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**Ciaschi • Dietershagen • Little • Mickelson  
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*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, 2013**

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COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2013 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, 2013.

**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 8, 2014 discusses three items.

**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 \$12,759,816.

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

<b><u>GENERAL FUND</u></b>	<u>12/31/13</u>	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/09</u>
<b><u>ASSETS</u></b>					
Cash and investments	\$ 11,675,314	\$ 10,972,716	\$ 13,173,961	\$ 11,153,897	\$ 7,495,821
Taxes receivable	6,254,643	7,124,699	5,900,648	5,382,910	5,450,979
Due from state and federal	5,452,958	7,683,603	5,407,426	6,625,293	5,135,001
Other receivables	792,221	872,561	675,863	187,813	389,992
Prepaid expenses	1,379,495	781,314	677,957	499,385	303,257
Due from other governments	-0-	25,640	-0-	27,490	317,629
Due from other funds	346,556	529,964	369,452	2,150,239	3,183,228
Total Assets	<u>\$ 25,901,187</u>	<u>\$ 27,990,497</u>	<u>\$ 26,205,307</u>	<u>\$ 26,027,027</u>	<u>\$ 22,275,907</u>
<b><u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u></b>					
Accounts payable and accruals	\$ 2,431,351	\$ 2,184,705	\$ 2,136,631	\$ 2,336,103	\$ 2,614,134
Due to other governments	4,405,529	6,294,390	5,136,504	5,064,472	5,672,512
Due to other funds	1,808,234	3,190,052	3,436,484	304,023	1,386,457
Deferred revenue	956,016	840,740	980,582	555,379	114,894
Deferred inflows of resources	2,031,514	1,957,440	1,745,533	1,726,978	1,865,384
Total Liabilities and Deferred Inflows of Resources	<u>11,632,644</u>	<u>14,467,327</u>	<u>13,435,734</u>	<u>9,986,955</u>	<u>11,653,381</u>
<b><u>FUND BALANCES</u></b>					
Nonspendable	1,379,495	781,314	677,957	499,385	303,257
Restricted	486,834	475,097	441,851	375,965	669,955
Assigned	1,887,753	3,753,013	6,464,067	5,463,742	4,344,900
Unassigned	10,514,461	8,513,746	5,185,698	9,700,980	5,304,414
Total Fund Balances	<u>14,268,543</u>	<u>13,523,170</u>	<u>12,769,573</u>	<u>16,040,072</u>	<u>10,622,526</u>
Total Liabilities and Deferred Inflows of Resources, and Fund Balances	<u>\$ 25,901,187</u>	<u>\$ 27,990,497</u>	<u>\$ 26,205,307</u>	<u>\$ 26,027,027</u>	<u>\$ 22,275,907</u>

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

COUNTY OF TIOGA  
(CONTINUED)  
5 YEAR FINANCIAL STATEMENT ANALYSIS

	<u>12/31/13</u>	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/09</u>
<b><u>REVENUES</u></b>					
Real property taxes and tax items	\$ 23,947,541	\$ 22,831,313	\$ 22,569,265	\$ 22,479,665	\$ 20,620,771
Nonproperty tax items	18,823,090	19,778,733	18,573,837	16,858,161	16,865,711
Departmental income	7,195,471	7,243,322	6,583,679	8,221,866	8,306,344
Intergovernmental charges	516,905	725,519	479,682	704,385	579,018
Use of money and property	61,913	83,659	223,481	102,965	87,658
Fines and forfeitures	99,364	121,401	116,642	117,600	141,813
Other	331,431	372,429	579,616	452,311	328,578
State sources	8,810,869	10,025,619	9,194,566	9,137,655	9,700,304
Federal sources	8,028,295	7,786,462	6,801,319	9,043,633	8,410,117
Total Revenues	<u>67,814,879</u>	<u>68,968,457</u>	<u>65,122,087</u>	<u>67,118,241</u>	<u>65,040,314</u>
<b><u>EXPENDITURES</u></b>					
General governmental support	10,331,288	10,461,164	10,062,138	9,471,874	9,888,484
Education	4,269,886	4,164,315	4,405,340	4,494,316	5,191,138
Public safety	7,268,216	7,132,224	6,740,298	6,868,533	6,401,237
Public health	6,008,829	6,700,779	7,094,388	7,092,383	7,324,576
Transportation	987,387	813,822	869,717	1,072,579	630,986
Economic assistance and opportunity	20,746,825	21,058,883	20,270,319	19,879,247	20,342,519
Culture and recreation	285,172	322,207	223,387	229,476	232,827
Home and community service	702,591	632,540	608,096	605,536	657,064
Employee benefits	12,176,498	11,787,400	11,125,587	10,089,514	8,678,869
Debt service (principal and interest)	1,654,580	1,694,739	1,341,163	874,600	862,138
Total Expenditures	<u>64,431,272</u>	<u>64,768,073</u>	<u>62,740,433</u>	<u>60,678,058</u>	<u>60,209,838</u>
Excess of Revenues	<u>3,383,607</u>	<u>4,200,384</u>	<u>2,381,654</u>	<u>6,440,183</u>	<u>4,830,476</u>
Transfers (out)	<u>(2,638,234)</u>	<u>(3,446,787)</u>	<u>(5,652,153)</u>	<u>(1,022,637)</u>	<u>(5,099,572)</u>
Net Change in Fund Balance	<u>\$ 745,373</u>	<u>\$ 753,597</u>	<u>\$ (3,270,499)</u>	<u>\$ 5,417,546</u>	<u>\$ (269,096)</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>12/31/13</u>	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/09</u>
Refuse and Garbage Fund	\$ 1,203,723	\$ 1,219,529	\$ 1,187,363	\$ 1,229,018	\$ 1,240,149
County Road Fund	\$ 1,961,094	\$ 1,960,461	\$ 1,984,096	\$ 1,846,969	\$ 1,801,061
Road Machinery Fund	\$ 689,875	\$ 634,345	\$ 637,672	\$ 616,333	\$ 632,046
Special Grant Fund	\$ 467,590	\$ 1,375,583	\$ 288,918	\$ 688,571	\$ 719,869
Capital Projects Funds	\$ 5,244,341	\$ 5,659,829	\$ 10,487,725	\$ 6,007,097	\$ 4,226,178

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

COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2013 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