

---

John H. Dietershagen, C.P.A.  
Jerry E. Mickelson, C.P.A.  
Thomas K. Van Derzee, C.P.A.  
Debbie Conley Jordan, C.P.A.  
Patrick S. Jordan, C.P.A.  
Duane R. Shoen, C.P.A.  
Lesley L. Horner, C.P.A.  
D. Leslie Spurgin, C.P.A.

---



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

*Certified Public Accountants and Consultants*

---

Frederick J. Ciaschi, C.P.A.

**COUNTY OF TIOGA**

**Owego, New York**

**EXECUTIVE SUMMARY**

**December 31, 2009**

---

**CORTLAND**

39 Church Street  
Cortland, New York 13045  
607-753-7439  
fax 607-753-7874

**ITHACA**

401 East State Street ~ Suite 500  
Ithaca, New York 14850  
607-272-4444  
fax 607-273-8372  
[www.cdilm.com](http://www.cdilm.com)

**WATKINS GLEN**

108 West Fourth Street  
Watkins Glen, New York 14891  
607-535-4443  
fax 607-535-6220

## COUNTY OF TIOGA

### EXECUTIVE SUMMARY OF 2009 AUDIT REPORT AND FINDINGS

#### **Basic Financial Statements**

Report of Independent Auditors on Basic Financial Statements

Report of Independent Auditors 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*

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

Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133

Report on Schedule of Expenditures of Federal Awards

Auditor's Communication with Those Charged with Governance

#### **Description of Report and Findings**

**Qualified opinion** on the County of Tioga's (the County) financial statements because the financial statements of the Soil and Water Conservation District have not been audited for the year ended December 31, 2009.

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

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**.

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 one material weakness in internal control**.

#### **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 **one instance of noncompliance and no material weaknesses**.

**Unqualified report** on the Schedule of Expenditures of Federal Awards supplemental information in relation to the primary audit report. Federal expenditures amounted to \$20,977,894.

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 or Uncorrected Misstatements
- Disagreements with Management
- Management Representations
- Management Consultations with Other Independent Accountants
- Other Audit Matters or Issues

COUNTY OF TIOGA

4 YEAR FINANCIAL STATEMENT ANALYSIS

<u>GENERAL FUND</u>	<u>12/31/2009</u>	<u>12/31/2008</u>	<u>12/31/2007</u>	<u>12/31/2006</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 7,495,821	\$ 8,149,756	\$ 6,478,455	\$ 5,730,186
Taxes receivable	5,450,979	5,094,743	5,344,497	4,798,459
Due from state and federal	5,135,001	5,015,335	4,394,838	8,471,094
Other receivables	389,992	388,736	785,179	745,803
Prepaid expenses	303,257	336,739	401,913	-0-
Due from other governments	317,629	13,011	-0-	-0-
Due from other funds	3,183,228	3,070,939	1,068,745	348,842
Total Assets	<u>\$ 22,275,907</u>	<u>\$ 22,069,259</u>	<u>\$ 18,473,627</u>	<u>\$ 20,094,384</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accruals	\$ 2,614,134	\$ 3,369,695	\$ 2,017,622	\$ 2,099,123
Due to other governments	5,672,512	3,534,311	3,434,865	3,141,904
Due to other funds	1,386,457	2,215,791	469,248	1,407,780
Deferred revenue	1,980,278	1,652,877	2,160,927	1,485,665
Total Liabilities	<u>11,653,381</u>	<u>10,772,674</u>	<u>8,082,662</u>	<u>8,134,472</u>
<b><u>FUND BALANCE</u></b>				
Reserved for encumbrances	544,900	393,403	447,731	378,910
Reserved for other	669,955	599,414	458,032	290,775
Appropriated	3,800,000	4,600,000	4,000,000	3,400,000
Unreserved	5,607,671	5,703,768	5,485,202	7,890,227
Total Fund Balances	<u>10,622,526</u>	<u>11,296,585</u>	<u>10,390,965</u>	<u>11,959,912</u>
Total Liabilities and Fund Balances	<u>\$ 22,275,907</u>	<u>\$ 22,069,259</u>	<u>\$ 18,473,627</u>	<u>\$ 20,094,384</u>
<b><u>REVENUES</u></b>				
Real property taxes and tax items	\$ 20,620,771	\$ 20,593,026	\$ 18,735,668	\$ 18,098,306
Nonproperty tax items	16,865,711	16,895,480	16,007,800	16,967,567
Departmental income	8,306,344	8,030,635	6,910,370	7,323,658
Intergovernmental charges	579,018	504,101	581,067	978,255
Use of money and property	87,658	253,453	595,260	444,657
Fines and forfeitures	141,813	133,867	138,024	101,102
Other	328,578	612,542	709,969	193,205
State sources	9,700,304	8,780,736	8,932,542	9,071,031
Federal sources	8,410,117	6,418,455	8,959,189	9,101,997
Total Revenues	<u>65,040,314</u>	<u>62,222,295</u>	<u>61,569,889</u>	<u>62,279,778</u>
<b><u>EXPENDITURES</u></b>				
General governmental support	9,888,484	10,430,420	9,900,808	9,646,497
Education	5,191,138	4,526,465	4,214,424	4,234,407
Public safety	6,401,237	6,497,446	6,150,246	6,123,074
Public health	7,324,576	7,426,805	7,066,839	6,760,855
Transportation	630,986	785,701	807,844	729,181
Economic assistance and opportunity	20,342,519	19,704,320	19,670,902	20,594,140
Culture and recreation	232,827	215,570	212,401	227,204
Home and community service	657,064	635,062	592,107	560,764
Employee benefits	8,851,007	7,979,120	7,984,333	8,149,241
Debt service (principal and interest)	690,000	-0-	-0-	-0-
Total Expenditures	<u>60,209,838</u>	<u>58,200,909</u>	<u>56,599,904</u>	<u>57,025,363</u>
Excess of Revenues	<u>4,830,476</u>	<u>4,021,386</u>	<u>4,969,985</u>	<u>5,254,415</u>
Transfers (out)	<u>(5,099,572)</u>	<u>(3,115,766)</u>	<u>(2,456,579)</u>	<u>(3,464,054)</u>
Net Change in Fund Balance	<u>\$ (269,096)</u>	<u>\$ 905,620</u>	<u>\$ 2,513,406</u>	<u>\$ 1,790,361</u>
Restatement	<u>\$ (404,963)</u>	<u>\$ -0-</u>	<u>\$ (4,082,353)</u>	<u>\$ -0-</u>
<b><u>EXPENDITURES AND TRANSFERS IN OTHER FUNDS</u></b>				
Refuse and Garbage Fund	\$ 1,240,149	\$ 1,243,391	\$ 1,182,692	\$ 1,125,716
County Road Fund	\$ 1,801,061	\$ 1,756,699	\$ 1,730,025	\$ 1,672,854
Road Machinery Fund	\$ 632,046	\$ 609,935	\$ 609,474	\$ 575,768
Special Grant Fund	\$ 719,869	\$ 291,126	\$ 628,460	\$ 446,898
Capital Funds	\$ 4,226,178	\$ 7,644,938	\$ 8,179,379	\$ 8,042,254

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

COUNTY OF TIOGA

EXECUTIVE SUMMARY OF 2009 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