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**Ciaschi • Dietershagen • Little • Mickelson  
& Company, LLP**

*Certified Public Accountants and Consultants*

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Frederick J. Ciaschi, C.P.A.

**COUNTY OF TIOGA**

**Owego, New York**

**EXECUTIVE SUMMARY**

**December 31, 2014**

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COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2014 AUDIT REPORT AND FINDINGS

**Basic Financial Statements**

Independent Auditor's Report on Basic Financial Statements

Independent Auditor's Report on Supplemental Financial Information

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*

Management Comment Letter

**Single Audit (OMB A-133) Report**

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance required by OMB Circular A-133

Report on Schedule of Expenditures of Federal Awards

Communication with Those Charged with Governance at the Conclusion of the Audit

**Description of Report and Findings**

**Unmodified opinion** on the County of Tioga's (the County's) financial statements for the year ended December 31, 2014.

**Unmodified report** on supplemental financial information in relation to primary audit report.

Reports on the County's internal control over financial reporting 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 **one significant deficiency and no material weaknesses in internal control**.

Report on the County's compliance with laws and regulations that may have a direct and material effect on the financial statements. This report identified **no material instances of noncompliance**.

Letter of comments dated September 11, 2015 discusses three items, two of which have been resolved.

**Description of Report and Findings**

Report on 1) the County's internal control structure policies and procedures used in administering federal award programs; 2) compliance with general requirements of the County's federal awards; and 3) compliance with specific requirements applicable to its major federal award programs. This report identified **no instances of noncompliance and no material weaknesses**.

**Unmodified report** on the Schedule of Expenditures of Federal Awards supplemental information in relation to the primary audit report. Federal expenditures amounted to \$12,351,997.

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

- 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

COUNTY OF TIOGA

5 YEAR FINANCIAL STATEMENT ANALYSIS

<u>GENERAL FUND</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
<b><u>ASSETS</u></b>					
Cash and investments	\$ 13,075,438	\$ 11,675,314	\$ 10,972,716	\$ 13,173,961	\$ 11,153,897
Taxes receivable	6,404,030	6,254,643	7,124,699	5,900,648	5,382,910
Due from state and federal	6,555,906	5,452,958	7,683,603	5,407,426	6,625,293
Other receivables	1,006,230	792,221	872,561	675,863	187,813
Prepaid expenses	847,111	1,379,495	781,314	677,957	499,385
Due from other governments	40,506	-0-	25,640	-0-	27,490
Due from other funds	3,258,689	346,556	529,964	369,452	2,150,239
Total Assets	<u>\$ 31,187,910</u>	<u>\$ 25,901,187</u>	<u>\$ 27,990,497</u>	<u>\$ 26,205,307</u>	<u>\$ 26,027,027</u>
<b><u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u></b>					
Accounts payable and accruals	\$ 2,206,434	\$ 2,431,351	\$ 2,184,705	\$ 2,136,631	\$ 2,336,103
Due to other governments	4,512,729	4,405,529	6,294,390	5,136,504	5,064,472
Due to other funds	2,605,343	1,808,234	3,190,052	3,436,484	304,023
Deferred revenue	2,669,387	956,016	840,740	980,582	555,379
Deferred inflows of resources	2,259,071	2,031,514	1,957,440	1,745,533	1,726,978
Total Liabilities and Deferred Inflows of Resources	<u>14,252,964</u>	<u>11,632,644</u>	<u>14,467,327</u>	<u>13,435,734</u>	<u>9,986,955</u>
<b><u>FUND BALANCES</u></b>					
Nonspendable	847,111	1,379,495	781,314	677,957	499,385
Restricted	417,236	486,834	475,097	441,851	375,965
Assigned	2,477,096	1,887,753	3,753,013	6,464,067	5,463,742
Unassigned	13,193,503	10,514,461	8,513,746	5,185,698	9,700,980
Total Fund Balances	<u>16,934,946</u>	<u>14,268,543</u>	<u>13,523,170</u>	<u>12,769,573</u>	<u>16,040,072</u>
Total Liabilities and Deferred Inflows of Resources, and Fund Balances	<u>\$ 31,187,910</u>	<u>\$ 25,901,187</u>	<u>\$ 27,990,497</u>	<u>\$ 26,205,307</u>	<u>\$ 26,027,027</u>

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

COUNTY OF TIOGA  
(CONTINUED)  
5 YEAR FINANCIAL STATEMENT ANALYSIS

	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
<b><u>REVENUES</u></b>					
Real property taxes and tax items	\$ 23,390,519	\$ 23,947,541	\$ 22,831,313	\$ 22,569,265	\$ 22,479,665
Nonproperty tax items	19,892,019	18,823,090	19,778,733	18,573,837	16,858,161
Departmental income	4,697,165	7,195,471	7,243,322	6,583,679	8,221,866
Intergovernmental charges	555,946	516,905	725,519	479,682	704,385
Use of money and property	48,711	61,913	83,659	223,481	102,965
Fines and forfeitures	99,849	99,364	121,401	116,642	117,600
Other	521,428	331,431	372,429	579,616	452,311
State sources	9,509,821	8,810,869	10,025,619	9,194,566	9,137,655
Federal sources	7,138,990	8,028,295	7,786,462	6,801,319	9,043,633
Total Revenues	<u>65,854,448</u>	<u>67,814,879</u>	<u>68,968,457</u>	<u>65,122,087</u>	<u>67,118,241</u>
<b><u>EXPENDITURES</u></b>					
General governmental support	10,660,758	10,331,288	10,461,164	10,062,138	9,471,874
Education	4,501,850	4,269,886	4,164,315	4,405,340	4,494,316
Public safety	7,131,869	7,268,216	7,132,224	6,740,298	6,868,533
Public health	4,740,561	6,008,829	6,700,779	7,094,388	7,092,383
Transportation	1,179,181	987,387	813,822	869,717	1,072,579
Economic assistance and opportunity	19,629,686	20,746,825	21,058,883	20,270,319	19,879,247
Culture and recreation	338,028	285,172	322,207	223,387	229,476
Home and community service	704,465	702,591	632,540	608,096	605,536
Employee benefits	11,074,461	12,176,498	11,787,400	11,125,587	10,089,514
Debt service (principal and interest)	1,822,886	1,654,580	1,694,739	1,341,163	874,600
Total Expenditures	<u>61,783,745</u>	<u>64,431,272</u>	<u>64,768,073</u>	<u>62,740,433</u>	<u>60,678,058</u>
Excess of Revenues	<u>4,070,703</u>	<u>3,383,607</u>	<u>4,200,384</u>	<u>2,381,654</u>	<u>6,440,183</u>
Transfers (out)	<u>(1,404,300)</u>	<u>(2,638,234)</u>	<u>(3,446,787)</u>	<u>(5,652,153)</u>	<u>(1,022,637)</u>
Net Change in Fund Balance	<u>\$ 2,666,403</u>	<u>\$ 745,373</u>	<u>\$ 753,597</u>	<u>\$ (3,270,499)</u>	<u>\$ 5,417,546</u>
Restatement	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ (404,963)</u>

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

COUNTY OF TIOGA  
(CONTINUED)  
5 YEAR FINANCIAL STATEMENT ANALYSIS

<u>EXPENDITURES AND TRANSFERS</u> <u>IN OTHER FUNDS</u>	<u>12/31/14</u>	<u>12/31/13</u>	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
Refuse and Garbage Fund	\$ 1,195,461	\$ 1,203,723	\$ 1,219,529	\$ 1,187,363	\$ 1,229,018
County Road Fund	\$ 1,933,001	\$ 1,961,094	\$ 1,960,461	\$ 1,984,096	\$ 1,846,969
Road Machinery Fund	\$ 660,376	\$ 689,875	\$ 634,345	\$ 637,672	\$ 616,333
Special Grant Fund	\$ 496,493	\$ 467,590	\$ 1,375,583	\$ 288,918	\$ 688,571
Capital Projects Funds	\$ 8,540,816	\$ 5,244,341	\$ 5,659,829	\$ 10,487,725	\$ 6,007,097

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

COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2014 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
  - \* 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 Circular A-133

**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