732	4,091,128	4,501,850	4,269,886
Public safety	9,755,439	8,299,810	7,648,139	7,131,869	7,268,216
Public health	4,698,403	4,652,355	4,364,389	4,740,561	6,008,829
Transportation	161,318	190,734	-	1,179,181	987,387
Economic assistance and opportunity	19,361,392	18,957,933	18,501,704	19,629,686	20,746,825
Culture and recreation	324,331	346,422	338,412	338,028	285,172
Home and community service	628,830	628,662	767,759	704,465	702,591
Employee benefits	12,239,345	11,576,056	11,302,934	11,074,461	12,176,498
Debt service (principal and interest)	2,110,584	2,107,699	2,114,957	1,822,886	1,654,580
Total Expenditures	<u>65,150,001</u>	<u>61,576,802</u>	<u>59,364,208</u>	<u>61,783,745</u>	<u>64,431,272</u>
Excess of Revenues	<u>2,447,631</u>	<u>5,313,872</u>	<u>6,364,747</u>	<u>4,070,703</u>	<u>3,383,607</u>
Transfers in (out)	<u>(4,474,756)</u>	<u>(2,240,794)</u>	<u>(1,750,958)</u>	<u>(1,404,300)</u>	<u>(2,638,234)</u>
Net Change in Fund Balance	<u>\$ (2,027,125)</u>	<u>\$ 3,073,078</u>	<u>\$ 4,613,789</u>	<u>\$ 2,666,403</u>	<u>\$ 745,373</u>

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

COUNTY OF TIOGA

5 YEAR FINANCIAL STATEMENT ANALYSIS (CONTINUED)

	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>
REVENUES AND TRANSFERS IN IN OTHER FUNDS					
Refuse and Garbage Fund	\$ <u>1,231,600</u>	\$ <u>1,160,631</u>	\$ <u>1,274,039</u>	\$ <u>1,061,202</u>	\$ <u>1,069,668</u>
County Road Fund	\$ <u>1,988,357</u>	\$ <u>2,026,381</u>	\$ <u>2,028,546</u>	\$ <u>1,942,813</u>	\$ <u>2,010,269</u>
Road Machinery Fund	\$ <u>395,669</u>	\$ <u>838,362</u>	\$ <u>44,602</u>	\$ <u>697,323</u>	\$ <u>696,934</u>
Special Grant Fund	\$ <u>807,851</u>	\$ <u>408,635</u>	\$ <u>310,464</u>	\$ <u>505,024</u>	\$ <u>470,089</u>
Capital Projects Funds	\$ <u>4,935,297</u>	\$ <u>1,753,890</u>	\$ <u>4,510,703</u>	\$ <u>4,326,126</u>	\$ <u>14,368,760</u>
 EXPENDITURES AND TRANSFERS OUT IN OTHER FUNDS					
Refuse and Garbage Fund	\$ <u>1,280,086</u>	\$ <u>1,293,240</u>	\$ <u>1,175,694</u>	\$ <u>1,195,461</u>	\$ <u>1,203,723</u>
County Road Fund	\$ <u>1,898,770</u>	\$ <u>2,336,075</u>	\$ <u>2,299,157</u>	\$ <u>1,933,001</u>	\$ <u>1,961,094</u>
Road Machinery Fund	\$ <u>596,934</u>	\$ <u>557,465</u>	\$ <u>629,038</u>	\$ <u>660,376</u>	\$ <u>689,875</u>
Special Grant Fund	\$ <u>486,394</u>	\$ <u>400,149</u>	\$ <u>341,271</u>	\$ <u>496,493</u>	\$ <u>467,590</u>
Capital Projects Funds	\$ <u>4,424,145</u>	\$ <u>5,586,186</u>	\$ <u>6,785,683</u>	\$ <u>8,540,816</u>	\$ <u>5,244,341</u>

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

COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2017 AUDIT

AUDIT FOCUS/REPORTING OBJECTIVE

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