

STEUBEN COUNTY

New York



Comprehensive Annual Financial Report

For Fiscal Year Ended December 31, 2008

Prepared by:
Steuben County Treasurer's Office
CAROL WHITEHEAD, Treasurer
TAMMY HURD-HARVEY, Deputy Treasurer

Steuben County, New York

Comprehensive Annual Financial Report For the fiscal year Ended: December 31, 2008

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Tammy Hurd-Harvey, Deputy Treasurer

**Steuben County, New York
Comprehensive Annual Financial Report
December 31, 2008**

Table of Contents

INTRODUCTORY SECTION

Letter of Transmittal	Page I
GFOA Certificate of Achievement	V
Organization:	
Organizational Chart.....	VI
Legislators.....	VII
County Departments.....	VIII

FINANCIAL SECTION

Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets.....	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	22
Statement of Net Assets - Proprietary Funds.....	23
Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds.....	24
Statement of Cash Flows - Proprietary Funds.....	25
Statement of Fiduciary Net Assets - Fiduciary Funds	26
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	26
Notes to the Basic Financial Statements	27
Required Supplementary Information (unaudited):	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - General Fund...	63
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual - County Road Fund.	64
Combining Fund Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds.....	65
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds.....	66
Combining Balance Sheet - Private Purpose Trust Funds	67
Combining Statement of Changes in Fiduciary Net Assets - Private Purpose Trust Funds.....	67

Report on Internal Control over Financial Reporting and on Compliance and other Matters based on an Audit of the Financial Statements.....	68
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Individual Fund Statements and Schedules

General Fund:

Comparative Balance Sheets.....	71
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance.....	72
Comparative Schedule of Revenues and Other Sources - Detail.....	73
Comparative Schedule of Expenditures and Other Uses - Detail	76
Comparative Summary of Modified Budget.....	86
Budget Comparison.....	87

Special Revenue Funds:

Economic Development Fund:

Comparative Balance Sheets.....	88
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance.....	89
Comparative Summary of Modified Budget.....	90
Budget Comparison.....	90
Schedule of Revenues, Expenditures, and Changes in Fund Balance–Budget to Actual	91

County Road Fund:

Comparative Balance Sheets.....	92
Comparative Schedule of Revenues and Other Sources - Detail.....	93
Comparative Schedule of Expenditures and Other Uses - Detail.....	94
Comparative Analysis of Changes in Fund Balance.....	95
Comparative Summary of Modified Budget.....	96
Budget Comparison.....	97

Road Machinery Fund:

Comparative Balance Sheets.....	98
Comparative Schedule of Revenues and Other Sources - Detail.....	99
Comparative Schedule of Expenditures and Other Uses – Detail.....	100
Comparative Analysis of Changes in Fund Balance.....	100
Comparative Summary of Modified Budget.....	101
Budget Comparison.....	102
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual..	103

Capital Projects Fund:

Comparative Balance Sheets.....	104
Comparative Schedule of Revenues and Other Sources - Detail.....	105
Comparative Schedule of Expenditures and Other Uses - Detail.....	106
Comparative Analysis of Changes in Fund Balance.....	107

Proprietary Fund Types:

Health Care Facility

Comparative Balance Sheets.....	108
Comparative Schedule of Revenues, Expenses, and Changes in Fund Equity.....	109

Landfill

Comparative Balance Sheets.....	110
Comparative Schedule of Revenues, Expenses, and Changes in Fund Equity.....	111

Internal Fund - Self-Insurance Fund:

Comparative Balance Sheets.....	112
Comparative Schedule of Revenues, Expenses, and Changes in Fund Equity.....	113
Comparative Analysis of Changes in Fund Equity.....	113

Fiduciary Funds:

Comparative Balance Sheets - Agency Fund	114
Statement of Changes in Assets and Liabilities - Agency Fund	115
Comparative Balance Sheets - Private Purpose Trust Funds	116
Comparative Schedule of Changes in Net Assets - Private Purpose Trust Funds.....	116

STATISTICAL SECTION (unaudited)

Financial Trends

Net Assets – Comparison: 2002 – 2008	117
Changes in Net Assets: 2002 – 2008	118
Fund Balances of Governmental Funds: 2002 – 2008	120
Changes in Fund Balances of Governmental Funds: 2002 – 2008	121

Revenue Capacity

Estimated Actual Value of Taxable Property: 2002 - 2008.....	123
Schedule for Property Tax Rates- All Direct & Overlapping Governments: 2002 – 2008	124
Top Ten Taxpayers: Current Year and Five Years Prior.....	125
Property Tax Levies and Collections – Ten Years	126

Debt Capacity

Ratios of Outstanding Debt – Ten Years	127
Ratios of General Bonded Debt – Ten Years	128
Debt - Computation of Contracting and Ten Years Debt Limit	129

Demographic and Economic Information

Miscellaneous and Demographic Information.....	130
Major Employers.....	131
Full and part Time Employees: 2000 – 2008	132

Operating Information

Operating Indicators by Function.....	133
Capital Asset Statistics by Function/Program.....	134
Assessed & Estimated Actual Value of Real Property	135
Property Tax Levy – Direct and Overlapping Governments	136
County Property Tax Levies by Town	138
Constitutional Tax Limit	139
Budget Summary	140
Budget: Where the Dollars Go, Where the Dollars Come From	141
Budget Analysis: Major Revenue Sources.....	142
Sales Tax Revenues and Distributions.....	143
Sales Tax Summary.....	144
Unemployment Annual Average	145
Unemployment Rate	146
Bank Deposits, Mortgage Tax Summary, and Property Value	147
Cash Analysis.....	148
General Government Ten Year History.....	149
General Governmental Expenditures and Revenues Ten Year History.....	150
Budget Transfer Policy	151

Introductory Section

OFFICE OF THE TREASURER

COUNTY OF STEUBEN

CAROL S WHITEHEAD
TREASURER



TAMMY HURD-HARVEY
DEPUTY TREASURER

COUNTY OFFICE BUILDING
3 EAST PULTENEY SQUARE
BATH, NEW YORK 14810-1577
(607) 664-2488
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June 25, 2009

To the Legislators and Citizens of Steuben County, NY:

Introduction

Management's Responsibility for Financial Information – This Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2008, was prepared by the Steuben County Treasurer's Office in conformance with current accounting and financial reporting principles as determined by the Governmental Accounting Standards Board (GASB) and the New York State Office of the State Comptroller. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the County. All disclosures necessary to enable the government decision-makers, as well as concerned citizens, to more readily understand and to better evaluate the County's financial operation have been included.

Independent Audit - The financial statements of the County have been audited by Bonadio & Co., LLP, a Certified Public Accounting firm located at 171 Sully's Trail in Pittsford, New York. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unqualified opinion that Steuben County's financial statements for the fiscal year ended December 31, 2008, are fairly presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The independent auditors' report is presented as the first component of the financial section of this report. Bonadio & Co., LLP also performed a separate audit of the Steuben County Health Care Facility. This report is issued separately and a copy can be obtained from the administrative offices of the Health Care Facility, 3 East Pulteney Square, Bath, NY 14810.

Single Audit - The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the US Office of Management and Budget Circular A-133, and the Single Audit Act Amendments of 1996. The Single Audit reports include the Schedule of Expenditures of Federal Awards, auditors' reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs. This report is issued separately and a copy can be obtained at the Steuben County Treasurer's Office, 3 East Pulteney Square, Bath, NY 14810.

MD&A – GASB Nos. 34 and 37 require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The Steuben County MD&A can be found immediately following the report of the independent auditors.

Profile of Steuben County Government

Steuben County is a municipal corporation of the State of New York incorporated in 1796. Steuben County consists of 1409 square miles and is located in the western part of New York State serving a population of approximately 97,000.

Organizational Structure - The County Legislature is responsible for the overall operations of the County government. Legislators serve four-year staggered terms. There are seventeen Legislators elected by district. The Chairperson of the Legislature serves as the Chief Executive Officer and the County Treasurer serves as the Chief Fiscal Officer. The County Administrator is appointed by the County Legislature and also serves as the Budget Officer. The financial reporting entity consists of the primary government including a blended component unit and two (2) discretely presented component units: the Steuben County Industrial Development Agency and the Steuben County Soil and Water Conservation District. The decision to include potential component units in the County’s financial statements is based on several criteria set forth in GASB Statements #14, #34, and #39 including legal standing, fiscal dependency and financial accountability.

Services - The County provides a wide range of services including: educational assistance, economic assistance, highway construction and maintenance, law enforcement, traffic safety, emergency management services, parks, youth and aging services, mental health, public health, and environmental control. The County has two (2) proprietary operations, which are similar to those often found in the private sector: the Steuben County Health Care Facility and the Steuben County Landfill.

Budgets – The annual budget serves as the foundation for the County’s financial planning and control. Each department annually submits to the Budget Officer/County Administrator an estimate of revenues and expenditures for the ensuing fiscal year. The Budget Officer reviews each request with the Department Head and makes recommendations to the Finance Committee. No later than November 15, the Budget Officer submits a tentative budget to the County Legislature. After public hearings are conducted to obtain taxpayer comment and no later than December 20, the County Legislature adopts the annual budget. The policy and related approvals required to make revisions to the adopted budget are included in the Steuben County Administrative Code. Budget-to-actual comparisons are provided in this report for each individual governmental fund.

Internal Controls – The County’s management is responsible for establishing a system of internal controls to:

- Maintain accountability over County assets, safeguarding the assets from loss, unauthorized use, or disposal.
- Provide reliable financial records for preparing internal and external financial reports.
- Ensure compliance with Federal and State laws and regulations related to programs for which the County receives assistance.

No system of internal controls can be perfect. Therefore, internal controls are meant to provide “reasonable assurance.” Reasonable assurance means:

- The cost of a control should not exceed the benefits likely to be derived from that control.
- The costs and benefits of internal controls are subject to estimates and judgements by management.

We believe that the County’s internal controls reasonably safeguard assets, assure that financial transactions are properly recorded and reported, and ensure compliance with applicable Federal and State laws and regulations.

Factors Affecting Financial Condition

Local Economy – Steuben County is a rural county located in the southwestern portion of the Finger Lakes Region of New York State. The Cities of Corning and Hornell are located within the County. Major industries in the County include agriculture and tourism. There are many attractions including wineries, museums, and scenic beauty. There are plentiful accommodations.

Information Regarding Major Industries Affecting The Local Economy - Several manufacturing industries provide employment and strengthened the local economy over the past decade. Industries in Steuben County provide opportunities, products, services, and intellectual property. This area has a skill diverse workforce. Corning Incorporated is the largest employer in the County. In addition to its world headquarters located in Corning, there are many manufacturing and research facilities located throughout the region. Corning Incorporated creates leading-edge technologies in the telecommunications, flat panel display, environmental, diesel mechanics, life sciences, and semiconductor industries.

Future Economic Outlook – In 1999, the Steuben County section of State Route 17 was designated as Interstate 86. Construction on the interchange with Route 15 (future Interstate 99) began in 2003 and continues through 2009. The completion of this project will link Steuben County to the downstate metropolitan area and to the surrounding states. It is anticipated that there will be a significant impact on the local economy with increased tourism and expansion of the retail and manufacturing base. Transportation should become a competitive advantage for area firms.

Cash Management and Investments - The County has a written investment policy, which complies with New York State statutes. County monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The County Treasurer is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal Government. Underlying securities must have a market value of at least 105 percent of the cost of the repurchase agreement. Investments are primarily short-term.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. The market value of the collateral is required at all times to equal or exceed the principal amount. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

Risk Financing - The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Accrued liabilities in the General Fund include an amount for estimated tort claims of \$414,500.

The County has elected to be self-insured for workers' compensation claims and accounts for this activity in an internal service fund. Other local municipalities, towns, and villages within the County, are permitted to participate in the self-insured workers' compensation plan, and are liable for their share of the plan's claims. Expenses and liabilities for claims are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At December 31, 2008, the internal service fund has estimated liabilities of approximately \$3,357,000 and approximately \$2,080,000 in cash available to satisfy future claims.

Pension Benefits and Post-Employment Benefits - The County participates in the New York State and Local Employees' Retirement System (ERS), and the Public Employees' Group Life Insurance Plan (the Systems). These are cost-sharing multiple employer (municipalities) retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and

benefits to employees are governed by the New York State Retirement and Social Security Law and the Comptroller of the State of New York serves as sole trustee and administrative head of the Systems. Legislation passed in May 2003 instituting a minimum annual payment of 4.5% of wages. Under the new legislation, contributions to the fund will be based on the value of the fund at April 1 of the prior year instead of April 1 of the current year. The 2008 payment was approximately 8% of wages. The Systems are noncontributory except for employees who joined after July 27, 1976 who contribute 3% of their salary for the first ten years of membership.

In addition to providing pension benefits, the County also provides health care benefits for eligible retired employees, their dependents, and their survivors. Retirees contribute between 50% and 100% of the calculated premium based on retirement date and years of service. Substantially, all the County's employees may become eligible for these benefits if they reach normal retirement age while working for the County. Health care costs of retirees under the age of 65 are based on actual expenditures, as the County is self-insured. In 2008, retirees that were Medicare eligible had the option to participate in a Medicare Advantage program with premiums that are community-rated. The County also pays partial dental care benefits for retired employees. The County implemented Governmental Accounting Standards Board Statement 45 (GASB 45), Other Post-Employment Benefits, for the fiscal year ended December 31, 2007. In accordance with this statement, the Steuben County actuarial accrued liability for other post-employment benefits was approximately \$33,000,000 as of the January 1, 2007 valuation date. The 2008 annual required contribution was approximately \$3,600,000 while the net increase in the other post-employment benefits obligation for 2008 is approximately \$2,200,000. Additional information on the County's pension and post-employment benefits can be found in the Notes to the Financial Statements.

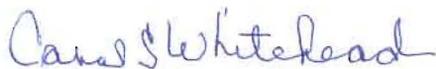
Long-term Financial Planning – Steuben County has begun to consider financial planning over a longer term than the single-year budgetary cycle. Recently the County has begun to analyze budgetary projections over a two-year period in the hope that this will allow elected officials to consider financial implications over a longer period of time. The County strives to maintain a relatively stable real property tax levy. To help achieve this objective, the County balances the use of both debt and equity. Additionally, with the implementation of GASB 45, the County has begun to evaluate methods to manage the financial impact of retiree health care costs on future generations of Steuben County citizens.

Awards and Acknowledgements:

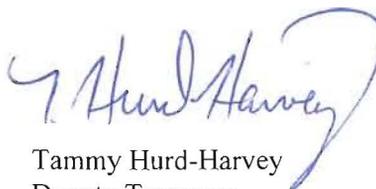
Award – The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Steuben County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2007. This was the seventh consecutive year that the County received this prestigious award. In order to be awarded a Certificate of Achievement, reports must satisfy both GAAP and applicable legal requirements and also must conform to the highest standards for preparation of state and local governmental financial reports. A Certificate of Achievement is valid for a period of one year only. Steuben County implemented GASB Nos. 34, 37, and 38 in 2002. We believe that our current CAFR, which is being submitted to the GFOA to determine its eligibility for another certificate and for feedback and recommendations for improvement, continues to meet the requirements.

Acknowledgements - The preparation of this report would not have been possible without the efforts of the Treasurer's Office staff and the cooperation of all County departments. We would also like to thank our independent auditors, Bonadio and Company, LLP for their cooperation and dedication to this project.

Respectfully submitted,



Carol S Whitehead,
Treasurer



Tammy Hurd-Harvey
Deputy Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Steuben County
New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



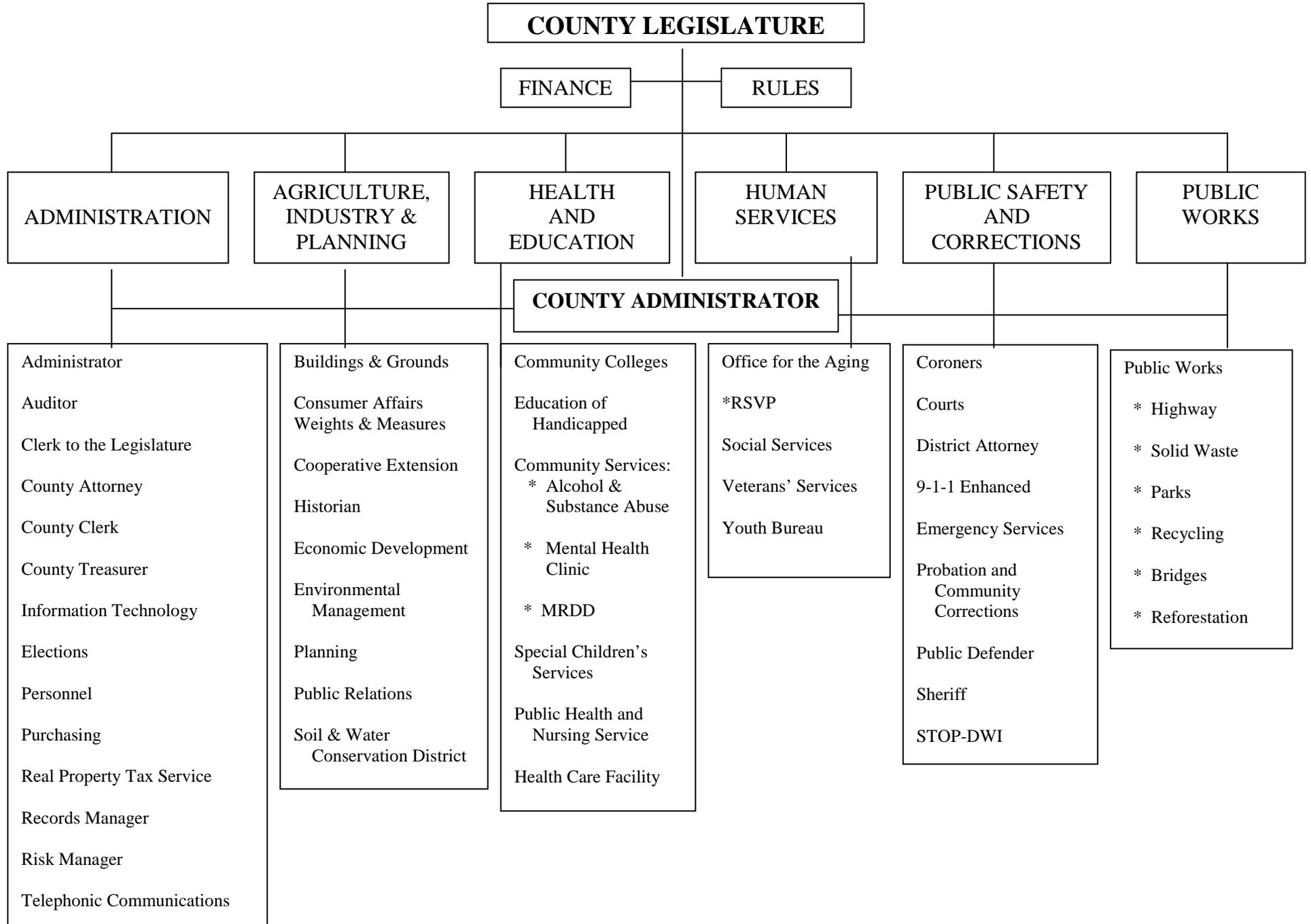
A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

STEUBEN COUNTY LEGISLATURE COMMITTEE SYSTEM



COUNTY OF STEUBEN
2008 Legislators (Elected)

ARGENTIERI, RICHARD A	City of Hornell	Democrat
CREATH, DONALD B	City of Corning	Republican
CROSSETT, LAWRENCE	Bath	Republican
DONNELLY, PATRICK F	Bath	Republican
FARRAND, DAN	Greenwood, Jasper, Rathbone, Troupsburg, West Union, Woodhull	Republican
GEHL, FRANCIS	City of Corning	Democrat
HAURYSKI, JOSEPH	Bradford, Campbell, Wayne	Republican
MC ALLISTER, PATRICK	Cohocton & Wayland	Republican
NICHOLS, ROBERT V	Addison, Lindley, Tuscarora	Republican
ROCHE, PHILLIP J	Erwin	Republican
RYAN, THOMAS	Cameron, Canisteo, Thurston	Republican
SCHU, BRIAN	Dansville, Hartsville, Hornellsville	Republican
SCHWARTZ, THOMAS C	Caton, Corning, Hornby	Republican
STACHNIK, DAVID	Prattsburgh, Pulteney, Urbana	Republican
VAN ETTEN, SCOTT J.	Caton, Corning, Hornby	Republican
WALSH, JOHN	Avoca, Fremont, Howard, Wheeler	Republican
WEAVER, RANDOLPH	City of Hornell	Democrat

COUNTY OF STEUBEN, NY
2008 - COUNTY DEPARTMENTS

Department

Agency on Aging
Board of Elections
Buildings & Grounds
Clerk of Legislative Board
County Administration
County Attorney
County Auditor
County Clerk/Motor Vehicles (Elected)
District Attorney (Elected)
Emergency Management Office
Health Care Facility
Historian
Information Technology/Central Communications
Legislative Board
Mental Health & Alcohol
Personnel/Civil Service
Planning
Probation
Public Defender
Public Health Nurses
Public Safety Communication System - E911
Public Works
Purchasing
Real Property Tax Service
Records Management
Risk Management
Sheriff/Jail
Social Services
Special Children's Services
Treasurer (Elected)
Veterans
Weights & Measures
Youth Bureau

Department Head

Linda M Tetor
Sandy Dennison & Sharlene J Dennis
William J Partridge
Christine D Kane
Mark R Alger
Frederick H Ahrens, Jr
Stanley G Wraight
Judith M Hunter
John C Tunney
Michael A Sprague
David McCarroll
Twila O'Dell
Kenneth S Peaslee
Phillip J Roche
Robert W Anderson
Robert F Biehl
Gregory P Heffner
Frank G Justice
Byrum W Cooper, Jr
Victoria M Fuerst
Timothy Wixom & David Hopkins
Vincent Spagnoletti
James L Gleason
Donna P Hatch
Kenneth K Sherer
Lewis Eason
Richard C Tweddell
Kathryn A Muller
Helen J Brutsman
Carol S Whitehead
Daniel P McRae
Dennis S Abbey
Gary S Pruyne

Financial Section

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

June 22, 2009

To the Board of Legislators of the
County of Steuben, New York:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Steuben, New York (the County), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Steuben County Industrial Development Agency or Steuben County Soil and Water Conservation District, which represent 100% of the component units of the County. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Steuben County Industrial Development Agency and Steuben County Soil and Water Conservation District, is based on the reports of those auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Steuben County Soil and Water Conservation District were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our report and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2008, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States.

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(Continued)

INDEPENDENT AUDITORS' REPORT
(Continued)

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2009, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison on pages 3 through 16 and pages 63 through 64, are not a required part of the basic financial statements, but are supplementary information required by generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying introductory section, combining fund statements and schedules, individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining fund statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, individual fund statements and schedules, and the statistical section have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Bonali & Co LLP

Financial Section

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Introduction

The following is a discussion and analysis of Steuben County's (the County) financial performance, providing a narrative overview of the activities for the fiscal year that ended December 31, 2008. Please read it in conjunction with the transmittal letter located in the Introductory Section of this report and the County's financial statements, which follow this section. This MD&A focuses on the County, exclusive of the Component Units. However, where relevant, specific reference may be made to that information.

Financial Highlights

- The County's net assets on the government-wide statements totaled \$135,494,832 at the close of the year compared to \$131,926,245 at the end of 2007. Of this amount, \$33,287,815 or 25% was unrestricted and may be used to meet the County's ongoing obligations compared to \$32,184,729 or 24% at the end of 2007. Total net assets increased from the previous year by \$3,568,587 and the unrestricted portion increased by \$1,103,086.
- Governmental activities invested in capital assets net of related debt increased \$5,640,686 for a total of \$85,686,220 at the end of 2008.
- Governmental activities increased the County's net assets by \$5,342,641 or 4% compared to the 2007 increase of \$11,175,616 or 8.8%. In addition, the Steuben Tobacco Asset Securitization Corporation (STASC) was reclassified in 2008 to a governmental activity from a business-type activity. The total impact of the prior period adjustments from this reclassification and correction was a decrease in net assets of \$28,369,256. The governmental activities net assets at the end of 2008 was \$114,946,192.
- Operating & Capital Grants/Contributions equaled \$36,726,457 or 24% of the total governmental activities revenue compared \$44,549,514 or 29% in 2007.
- Business-type activities include the Health Care Facility (HCF) and the Solid Waste Operations. In 2007 the STASC presentation was blended with the County's business-type activities. In 2008 the STASC was included as a governmental fund type (see notes to the financial statements). The change in net assets of business-type activities was an increase of \$2,144,578. There was also a prior period adjustment related to capturing the liability associated with post closure maintenance costs of landfills closed in previous years. The total adjustment to capture this estimate was \$2,990,716. With the reclassification of the STASC net deficit of \$27,441,340 to the governmental activities, the end of year net assets for 2008 was \$20,548,640 compared to a net deficit of \$6,046,562 at the end of 2007.
- The Health Care Facility change in net assets was an increase of \$1,535,298 or 30% which represents the first increase since 1998. Total net assets at December 2008 were \$6,749,028 compared to \$5,213,730 for 2007. In 2008 the HCF realized a gain of \$2,431,857 from operating activities compared to an operating loss of \$1,963,746 in 2007. The Intergovernmental Transfer (IGT) revenue for 2008 amounted to \$3,874,820 compared to \$(312,500) in 2007.
- The Solid Waste Operations resulted in a loss of \$265,172 from operations compared to a gain of \$180,957 in 2007. Non-Operating Activities generated \$874,452 in revenue. The prior period adjustment related to the post closure costs was \$2,990,716. Net Assets decreased by \$2,381,436 or 14.7% for a total of \$13,799,612 at the end of 2008.

- At December 31, 2008, the County had total debt excluding the STASC of \$32,866,800 consisting of:
 - Installment bonds for the expansion of cell#1 of the Bath landfill of \$1,980,000.
 - Installment bonds for the expansion of cell#2 of the Bath landfill of \$5,800,000.
 - Installment bonds for highway equipment of \$206,800.
 - Bonds for the construction of a new health care facility of \$17,720,000.
 - Bonds for the construction of an expansion of the jail facility for \$7,160,000.
- At December 31, 2008, STASC had total bonds net of bond premiums of \$30,434,968 securitized by future tobacco settlement payments.
- The government-wide “Current Ratio,” which is an indicator of liquidity, for governmental activities was 3.49 compared to 3.30 at the end of 2007.

Overview of the Financial Statements

The Management’s Discussion and Analysis (MD&A) is intended to serve as an introduction to the County’s financial statements. The financial statements include both the government-wide and fund financial statements, which present different views of the County. The financial statements also include the notes, which provide more detail and explanations of the financial data. Required Supplementary Information and Supplementary Information follow the Notes to the Financial Statements.

Government-wide financial statements consist of the Statement of Net Assets and the Statement of Activities. These statements together provide a broad overview with a long-term focus of the County’s finances as a whole and are presented in a manner similar to private-sector companies using the full-accrual basis of accounting.

The **Statement of Net Assets** presents information on all of the County’s assets and liabilities, with the difference reported as net assets. Over time, changes in net assets may be a useful indicator of whether the County’s financial health is improving or deteriorating.

The **Statement of Activities** presents information showing how the County’s net assets changed during the current fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period, such as uncollected taxes and earned but unused vacation and sick leave.

Both government-wide financial statements distinguish between functions of the County that are principally supported by taxes and intergovernmental revenues (**governmental activities**) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (**business-type activities**). The governmental activities of the County include general government, education, public safety, health, transportation, economic assistance & opportunity, culture & recreation, and home & community services. The business-type activities of the County include the Steuben County Health Care Facility and the Steuben County Solid Waste Operations. Worker’s Compensation, an internal service fund, consists predominantly of business-type activity.

Component Units are legally separate organizations for which the elected officials of the primary government are financially accountable. A description of the component units and addresses for obtaining their separately issued financial statements can be found in the Notes to the Financial Statements. The Steuben County Industrial Development Agency and the Steuben County Soil and Water Conservation District are displayed in separate discrete columns on the government-wide

financial statements to emphasize their legal separation from the County. The Steuben County Tobacco Asset Securitization Corporation presentation is blended with the County's governmental activities.

Fund Financial Statements provide detailed information about individual major funds, not the County as a whole. A fund is a fiscal/accounting entity with a self-balancing set of accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Detailed individual fund data for both major and non-major funds are located following the Combining Statements section of this report. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the County's funds can be divided into three categories, each of which uses a different accounting approach: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and county road fund, which are considered to be major funds. Data from the non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the combining and detailed statements elsewhere in this report.

The County adopts an annual budget for its governmental funds. Budgetary comparison statements have been provided for the general fund and for each individual fund to demonstrate compliance with this budget.

Proprietary funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its nursing home facility and for its landfill operations. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for Workers' Compensation.

Proprietary funds provide the same type of information as the government-wide financial statements using the full accrual basis of accounting. The proprietary fund financial statements provide separate information for the Health Care Facility and for Solid Waste Operations, both of which are considered to be major funds of the County.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial

statements because the resources of those funds are not available to support the County's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Reconciliation Between Government-wide and Fund Statements - The financial statements include schedules that reconcile the amounts reported for *governmental activities* on the government-wide statements (full-accrual accounting, long-term focus) with amounts reported on the *governmental* fund statements (modified accrual accounting, short-term focus). Following are some of the major differences between the two statements:

- Capital assets and long-term debt are included on the government-wide statements but are not reported on the governmental fund statements.
- Capital outlay spending results in capital assets on the government-wide statements but they are expenditures on the governmental fund statements.

Notes to the Financial Statements provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information follows the Basic Financial Statements and consists of budgetary comparison schedules to demonstrate compliance with legally adopted and modified budgets.

Supplementary Information includes the introductory section, and the combining and fund statements, and schedules.

Government-Wide Financial Analysis

Government-Wide Summary of Net Assets - Net assets may serve over time as a useful indicator of a government's financial position.

Steuben County, NY - Net Assets						
As of December 31,						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Current assets	\$ 93,605,764	\$ 90,535,712	\$ 19,693,952	\$ 24,512,264	\$ 113,299,716	\$ 115,047,976
Restricted assets	-	-	1,508,538	184,236	1,508,538	184,236
Unamortized bond issuance costs	420,240	-	51,034	490,411	471,274	490,411
Capital assets, net	93,053,020	87,925,732	38,486,965	33,230,118	131,539,985	121,155,850
Total assets	187,079,024	178,461,444	59,740,489	58,417,029	246,819,513	236,878,473
Current liabilities	26,911,393	27,397,706	4,845,513	6,099,185	31,756,906	33,496,891
Non-current liabilities	45,221,439	13,090,931	34,346,336	58,364,406	79,567,775	71,455,337
Total Liabilities	72,132,832	40,488,637	39,191,849	64,463,591	111,324,681	104,952,228
Invested in capital assets						
net of related debt	85,686,220	80,045,534	13,026,099	12,849,441	98,712,319	92,894,975
Restricted net assets	1,851,553	475,640	1,643,145	6,370,901	3,494,698	6,846,541
Unrestricted net assets	27,408,419	57,451,633	5,879,396	(25,266,904)	33,287,815	32,184,729
Total Net Assets	\$114,946,192	\$137,972,807	\$ 20,548,640	\$ (6,046,562)	\$135,494,832	\$ 131,926,245

Note: 2007 amounts have not been adjusted to reflect the effect of the prior period adjustments recorded in 2008.

Net assets total \$135,494,832 in 2008 compared to \$131,926,245 in 2007. Governmental activities comprise 85% of the total net assets with \$114,946,192 in 2008 compared to 105% or \$137,972,807 in 2007. Business-type activities have total net assets of \$20,548,640 in 2008 compared to a net deficit of (\$6,046,562) in 2007. Governmental unrestricted net assets declined to \$27,408,419 in 2008 compared to \$57,451,633 in 2007. These changes in net assets result from the reclassification of the Steuben Tobacco Asset Securitization Corporation from a business-type activity with a significant net deficit to a governmental activity with a large unrestricted net deficit. The deficit of the Tobacco Asset Securitization Corporation at the end of 2008 was (\$29,542,222) compared to (\$27,441,340) in 2007. This deficit results from the accounting requirements for Tobacco Asset Securitization Corporations. These requirements mandate the recording of the full amount of the bonds payable at the time the bonds are issued, while the revenue is recognized each year as it becomes available to pay the bond debt. The deficit will continue to decline each year as the revenues related to the tobacco settlements are received. The Steuben Tobacco Asset Securitization Corporation has restricted net assets of \$1,851,553 in 2008 compared to \$1,888,636 in 2007.

The largest component of the County's net assets, \$98,712,319 or 73% (\$92,894,975 or 70% in 2007) reflects investments in capital assets (land, buildings, equipment, roads, and bridges) net of any related debt. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net assets comprise \$3,494,698 or 3% of the total net assets compared to \$6,846,541 or 5% of the total net assets in 2007. These assets are subject to constitutional, legal, or external constraints on how they may be used. Business-type restricted net assets declined to \$1,643,145 in 2008 from \$6,370,901 in 2007. Most of this decline was within the Health Care Facility as the restricted bond proceeds for the new building were expended for construction costs. The Health Care Facility has restricted net assets of \$958,163 (\$4,482,265 in 2007). Conversely, an additional \$684,982 of restricted net assets remains at year end related to the bond issue for construction of a new cell at the Bath Landfill.

The remaining balance of governmental net assets of \$33,287,815 (\$32,184,729 in 2007) represents unrestricted net assets, which may be used to meet the County's ongoing obligations, though certain laws and internally imposed designations of resources may further limit the purposes for which those net assets may be used.

Government-Wide Statement of Activities – The Government-Wide Statement of Activities reflects the results of operations in the governmental and business-type functions. The following condensed financial information was derived from the government-wide statement of activities and reflects how the County’s net assets changed during the fiscal year.

Steuben County, NY - Net Activities
For the Year Ended December 31:

(amounts in thousands)

	Governmental Activities		Business-type Activities		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:						
Program revenues:						
Charges for services	\$ 26,257	\$ 21,770	\$ 13,723	\$ 15,269	\$ 39,980	\$ 37,039
Operating grants & contributions	35,759	41,258	5,458	194	41,217	41,452
Capital grants & contributions	967	3,291	-	-	967	3,291
General revenues:						
Taxes:						
Real property taxes	35,078	34,065	-	-	35,078	34,065
Real property tax items	3,044	2,892	-	-	3,044	2,892
Sales & use tax	34,308	32,682	-	-	34,308	32,682
Other Nonproperty tax items	10,357	10,383	-	-	10,357	10,383
Interest and earnings	2,113	3,199	380	657	2,493	3,856
Gain(Loss) on disposition of assets	211	155	(253)	2	(42)	157
Miscellaneous	<u>4,828</u>	<u>3,049</u>	<u>1,136</u>	<u>850</u>	<u>5,964</u>	<u>3,899</u>
TOTAL REVENUES	<u>152,922</u>	<u>152,744</u>	<u>20,444</u>	<u>16,972</u>	<u>173,366</u>	<u>169,716</u>
Expenses:						
General government	22,792	22,376	-	-	22,792	22,376
Education	8,465	8,418	-	-	8,465	8,418
Public safety	17,021	13,510	-	-	17,021	13,510
Health	16,493	16,303	11,189	9,936	27,682	26,239
Transportation	21,799	20,164	-	-	21,799	20,164
Economic asst & opportunity	56,047	57,885	-	2,051	56,047	59,936
Culture and recreation	1,014	818	-	-	1,014	818
Home and community	1,308	940	6,461	5,736	7,769	6,676
Interest expense	<u>3,289</u>	<u>310</u>	<u>-</u>	<u>-</u>	<u>3,289</u>	<u>310</u>
TOTAL EXPENSES	<u>148,228</u>	<u>140,724</u>	<u>17,650</u>	<u>17,723</u>	<u>165,878</u>	<u>158,447</u>
Change in net assets before transfers	4,694	12,020	2,794	(751)	7,488	11,269
Transfers	<u>649</u>	<u>(844)</u>	<u>(649)</u>	<u>844</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>5,343</u>	<u>11,176</u>	<u>2,145</u>	<u>93</u>	<u>7,488</u>	<u>11,269</u>
Beginning net assets, as previously reported	137,973	126,797	(6,047)	(6,139)	131,926	120,658
Prior period adjustments:						
Landfill post closure	-	-	(2,991)	-	(2,991)	-
Reclassification of STASC	(27,441)	-	27,441	-	-	-
STASC bond accretion	<u>(928)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(928)</u>	<u>-</u>
Beginning net assets, restated	<u>109,604</u>	<u>126,797</u>	<u>18,403</u>	<u>(6,139)</u>	<u>128,007</u>	<u>120,658</u>
Net assets, end of year	<u>\$ 114,947</u>	<u>\$ 137,973</u>	<u>\$ 20,548</u>	<u>\$ (6,046)</u>	<u>\$ 135,495</u>	<u>\$ 131,927</u>

Governmental Activities: Governmental activities increased the County's net assets by \$5,342,641 or 5% in 2008 compared to \$11,175,616 or 9% in 2007. Total revenue was very consistent at approximately \$152,000,000 in both 2008 and 2007, however the components of revenue fluctuated several million in both directions. Expenses increased approximately \$7,500,000 to \$148,228,499 in 2008 compared to \$140,724,438 in 2007.

The County is quite dependent on state and federal aid as a revenue source. Approximately \$36,730,000 or 24% of total governmental revenue was derived from Operating & Capital Grants / Contributions in 2008 compared to about \$44,550,000 or 29% in 2007. The majority of the decrease of approximately \$2,300,000 from 2007 resulted from decreased aid related to bridge reconstruction and repair. The remaining decline in Operating Grants/Contributions was in the state and federal aid for Economic Assistance and Opportunity. The County had decreases in federal aid for both Home Energy Assistance and Child Care programs totaling over \$5,500,000 and decreases in state aid of over \$1,000,000. Real Property Tax revenue increased to \$38,122,054 or 25% of governmental revenues in 2008 compared to the 2007 amount of \$36,956,605 or 24%. Sales tax totaled \$34,308,365 or 22% in 2008 which was an increase of about \$1,600,000 over 2007 (\$32,681,611 or 21%). Miscellaneous revenue increased about \$1,800,000 which was substantially the result of significant refunds of prior year expenses within the Economic Assistance and Opportunity programs.

Correspondingly, Economic Assistance and Opportunity programs expenses decreased by about \$1,800,000 from approximately \$57,900,000 in 2007 to just over \$56,000,000 in 2008 to reflect lower year end expense accruals in 2008. Interest expense increased almost \$3,000,000 over 2007 due to the reclassification of the Steuben Tobacco Asset Securitization Corporation to a governmental activity from a business-type activity (classified under Economic Assistance and Opportunity). There was also an increase of approximately \$1,600,000 in transportation in 2008 over 2007 connected with special funding for road maintenance and improvements. Public Safety expenses increased by about \$3,500,000 in 2008 over 2007. The largest component of the Public Safety increase was approximately \$1,300,000 in operating expenses for the increased capacity at the newly constructed jail facilities as well as about \$700,000 of increased depreciation expense for the facility and vehicles. The other components of Public Safety (E-911, Sheriff Patrol, and Probation) each increased about \$200,000 between 2007 and 2008.

In 2007 there were transfers from governmental activities to the business-type activities, primarily to the Health Care Facility for a total of \$843,865. In 2008 there are transfers into the governmental activities from the Health Care Facility of \$649,084 based on the value of the old health care facility in 2008. The net change between the two years was almost \$1,500,000.

In 2008 there were two prior period adjustments related to the Steuben Tobacco Asset Securitization Corporation (STASC). The first was simply reclassifying the 2007 net asset value of the STASC from the business-type activities to the governmental activities. The second adjustment was to correct prior errors in the calculation and reporting of the bond accretion within the STASC. The total impact of these two corrections was a decrease in the governmental activities net assets of \$28,369,256.

Business-type Activities: Net assets from the business-type activities decreased \$846,138 in 2008 compared to an increase of \$92,701 in 2007. The Health Care Facility had an increase in net assets of \$1,535,298 in 2008 compared to a decrease of \$917,463 in 2007. The Health Care Facility had revenue of \$13,651,082 in 2008 compared to \$8,168,067 in 2007 for an increase of over \$5,000,000. This increase was driven primarily by receipt of the 2008 Intergovernmental Transfer funding of \$3,874,820 and an adjustment to prior years' revenue of \$871,668. The HCF also had increased expenses of about \$1,500,000 (\$11,466,700 in 2008 compared to \$9,935,530 in 2007). The Landfill had a decrease in net assets of \$2,381,436 in 2008 compared to an increase of \$1,180,072 in 2007.

The Landfill had virtually the same revenue between 2008 and 2007, \$7,070,271 and \$6,922,101 respectively, but had increased expenses of \$725,097 (\$6,152,737 in 2008 and \$5,735,894 in 2007). This increased expense is related to the increased costs associated with the closure and post closure costs for the Bath Landfill of about \$250,000, additional fuel costs of about \$100,000, \$85,000 in fees related to the sale of carbon credits and additional interest costs of about \$93,000. The Tobacco Asset Securitization Corporation had a loss of about \$170,000 in 2007 and was reclassified to governmental activities for 2008.

Financial Analysis of Governmental Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The combined year-end fund balances for the County's governmental funds totaled:

2008 - \$64,103,960, reflecting an increase of \$4,977,608 or 8%. \$1,956,184 of this increase is the result of reclassifying the Steuben Tobacco Asset Securitization Corporation to a governmental fund in 2008 from a proprietary fund in 2007. In addition, the general fund had an excess of revenues over expenditures of approximately \$2,000,000 to contribute to the growth in the year-end fund balance.

2007 - \$59,126,352, reflecting a decrease of \$121,096 or .2%.

The unreserved portion of the fund balance constitutes monies, which are available for spending at the County's discretion. Year-end balances reflect:

2008 - 81% of total fund balance or \$52,206,013,

2007 - 83% of total fund balance or \$49,166,067.

A portion of the year-end fund balances were appropriated to cover expenses in the subsequent year's budget.

2008 - 16% or \$10,186,719,

2007 - 17% or \$10,165,159.

The remainder of fund balance at year-end is reserved to indicate that it is not available for new spending because it has already been committed for a variety of purposes:

2008 - 19% or \$ 11,897,947,

2007 - 17 % or \$ 9,960,285.

Outstanding orders or encumbrances at year-end totaled:

2008 - 1% or \$1,054,988,

2007 - 2% or \$978,954.

The **General Fund** is the primary operating fund of the County.

Total fund balance increased by \$2,047,941 or 4% in 2008 compared to an increase of \$5,131,906 or 12% in 2007. There was a smaller increase in 2008 compared to 2007 due to a decline in State and Federal aid combined with increased expenditures in general governmental activities, public safety and transfers out, net of a decrease in economic opportunity expenditures.

The general fund unreserved fund balance increased by \$2,062,885 or 5% in 2008 compared to an increase of \$6,103,175 or 18% in 2007. In both 2008 and 2007, the unreserved fund balance equaled 82% of the total fund balance.

As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total general fund expenditures excluding other financing uses (transfers to other funds):

Unreserved fund balance represented 35% of expenditures in 2008, compared to 33% in 2007.

Total fund balance represents 42% of the expenditures in 2008, compared to 41% in 2007.

In 2008, \$3,700,040 of the unreserved fund balance was allocated to fund 2009 appropriations compared to \$4,000,000 of 2008 appropriations in 2007.

Total revenues decreased \$529,889 or .4% in 2008 compared to 2007 while there was an increase of \$10,796,558 or 9.5% in 2007 over 2006. The decrease in revenue in 2008 is comprised of several offsetting changes. There was an increase of about \$1,600,000 in sales tax in 2008 compared to 2007. There was an additional \$1,600,000 increase resulting from a return in prior year expenses in the social services programs that resulted from some over-accrual of expenses in 2007. There was an increase of about \$900,000 in departmental income driven primarily in the mental health and social services departments. Intergovernmental revenue also increased in 2008 primarily related to revenue generated through housing out of county prisoners that was possible due to the addition to the jail that opened in December of 2007. In 2008, large declines were experienced in both State and Federal Aid. State aid decreased about \$1,800,000 with the largest components being in the social services, mental health and special children's services areas. Federal revenue declined almost \$4,000,000 in 2008 compared to 2007. Virtually all of this decrease was generated in the social services area and most of the decline was connected to a change in the way that Home Energy Assistance Program payments were processed by New York State. The net result of the decreases and increases in the individual revenue components drove the overall revenue decrease to \$529,889 compared to 2007.

Total expenditures increased \$1,548,760 or 1% over 2007 expenditures compared to an increase in 2007 of \$12,959,055 or 12%. Again a combination of changes created the net increase in expenditures. With the full year of additional jail facilities functioning in 2008, total public safety expenditures increase approximately \$2,000,000. A similar decrease of about \$2,000,000 was recorded in the social services area and again most of the decline was driven by the change in the Home Energy Assistance Program payment methodology. An increase in the general government area of about \$1,100,000 resulted from increased costs in the public defender (\$159k), elections (\$129k), county clerk (\$226k) and buildings and grounds (\$156k). In addition an increased expenditure of approximately \$338,000 was recorded related to the increased sales tax collections being distributed to the municipalities within the county.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to finance particular functions or activities and include the following funds:

The **Economic Development Fund** was established in 1998 and was designated primarily for infrastructure improvements that would foster economic development. In 2008, an additional allocation was made to the fund in anticipation of creating an educational job development program. This program did not come to fruition during 2008 and hence no expenditures were recorded. These circumstances resulted in an increase in the fund balance to \$757,139 at the end of 2008 compared to \$266,260 at the end of 2007.

The **County Road Fund** has a total fund balance of \$2,518,266 representing an 8% decrease from the 2007 fund balance of \$2,748,532. Total revenues increased about \$3,300,000 primarily consisting of increases in Real Property Taxes of approximately \$1,500,000, increased state aid of \$500,000 and increased interfund transfers of \$1,100,000. Total expenditures increased about \$3,500,000 or 19%. This increase in cost results primarily from an increase in maintenance and improvements of roads.

The **Road Machinery Fund** has a total fund balance of \$2,289,370 compared to \$1,324,630 at the end of 2007 reflecting an increase of \$964,740 or 73%. Revenue increased about \$87,000 due to increased interfund revenue and interfund transfers netted with decreases in real property taxes and state aid. Total expenditures and transfers decreased approximately \$865,000 due to a decrease in equipment expenditures of \$653,000 and decreased interfund transfers of \$357,000.

The **Capital Projects Fund** is used to account for financial resources to be used for major acquisitions or construction of capital facilities other than those financed by proprietary funds. The fund balance decreased \$251,870 to a total of \$6,236,765. Major projects included the expansion of the jail facility and replacement of several bridges within the County. Revenue was approximately \$3,000,000 less in 2008 than in 2007 and expenditures were about \$8,000,000 less in 2008 than 2007. Federal and state aid decreased in 2008 compared to 2007 by about \$2,300,000 as there were fewer road and bridge projects in process. In addition, interfund transfers to the capital projects fund were about \$500,000 less in 2008 compared to 2007. The major reasons for the decline in expenditures are 1) because the jail project was completed during 2007 so there were no costs for this project included in 2008 and 2) approximately \$3,000,000 less was expended on road and bridge improvements in 2008.

Proprietary funds provide the same type of information found in the government-wide financial statement, but in more detail.

The **Health Care Facility** has net assets of \$6,749,028 compared to \$5,213,730 at the end of 2007. The Health Care Facility had a positive change in net assets in 2008 for the first time since 1998 as a result of receiving the IGT payment of \$3,874,820 in 2008. The results for the past ten consecutive years follow:

2008	\$1,535,298
2007	(917,463)
2006	(105,070)
2005	(1,537,463)
2004	(1,967,199)
2003	(2,248,970)
2002	(2,412,783)
2001	(1,671,113)
2000	(800,748)
1999	(470,988)
TOTAL	<u>(\$10,596,499)</u>

The **Landfill** has net assets of \$13,799,612 at the end of 2008 compared to \$16,181,048 at the end of 2007, representing a decrease of \$2,381,436 or 15%.

Budgetary Highlights

General Fund Budgetary Highlights - Appropriation budget adjustments increased the original budget by \$3,471,016 or 2.6% compared to \$2,848,364 or 2.2% in 2007. Please contact the County for a separately issued report with detailed budget comparisons. Changes in appropriations are summarized as follows:

Budget Comparison
General Fund
For the Year Ended December 31, 2008

<u>EXPENDITURES:</u>		<u>ORIGINAL</u>		<u>MODIFIED</u>		<u>DIFFERENCE</u>		<u>%</u>
General Government Support	\$	23,152,855	\$	23,548,255	\$	395,400		1.71%
Education		8,325,000		8,494,900		169,900		2.04%
Public Safety		14,946,646		15,820,185		873,539		5.84%
Health		18,340,090		18,645,023		304,933		1.66%
Transportation		350,000		679,600		329,600		94.17%
Economic Assistance and Opportunity		65,595,467		66,569,198		973,731		1.48%
Culture and Recreation		937,496		1,066,847		129,351		13.80%
Home and Community		1,070,427		1,364,989		294,562		27.52%
Debt Service		693,235		693,235		-		0.00%
Total Appropriations		133,411,216		136,882,232		3,471,016		2.60%
Total Transfers Out		2,104,300		2,294,761		190,461		9.05%
Total Appropriations & Transfers	\$	135,515,516	\$	139,176,993	\$	3,661,477		2.70%

Explanation of significant budget modifications:

- The current year General Fund budget was increased by \$121,857 to fund encumbrances issued in 2007.
- In 2008, \$270,000 or 19% (\$989,034 or 70% in 2007) of the contingency budget of \$1,400,000 established for unforeseen purposes was allocated. The most significant transfers include \$160,000 to fund the County's cost of community college enrollments and \$100,000 to fund assigned counsel costs for public defense of County residents.
- The increase in the General Government Support area is primarily driven by an increase of \$240,000 in the distribution of sales tax to municipalities in the County because of increased sales tax revenue.
- The increase in the Public Safety area is comprised of increases in the equipment budget for Homeland Security funding, a grant to accommodate wireless services within the 911 system, and grants within emergency management services. The total of the three increases was approximately \$500,000. In addition, the Sheriff budget was increased by about \$200,000 to reflect the settlement of a claim and the jail budget was increased about \$50,000 to reflect increased costs of mental health services to inmates.
- The budget within the Mental Health program increased by about \$300,000 related primarily to additional funding availability.
- Transportation increased to reflect funding for a new public transportation bus.

- Economic Assistance and Opportunity budgets for Social Services Administration increased to reflect the local share of the Intergovernmental Transfer of Medicaid dollars to the Steuben County Health Care Facility.
- The increase in the Home and Community Services budget primarily results from the award of a Community Development Block Grant.
- Budgeted Transfers Out of \$2,294,761 were to the Economic Development Fund for \$500,000 to develop a job training program, \$1,500,000 to the County Road Fund for additional road maintenance and to capital projects.

General Fund Final Budget Compared to Actual Expenditures and Revenues –

- Actual revenues fell short of the final-modified revenue budget by \$10,225,460 or 8% (\$2,816,358 or 2% in 2007). This difference is the net result of about \$2,600,000 of sales tax revenues in excess of budget and about \$1,300,000 of refund of prior year expenses in excess of budget combined with actual revenue less than budget of about \$13,000,000 in State and Federal Aid primarily in social services programs.
- The final-appropriation budget exceeded actual expenditures by \$17,317,568 or 13% (\$11,870,537 or 9% in 2007). General County actual costs were less than budgeted by about \$2,200,000. Of this amount, approximately \$1,130,000 was unexpended contingency budget and \$324,000 was unexpended in connection with Central Communication, Central Printing and Central Information Technology. In addition, buildings and ground, elections, law, and the county clerk office spent less than budget by between \$85,000 and \$150,000 each. Expenditures for Public Safety were about \$1,000,000 less than the modified budget. The Sheriff's department represented about \$350,000 of this amount with the other departments contributing about \$100,000 each to the under-spending. Public Health Programs were under spent compared to the modified budgets by approximately \$1,300,000 and Mental Health programs were under spent by about \$800,000. Economic Assistance and Opportunity had a variance of about \$11,000,000 or 17%.
- The County's focus on reducing costs facilitates maintenance of budgetary control.

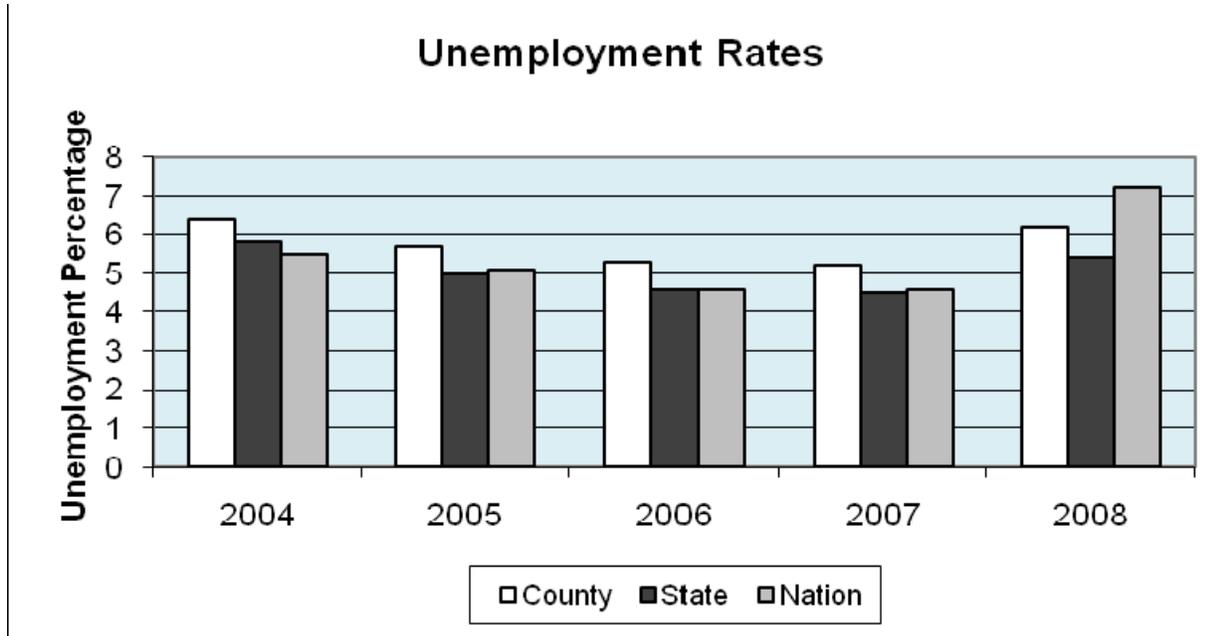
Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets (net of accumulated depreciation) for governmental and business-type activities as of December 31, 2008 amounts to \$131,790,355 compared to \$121,155,850 in 2007. This investment in capital assets includes land, land improvements, buildings, machinery and equipment, infrastructure (highways and bridges), and construction in progress. The major investments in capital assets in 2008 were for the new Health Care Facility that opened in June 2008, and for additional investments in infrastructure, road equipment and vehicles. Please refer to Note III C in the Notes to the Financial Statements in this report for additional information on the County's capital assets.

Long-Term Debt – At December 31, 2008, excluding the STASC the County had total debt obligations of \$32,866,800 compared to \$29,246,973 at the end of 2007. In 2008 there was a new bond issue for \$5,800,000 to finance the construction of a new cell (Cell#2) at the Bath landfill. The Steuben Tobacco Asset Securitization Corporation had debt (net of discount) of \$30,434,968 which is securitized by future tobacco settlement payments. Please Refer to Note III I of the Notes to the Financial Statements in this report for additional information on the County's debt.

Economic Outlook and Next Year's Budget

The annual average unemployment rate in Steuben County continues to exceed the New York State average, however at the end of 2008 the County rate was less than the national average. The difference was slight and the Appalachian Regional Commission (ARC) classifies only one census tract in Steuben County (#9609) as distressed.



Corning, Inc., the largest employer in Steuben County, had net income of \$5,257 million in 2008 which was more than twice that of any of the four previous years. The company reports, however, that it has undertaken significant cost containment actions in response to the global recession. In early 2009 the company announced plans to reduce the global workforce by 13% and suspend merit increases for salaried employees. It is anticipated that this workforce reduction will impact the Corning, Inc. headquarters in the County. The company is optimistic that gradual recovery of demand for its product lines will begin in later 2009.

Total sales tax collections countywide increased \$1,626,754 or 5% compared to \$2,030,270 or 5% in 2007, reflecting an upward improvement in the local economy and the increased price of fuel throughout most of 2008. The first quarter 2009 sales tax payment reflects the worsening of the local economy and the drop in fuel prices as the sales tax revenue dropped 5% when compared to the first quarter of 2008.

Similarly, in late 2008 the County was made aware of several reductions in State aid for various programs and services. With the advent of the Federal Stimulus awards to New York State, the State budget reductions originally included in the Governor's budget for 2009-2010 have been substantially avoided. Nonetheless, the County has begun to plan for additional significant cuts in State funding in anticipation that State reductions will be necessary at the point the Federal funding expires.

The County continues to look for avenues to reduce the cost of health care coverage for employees and retirees. Currently, the County is self-insured for these health care costs and, as has been the experience nationwide, health care costs continue to grow by double digits each year. The County will evaluate potential Federal healthcare reform proposals for local impact on both the employee health care program as well as the cost of health care for Medicaid recipients in the County.

Steuben County is in a solid financial position and it is anticipated that with proper planning the County government will be able to continue to limit annual real property tax increases while maintaining vital services through the global recession while New York State attempts to reform its fiscal affairs.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Steuben County Treasurer's Office at 3 East Pulteney Square, Bath, NY 14810. The County's Internet address is www.steubencony.org.

The County's component units and the Steuben County Health Care Facility issue separate financial statements. These statements may be obtained by contacting the individual agencies directly. Please refer to the Notes to the Basic Financial Statements for contact information.

Financial Section

Basic Financial Statements

STEUBEN COUNTY, NY
Statement of Net Assets
As of December 31, 2008

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	IDA Business-type	Soil & Water Govt-type
ASSETS					
Current assets:					
Cash, cash equivalents and investments	\$ 62,679,790	\$ 14,529,736	\$ 77,209,526	\$ 1,296,255	\$ 580,709
Taxes receivable and tax deeds, net	9,308,190	-	9,308,190	-	-
Other receivables, net	7,061,202	3,451,612	10,512,814	497,353	39,483
Current portion of assets whose use is limited	1,851,553	1,319,224	3,170,777	-	-
Internal balances	131,728	(131,728)	-	-	-
State and federal receivables	9,219,915	1,778,086	10,998,001	-	-
Due from other governments	2,246,619	-	2,246,619	-	-
Prepaid items	885,695	30,142	915,837	-	-
Inventory of supplies	221,072	36,104	257,176	-	-
Total current assets	93,605,764	21,013,176	114,618,940	1,793,608	620,192
Noncurrent assets:					
Assets whose use is limited, net of current portion	-	189,314	189,314	-	-
Bond issuance costs, net	420,240	51,034	471,274	-	-
Non-depreciable capital assets	4,561,512	5,832,884	10,394,396	419,000	-
Net depreciable capital assets	88,491,508	32,654,081	121,145,589	667,081	168,116
Total noncurrent assets	93,473,260	38,727,313	132,200,573	1,086,081	168,116
Total Assets	187,079,024	59,740,489	246,819,513	2,879,689	788,308
Liabilities					
Current Liabilities					
Accounts payable	8,160,184	681,546	8,841,730	-	-
Accrued liabilities	6,691,123	828,819	7,519,942	2,091	15,384
Current portion of compensated absences	331,690	73,940	405,630	-	-
Due to other governments	6,588,278	-	6,588,278	-	-
Accrued Interest Payable	3,319,806	391,208	3,711,014	-	-
Current portion of bonds payable	593,400	2,870,000	3,463,400	-	-
Other liabilities	1,226,912	-	1,226,912	-	-
Total current liabilities	26,911,393	4,845,513	31,756,906	2,091	15,384
Noncurrent Liabilities					
Compensated absences, net of current portion	4,875,271	622,887	5,498,158	-	-
Accrued other post employment benefits	3,137,800	342,000	3,479,800	-	-
Estimated arbitrage liability	-	342,568	342,568	-	-
Amounts due to third party payors	-	215,222	215,222	-	-
Accrued landfill closure/post closure care costs	-	10,181,759	10,181,759	-	-
Bonds payable, net of current portion	37,208,368	22,641,900	59,850,268	-	-
Total noncurrent liabilities	45,221,439	34,346,336	79,567,775	-	-
Total Liabilities	72,132,832	39,191,849	111,324,681	2,091	15,384
Net Assets					
Invested in capital assets, net of related debt	85,686,220	13,026,099	98,712,319	1,086,081	168,116
Restricted for:					
Capital improvements	-	1,643,145	1,643,145	495,000	3,337
Debt service	1,851,553	-	1,851,553	-	-
Unrestricted	27,408,419	5,879,396	33,287,815	1,296,517	601,471
Total Net Assets	\$ 114,946,192	\$ 20,548,640	\$ 135,494,832	\$ 2,877,598	\$ 772,924

Statement of Activities
For the Year Ended December 31, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			IDA Business-type	Soil & Water Gov't-type
					Governmental Activities	Business-type Activities	Total		
Primary government:									
Governmental activities:									
General	\$ 22,792,231	\$ 6,403,416	\$ 785,698	\$ -	\$ (15,603,117)	\$ -	\$ (15,603,117)		
Education	8,464,816	45,680	2,301,925	-	(6,117,211)	-	(6,117,211)		
Public safety	17,020,919	2,318,709	1,424,174	-	(13,278,036)	-	(13,278,036)		
Health	16,493,095	9,386,835	4,416,625	-	(2,689,635)	-	(2,689,635)		
Transportation	21,798,609	4,268,564	4,095,756	967,276	(12,467,013)	-	(12,467,013)		
Economic assistance and opportunity	56,047,282	3,549,507	22,427,827	-	(30,069,948)	-	(30,069,948)		
Culture and recreation	1,014,171	282,287	304,676	-	(427,208)	-	(427,208)		
Home and community	1,308,221	1,503	2,500	-	(1,304,218)	-	(1,304,218)		
Interest expense	3,289,155	-	-	-	(3,289,155)	-	(3,289,155)		
Total governmental activities	<u>148,228,499</u>	<u>26,256,501</u>	<u>35,759,181</u>	<u>967,276</u>	<u>(85,245,541)</u>	<u>-</u>	<u>(85,245,541)</u>		
Business-type activities:									
Health Care Facility	11,189,145	8,250,954	4,746,488	-	-	1,808,297	1,808,297		
Solid Waste Operations	6,460,991	5,472,008	711,714	-	-	(277,269)	(277,269)		
Total business-type activities	<u>17,650,136</u>	<u>13,722,962</u>	<u>5,458,202</u>	<u>-</u>	<u>-</u>	<u>1,531,028</u>	<u>1,531,028</u>		
Total primary government	<u>\$ 165,878,635</u>	<u>\$ 39,979,463</u>	<u>\$ 41,217,383</u>	<u>\$ 967,276</u>	<u>(85,245,541)</u>	<u>1,531,028</u>	<u>(83,714,513)</u>		
Component Units									
Industrial Development Agency	\$ 548,655	\$ 626,823	\$ -	\$ -			\$ 78,168	\$ -	
Soil and Water Conservation District	698,118	190,032	590,058	-			-	81,972	
	<u>\$ 1,246,773</u>	<u>\$ 816,855</u>	<u>\$ 590,058</u>	<u>\$ -</u>			<u>\$ 78,168</u>	<u>\$ 81,972</u>	
General Revenues:									
Real property taxes					35,078,259	-	35,078,259	-	-
Real property tax items					3,043,795	-	3,043,795	-	-
Sales and Use Tax					34,308,365	-	34,308,365	-	-
Nonproperty tax items					10,357,475	-	10,357,475	-	-
Interest and earnings					2,112,627	380,006	2,492,633	28,251	12,514
Gain on disposition of assets					211,028	(253,457)	(42,429)	-	-
Transfers					649,084	(649,084)	-	-	-
Miscellaneous					4,827,549	1,136,085	5,963,634	93	2,766
Total general revenues					<u>90,588,182</u>	<u>613,550</u>	<u>91,201,732</u>	<u>28,344</u>	<u>15,280</u>
Change in net assets					<u>5,342,641</u>	<u>2,144,578</u>	<u>7,487,219</u>	<u>106,512</u>	<u>97,252</u>
Net Assets, Beginning of year					137,972,807	(6,046,562)	131,926,245	2,771,086	675,672
Prior Period Adjustments:									
Correction in landfill post closure care costs					-	(2,990,716)	(2,990,716)	-	-
Reclassification of STASC					(27,441,340)	27,441,340	-	-	-
Correction in STASC bond accretion					<u>(927,916)</u>	<u>-</u>	<u>(927,916)</u>	<u>-</u>	<u>-</u>
Net Assets, Beginning of year, as restated					<u>109,603,551</u>	<u>18,404,062</u>	<u>128,007,613</u>	<u>2,771,086</u>	<u>675,672</u>
Net Assets, End of year					<u>\$ 114,946,192</u>	<u>\$ 20,548,640</u>	<u>\$ 135,494,832</u>	<u>\$ 2,877,598</u>	<u>\$ 772,924</u>

The accompanying notes are an integral part of these financial statements.

STEBEN COUNTY, NY
Balance Sheet
Governmental Funds
December 31, 2008

	<u>General Fund</u>	<u>County Road</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Cash, cash equivalents and investments	\$ 47,999,827	\$ 3,264,063	\$ 9,335,465	\$ 60,599,355
Taxes receivable and tax deeds, net	9,308,190	-	-	9,308,190
Other receivables	5,218,311	-	1,717,891	6,936,202
Due from other funds	149,676	-	130,847	280,523
State and federal receivables	9,038,310	9,134	172,471	9,219,915
Due from other governments	246,212	24,003	141,237	411,452
Prepaid items	884,710	985	-	885,695
Inventory of supplies	23,852	-	-	23,852
Restricted assets	-	-	1,851,553	1,851,553
Total assets	<u>\$ 72,869,088</u>	<u>\$ 3,298,185</u>	<u>\$ 13,349,464</u>	<u>\$ 89,516,737</u>
Liabilities				
Accounts payable	\$ 7,299,342	\$ 158,363	\$ 258,614	\$ 7,716,319
Accrued liabilities	2,798,058	488,722	47,215	3,333,995
Due to other governments	6,588,278	-	93,578	6,681,856
Due to other funds	55,486	-	-	55,486
Deferred revenues	5,608,983	132,834	1,708,743	7,450,560
Other liabilities	172,705	-	1,856	174,561
Total liabilities	<u>22,522,852</u>	<u>779,919</u>	<u>2,110,006</u>	<u>25,412,777</u>
Fund Balances:				
Reserved for:				
Encumbrances	96,838	53,266	904,884	1,054,988
Debt service	-	-	1,851,553	1,851,553
Inventory of supplies	25,000	-	-	25,000
Special purposes	7,902,961	-	178,734	8,081,695
Prepaid items	884,711	-	-	884,711
Unreserved, designated for next year's budget				
General fund	3,700,040	-	-	3,700,040
Special revenue funds	-	500,000	-	500,000
Capital projects fund	-	-	5,961,679	5,961,679
Economic development fund	-	-	25,000	25,000
Undesignated reported in:				
General fund	37,736,686	-	-	37,736,686
Special revenue funds	-	1,965,000	1,480,838	3,445,838
Economic development fund	-	-	732,139	732,139
Debt service funds	-	-	104,631	104,631
Total Fund Balances	<u>50,346,236</u>	<u>2,518,266</u>	<u>11,239,458</u>	<u>64,103,960</u>
Total Liabilities and Fund Balances	<u>\$ 72,869,088</u>	<u>\$ 3,298,185</u>	<u>\$ 13,349,464</u>	<u>\$ 89,516,737</u>

The accompanying notes are an integral part of these financial statements.

STEUBEN COUNTY, NY
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2008

Total fund balances - governmental funds **\$64,103,960**

Amounts reported for governmental activities in the Statement of Net

Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The assets consist of:

Land	\$ 1,112,856	
Buildings and improvements	43,729,272	
Improvements other than buildings	458,477	
Equipment	22,359,274	
Infrastructure	103,844,121	
Construction in progress	3,448,656	
Accumulated depreciation	<u>(81,902,413)</u>	
Total capital assets		93,050,243

Deferred property tax revenues are not available to pay for current-period expenditures and are therefore deferred in the funds. 4,689,466

Deferred tobacco settlement revenues are not available to pay for current-period expenditures and are therefore deferred in the funds. 1,708,743

Certain items are not available within sixty days of the year end, hence are not considered assets on the fund statements. These consist of:

Inventory type items for materials and supplies		197,220
Costs of bond issuance		420,240

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued bond interest payable		(2,391,890)
Accrued compensated absences		(5,206,961)
Bonds Payable		(37,801,768)
OPEB - Annual Required Contribution		(3,137,800)

Correction to accreted value of bonds interest payable (927,916)

Internal Service funds are used by management to charge costs of insurance to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Assets.

242,655

Total Net Assets - End of Year **\$ 114,946,192**

STEUBEN COUNTY, NY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2008

	<u>General Fund</u>	<u>County Road</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Real property taxes	\$ 17,904,261	\$ 15,131,282	\$ 1,837,588	\$ 34,873,131
Real property tax items	3,043,795	-	-	3,043,795
Non-property taxes	44,665,840	-	-	44,665,840
Departmental Income	16,397,013	-	-	16,397,013
Intergovernmental services revenue	1,861,717	709,414	70,637	2,641,768
Use of money and property	3,687,535	29,072	309,475	4,026,082
Licenses and permits	1,403	-	-	1,403
Fines and forfeitures	355,068	-	-	355,068
Sale of property and compensation for losses	95,467	69,079	70,884	235,430
Tobacco settlement revenues	-	-	1,668,830	1,668,830
Interfund revenues	1,207,081	-	3,479,167	4,686,248
State aid	17,436,768	3,688,392	207,544	21,332,704
Federal aid	14,619,717	-	774,036	15,393,753
Miscellaneous	2,582,984	15,470	6,979	2,605,433
Total revenues	<u>123,858,649</u>	<u>19,642,709</u>	<u>8,425,140</u>	<u>151,926,498</u>
Expenditures:				
Current:				
General government	21,288,946	-	36,237	21,325,183
Education	8,464,816	-	-	8,464,816
Public safety	14,773,153	-	-	14,773,153
Health	16,147,207	-	-	16,147,207
Transportation	290,222	21,862,838	3,660,855	25,813,915
Economic assistance and opportunity	55,537,617	-	-	55,537,617
Culture and recreation	986,930	-	-	986,930
Home and community services	1,285,144	-	15,000	1,300,144
Capital outlays:				
General government	-	-	613,174	613,174
Public safety	-	-	206,298	206,298
Transportation	-	-	1,115,908	1,115,908
Economic assistance and opportunity	-	-	48,334	48,334
Culture and recreation	-	-	4,203	4,203
Debt service:				
Principal	410,000	-	433,400	843,400
Interest	283,791	-	1,460,075	1,743,866
Total expenditures	<u>119,467,826</u>	<u>21,862,838</u>	<u>7,593,484</u>	<u>148,924,148</u>
Excess (deficiency) of revenues over expenditures	<u>4,390,823</u>	<u>(2,220,129)</u>	<u>831,656</u>	<u>3,002,350</u>
Other financing sources (uses):				
Transfers in	-	2,637,031	1,486,686	4,123,717
Transfers out	<u>(2,342,882)</u>	<u>(647,168)</u>	<u>(1,133,667)</u>	<u>(4,123,717)</u>
Total other financing sources (uses)	<u>(2,342,882)</u>	<u>1,989,863</u>	<u>353,019</u>	<u>-</u>
Net change in fund balance	2,047,941	(230,266)	1,184,675	3,002,350
Fund balance - Beginning of year	<u>48,298,295</u>	<u>2,748,532</u>	<u>10,054,783</u>	<u>61,101,610</u>
Fund balance - End of year	<u>\$ 50,346,236</u>	<u>\$ 2,518,266</u>	<u>\$ 11,239,458</u>	<u>\$ 64,103,960</u>

The accompanying notes are an integral part of these financial statements.

STEUBEN COUNTY, NY
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2008

Net Change in Fund Balances - Total Governmental Funds **\$ 3,002,350**

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Capital outlay	\$ 12,177,666	
Depreciation	<u>(7,024,751)</u>	
Excess of capital outlay over depreciation expense		5,152,915

Property tax and STASC revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.		288,870
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Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal. This is the amount of the loss on disposal of capital assets with no cash proceeds.		(24,402)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Increase/decrease:

Compensated absences		(205,699)
Inventory of supplies		(155,977)
Accrued Interest on bonds		(1,511,683)
Amortization of bond issuance costs		(13,132)
Amortization of bond discount		(33,606)
OPEB - annual required contribution		(1,912,800)

Repayment of bond principal is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Assets		843,400
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Internal service funds are used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service fund is reported with the governmental activities.		<u>(87,595)</u>
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Change in Net Assets of Governmental Activities **\$ 5,342,641**

The accompanying notes are an integral part of these financial statements.

STEUBEN COUNTY, NY
Statement of Net Assets
Proprietary Funds
December 31, 2008

	Enterprise Funds			
	Health Care	Solid Waste	Total	Internal
	Facility	(Landfill)		
ASSETS				
Current Assets:				
Cash, cash equivalents and investments	\$ 3,723,732	\$ 10,806,004	\$ 14,529,736	\$ 2,080,435
Accounts receivable	2,708,532	574,088	3,282,620	125,000
Amounts due from third-party payors	168,992	-	168,992	-
Current portion of assets whose use is limited	634,242	684,982	1,319,224	-
State & federal receivables	-	1,778,086	1,778,086	-
Due from other governments	-	-	-	1,835,167
Due from other funds	-	-	-	269
Prepaid expenses	1,301	28,841	30,142	-
Inventories	36,104	-	36,104	-
Total current assets	7,272,903	13,872,001	21,144,904	4,040,871
Noncurrent Assets:				
Assets Whose Use is Limited, net of current portion	189,314	-	189,314	-
Unamortized bond issuance costs, net	51,034	-	51,034	-
Non-depreciable capital assets	-	5,832,884	5,832,884	-
Capital assets, net	19,386,492	13,267,589	32,654,081	2,777
Total noncurrent assets	19,626,840	19,100,473	38,727,313	2,777
TOTAL ASSETS	26,899,743	32,972,474	59,872,217	4,043,648
LIABILITIES				
Current liabilities:				
Accounts payable	552,722	128,824	681,546	443,865
Accrued liabilities	387,746	441,073	828,819	3,357,128
Current portion of accrued compensated absences	35,368	38,572	73,940	-
Current portion of bonds payable	735,000	2,135,000	2,870,000	-
Accrued interest payable	272,484	118,724	391,208	-
Due to other funds	-	131,728	131,728	-
Total current liabilities	1,983,320	2,993,921	4,977,241	3,800,993
Noncurrent liabilities:				
Accrued compensated absences, net of current portion	403,705	219,182	622,887	-
Accrued other post employment benefits	209,000	133,000	342,000	-
Estimated arbitrage liability	342,568	-	342,568	-
Amounts due to third party payors	215,222	-	215,222	-
Accrued landfill closure/postclosure care costs	-	10,181,759	10,181,759	-
Bonds payable, net of current portion	16,996,900	5,645,000	22,641,900	-
Total noncurrent liabilities	18,167,395	16,178,941	34,346,336	-
TOTAL LIABILITIES	20,150,715	19,172,862	39,323,577	3,800,993
NET ASSETS				
Investment in capital assets, net of related debt	1,705,626	11,320,473	13,026,099	2,777
Restricted for capital improvements	958,163	684,982	1,643,145	-
Unrestricted	4,085,239	1,794,157	5,879,396	239,878
TOTAL NET ASSETS	\$ 6,749,028	\$ 13,799,612	\$ 20,548,640	\$ 242,655

The accompanying notes are an integral part of these financial statements.

STEUBEN COUNTY, NY
Statement of Revenues, Expenses and, Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2008

	Enterprise Funds		TOTAL	Internal Service
	Health Care Facility	Solid Waste (Landfill)		
Operating revenues:				
Charges for services	\$ 8,250,954	\$ 5,472,008	\$13,722,962	\$ 1,621,533
Intergovernmental transfer	3,874,820	-	3,874,820	-
Adjustment of prior years' revenue, net	871,668	-	871,668	-
Other revenue	198,112	569,684	767,796	254,577
Total operating revenue	13,195,554	6,041,692	19,237,246	1,876,110
Operating expenses:				
Personal services	5,197,721	1,340,242	6,537,963	48,586
Employee benefits	2,260,374	629,122	2,889,496	19,109
Contractual expense	2,200,988	1,605,375	3,806,363	929,970
Depreciation	551,753	2,102,198	2,653,951	1,120
Bond amortization	-	-	-	-
Bad debt expense	184,572	-	184,572	-
Indirect expense	368,289	-	368,289	-
Closure & postclosure costs	-	629,927	629,927	-
Workers' compensation benefits	-	-	-	1,019,004
Total operating expenses	10,763,697	6,306,864	17,070,561	2,017,789
Operating income (loss)	2,431,857	(265,172)	2,166,685	(141,679)
Non-operating revenue (expenses):				
County subsidy	368,289	-	368,289	-
State and federal aid	-	711,714	711,714	-
Investment income	87,239	292,767	380,006	54,084
Gain (loss) on disposition of assets	(277,555)	24,098	(253,457)	-
Interest expense	(425,448)	(154,127)	(579,575)	-
Total non-operating revenue (expenses)	(247,475)	874,452	626,977	54,084
Income (loss) before transfers	2,184,382	609,280	2,793,662	(87,595)
Transfers in/(out)	(649,084)	-	(649,084)	-
Change in net assets	1,535,298	609,280	2,144,578	(87,595)
Total net assets - Beginning of year	5,213,730	16,181,048	21,394,778	330,250
Prior period adjustment for postclosure care costs	-	(2,990,716)	(2,990,716)	-
Total net assets - Restated beginning of year	5,213,730	13,190,332	18,404,062	330,250
Total net assets - End of year	\$ 6,749,028	\$ 13,799,612	\$ 20,548,640	\$ 242,655

The accompanying notes are an integral part of these financial statements.

STEBEN COUNTY, NY
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008

	Enterprise Funds			Internal Service
	Health Care	Solid Waste	Total	
	Facility	(Landfill)		
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Receipts from services	\$ 12,595,719	\$ 5,616,976	\$ 18,212,695	\$ 974,876
Payments to suppliers for goods and services	(3,375,864)	(2,375,121)	(5,750,985)	-
Payments to employees for services	(7,256,992)	(1,845,518)	(9,102,510)	(67,318)
Payments for workers compensation benefits	-	-	-	(1,453,002)
Other receipts (Expenses)	-	3,930	3,930	-
Net cash provided by (used in) operating activities	1,962,863	1,400,267	3,363,130	(545,444)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES				
Transfer, purchase and construction of capital assets, net	(1,572,207)	(6,575,825)	(8,148,032)	-
Changes in assets whose use is limited	4,582,958	(678,165)	3,904,793	-
Receipts from state and federal agencies	-	711,714	711,714	-
Proceeds on sale of equipment	-	24,355	24,355	-
Payments on bond interest expense	(776,799)	(64,016)	(840,815)	-
Principal repayment of bonds	(705,700)	(945,000)	(1,650,700)	-
Proceeds from issuance of debt	-	5,800,000	5,800,000	-
Bond Costs of Issuance	-	(34,963)	(34,963)	-
Net cash provided by (used in) capital and related financing activities	1,528,252	(1,761,900)	(233,648)	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES				
Investment income received	87,239	292,767	380,006	54,083
Net cash provided by (used in) investing activities	87,239	292,767	380,006	54,083
Net increase (decrease) in cash, cash equivalents and investments	3,578,354	(68,866)	3,509,488	(491,361)
Cash, cash equivalents and investments, beginning of year	145,378	10,874,870	11,020,248	2,571,796
Cash, cash equivalents and investments, end of year	\$ 3,723,732	\$ 10,806,004	\$ 14,529,736	\$ 2,080,435
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES				
Operating income (loss)	\$ 2,431,857	\$ (265,172)	\$ 2,166,685	\$ (141,679)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities				
Payment to County	368,289	-	368,289	-
Depreciation and amortization	551,753	2,108,320	2,660,073	1,120
Bad debt expense	184,572	2,331	186,903	-
Loss on Disposal of Assets	-	-	-	104
Changes in:				
Accounts receivable	(421,702)	111,084	(310,618)	(646,386)
Due from other governments	-	(548,048)	(548,048)	-
Due from other funds	-	6,518	6,518	(269)
Due from third party payors	(79,797)	-	(79,797)	-
Inventories/Prepays	106,303	34,300	140,603	-
Accounts payable	(1,281,179)	(134,065)	(1,415,244)	241,666
Due to Other Funds	-	131,728	131,728	-
Amounts due to third-party payors	(98,336)	-	(98,336)	-
Accrued landfill closure/postclosure care costs	-	(487,356)	(487,356)	-
Customer deposits	-	3,400	3,400	-
Accrued items	201,103	437,227	638,330	-
Net cash provided by (used in) operating activities	\$ 1,962,863	\$ 1,400,267	\$ 3,363,130	\$ (545,444)
Supplemental Information:				
Non-cash increase in capital assets due to amounts reported in payables	\$ 342,881	\$ 313,382		
Non-cash transfer of assets to other governmental activities	\$ 649,084	\$ -		
Non-cash indirect expenses and revenue provided by County	\$ 368,289	\$ -		

The accompanying notes are an integral part of these financial statements.

STEUBEN COUNTY, NY
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2008

	<u>Agency Funds</u>	<u>Private Purpose Trust Funds</u>
ASSETS		
Cash and cash equivalents	\$ 776,807	\$ 123,215
Securities and mortgages	60,790	-
TOTAL ASSETS	<u>\$ 837,597</u>	<u>\$ 123,215</u>
 LIABILITIES		
Agency Liabilities	\$ 837,597	\$ 877
TOTAL LIABILITIES	<u>837,597</u>	<u>877</u>
 NET ASSETS		
Held in trust for other purposes	-	122,338
TOTAL NET ASSETS	<u>-</u>	<u>122,338</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 837,597</u>	 <u>\$ 123,215</u>

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended December 31, 2008

	<u>Private Purpose Trust Funds</u>
ADDITIONS:	
Interest earnings	\$ 33
Miscellaneous local sources	23,239
TOTAL ADDITIONS	<u>23,272</u>
 DEDUCTIONS:	
Home and community services	33
Public safety	13,455
TOTAL DEDUCTIONS	<u>13,488</u>
 CHANGE IN NET ASSETS	 <u>9,784</u>
Net assets - Beginning of year	112,554
Net assets - End of year	<u>\$ 122,338</u>

The accompanying notes are an integral part of these financial statements.

STEBEN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

The County of Steuben (the County), which was incorporated in 1796, is governed by County Law and other general laws of the State of New York (the State) and various local laws. The County Legislature is responsible for the overall operations. The Legislative Board consists of seventeen members with each member's vote weighted on the basis of population in the district represented. The Chairman of the Legislature serves as chief executive officer and the County Treasurer serves as chief fiscal officer.

The County provides the following basic services: educational assistance, economic assistance, highway construction and maintenance, law enforcement, traffic safety, emergency management services, parks, youth and aging services, mental health, public health, and environmental control. All governmental activities and functions performed for the County are its direct responsibility.

The financial reporting entity consists of (a) the primary government, which is the County, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in Governmental Accounting Standards Board (GASB) Statement Numbers 14, 34, and 39.

The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth in GASB Nos. 14, 34, and 39 including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities considered in determining the County reporting entity.

Discretely Presented:

Steuben County Industrial Development Agency (the Agency) is a Public Benefit Corporation created by the State legislation to promote the economic welfare, recreation opportunities, and prosperity of the County inhabitants. Board members of the Agency are appointed by the Steuben County Legislature. The County provided no operating subsidy to the Agency for 2008. The Agency is considered a component unit and is discretely presented as a business-type component unit. The Agency uses proprietary fund accounting.

Steuben County Soil & Water Conservation District (the District) was established in accordance with the Soil and Water Conservation Districts Law, to provide for the conservation of the soil and water resources. Members of the Soil & Water Conservation District's Board of Directors are appointed by the Steuben County Legislature. An annual operating subsidy is provided by the County. The County's subsidy for 2008 was \$217,426. The District is considered a governmental component unit and is discretely presented. The Soil & Water Conservation District uses the current financial resources measurement focus and modified accrual accounting.

Blended Presentation:

Steuben Tobacco Asset Securitization Corporation (STASC) is a local development corporation created in October 2000 under section 1411 of the New York State Not-For-Profit Corporation Law. In January 1997, the State of New York filed a lawsuit against the tobacco industry, seeking to recover the costs that the State and local governments had incurred in treating smoking related illnesses. Under an agreement reached with the tobacco industry, referred to as the Master Settlement Agreement (MSA), the State and local governments are entitled to receive

annual payments. The STASC was formed to raise funds by issuing bonds, use those funds to acquire the rights to future proceeds from the Master Settlement Agreement (MSA) payable to the County, and remain in existence during the term of the bonds to collect the tobacco settlement proceeds and service the debt.

During 2000, the County sold its rights to receive payments under the MSA to the STASC. This sale was funded through the issuance of bonds by the STASC. The net proceeds were \$18,910,406. These bonds were then advance-refunded in August 2005, as part of New York Counties Tobacco Trust IV, Tobacco Settlement pass-through bonds. The STASC also became part of the New York Counties Tobacco Trust V by issuing capital appreciation bonds in November 2005. The STASC is considered a component unit and is blended with the other governmental activities of the County. The STASC uses the current financial resources measurement focus and modified accrual accounting.

Complete financial statements of individual component units can be obtained from their respective administrative offices:

Steuben County Industrial Development Agency
7234 Rte 54 N – PO Box 393
Bath, NY 14810-0393

Steuben County Soil & Water Conservation District
415 W. Morris Street
Bath, NY 14810

Steuben Tobacco Asset Securitization Corporation
3 East Pulteney Square
Bath, NY 14810

B. BASIS OF PRESENTATION - FUND ACCOUNTING

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) pronouncements and interpretations issued after November 30, 1989, to its business-type activities and to its enterprise funds provided those pronouncements do not interfere with or contradict GASB pronouncements, in which case, GASB prevails. The more significant of the government's accounting policies are described in the following notes.

The County's basic financial statements consist of government-wide financial statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements which provide a more detailed level of information.

Government Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government, except for the fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The Statement of Net Assets represents the financial condition of the governmental and business-type activities at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business-type activity is self-financing or draws from the general revenues of the County.

Internal service activity within and between the governmental funds has been eliminated for presentation on the Statement of Net Assets and the Statement of Activities. Interfund services provided and used are not eliminated in the process of consolidation to the government-wide statement of activities. Internal service activity between the internal service fund and the government has been eliminated and the remaining amounts shown as governmental type activities on the Statement of Net Assets and the Statement of Activities.

The County reports the General Fund and the County Road Fund as major governmental funds. The major proprietary funds are the Health Care Facility and Landfill.

Fund Financial Statements

The County uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds – are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. Reporting is based on the modified accrual basis of accounting and “current financial resources” measurement focus. The following are the County’s major governmental fund types:

General Fund – is the principal operating fund and includes all operations not required to be recorded in other funds.

County Road Fund - is required by Highway Law #114. Charges to this fund include salaries and expenditures of the County highway superintendent and the superintendent’s office, engineering, maintenance of county roads and bridges, snow removal, and construction and reconstruction of county roads.

Proprietary Funds – are used to account for ongoing organizations or activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position. Reporting is on the accrual basis of accounting with an economic resource measurement focus. The following are the major proprietary funds:

Enterprise Funds – are used to account for the following operations:

The Health Care Facility – is used to account for the revenues and expenses of the 105-bed nursing home.

The Landfill – is used to account for revenues and expenses relative to receiving and managing waste at the County landfills.

Internal Service Fund – is used to account for the Self-Insurance (Workers’ Compensation) Fund that records the assessments charged to, and benefits paid on behalf of, participating governments for workers’ compensation coverage.

Fiduciary Funds – are used to account for assets held by the County in a trustee or custodial capacity. The following are fiduciary-type funds:

Agency Funds - The County's Agency Fund accounts for money (and/or property) received and held in the capacity of trustee, custodian or agent. The accounts do not involve measurement of results of operations; therefore, there are no operating statements. This fund accounts for moneys held for such things as payroll deductions, bail and court ordered deposits, undistributed mortgage tax, and deposits held for Social Service and Health Care Facility clients.

Private Purpose Trust Funds - The County's Private-Purpose Trust Funds account for all other trust arrangements under which principal and income benefit individuals, private organizations or other governments. The County has two Private-Purpose Trusts: Jail Commissary and Fairview Cemetery. The Jail Commissary benefits inmates at the Steuben County Jail. The Fairview Cemetery trust was established in September 1964 when the County received a bequest of \$1,000 from the Estate of Marjorie More Benham for the perpetual care and maintenance of a lot in the Fairview Cemetery located in the Town of Lindley. The County is designated as the trustee of the bequest in accordance with section 553 of the County Law.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements and fund financial statements for proprietary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and all liabilities associated with the operation (whether current or non-current) of the County are included on the Statement of Net Assets and the Statement of Activities presents increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred, regardless of when the cash is received or paid.

The governmental funds financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers amounts received within sixty days of year-end to be current. Expenditures are recorded when the related fund liability is incurred. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Therefore, governmental-fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the statements for governmental funds.

Material revenues that are accrued include real property taxes, state and federal aid, sales tax, and certain user fees. In 2008 the County had no long-term sales contracts, notes, leases receivable, or special assessment levies. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made and the resources are available. Expenditures are recorded when incurred except for the following exceptions:

- a. The County maintains an inventory for office supplies; expenditures for such items are recorded upon withdrawal from the inventory. An inventory is also established to account for snow & ice abrasives (salt), and bridge materials purchased and stockpiled at year-end.
- b. Principal and interest on indebtedness are not recognized as expenditures until due.
- c. Compensated absences, such as vacation and sick leave which vests or accumulates, and other post-employment benefits are charged as expenditures when paid.

D. ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

E. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County's investment policies are governed by State statutes. In addition, the County has its own written investment policy. County monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The County Treasurer is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. Investments are stated at cost, which approximates fair value.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. The fair value of the collateral is required at all times to equal or exceed the principal amount. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal Government. Underlying securities must have a fair value of at least 105 percent of the cost of the repurchase agreement.

For purposes of reporting, cash equivalents are defined as short-term, highly liquid investments with a maturity of twelve months or less when purchased.

Deposits and investments at year-end were covered by federal depository insurance, by collateral held by a third party custodial bank, with securities held by the entity or its agent in Steuben County's name, and/or Federal securities.

F. CAPITAL ASSETS

General capital assets are capital assets which are associated with, and generally arise from, governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental-activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide Statement of Net Assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of \$5,000 for all governmental

funds, and \$500 for all enterprise funds. The County’s infrastructure consists of roads and bridges. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated, except for land and construction in progress. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and building improvements	25 – 50 years
Improvements other than buildings	10 – 35 years
Machinery and equipment	3 – 16 years
Infrastructure	4 – 50 years

All infrastructure placed in service each year since 2001 is included in the Statement of Net Assets and depreciation expense is included in the Statement of Activities. The County has reported infrastructure assets for the period 1980 to 2001 as required by GASB No. 34.

G. INTERFUND RECEIVABLES/PAYABLES

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as “Interfund Receivables/Payables.” Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only interfund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected as “Internal Balances.”

H. INVENTORY OF SUPPLIES

Inventory is valued at cost utilizing the first-in, first-out method for all funds. Inventory in the General Fund and government activities consist of expendable supplies held for consumption. The costs are recorded as expenditures under the purchase method.

I. PROPERTY TAXES

Real property taxes are levied annually and become a lien on January 1. Taxes for County purposes are levied together with taxes for town and special district purposes as a single bill. The town and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. Taxes are generally collected during the period January 1 to March 31 by the Municipal Tax Collectors. Authorization is granted to requesting municipalities to collect in April to the settlement date. A 5% County penalty is added when the local collector settles with the County. Interest is calculated at a rate of 1% per month from February on the total amount due. The County assumes enforcement responsibility for all taxes levied in the towns.

Unpaid village and school district taxes are turned over to the County for enforcement and any such taxes remaining unpaid at year-end are re-levied as County taxes in the subsequent year. The County also enforces city and city school district taxes. Tax enforcement procedures are in accordance with Article 11 of the New York State Real Property Tax Law, known as the “Uniform Delinquent Tax Enforcement Act.” The redemption period for the payment of taxes generally expires two years after the lien date. Taxpayers may enter into an installment contract with the County to pay delinquent taxes. The term of the installment contract may be for a period up to 24 months.

J. NON-PROPERTY TAX ITEMS

Non-property tax items consist primarily of sales and use taxes, hotel occupancy tax, and automobile use tax.

K. INSURANCE

The County assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.

L. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are also reported on the enterprise fund financial statements.

In general, governmental-fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, compensated absences, post-employment benefits and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Capital leases are recognized as a liability on the fund financial statements when due.

M. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and also those that the County has identified as probable of receiving payment in the future. The amount is based on the accumulated sick leave and employee wage rates at year-end.

In the event of termination, an employee is entitled to payment of accumulated vacation leave to a maximum of forty-five days and one-half of unused sick leave to a maximum of ninety days after ten years of service. The compensated absences liability is reported on the government-wide financial statements.

On governmental-fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. The non-current portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

N. NET ASSETS

In the government-wide financial statements, net assets are classified in the following categories:

Invested in Capital Assets, Net of Related Debt – This amount consists of capital assets net of accumulated depreciation reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Assets – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Assets – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted net assets.”

The County’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. GOVERNMENTAL FUND BALANCE RESERVES

The County reserves those portions of governmental fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and; therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances, inventories, and other special purposes.

P. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the County, these revenues are charges for services for the landfill and resident revenues at the health care facility. Receivables are recorded at the time of service and an allowance for doubtful accounts is estimated at the end of each year. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the funds. Revenues and expenses not meeting these definitions are reported as non-operating.

Q. INTERFUND TRANSACTIONS

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flow of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in the governmental funds and after non-operating revenues/expenses in the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

II. CORRECTION OF PRIOR YEAR ERRORS

In 2007, the financial statements for the Steuben Tobacco Asset Securitization Corporation (STASC) were presented improperly. The financial statements presented the STASC as a proprietary fund instead of a debt service fund in accordance with generally accepted accounting principles. The correction of this error does not affect the net deficit or fund balance of the STASC as of December 31, 2007. This correction reclassifies the December 31, 2007 STASC net deficit of \$27,441,340 to governmental activities from business-type activities on the 2008 Statement of Activities.

The STASC financial statements for the year ended December 31, 2007 were also presented improperly because accretion on the capital appreciation bonds (CAB) presented within the STASC was not recognized correctly. Accretion of a bond is recorded as annual interest expense and accrued interest payable throughout the term of the bond. The correction of this error affects the government-wide financial statements as a decrease in bonds payable and an increase in accrued interest of \$743,608. The correction of this error does not affect the net assets or fund balance for the fund-level financial statements as of December 31, 2008.

In addition, the financial statements of the STASC for the year ended December 31, 2007 were also presented improperly because accretion on the STASC CABs was not calculated correctly. The accrued interest liability was understated. Accretion was calculated using the global consumption case rather than the turbo schedule. The global consumption case has not occurred to date and is not expected to occur. Therefore, the debt schedules should be based on maturities as

detailed in the offering sheet. The correction of this error affects the government-wide financial statements as an increase to accrued interest payable and an increase in the net deficit by \$927,916. The correction of this error does not affect the net assets or fund balance for the fund-level statements as of December 31, 2007.

In 2008 an adjustment was made to reflect the post closure care costs associated with landfill sites that had been closed in previous years. The estimated liability associated with the closed landfills was increased by \$2,990,716 and is recorded as a prior period adjustment to net assets in both the 2008 government-wide financial statements and the fund-level statements.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Budgets are adopted annually for the General Fund, County Road Fund, Economic Development Fund, and Road Machinery Fund. The Capital Projects Fund is budgeted on a project basis and therefore, these budgets do not lapse at year-end. Budgets are prepared for proprietary funds to establish the estimated contributions required from other funds and to control expenses. The Internal Service Fund budget is adopted by separate resolution.

Each Department head shall submit annually to the Budget Officer/County Administrator an estimate of revenues and expenditures of such Department for the ensuing fiscal year. The Budget Officer/County Administrator will conduct review of the preliminary budget. Recommendations for budget adjustments shall be forwarded to the Finance Committee, along with the preliminary budget by October 1 for their review and revision. No later than November 15, the Budget Officer/County Administrator submits a tentative budget to the County Legislature for the fiscal year commencing the following January 1. The tentative budget includes the proposed expenditures and the means of financing for all budgeted funds. After public hearings are conducted to obtain taxpayer comments and no later than December 20, the County Legislature adopts the annual budget.

Departments may not exceed the budget unless a formal revision is authorized as outlined in the County Administrative Code. See Statistical Section of this report for detail. A separately issued detailed budget report is available upon request. In 2008, the County budgeted \$1,400,000 in a "contingency account" to be appropriated by the Legislative Board as needed to cover unanticipated costs. During the year, \$270,000 of this amount was re-appropriated.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary system. Encumbrances outstanding at year-end are carried forward to the next year's budget and are reported as a reservation of fund balance in the current financial statements since they do not constitute actual expenditures or liabilities.

Actual results of operations presented in accordance with generally accepted accounting principles (GAAP) and the County's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the County's legally adopted budget. The basis of budgeting is the same as GAAP except that outstanding encumbrances are treated as expenditures using the budgetary basis, but are not included under GAAP.

Steuben Tobacco Asset Securitization Corporation

The deficit of the Tobacco Asset Securitization Corporation at the end of 2008 was (\$29,542,222) compared to (\$27,441,340) in 2007. This deficit results from the full accrual accounting for the STASC. Full accrual accounting requires the recording of the full amount of the bonds payable at the time the bonds are issued, while the revenue is recognized each year as it becomes available to pay the bond debt. It is expected that the deficit will decline as the revenues related to the tobacco settlements are received.

IV. DETAIL NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Cash and investments at December 31, 2008, are classified in the accompanying financial statements as follows:

Statement of Net Assets cash, cash equivalents and investments	\$77,209,526
Statement of Net Assets restricted assets, current	3,170,777
Statement of Net Assets restricted assets, noncurrent	189,314
Fiduciary Funds cash and equivalents	900,022
Fiduciary Funds securities and mortgages	60,790
Total Deposits and Investments	<u><u>\$81,530,429</u></u>

Cash and investments at December 31, 2008, consist of the following:

Cash on hand	\$28,727
Demand deposits with financial institutions	42,527,218
Total cash	<u>42,555,945</u>
Certificates of deposits with financial institutions	36,665,590
Other time deposits with financial institutions	396,551
Held by STASC trustee	1,851,553
Securities	60,790
Total investments	<u>38,974,484</u>
Total deposits and investments	<u><u>\$81,530,429</u></u>

Credit Risk – It is the County’s policy that all financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the County. Security dealers not affiliated with a bank, shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The County Treasurer is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated and approved by the County Legislature at least annually.

Custodial Credit Risk – is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. To mitigate this risk, bank institutions are required to provide collateral in excess of the FDIC limit. At year-end, the carrying amount of the County’s deposits was \$79,618,087 and the bank balance was \$82,019,122. Of the bank balance, \$1,552,466 was covered by federal depository insurance. Amounts uninsured, but collateralized by securities being held by 3rd party financial institutions in the County’s name were \$80,628,609. Amounts

uninsured, but collateralized by securities held by the pledging bank in the County's name were \$5,122,091.

Concentration of Credit Risk – The County's investment policy defines the maximum percentage of the total investments that may be invested in any one issuer to a range between ten and thirty-five percent. The maximum percentage defined for each bank is dependent on the evaluation of the individual institution.

Interest Rate Risk – is the risk that arises from the exposure to fair value losses that result from interest rate variability. The County's investment policy requires the diversification of deposits and investments by financial institution, by investment instrument and by maturity scheduling. At year-end, the County held the following investments:

Investment Type	Amount	Maturity
Certificates of Deposit	\$14,522,490	January 2009
Certificates of Deposit	6,500,000	February 2009
Certificates of Deposit	8,500,000	March 2009
Certificates of Deposit	6,000,000	April 2009
Certificates of Deposit (restricted for Health Insurance)	1,143,100	December 2009
Other Time Deposits with financial institutions	396,551	Not Applicable
Investments held in Trust	1,851,553	Not Applicable
Mechanics Lien Surety Bond	60,790	Not Applicable
	\$38,974,484	

B. RECEIVABLES AND PREPAID ITEMS

At December 31, 2008, government-wide total real property tax receivables of \$9,308,190 are net of an allowance for uncollectible taxes of \$278,605. Included in the total real property tax receivables are returned city, village and school taxes of \$3,761,112, which are offset by liabilities to the cities, villages and school districts, which will be paid no later than April 1, 2009.

On the fund financial statements, total real property tax receivables of \$9,586,795 are offset by an allowance for uncollectible taxes of \$278,605 for the net amount of \$9,308,190. The remaining amount of the taxes receivable are offset by deferred tax revenue of \$4,689,466 and represents an estimate of the tax liens, which will not be collected within the first sixty (60) days of the subsequent year.

Prepaid items of \$915,837 consist primarily of the amount paid to the NYS Retirement System as an estimate of the amount due on wages to be paid between January 1, 2009 and March 31, 2009.

C. **CAPITAL ASSETS** - Capital asset activity for the year ended December 31, 2008, was as follows:

	<u>Balance</u> <u>12/31/2007</u>	<u>Transfers</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>12/31/2008</u>
Government Activities:					
Nondepreciable Capital Assets:					
Land	\$ 1,112,856	\$ -	\$ -	\$ -	\$ 1,112,856
Construction in Progress	<u>3,435,280</u>	<u>(1,068,563)</u>	<u>1,081,939</u>	<u>-</u>	<u>3,448,656</u>
Total Nondepreciable Capital Assets	<u>4,548,136</u>	<u>(1,068,563)</u>	<u>1,081,939</u>	<u>-</u>	<u>4,561,512</u>
Depreciable Capital Assets:					
Buildings & Improvements	43,025,380	-	703,892	-	43,729,272
Improvements other than Buildings	458,477	-	-	-	458,477
Machinery & Equipment	21,428,418	-	1,944,591	(1,006,888)	22,366,121
Infrastructure	<u>94,328,314</u>	<u>1,068,563</u>	<u>8,447,244</u>	<u>-</u>	<u>103,844,121</u>
Total Depreciable Capital Assets	<u>159,240,589</u>	<u>1,068,563</u>	<u>11,095,727</u>	<u>(1,006,888)</u>	<u>170,397,991</u>
Less: Accumulated Depreciation For:					
Buildings & Improvements	(17,181,417)	-	(1,746,987)	-	(18,928,404)
Improvements other than Buildings	(152,987)	-	(18,902)	-	(171,889)
Machinery & Equipment	(14,851,714)	-	(1,572,250)	982,381	(15,441,583)
Infrastructure	<u>(43,676,875)</u>	<u>-</u>	<u>(3,687,732)</u>	<u>-</u>	<u>(47,364,607)</u>
Total Accumulated Depreciation	<u>(75,862,993)</u>	<u>-</u>	<u>(7,025,871)</u>	<u>982,381</u>	<u>(81,906,483)</u>
Total Depreciable Capital Assets, Net	<u>83,377,596</u>	<u>1,068,563</u>	<u>4,069,856</u>	<u>(24,507)</u>	<u>88,491,508</u>
Governmental Activities Capital Assets, Net	<u>\$ 87,925,732</u>	<u>\$ -</u>	<u>\$ 5,151,795</u>	<u>\$ (24,507)</u>	<u>\$ 93,053,020</u>
Business-Type Activities:					
Nondepreciable Capital Assets:					
Land	\$ 381,285	\$ -	\$ -	\$ -	\$ 381,285
Construction in Progress	<u>18,007,083</u>	<u>(18,017,495)</u>	<u>5,462,011</u>	<u>-</u>	<u>5,451,599</u>
Total Nondepreciable Capital Assets	<u>18,388,368</u>	<u>(18,017,495)</u>	<u>5,462,011</u>	<u>-</u>	<u>5,832,884</u>
Depreciable Capital Assets:					
Buildings & Improvements	12,345,348	10,675,834	287,436	(2,945,998)	20,362,620
Improvements other than Buildings	13,662,540	139,689	913,429	(254,212)	14,461,446
Fixed Equipment	2,326,471	7,022,914	66,172	(2,326,471)	7,089,086
Moveable Equipment	1,646,954	179,058	1,271,856	(1,299,224)	1,798,644
Machinery & Equipment	<u>5,951,109</u>	<u>-</u>	<u>836,790</u>	<u>(180,984)</u>	<u>6,606,915</u>
Total Depreciable Capital Assets	<u>35,932,422</u>	<u>18,017,495</u>	<u>3,375,683</u>	<u>(7,006,889)</u>	<u>50,318,711</u>
Less: Accumulated Depreciation For:					
Buildings & Improvements	(5,112,637)	(649,084)	(683,724)	2,988,278	(3,457,167)
Improvements other than Buildings	(8,667,607)	-	(1,429,940)	226,362	(9,871,185)
Fixed Equipment	(2,075,021)	-	(42,819)	2,109,302	(8,538)
Moveable Equipment	(1,436,577)	-	(120,459)	1,224,151	(332,885)
Machinery & Equipment	<u>(3,798,830)</u>	<u>-</u>	<u>(377,009)</u>	<u>180,984</u>	<u>(3,994,855)</u>
Total Accumulated Depreciation	<u>(21,090,672)</u>	<u>(649,084)</u>	<u>(2,653,951)</u>	<u>6,729,077</u>	<u>(17,664,630)</u>
Total Depreciable Capital Assets, Net	<u>14,841,750</u>	<u>17,368,411</u>	<u>721,732</u>	<u>(277,812)</u>	<u>32,654,081</u>
Business-type Activities Capital Assets, Net	<u>\$ 33,230,118</u>	<u>\$ (649,084)</u>	<u>\$ 6,183,743</u>	<u>\$ (277,812)</u>	<u>\$ 38,486,965</u>

Depreciation expense was charged to the governmental functions as follows:

Governmental Activities:

General Government	\$ 581,880
Public Safety	1,868,802
Health	50,913
Transportation	4,461,862
Economic Assistance and Opportunity	41,106
Culture and Recreation	4,914
Home and Community	<u>16,394</u>
Total Depreciation Expense – Governmental Activities	<u>\$7,025,871</u>

Business-type Activities:

Health Care Facility	\$ 551,753
Solid Waste (Landfill)	<u>2,102,198</u>
Total Depreciation Expense – Business-type Activities	<u>\$2,653,951</u>

D. PENSION PLANS

Plan Description – The County participates in the New York State and Local Employees’ Retirement System (ERS) and New York State and Local Police and Fire Retirement System. These are cost sharing multiple employer systems that provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12236.

Funding Policy – The Systems are noncontributory except for employees who joined the New York State and Local Employees’ Retirement System after July 27, 1976 who contribute 3% of their salary for the first ten years of membership. Under the authority of the NYSRSSL, the Comptroller annually certifies the rates used in computing the employer’s contributions. The County is required to contribute at an actuarially determined rate. The County’s contribution to the Systems was equal to 100% of the contributions required for each year. The required contributions for the current year and two preceding years were:

2008	\$3,363,418
2007	\$3,780,266
2006	\$4,383,122

During 2003, new legislation was adopted for calculating the amount that the County contributes to the Systems. The legislation enacted requires the County to contribute a percentage of payroll based on the performance of the State retirement fund. This percentage cannot be lower than 4.5% of payroll. The rates in effect for the year ended December 31, 2008, vary between 7.9% and 12.4% based on employment tier and plan. Rates were determined based on the valuation of the pension fund as of April 1, 2007.

Chapter 260 of the Laws of New York State changed the annual payment due date for employers who participate in the New York State and Local Employees’ Retirement System and the New York State and Local Police and Fire Retirement System. The previous December 15th payment due date was changed to February 1st of the following year. The covered salary period (April 1 – March 31) did not change for the calculation.

COMPENSATED ABSENCES

Vested vacation and sick leave and the respective FICA liability is recorded in proprietary funds as a liability and expensed when earned. In governmental funds it is recorded as a fund liability and expenditures if payable from current resources. At the end of 2008, the liability in the proprietary funds for compensated absences totaled \$696,827 and amounted to \$5,206,959 in the governmental funds. For the governmental activities, compensated absences are liquidated by all governmental funds incurring payroll-related costs, typically, the General, County Road and Road Machinery funds.

E. OTHER POSTEMPLOYMENT BENEFITS

In addition to providing pension benefits, the County also provides certain health care benefits for retired employees, their dependents and certain survivors. From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The County recognizes the cost of postemployment healthcare in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the County's future cash flows. The County adopted the requirements of GASB Statement No. 45 in 2007 and began recognizing the liability accumulated from prior years over 30 years commencing in 2007.

Plan Description The County provides continuation of medical insurance coverage to employees that retire under the New York Retirement Systems at the same time they end their service to the County. The plan is a single-employer defined benefit other postemployment benefit plan (OPEB). Based on collective bargaining agreements, the retiree and his or her beneficiaries receive this coverage for the remainder of their lives. Healthcare benefits for non-union employees are similar to those of union employees. The retirees' share of the calculated premium cost ranges from 50% to 100%, depending on the retirement date and length of service. In most instances, actual medical claims paid on behalf of retirees are self-funded by the County. The plan does not currently issue a stand alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

The number of participants as of January 1, 2007, the effective date of the biannual OPEB valuation, follows. There have been no significant changes in the number covered or the type of coverage since that date.

	<u>Under 65</u>	<u>Over 65</u>
Active Employees	983	28
Retired Employees	85	175
Spouses of Retired Employees	30	82

Funding and Accounting Policy The County currently pays for postemployment health care benefits on a pay-as-you-go basis. These financial statements assume that pay-as-you-go funding will continue. The accrual basis of accounting is used.

Funded Status and Funding Progress The schedule of funding progress presents multiyear (when available) trend information that is useful in determining whether the actuarial value of plan assets, if any, is increasing or decreasing over time relative to the actuarial accrued liability. The following table sets forth the actuarial accrued liability and funded status of the plan as of January 1, 2007, the latest valuation date.

Actuarial Accrued Liability (AAL)

Retired employees & dependents	\$ 6,864,200
Active employees & dependents	<u>26,109,500</u>
Actuarial accrued liability (AAL)	32,973,700
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 32,973,700</u>

Funded ratio	0%
Annual covered payroll	\$41,616,000
Ratio of unfunded AAL to covered payroll	79%

The following table summarizes the amortization calculation of the unfunded actuarial accrued liability (UAAL) as of the latest valuation date.

Annual Required Contribution (ARC)

Amortization period (years)	30
Amortization discount rate	5.00%
2008 amortization of UAAL	\$ 1,555,000
Normal cost	<u>2,021,800</u>
Annual Required Contribution (ARC)	3,576,800
Adjustment to ARC	(51,400)
Interest on Net OPEB Obligation	<u>51,200</u>
2008 Annual OPEB cost (expense)	3,576,600
2008 Contributions made	<u>(1,440,000)</u>
Increase in Net OPEB Obligation	2,136,600
Net OPEB obligation at 12/31/2007	<u>1,343,200</u>
Net OPEB obligation at 12/31/2008	<u>\$ 3,479,800</u>

Percent of annual OPEB cost contributed	40%
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Annual Other Postemployment Benefit Cost The County's annual Other Postemployment Benefit Cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. For the fiscal year ended December 31, 2008, the County's annual OPEB cost (expense) of \$3,592,600 is not equal to the Annual Required Contribution, which is \$3,576,800. Considering the annual expense as well as the payment of current health insurance claims and premiums, which totaled \$1,440,000 for retirees and their beneficiaries, the result was an increase in the Net OPEB Obligation of \$2,152,600 for the year ended December 31, 2008.

Actuarial Methods and Assumptions Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The unfunded actuarial accrued liability is being amortized over 30 years on a level dollar basis. Payroll costs were assumed to grow 4% annually.

In the January 1, 2007, actuarial valuation, the liabilities were computed using the projected unit credit cost method and level percent of pay amortization. The actuarial assumptions utilized a 5% discount rate. Because the plan is unfunded, reference to the general assets, which are short-term, was considered in the selection of the 5% rate.

Medical Inflation Rates:	Self-funded Pre-65	Self-funded Post-65	Medicare Advantage
Year 1	12.95%	15.17%	21.72%
Year 2	8.00%	10.00%	10.00%
Ultimate Inflation Rate	5.00%	5.00%	5.00%
Yearly decrease after year 2	.50%	.50%	.50%
Years until ultimate rate	7	11	11

Medical Reimbursement The County's Medicare Part D prescription drug subsidy, which reduces the cost of retiree healthcare premiums, is accrued as revenue only in the current year. Subsidies for future years, cannot be recognized as a reduction to the actuarial accrued liability.

F. RISK RETENTION

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has elected to be self-insured for workers' compensation claims, and accounts for this activity in an internal service fund. Other local municipalities, towns and villages within the County, are permitted to participate in this self-insured workers' compensation plan, and are liable for their share of the plan's claims. Claim expenses and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

At December 31, 2008, the amount of these liabilities was \$3,354,455. The liability is the County's best estimate based on available information provided by the third party administrator, Eagle Claim Services.

The following represents changes in those aggregate liabilities for the fund for the past three fiscal years ended December 31:

	Beginning of Fiscal Year	Current Year Claims & Changes in Estimates (Net)	Balance at Fiscal Year-End
2008	\$3,139,125	\$ 215,330	\$ 3,354,455
2007	\$ 2,568,102	\$ 571,023	\$ 3,139,125
2006	\$ 3,661,994	\$(1,093,892)	\$ 2,568,102

At December 31, 2008, the internal service fund has \$2,080,435 of cash and deposits available to satisfy the estimated liability, plus a receivable due from other local municipalities, which participate in the County's Workers' Compensation Plan of \$1,811,406.

The County is also self-insured for unemployment insurance claims. This activity is accounted for in individual funds based on actual claims made. Claims totaled \$42,796 in 2008. General Fund balance includes a reserve for unemployment claims of \$335,038.

The County accounts for tort claims in the General Fund. Accrued liabilities in the General Fund include a liability for such claims in the amount of \$414,500 as of December 31, 2008. General Fund balance includes a reserve for self-insurance for these claims of \$2,576,889. For the past three fiscal years insurance losses have not exceeded commercial insurance coverage.

G. SHORT-TERM DEBT

Liabilities for bond anticipation notes (BANS) are generally accounted for in the General Fund, Capital Projects Fund, and the Enterprise Fund. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12-month period thereafter.

State Law requires that BANS issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANS issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Summary of Short-Term Debt Activity:

Balance at 12/31/2007	\$ 16,773
Principal Payments	<u>(16,773)</u>
Balance at 12/31/2008	<u>\$ 0</u>

H. LONG-TERM DEBT

A summary of government-wide long-term debt is detailed in the following schedule:

	Balance 12/31/07	Additions	Reductions	Balance 12/31/08	Amount Due Within One Year
<u>Governmental Activities:</u>					
Compensated Absences	\$ 5,001,262	\$ 2,747,468	\$ (2,541,770)	\$ 5,206,960	\$ 331,690
Bonds Payable	7,880,200	-	(513,400)	7,366,800	528,400
Bonds Payable - STASC	31,492,790	-	(330,000)	31,162,790	65,000
Bonds Discount - STASC	(761,428)	-	33,606	(727,822)	(33,606)
Other Post Empl. Benefits	<u>1,225,000</u>	<u>1,912,800</u>	<u>-</u>	<u>3,137,800</u>	<u>-</u>
Governmental Activities - Total Long-Term Debt	<u>\$ 44,837,824</u>	<u>\$ 4,660,268</u>	<u>\$ (3,351,564)</u>	<u>\$ 46,146,528</u>	<u>\$ 891,484</u>
	Balance 12/31/07	Additions	Reductions	Balance 12/31/08	Amount Due Within One Year
<u>Business Activities:</u>					
Accrued Landfill					
Closure / Postclosure	7,678,399	3,620,643	(1,117,283)	10,181,759	-
Compensated Absences	671,884	400,719	(375,776)	696,827	73,940
Bonds Payable	21,350,000	5,800,000	(1,650,000)	25,500,000	2,870,000
Bond Premiums Payable	12,600	-	(700)	11,900	700
Bond Interest Arbitrage	342,568	-	-	342,568	-
Other Post Empl. Benefits	<u>118,000</u>	<u>224,000</u>	<u>-</u>	<u>342,000</u>	<u>-</u>
Business Activities - Long Term Debt	<u>\$ 30,173,451</u>	<u>\$ 10,045,362</u>	<u>\$ (3,143,759)</u>	<u>\$ 37,075,054</u>	<u>\$ 2,944,640</u>

Internal service funds predominantly serve the governmental funds, accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. At year-end, \$2,104 of internal service funds compensated absences are included in the above amounts.

The following is a summary of debt outstanding at the end of the year.

<u>Description / Purpose</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Outstanding 12/31/08</u>
<u>Dept of Public Works</u>					
Equipment	05/02/2005	\$ 517,000	3.28%	05/02/2010	\$ 206,800
<u>Correctional Facility</u>					
Jail Expansion	01/15/2006	7,820,000	3.75%	07/15/2021	7,160,000
<u>Landfill</u>					
Bath Cell 1 Expansion	02/15/2005	4,665,000	2.60%	02/15/2010	1,980,000
Bath Cell 2 Expansion	05/15/2008	5,800,000	2.74%	02/15/2013	5,800,000
<u>Health Care Facility</u>					
New Facility	08/16/2005	19,710,000	4.00%	08/16/2025	17,720,000
<u>STASC</u>					
Tobacco Settlement	2005	<u>31,947,790</u>	Various	Various to 2060	<u>31,162,790</u>
TOTAL DEBT		\$70,459,790			\$64,029,590

Future Debt Service – The following table summarizes the County’s future debt service requirements:

<u>Year</u>	<u>Full Faith and Credit of County Pledged</u>			<u>Tobacco Asset Securitization Corp</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Term Bonds</u>	<u>Interest / Accretion</u>	<u>Total</u>
2009	\$ 3,398,400	\$ 1,223,287	\$ 4,621,687	\$ 65,000	\$ 1,946,993	\$ 2,011,993
2010	3,478,400	1,077,391	4,555,791	105,000	1,979,430	2,084,430
2011	2,415,000	981,960	3,396,960	165,000	2,011,078	2,176,078
2012	2,470,000	901,126	3,371,126	185,000	2,044,053	2,229,053
2013	2,525,000	818,142	3,343,142	195,000	2,080,985	2,275,985
2014-2018	7,760,000	3,163,363	10,923,363	1,255,000	10,934,218	12,189,218
2019-2023	8,035,000	1,527,713	9,562,713	1,435,000	12,462,789	13,897,789
2024-2028	2,785,000	178,713	2,963,713	2,800,000	14,382,126	17,182,126
2029-2033	-	-	-	3,900,000	17,076,385	20,976,385
2034-2038	-	-	-	5,345,000	21,078,174	26,423,174
2039-2043	-	-	-	6,900,000	27,675,303	34,575,303
2044-2048	-	-	-	3,210,000	37,487,485	40,697,485
2049-2053	-	-	-	1,090,190	50,643,393	51,733,583
2054-2058	-	-	-	1,188,760	65,342,620	66,531,380
2059-2060	-	-	-	3,323,840	24,106,680	27,430,520
	<u>\$ 32,866,800</u>	<u>\$ 9,871,694</u>	<u>\$ 42,738,494</u>	<u>\$ 31,162,790</u>	<u>\$ 291,251,712</u>	<u>\$ 322,414,502</u>

The STASC future debt service schedule includes accreted amounts.

At December 31, 2008, the total outstanding indebtedness of the County, excluding the STASC, aggregated \$32,866,800. Of this amount, all was subject to the constitutional debt limit and represented approximately 10.9% of the County’s statutory debt limit.

1. **Serial Bonds** – The County borrows money in order to acquire land or equipment, or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are full faith and credit debt of the County, are recorded in the Schedule of Non-Current Governmental Liabilities for governmental funds or in the enterprise funds for proprietary type funds. The provision to be made in future budgets for indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. Enterprise Fund debt is liquidated with enterprise income.
2. **Steuben Tobacco Asset Securitization Corporation – Bonds Payable and Defeasance of Debt** - See Note VI. Section E.
3. **Prior-Year Defeasement of Debt** - In 2000, Steuben County defeased certain general obligations and other bonds by placing the proceeds from the Series 2000 Tobacco Securitization in an irrevocable trust held in escrow by Manufacturers and Traders Trust Company to provide for all future debt service payments on the old bonds. Accordingly, the bonds are considered defeased and the liability of these bonds have been removed from the County’s financial statements.

I. INTERFUND BALANCES

The County reports interfund balances between many of its funds. Some of the balances are considered immaterial and are aggregated into a single column or row. The sum of all balances presented in the table agrees with the sum of interfund balances presented in the balance sheet for governmental funds and the statement of net assets for proprietary funds. All interfund balances are considered to be short-term.

Interfund balances at December 31, 2008, consisted of the following:

	Due To:			
	General	Non-Major Governmental	Internal Service	Total
Due From:				
General	\$0	\$55,486	\$0	\$55,486
Non-Major Gov't	21,878	71,431	269	93,578
Landfill	127,798	3,930	0	131,728
Total	\$149,676	\$130,847	\$269	\$280,792

Interfund balances are used:

- (1) To move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them primarily;
- (2) To move expenditures from chargeable funds to a single fund for disbursement, and;
- (3) To compensate for the time lag between the dates that interfund goods and services are provided or reimbursable and the payments are actually made between the funds.

J. INTERFUND TRANSFERS

The County reports interfund transfers between many of its funds. Some of the transfers are considered immaterial and are aggregated into a single column or row. The sum of all transfers presented in the table agrees with the sum of interfund transfers presented in the governmental and proprietary fund financial statements.

Interfund transfers for the year ended December 31, 2008, consisted of the following:

Transfer From:				
	<u>General</u>	<u>County Road</u>	<u>Non-Major Governmental</u>	<u>Total</u>
Transfer To:				
County Road	\$1,503,364	\$ 0	\$1,133,667	\$2,637,031
Non-Major Governmental	839,518	647,168	0	1,486,686
	<u>\$2,342,882</u>	<u>\$647,168</u>	<u>\$1,133,667</u>	<u>\$4,123,717</u>

Interfund Transfers are used:

- (1) to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them,
- (2) to fund capital projects from operating funds.

K. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS – Enterprise Fund

The total capacity of the Bath Landfill was increased by 569,000 tons in 2005 when a 7.7 acre cell was completed and operable. This cell is referred to as Cell #1 and is an overlay that ties into the south side of the existing Bath Landfill. The combined design capacity of the landfill is 1,846,600 tons. Based on a survey completed in December 2008 by Barton & Loguidice, the remaining air space capacity of the combined Bath Landfill was 230,034 tons which represents an estimated remaining useful life of approximately 1.9 years. In 2003, the Bath Landfill was re-permitted and the current permit expires in the year 2014. Construction began in 2008 on an additional cell at the Bath Landfill. This new cell is referred to as Cell #2. The new cell is planned to be operational by the end of 2009.

State and federal laws and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure costs as a liability in each period based on used landfill capacity as of each balance sheet date. Landfill activity is reported in an Enterprise Fund. The County has a liability recorded of \$10,181,759 that represents landfill closure and post-closure care costs liability at December 31, 2008. The cumulative amounts reported to date are \$5,400,882 for the Bath Landfill and \$4,780,877 for the other closed landfills maintained by the County. The Bath Landfill is estimated to be at 87.5% of the available capacity at December 31, 2008. Actual capital costs contributed to covering the landfills reduce the total liability. The liability for the Bath landfill was decreased by \$487,356 in 2008 as closure costs began to be incurred and paid. The liability related to landfills that have already been closed was increased by \$2,990,716. In 2008 the County identified that additional costs were required to be recorded for post closure maintenance and testing for these closed sites and this amount was recorded as a prior period adjustment in 2008.

The total estimated cost for closure and post-closure costs at the combined Bath Landfill is \$6,169,418. The County will recognize the remaining estimated cost as the remaining capacity of the landfill is utilized. These amounts are based on what it would cost to perform all closure and post-closure care during the current fiscal year. Actual costs may be different due to inflation, changes in technology, and/or changes in regulations.

The County was awarded contract #C300897 by the New York State Department of Environmental Conservation – Division of Solid and Hazardous Materials to reimburse 50% of eligible costs up to a maximum amount of \$1,665,000. The County must comply with the terms of the contract and other applicable state and federal regulations. The County will submit appropriate vouchers for reimbursement subsequent to performing the closure procedures. Revenue of \$630,649 associated with this contract was recorded in 2008.

L. RESERVES AND DESIGNATED FUND BALANCE

The County has the following reserve funds for the following purposes at December 31, 2008:

Purpose	General Fund	Special Revenue	Capital Projects	Debt Service (STASC)	Internal Service
Reserve for Inventory of supplies	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Reserve for Encumbrances	96,838	861,798	96,352	-	-
Reserve for Insurances	2,911,927	-	-	-	242,655
Reserve for Prepaid Items	884,711	-	-	-	-
Reserve for Capital Projects	4,245,567	-	178,734	-	-
Reserve for Debt	7,610	-	-	1,851,553	-
Other Reserves	<u>737,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	\$ 8,909,510	\$ 861,798	\$ 275,086	\$ 1,851,553	\$ 242,655

Designated fund balances are allocated to fund a portion of the subsequent year’s budget.

V. STEBEN COUNTY HEALTH CARE FACILITY- Enterprise Fund

A. Organization and Summary of Significant Accounting Policies:

The Reporting Entity - Steuben County Health Care Facility (the Facility) is a public, 105-bed skilled nursing facility. The Home is owned by, operated as, and presented as an enterprise fund of the County of Steuben, New York (the County), a political sub-division of the State of New York. An enterprise fund is a proprietary type fund that uses the accrual basis of accounting and is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation), of providing goods or services are to be financed or recovered primarily through user charges.

In accordance with Government Accounting Standards Board (GASB) Statement No. 14, the Financial Reporting Entity, the Facility’s financial statements are included in the County’s Consolidated Annual Financial Report (CAFR). The Facility was audited by Bonadio & Company and a copy of the complete audited financial may be obtained from the Steuben County Health Care Facility, Route 113, Bath, NY 14810. A copy of the CAFR can be obtained by writing The Steuben County Treasurer, 3 East Pulteney Square, Bath, New York 14810.

An enterprise fund is accounted for as an operation that is financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs or expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Indirect costs from other County departments attributable to shared services have been provided for based on allocations from the most recent allocation plan for the County.

A summary of the Facility's significant accounting policies follows:

Basis of Accounting - As an enterprise fund, the Facility uses the accrual basis of accounting. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred. The Facility has adopted Governmental Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Government Entities that use Proprietary Fund Accounting. The Facility has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements, Accounting Principles Board (APB) opinions, and Accounting Research Bulletins (ARBs) issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The Facility has elected not to adopt the provision of paragraph 7 of GASB Statement No. 20, which allows for the application of FASB statements issued after November 30, 1989.

Basis of Presentation - GASB requires the classification of net assets into three components - invested in capital assets, net of related debt, restricted and unrestricted. These classifications are defined as follows:

- Invested in capital assets, net of related debt - This component of net assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.
- Restricted - This component of net assets consists of amounts which have external constraints placed on its use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted - This component of net assets consists of net assets that do not meet the definition of "invested in capital assets" or "restricted."

When both restricted and unrestricted resources are available for use for the same purpose, the Facility uses restricted resources first and then unrestricted resources, as needed.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, bank demand deposit accounts, money market accounts, and all highly liquid investments with an original maturity of three months or less which, at times, may exceed federally insured limits. The Facility has not experienced any losses in such accounts. As a fund of the County, the Facility's cash balances are covered by depository insurance at year-end or collateralized with securities held by the pledging financial institution, or its trust department or agent.

Resident Accounts Receivable and Revenue

The Facility provides services to residents under agreements with third-party payors (primarily Medicare and Medicaid), whereby it is reimbursed under provisions of their respective reimbursement formulas. Final determination of the amounts earned is subject to review by third-party payors or their agents. Net resident service revenue is reported at estimated net realizable amounts from residents, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations. It is not possible to determine the extent of additional liabilities (or receivables) resulting from governmental audits conducted in subsequent years.

Resident accounts receivable are stated net of an allowance for doubtful accounts. The Facility estimates the allowance based on its analysis of specific balances, taking into consideration the age of past due accounts, the status of the billing process with third-party payors, the value of remaining assets held by residents, and anticipated collections resulting from legal action.

Laws and regulations governing reimbursement are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Income Taxes

The Facility is an enterprise fund of the County and is consequently exempt from Federal and state income taxes.

Capital Assets

Capital assets are stated at cost if purchased or at fair market value at date of donation. Major renewals and betterments greater than \$500 are capitalized at cost, while replacements, maintenance and repairs which do not improve or extend the lives of the respective assets are expensed. Depreciation expense is recognized over the estimated useful lives of the respective assets using the straight-line method.

Maintenance and repairs are charged to expense. The cost of capital assets retired or otherwise disposed of and their related accumulated depreciation are removed from the accounts.

Resident Funds Held in Trust

The Facility acts as a custodian for resident funds. The funds are expended at the direction of the residents for personal items. Transactions involving receipt and disbursement of resident funds are not included in the operating results of the Facility. New York State Department of Health regulations require that these funds be reported as an asset and a liability on the balance sheet.

Compensated Absences

Liabilities for compensated absences such as vacation are recorded when vested and earned by the employees and payment is not dependent upon a future event. The liabilities are recorded based on employees' rates of pay as of December 31 and include all payroll related liabilities.

County Cost Allocation

The County incurs the costs of certain overhead services for the benefit of the Facility. These costs are included in operating expenses on the statements of revenues, expenses, and change in net assets and are detailed in Note 9.

Disadvantaged Facility Funding

The Facility receives disadvantaged facility funding from New York State in the form of Medicaid rate enhancements. These rate enhancements are determined by the New York State Department of Health under Chapter 58 of the New York State Laws of 2004 and are calculated based on the Facility's prior years' Medicaid cost report data. The Facility recognized revenue from these rate enhancements of approximately \$325,000 for the period ending December 31, 2008. The Facility reports this funding as a component of net resident service revenue in the accompanying statements of revenues, expenses, and change in net assets.

Inventory

Inventory is stated at the lower of cost or market, determined on a first-in, first-out (FIFO) basis or market. Inventories consist of dietary, medical, office and maintenance supplies.

Assets Whose Use is Limited

The County Legislature and bond indentures have designated certain cash and cash equivalents as amounts to be used for future purchases of capital assets. These assets, net of related debt earmarked to finance capital expenditures, are reported as net assets restricted for capital improvements.

Bond Issuance Costs

Bond issuance costs have been capitalized using straight-line amortization over a period of 20 years, the term of the bond. Bond issuance costs are reported net of accumulated amortization of \$10,215 at December 31, 2008. Amortization expense of \$6,005 for the year ending December 31, 2008 was capitalized as part of the construction project.

Capitalization of Interest Cost

In accordance with generally accepted accounting principles, the Facility capitalizes the “net effect” of interest revenue and interest expense on externally restricted funds used to finance the acquisition/construction of a specified asset be capitalized during the capitalization period. The interest expense component is the total interest on the debt during the capitalization period. The interest revenue is interest earned on the invested bond proceeds during the capitalization period. The capitalization period begins on the date of the borrowing and ends when the asset is ready for its intended use. The “net effect” of interest expensed and interest earned during the capitalization period will be depreciated over the useful life of the specified asset.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. The Facility’s policy is to record as a liability the estimated amount owed. At December 31, 2008, the Facility had recorded approximately \$343,000 as the estimated arbitrage liability.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation.

B. RESIDENT ACCOUNTS RECEIVABLE

Resident accounts receivable consisted of the following at December 31:

	<u>2008</u>
Resident accounts receivable	\$ 3,333,969
Allowance for doubtful accounts	<u>(625,437)</u>
	<u>\$ 2,708,532</u>

Concentration of Credit Risk

The distribution of resident accounts receivable by payor class is as follows at December 31:

	<u>2008</u>
Medicaid	40%
Medicare	13%
Private pay	42%
Other	<u>5%</u>
	<u>100%</u>

C. NET RESIDENT SERVICE REVENUE

Adjustments to previously recognized Medicaid revenue of approximately \$872,000 for 2008 are included in operating revenue in the statements of revenues, expenses and change in net assets.

The 2008 adjustment of prior years' revenue included revenues related to a New York State Department of Health audit of approximately \$207,000, the new rebasing transition payments for 2007 of approximately \$335,000, disadvantaged facility funding monies of approximately \$325,000 and other miscellaneous payer class changes of approximately \$5,000.

For the year ended December 31, 2008, aggregate revenue from the Medicaid and Medicare programs accounted for approximately 56% and 12%, respectively, of net resident service revenue.

Contractual Allowances

Net resident service revenue is measured at established rates adjusted for third-party contractual allowances as follows at December 31:

	<u>2008</u>
Gross resident service revenue	\$ 9,615,916
Less: Contractual allowances	<u>(1,364,962)</u>
	<u>\$ 8,250,954</u>

Intergovernmental Transfers

County-sponsored nursing homes in New York State receive additional Medicaid reimbursement known as Intergovernmental Transfer payments (IGT). Payments for this program are funded principally with local and federal funds. This provision results in a statewide rate enhancement to non-state operated public residential health care facilities for services provided. When estimable, IGT revenue is recorded when the Facility is entitled to receive it; otherwise, it is recorded on a cash basis. The Facility had recorded revenue of approximately \$3,875,000 for the year ended December 31, 2008.

New York State Cash Assessment

In April 2002, the State of New York approved a 6% assessment on nursing facilities' cash receipts, with the exception of Medicare cash receipts, to provide funding for workforce recruitment and retention awards authorized pursuant to Chapter 1 and subsequently amended by Chapter 82 of the Laws of 2002. A significant portion of this assessment is reimbursed to the Facility and is included in net resident service revenue. Total assessment expense for the years ended December 31, 2008 was approximately \$428,000 and is included in the accompanying statements of revenues, expenses and change in net assets.

The Facility is required to prepare and file various reports of actual and allowable costs annually. Provisions have been made in the financial statements for prior and current years' estimated final settlements. The difference between the amount provided and the actual final settlement is recorded as an adjustment to net resident service revenue in the year the final settlement is determined.

The laws and regulations governing the reimbursement for health care services are complex and subject to interpretation. Governmental review for compliance with these laws and regulations has increased, resulting in fines and penalties for noncompliance by individual health care providers or adjustments to amounts requested and recorded by the provider. While no outstanding regulatory inquiries exist at December 31, 2008 for the Facility, that in the opinion of management would be material to its financial position or results of operations, compliance with these laws and regulations is subject to future interpretation or actions.

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Non-depreciable capital assets:					
Construction in progress	\$ 17,456,312	\$ 10,412	\$ -	\$(17,466,724)	\$ -
Total non-depreciable capital assets	<u>17,456,312</u>	<u>10,412</u>	<u>-</u>	<u>(17,466,724)</u>	<u>-</u>
Depreciable capital assets:					
Buildings	2,939,998	-	(2,939,998)	10,125,063	10,125,063
Fixed equipment	2,326,471	66,172	(2,326,471)	7,022,914	7,089,086
Land improvements	254,212	913,429	(254,212)	139,689	1,053,118
Moveable equipment	<u>1,646,954</u>	<u>1,271,856</u>	<u>(1,299,224)</u>	<u>179,058</u>	<u>1,798,644</u>
Total depreciable capital assets	<u>7,167,635</u>	<u>2,251,457</u>	<u>(6,819,905)</u>	<u>17,466,724</u>	<u>20,065,911</u>
Total capital assets	<u>24,623,947</u>	<u>2,261,869</u>	<u>(6,819,905)</u>	<u>-</u>	<u>20,065,911</u>
Less - Accumulated depreciation:					
Buildings	2,286,153	364,232	(2,982,535)	649,084	316,934
Fixed equipment	2,075,021	42,819	(2,109,302)	-	8,538
Land improvements	223,181	24,243	(226,362)	-	21,062
Moveable equipment	<u>1,436,577</u>	<u>120,459</u>	<u>(1,224,151)</u>	<u>-</u>	<u>332,885</u>
	<u>6,020,932</u>	<u>551,753</u>	<u>(6,542,350)</u>	<u>649,084</u>	<u>679,419</u>
Capital assets, net	<u>\$ 18,603,015</u>	<u>\$ 1,710,116</u>	<u>\$ (277,555)</u>	<u>\$ (649,084)</u>	<u>\$ 19,386,492</u>

The facility capitalized approximately \$341,000 of interest on construction projects for the years ended December 31, 2008 .

E. BONDS PAYABLE

In 2004 the Facility received authorization from the New York State Department of Health to construct a new health care facility. On August 15, 2005, the County, on behalf of the Facility, issued \$19,710,000 public improvement serial bonds to finance the construction of the new facility. The Facility's bonds payable consist of Public Improvement Serial Bonds, payable in annual principal installments through August 15, 2025. Interest is payable in semi-annual installments through August 15, 2025. Interest is charged at 4% through 2019, 4.125% for the year 2020 and 4.250% for the years 2021 through 2025. Bonds payable totaled \$17,731,900 at December 31, 2008.

The bonds are general obligations of the County collateralized by all taxable real property within the County subject to ad valorem taxes to pay the bonds and interest thereon, without limitation as to the rate or amount.

The repayment of these obligations is estimated as follows:

	<u>Principal</u>	<u>Interest</u>
2009	\$ 735,000	\$ 726,625
2010	765,000	697,225
2011	795,000	666,625
2012	830,000	634,825
2013 - 2017	4,710,000	2,647,325
2018 - 2022	5,795,000	1,615,613
2023 - 2025	<u>4,101,900</u>	<u>352,538</u>
	<u>\$ 17,731,900</u>	<u>\$ 7,340,776</u>

F. RELATED PARTY TRANSACTIONS

The County incurs the cost of certain services for the benefit of the Facility. Accordingly, the amounts are reflected as costs of the Facility with a subsidy from the County to cover the related costs. These costs are as follows for the years ended December 31:

	<u>2008</u>
Clerk of the Board, purchasing, risk management and accounting departments	\$ 82,012
Data processing	114,580
Personnel	65,475
County Treasurer	77,294
County Administrator	28,928
Insurance expense paid by the County	<u>-</u>
	<u>\$ 368,289</u>

VI. STEBEN TOBACCO ASSET SECURITIZATION CORPORATION

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization -

The Steuben Tobacco Asset Securitization Corporation (the Corporation) is a special purpose, bankruptcy remote local development corporation organized under the Not-For-Profit Corporation Law of the State of New York (the State). The Corporation was established on October 10, 2000. The Corporation is an instrumentality of, but separate and apart from the County of Steuben, New York (the County). The Corporation will have not less than three nor more than five directors, consisting of Ex-Officio Directors during the tenure of their respective offices in the County, and Appointed Directors who will serve 1-year terms. Although legally separate from the County, the Corporation is a component unit of the County and, accordingly, is included in the County's basic financial statements as a blended component unit.

On October 15, 2000, pursuant to a Purchase and Sale Agreement with the County, the County sold to the Corporation all of its future rights, title and interest in the Tobacco Settlement Revenues (TSRs) under the Master Settlement Agreement (MSA) and the Decree and Final Judgment (the Decree). The MSA resolved cigarette smoking related litigation between the settling states and the Participating Manufacturers (PMs), released the PMs from past and present smoking related claims, and provided for a continuing release of future smoking related claims, in exchange for certain payments to be made to the settling states, as well as certain tobacco advertising and marketing restrictions, among other things. The Decree, which was entered into by the Supreme Court of the State, allocated to the County a share of the TSRs under the MSA. The future rights, title and interest of the County's share were sold to the Corporation.

The Corporation's purchase of the County's future rights, title and interest in the TSRs was financed by the original Series 2000 bond issuance. A Residual Certificate exists which represents the entitlement to receive all amounts required to be distributed after payment of debt service, operating expenses and certain other costs of the Corporation as set forth in the indenture. Payments on the Residual Certificate from TSR collections are subordinate to payments on the bonds and payment of certain other costs specified in the indenture. Excess TSRs not required by the Corporation to pay various expenses, debt service or required reserves with respect to the bonds are transferred to the Steuben TASC Residual Trust (the Trust), as owner of the Residual Certificate. The County is the beneficial owner of the Trust and thus the funds received by the Trust will ultimately transfer to the County.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Corporation's financial statements are prepared in conformity with accounting principles generally accepted in the United States as prescribed by the Governmental Accounting Standards Board (GASB). The Corporation's government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

In compliance with GASB Statement No. 20, the Corporation applies all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions, issued on or before November 30, 1989 unless these pronouncements conflict or contradict GASB pronouncements.

The Corporation's fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Corporation considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and claims and judgments, are recorded only when payment is due.

The major governmental fund, currently the Corporation's only fund, is the Debt Service Fund. The Debt Service Fund accounts for the resources accumulated and payments made for operations and principal debt service on long-term general obligation debt.

Net Assets

Generally accepted accounting principles require that resources be classified for accounting purposes into applicable net asset categories.

Unrestricted net assets are net assets that are not restricted, but which may be internally designated by the Board of Directors. At December 31, 2008, there were no internally designated net assets.

Net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted net assets of the Corporation are those net assets that are restricted based on externally imposed conditions and include amounts restricted for debt service.

The Corporation has adopted a practice of utilizing its restricted net assets when available, prior to unrestricted net assets.

Cash and Cash Equivalents

The Corporation considers bank deposit accounts and all highly liquid debt instruments with remaining maturities, when purchased, of 10 months or less to be cash equivalents and these are stated at cost, which approximates fair value. The Corporation maintains a liquidity reserve account, which was initially funded from the Series 2000 bond proceeds. This account must be maintained at a minimum of \$891,913 until such time that all bonds, other than subordinated bonds, are paid. All amounts withdrawn from this account are replenished, as needed, and amounts in excess of the required amount are transferred out. At December 31, 2008 the balance in the liquidity reserve account was \$1,780,799.

Deferred Bond Issuance Costs and Original Issue Discount

The Corporation recognizes original issue discount and issuance costs fully in the year of issuance for the governmental fund statements. These costs are amortized over the term of the related

bonds for the government-wide financial statements as additional interest expense. The Corporation recognizes all interest paid as interest expenditures on the modified accrual basis for the governmental fund statements and all interest incurred as expenses on the full accrual basis for the government-wide financial statements. Bond issuance costs amortization expense was \$13,132 for the year ended December 31, 2008. Accumulated amortization on bond issuance costs was \$39,399 as of December 31, 2008. Bond discount expense was \$33,606 for the year ended December 31, 2008. Accumulated amortization on bond discounts was \$100,818 for the year ended December 31, 2008.

Deferred Revenue

Deferred revenue represents amounts earned under the modified accrual basis of accounting used in the Debt Service Fund, but not meeting the definition of available for use.

Income Taxes

The Corporation is a not-for-profit corporation and is exempt from income taxes as an organization qualified under Section 501(c)(3) of the Internal Revenue Code. The Corporation has also been classified by the Internal Revenue Service as an entity that is not a private foundation.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. CORRECTION OF PRIOR YEAR ERRORS

The financial statements for the year ended December 31, 2007 were presented improperly. The financial statements presented the Corporation as a proprietary fund instead of a debt service fund in accordance with generally accepted accounting principles. In order to comply with Government Accounting Standards Board (GASB) Statement No. 34: Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, two sets of financial statements are required; the government-wide financial statements and the fund financial statements. The correction of this error does not affect the net deficit or fund balance of the Corporation as of December 31, 2007.

The financial statements for the year ended December 31, 2007 were also presented improperly because accretion on the capital appreciation bonds (CAB) was not recognized correctly. Accretion of a bond is recorded as annual interest expense and accrued interest payable throughout the term of the bond. The correction of this error affects the government-wide financial statements as a decrease in bonds payable and an increase in accrued interest of \$743,608. The correction of this error does not affect the fund balance for the fund-level financial statements of the Corporation as of December 31, 2008.

In addition, the financial statements for the year ended December 31, 2007 were also presented improperly because accretion on the CABs was not calculated correctly. The accrued interest liability was understated. Accretion was calculated using the global consumption case rather than the turbo schedule. The global consumption case has not occurred to date and is not expected to occur. Therefore, the debt schedules should be based on maturities as detailed in the offering sheet. The correction of this error affects the government-wide financial statements as an increase to accrued interest payable and an increase in the net deficit by \$927,916. The correction of this error does not affect the fund balance for the fund-level statements of the Corporation as of December 31, 2007.

D. DEPOSITS AND INVESTMENTS

Investment and Deposit Policy

The Corporation follows an investment and deposit policy as outlined in the bond Indenture, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; provide sufficient liquidity of invested funds in order to meet obligations as they become due; and attainment of a market rate of return. Oversight of investment activity is the responsibility of the Treasurer of the Corporation.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Corporation does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Corporation's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Corporation's investment and deposit policy follows the eligible investment defined in the indenture. The Corporation has not established a formal policy, but generally adheres to the following guidelines:

- Obligations of the United States of America;
- Obligations guaranteed by the United States of America where payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- Special time deposit accounts;
- Certificates of Deposit;
- Commercial Paper;
- Repurchase agreements limited to obligations of the United States of America, or obligations whose principal and interest are fully guaranteed, or insured by the United States of America. The term of each agreement shall generally not exceed 180 days. The agreement shall be confirmed in writing by the seller, and each security purchased under the agreement shall be specifically identified; segregated from the assets of the seller and delivered for safekeeping into an account designated and controlled by the Corporation. Also, each seller shall enter into a master Repurchase Agreement with the Corporation which shall specify the rights and obligations of the Corporation and the Seller in all transactions;
- Obligations of public authorities, public housing authorities, urban renewal agencies, and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments; and
- Obligations issued pursuant to New York State Local Finance Law Section 24.00 and 25.00 (with approval of the New York State Comptroller) by any municipality, school district or district corporation other than the Corporation.

Custodial Credit Risk - Deposits

Custodial credit risk - deposits is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Corporation's investment and deposit policy, all deposits of the Corporation including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Corporation (FDIC) shall be secured by a pledge of securities with an aggregate value equal to the aggregate amount of deposits. The Corporation restricts the securities to the following eligible items:

- Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation;

- Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank;
- Obligations partially insured or guaranteed by any agency of the United States of America;
- Obligations issued or fully insured or guaranteed by the State of New York;
- Obligations issued by a municipal corporation, school district or district corporation of New York State;
- Obligations of any public benefit corporation, which under a specific State statute may be accepted as security for deposit of public monies;
- Obligations issued by states (other than the State of New York) of the United States rated in one of the two highest rating categories by at least one Nationally Recognized Statistical Rating Organization (NRSRO);
- Obligations of Puerto Rico rated in the highest rating category by at least one NRSRO;
- Obligations of counties, cities and other governmental entities of a state other than the State of New York having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the two highest categories by at least one NRSRO;
- Obligations of domestic corporations rated in one of the two highest rating categories by at least one NRSRO; and
- Zero coupon obligations of the United States of America marketed as “treasury strips.”

As of December 31, 2008, the carrying amount of the Corporation’s cash and cash equivalents was \$95,483, and was exposed to custodial credit risk as follows:

FDIC	\$	<u>95,483</u>
Total	\$	95,483
Collateralization rate		100%

Custodial Credit Risk - Investments

Custodial credit risk - investments is the risk that an entity will not be able to recover the value of an investment or collateral securities that are in the possession of an outside party if the counterparty to the transaction fails. The Corporation’s informs investment and deposit policy requires that all custodial investments be registered or insured in the Corporation’s name and held in the custody of the bank or the bank’s trust department. The Corporation requires that all repurchase agreements be limited to obligations of the United States of America or obligations whose principal and interest are fully guaranteed, or insured by the United States of America. As of December 31, 2008, the Corporation’s investments, with maturities of less than one year, were in compliance with the investment and deposit policy as follows:

Money market fund (U.S. Treasuries)	\$	<u>1,851,553</u>
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Concentration of Credit Risk

The Corporation places no limit on the amount that may be invested in any one issuer. At December 31, 2008, all amounts were held by one bank.

E. ADVANCE REFUNDING/DEFEASANCE OF SERIES 2000 BONDS

In August 2005, \$19,363,332 of the Series 2000 bonds were advance refunded by depositing a portion of the Series 2005 bond, \$21,936,905, into an irrevocable trust with an escrow agent (M&T Bank). As a result of this transaction, the original Series 2000 bonds are considered defeased and the liability of those bonds have been removed from the Corporation’s financial statements. The Corporation recognized an economic loss from this defeasance amounting to

\$2,573,573 for the year ended December 31, 2005. Additionally, the balance of unamortized bond issuance costs of the Series 2000 bonds amounting to \$523,665 was expensed in 2005.

A \$440,000 payment was made against the \$19,363,332 defeased Series 2000 bonds on June 1, 2008. Cumulative payments of \$1,260,000 have been made leaving an outstanding balance of \$18,103,332 as of December 31, 2008.

F. **BONDS PAYABLE**

The original purchase price for the County's future rights, title and interest in the TSRs was financed through the issuance of Series 2000 bonds in the amount of \$21,605,000 with interest at rates ranging from 5.80% to 6.625%. The Corporation issued \$28,623,950 of Series 2005 Trust IV Tobacco Asset-Backed bonds in August 2005 and \$3,323,840 in Series 2005 Trust V Tobacco Asset-Backed bonds in November 2005. The Series 2005 bonds are secured by a perfected security interest in, and pledge of, the Trust Estate, as defined in the Indenture, which includes, among other things, the TSRs and all investment earnings on amounts on deposit in the accounts established under the Indenture (collectively, the Collections). Among the accounts so established are the Liquidity Reserve Account and the Debt Service Account. The Corporation retains TSRs in an amount sufficient to service its debt and pay its operating expenses.

The Series 2005 bonds are payable solely from and secured solely by the future right, title and interest of the Corporation in the collection of tobacco settlement revenues previously purchased by the Corporation from the County. This series consists of subordinate turbo capital appreciation bonds that provide long-dated financing for the Corporation and take advantage of current market conditions where interest rates are low, investors have a favorable view of litigation events and where institutional investors are looking for high yield investments. The Corporation is required to covenant not to issue additional bonds or refunding bonds that would extend the term of the capital appreciation bonds or other outstanding bonds.

The Series 2005 Trust IV bonds are composed of the following:

- \$14,755,000 Tobacco Settlement Asset-Backed Bonds, Series 2005A (Tax Exempt Turbo Bonds), maturity date is June 1, 2042, interest rate of 5.00%.
- \$3,290,000 Tobacco Settlement Asset-Backed Bonds, Series 2005B (Taxable Turbo Bonds), maturity date is June 1, 2027, interest rate of 6.00%.
- \$8,300,000 Tobacco Settlement Asset-Backed Bonds, Series 2005C (Taxable Turbo Bonds), maturity date is June 1, 2041 with a mandatory redemption date of June 1, 2010, interest rate of 6.65%.
- \$1,090,190 Tobacco Settlement Asset-Backed Bonds, Series 2005D (Tax Exempt Turbo Capital Appreciation Bonds), maturity date is June 1, 2050, interest rate of 0.00%, with an accreted value at maturity of \$14,565,000.
- \$1,188,760 Tobacco Settlement Asset-Backed Bonds, Series 2005E (Tax Exempt Turbo Capital Appreciation Bonds), maturity date is June 1, 2055, interest rate of 0.00%, with an accreted value at maturity of \$27,005,000.

The Series 2005 Trust V bonds are composed of the following:

- \$3,323,840 Tobacco Settlement Asset-Backed Bonds, Series 2005 S4B (Tax Exempt Turbo Capital Appreciation Bonds), maturity date is June 1, 2060, with an accreted value at maturity of \$221,000,000.

Long-term indebtedness for the Corporation's bonds payable consisted of the following:

Balance - beginning of year	\$31,492,790
Repayments of bonds	<u>(330,000)</u>
Balance - end of year	<u>\$31,162,790</u>
Required payments due within one year	<u>\$ 65,000</u>

Principal and interest payments (including accretion on capital appreciation bonds) based upon the required maturities are as follows for the years ended December 31:

	<u>Principal</u>	<u>Interest/ Accretion</u>	<u>Total</u>
2009	\$ 65,000	\$ 1,946,993	\$ 2,011,993
2010	105,000	1,979,430	2,084,430
2011	165,000	2,011,078	2,176,078
2012	185,000	2,044,053	2,229,053
2013	195,000	2,080,985	2,275,985
2014-2018	1,255,000	10,934,218	12,189,218
2019-2023	1,435,000	12,462,789	13,897,789
2024-2028	2,800,000	14,382,126	17,182,126
2029-2033	3,900,000	17,076,385	20,976,385
2034-2038	5,345,000	21,078,174	26,423,174
2039-2043	6,900,000	27,675,303	34,575,303
2044-2048	3,210,000	37,487,485	40,697,485
2049-2053	1,090,190	50,643,393	51,733,583
2054-2058	1,188,760	65,342,620	66,531,380
2059-2060	<u>3,323,840</u>	<u>24,106,680</u>	<u>27,430,520</u>
	<u>\$ 31,162,790</u>	<u>\$ 291,251,712</u>	<u>\$ 322,414,502</u>

Bonds payable as recorded on the Statement of Net Assets is the following as of December 31, 2008:

	<u>Bond Principal</u>	<u>Bond Discount</u>	<u>Total</u>
Beginning Balance, 1/1/08	\$ 31,492,790	\$ (761,428)	\$30,731,362
Principal Payment	(330,000)	-	(330,000)
Amortization	<u>-</u>	<u>33,606</u>	<u>33,606</u>
Ending Balance, 12/31/08	<u>\$ 31,162,790</u>	<u>\$ (727,822)</u>	<u>\$ 30,434,968</u>

Required maturities for the Series 2005 bonds represent the minimum amount of principal that the Corporation must pay as of the specific distribution dates in order to avoid a default. Turbo (accelerated) amortization payments are required to be made against outstanding principal providing that the Corporation receives sufficient TSRs to make the Turbo payments. The interest payment requirements shown are based on the required principal maturity schedule and include the accreted value portion of capital appreciation bonds in the year in which they are required to be redeemed. The schedule also assumes that the Series 2005C bonds will be retired and replaced at their initial par value by Series 2010A bonds, in accordance with the Indenture. The Series 2010A bonds will be issued under a forward bond purchase contract and will have a maturity date of June 1, 2041 and an interest rate of 6.25%.

Under the terms of the Indenture, the Corporation is required to maintain certain deposits to fund debt service payments, if needed. Such deposits are included in investments in the basic financial statements. In addition, the Corporation is subject to various debt covenants, including limitations on expenses/expenditures, and compliance with Indenture agreement requirements. The Corporation was in compliance with all covenants and Indenture agreement requirements at December 31, 2008.

A principal payment in the amount of \$330,000 was made during 2008 in accordance with the Series 2005 bonds.

The Corporation had the following reserve funds as of December 31, 2008:

Investments

Liquidity reserve	\$	1,780,799
Collection account		4,974
Debt service reserve		14,435
Turbo redemption account		4,874
Bond issuance and rebate cost reserve		<u>46,471</u>
Total	\$	1,851,553

Interest

Interest expense on bonds payable was \$1,567,475 in 2008. In 2008, cash paid for interest was \$1,449,900.

G. CONTINGENCIES

Future TSRs are subject to adjustment based upon tobacco consumption, inflation and other factors. Pursuant to the Indenture, these adjustments and other events could trigger additional debt service reserve requirements.

H. RELATED PARTY

Steuben Tobacco Asset Securitization Corporation is a special purpose local development corporation, and is considered by legal counsel to be bankruptcy-remote from the County of Steuben. However, the Corporation's board of directors is comprised of a majority of elected or appointed officials of the County of Steuben and one independent director. For financial reporting purposes, the Organization is considered to be a component unit of the County of Steuben.

VII. JOINT VENTURES

The following are activities undertaken jointly with other municipalities and are excluded from the financial statement.

Southern Tier Central Regional Planning Board – The Counties of Steuben, Chemung, and Schuyler are participants in the joint Southern Tier Central Regional Planning and Development Board. The municipal agreement provides that the participants' share of the cost shall be prorated as agreed upon by the member counties. In 2008, the County of Steuben contributed \$85,000. Audited financial statements for the Board may be obtained from the Administrative Offices of the Southern Tier Central Regional Planning Board located at 8 Denison Parkway East, Suite 310, Corning, NY 14830.

Community College Region – The County of Steuben became a co-sponsor of the Corning Community College region pursuant to a resolution of the County Legislature adopted on December 17, 1984. As a result, the County assumed joint sponsorship with the counties of Chemung and Schuyler. The College had formerly been sponsored by the Corning City School District. Three persons appointed by the Steuben County Legislature represent the County of Steuben on the Regional Board of Trustees. In 2008, the County expended \$3,304,867 in residential tuition, which was based on capital and operating costs. Separate financial statements for the College may be obtained by contacting the administrative office of Corning Community College, 1 Academic Drive, Corning, NY 14830-3297.

VIII. SUBSEQUENT EVENTS

In April 2009, the County celebrated a ground breaking for a gas to electricity project at the Bath Landfill. The County is partnering with Steuben Rural Electric Company to build a facility that will convert methane gas generated by the landfill to electricity that will be placed on the electric grid by Steuben Rural Electric Company. It is anticipated that electricity will begin to be produced by this plant in early 2010.

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Financial Section

Required Supplementary Information

STEBEN COUNTY, NY
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
General Fund
Year Ended December 31, 2008

	BUDGET		Expenditures Budgetary Basis		Variance with
	Original	Modified	Actual	Encumbrance	Modified Budget Positive (Negative)
REVENUE					
Real Property Taxes	\$ 18,223,965	\$ 18,223,965	\$17,904,261	-	\$ (319,704)
Real Property Tax Items	2,759,475	2,759,475	3,043,795	-	284,320
Non-Property Tax items	41,772,929	42,013,400	44,665,840	-	2,652,440
Departmental Income	16,961,062	17,074,788	16,397,013	-	(677,775)
Intergovernmental Charges	1,721,939	1,812,797	1,861,717	-	48,920
Use of Money & Property	3,799,982	4,305,968	3,687,535	-	(618,433)
Licenses and Permits	2,500	2,500	1,403	-	(1,097)
Fines and Forfeitures	302,538	316,173	355,068	-	38,895
Sale of Property/Compensation for Loss	53,062	53,062	95,467	-	42,405
Miscellaneous Local Sources	410,006	1,308,433	2,582,984	-	1,274,551
Interfund Revenues	1,183,238	1,286,450	1,207,081	-	(79,369)
State Aid	21,125,988	21,614,902	17,436,768	-	(4,178,134)
Federal Aid	22,486,119	23,312,196	14,619,717	-	(8,692,479)
TOTAL REVENUE	130,802,803	134,084,109	123,858,649	-	(10,225,460)
EXPENDITURES					
General Government Support	23,152,855	23,548,255	21,288,946	31,294	2,228,015
Education	8,325,000	8,494,900	8,464,816	-	30,084
Public Safety	14,946,646	15,820,185	14,773,153	38,578	1,008,454
Health	18,340,090	18,645,023	16,147,207	20,910	2,476,906
Transportation	350,000	679,600	290,222	-	389,378
Economic Assistance and Opportunity	65,595,467	66,569,198	55,537,617	6,056	11,025,525
Culture and Recreation	937,496	1,066,847	986,930	-	79,917
Home and Community Services	1,070,427	1,364,989	1,285,144	-	79,845
Debt Service	693,235	693,235	693,791	-	(556)
TOTAL EXPENDITURES	133,411,216	136,882,232	119,467,826	96,838	17,317,568
Excess (Deficiency) Revenues Over Expenditures					
	(2,608,413)	(2,798,123)	4,390,823	(96,838)	7,092,108
Transfers In					
	-	-	-	-	-
Transfers Out					
	(2,104,300)	(2,294,761)	(2,342,882)	-	(48,121)
Total Other Financing Sources (Uses)	(2,104,300)	(2,294,761)	(2,342,882)	-	(48,121)
Excess (Deficiency) Revenues and Other Sources Over Expenditures and Other Uses					
	\$ (4,712,713)	\$ (5,092,884)	2,047,941	\$ (96,838)	\$ 7,043,987
FUND BALANCE - BEGINNING OF YEAR			48,298,295		
FUND BALANCE - END OF YEAR			\$ 50,346,236		

Note: Budgetary basis is the same as GAAP except that outstanding encumbrances are treated as expenditures on this schedule.

STEUBEN COUNTY, NY

Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual COUNTY ROAD FUND Year Ended December 31, 2008

	Budget		Expenditures Budgetary Basis		Variance with
	Original	Modified	Actual	Encumbrances	Modified Budget Positive (Negative)
<u>REVENUE</u>					
Real Property Taxes	\$ 15,131,282	\$ 15,131,282	\$ 15,131,282	\$ -	\$ -
Intergovernmental Charges	687,107	721,502	709,414	-	(12,088)
Use of Money & Property	75,000	75,000	29,072	-	(45,928)
Sale of Property/Compensation for Loss	18,120	18,120	69,079	-	50,959
Miscellaneous Local Sources	8,000	8,000	15,470	-	7,470
State Aid	3,158,520	3,688,392	3,688,392	-	-
TOTAL REVENUE	19,078,029	19,642,296	19,642,709	-	413
<u>EXPENDITURES</u>					
Transportation	20,918,029	22,100,154	21,862,838	53,266	184,050
TOTAL EXPENDITURES	20,918,029	22,100,154	21,862,838	53,266	184,050
Excess (Deficiency) Revenues Over Expenditures	(1,840,000)	(2,457,858)	(2,220,129)	(53,266)	184,463
Transfers In	1,500,000	2,637,031	2,637,031	-	-
Transfers Out	(160,000)	(647,168)	(647,168)	-	-
Total Other Financing Sources (Uses)	1,340,000	1,989,863	1,989,863	-	-
Excess (Deficiency) Revenues and Other Sources Over Expenditures and Other Uses	\$ (500,000)	\$ (467,995)	(230,266)	\$ (53,266)	\$ 184,463
FUND BALANCE-BEGINNING OF YEAR			2,748,532		
FUND BALANCE-END OF YEAR			\$ 2,518,266		

Note: Budgetary basis is the same as GAAP except that outstanding encumbrances are treated as expenditures on this schedule.

Financial Section

Combining Fund Statements & Schedules

STEUBEN COUNTY, NY
Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2008

	Economic Development	Road Machinery	Capital Projects	Steuben Tobacco Asset Securitization	Total Non-Major Governmental Funds
ASSETS					
Cash, Cash Equivalents and Investments	\$ 757,139	\$ 2,294,108	\$ 6,188,735	\$ 95,483	\$ 9,335,465
Accounts Receivable	-	-	-	1,708,743	1,708,743
Accrued Interest Receivable	-	-	-	9,148	9,148
Due From Other Funds	-	75,361	55,486	-	130,847
Due From Other Governments	-	66,237	75,000	-	141,237
State & Federal Receivables	-	-	172,471	-	172,471
Restricted cash and cash equivalents	-	-	-	1,851,553	1,851,553
TOTAL ASSETS	\$ 757,139	\$ 2,435,706	\$ 6,491,692	\$ 3,664,927	\$ 13,349,464
 LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 99,121	\$ 159,493	\$ -	\$ 258,614
Accrued Liabilities	-	47,215	-	-	47,215
Due to Other Funds	-	-	93,578	-	93,578
Deferred Revenues	-	-	-	1,708,743	1,708,743
Other Liabilities	-	-	1,856	-	1,856
TOTAL LIABILITIES	-	146,336	254,927	1,708,743	2,110,006
 FUND BALANCES					
Reserved for:					
Encumbrances	-	808,532	96,352	-	904,884
Debt Service	-	-	-	1,851,553	1,851,553
Special Purposes	-	-	178,734	-	178,734
Unreserved					
Designated, Next Year's Budget	25,000	-	5,961,679	-	5,986,679
Undesignated	732,139	1,480,838	-	104,631	2,317,608
TOTAL FUND BALANCES	757,139	2,289,370	6,236,765	1,956,184	11,239,458
 TOTAL LIABILITIES & FUND BALANCES	 \$ 757,139	 \$ 2,435,706	 \$ 6,491,692	 \$ 3,664,927	 \$ 13,349,464

See independent auditors' report.

STEBEN COUNTY, NY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended December 31, 2008

	<u>Economic Development</u>	<u>Road Machinery</u>	<u>Capital Projects</u>	<u>Steuben Tobacco Asset Securitization</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:					
Real Property Taxes	\$ -	\$ 1,837,588	\$ -	\$ -	\$ 1,837,588
Intergovernmental Services	-	30,416	40,221	-	70,637
Use of money and property	5,879	23,336	152,027	128,233	309,475
Sale of property and compensation for losses	-	70,801	83	-	70,884
Tobacco settlement	-	-	-	1,668,830	1,668,830
Miscellaneous	-	5,732	1,247	-	6,979
Interfund revenues	-	3,479,167	-	-	3,479,167
State Aid	-	(61,371)	268,915	-	207,544
Federal Aid	-	-	774,036	-	774,036
Total revenues	<u>5,879</u>	<u>5,385,669</u>	<u>1,236,529</u>	<u>1,797,063</u>	<u>8,425,140</u>
Expenditures:					
Current:					
General Government	-	-	-	36,237	36,237
Transportation	-	3,660,855	-	-	3,660,855
Economic Assistance and Opportunity	-	-	-	-	-
Home and Community Services	15,000	-	-	-	15,000
Capital Outlay:					
General Government	-	-	613,174	-	613,174
Public Safety	-	-	206,298	-	206,298
Transportation	-	-	1,115,908	-	1,115,908
Economic Assistance and Opportunity	-	-	48,334	-	48,334
Culture and Recreation	-	-	4,203	-	4,203
Debt Service:					
Principal	-	103,400	-	330,000	433,400
Interest	-	10,175	-	1,449,900	1,460,075
Total expenditures	<u>15,000</u>	<u>3,774,430</u>	<u>1,987,917</u>	<u>1,816,137</u>	<u>7,593,484</u>
Excess (deficiency) of revenues over expenditures	<u>(9,121)</u>	<u>1,611,239</u>	<u>(751,388)</u>	<u>(19,074)</u>	<u>831,656</u>
Other financing sources (uses):					
Transfers in	500,000	487,168	499,518	-	1,486,686
Transfers out	-	(1,133,667)	-	-	(1,133,667)
Total other financing sources (uses)	<u>500,000</u>	<u>(646,499)</u>	<u>499,518</u>	<u>-</u>	<u>353,019</u>
Net change in fund balance	<u>490,879</u>	<u>964,740</u>	<u>(251,870)</u>	<u>(19,074)</u>	<u>1,184,675</u>
Fund Balance - Beginning of Year	<u>266,260</u>	<u>1,324,630</u>	<u>6,488,635</u>	<u>1,975,258</u>	<u>10,054,783</u>
Fund Balance - End of Year	<u>\$ 757,139</u>	<u>\$ 2,289,370</u>	<u>\$ 6,236,765</u>	<u>\$ 1,956,184</u>	<u>\$ 11,239,458</u>

See independent auditors' report.

STEUBEN COUNTY, NY
Combining Balance Sheet
Private Purpose Trust Funds
December 31, 2008

	<u>Fairview Cemetery</u>	<u>County Jail Inmate Fund</u>	<u>Total Private Purpose Trust Funds</u>
ASSETS:			
Cash & Cash Equivalents	\$ 1,000	\$ 122,215	\$ 123,215
TOTAL ASSETS	\$ 1,000	\$ 122,215	\$ 123,215
TOTAL LIABILITIES	\$ -	\$ 877	\$ 877
NET ASSETS			
Held in Trust for Other Purposes	1,000	121,338	122,338
TOTAL NET ASSETS	1,000	121,338	122,338
TOTAL LIABILITIES & NET ASSETS	\$ 1,000	\$ 122,215	\$ 123,215

Combining Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds
Year Ended December 31, 2008

	<u>Fairview Cemetery</u>	<u>County Jail Inmate Fund</u>	<u>Total Private Purpose Trust Funds</u>
ADDITIONS:			
Interest Earnings	\$ 33	\$ -	\$ 33
Other Revenue	-	23,239	23,239
TOTAL ADDITIONS	33	23,239	23,272
DEDUCTIONS:			
Home and Community Services	33	-	33
Public Safety	-	13,455	13,455
TOTAL DEDUCTIONS	33	13,455	13,488
CHANGE IN NET ASSETS	-	9,784	9,784
Net Assets - Beginning of Year	1,000	111,554	112,554
Net Assets - End of Year	\$ 1,000	\$ 121,338	\$ 122,338

See independent auditors' report.

Financial Section

**Report on Internal Control over Financial Reporting
and on Compliance and other Matters
Based on an Audit of the Financial Statements**

**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**

June 22, 2009

To the Board of Legislators of the
County of Steuben, New York:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Steuben, New York (the County) as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 22, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of Steuben County Industrial Development Agency and the Steuben County Soil and Water Conservation District, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Steuben County Soil and Water Conservation District were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described below to be significant deficiencies in internal control over financial reporting.

**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**

(Continued)

Internal Control Over Financial Reporting (Continued)

Finding 2008-1

Condition: In prior financial statements, the accruals for closure and post-closure landfill liabilities were improperly stated. Management identified a prior period adjustment to record a material liability in order for the financial statements to be fairly presented in all material respects in conformity with generally accepted accounting principles.

Criteria: In order to comply with Governmental Accounting Standards Board (GASB) Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, estimates of landfill closure and post-closure costs must be accrued during the life of the landfill.

Effect: The County recorded a prior period adjustment of approximately \$2,900,000 to record liabilities related to closure and post-closure costs of the landfill.

Cause: Management at the County realized that the landfill closure and post-closure liabilities should have been accrued in prior years and proposed a prior period adjustment to the auditors.

Recommendation: We recommend that the County review its year-end closing procedures to ensure all liabilities have been accrued.

Management Response: County management continues to make improvements to financial systems. At any point that an unrecorded transaction is identified the appropriate entries will be recorded to properly reflect the financial impact.

Finding 2008-2

Condition: The financial statements for the year ended December 31, 2007 were presented improperly. The financial statements presented Steuben Tobacco Asset Securitization Corporation as a proprietary fund instead of a Debt Service Fund in accordance with generally accepted accounting principles. In addition, the accretion of capital appreciation bonds was calculated incorrectly.

Criteria: In order to comply with Government Accounting Standards Board (GASB) Statement No. 34: *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, funds of government must be presented as a governmental or proprietary fund in the financial statements. The Steuben Tobacco Asset Securitization Corporation has one major governmental fund, which is a Debt Service Fund. A Debt Service Fund accounts for resources accumulated and payments made for operations and principal debt service on long-term general obligation debt. Capital appreciation bonds increase annually in accordance with their accretion schedule to maturity and this accretion is recorded as a liability on the government-wide financial statements not as a bond discount. Accretion was calculated improperly using the incorrect assumption tables.

(Continued)

**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**
(Continued)

Internal Control Over Financial Reporting (Continued)
Finding 2008-2 (Continued)

Effect: Financial statements were historically improperly presented. The government-wide and fund-level statements of the County were not reported correctly. The governmental activities net assets were overstated and the non-major fund net balance was understated by \$2,000,000, respectively. Proprietary activity was understated in the business-type activities and fund-level statements by \$27,400,000.

Cause: Lack of understanding of the financial reporting requirements for Steuben Tobacco Asset Securitization Corporation.

Recommendation: Management should take steps to improve its understanding of the financial reporting requirements of Steuben Tobacco Asset Securitization Corporation.

Management Response: County management continues to learn about the accounting and reporting requirements of the Steuben Tobacco Asset Securitization Corporation relying on bond counsel, financial consultants, auditors and other professionals for knowledge and advice.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider the deficiencies described above to be material weaknesses in internal control over financial reporting.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to the management of the County in a separate letter dated June 2009.

The County's responses to the findings identified in our audit are described above. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Legislators, others within the entity, federal awarding agencies, and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Bonadio & Co., LLP

Financial Section

Individual Fund Statements & Schedules

General Fund

The GENERAL FUND is the principal operating fund of the county, which includes all operations not required to be recorded in other funds.

STEUBEN COUNTY, NY
Comparative Balance Sheets
GENERAL FUND
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Assets:				
Cash, cash equivalents	\$ 22,061,340	\$ 30,146,977	\$ 41,196,273	\$ 47,999,827
Taxes receivable and tax deeds, net	8,408,006	8,448,356	8,753,590	9,308,190
Other receivables	6,043,152	5,138,251	5,308,755	5,218,311
State and federal receivables	9,029,126	7,669,503	10,205,846	9,038,310
Due from other funds	770,665	2,133,272	535,424	149,676
Due from other governments	124,993	130,419	175,221	246,212
Inventory of supplies	17,256	18,327	17,681	23,852
Prepaid Items	776,919	1,085,424	970,915	884,710
Restricted assets	8,934,725	8,947,068	5,925,130	-
TOTAL ASSETS	\$ 56,166,182	\$ 63,717,597	\$ 73,088,835	\$ 72,869,088
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 7,062,965	\$ 6,694,761	\$ 9,317,768	\$ 7,299,342
Accrued Liabilities	2,259,983	1,809,979	2,327,197	2,798,058
Notes Payable	50,123	33,448	16,773	-
Other Liabilities	26,435	23,857	170,153	172,705
Due to Other Funds	214,592	9,743	16,403	55,486
Due to Other Governments	7,597,838	7,032,506	7,161,555	6,588,278
Deferred Revenues	3,974,193	4,946,914	5,780,691	5,608,983
TOTAL LIABILITIES	21,186,129	20,551,208	24,790,540	22,522,852
Fund Balance:				
RESERVED FOR:				
Encumbrances	160,350	248,783	121,857	96,838
Prepaid Items	776,919	1,085,424	970,915	884,711
Inventories	25,000	25,000	25,000	25,000
Special Purposes	8,472,541	8,536,516	7,806,682	7,902,961
UNRESERVED:				
Designated, Next Year's Budget	2,000,000	2,000,000	4,000,000	3,700,040
Undesignated	23,545,243	31,270,666	35,373,841	37,736,686
TOTAL FUND BALANCE	34,980,053	43,166,389	48,298,295	50,346,236
TOTAL LIABILITIES & FUND BALANCE	\$ 56,166,182	\$ 63,717,597	\$ 73,088,835	\$ 72,869,088

STEUBEN COUNTY, NY
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance
GENERAL FUND
Year ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<u>REVENUES</u>				
Real property taxes	\$ 21,727,984	\$ 20,463,098	\$ 17,959,613	\$ 17,904,261
Real property tax items	2,645,082	2,833,563	2,891,531	3,043,795
Non-property taxes	32,130,414	34,467,302	43,064,534	44,665,840
Departmental Income	16,090,281	14,843,572	15,466,887	16,397,013
Intergovernmental revenue	700,986	923,971	929,131	1,861,717
Use of money and property	2,403,625	3,435,890	4,323,611	3,687,535
Licenses and permits	3,222	1,680	962	1,403
Fines and forfeitures	352,749	416,059	345,247	355,068
Sale of property/compensation for losses	79,868	74,337	94,262	95,467
Miscellaneous	1,763,697	690,136	973,075	2,582,984
Interfund revenues	399,178	374,297	652,318	1,207,081
State aid	15,942,491	15,958,017	19,206,862	17,436,768
Federal Aid	18,278,880	19,110,058	18,480,505	14,619,717
TOTAL REVENUES	112,518,457	113,591,980	124,388,538	123,858,649
<u>EXPENDITURES</u>				
General Government	11,954,315	11,947,736	20,156,720	21,288,946
Education	6,649,959	6,846,164	8,417,701	8,464,816
Public Safety	11,743,113	12,197,675	12,806,181	14,773,153
Health	14,692,517	15,278,277	16,102,696	16,147,207
Transportation	214,167	238,513	403,714	290,222
Economic Assistance and Opportunity	54,358,151	56,620,220	57,501,433	55,537,617
Culture and Recreation	656,201	741,502	788,669	986,930
Home and Community Services	1,020,679	1,088,427	1,051,974	1,285,144
Debt Service	805	1,497	689,978	693,791
TOTAL EXPENDITURES	101,289,907	104,960,011	117,919,066	119,467,826
Excess (Deficiency) Revenues Over Expenditures	11,228,550	8,631,969	6,469,472	4,390,823
Transfers In	976,607	-	12,174	-
Transfers Out	(445,280)	(445,633)	(1,349,740)	(2,342,882)
Other Financing Sources (Uses)	531,327	(445,633)	(1,337,566)	(2,342,882)
Excess (Deficiency) Revenues & Other Sources Over Expenditures and Other Uses	11,759,877	8,186,336	5,131,906	2,047,941
FUND BALANCE-BEGINNING OF YEAR	23,220,176	34,980,053	43,166,389	48,298,295
FUND BALANCE-END OF YEAR	\$ 34,980,053	\$ 43,166,389	\$ 48,298,295	\$ 50,346,236

STEUBEN COUNTY, NY
Comparative Schedule of Revenues and Other Sources - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Real Property Taxes	A1001	\$ 21,657,496	\$ 20,392,135	\$ 17,888,560	\$ 17,850,508
Real Property Taxes - Part County	A1002	70,488	70,963	71,053	53,753
TOTAL REAL PROPERTY TAXES		21,727,984	20,463,098	17,959,613	17,904,261
Gain From Sale of Tax Acquired Property	A1051	403,029	357,773	375,829	368,193
Other Payments in Lieu of Taxes	A1081	1,048,626	1,085,452	1,172,845	1,224,578
Interest & Penalties on Real Property Taxes	A1090	1,193,427	1,390,338	1,342,857	1,451,024
TOTAL REAL PROPERTY TAX ITEMS		2,645,082	2,833,563	2,891,531	3,043,795
Sales and Use Tax	A1110	23,953,920	24,530,891	32,681,611	34,308,365
Tax on Hotel Room Occupancy	A1113	654,280	721,440	778,851	946,457
Towns Share of Sales Tax	A1115	6,544,864	7,065,442	7,384,610	7,449,201
Automobile Use Tax		617,114	548,868	615,210	593,484
Emergency Telephone System Surcharge	A1140	298,082	319,329	342,559	365,356
Other Non-Property taxes	A1140	62,154	1,281,332	1,261,693	1,002,977
TOTAL NON-PROPERTY TAX ITEMS		32,130,414	34,467,302	43,064,534	44,665,840
Treasurer Fees	A1230	240,355	143,084	143,475	167,835
Charges for Tax Redemption	A1235	17,852	164,001	170,933	165,865
Clerk Fees	A1255	1,454,251	1,738,015	1,771,209	1,765,040
Personnel Fees	A1260	16,281	13,481	13,441	19,451
Attorney Fees	A1265	612,727	655,880	710,055	700,842
Other General Department Income	A1289	785,096	913,430	810,802	830,497
Sheriff Fees	A1510	118,790	129,182	156,267	175,728
Alternatives to Incarceration Fees	A1515	45,453	50,750	48,620	51,283
Police Fees	A1520	(396)	-	-	512
Restitution Surcharges	A1580	63,034	51,129	23,557	27,661
Other Public Safety Departmental Income	A1589	103,089	101,789	124,433	131,271
Charges for Care of Handicapped Children	A1605	8,909	8,080	7,701	7,537
Home Nursing Charges	A1610	3,557,987	3,235,563	3,130,274	3,014,007
Mental Health Fees	A1620	3,529,339	3,254,746	4,017,868	4,427,174
Early Intervention Fees for Services	A1620	1,046,906	764,419	672,666	655,585
Alcoholism Clinic Fees	A1631	894,280	922,055	880,763	694,810
Other Health Departmental Income	A1689	42,720	56,708	69,832	102,588
Other Transportation - Bus Operation	A1789	23,829	18,577	22,669	9,346
Repayment of Medical Assistance	A1801	2,096,860	1,014,206	931,723	1,422,750
Repayment of Aid to Dependent Children	A1809	414,358	471,638	479,284	531,437
Medical Incentive Earnings	A1811	163,565	65,352	83,175	63,081
Repayment of Child Care	A1819	254,736	240,146	241,216	229,654
Repayment of Juvenile Delinquent Care	A1823	41,214	361,873	402,625	427,233
Repayment of State Training School	A1829	-	7,605	-	-
Repayment of Safety Net	A1840	529,128	432,681	521,753	712,089
Repayment of Emergency Care for Adults	A1842	260	575	-	456
Repayments of Day Care	A1855	3,749	1,442	1,478	9,047
Social Services Administration	A1894	5,454	4,583	5,985	5,510
Charges-Programs for the Aging	A1972	350	2,290	325	17,817
Park and Recreational Charges	A2001	20,105	20,292	24,758	30,907
TOTAL DEPARTMENTAL INCOME		16,090,281	14,843,572	15,466,887	16,397,013
General Services-Inter Government	A2210	89,238	81,196	102,596	105,614
Election Service Charges	A2215	6,128	107,886	125,537	145,030
Participant's Share	A2222	-	-	17,096	-
Data Processing-Other Governments	A2228	24,615	29,802	24,681	17,203
Public Safety Services-Other Governments	A2260	567,614	107,882	112,168	114,988

STEUBEN COUNTY, NY
Comparative Schedule of Revenues and Other Sources - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Jail Facilities Services, Other Governments	A2264	\$ -	\$ 582,229	\$ 529,585	\$ 1,373,528
Transportation Services-Other Governments	A2300	13,391	14,976	17,468	105,354
TOTAL INTERGOVERNMENTAL CHARGES		700,986	923,971	929,131	1,861,717
Interest and Earnings	A2401	985,639	1,888,288	2,538,357	1,719,996
Rental of Real Property	A2410	1,347,789	1,472,104	1,709,036	1,881,537
Rental of Real Property - Other Governments	A2412	2,436	2,233	812	-
Commissions	A2450	67,761	73,265	75,406	86,002
TOTAL USE OF MONEY & PROPERTY		2,403,625	3,435,890	4,323,611	3,687,535
Permits - Other	A2590	3,222	1,680	962	1,403
TOTAL LICENSES AND PERMITS		3,222	1,680	962	1,403
Fines and Forfeited Bail	A2610	18,197	1,467	3,328	29,707
Stop DWI Fines	A2615	325,153	359,869	325,632	322,080
Forfeiture of Crime Proceeds		-	-	-	-
Forfeiture of Crime Proceeds Restricted		9,399	54,723	16,287	3,281
TOTAL FINES AND FORFEITURES		352,749	416,059	345,247	355,068
Minor Sales - Other	A2655	24,226	31,756	30,779	28,236
Sales of Equipment	A2665	32,918	38,852	53,532	41,715
Insurance Recoveries	A2680	9,137	2,081	9,041	25,000
Other Compensation for Losses		13,587	1,648	910	516
TOTAL SALE OF PROPERTY		79,868	74,337	94,262	95,467
COMPENSATION FOR LOSSES					
Reimbursement of Medicare Part D Exp	A2700	-	128,760	142,662	77,643
Refund of Prior Year's Expenditures	A2701	1,522,972	352,360	531,504	2,242,262
Gifts and Donations	A2705	63,993	58,106	133,697	77,525
OTB-Distributed Earnings	A2720	76,058	72,079	83,349	71,713
Endowment & Trust	A2755	15,000	-	15,000	15,000
Unclassified	A2770	85,674	78,831	66,863	98,841
TOTAL MISCELLANEOUS SOURCES		1,763,697	690,136	973,075	2,582,984
Interfund Revenue	A2801	399,178	374,297	652,318	1,207,081
TOTAL INTERFUND REVENUE		399,178	374,297	652,318	1,207,081
State Aid-Court Facilities	A3021	118,399	124,638	129,177	152,534
State Aid-Indigent Legal Aid	A3025	191,428	228,653	269,085	297,328
State Aid-District Attorney Salaries	A3030	55,586	50,586	59,833	68,255
State Aid-Real Property Tax Administration	A3040	4,771	5,276	5,336	3,475
State Aid-Records Management	A3060	4,575	-	25,500	73,462
State Aid-Rail Infrastructure Investment Act	A3070	2,432	1,216	-	22,045
State Aid-Other	A3089	47,916	33,343	148,090	60,965
State Aid-Education of Handicapped Children	A3277	1,380,844	1,678,311	2,812,908	2,331,475
State Aid-Probation Services	A3310	355,702	379,098	414,800	434,256
State Aid-Navigation Law Enforcement	A3315	26,765	5,626	19,487	12,850
State Aid-Unified Court Security Costs	A3330	672,586	764,669	739,077	774,125
State Aid-Other Public Safety	A3389	52,479	88,383	131,279	162,736
State Aid-Public Health	A3401	512,251	321,778	484,518	483,300
State Aid-Handicapped Children	A3446	47,287	41,088	29,998	37,959
State Aid-Early Intervention	A3449	197,670	342,477	269,579	262,177
State Aid-Mental Health	A3490	2,677,014	2,770,135	3,235,388	2,646,955
State Aid-Other Health	A3489	-	-	1,979	-

STEUBEN COUNTY, NY
Comparative Schedule of Revenues and Other Sources - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
State Aid-Other Transportation	A3589	\$ 247,176	\$ -	\$ 160,594	\$ 187,227
State Aid-Medical Assistance	A3601	(527,749)	(451,652)	(371,744)	(657,906)
State Aid-Medical Assistance (Overburden Aid)	A3602	2,091,322	-	-	-
State Aid-Family Assistance	A3609	874,932	809,974	724,161	389,149
State Aid-Social Services Administration	A3610	2,340,960	2,163,159	3,267,258	3,239,252
State Aid-Local Administrative Fund (laf)	A3616	-	1,137,627	1,137,630	1,251,390
State Aid-Child Care	A3619	1,430,077	1,380,097	1,614,144	1,770,299
State Aid-Juvenile Delinquent	A3623	237,878	165,026	71,014	214,507
State Aid-Safety Net	A3640	981,961	1,193,245	1,118,964	682,792
State Aid-Emergency Aid for Adults	A3642	11,667	8,105	8,652	8,408
State Aid-Day Care	A3655	(85,810)	209,420	418,867	320,447
State Aid-Services for Recipients	A3670	1,128,650	1,411,858	1,233,162	1,125,517
State Aid-Social Services Other	A3689	7,094	54,932	-	5,980
State Aid-Veterans Services Agencies	A3710	6,860	5,000	10,000	-
State Aid-Programs for Aging	A3772	628,373	755,967	774,778	766,494
State Aid-Economic Assistance	A3789	4,673	3,781	3,944	4,639
State Aid-Other Cul & Rec St Aid	A3889	-	26,505	19,800	62,623
State Aid-Emergency Disaster Assistance	A3960	489	-	-	-
State Aid-Youth Programs	A3820	216,233	249,696	239,604	242,053
TOTAL STATE AID		15,942,491	15,958,017	19,206,862	17,436,768
Federal Aid-Civil Defense	A4305	37,630	7,561	27,410	16,898
Federal Aid-Home Land Security	A4306	-	-	12,384	75,590
Federal Aid-Other Public Safety	A4389	267,262	52,244	59,917	23,651
Federal Aid-Public Health	A4401	207,306	189,440	173,448	138,120
Federal Aid-Early Intervention	A4451	66,361	71,641	69,154	69,433
Federal Aid-Mental Health	A4490	923,547	706,101	881,289	779,570
Federal Aid-Other Transportation	A4589	88,225	214,050	67,906	285,271
Federal Aid-Medicaid Assistance	A4601	(557,760)	(366,557)	(332,110)	(565,817)
Federal Aid-Family Assistance	A4609	-	-	-	1,104,812
Federal Aid-Social Services Administration	A4610	4,555,603	3,754,132	3,486,144	3,342,254
Federal Aid-Food Stamp Program Admin	A4611	990,941	1,250,102	1,199,493	889,665
Federal Aid-Flexible Fund For Family Services	A4615	-	2,293,627	1,088,277	2,538,304
Federal Aid-Child Care/Day Care	A4619	7,105,147	4,944,445	5,849,622	3,294,907
Federal Aid-Safety Net	A4640	(525)	8,498	5,704	12,413
Federal Aid-Home Energy Assistance	A4641	4,026,116	4,523,033	3,341,328	324,538
Federal Aid-Services for Recipients	A4670	(117,220)	663,967	999,440	913,447
Federal Aid-Other Social Services	A4689	-	-	930,312	600,000
Federal Aid-Program for Aging	A4772	600,913	660,577	569,658	547,050
Federal Aid-Economic Assistance/Opportunity	A4789	82,284	137,197	51,129	229,611
Federal Aid-Emergency Disaster Assistance	A4960	3,050	-	-	-
TOTAL FEDERAL AID		18,278,880	19,110,058	18,480,505	14,619,717
TOTAL REVENUE		112,518,457	113,591,980	124,388,538	123,858,649
OTHER SOURCES:					
Interfund Transfers	A5031	976,607	-	12,174	-
TOTAL REVENUE AND OTHER SOURCES		\$ 113,495,064	\$ 113,591,980	\$ 124,400,712	\$ 123,858,649

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Personal Services	A1010.1	\$ 168,071	\$ 167,772	\$ 200,670	\$ 202,916
Contractual Expenditure	A1010.4	41,242	45,713	48,760	52,553
Employee Benefits	A1010.8	186,018	180,576	171,541	177,608
LEGISLATIVE BOARD		395,331	394,061	420,971	433,077
Personal Services	A1040.1	120,008	124,277	131,672	137,788
Contractual Expenditure	A1040.4	18,649	19,776	21,306	22,863
Employee Benefits	A1040.8	58,971	60,939	60,833	65,844
CLERK OF LEGISLATIVE BOARD		197,628	204,992	213,811	226,495
Contractual Expenditure	A1162.4	251,019	267,228	329,305	305,133
UNIFIED COURT		251,019	267,228	329,305	305,133
Personal Services	A1165.1	670,226	655,760	775,020	817,791
Equipment & Capital Outlay	A1165.2	380	23,687	2,869	-
Contractual Expenditure	A1165.4	162,670	133,568	137,106	160,493
Employee Benefits	A1165.8	277,316	268,047	291,751	298,598
DISTRICT ATTORNEY		1,110,592	1,081,062	1,206,746	1,276,882
Personal Services	A1170.1	444,641	515,281	516,436	563,084
Equipment & Capital Outlay	A1170.2	320	3,248	-	1,536
Contractual Expenditure	A1170.4	604,999	545,277	593,253	667,645
Employee Benefits	A1170.8	201,340	225,113	218,463	249,578
PUBLIC DEFENDER		1,251,300	1,288,919	1,328,152	1,481,843
Personal Services	A1185.1	27,020	34,025	55,541	46,832
Equipment & Capital Outlay	A1185.2	664	-	-	24,432
Contractual Expenditure	A1185.4	82,044	86,631	93,038	90,671
Employee Benefits	A1185.8	2,593	3,077	5,728	6,295
MEDICAL EXAMINERS & CORONERS		112,321	123,733	154,307	168,230
Personal Services	A1230.1	126,458	130,727	131,400	175,160
Contractual Expenditure	A1230.4	10,149	10,891	12,000	13,111
Employee Benefits	A1230.8	50,027	51,514	54,299	60,996
MUNICIPAL EXECUTIVE		186,634	193,132	197,699	249,267
Personal Services	A1320.1	22,300	34,078	37,343	34,176
Equipment & Capital Outlay	A1320.2	157	-	130	-
Contractual Expenditure	A1320.4	1,798	1,634	1,780	2,084
Employee Benefits	A1320.8	20,322	26,533	19,158	18,020
AUDITOR		44,577	62,245	58,411	54,280

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Personal Services	A1325.1	\$ 476,723	\$ 515,552	\$ 504,190	\$ 508,794
Equipment & Capital Outlay	A1325.2	-	2,563	1,985	795
Contractual Expenditure	A1325.4	89,812	106,635	113,776	144,398
Employee Benefits	A1325.8	195,802	204,337	183,717	201,351
TREASURER		762,337	829,087	803,668	855,338
Personal Services	A1345.1	180,397	189,552	199,871	210,324
Equipment & Capital Outlay	A1345.2	-	-	-	17,577
Contractual Expenditure	A1345.4	34,326	35,676	38,538	37,330
Employee Benefits	A1345.8	75,250	68,691	67,307	71,888
PURCHASING		289,973	293,919	305,716	337,119
Personal Services	A1355.1	371,198	381,912	395,050	389,394
Equipment & Capital Outlay	A1355.2	143	669	-	1,978
Contractual Expenditure	A1355.4	68,485	68,795	87,007	125,808
Employee Benefits	A1355.8	152,804	153,955	170,725	175,294
ASSESSMENT		592,630	605,331	652,782	692,474
Contractual Expenditure	A1362.4	19,476	18,282	12,073	12,341
TAX ADVERTISING		19,476	18,282	12,073	12,341
Contractual Expenditure	A1364.4	2,047	4,901	1,863	6,011
PROPERTY ACQUIRED FOR TAXES		2,047	4,901	1,863	6,011
Personal Services	A1410.1	835,651	848,938	809,738	913,354
Equipment & Capital Outlay	A1410.2	27,159	7,593	10,341	5,326
Contractual Expenditure	A1410.4	187,401	154,002	174,115	239,369
Employee Benefits	A1410.8	388,291	387,093	364,678	426,877
COUNTY CLERK		1,438,502	1,397,626	1,358,872	1,584,926
Personal Services	A1420.1	582,257	632,657	671,732	672,400
Equipment & Capital Outlay	A1420.2	1,453	557	-	124
Contractual Expenditure	A1420.4	60,798	46,769	43,449	48,454
Employee Benefits	A1420.8	225,846	236,761	232,113	247,223
LAW		870,354	916,744	947,294	968,201
Personal Services	A1430.1	343,977	389,258	406,853	434,628
Equipment & Capital Outlay	A1430.2	-	597	879	3,001
Contractual Expenditure	A1430.4	53,346	59,354	60,081	64,014
Employee Benefits	A1430.8	150,996	172,219	160,041	175,083
PERSONNEL		548,319	621,428	627,854	676,726

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Personal Services	A1450.1	\$ 136,536	\$ 150,117	\$ 163,157	\$ 182,175
Equipment & Capital Outlay	A1450.2	286	841	341	458
Contractual Expenditure	A1450.4	70,871	217,602	200,456	305,857
Employee Benefits	A1450.8	57,592	65,400	69,205	73,893
ELECTIONS		265,285	433,960	433,159	562,383
Personal Services	A1460.1	76,803	79,565	83,464	87,087
Equipment & Capital Outlay	A1460.2	-	269	321	339
Contractual Expenditure	A1460.4	47,575	2,887	1,939	69,193
Employee Benefits	A1460.8	36,532	40,366	40,379	43,560
PUBLIC RECORDS		160,910	123,087	126,103	200,179
Contractual Expenditure	A1610.4	90,579	91,130	104,035	112,007
CENTRAL SERVICES ADMIN		90,579	91,130	104,035	112,007
Personal Services	A1620.1	465,995	513,746	534,129	585,979
Equipment & Capital Outlay	A1620.2	2,537	312	29,002	26,922
Contractual Expenditure	A1620.4	423,991	456,356	477,114	572,008
Employee Benefits	A1620.8	254,672	272,997	301,937	313,492
BUILDINGS		1,147,195	1,243,411	1,342,182	1,498,401
Personal Services	A1640.1	2,300	2,300	2,500	2,500
Equipment & Capital Outlay	A1640.2	-	43,963	15,718	17,814
Contractual Expenditure	A1640.4	7,682	12,210	13,440	24,152
Employee Benefits	A1640.8	37	40	231	60
CENTRAL GARAGE		10,019	58,513	31,889	44,526
Personal Services	A1650.1	101,986	108,053	111,993	116,485
Equipment & Capital Outlay	A1650.2	446	15,315	16,903	-
Contractual Expenditure	A1650.4	65,728	79,932	111,045	109,482
Employee Benefits	A1650.8	53,722	56,978	57,648	62,540
CENTRAL COMMUNICATION SYSTEM		221,882	260,278	297,589	288,507
Contractual Expenditure	A1660.4	2,977	3,200	4,271	(1,357)
CENTRAL STOREROOM		2,977	3,200	4,271	(1,357)
Personal Services	A1670.1	61,193	64,327	68,055	56,885
Contractual Expenditure	A1670.4	15,449	46,642	(3,851)	16,399
Employee Benefits	A1670.8	26,459	27,387	26,252	33,361
CENTRAL PRINTING AND MAILING		103,101	138,356	90,456	106,645

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Personal Services	A1680.1	\$ 1,033,095	\$ 1,052,494	\$ 1,060,401	\$ 1,038,660
Equipment & Capital Outlay	A1680.2	606	-	19,705	16,849
Contractual Expenditure	A1680.4	186,999	134,522	174,540	178,900
Employee Benefits	A1680.8	448,481	446,041	429,985	436,884
DATA PROCESSING		1,669,181	1,633,057	1,684,631	1,671,293
Personal Services	A1710.1	40,708	56,635	29,048	42,274
Contractual Expenditure	A1710.4	25,817	26,833	25,432	25,224
Employee Benefits	A1710.8	22,161	22,777	9,303	12,029
SELF INSURANCE ADMINISTRATION		88,686	106,245	63,783	79,527
Contractual Expenditure	A1920.4	9,733	10,020	10,274	10,517
MUNICIPAL ASSN DUES		9,733	10,020	10,274	10,517
Contractual Expenditure	A1930.4	107,157	(460,511)	442,143	143,084
JUDGEMENTS AND CLAIMS		107,157	(460,511)	442,143	143,084
Contractual Expenditure	A1985.4	-	-	6,902,351	7,240,471
DISTRIBUTION OF SALES TAX		-	-	6,902,351	7,240,471
Contractual Expenditure	A1989.4	4,570	4,300	4,330	4,420
OTHER GENERAL GOVT SUPPORT		4,570	4,300	4,330	4,420
TOTAL GOVERNMENT SUPPORT		11,954,315	11,947,736	20,156,720	21,288,946
Contractual Expenditure	A2490.4	481,411	528,028	606,437	709,395
COMMUNITY COLLEGE TUITION		481,411	528,028	606,437	709,395
Contractual Expenditure	A2490.4	3,234,739	3,229,168	3,239,908	3,304,867
CCC COMMUNITY COLLEGE		3,234,739	3,229,168	3,239,908	3,304,867
Contractual Expenditure	A2960.4	2,933,809	3,088,968	4,571,356	4,450,554
EDUCATION SPECIAL CHILDREN		2,933,809	3,088,968	4,571,356	4,450,554
TOTAL EDUCATION		6,649,959	6,846,164	8,417,701	8,464,816
Personal Services	A3020.1	891,265	1,144,913	1,216,841	1,260,333
Equipment & Capital Outlay	A3020.2	-	1,088	253	116,462
Contractual Expenditure	A3020.4	187,519	231,367	427,610	406,639
Employee Benefits	A3020.8	398,605	472,474	501,274	565,861
PUBLIC SAFETY COMMUNICATION		1,477,389	1,849,842	2,145,978	2,349,295

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Personal Services	A3110.1	\$ 1,772,329	\$ 1,975,856	\$ 1,998,911	\$ 2,057,033
Equipment & Capital Outlay	A3110.2	173,919	170,496	266,937	205,610
Contractual Expenditure	A3110.4	280,209	312,930	288,206	537,570
Employee Benefits	A3110.8	739,464	937,001	855,825	871,391
SHERIFF		2,965,921	3,396,283	3,409,879	3,671,604
Personal Services	A3140.1	1,219,638	1,267,397	1,423,885	1,513,424
Equipment & Capital Outlay	A3140.2	28,081	32,759	28,030	48,375
Contractual Expenditure	A3140.4	204,460	233,137	173,080	198,351
Employee Benefits	A3140.8	517,778	530,362	561,400	607,569
PROBATION		1,969,957	2,063,655	2,186,395	2,367,719
Personal Services	A3150.1	2,251,200	2,365,576	2,467,676	3,007,532
Equipment & Capital Outlay	A3150.2	12,630	23,024	15,037	18,957
Contractual Expenditure	A3150.4	1,269,097	691,598	747,059	1,167,317
Employee Benefits	A3150.8	992,830	1,017,324	1,058,100	1,360,305
JAIL		4,525,757	4,097,522	4,287,872	5,554,111
Personal Services	A3170.1	1,577	-	-	-
Contractual Expenditure	A3170.4	286	-	-	-
Employee Benefits	A3170.8	163	-	-	-
OTHER CORRECTION AGENCY		2,026	-	-	-
Personal Services	A3310.1	19,300	17,505	14,959	29,012
Equipment & Capital Outlay	A3310.2	17,430	-	-	-
Contractual Expenditure	A3310.4	6,791	6,222	6,465	6,994
Employee Benefits	A3310.8	-	338	-	-
TRAFFIC CONTROL		43,521	24,065	21,424	36,006
Personal Services	A3315.1	38,917	-	-	-
Equipment & Capital Outlay	A3315.2	7,808	53,528	41,515	6,721
Contractual Expenditure	A3315.4	46,902	43,554	53,913	52,945
Employee Benefits	A3315.8	18,402	775	-	-
STOP DWI		112,029	97,857	95,428	59,666
Contractual Expenditure	A3520.4	15,000	35,432	25,000	39,000
OTHER ANIMAL CONTROL		15,000	35,432	25,000	39,000
Personal Services	A3640.1	203,833	194,408	204,989	220,731
Equipment & Capital Outlay	A3640.2	5,579	-	29,014	15,572
Contractual Expenditure	A3640.4	275,622	278,048	303,281	303,334
Employee Benefits	A3640.8	95,997	91,359	85,408	105,325
CIVIL DEFENSE		581,031	563,815	622,692	644,962

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Equipment & Capital Outlay	A3645.2	\$ 44,932	\$ 33,609	\$ 7,200	\$ 30,126
Homeland Security, Contractual	A3645.4	5,550	35,595	4,313	20,664
HOMELAND SECURITY		50,482	69,204	11,513	50,790
TOTAL PUBLIC SAFETY		11,743,113	12,197,675	12,806,181	14,773,153
Personal Services	A4010.1	1,725,677	1,694,566	1,733,627	1,780,388
Equipment & Capital Outlay	A4010.2	27,656	70,857	22,429	46,757
Contractual Expenditure	A4010.4	1,637,066	1,718,262	1,748,498	1,558,982
Employee Benefits	A4010.8	742,635	728,887	727,145	790,335
PUBLIC HEALTH		4,133,034	4,212,572	4,231,699	4,176,462
Contractual Expenditure	A4042.4	30,942	23,706	23,897	23,748
RABIES CONTROL		30,942	23,706	23,897	23,748
Contractual Expenditure	A4046.4	80,802	89,634	68,108	83,468
HANDICAPPED MEDICAL		80,802	89,634	68,108	83,468
Contractual Expenditure	A4059.4	985,518	1,228,752	1,159,613	1,172,875
EARLY INTERVENTION PROGRAM		985,518	1,228,752	1,159,613	1,172,875
Contractual Expenditure	A4070.4	1,850	(521)	1,695	3,340
CHILD HEALTH PROGRAM		1,850	(521)	1,695	3,340
Contractual Expenditure	A4189.4	6,625	6,625	6,625	6,625
OTHER PUBLIC HEALTH		6,625	6,625	6,625	6,625
Personal Services	A4250.1	595,089	777,697	853,099	946,829
Equipment & Capital Outlay	A4250.2	3,507	6,796	663	340
Contractual Expenditure	A4250.4	118,757	133,707	140,688	144,662
Employee Benefits	A4250.8	257,549	315,660	342,147	371,073
ALCOHOL ADDICTION CONTROL		974,902	1,233,860	1,336,597	1,462,904
Personal Services	A4310.1	560,917	730,771	607,661	618,890
Equipment & Capital Outlay	A4310.2	1,346	469	995	46,092
Contractual Expenditure	A4310.4	392,639	510,556	362,148	470,657
Employee Benefits	A4310.8	236,057	303,815	237,466	261,947
MENTAL HEALTH ADMIN		1,190,959	1,545,611	1,208,270	1,397,586

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Personal Services	A4320.1	\$ 3,049,395	\$ 3,002,476	\$ 3,237,183	\$ 3,406,606
Equipment & Capital Outlay	A4320.2	512	27,287	61,122	4,273
Contractual Expenditure	A4320.4	1,042,862	907,660	1,004,122	1,074,793
Employee Benefits	A4320.8	1,092,179	1,078,510	1,122,567	1,212,407
MENTAL HEALTH PROGRAMS		5,184,948	5,015,933	5,424,994	5,698,079
Contractual Expenditure	A4322.4	2,102,937	1,922,105	2,641,198	2,122,120
CONTRACTED MENTAL HEALTH		2,102,937	1,922,105	2,641,198	2,122,120
TOTAL HEALTH		14,692,517	15,278,277	16,102,696	16,147,207
Equipment & Capital Outlay	A5630.2	-	-	154,346	-
Contractual Expenditure	A5630.4	214,167	238,513	249,368	290,222
BUS OPERATIONS		214,167	238,513	403,714	290,222
TOTAL TRANSPORTATION		214,167	238,513	403,714	290,222
Personal Services	A6010.1	6,669,585	7,119,667	7,646,986	8,114,095
Equipment & Capital Outlay	A6010.2	90,782	65,413	53,696	77,697
Contractual Expenditure	A6010.4	2,431,461	3,044,255	3,712,321	3,741,142
Employee Benefits	A6010.8	3,087,096	3,179,711	3,372,136	3,651,772
SOCIAL SERVICES ADMINISTRATION		12,278,924	13,409,046	14,785,139	15,584,706
Equipment & Capital Outlay	A6050.2	-	10,000	-	-
Contractual Expenditure	A6050.4	19,815	24,999	19,769	25,148
PUBLIC FACILITY FOR CHILDREN		19,815	34,999	19,769	25,148
Equipment & Capital Outlay	A6055.2	-	-	-	8,335
Contractual Expenditure	A6055.4	2,702,258	2,165,637	2,496,519	2,661,598
DAY CARE		2,702,258	2,165,637	2,496,519	2,669,933
Contractual Expenditure	A6070.4	1,783,260	2,450,471	2,686,346	2,725,612
SERVICES FOR RECIPIENTS		1,783,260	2,450,471	2,686,346	2,725,612
Contractual Expenditure	A6101.4	28,932	-	-	-
MEDICAL ASSISTANCE		28,932	-	-	-
Contractual Expenditure	A6100.4	18,413,208	17,448,179	17,969,445	19,074,243
MEDICAL ASSISTANCE		18,413,208	17,448,179	17,969,445	19,074,243
Contractual Expenditure	A6109.4	3,344,427	3,155,752	3,244,486	2,393,949
FAMILY ASSISTANCE (TANF)		3,344,427	3,155,752	3,244,486	2,393,949

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Contractual Expenditure	A6119.4	\$ 5,400,942	\$ 5,895,822	\$ 5,740,563	\$ 5,540,562
CHILD CARE		5,400,942	5,895,822	5,740,563	5,540,562
Contractual Expenditure	A6123.4	886,070	800,476	1,002,000	1,129,928
JUVENILE DELINQUENT		886,070	800,476	1,002,000	1,129,928
Contractual Expenditure	A6129.4	195,627	835,000	15,674	250,000
STATE TRAINING SCHOOL		195,627	835,000	15,674	250,000
Contractual Expenditure	A6140.4	2,580,407	2,976,074	3,151,027	2,735,171
SAFETY NET		2,580,407	2,976,074	3,151,027	2,735,171
Contractual Expenditure	A6141.4	3,946,260	4,408,048	3,088,792	99,574
HOME ENERGY ASSISTANCE		3,946,260	4,408,048	3,088,792	99,574
Contractual Expenditure	A6142.4	24,390	21,041	15,970	16,177
EMERGENCY AID FOR ADULTS		24,390	21,041	15,970	16,177
Contractual Expenditure	A6143.4	30,000	30,000	30,000	40,000
FOOD ASSISTANCE PROGRAM		30,000	30,000	30,000	40,000
Contractual Expenditure	A6410.4	592,425	602,425	680,528	703,728
PUBLICITY		592,425	602,425	680,528	703,728
Personal Services	A6510.1	90,701	96,791	102,475	98,561
Contractual Expenditure	A6510.4	16,515	18,235	20,309	16,447
Employee Benefits	A6510.8	47,842	53,129	53,798	42,765
VETERANS SERVICE		155,058	168,155	176,582	157,773
Contractual Expenditure	A6510.4	5,000	5,000	5,000	5,000
PRIVATE SOCIAL SERVICE AGENCY		5,000	5,000	5,000	5,000
Personal Services	A6610.1	106,681	110,151	114,804	118,735
Equipment & Capital Outlay	A6610.2	39	18,640	20,167	1,309
Contractual Expenditure	A6610.4	28,085	30,256	36,283	32,836
Employee Benefits	A6610.8	46,772	47,411	47,183	52,447
CONSUMER AFFAIRS		181,577	206,458	218,437	205,327
Personal Services	A6772.1	392,311	425,452	464,983	486,650
Equipment & Capital Outlay	A6772.2	23,937	9,644	1,264	1,064
Contractual Expenditure	A6772.4	1,205,756	1,393,792	1,516,342	1,488,979
Employee Benefits	A6772.8	167,567	178,749	192,567	204,093
PROGRAMS FOR AGING		1,789,571	2,007,637	2,175,156	2,180,786

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ECONOMIC ASSISTANCE & OPPORTUNITY		\$ 54,358,151	\$ 56,620,220	\$ 57,501,433	\$ 55,537,617
Recreation Admin, Contr Expend	A7020.4	-	26,505	19,800	62,623
RECREATION ADMINI		-	26,505	19,800	62,623
Personal Services	A7110.1	87,746	91,619	104,652	111,169
Equipment & Capital Outlay	A7110.2	852	10,923	2,492	4,941
Contractual Expenditure	A7110.4	34,968	37,935	46,776	54,851
Employee Benefits	A7110.8	47,577	46,102	45,540	50,045
PARKS		171,143	186,579	199,460	221,006
Personal Services	A7310.1	88,555	91,721	110,432	146,112
Equipment & Capital Outlay	A7310.2	2,926	-	316	656
Contractual Expenditure	A7310.4	253,940	285,473	285,726	342,668
Employee Benefits	A7310.8	40,279	41,530	47,558	65,503
YOUTH PROGRAMS		385,700	418,724	444,032	554,939
Contractual Expenditure	A7410.4	75,000	75,000	90,000	110,000
LIBRARY		75,000	75,000	90,000	110,000
Personal Services	A7510.1	11,447	11,793	12,340	12,811
Equipment & Capital Outlay	A7510.2	-	-	-	-
Contractual Expenditure	A7510.4	8,995	8,427	8,718	9,728
Employee Benefits	A7510.8	3,916	14,474	14,319	15,823
HISTORIAN		24,358	34,694	35,377	38,362
TOTAL CULTURE & RECREATION		656,201	741,502	788,669	986,930
Personal Services	A8020.1	173,861	179,614	187,198	194,776
Equipment & Capital Outlay	A8020.2	291	310	-	180
Contractual Expenditure	A8020.4	17,186	18,891	43,550	24,142
Employee Benefits	A8020.8	61,447	62,865	62,839	66,965
PLANNING		252,785	261,680	293,587	286,063
Contractual Expenditure	A8025.4	75,000	75,000	85,000	85,000
JOINT PLANNING BOARD		75,000	75,000	85,000	85,000
Contractual Expenditure	A8040.4	-	418	424	439
HUMAN RIGHTS COMMISSION		-	418	424	439
Contractual Expenditure	A8090.4	88	263	90	289
ENVIRONMENTAL CONTROL		88	263	90	289
Contractual Expenditure	A8710.4	187,426	187,426	207,426	217,426
CONSERVATION		187,426	187,426	207,426	217,426

The accompanying notes are an integral part of these statements.

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
GENERAL FUND
Year ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Contractual Expenditure	A8720.4	\$ 1,786	\$ 2,500	\$ 3,000	\$ 3,000
FISH AND GAME		1,786	2,500	3,000	3,000
Contractual Expenditure	A8730.4	-	-	24	4,610
FORESTRY		-	-	24	4,610
Equipment & Capital Outlay	A8742.2	-	-	-	19,184
Contractual Expenditure	A8740.4	38,748	36,975	29,389	30,520
WATERSHED PROTECTION DISTRICT		38,748	36,975	29,389	49,704
Contractual Expenditure	A8750.4	386,562	388,549	384,905	416,502
AGRICULTURE AND LIVESTOCK		386,562	388,549	384,905	416,502
Contractual Expenditure	A8989.4	78,284	135,616	48,129	222,111
MISC HOME & COMMUNITY SERV		78,284	135,616	48,129	222,111
TOTAL HOME & COMMUNITY SERV		1,020,679	1,088,427	1,051,974	1,285,144
Serial Bonds	A9710.6	-	-	250,000	410,000
Statutory Bonds	A9730.6	-	-	-	-
TOTAL DEBT PRINCIPAL		-	-	250,000	410,000
Serial bonds	A9710.7	805	1,497	438,728	283,235
Statutory Bonds		-	-	1,250	556
TOTAL DEBT INTEREST		805	1,497	439,978	283,791
TOTAL DEBT SERVICE		805	1,497	689,978	693,791
TOTAL EXPENDITURES		101,289,907	104,960,011	117,919,066	119,467,826
Other Funds	A9901.9	3,850	-	100,000	2,003,364
Capital Projects Fund	A9950.9	441,430	445,633	1,249,740	339,518
TOTAL OTHER USES		445,280	445,633	1,349,740	2,342,882
TOTAL EXPENDITURES & OTHER USES		\$ 101,735,187	\$ 105,405,644	\$ 119,268,806	\$ 121,810,708

STEUBEN COUNTY, NY
Comparative Summary of Modified Budget
GENERAL FUND
Year Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUE:				
Real Property Taxes	\$ 22,167,502	\$ 20,613,988	\$ 18,383,851	\$ 18,223,965
Real Property Tax Items	2,525,000	2,560,432	2,650,000	2,759,475
Non-Property Tax items	30,027,289	31,699,367	40,697,638	42,013,400
Departmental Income	14,567,483	14,920,542	16,065,711	17,074,788
Intergovernmental Charges	490,000	583,210	1,091,650	1,812,797
Use of Money & Property	1,633,549	2,221,481	4,305,968	4,305,968
Licenses and Permits	12,200	1,500	2,500	2,500
Fines and Forfeitures	507,798	352,110	296,489	316,173
Sale of Property and Compensation for Loss	65,382	60,362	55,062	53,062
Miscellaneous Local Sources	1,097,944	277,027	325,743	1,308,433
Interfund Revenues	496,401	630,562	696,772	1,286,450
State Aid	23,946,614	21,564,891	21,386,231	21,614,902
Federal Aid	19,396,197	20,545,890	22,441,572	23,312,196
TOTAL ESTIMATED REVENUE	116,933,359	116,031,362	128,399,187	134,084,109
Interfund Transfers	250,138	-	12,174	-
Appropriated Reserve	514,561	19,879	1,264,561	802,654
Obligations Authorized	1,950,000	-	-	-
Appropriated Fund Balance	583,358	2,181,413	2,641,309	4,290,230
TOTAL ESTIMATED OTHER SOURCES	3,298,057	2,201,292	3,918,044	5,092,884
TOTAL ESTIMATED REVENUES & OTHER SOURCES	\$ 120,231,416	\$ 118,232,654	\$ 132,317,231	\$ 139,176,993
APPROPRIATIONS:				
General Government Support	13,293,372	14,736,119	\$ 23,548,255	\$ 23,548,255
Education	6,793,000	6,905,000	8,552,000	8,494,900
Public Safety	12,398,439	13,292,442	14,134,891	15,820,185
Health	15,756,825	17,000,532	18,411,283	18,645,023
Transportation	314,200	504,346	504,346	679,600
Economic Assistance and Opportunity	69,251,088	62,407,813	63,289,680	66,569,198
Culture and Recreation	692,709	789,441	897,383	1,066,847
Home and Community Services	1,222,232	1,462,482	1,382,078	1,364,989
Debt Service	805	733,000	689,000	693,235
TOTAL ESTIMATED APPROPRIATIONS	119,722,670	117,831,175	131,408,915	136,882,232
Interfund Transfers	508,746	401,479	1,333,337	2,294,761
TOTAL ESTIMATED OTHER USES	508,746	401,479	1,333,337	2,294,761
TOTAL APPROPRIATIONS	\$ 120,231,416	\$ 118,232,654	\$ 132,742,252	\$ 139,176,993
OUTSTANDING ENCUMBRANCES:				
General Government Support	\$ 34,697	\$ 45,483	\$ 27,671	\$ 31,294
Public Safety	34,250	21,356	64,749	38,578
Health	65,432	18,322	19,868	20,910
Transportation	-	154,346	-	-
Economic Assistance and Opportunity	25,053	9,185	8,913	6,056
Culture and Recreation	918	91	656	-
TOTAL OUTSTANDING ENCUMBRANCES	\$ 160,350	\$ 248,783	\$ 121,857	\$ 96,838

STEUBEN COUNTY, NY
Budget Comparison
GENERAL FUND
Year Ended December 31, 2008

	BUDGET		DIFFERENCE	ADOPTED
	ORIGINAL	MODIFIED		2009 BUDGET
REVENUE				
Real Property Taxes	\$ 18,223,965	\$ 18,223,965	\$ -	18,393,335
Real Property Tax Items	2,759,475	2,759,475	-	2,875,000
Non-Property Tax items	41,772,929	42,013,400	240,471	42,612,556
Departmental Income	16,961,062	17,074,788	113,726	16,878,466
Intergovernmental Charges	1,721,939	1,812,797	90,858	2,201,089
Use of Money & Property	3,799,982	4,305,968	505,986	3,535,910
Licenses and Permits	2,500	2,500	-	2,500
Fines and Forfeitures	302,538	316,173	13,635	368,849
Sale of Property/Compensation for Loss	53,062	53,062	-	55,062
Miscellaneous Local Sources	410,006	1,308,433	898,427	390,520
Interfund Revenues	1,183,238	1,286,450	103,212	1,476,096
State Aid	21,125,988	21,614,902	488,914	21,807,182
Federal Aid	22,486,119	23,312,196	826,077	20,070,255
TOTAL ESTIMATED REVENUE	130,802,803	134,084,109	3,281,306	130,666,820
Appropriated Reserve	712,713	802,654	89,941	712,543
Appropriated Fund Balance	4,000,000	4,290,230	290,230	2,987,497
TOTAL OTHER SOURCES	4,712,713	5,092,884	380,171	3,700,040
TOTAL ESTIMATED REVENUE & OTHER SOURCES	\$ 135,515,516	\$ 139,176,993	\$ 3,661,477	\$ 134,366,860
*Original Budget Includes Sales Tax Credit				
APPROPRIATIONS				
General Government Support	\$ 23,152,855	\$ 23,548,255	395,400	23,703,783
Education	8,325,000	8,494,900	169,900	8,565,000
Public Safety	14,946,646	15,820,185	873,539	16,159,880
Health	18,340,090	18,645,023	304,933	18,337,756
Transportation	350,000	679,600	329,600	350,000
Economic Assistance and Opportunity	65,595,467	66,569,198	973,731	64,126,101
Culture and Recreation	937,496	1,066,847	129,351	1,048,500
Home and Community Services	1,070,427	1,364,989	294,562	1,352,775
Debt Service	693,235	693,235	-	693,065
TOTAL APPROPRIATIONS	133,411,216	136,882,232	3,471,016	134,336,860
Transfers Out	2,104,300	2,294,761	190,461	30,000
TOTAL OTHER USES	2,104,300	2,294,761	190,461	30,000
TOTAL APPROPRIATIONS & OTHER USES	\$ 135,515,516	\$ 139,176,993	\$ 3,661,477	\$ 134,366,860

Financial Section

Individual Fund Statements & Schedules

Special Revenue Funds:

SPECIAL REVENUE FUNDS are used to account for the proceeds of specific revenue sources that are legally restricted to finance particular functions or activities and include the following funds:

Economic Development Fund was established in 1998 to account for county funds designated for infrastructure improvements that would foster economic development.

County Road Fund is required by Highway Law #114. Charges to this fund include salaries and expenditures of the County Superintendent and his office, engineering, maintenance of county roads and bridges, snow removal, construction and reconstruction of county roads.

Road Machinery Fund is required by Section #133 of the Highway Law. This fund is used to record the purchase, repair and maintenance of highway machinery, tools and equipment; for the construction, purchase and maintenance of buildings for storage and repair of highway machinery and equipment and for the purchase of materials and supplies to provide an adequate central stockpile for highway, snow removal and bridge purposes.

STEUBEN COUNTY, NY
Comparative Balance Sheets
ECONOMIC DEVELOPMENT FUND
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalent	\$ 257,559	\$ 265,611	\$ 266,260	\$ 757,139
State & Federal Receivables	11,398	-	-	-
TOTAL ASSETS	\$ 268,957	\$ 265,611	\$ 266,260	\$ 757,139
LIABILITIES & FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
Fund Balance:				
Unreserved Fund Balance - Designated	-	15,000	15,000	25,000
Unreserved Fund Balance-Undesignated	268,957	250,611	251,260	732,139
TOTAL FUND BALANCE	268,957	265,611	266,260	757,139
TOTAL LIABILITIES & FUND BALANCE	\$ 268,957	\$ 265,611	\$ 266,260	\$ 757,139

STEUBEN COUNTY, NY
Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance
ECONOMIC DEVELOPMENT FUND
Year Ended December 31

<u>REVENUE</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Interest and Earning	\$ 5,464	\$ 11,647	\$ 15,649	\$ 5,879
TOTAL USE OF MONEY AND PROPERTY	5,464	11,647	15,649	5,879
Refund Prior Year's Expenditures	3,898	-	-	-
TOTAL MISCELLANEOUS LOCAL SOURCES	3,898	-	-	-
Fed Aid-Home & Community	-	7	-	-
TOTAL FEDERAL AID	-	7	-	-
Interfund Transfers	-	-	-	500,000
TOTAL INTERFUND TRANSFERS	-	-	-	500,000
TOTAL REVENUES	9,362	11,654	15,649	505,879
 <u>EXPENDITURES</u>				
Other Home & Community Service-Contractual	18,000	15,000	15,000	15,000
TOTAL HOME & COMMUNITY SERVICE	18,000	15,000	15,000	15,000
TOTAL EXPENDITURES	18,000	15,000	15,000	15,000
Excess (Deficiency) of Revenues Over Expenditures	(8,638)	(3,346)	649	490,879
Interfund Transfers In	3,850	-	-	-
TOTAL OTHER FINANCING SOURCES	3,850	-	-	-
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	(4,788)	(3,346)	649	490,879
 FUND BALANCE-BEGINNING OF YEAR	273,745	268,957	265,611	266,260
FUND BALANCE-END OF YEAR	\$ 268,957	\$ 265,611	\$ 266,260	\$ 757,139

STEUBEN COUNTY, NY
Comparative Summary of Modified Budget
ECONOMIC DEVELOPMENT FUND
Year Ended December 31

<u>COMPARATIVE BUDGET</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUES:				
TOTAL ESTIMATED REVENUE	\$ -	\$ -	\$ -	\$ -
Interfund Transfers	3,850	-	-	500,000
Appropriated Fund Balance	15,000	15,000	15,000	15,000
TOTAL ESTIMATED OTHER SOURCES	18,850	15,000	15,000	515,000
TOTAL ESTIMATED REVENUES & OTHER SOURCES	\$ 18,850	\$ 15,000	\$ 15,000	\$ 515,000
APPROPRIATIONS:				
Economic and Development - Contractual	\$ 18,850	\$ 15,000	\$ 15,000	515,000
TOTAL APPROPRIATIONS	\$ 18,850	\$ 15,000	\$ 15,000	\$ 515,000

STEUBEN COUNTY, NY
Budget Comparison
ECONOMIC DEVELOPMENT FUND
Year Ended December 31, 2008

	<u>BUDGET</u>		DIFFERENCE	<u>ADOPTED</u>
	ORIGINAL	MODIFIED		2009 BUDGET
REVENUE				
Interfund Transfers	\$ 500,000	\$ 500,000	\$ -	\$ -
Designated Fund Balance	15,000	15,000	-	25,000
Total Other Sources	15,000	15,000	-	25,000
TOTAL ESTIMATED REVENUES AND OTHER SOURCES	\$ 15,000	\$ 15,000	\$ -	\$ 25,000
EXPENDITURES				
Other Home & Community Service	\$ 515,000	\$ 515,000	\$ -	\$ 25,000
Total Home & Community Service	515,000	515,000	-	25,000
TOTAL APPROPRIATIONS	\$ 515,000	\$ 515,000	\$ -	\$ 25,000

STEUBEN COUNTY, NY
Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget To Actual
ECONOMIC DEVELOPMENT FUND
Year Ended December 31, 2008

<u>REVENUE</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>VARIANCE</u> Over (Under)
Use of Money & Property	\$ -	\$ 5,879	\$ -	\$ 5,879
TOTAL REVENUE	-	5,879	-	5,879
<u>EXPENDITURES</u>				
Economic Development	515,000	15,000	-	500,000
TOTAL EXPENDITURES	515,000	15,000	-	500,000
Excess (Deficiency) Revenues over Expenditures	(515,000)	(9,121)	-	505,879
Transfers In	515,000	500,000	-	(15,000)
Total Other Financing Sources (Uses)	515,000	500,000	-	(15,000)
Excess (Deficiency) Revenues & Other Sources Over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 490,879</u>	<u>\$ -</u>	<u>\$ 505,879</u>
FUND BALANCE-BEGINNING OF YEAR		<u>266,260</u>		
FUND BALANCE-END OF YEAR		<u>\$ 757,139</u>		

STEUBEN COUNTY, NY
Comparative Balance Sheets
COUNTY ROAD FUND
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalents	\$ 1,130,279	\$ 492,508	\$ 1,521,798	\$ 3,264,063
State & Federal Receivables	3,075,016	3,658,871	3,220,745	9,134
Due From Other Funds	8,247	113,145	-	-
Due From Other Governments	41,176	-	11,284	24,003
Prepaid Expenses	-	1,673	-	985
TOTAL ASSETS	\$ 4,254,718	\$ 4,266,197	\$ 4,753,827	\$ 3,298,185

LIABILITIES & FUND BALANCE:

Liabilities:

Accounts Payable	\$ 504,195	\$ 167,452	\$ 328,987	\$ 158,363
Accrued Liabilities	313,155	295,569	407,484	488,722
Retained Percentages	884	-	-	-
Due to Other Funds	747,662	835,498	1,057,068	-
Deferred Revenues	-	196,135	211,756	132,834
TOTAL LIABILITIES	1,565,896	1,494,654	2,005,295	779,919

Fund Balance:

Reserve for Encumbrances	120,889	89,773	42,100	53,266
Unreserved Fund Balance:				
Designated - Next Year's Budget	500,000	500,000	500,000	500,000
Undesignated	2,067,933	2,181,770	2,206,432	1,965,000
TOTAL FUND BALANCE	2,688,822	2,771,543	2,748,532	2,518,266

TOTAL LIABILITIES & FUND BALANCE	\$ 4,254,718	\$ 4,266,197	\$ 4,753,827	\$ 3,298,185
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STEUBEN COUNTY, NY
Comparative Schedule of Revenues and Other Sources - Detail
COUNTY ROAD FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Real Property Taxes	\$ 10,266,014	\$ 10,945,932	\$ 13,589,827	\$ 15,131,282
TOTAL REAL PROPERTY TAXES	10,266,014	10,945,932	13,589,827	15,131,282
Other Transportation Departmental Income	-	500,000	-	-
TOTAL DEPARTMENTAL INCOME	-	500,000	-	-
Services - Other Governments	113,758	47,565	50,950	42,912
Snow Removal Services - Other Governments	671,057	654,271	585,478	666,502
TOTAL INTERGOVERNMENTAL CHARGES	784,815	701,836	636,428	709,414
Interest & Earnings	134,434	144,536	30,424	29,072
Rental of Real Property, Individuals	-	350	-	-
TOTAL USE OF MONEY & PROPERTY	134,434	144,886	30,424	29,072
Sale of Real Property	-	6,290	-	-
Sale of Scrap & Excess Materials	-	26,182	38,196	67,406
Insurance Recoveries	5,091	3,115	1,220	1,673
Sales, Other	-	120	-	-
TOTAL SALE OF PROPERTY & COMPENSATION	5,091	35,707	39,416	69,079
Refunds of Prior Years Expenditures	22,162	10,190	-	15,470
TOTAL MISCELLANEOUS LOCAL SOURCES	22,162	10,190	-	15,470
State Aid - OSHA Training Grant	10,500	1,000	-	-
State Aid - Consolidated Highway Aid	2,899,516	3,158,520	3,188,177	3,688,392
State Aid - Multi-Modal Transportation Prog	40,000	75,000	-	-
State Aid - Emergency Disaster Assistance	(7,778)	-	(3,219)	-
TOTAL STATE AID	2,942,238	3,234,520	3,184,958	3,688,392
Federal Aid - Emergency Disaster Assistance	(52,638)	-	-	-
TOTAL FEDERAL AID	(52,638)	-	-	-
TOTAL REVENUE	14,102,116	15,573,071	17,481,053	19,642,709
Interfund Transfers	1,035,063	1,096,815	1,489,325	2,637,031
TOTAL OTHER SOURCES	1,035,063	1,096,815	1,489,325	2,637,031
TOTAL REVENUES & OTHER SOURCES	\$ 15,137,179	\$ 16,669,886	\$ 18,970,378	\$ 22,279,740

STEUBEN COUNTY, NY

Comparative Schedule of Expenditures and Other Uses - Detail

COUNTY ROAD FUND

Years Ended December 31

	<u>Acct</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>		<u>2008</u>
Personal Services	D5010.1	\$	354,518	\$	385,258	\$	403,515	\$	412,010
Equip & Cap Outlay	D5010.2		3,097		2,141		5,709		5,189
Contractual Expenditure	D5010.4		164,780		215,747		179,408		110,075
Fringe Benefits	D5010.8		131,222		161,060		183,263		177,336
HIGHWAY AND STREET ADMINISTRATION			653,617		764,206		771,895		704,610
Personal Services	D5020.1		371,717		383,828		472,383		510,466
Equip & Cap Outlay	D5020.2		2,505		8,002		2,381		25,731
Contractual Expenditure	D5020.4		30,707		11,902		10,715		40,104
Fringe Benefits	D5020.8		159,751		156,047		214,568		219,713
ENGINEERING			564,680		559,779		700,047		796,014
Personal Services	D5110.1		2,790,911		2,820,408		2,740,707		2,997,243
Equip & Cap Outlay	D5110.2		3,904		-		-		-
Contractual Expenditure	D5110.4		2,608,460		3,754,062		2,641,004		3,614,662
Fringe Benefits	D5110.8		1,284,132		1,306,343		1,204,611		1,290,060
MAINTENANCE OF ROADS			6,687,407		7,880,813		6,586,322		7,901,965
Personal Services	D5112.1		358,675		500,958		693,037		590,663
Equipment & Capital Outlay	D5112.2		2,051,843		1,454,730		2,861,306		5,147,495
Contractual Expenditure	D5112.4		591,850		857,449		1,147,122		1,127,646
Fringe Benefits	D5112.8		164,645		232,031		300,443		254,231
PERMANENT HIGHWAY IMPROVEMENTS			3,167,013		3,045,168		5,001,908		7,120,035
Personal Services	D5120.1		322,902		417,946		355,880		331,933
Contractual Expenditure	D5120.4		739,198		1,169,551		1,146,678		853,241
Fringe Benefits	D5120.8		148,224		193,582		163,692		142,869
MAINTENANCE OF BRIDGES			1,210,324		1,781,079		1,666,250		1,328,043
Personal Services	D5142.1		521,738		285,586		690,215		617,542
Contractual Expenditure	D5142.4		2,055,723		1,661,594		2,223,236		2,540,493
Fringe Benefits	D5142.8		239,497		132,277		182,247		265,799
SNOW REMOVAL			2,816,958		2,079,457		3,095,698		3,423,834
Personal Services	D5144.1		147,137		88,804		138,723		140,170
Contractual Expenditure	D5144.4		318,959		201,727		290,244		327,836
Fringe Benefits	D5144.8		67,541		41,132		36,130		60,331
SNOW REMOVAL STATE			533,637		331,663		465,097		528,337
Contractual Expenditure	D5148.4		-		-		-		60,000
SERVICES FOR OTHER GOVERNMENTS			-		-		-		60,000
TOTAL EXPENDITURES			15,633,636		16,442,165		18,287,217		21,862,838

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
COUNTY ROAD FUND
Years Ended December 31

	<u>Acct</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Transfers - Other Funds	D9901.9	264,018	85,000	187,422	487,168
Transfers - Capital Projects Funds	D9950.9	137,269	60,000	518,750	160,000
TOTAL OPERATING TRANSFERS		401,287	145,000	706,172	647,168
TOTAL EXPENDITURES AND OTHER USES		\$ 16,034,923	\$ 16,587,165	\$ 18,993,389	\$ 22,510,006

Comparative Analysis of Changes in Fund Balance

FUND BALANCE - BEGINNING OF YEAR	\$ 3,586,566	\$ 2,688,822	\$ 2,771,543	\$ 2,748,532
Add-Revenues and Other Sources	15,137,179	16,669,886	18,970,378	22,279,740
Deduct-Expenditures and Other Uses	(16,034,923)	(16,587,165)	(18,993,389)	(22,510,006)
FUND BALANCE-END OF YEAR	\$ 2,688,822	\$ 2,771,543	\$ 2,748,532	\$ 2,518,266

STEUBEN COUNTY, NY
Comparative Summary of Modified Budget
COUNTY ROAD FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUES:				
Real Property Taxes	\$ 10,266,014	\$ 10,945,932	\$ 13,589,827	\$ 15,131,282
Intergovernmental Charges	888,834	622,423	625,478	721,502
Use of Money and Property	40,000	40,000	75,000	75,000
Sale of Property & Compensation for Losses	3,000	3,000	5,000	18,120
Miscellaneous Local Sources	6,000	6,000	8,000	8,000
State Aid	3,404,790	3,233,520	3,188,177	3,688,392
Federal Aid	-	-	-	-
TOTAL ESTIMATED REVENUE	14,608,638	14,850,875	17,491,482	19,642,296
Estimated Interfund Transfers	1,035,063	1,096,815	1,489,325	2,637,031
Appropriated Fund Balance	678,638	622,809	599,690	467,995
TOTAL ESTIMATED OTHER SOURCES	1,713,701	1,719,624	2,089,015	3,105,026
TOTAL ESTIMATED REVENUE & OTHER SOURCES	\$ 16,322,339	\$ 16,570,499	\$ 19,580,497	\$ 22,747,322
 APPROPRIATIONS:				
Transportation	\$ 15,921,052	\$ 16,925,499	\$ 18,874,325	\$ 22,100,154
TOTAL ESTIMATED APPROPRIATIONS	15,921,052	16,925,499	18,874,325	22,100,154
Interfund Transfers	401,287	145,000	706,172	647,168
TOTAL ESTIMATED OTHER USES	401,287	145,000	706,172	647,168
TOTAL APPROPRIATIONS & OTHER USES	\$ 16,322,339	\$ 17,070,499	\$ 19,580,497	\$ 22,747,322
 OUTSTANDING ENCUMBRANCES:				
Transportation	\$ 120,889	\$ 89,773	\$ 42,101	\$ 53,266
TOTAL OUTSTANDING ENCUMBRANCES	\$ 120,889	\$ 89,773	\$ 42,101	\$ 53,266

STEUBEN COUNTY, NY
Budget Comparison
COUNTY ROAD FUND
Year Ended December 31, 2008

	BUDGET		DIFFERENCE	ADOPTED
	ORIGINAL	MODIFIED		2009 BUDGET
<u>REVENUE</u>				
Real Property Taxes	\$ 15,131,282	\$ 15,131,282	\$ -	\$ 15,957,192
Intergovernmental Charges	687,107	721,502	34,395	715,000
Use of Money & Property	75,000	75,000	-	35,000
Sale of Property/Compensation for Losses	18,120	18,120	-	24,000
Miscellaneous Local Sources	8,000	8,000	-	9,000
State Aid	3,158,520	3,688,392	529,872	3,219,000
TOTAL REVENUE	19,078,029	19,642,296	564,267	19,959,192
Estimated - Interfund Transfer	1,500,000	2,637,031	1,137,031	-
Designated Fund Balance	500,000	467,995	(32,005)	500,000
Total Other Sources	2,000,000	3,105,026	1,105,026	500,000
Total Est Revenue & Other Sources	\$ 21,078,029	\$ 22,747,322	\$ 1,669,293	\$ 20,459,192

EXPENDITURES

Transportation	\$ 20,918,029	\$ 22,100,154	\$ 1,182,125	\$ 20,351,692
TOTAL EXPENDITURES	20,918,029	22,100,154	1,182,125	20,351,692
Transfers Out	160,000	647,168	487,168	107,500
Total Other Uses	160,000	647,168	487,168	107,500
Total Appropriations & Other Uses	\$ 21,078,029	\$ 22,747,322	\$ 1,669,293	\$ 20,459,192

STEUBEN COUNTY, NY
Comparative Balance Sheets
ROAD MACHINERY FUND
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalents	\$ 927,887	\$ 1,098,333	\$ 133,794	\$ 2,294,108
State & Federal Receivables	-	100,000	447,230	-
Due From Other Funds	756,325	254,245	1,180,820	75,361
Due From Other Governments	49,987	46,421	84,324	66,237
TOTAL ASSETS	<u>\$ 1,734,199</u>	<u>\$ 1,498,999</u>	<u>\$ 1,846,168</u>	<u>\$ 2,435,706</u>

LIABILITIES & FUND BALANCE:

Liabilities:

Accounts Payable	\$ 256,151	\$ 109,113	\$ 473,593	\$ 99,121
Accrued Liabilities	29,439	34,281	41,187	47,215
Due to Other Funds	-	43,573	6,518	-
Deferred Revenue	-	-	240	-
TOTAL LIABILITIES	<u>285,590</u>	<u>186,967</u>	<u>521,538</u>	<u>146,336</u>

Fund Balance:

Reserve for Encumbrances	554,972	159,633	155,255	808,532
Unreserved Fund Balance:				
Designated - Next Year's Budget	-	500,000	-	-
Undesignated	893,637	652,399	1,169,375	1,480,838
TOTAL FUND BALANCE	<u>1,448,609</u>	<u>1,312,032</u>	<u>1,324,630</u>	<u>2,289,370</u>

TOTAL LIABILITIES & FUND BALANCE	<u>\$ 1,734,199</u>	<u>\$ 1,498,999</u>	<u>\$ 1,846,168</u>	<u>\$ 2,435,706</u>
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STEUBEN COUNTY, NY
Comparative Schedule of Revenues and Other Sources - Detail
ROAD MACHINERY FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Real Property Taxes	\$ 499,349	\$ 1,920,177	\$ 2,129,962	\$ 1,837,588
REAL PROPERTY TAXES	499,349	1,920,177	2,129,962	1,837,588
Transportation Services, Other Govts	-	6,666	20,588	30,416
INTERGOVERNMENTAL CHARGES	-	6,666	20,588	30,416
Interest & Earnings	33,046	39,259	50,844	23,336
USE OF MONEY & PROPERTY	33,046	39,259	50,844	23,336
Sale of Scrap & Excess Materials	-	-	-	-
Sale of Equipment	26,805	39,071	18,939	47,432
Insurance Recoveries	886	-	-	23,369
SALE OF PROPERTY & COMPENSATION	27,691	39,071	18,939	70,801
Refunds of Prior Years Expenditures	772	3,438	-	5,732
MISCELLANEOUS LOCAL SOURCES	772	3,438	-	5,732
Interfund Revenue	2,555,059	2,642,001	3,035,906	3,479,167
INTERFUND REVENUE	2,555,059	2,642,001	3,035,906	3,479,167
NYS Shared Services	-	-	247,230	38,629
State Aid , Other	-	100,000	100,000	(100,000)
STATE AID	-	100,000	347,230	(61,371)
TOTAL REVENUE	3,115,917	4,750,612	5,603,469	5,385,669
Interfund Transfers	264,018	85,000	182,464	487,168
TOTAL INTERFUND TRANSFERS	264,018	85,000	182,464	487,168
Statutory Install Bonds	517,000	-	-	-
PROCEEDS OF LONG-TERM BONDS	517,000	-	-	-
TOTAL DETAIL REVENUES AND OTHER SOURCES	\$ 3,896,935	\$ 4,835,612	\$ 5,785,933	\$ 5,872,837

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
ROAD MACHINERY FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Personal Services	\$ 556,464	\$ 538,937	\$ 585,088	\$ 585,457
Equipment & Capital Outlay	21,616	1,150,903	1,333,741	680,829
Contractual Expenditures	1,504,160	1,628,056	1,987,968	2,144,439
Employee Benefits	238,845	237,120	259,166	250,130
TOTAL TRANSPORTATION	2,321,085	3,555,016	4,165,963	3,660,855
Debt Principal, Installment Bonds	-	103,400	103,400	103,400
Debt Interest, Installment Bonds	-	16,958	13,566	10,175
TOTAL DEBT SERVICE	-	120,358	116,966	113,575
TOTAL EXPENDITURES	2,321,085	3,675,374	4,282,929	3,774,430
Transfers - Other Funds	1,035,200	1,096,815	1,490,406	1,133,667
Transfers - Capital Projects Funds	-	200,000	-	-
TOTAL OPERATION TRANSFERS	1,035,200	1,296,815	1,490,406	1,133,667
TOTAL EXPENDITURES AND OTHER USES	\$ 3,356,285	\$ 4,972,189	\$ 5,773,335	\$ 4,908,097

STEUBEN COUNTY, NY
Comparative Analysis of Changes in Fund Balance
ROAD MACHINERY FUND
Years Ended December 31

FUND BALANCE - BEGINNING OF YEAR	\$ 907,959	\$ 1,448,609	\$ 1,312,032	\$ 1,324,630
Add-Revenues and Other Sources	3,896,935	4,835,612	5,785,933	5,872,837
Deduct-Expenditures and Other Uses	(3,356,285)	(4,972,189)	(5,773,335)	(4,908,097)
FUND BALANCE - END OF YEAR	\$ 1,448,609	\$ 1,312,032	\$ 1,324,630	\$ 2,289,370

STEBEN COUNTY, NY
Comparative Summary of Modified Budget
ROAD MACHINERY FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ESTIMATED REVENUES AND OTHER SOURCES:				
Real Property Taxes	\$ 499,349	\$ 1,920,177	\$ 2,129,962	\$ 1,837,588
Intergovernmental Services	-	-	21,657	-
Use of Money and Property	29,055	20,000	24,000	31,000
Sale of Property & Compensation of Loss	35,886	35,000	29,000	58,369
Miscellaneous	2,000	2,000	2,500	3,000
Interfund Revenue	2,550,201	2,611,815	3,035,406	3,468,667
State Aid	-	100,000	392,368	100,000
TOTAL ESTIMATED REVENUE	3,116,491	4,688,992	5,634,893	5,498,624
Estimated Interfund Transfers	264,018	85,000	182,464	487,168
Proceeds of Statutory Installment Bonds	517,000	-	-	-
Designated Fund Balance	63,846	554,972	159,633	155,255
TOTAL ESTIMATED OTHER SOURCES	844,864	639,972	342,097	642,423
TOTAL ESTIMATED REVENUE & OTHER SOURCES	\$ 3,961,355	\$ 5,328,964	\$ 5,976,990	\$ 6,141,047
APPROPRIATIONS:				
Transportation	\$ 2,926,154	\$ 3,911,791	\$ 4,369,617	\$ 4,893,805
Debt Service	-	120,358	116,967	113,575
TOTAL ESTIMATED EXPENDITURES	2,926,154	4,032,149	4,486,584	5,007,380
Interfund Transfers	1,035,201	1,296,815	1,490,406	1,133,667
TOTAL ESTIMATED OTHER USES	1,035,201	1,296,815	1,490,406	1,133,667
TOTAL APPROPRIATIONS	\$ 3,961,355	\$ 5,328,964	\$ 5,976,990	\$ 6,141,047
OUTSTANDING ENCUMBRANCES:				
Transportation	\$ 554,972	\$ 159,633	\$ 155,255	\$ 808,532
TOTAL OUTSTANDING ENCUMBRANCES	\$ 554,972	\$ 159,633	\$ 155,255	\$ 808,532

STEUBEN COUNTY, NY
Budget Comparison
ROAD MACHINERY FUND
Year Ended December 31, 2008

	BUDGET		DIFFERENCE	ADOPTED 2009 BUDGET
	ORIGINAL	MODIFIED		
<u>REVENUE</u>				
Real Property Taxes	\$ 1,837,588	\$ 1,837,588	\$ -	\$ 2,265,826
Participants Share	-	-	-	-
Use of Money & Property	31,000	31,000	-	21,000
Sale of Property/Compensation for Loss	35,000	58,369	23,369	28,000
Miscellaneous Local Sources	3,000	3,000	-	1,000
Interfund Revenues	2,335,000	3,468,667	1,133,667	2,345,500
State Aid	-	100,000	100,000	-
TOTAL REVENUE	4,241,588	5,498,624	1,257,036	4,661,326
Estimated - Interfund Transfer	-	487,168	487,168	-
Designated Fund Balance	-	155,255	155,255	-
TOTAL ESTIMATED OTHER SOURCES	-	642,423	642,423	-
TOTAL ESTIMATED REVENUE & OTHER SOURCES	\$ 4,241,588	\$ 6,141,047	\$ 1,899,459	\$ 4,661,326
<u>EXPENDITURES</u>				
Transportation	\$ 4,128,013	\$ 4,893,805	\$ 765,792	\$ 4,551,142
Debt Service	113,575	113,575	-	110,184
TOTAL EXPENDITURES	4,241,588	5,007,380	765,792	4,661,326
Transfers Out	-	1,133,667	1,133,667	-
TOTAL OTHER USES	-	1,133,667	1,133,667	-
TOTAL APPROPRIATIONS & OTHER USES	\$ 4,241,588	\$ 6,141,047	\$ 1,899,459	\$ 4,661,326

STEUBEN COUNTY, NY
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
ROAD MACHINERY FUND
Year Ended December 31, 2008

	<u>Budget</u>		<u>Expenditures</u> <u>Budgetary Basis</u>		<u>Variance</u>
	<u>Original</u>	<u>Modified</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Actual to Final</u> <u>Over (Under)</u>
REVENUE					
Real Property Taxes	\$ 1,837,588	\$ 1,837,588	1,837,588	\$ -	\$ -
Participants Share	-	-	30,416	-	30,416
Use of Money & Property	31,000	31,000	23,336	-	(7,664)
Sale of Property/Compensation for Loss	35,000	58,369	70,801	-	12,432
Miscellaneous Local Sources	3,000	3,000	5,732	-	2,732
Interfund Revenues	2,335,000	3,468,667	3,479,167	-	10,500
State Aid	-	100,000	(61,371)	-	(161,371)
TOTAL REVENUE	4,241,588	5,498,624	5,385,669	-	(112,955)
EXPENDITURES					
Transportation	4,128,013	4,893,805	3,660,855	808,532	424,418
Debt Service	113,575	113,575	113,575	-	-
TOTAL EXPENDITURES	4,241,588	5,007,380	3,774,430	808,532	424,418
EXCESS REVENUES OVER EXPENDITURES	-	491,244	1,611,239	(808,532)	311,463
Proceeds of Statutory Installment Bonds	-	-	-	-	-
Transfers In	-	487,168	487,168	-	-
Transfers Out	-	(1,133,667)	(1,133,667)	-	-
TOTAL OTHER FINANCING SOURCES	-	(646,499)	(646,499)	-	-
(USES)	-	(646,499)	(646,499)	-	-
DEFICIENCY OF REVENUES & OTHER SOURCES	-	(155,255)	964,740	(808,532)	311,463
OVER EXPENDITURES & OTHER USES	\$ -	\$ (155,255)	964,740	\$ (808,532)	\$ 311,463
FUND BALANCE-BEGINNING OF YEAR			1,324,630		
FUND BALANCE-END OF YEAR			\$ 2,289,370		

Financial Section

Individual Fund Statements & Schedules

Capital Projects Fund

The CAPITAL PROJECTS FUND is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). In addition, equipment purchases financed in whole or in part from the proceeds of obligations will be accounted for in this fund.

STEUBEN COUNTY, NY
Comparative Balance Sheets
CAPITAL PROJECTS FUND
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalents	\$ 11,398,690	\$ 12,990,062	\$ 6,209,056	6,188,735
State & Federal Receivables	202,484	60,087	1,779,371	172,471
Due From Other Funds	214,592	9,743	16,403	55,486
Due From Other Governments	4,347	-	95,636	75,000
TOTAL ASSETS	\$ 11,820,113	\$ 13,059,892	\$ 8,100,466	\$ 6,491,692
LIABILITIES & FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 515,111	\$ 900,126	\$ 728,715	159,493
Retained Percentages	135,635	314,787	204,488	1,856
Due To Other Funds	68	113,106	678,628	93,578
TOTAL LIABILITIES	650,814	1,328,019	1,611,831	254,927
Fund Balance:				
Reserve for Encumbrances	-	187,117	659,742	96,352
Capital Reserves	178,734	178,734	178,734	178,734
Unreserved Fund Balance - Designated	10,990,565	11,366,022	5,650,159	5,961,679
TOTAL FUND BALANCE	11,169,299	11,731,873	6,488,635	6,236,765
 TOTAL LIABILITIES & FUND BALANCE	 \$ 11,820,113	 \$ 13,059,892	 \$ 8,100,466	 \$ 6,491,692

STEUBEN COUNTY, NY
Comparative Schedule of Revenues and Other Sources - Detail
CAPITAL PROJECTS FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Miscellaneous Revenue, Other Govts	\$ 37,002	\$ -	\$ 95,636	\$ 40,221
TOTAL INTERGOVERNMENTAL CHARGES	37,002	-	95,636	40,221
Interest & Earnings	110,655	816,408	402,683	152,027
TOTAL USE OF MONEY & PROPERTY	110,655	816,408	402,683	152,027
Sale of Property/Compensation for Losses	9,213,040	679	1,899	83
TOTAL SALE OF PROPERTY/COMPENSATION	9,213,040	679	1,899	83
Other Unclassified	729	516	1,250	1,247
TOTAL MISCELLANEOUS LOCAL SOURCES	729	516	1,250	1,247
State Aid - Capital Projects	19,764	30,722	16,282	-
State Aid - Safety	125,126	1,021,588	161,369	-
State Aid - Highway Capital Projects	473,583	116,898	1,471,795	231,678
State Aid - Other Economic Assistance	15,133	-	22,264	37,237
TOTAL STATE AID	633,606	1,169,208	1,671,710	268,915
Federal Aid - Other Health Capital Projects	90,457	-	-	-
Federal Aid - Transportation	3,164,112	477,797	1,658,249	735,598
Federal Aid - Economic Assistance	97	-	-	38,438
TOTAL FEDERAL AID	3,254,666	477,797	1,658,249	774,036
TOTAL REVENUE	13,249,698	2,464,608	3,831,427	1,236,529
Interfund Transfers	(147,771)	705,633	1,018,490	499,518
TOTAL INTERFUND TRANSFERS	(147,771)	705,633	1,018,490	499,518
Proceeds of Long-Term Obligations	-	7,820,000	-	-
TOTAL PROCEEDS OF LONG-TERM DEBT	-	7,820,000	-	-
TOTAL OTHER SOURCES	(147,771)	8,525,633	1,018,490	499,518
TOTAL REVENUES AND OTHER SOURCES	\$ 13,101,927	\$ 10,990,241	\$ 4,849,917	\$ 1,736,047

STEUBEN COUNTY, NY
Comparative Schedule of Expenditures and Other Uses - Detail
CAPITAL PROJECTS FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Buildings	\$ 257,939	\$ 147,253	\$ 373,279	\$ 131,136
Central Data Processing	149,945	189,636	181,166	289,499
General Government	141,975	160,042	127,282	192,539
GENERAL GOVERNMENT SUPPORT	549,859	496,931	681,727	613,174
Public Safety Comm Systems	382,650	956,745	113,360	195,909
Jail Projects	414,100	7,257,325	5,391,746	6,775
Other Public Safety	332,550	-	56,555	3,614
PUBLIC SAFETY	1,129,300	8,214,070	5,561,661	206,298
Mental Health Adm	91,706	101,101	230	-
Public Health - Dispatching Services - E 911	115,091	219,866	42,780	-
HEALTH	206,797	320,967	43,010	-
Permanent Improvements - Highway	-	1,078,059	1,596,528	121,254
Bridges	3,946,307	304,340	2,071,060	976,038
Machinery	31,302	-	129,845	18,616
TRANSPORTATION	3,977,609	1,382,399	3,797,433	1,115,908
Economic Assistance	96,134	432	-	48,334
ECONOMIC ASSISTANCE & OPPORTUNITY	96,134	432	-	48,334
Parks	328	-	3,855	2,510
Other Culture and Recreation	1,136	8,931	1,912	1,693
CULTURE AND RECREATION	1,464	8,931	5,767	4,203
Environmental Control	3,751	3,937	3,557	-
HOME AND COMMUNITY SERVICES	3,751	3,937	3,557	-
TOTAL EXPENDITURES	5,964,914	10,427,667	10,093,155	1,987,917
Transfers, other Funds	250,000	-	-	-
OPERATING TRANSFERS	250,000	-	-	-
TOTAL EXPENDITURES AND OTHER USES	\$ 6,214,914	\$ 10,427,667	\$ 10,093,155	\$ 1,987,917

STEUBEN COUNTY, NY
Comparative Analysis of Changes in Fund Balance
CAPITAL PROJECTS FUND
Years Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
FUND BALANCE - BEGINNING OF YEAR	\$ 5,516,664	\$ 11,169,299	\$ 11,731,873	\$ 6,488,635
Prior Period Adjustments	(1,234,378)	-	-	-
Add-Revenues and Other Sources	13,101,927	10,990,241	4,849,917	1,736,047
Deduct-Expenditures and Other Uses	(6,214,914)	(10,427,667)	(10,093,155)	(1,987,917)
FUND BALANCE - END OF YEAR	\$ 11,169,299	\$ 11,731,873	\$ 6,488,635	\$ 6,236,765

Financial Section

Individual Fund Statements & Schedules

Proprietary Fund Types:

PROPRIETARY FUND TYPES use the accrual basis of accounting with an economic resource measurement focus and are further classified as **Enterprise Funds** and **Internal Service Funds**.

ENTERPRISE FUNDS are used to account for operations that are financed and operated in a manner similar to private business enterprises; where the intent is to have the costs of providing goods or services to the general public financed or recovered primarily through user fees, or where the county has decided that periodic determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Steuben County Health Care Facility and The Steuben County Landfill are enterprise funds.

INTERNAL SERVICE FUNDS are used to account for special activities or services provided by one department to another or to other governments on a cost-reimbursement basis. The Self-Insurance (Worker's Compensation) Fund is an internal fund.

STEUBEN COUNTY, NY
Comparative Balance Sheets
HEALTH CARE FACILITY
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalents	\$ 3,715,026	\$ 2,975,832	\$ 145,378	\$ 3,723,732
Accounts Receivable	2,472,226	2,434,259	2,471,402	2,708,532
Due From Other Funds	-	-	19,452	-
Due From Third-Party Payors	587,599	148,212	89,195	168,992
Prepaid Expenses and Other	-	115,725	94,031	1,301
Inventory	20,309	21,235	30,225	36,104
Bond Issuance Cost, Net	60,101	57,039	57,039	51,034
Restricted Assets	20,032,440	18,940,558	5,406,514	823,556
Capital Assets, Net	1,104,164	4,380,493	18,603,015	19,386,492
TOTAL ASSETS	\$ 27,991,865	\$ 29,073,353	\$ 26,916,251	\$ 26,899,743

LIABILITIES:				
Accounts Payable	236,452	1,304,390	1,491,020	552,722
Amounts Due Third-Party Payors	284,340	263,600	313,558	215,222
Accrued Liabilities & Comp Absences	678,436	869,400	1,177,284	1,378,387
Accrued Interest Payable	307,028	295,594	283,059	272,484
Due to Other Funds	525,321	1,095,864	-	-
Bonds Payable	19,724,025	19,113,312	18,437,600	17,731,900
TOTAL LIABILITIES	21,755,602	22,942,160	21,702,521	20,150,715

108

NET ASSETS:				
Investment in Capital Assets				
Net of Related Debt	889,352	715,325	1,147,338	1,705,626
Restricted for Capital Improvements	523,230	2,785,360	4,482,265	958,163
Unrestricted	4,823,681	2,630,508	(415,873)	4,085,239
TOTAL NET ASSETS	6,236,263	6,131,193	5,213,730	6,749,028

TOTAL LIABILITIES & NET ASSETS	\$ 27,991,865	\$ 29,073,353	\$ 26,916,251	\$ 26,899,743
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STEUBEN COUNTY, NY
Comparative Schedule of Revenues, Expenses, and Changes in Fund Equity
HEALTH CARE FACILITY
Year Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
OPERATING REVENUES				
Charges For Service	\$ 7,745,691	\$ 8,051,197	\$ 7,674,449	\$ 9,122,622
Miscellaneous Local Sources	150,024	319,766	297,335	198,112
Intergovernmental Transfer Payments	312,514	312,500	(312,500)	3,874,820
TOTAL OPERATING REVENUES	8,208,229	8,683,463	7,659,284	13,195,554
OPERATING EXPENSES				
Personal Services	4,445,697	4,669,587	4,849,805	5,197,721
Assessment	301,748	426,971	356,772	427,733
Depreciation	188,204	180,613	212,108	551,753
Bad Debt Expense	286,270	140,155	289,027	184,572
Contractual Expense	1,735,555	1,561,598	1,718,312	1,773,255
Employee Benefits	2,165,290	1,961,633	2,053,233	2,260,374
Indirect Expense	310,414	355,119	444,196	368,289
TOTAL EXPENSES	9,433,178	9,295,676	9,923,453	10,763,697
EARNING FROM OPERATIONS	(1,224,949)	(612,213)	(2,264,169)	2,431,857
NON-OPERATING REVENUES(EXPENSE)				
County Subsidy	528,158	370,809	444,196	368,289
Investment Income:				
From Assets Whose Use is Limited	4,296	429	-	-
From Unrestricted Assets	132,093	135,905	553,849	87,239
Gain on Disposition of Assets	-	-	(12,077)	(277,555)
Interest Expense	-	-	(489,262)	(425,448)
TOTAL NON-OPERATING REVENUES(EXPENSE)	664,547	507,143	496,706	(247,475)
Excess (Deficiency) of Revenues over Expenses	(560,402)	(105,070)	(1,767,463)	2,184,382
Transfers - Other Funds	137,262	-	850,000	(649,084)
Change in Net Assets	(423,140)	(105,070)	(917,463)	1,535,298
FUND EQUITY, BEGINNING OF YEAR	6,659,403	6,236,263	6,131,193	5,213,730
FUND EQUITY, END OF YEAR	\$ 6,236,263	\$ 6,131,193	\$ 5,213,730	\$ 6,749,028

STEUBEN COUNTY, NY
Comparative Balance Sheets
ENTERPRISE REFUSE/GARBAGE (LANDFILL)
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalents	\$ 8,561,750	\$ 9,175,233	\$ 10,881,687	\$ 10,806,004
Accounts Receivable	541,443	543,855	687,503	574,088
Due From Other Funds	-	-	6,518	-
State & Federal Aid Receivable	774,845	760,191	1,230,038	1,778,086
Due From Other Governments	91,140	48,710	-	-
Prepaid Expenses	-	477	34,299	28,841
Restricted Assets	-	-	-	684,982
Capital Assets, Net	17,709,516	16,265,335	14,627,103	19,100,473
TOTAL ASSETS	\$ 27,678,694	\$ 26,793,801	\$ 27,467,148	\$ 32,972,474
LIABILITIES:				
Accounts Payable	\$ 441,235	\$ 276,195	\$ 262,890	\$ 128,824
Accrued Liabilities & Comp Absences	255,218	279,709	370,210	361,057
Landfill Closure Liability	7,002,861	7,249,064	7,678,399	10,181,759
Other Liabilities	21,468	34,748	20,988	24,188
Retained Percentages	-	-	-	313,582
Due to Other Funds	243,002	52,216	-	131,728
Other Long Term Liabilities	-	-	-	133,000
Accrued Interest Payable	106,004	55,893	28,613	118,724
Bond Payable	4,665,000	3,845,000	2,925,000	7,780,000
TOTAL LIABILITIES	12,734,788	11,792,825	11,286,100	19,172,862
NET ASSETS:				
Investment in Capital Assets, Net of Related Debt	13,044,516	12,420,335	11,702,103	11,320,473
Restricted: Closure/Postclosure	962,310	-	-	-
Unrestricted	937,080	2,580,641	4,478,945	2,479,139
TOTAL NET ASSETS	14,943,906	15,000,976	16,181,048	13,799,612
TOTAL LIABILITIES & NET ASSETS	\$ 27,678,694	\$ 26,793,801	\$ 27,467,148	\$ 32,972,474

STEUBEN COUNTY, NY
Comparative Schedule of Revenues, Expenses, and Changes in Fund Equity
ENTERPRISE REFUSE/GARBAGE (LANDFILL)
Year Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUES:				
Refuse & Garbage Charges	\$ 4,575,989	\$ 4,795,936	\$ 5,573,737	\$ 5,362,175
Sale of Scrap Materials	110,537	222,916	282,058	109,833
Interfund & Other Revenues	-	-	75	-
CHARGES FOR SERVICES WITHIN LOCALITY	4,686,526	5,018,852	5,855,870	5,472,008
Minor Sales	-	430	-	750
Insurance Recoveries	836,203	167,385	-	-
Sale of Carbon Credits	-	-	-	568,934
Gain on Disposition of Assets	2,400	18,806	1,908	24,098
SALE OF PROPERTY & COMPENSATION	838,603	186,621	1,908	593,782
Interest & Earnings	181,488	353,244	450,247	292,767
Rental of Equipment	-	-	-	-
USE OF MONEY & PROPERTY	181,488	353,244	450,247	292,767
Refunds of Prior Years Expenditures	(18,620)	587	-	-
Unclassified	2,718	-	107,900	-
MISCELLANEOUS LOCAL SOURCES	(15,902)	587	107,900	-
State Aid - Other Public Safety	9,500	-	-	-
State Aid - Other Home and Community Service	993,261	104,544	234,596	711,714
STATE AID	1,002,761	104,544	234,596	711,714
Federal Aid - Other Home and Community Service	1,250,983	-	271,580	-
FEDERAL AID	1,250,983	-	271,580	-
TOTAL REVENUE - TRANSFERS AND TAXES	7,944,459	5,663,848	6,922,101	7,070,271
EXPENSES:				
Depreciation	1,203,215	2,078,906	2,092,010	2,102,198
Personal Services	1,217,396	1,299,041	1,261,274	1,340,242
Contractual Expense	1,392,836	1,353,706	1,337,882	1,605,375
Closure and Post Closure Costs/Recoveries	66,774	246,203	429,335	629,927
Employee Benefits	479,040	507,411	554,412	629,122
Loss on Disposition of Assets	98,847	-	-	-
Debt Service	163,597	121,511	60,981	154,127
TOTAL EXPENSES	4,621,705	5,606,778	5,735,894	6,460,991
Transfers - Other Funds	-	-	6,135	-
TOTAL TRANSFERS	-	-	6,135	-
TOTAL EXPENSES AND OTHER USES	4,621,705	5,606,778	5,742,029	6,460,991
ANALYSIS OF CHANGES IN FUND EQUITY				
FUND EQUITY - BEGINNING OF YEAR	10,272,542	14,943,906	15,000,976	16,181,048
Prior Period Adjustments	1,348,610	-	-	(2,990,716)
Add-Revenues and Other Sources	7,944,459	5,663,848	6,922,101	7,070,271
Deduct-Expenses and Other Uses	(4,621,705)	(5,606,778)	(5,742,029)	(6,460,991)
FUND EQUITY-END OF YEAR	\$ 14,943,906	\$ 15,000,976	\$ 16,181,048	\$ 13,799,612

STEUBEN COUNTY, NY
Comparative Balance Sheets
SELF INSURANCE FUND (Internal Service Fund)
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalents	\$ 1,757,930	\$ 1,353,549	\$ 571,796	\$ 2,080,435
Cash, Special Reserves	1,900,000	1,913,163	2,000,000	-
Accounts Receivable	-	545,175	125,000	125,000
Due from Other Funds	-	-	-	269
Due From Other Governments	2,297,503	952,358	1,188,780	1,835,167
Fixed Assets	1,601	985	4,001	2,777
TOTAL ASSETS	\$ 5,957,034	\$ 4,765,230	\$ 3,889,577	\$ 4,043,648
LIABILITIES:				
Accounts Payable	\$ 110,690	\$ 673,029	\$ 292,906	\$ 443,865
Accrued Liabilities & Judgments	3,663,929	2,945,154	3,266,421	3,357,128
Due To Other Funds	-	360,405	-	-
TOTAL LIABILITIES	3,774,619	3,978,588	3,559,327	3,800,993
NET ASSETS:				
Investment in Capital Assets	1,601	985	4,001	2,777
Insurance Reserve	-	-	-	200,000
Unrestricted	2,180,814	785,657	326,249	39,878
TOTAL NET ASSETS	2,182,415	786,642	330,250	242,655
TOTAL LIABILITIES & NET ASSETS	\$ 5,957,034	\$ 4,765,230	\$ 3,889,577	\$ 4,043,648

STEUBEN COUNTY, NY

**Comparative Schedule of Revenues, Expenses, and Changes in Fund Equity
SELF INSURANCE FUND (Internal Service Fund)
Year Ended December 31**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUES:				
Participants Assessments	\$ 1,308,755	\$ 1,348,018	\$ 1,431,189	\$ 1,621,533
INTERGOVERNMENTAL CHARGES	1,308,755	1,348,018	1,431,189	1,621,533
Interest & Earnings	68,924	162,237	161,282	54,084
USE OF MONEY & PROPERTY	68,924	162,237	161,282	54,084
Insurance Recoveries	-	-	72	-
SALES AND COMPENSATED LOSS	-	-	72	-
Refunds of Prior Years Expenditures	337,397	214,792	290,080	254,577
Other Miscellaneous	-	624	-	-
MISCELLANEOUS LOCAL SOURCES	337,397	215,416	290,080	254,577
TOTAL REVENUE	\$ 1,715,076	\$ 1,725,671	\$ 1,882,623	\$ 1,930,194
EXPENSES:				
Personal Services	\$ 43,092	\$ 30,158	\$ 34,445	\$ 48,586
Equipment & Capital Outlay	-	-	-	-
Contractual Expense	441,664	970,582	56,135	929,970
Employee Benefits	17,834	18,622	18,286	19,109
ADMINISTRATION	502,590	1,019,362	108,866	997,665
Worker's Compensation Benefits	1,627,815	2,101,466	2,229,403	1,019,004
BENEFITS AND AWARDS	1,627,815	2,101,466	2,229,403	1,019,004
Depreciation	1,698	616	746	1,120
DEPRECIATION	1,698	616	746	1,120
TOTAL EXPENSES	\$ 2,132,103	\$ 3,121,444	\$ 2,339,015	\$ 2,017,789

STEUBEN COUNTY, NY

**Comparative Analysis of Changes in Fund Equity
SELF INSURANCE FUND
Year Ended December 31**

FUND EQUITY - BEGINNING OF YEAR	\$ 2,599,442	\$ 2,182,415	\$ 786,642	\$ 330,250
Add-Revenues and Other Sources	1,715,076	1,725,671	1,882,623	1,930,194
Deduct-Expenses and Other Uses	(2,132,103)	(3,121,444)	(2,339,015)	(2,017,789)
FUND EQUITY-END OF YEAR	\$ 2,182,415	\$ 786,642	\$ 330,250	\$ 242,655

Financial Section

Individual Fund Statements & Schedules

Fiduciary Funds

FIDUCIARY FUNDS are used to account for assets held by the County in a trustee or custodial capacity. These include **Private-Purpose Trusts and Agency Funds**.

Private-Purpose Trusts – are trusts that benefit individuals, private organizations or other governments. The County has two Private-Purpose Trust : Fairview Cemetery and the Jail Inmate Commissary.

Agency Funds – are used to account for money and/or property received and held in the capacity of custodian or agent. These accounts do not involve measurement of results operations; therefore there are no operating statements.

STEUBEN COUNTY, NY
Comparative Balance Sheets
AGENCY FUND
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS:				
Cash & Cash Equivalents	\$ 1,079,216	\$ 912,716	\$ 837,583	\$ 776,807
Securities & Mortgages	-	60,790	60,790	60,790
TOTAL ASSETS	\$ 1,079,216	\$ 973,506	\$ 898,373	\$ 837,597
LIABILITIES:				
Payroll Withholdings	\$ 57,398	\$ 67,182	\$ 99,099	\$ (72,883)
Guaranty & Bid Deposits	5,100	5,100	5,100	5,100
Bail Deposits	176,695	75,624	89,992	132,535
Court Ordered Deposits	34,952	50,787	28,571	68,860
Tax Redemption	(11,801)	45,871	-	-
Child Support Collections	114	114	-	-
Payments - SSI	3,484	6,153	475	3,066
Social Services Trusts	391,323	324,770	308,826	300,841
Health Care Facility Patient Trust	34,517	37,542	38,010	47,790
Dog Money	3,111	3,333	3,315	4,130
Mortgage Tax	212,053	226,942	216,644	229,634
Coroners	740	740	740	740
Court & Trust	51,342	115,996	76,927	88,166
State Jurors	15	15	-	-
Liens & Other Trusts	100,989	13,337	30,674	29,618
TOTAL	1,060,032	973,506	898,373	837,597
Due To Other Funds	19,184	-	-	-
TOTAL LIABILITIES	\$ 1,079,216	\$ 973,506	\$ 898,373	\$ 837,597

STEUBEN COUNTY, NY
Statement of Changes in Assets and Liabilities
AGENCY FUND
For the Fiscal Year Ended December 31, 2008

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
ASSETS:				
Cash & Cash Equivalents	\$ 837,583	\$ 55,539,262	\$ 55,600,038	\$ 776,807
Securities & Mortgages	60,790	-	-	60,790
TOTAL ASSETS	\$ 898,373	\$ 55,539,262	\$ 55,600,038	\$ 837,597
LIABILITIES:				
Payroll Withholdings	99,099	52,066,421	52,238,403	(72,883)
Guaranty & Bid Deposits	5,100	-	-	5,100
Bail Deposits	89,992	294,365	251,822	132,535
Court Ordered Deposits	28,571	60,253	19,964	68,860
Tax Redemption	-	-	-	-
Child Support Collections	-	-	-	-
Payments - SSI	475	289,391	286,800	3,066
Social Services Trusts	308,826	1,163,983	1,171,968	300,841
Health Care Facility Patient Trust	38,010	133,449	123,669	47,790
Dog Money	3,315	30,978	30,163	4,130
Mortgage Tax	216,644	1,344,473	1,331,483	229,634
Coroners	740	-	-	740
Court & Trust	76,927	152,947	141,708	88,166
State Jurors	-	-	-	-
Liens & Other Trusts	30,674	3,002	4,058	29,618
TOTAL	898,373	55,539,262	55,600,038	837,597
TOTAL LIABILITIES	\$ 898,373	\$ 55,539,262	\$ 55,600,038	\$ 837,597

The accompanying notes are an integral part of these statements

STEUBEN COUNTY, NY
Comparative Balance Sheets
PRIVATE PURPOSE TRUST FUNDS
at December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
ASSETS				
Cash & Cash Equivalents	\$ 88,253	\$ 105,972	\$ 115,854	\$ 123,215
TOTAL ASSETS	\$ 88,253	\$ 105,972	\$ 115,854	\$ 123,215
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 3,300	\$ 877
TOTAL LIABILITIES	-	-	3,300	877
FUND BALANCE				
Net Assets-Restricted for Other Purposes	88,253	105,972	112,554	122,338
TOTAL FUND BALANCE	88,253	105,972	112,554	122,338
TOTAL FUND BALANCE	\$ 88,253	\$ 105,972	\$ 115,854	\$ 123,215

STEUBEN COUNTY, NY
Comparative Schedule of Changes in Net Assets
PRIVATE PURPOSE TRUST FUNDS
Year Ended December 31

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
REVENUE:				
Interest Earnings	\$ 15	\$ 30	\$ 35	\$ 33
Miscellaneous Local Sources	22,042	22,985	20,863	23,239
TOTAL REVENUE	22,057	23,015	20,898	23,272
EXPENDITURES:				
Home & Community	25	30	35	33
Public Safety	9,015	5,266	14,281	13,455
TOTAL EXPENDITURES	9,040	5,296	14,316	13,488
ANALYSIS OF CHANGES IN FUND BALANCE:				
FUND BALANCE - BEGINNING OF YEAR	75,236	88,253	105,972	112,554
Add-Revenues and Other Sources	22,057	23,015	20,898	23,272
Deduct-Expenditures and Other Uses	(9,040)	(5,296)	(14,316)	(13,488)
FUND BALANCE-END OF YEAR	\$ 88,253	\$ 105,972	\$ 112,554	\$ 122,338

Statistical Section

Financial Trends - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity – These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provided and the activities it performs.

STEUBEN COUNTY, NY
Net Assets - Comparison
As of December 31

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental Activities:							
Invested in capital assets, net of related debt	\$ 31,539,827	\$ 36,778,108	\$ 58,999,579	\$ 65,122,813	\$ 67,574,088	\$ 80,045,534	\$ 85,686,220
Restricted	396,325	324,569	97,297	113,525	242,846	475,640	1,851,553
Unrestricted	<u>30,686,604</u>	<u>29,062,458</u>	<u>31,526,617</u>	<u>52,356,870</u>	<u>58,980,257</u>	<u>57,451,633</u>	<u>27,408,419</u>
Total governmental activities net assets	<u>\$ 62,622,756</u>	<u>\$ 66,165,135</u>	<u>\$ 90,623,493</u>	<u>\$ 117,593,208</u>	<u>\$ 126,797,191</u>	<u>\$ 137,972,807</u>	<u>\$ 114,946,192</u>
 Business-type Activities:							
Invested in capital assets, net of related debt	\$ 3,623,240	\$ 3,400,972	\$ 10,045,937	\$ 13,933,868	\$ 13,135,660	\$ 12,849,441	\$ 13,026,099
Restricted	1,092,113	1,105,951	1,723,718	3,757,301	4,688,424	6,370,901	1,643,145
Unrestricted	<u>7,689,347</u>	<u>7,343,100</u>	<u>5,758,756</u>	<u>(22,962,028)</u>	<u>(23,963,347)</u>	<u>(25,266,904)</u>	<u>5,879,396</u>
Total business-type activities net assets	<u>\$ 12,404,700</u>	<u>\$ 11,850,023</u>	<u>\$ 17,528,411</u>	<u>\$ (5,270,859)</u>	<u>\$ (6,139,263)</u>	<u>\$ (6,046,562)</u>	<u>\$ 20,548,640</u>
 Total Primary Government:							
Invested in capital assets, net of related debt	\$ 35,163,067	\$ 40,179,080	\$ 69,045,516	\$ 79,056,681	\$ 80,709,748	\$ 92,894,975	\$ 98,712,319
Restricted	1,488,438	1,430,520	1,821,015	3,870,826	4,931,270	6,846,541	3,494,698
Unrestricted	<u>38,375,951</u>	<u>36,405,558</u>	<u>37,285,373</u>	<u>29,394,842</u>	<u>35,016,910</u>	<u>32,184,729</u>	<u>33,287,815</u>
Total primary government net assets	<u>\$ 75,027,456</u>	<u>\$ 78,015,158</u>	<u>\$ 108,151,904</u>	<u>\$ 112,322,349</u>	<u>\$ 120,657,928</u>	<u>\$ 131,926,245</u>	<u>\$ 135,494,832</u>

Notes:

Less than 10 years of information is presented because Steuben County implemented GASB 34 for the fiscal year ended December 31, 2002.

Information prior to the implementation of GASB 34 is not available.

The significant change in net assets in the business-type activities between 2004 and 2005 resulted from the development of the Steuben Tobacco Asset Securitization Corporation (STASC). The STASC was reported as a governmental fund in 2008 and in prior years was reported as an enterprise fund. It is not practical to attempt to reformulate the enterprise fund to the modified accrual basis of accounting for each prior year. Consequently, the STASC information has simply been added to this schedule in the 2008 column.

Steuben County, NY
Changes in Net Assets
For the Year Ended December 31,

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Expenses							
Governmental activities							
General Government	\$ 13,225,031	\$ 12,239,994	\$ 12,360,222	\$ 12,902,013	\$ 14,515,736	\$ 22,376,432	\$ 22,792,231
Education	5,924,331	6,388,188	6,186,677	6,649,959	6,846,164	8,417,701	8,464,816
Public Safety	10,932,587	9,835,245	11,510,948	13,664,043	13,797,472	13,509,866	17,020,919
Health	14,488,663	14,313,494	14,688,441	14,962,214	15,721,594	16,302,944	16,493,095
Transportation	12,893,847	16,757,012	17,009,055	18,411,168	18,363,348	20,164,337	21,798,609
Economic Assistance and Opportunity	54,857,866	58,484,272	60,532,881	54,668,918	56,848,264	57,885,210	56,047,282
Culture and Recreation	684,050	689,610	677,094	666,899	746,903	818,185	1,014,171
Home and Community	2,524,053	1,599,339	1,689,713	1,043,728	1,112,697	939,918	1,308,221
Interest Expense	1,600	1,010	1,631	805	298,753	309,845	3,289,155
Total governmental activities expenses	<u>115,532,028</u>	<u>120,308,164</u>	<u>124,656,662</u>	<u>122,969,747</u>	<u>128,250,931</u>	<u>140,724,438</u>	<u>148,228,499</u>
Business-type activities							
Health Care Facility	8,751,803	8,372,598	8,749,767	9,146,908	10,091,417	9,935,530	11,189,145
Landfill	3,165,793	3,533,889	6,430,827	4,522,858	5,606,778	5,735,894	6,460,991
Tobacco Asset Securitization Corp	-	-	1,372,128	12,983,004	2,206,873	2,051,272	-
Total business-type activities expenses	<u>11,917,596</u>	<u>11,906,487</u>	<u>16,552,722</u>	<u>26,652,770</u>	<u>17,905,068</u>	<u>17,722,696</u>	<u>17,650,136</u>
Total primary government expenses	<u>127,449,624</u>	<u>132,214,651</u>	<u>141,209,384</u>	<u>149,622,517</u>	<u>146,155,999</u>	<u>158,447,134</u>	<u>165,878,635</u>
Program Revenues							
Governmental activities							
Charges for Services							
General Government	3,571,742	3,919,195	4,284,990	5,679,924	4,605,007	4,617,406	6,403,416
Education	284,490	533,249	233,277	348,264	42	45,755	45,680
Public Safety	1,270,142	1,074,310	1,101,263	1,120,501	807,947	1,308,644	2,318,709
Health	6,862,396	6,113,294	7,947,927	8,908,065	9,044,329	8,928,518	9,386,835
Transportation	2,333,787	2,942,429	3,060,363	3,400,705	3,869,080	3,828,658	4,268,564
Economic Assistance and Opportunity	2,412,387	2,580,574	2,482,217	3,518,829	2,648,158	2,730,101	3,549,507
Culture and Recreation	15,988	17,783	21,431	139,373	21,951	309,959	282,287
Home and Community	309	1,264	8,530	3,222	1,680	1,074	1,503
Operating Grants and Contributions	36,070,641	37,267,873	38,035,568	37,126,104	38,402,602	41,258,101	35,759,181
Capital Grants and Contributions	4,342,749	6,962,002	5,570,936	3,873,139	1,647,006	3,291,413	967,276
Total governmental activities program revenues	<u>57,164,631</u>	<u>61,411,973</u>	<u>62,746,502</u>	<u>64,118,126</u>	<u>61,047,802</u>	<u>66,319,629</u>	<u>62,982,958</u>
Business-type activities:							
Charges for Services							
Health Care Facility	6,262,855	6,022,282	6,506,789	7,459,421	8,051,197	7,674,449	8,250,954
Landfill	3,572,711	4,041,272	4,661,284	4,670,624	5,019,439	5,855,795	5,472,008
Tobacco Asset Securitization Corp	-	-	-	1,877,804	1,232,413	1,739,249	-
Operating Grants and Contributions	92,376	24,921	2,267,112	2,566,258	417,044	193,676	5,458,202
Capital Grants and Contributions	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>9,927,942</u>	<u>10,088,475</u>	<u>13,435,185</u>	<u>16,574,107</u>	<u>14,720,093</u>	<u>15,463,169</u>	<u>19,181,164</u>
Total primary government program revenues	<u>67,092,573</u>	<u>71,500,448</u>	<u>76,181,687</u>	<u>80,692,233</u>	<u>75,767,895</u>	<u>81,782,798</u>	<u>82,164,122</u>

Steuben County, NY
Changes in Net Assets
For the Year Ended December 31,

Net revenues (expenses)							
Governmental activities	(58,367,397)	(58,896,191)	(61,910,160)	(58,851,621)	(67,203,129)	(74,404,809)	(85,245,541)
Business-type activities	<u>(1,989,654)</u>	<u>(1,818,012)</u>	<u>(3,117,537)</u>	<u>(10,078,663)</u>	<u>(3,184,975)</u>	<u>(2,259,527)</u>	<u>1,531,028</u>
Total net revenues (expenses)	<u>(60,357,051)</u>	<u>(60,714,203)</u>	<u>(65,027,697)</u>	<u>(68,930,284)</u>	<u>(70,388,104)</u>	<u>(76,664,336)</u>	<u>(83,714,513)</u>
General revenues and other changes in net assets							
Governmental activities							
Real property taxes	23,242,047	27,083,894	30,459,593	36,467,540	33,453,680	34,065,074	35,078,259
Real property tax items	2,369,980	2,621,223	2,638,250	2,645,082	2,833,563	2,891,531	3,043,795
Sales Tax	19,705,165	21,760,663	22,154,454	23,953,920	24,530,891	32,681,611	34,308,365
Other Nonproperty tax items	6,009,573	5,946,071	6,955,422	8,176,494	9,936,411	10,382,923	10,357,475
Interest and earnings	900,159	515,629	587,305	1,338,162	3,062,375	3,199,239	2,112,627
Gain on dispositions of assets	492,183	303,461	100,110	42,313	122,545	154,589	211,028
Transfers	290,000	163,000	-	9,210,442	-	(843,865)	649,084
Miscellaneous	<u>5,630,977</u>	<u>4,525,245</u>	<u>3,946,833</u>	<u>2,196,416</u>	<u>2,467,647</u>	<u>3,049,323</u>	<u>4,827,549</u>
Total governmental activities general revenues	<u>58,640,084</u>	<u>62,919,186</u>	<u>66,841,967</u>	<u>84,030,369</u>	<u>76,407,112</u>	<u>85,580,425</u>	<u>90,588,182</u>
Business-type activities:							
Interest and earnings	276,880	184,632	1,915,381	439,440	1,439,375	656,949	380,006
Gain (Loss) on dispositions of assets	34,195	-	(611,014)	739,756	186,621	1,908	(253,457)
Transfers	(290,000)	(163,000)	-	665,420	-	843,865	(649,084)
Miscellaneous	<u>1,208,755</u>	<u>1,241,703</u>	<u>795,322</u>	<u>150,024</u>	<u>690,575</u>	<u>849,506</u>	<u>1,136,085</u>
Total business-type activities general revenues	<u>1,229,830</u>	<u>1,263,335</u>	<u>2,099,689</u>	<u>1,994,640</u>	<u>2,316,571</u>	<u>2,352,228</u>	<u>613,550</u>
Total primary government general revenues	<u>59,869,914</u>	<u>64,182,521</u>	<u>68,941,656</u>	<u>86,025,009</u>	<u>78,723,683</u>	<u>87,932,653</u>	<u>91,201,732</u>
Change in Net Assets							
Governmental activities	272,687	4,022,995	4,931,807	25,178,748	9,203,983	11,175,616	5,342,641
Business-type activities	(759,824)	(554,677)	(1,017,848)	(8,084,023)	(868,404)	92,701	2,144,578
Prior Period Adjustments	-	(480,616)	26,222,787	(12,924,280)	-	-	(3,918,632)
Total primary government change in Net Assets	<u>\$ (487,137)</u>	<u>\$ 2,987,702</u>	<u>\$ 30,136,746</u>	<u>\$ 4,170,445</u>	<u>\$ 8,335,579</u>	<u>\$ 11,268,317</u>	<u>\$ 3,568,587</u>

Notes: Less than 10 years of information is presented because Steuben County implemented GASB 34 for the fiscal year ended December 31, 2002. Information prior to the implementation of GASB 34 is not available.

The STASC was reported as a governmental fund in 2008 and in prior years was reported as an enterprise fund. It is not practical to attempt to reformulate the enterprise fund to the modified accrual basis of accounting for each prior year. Consequently, the STASC information has simply been added to this schedule in the 2008 column.

Steuben County, NY
Fund Balances of Governmental Funds
As of December 31,

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund							
Reserved	\$ 9,236,764	\$ 9,008,859	\$ 9,135,991	\$ 9,434,810	\$ 9,895,723	\$ 8,924,454	\$ 8,959,510
Unreserved	9,912,956	10,073,418	14,084,185	25,545,243	33,270,666	39,373,841	41,386,726
Total General Fund	<u>\$ 19,149,720</u>	<u>\$ 19,082,277</u>	<u>\$ 23,220,176</u>	<u>\$ 34,980,053</u>	<u>\$ 43,166,389</u>	<u>\$ 48,298,295</u>	<u>\$ 50,346,236</u>
 All Other Governmental Funds							
Reserved	\$ 1,735,634	\$ 3,050,438	\$ 1,382,352	\$ 854,595	\$ 615,257	\$ 1,035,831	\$ 2,988,437
Unreserved, Reported in:							
County Road Fund	1,912,988	3,208,642	3,407,630	2,567,933	2,681,770	2,706,432	2,465,000
Capital Project Funds	7,049,301	3,920,525	4,377,094	10,990,565	11,366,022	5,650,159	5,961,679
Economic Development Fund	270,956	275,600	273,745	268,957	265,611	266,260	757,139
Road Machinery Fund	1,179,133	758,680	844,113	893,637	1,152,399	1,169,375	1,480,838
Steuben Tobacco Asset Securitization	-	-	-	-	-	-	104,631
Total all Other Governmental Funds	<u>\$ 12,148,012</u>	<u>\$ 11,213,885</u>	<u>\$ 10,284,934</u>	<u>\$ 15,575,687</u>	<u>\$ 16,081,059</u>	<u>\$ 10,828,057</u>	<u>\$ 13,757,724</u>
 Total Fund Balances	 <u>\$ 31,297,732</u>	 <u>\$ 30,296,162</u>	 <u>\$ 33,505,110</u>	 <u>\$ 50,555,740</u>	 <u>\$ 59,247,448</u>	 <u>\$ 59,126,352</u>	 <u>\$ 64,103,960</u>

Notes:

Less than 10 years of information is presented because Steuben County implemented GASB 34 for the fiscal year ended December 31, 2002 and the County prefers to present fund data for the same number of years as net asset information in the previous schedules.

The STASC was reported as a governmental fund in 2008 and in prior years was reported as an enterprise fund. It is not practical to attempt to reformulate the enterprise fund to the modified accrual basis of accounting for each prior year. Consequently, the STASC information has simply been added to this schedule in the 2008 column.

STEUBEN COUNTY, NY
Changes in Fund Balances of Governmental Funds
For the Year Ended December 31,

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues:							
Real property taxes	\$ 23,242,047	\$ 27,083,894	\$ 30,459,593	\$ 32,493,347	\$ 33,329,207	\$ 33,679,402	\$ 34,873,131
Real property tax items	2,369,980	2,621,223	2,638,250	2,645,082	2,833,563	2,891,531	3,043,795
Non-property taxes	25,714,738	27,706,734	29,109,876	32,130,414	34,467,302	43,064,534	44,665,840
Departmental Income	12,468,657	12,089,812	14,060,482	16,090,281	15,343,572	15,487,475	16,427,429
Intergovernmental revenue	1,252,783	1,259,255	1,292,424	1,522,803	1,632,473	1,661,530	2,611,352
Use of money and property	2,162,378	1,840,682	1,901,777	2,687,224	4,448,090	4,823,211	4,026,082
Licenses and permits	9,844	8,929	1,030	3,222	1,680	962	1,403
Fines and forfeitures	373,505	417,962	306,341	352,749	416,059	345,247	355,068
Sale of property and compensation for losses	681,252	318,654	120,861	9,325,690	149,794	154,516	235,430
Tobacco Settlement	-	-	-	-	-	-	1,668,830
Miscellaneous	4,247,847	2,887,007	2,324,033	1,791,258	704,280	973,990	2,605,433
Interfund revenues	21,607,376	2,589,667	2,717,257	2,954,237	3,016,298	3,688,224	4,686,248
State aid	18,806,014	26,525,184	20,374,411	19,518,335	20,461,745	24,410,760	21,332,704
Federal Aid	1,827,633	17,704,691	23,232,093	21,480,908	19,587,862	20,138,754	15,393,753
Total revenues	114,764,054	123,053,694	128,538,428	142,995,550	136,391,925	151,320,136	151,926,498
Expenditures:							
Current:							
General Government	11,362,887	11,699,333	11,927,613	12,504,174	12,444,667	20,838,447	21,325,183
Education	5,924,331	6,388,188	6,186,677	6,649,959	6,846,164	8,417,701	8,464,816
Public Safety	12,383,510	10,751,452	10,481,955	12,872,413	20,411,745	18,367,842	14,773,153
Health	14,374,674	14,145,258	14,444,990	14,899,314	15,599,244	16,145,706	16,147,207
Transportation	21,063,656	20,740,508	19,741,717	22,146,497	21,618,093	26,654,327	25,813,915
Economic Assistance and Opportunity	54,754,462	58,233,743	60,211,411	54,454,285	56,620,652	57,501,433	55,537,617
Culture and Recreation	725,160	651,097	666,993	657,665	750,433	794,436	986,930
Home and Community	2,519,499	1,593,675	1,685,961	1,042,430	1,107,364	1,070,531	1,300,144
Capital Outlays							
General Government	-	-	-	-	-	-	613,174
Public Safety	-	-	-	-	-	-	206,298
Transportation	-	-	-	-	-	-	1,115,908
Economic Assistance and Opportunity	-	-	-	-	-	-	48,334
Culture and Recreation	-	-	-	-	-	-	4,203
Debt Service:							
Principal	14,000	14,000	10,000	-	103,400	353,400	843,300
Interest	1,600	1,010	1,631	805	18,455	453,544	1,743,966
Total expenditures	123,123,779	124,218,264	125,358,948	125,227,542	135,520,217	150,597,367	148,924,148

Excess (deficiency) of revenues over expenditures	(8,359,725)	(1,164,570)	3,179,480	17,768,008	871,708	722,769	3,002,350
Other financing sources (uses):							
Issuance of Debt	-	-	-	517,000	7,820,000	-	-
Transfers in	3,195,006	1,600,018	2,252,489	2,131,767	1,887,448	2,702,453	4,123,717
Transfers out	(2,905,006)	(1,437,018)	(2,252,489)	(2,131,767)	(1,887,448)	(3,546,318)	(4,123,717)
Total other financing sources (uses)	290,000	163,000	-	517,000	7,820,000	(843,865)	-
Prior Period Adjustments:	(480,616)	-	29,468	(1,234,378)	-	-	-
Net change in fund balance	\$ (8,550,341)	\$ (1,001,570)	\$ 3,208,948	\$ 17,050,630	\$ 8,691,708	\$ (121,096)	\$ 3,002,350

Debt Service as a percentage of noncapital expenditures	0.01%	0.01%	0.01%	0.00%	0.10%	0.61%	1.97%
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Notes:

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**Steuben County, NY
County Revenue Base
Estimated Actual Value of Taxable Property**

<u>Year</u>	<u>Agricultural</u>	<u>Residential</u>	<u>Vacant Land</u>	<u>Commercial</u>	<u>Amusement</u>	<u>Community Service</u>	<u>Industrial</u>	<u>Public Service</u>	<u>Forest Land</u>	<u>Total Taxable Value</u>	<u>Average Direct Tax Rate per \$1,000</u>
2008	\$ 123,388,741	\$ 2,611,822,611	\$ 155,431,537	\$ 491,220,729	\$ 15,356,302	\$ 19,747,847	\$ 206,678,601	\$ 277,483,151	\$ 9,410,950	\$ 3,910,540,469	7.32
2007	118,107,213	2,288,981,601	127,416,720	456,889,280	15,163,593	20,527,093	185,451,439	253,309,355	8,680,149	3,474,526,443	7.68
2006	112,232,123	2,133,066,168	114,919,822	434,209,063	15,698,592	20,447,607	166,479,124	249,734,864	7,321,960	3,254,109,323	7.83
2005	115,413,926	1,993,562,758	110,476,760	421,438,046	14,954,750	21,366,955	167,177,940	250,522,563	8,295,748	3,103,209,446	8.23
2004	118,039,754	1,949,328,006	105,383,167	402,493,908	15,140,540	19,780,133	127,587,164	250,513,969	9,511,378	2,997,778,019	8.51
2003	119,037,704	1,876,982,488	98,936,220	405,430,835	14,522,846	19,379,330	118,524,951	229,376,731	9,494,721	2,891,685,826	8.26
2002	123,682,023	1,855,268,394	98,307,753	400,039,085	13,590,441	19,090,076	107,843,631	234,861,288	9,741,178	2,862,423,869	8.88

Source: Steuben County Real Property Tax Service Annual Reports.

Note: Data is available only from 2002 forward therefore ten years of data cannot be presented on this schedule.

Steuben County, NY
Schedule for Property Tax Rates
All Direct & Overlapping Governments
(levy per \$1,000 of assessed value)

<u>Year</u>	<u>County</u>	<u>Towns</u>	<u>Special Districts</u>	<u>Cities & Villages</u>	<u>School Districts</u>	<u>Total Direct & Overlapping Tax Rate</u>
2008	\$7.32	\$3.98	\$1.13	\$2.65	\$17.90	\$32.98
2007	\$7.68	\$4.12	\$1.05	\$2.80	\$18.71	\$34.37
2006	\$7.83	\$4.24	\$1.00	\$2.79	\$19.07	\$34.92
2005	\$8.23	\$4.31	\$1.00	\$2.90	\$18.41	\$34.85
2004	\$8.51	\$4.31	\$1.03	\$2.91	\$18.54	\$35.30
2003	\$8.26	\$4.30	\$0.94	\$2.88	\$18.08	\$34.46
2002	\$8.88	\$4.22	\$0.93	\$2.79	\$16.79	\$33.61

Note: The calculated rates represent the average for all municipalities within Steuben County.

Note: Data is available only from 2002 forward therefore ten years of data cannot be presented on this schedule.

**Steuben County, NY
Top Ten Tax Payors**

Taxpayer	Type of Business	2008 Tax Year			2000 Tax Year		
		Assessed Valuation	% Total Tax Levy	Taxes	Assessed Valuation	% Total Tax Levy	Taxes
NYS Electric & Gas Corp	Gas,Electric, Utility	\$ 88,647,159	1.58%	\$ 926,622	\$ 85,192,265	1.79%	\$ 720,969
Corning Prop Mgmt Corp	Manufacturing & Processing	92,957,214	1.31%	769,882	93,806,741	1.70%	685,607
Fortuna Energy Inc	Gas Transmission	79,574,874	1.08%	633,977	not in business in 2000		
Verizon New York Inc	Telephone Utility	28,064,739	0.54%	316,146	not in business in 2000		
Dominion Transmission Corp	Gas Transmission	32,532,544	0.44%	256,575	not in business in 2000		
Corning Natural Gas Corp	Gas, Electric, Utility	23,557,644	0.42%	245,491	15,412,569	0.36%	143,210
National Fuel Gas Dist Corp	Gas, Electric Generation	12,377,794	0.33%	195,442	11,103,085	0.30%	121,458
Pennsylvania Lines LLC	Railroad	15,777,829	0.24%	142,178	not in business in 2000		
Steuben Rural Electric Co	Gas, Electric, Utility	10,592,039	0.24%	142,109	8,423,092	0.22%	88,542
Guthrie Clinic Ltd.	Professional Building Mngmnt	12,990,500	0.22%	126,677	12,864,857	0.27%	109,463
			6.41%	\$ 3,755,099		4.64%	\$ 1,869,249
	County Tax Levy			\$ 35,132,636			\$ 25,277,960
	Town Tax Levies			18,850,594			12,481,110
	Special Districts Tax Levies			4,635,674			2,565,311
	Total County & Town			<u>\$ 58,618,904</u>			<u>\$ 40,324,381</u>

Source: Steuben County Real Property Tax Office Annual Report

Note: The ninth prior year data is required to be reported, however the oldest year of information available is 2000.

STEBEN COUNTY, NY
Property Tax Levies and Collections - Ten Years

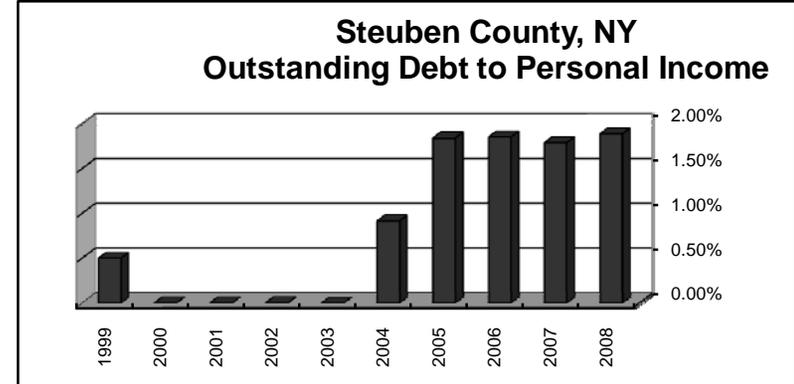
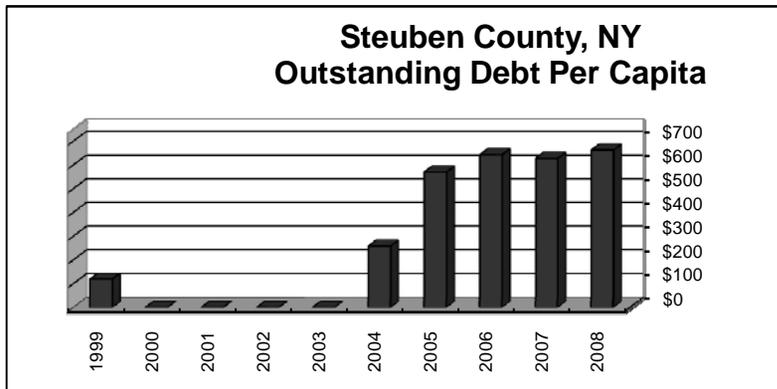
<u>Year</u>	<u>Taxes on Roll</u>	<u>Other Adjustments</u>	<u>Taxes and Other Items To Be Collected</u>	<u>Actual Collections & Adjustments in Fiscal year of Levy</u>	<u>Percent of Current Levy Collected</u>	<u>Uncollected Current Taxes and Other Items</u>	<u>Collections In Subsequent Years</u>	<u>Total Collections To Date</u>	<u>Percent of Levy Collected</u>
1999	40,146,672	14,998	40,161,670	(36,624,309)	91.19%	3,537,361	(3,526,899)	(40,151,208)	99.97%
2000	40,332,980	(10,010)	40,322,970	(38,123,596)	94.55%	2,209,384	(2,141,319)	(40,264,915)	99.86%
2001	41,587,872	(15,071)	41,572,801	(38,770,815)	93.26%	2,817,057	(2,747,590)	(41,518,405)	99.87%
2002	43,614,888	(74,330)	43,540,558	(41,093,992)	94.38%	2,520,896	(2,454,991)	(43,548,983)	100.02%
2003	48,942,101	(20,751)	48,921,350	(46,032,582)	94.10%	2,909,519	(2,838,333)	(48,870,915)	99.90%
2004	53,029,714	(32,477)	52,997,237	(49,784,761)	93.94%	3,212,476	(3,134,750)	(52,919,511)	99.85%
2005	56,850,422	(32,715)	56,817,707	(53,687,795)	94.49%	3,129,912	(2,993,262)	(56,681,057)	99.76%
2006	58,719,297	(110,492)	58,608,805	(55,545,320)	94.77%	3,063,485	(2,648,042)	(58,193,362)	99.29%
2007	61,039,964	(48,166)	60,991,798	(57,734,579)	94.66%	3,257,219	(1,939,539)	(59,674,118)	97.84%
2008	62,677,894	(109,510)	62,568,384	(59,094,278)	94.45%	3,474,106	-	(59,094,278)	94.45%

Source: Steuben County Annual Update Document, statement of taxes, and accounting system

Note: Fees and other charges are included in the amounts collected but are not included in the taxes and other items to be collected.

**STEUBEN COUNTY, NY
Ratios of Outstanding Debt
At December 31**

Fiscal Year	Estimated Population **	Personal Income **	Estimated Full Taxable Value *	Governmental Activities Debt	Business-type Activities Debt	Total Debt	Ratio of Debt To Full Value	Debt Per Capita	Debt to Pers. Income
2008	96,600	\$ 3,395,297	\$ 3,910,540,471	\$ 38,545,376	\$ 25,500,000	\$ 64,045,376	1.64%	\$ 663.00	1.89%
2007	96,620	3,395,297	3,474,526,443	39,371,943	21,350,000	60,721,943	1.75%	628.46	1.79%
2006	97,022	3,373,240	3,254,109,323	39,488,406	22,945,000	62,433,406	1.92%	643.50	1.85%
2005	98,366	3,046,288	3,103,209,446	31,686,273	24,375,000	56,061,273	1.81%	569.93	1.84%
2004	98,657	2,787,485	2,997,778,019	19,733,332	5,830,000	25,563,332	0.85%	259.11	0.92%
2003	98,929	2,629,659	2,891,685,826	10,000	-	10,000	0.00%	0.10	0.00%
2002	99,463	2,613,773	2,862,423,869	24,000	58,128	82,128	0.00%	0.83	0.00%
2001	99,244	2,764,582	2,757,872,225	38,000	-	38,000	0.00%	0.38	0.00%
2000	98,723	2,842,258	2,673,641,824	52,000	-	52,000	0.00%	0.53	0.00%
1999	98,458	2,339,818	2,640,399,086	11,741,000	-	11,741,000	0.44%	119.25	0.50%



Business-type activities debt includes defeased bonds of the Steuben Tobacco Asset Securitization Corporation Values before partial exemptions.

Source: * Steuben County Real Property Tax Office - Annual Reports.

** Population and personal income from page 130 "Miscellaneous and Demographic Information."

Personal income is in thousands of dollars and 2008 personal income is not available at the point the report was compiled therefore 2007 income is being reported.

STEUBEN COUNTY, NY
Ratios of General Bonded Debt
At December 31

Year	Estimated Population **	Estimated Full Taxable Value *	General Obligation Bonds Governmental Funds	General Obligation Bonds Enterprise Funds	General Obligation Bonds Total	Ratio of Bonds To Full Value	Bonds Per Capita
2008	96,600	\$ 3,910,540,471	\$ 7,160,000	\$ 25,500,000	\$ 32,660,000	0.84%	\$ 338.10
2007	96,620	3,474,526,443	7,880,200	21,350,000	29,230,200	0.84%	302.53
2006	97,022	3,254,109,323	8,233,600	22,945,000	31,178,600	0.96%	321.36
2005	98,366	3,103,209,446	517,000	24,375,000	24,892,000	0.80%	253.05
2004	98,657	2,997,778,019	-	5,830,000	5,830,000	0.19%	59.09
2003	98,929	2,891,685,826	10,000	-	10,000	0.00%	0.10
2002	99,463	2,862,423,869	24,000	-	24,000	0.00%	0.24
2001	99,244	2,757,872,225	38,000	-	38,000	0.00%	0.38
2000	98,723	2,673,641,824	52,000	-	52,000	0.00%	0.53
1999	98,458	2,640,399,086	11,741,000	-	11,741,000	0.44%	119.25

Source: * Steuben County Real Property Tax Office - Annual Reports.

** Population from STCRPDB

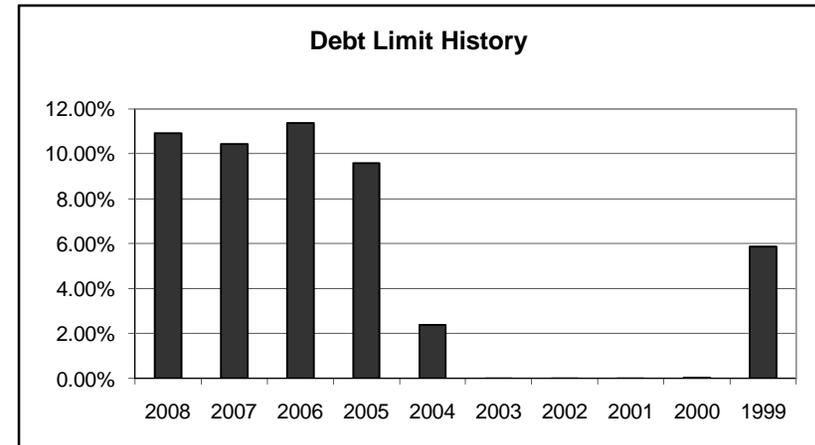
STEUBEN COUNTY, NY

**Computation of Debt-Contracting Margin
December 31, 2008**

Full Valuation - Fiscal Year Ending December 31:		
	2008	\$ 4,997,159,113
	2007	4,573,973,323
	2006	4,237,937,384
	2005	3,955,893,111
	2004	<u>3,736,813,595</u>
Total Five-Year Valuation		<u>\$21,501,776,526</u>
Five-Year Average		\$4,300,355,305
Debt Limit - 7% of Five-Year Average Valuation		\$301,024,871
Net Indebtedness		\$32,866,800
Percentage of Debt Contracting Margin Exhausted		10.92%

**Debt Limit History
Ten Fiscal Years**

	Debt Limit	Net Indebtedness	Margin	% of Debt to Limit
2008	\$301,024,871	\$32,866,800	\$268,158,071	10.92%
2007	280,086,554	29,246,873	250,839,681	10.44%
2006	274,092,913	31,211,948	242,880,965	11.39%
2005	259,903,993	24,942,123	234,961,870	9.60%
2004	248,344,213	5,896,798	242,447,415	2.37%
2003	239,427,899	10,000	239,417,899	0.00%
2002	232,202,600	24,000	232,178,600	0.01%
2001	218,759,813	38,000	218,721,813	0.02%
2000	212,693,638	52,000	212,641,638	0.02%
1999	199,549,971	11,741,000	187,808,971	5.88%



STEBEN COUNTY, NY
Miscellaneous and Demographic Information
December 31, 2008

Web address: <http://www.steubencony.org>

Date of Incorporation: March 18, 1796
 Form of Government Non-Charter
Named for "Baron Von Steuben", a German drill master in the Revolutionary War.

County Employees (including temporary & part-time) 1,065
 Parcels of Property 55,444
 Area 1409 square miles
 Population 2000 Census 98,726
 Population 1990 Census 99,088
 Persons per Square Mile 70.07

Highways:
 State Highways 371.20 miles
 County Roads 678.38 miles
 Town Highways 1,897.28 miles
 Village Streets 100.95 miles
 City Streets 99.50 miles
 TOTAL 3,147.31 miles
Rank in NYS 3rd highest

Number of Bridges 334
Rank in NYS #1 - Highest

County Parks (Birdseye Hollow, Boyd's Corners, Hornby, Kanakadea) 4

Moody's Bond Rating A

Number of School Districts 21
 Number of Cities 2
 Number of Towns 33
 Number of Villages 14

Number of Hospitals 3

Steuben County has a diverse economy with a strong base in agriculture, manufacturing, and tourism
 The wine industry and natural beauty of the landscape attracts many tourists

Economic Profile:	Estimated Population	Tot Personal Income **	Per Capita Income	Unemployment Rate
1999	98,458	\$2,339,818	\$23,765	5.7
2000	98,723	\$2,842,258	\$28,762	4.1
2001	99,244	\$2,764,582	\$27,856	4.9
2002	99,463	\$2,613,773	\$26,279	7.2
2003	98,929	\$2,629,659	\$26,542	7.4
2004	98,657	\$2,787,485	\$28,537	6.4
2005	98,366	\$3,046,288	\$30,731	5.7
2006	97,022	\$3,373,240	\$34,768	5.4
2007	96,620	\$3,395,297	\$35,141	5.3
2008	96,600	\$3,395,297 *	\$35,141	6.2

* 2008 Personal income is not available at the point the report was compiled therefore 2007 income is being reported.

** Personal income is in thousands of dollars

(data source U.S. Bureau of Economic Analysis and NYS Dept. of Labor)

**STEUBEN COUNTY, NY
MAJOR EMPLOYERS**

<u>Name</u>	<u>Location</u>	<u>Type of Activity</u>	<u>2008 Employees</u>	<u>2008 % of total Steuben Co.</u>	<u>1999 Employees</u>	<u>1999 % of total Steuben Co.</u>
Corning Inc	Corning	Gas, Ceramic Research	5,000	11.79%	5800	12.75%
Corning-Painted Post School District	Painted Post	Education	1,097	2.59%	814	1.79%
County of Steuben	Bath	Government	1,065	2.51%	1000	2.20%
Alstom, Inc	Hornell	Transit Car Refurbishing	1,086	2.56%	525	1.15%
St James Mercy Health	Hornell	Medical	915	2.16%	952	2.09%
Gunlocke, Inc	Wayland	Wood Office Furniture, Space Panel Systems	848	2.00%	857	1.88%
Dresser Rand	Painted Post	General Industrial, Machinery, Pumps	698	1.65%	1300	2.86%
Veterans' Administration	Bath	Medical	700	1.65%	700	1.54%
Corning Hospital/Founders Pavilion	Corning	Medical	585	1.38%	535	1.18%
Pathways	Corning	Not-For-Profit	575	1.36%	not available	not available
Wegmans	Corning, Hornell	Retail	528	1.25%	not available	not available
Mercury Aircraft	Hammondsport	Sheet Metal, Electronic Components	300	0.71%	700	1.54%
World Kitchen	Corning	Ceramic Manufacturing	450	1.06%	not available	not available
North American Phillips	Bath	Lamps and Electrical Products	438	1.03%	850	1.87%
Hornell City Schools	Hornell	Education	435	1.03%	300	0.66%
Steuben-Allegany BOCES	Bath	Education	850	2.00%	400	0.88%
Kraft Foods	Campbell	Cheese, Dairy Products	445	1.05%	400	0.88%
Haverling Central Schools	Bath	Education	391	0.92%	225	0.49%
Ira Davenport Memorial Hosp	Bath	Medical	321	0.76%	385	0.85%
Steuben Arc	Bath	Not-For-Profit	400	0.94%	285	0.63%
Corning Community College	Corning	Education	496	1.17%	280	0.62%
Guthrie Medical Groups	Corning	Medical	250	0.59%	not available	not available
State of New York	Hornell	Government	not available	not available	625	1.37%
Average Total Steuben County Employment (per NYS Dept of Labor)			42,400	*	45,500	

Source: Southern Tier Central Regional Planning Board and individual employers.

Note: The ninth prior year prior employment data is required to be reported, however, 1999 is the oldest data available to the County.

* 2006 Employees = 42,600

Steuben County, NY
Full and Part Time Employees

	<u>Central Government</u>	<u>Public Safety</u>	<u>Transportation</u>	<u>Social Services</u>	<u>Health</u>	<u>Environment and Housing</u>	<u>Other</u>	<u>County Total</u>
2008 Full Time	156	142	133	324	167	29	25	976
2008 Part Time	35	17		20	14		3	89
2008 Total	191	159	133	344	181	29	28	1065
2007 Full Time	153	129	136	313	159	28	24	942
2007 Part Time	35	22	0	20	18	0	3	98
2007 Total	188	151	136	333	177	28	27	1040
2006 Full Time	157	126	128	313	161	28	24	937
2006 Part Time	35	30	1	22	19	0	0	107
2006 Total	192	156	129	335	180	28	24	1044
2005 Full Time	157	126	130	307	158	28	22	928
2005 Part Time	32	30	0	22	24	0	5	113
2005 Total	189	156	130	329	182	28	27	1041
2004 Full Time	153	134	133	308	135	28	26	917
2004 Part Time	37	21	0	21	30	0	3	112
2004 Total	190	155	133	329	165	28	29	1029
2003 Full Time	155	134	133	305	139	29	29	924
2003 Part Time	39	25	0	32	34	0	3	133
2003 Total	194	159	133	337	173	29	32	1057
2002 Full Time	160	129	137	317	145	30	30	948
2002 Part Time	36	28	0	31	34	0	4	133
2002 Total	196	157	137	348	179	30	34	1081
2001 Full Time	137	148	143	292	138	30	55	943
2001 Part Time	26	41	1	23	28	0	1	120
2001 Total	163	189	144	315	166	30	56	1063
2000 Full Time	145	131	142	296	149	31	29	923
2000 Part Time	30	22	0	29	33	0	5	119
2000 Total	175	153	142	325	182	31	34	1042

Source: U.S. Dept of Commerce Annual Survey of Government Employment (March of each year).

Note: Data is available only from 2000, therefore ten years of data is not presented.

Steuben County, New York
Operating Indicators by Function/Program

	<u>2007</u>	<u>2008</u>
<u>General Government</u>		
Delinquent tax installment contracts negotiated	704	800
District Attorney Indictments	147	162
Elections Registrations	2,297	3,849
Coroners' cases	218	152
Real Property Tax Service number of deeds processed through mapping	3,503	3,168
Real Property Tax Service number of Payment in Lieu of Tax Agreements	48	51
Law Department Family Court Petitions	3,693	3,632
Law Department tort claims filed	6	10
County Clerk documents recorded	15,031	14,068
County Clerk court filings	7,325	7,774
Personnel Civil Service exams administered	633	925
Purchasing number of bids and quotations requested	620	685
Motor vehicle registrations	72,775	73,132
Driver licenses issued	7,087	7,943
Public Defender cases	3,169	3,173
<u>Education</u>		
Early Intervention Children	655	515
Community College student residency certificates issued	2,836	2,900
<u>Public Safety</u>		
Emergency Management fire service course participants	258	155
Emergency Management fires investigated	70	79
Sheriff number of arrests	3,599	3,043
Sheriff number of civil papers served	2,988	3,160
E-911 average calls answered per month	10,250	9,975
Probation average monthly case load	880	919
Average daily jail population	141	182
Total inmates booked	1,219	1,346
<u>Health</u>		
Physically handicapped children receiving services	88	85
Public Health Nursing long-term in home care clients	31	19
Public Health Nursing Clinics people immunized	486	576
Public Health Nursing communicable disease investigations	103	107
Mental Health adult clinic cases	1,152	1,026
Mental Health children and family clinic cases	647	706
Mental Health day treatment admissions	76	77
Health Care Facility days of care	36,569	35,603
Health Care Facility new resident admissions	87	158
<u>Transportation</u>		
Miles of road with major renovation or complete reconstruction	106	86
Bridges and culverts with major renovation or complete reconstruction	13	9
Public Transportation Trips	42,870	54,663
<u>Economic Assistance & Opportunity</u>		
Family Assistance and Safety Net caseload	684	595
Food Stamp caseload	3,146	3,598
Medicaid and Family Health Plus caseload	10,419	10,669
Monthly average of families enrolled in subsidized day care	395	466
Children receiving foster care services	175	171
Weights and Measures small capacity scale inspections	624	696
<u>Culture & Recreation</u>		
Overnights at park campsites	532	773
<u>Home & Community Services</u>		
Tons of garbage added to the Bath Landfill	119,827	149,500
Tons of garbage recycled	3,850	2,387

Source: Annual report of operations prepared by Department Directors.

Note: Statistical operating data has just recently begun to be collected, therefore less than ten years of information is available to be presented.

Steuben County, NY
Capital Asset Statistics by Function / Program

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<u>General</u>				
Number of County Buildings	10	10	11	12
Number of passenger vehicles & pickup trucks	10	13	14	18
<u>Public Safety</u>				
Number of inmate beds	156	156	262	262
Number of passenger vehicles & pickup trucks	67	67	65	68
Number of radio towers	4	4	4	4
Civil Defense training center	1	1	1	1
<u>Health</u>				
Number of passenger vehicles & pickup trucks	26	27	28	30
Number of Health Care Facility Patient Beds	105	105	105	105
<u>Transportation</u>				
Number of miles of road	678	678	678	678
Number of bridges	334	334	334	334
Number of equipment shops	10	10	10	10
Number of salt storage facilities	8	8	9	9
Number of Buses	0	0	1	1
Number of passenger vehicles & pickup trucks	54	54	58	61
<u>Economic Assistance & Opportunity</u>				
Number of passenger vehicles & pickup trucks	10	10	11	11
<u>Culture and Recreation</u>				
Number of Parks	4	4	4	4
<u>Home and Community</u>				
Number of Active Landfills	1	1	1	1
Number of Leachate Treatment Facilities	1	1	1	1
Number of Transfer Stations	3	3	3	3

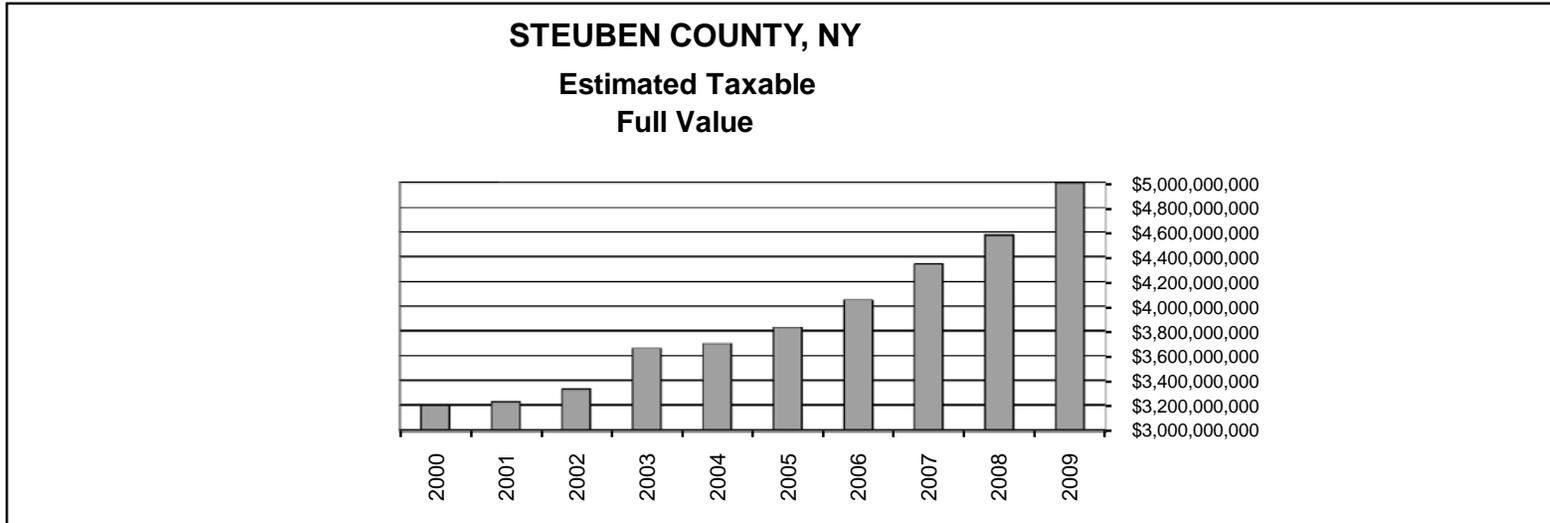
Note: The fixed asset system was installed during the 2004 year, therefore only four years of information is currently available rather than the ten years that are typically reported.

Source: Steuben County Fixed Asset System and various department statistics.

STEUBEN COUNTY, NY
ASSESSED & ESTIMATED ACTUAL VALUE OF REAL PROPERTY
10-Year Summary

Fiscal Year	Total Assessed Value Before all Exemptions	County Assessed Value Taxable including Certain Partial Exemptions	Estimated Total Full Value	Ratio: Taxable Assessed Value to Estimated Total Full Value
2009	\$ 5,004,766,402	\$ 4,018,573,687	\$ 4,997,159,112	80.42%
2008	4,453,468,905	3,550,244,769	4,573,973,322	77.62%
2007	4,135,100,503	3,327,306,424	4,343,430,753	76.61%
2006	3,969,329,870	3,170,219,469	4,050,807,305	78.26%
2005	3,860,139,513	3,065,934,744	3,828,929,627	80.07%
2004	3,762,039,503	2,958,913,704	3,697,648,336	80.02%
2003	3,699,009,072	2,896,780,467	3,657,249,220	79.21%
2002	3,570,881,930	2,791,784,037	3,329,936,473	83.84%
2001	3,464,841,409	2,706,942,932	3,225,108,713	83.93%
2000	3,419,617,113	2,673,113,607	3,192,050,068	83.74%

Source: Steuben County Real Property Tax Office - Annual Reports.



COUNTY OF STEUBEN, NY
PROPERTY TAX LEVY-DIRECT AND OVERLAPPING GOVERNMENTS
Based on 2008 Assessment Rolls and 2009 Tax Levy

<u>MUNICIPALITY</u>	<u>COUNTY</u>	<u>TOWN</u>	<u>SPECIAL DISTRICTS</u>	<u>CITY OR VILLAGE</u>	<u>SCHOOL</u>	<u>TOTAL LEVY</u>	<u>TOTAL FULL VALUE</u>	<u>LEVY/VALUE</u>	<u>EQ RATE</u>
Corning City	\$ 4,604,045	\$ -	\$ -	\$ 4,738,204	\$ 11,487,253	\$ 20,829,502	\$ 524,612,369	3.97%	98.00%
Hornell City	2,024,108	-	-	2,740,032	4,002,431	8,766,571	229,941,201	3.81%	100.00%
Addison	270,085	223,750	14,820	-	615,320	1,123,975	30,863,904	3.64%	100.00%
Addison, Village	397,053	164,000	-	535,816	907,445	2,004,314	45,488,454	4.41%	100.00%
Avoca	603,792	510,706	92,043	-	1,002,933	2,209,474	68,981,206	3.20%	100.00%
Avoca, Village	181,301	156,823	-	236,854	298,444	873,422	20,711,206	4.22%	100.00%
Bath	2,101,384	801,716	252,240	-	4,369,526	7,524,866	239,789,198	3.14%	54.00%
Bath, Village	1,746,176	307,053	-	1,967,963	3,473,377	7,494,569	199,414,743	3.76%	54.00%
Savona, Village	173,374	30,053	-	147,500	417,465	768,392	19,798,478	3.88%	54.00%
Bradford	203,165	373,483	51,054	-	724,205	1,351,907	36,436,080	3.71%	99.00%
Cameron	366,285	217,361	65,500	-	790,058	1,439,204	41,791,049	3.44%	72.00%
Campbell	1,132,346	558,061	176,170	-	2,795,280	4,661,857	129,394,743	3.60%	3.50%
Canisteo	345,592	321,025	38,870	-	1,158,183	1,863,670	64,055,912	2.91%	69.00%
Canisteo, Village	546,013	175,769	-	441,699	1,125,916	2,289,397	62,408,045	3.67%	69.00%
Caton	903,433	1,010,498	154,527	-	3,666,916	5,735,374	167,177,037	3.43%	64.00%
Cohocton	673,027	221,401	219,221	-	1,249,740	2,363,389	76,837,880	3.08%	100.00%
Cohocton, Village	211,398	74,963	-	175,705	398,729	860,795	24,127,572	3.57%	100.00%
Corning	1,504,010	1,221,703	317,996	-	6,113,726	9,157,435	278,600,206	3.29%	100.00%
Riverside, Village	222,588	32,019	-	63,400	557,183	875,190	25,461,596	3.44%	100.00%
South Corning, Village	344,098	49,212	-	178,452	861,099	1,432,861	39,376,517	3.64%	100.00%
Dansville	445,788	642,049	75,218	-	1,456,544	2,619,599	79,877,209	3.28%	100.00%
Erwin	2,384,813	2,232,367	1,985,342	-	9,385,914	15,988,436	427,271,156	3.74%	100.00%
Painted Post, Village	656,949	177,443	-	981,666	1,647,776	3,463,834	75,019,246	4.62%	100.00%
Fremont	220,874	445,402	50,000	-	754,044	1,470,320	40,866,782	3.60%	100.00%
Greenwood	370,447	332,272	33,808	-	815,878	1,552,405	42,277,784	3.67%	4.00%

Hartsville	245,230	138,851	26,288	-	701,082	1,111,451	37,160,976	2.99%	45.99%
Hornby	671,147	589,788	53,666	-	1,733,460	3,048,061	76,600,806	3.98%	100.00%
Hornellsville	1,114,217	411,879	226,571	-	2,797,269	4,549,936	146,086,702	3.11%	73.50%
North Hornell, Village	336,599	41,694	-	133,851	665,852	1,177,996	38,462,906	3.06%	73.50%
Arkport, Village	280,423	36,237	30,920	133,709	635,237	1,116,526	32,030,587	3.49%	73.50%
Almond, Village	4,334	752	-	4,000	17,037	26,123	776,416	3.36%	73.50%
Howard	651,061	630,148	58,892	-	1,215,261	2,555,362	74,310,323	3.44%	63.00%
Jasper	285,370	331,916	44,043	-	734,221	1,395,550	52,788,887	2.64%	4.85%
Lindley	410,494	497,051	34,600	-	1,663,348	2,605,493	75,934,686	3.43%	4.00%
Prattsburgh	925,151	871,172	209,661	-	1,571,819	3,577,803	105,627,924	3.39%	100.00%
Pulteney	1,426,543	576,458	360,701	-	2,510,181	4,873,883	255,612,446	1.91%	58.00%
Rathbone	361,602	299,920	45,000	-	813,129	1,519,651	41,334,572	3.68%	100.00%
Thurston	300,016	471,536	34,000	-	1,150,376	1,955,928	55,498,008	3.52%	5.00%
Troupsburg	384,656	439,641	56,899	-	936,393	1,817,589	68,989,691	2.63%	63.00%
Tuscarora	507,637	323,135	49,300	-	1,169,005	2,049,077	57,973,182	3.53%	5.00%
Urbana	1,262,226	1,232,254	270,514	-	2,299,052	5,064,046	233,886,570	2.17%	100.00%
Hammondsport, Village	400,992	80,743	40,607	437,984	423,669	1,383,995	45,799,440	3.02%	100.00%
Wayland	768,870	565,804	163,225	-	1,605,013	3,102,912	95,982,457	3.23%	72.00%
Wayland, Village	531,559	214,939	-	333,027	1,013,541	2,093,066	60,693,985	3.45%	72.00%
Wayne	1,571,299	678,435	192,863	-	2,645,755	5,088,352	281,575,175	1.81%	57.30%
West Union	273,766	276,050	54,125	-	622,194	1,226,135	31,235,146	3.93%	79.00%
Wheeler	464,703	423,468	70,196	-	830,610	1,788,977	53,019,992	3.37%	100.00%
Woodhull	746,738	487,718	115,043	-	1,595,410	2,944,909	85,198,662	3.46%	100.00%
	<u>\$ 36,556,777</u>	<u>\$ 19,898,718</u>	<u>\$ 5,663,923</u>	<u>\$ 13,249,862</u>	<u>\$ 89,424,299</u>	<u>\$ 164,793,579</u>	<u>\$ 4,997,159,112</u>	3.30%	

NOTE: School totals do not include library levies.

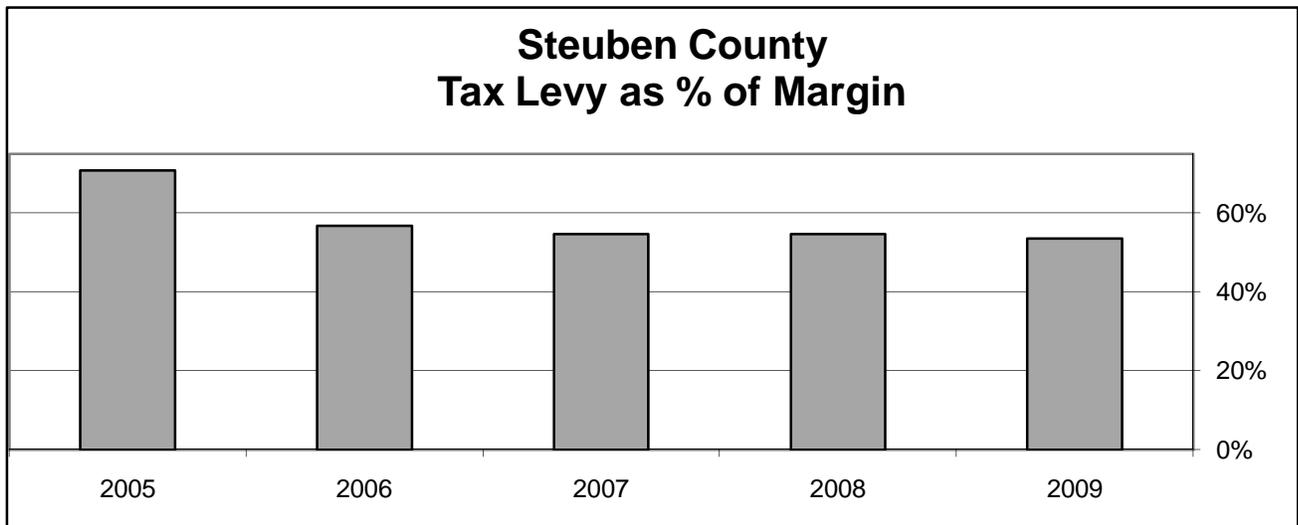
STEBEN COUNTY, NY
County Property Tax Levies by Town

<u>MUNICIPALITY</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
ADDISON	\$ 270,085	\$ 282,541	\$ 247,502	\$ 260,322	\$ 222,546	\$ 160,449	\$ 183,632	\$ 164,395	\$ 156,388	\$ 153,688
V ADDISON	397,053	421,579	420,375	360,729	364,927	338,650	301,894	270,387	258,931	252,355
AVOCA	603,792	493,233	459,520	473,186	477,174	432,389	385,562	373,746	353,255	330,856
V AVOCA	181,301	190,479	194,372	181,072	183,942	172,436	153,705	147,885	143,381	134,747
BATH	2,101,384	2,077,816	2,063,936	2,138,146	2,173,210	2,030,536	1,860,264	1,375,489	1,298,171	1,240,744
V BATH	1,746,176	1,777,017	1,789,674	1,874,366	1,928,408	1,801,497	1,667,640	1,240,407	1,181,781	1,144,697
V SAVONA	173,374	176,510	177,366	183,772	188,965	178,031	164,991	126,929	121,142	118,244
BRADFORD	203,165	198,516	188,588	149,313	152,239	149,635	197,004	168,643	159,947	156,596
CAMERON	366,285	349,220	384,482	353,392	376,760	338,986	309,891	230,842	216,867	212,927
CAMPBELL	1,132,346	1,156,267	1,158,693	1,183,278	1,155,446	1,091,308	902,730	881,943	799,981	786,938
CANISTEO	345,592	329,498	328,856	316,651	291,982	261,953	399,076	356,033	348,975	337,757
V CANISTEO	546,013	516,252	530,559	521,420	471,372	403,116	394,142	344,741	332,761	325,034
CATON	903,433	734,039	584,633	511,232	483,514	471,248	681,428	578,754	515,952	495,134
COHOCTON	673,027	709,490	655,331	680,095	704,601	577,568	510,507	472,946	458,964	428,256
V COHOCTON	211,398	228,013	215,463	224,306	234,194	192,793	172,972	160,756	155,238	146,049
CORNING T.	1,504,010	1,519,753	1,531,306	1,597,277	1,370,458	1,272,391	1,744,506	1,614,903	1,460,204	1,488,751
V RIVERSIDE	222,588	238,334	224,171	231,543	217,694	198,801	181,922	181,868	153,575	148,744
V S CORNING	344,098	362,950	374,245	389,223	386,948	365,863	323,786	321,707	292,641	280,554
CORNING C.	4,604,045	4,395,677	4,378,229	4,517,254	4,554,733	4,281,340	3,852,303	3,682,335	3,501,774	3,526,040
DANSVILLE	445,788	410,680	405,789	382,762	396,923	368,611	487,895	448,802	427,225	418,316
ERWIN	2,384,813	2,404,606	2,318,414	2,278,830	2,347,212	2,362,025	3,126,945	2,832,639	2,529,874	2,343,271
V PAINTED POST	656,949	664,278	681,212	708,836	739,391	701,880	619,084	623,237	599,476	601,139
FREMONT	220,874	234,258	232,991	220,630	226,722	210,431	290,183	278,240	265,228	266,324
GREENWOOD	370,447	226,077	221,299	235,095	216,983	207,741	296,255	208,683	213,341	220,736
HARTSVILLE	245,230	239,165	240,789	223,935	217,712	192,148	236,358	180,160	171,232	173,089
HORNBY	671,147	718,289	595,867	615,430	629,773	598,484	516,299	412,557	363,901	345,147
HORNELLSVILLE	1,114,217	1,049,618	1,067,638	942,752	943,534	897,551	977,557	835,164	783,845	831,856
V N HORNELL	336,599	309,891	308,162	272,876	271,387	247,206	227,479	195,695	184,809	194,547
V ARKPORT	280,423	268,977	271,490	240,100	238,107	216,370	201,569	168,814	159,025	166,885
V ALMOND	4,334	4,047	3,999	3,310	3,372	3,282	4,491	3,884	5,046	5,321
HORNELL C.	2,024,108	2,156,227	1,974,738	1,920,482	1,732,338	1,624,846	1,610,176	1,431,714	1,371,220	1,372,077
HOWARD	651,061	642,471	657,484	664,095	573,224	544,529	518,905	443,910	419,187	397,590
JASPER	285,370	284,599	273,232	277,617	277,873	247,575	359,546	273,692	266,836	265,044
LINDLEY	410,494	390,172	391,954	377,206	363,164	365,870	537,114	439,885	405,293	394,164
PRATTSBURGH	925,151	948,507	875,170	916,589	823,573	759,398	634,115	604,870	563,993	565,760
PULTENEY	1,426,543	1,383,738	1,159,160	982,133	997,708	938,727	1,201,975	1,139,281	1,061,936	1,019,655
RATHBONE	361,602	379,656	332,018	343,944	352,065	329,433	298,962	287,178	234,237	226,715
THURSTON	300,016	304,423	296,258	285,696	286,022	264,415	365,635	278,913	259,081	256,950
TROUPSBURG	384,656	359,014	344,530	326,242	316,486	297,505	406,610	344,821	330,202	299,936
TUSCARORA	507,637	474,080	491,356	470,709	466,832	402,604	385,530	336,448	327,015	286,781
URBANA	1,262,226	1,198,906	1,206,259	909,570	917,596	836,823	1,152,102	1,003,781	929,685	1,005,203
V HAMMONDSPORT	400,992	229,706	245,304	339,351	339,457	297,860	268,108	238,159	219,554	239,503
WAYLAND	768,870	555,905	535,751	525,084	559,634	484,713	707,684	596,939	569,356	535,379
V WAYLAND	531,559	565,108	557,200	561,750	586,188	490,676	461,466	395,450	380,558	365,437
WAYNE	1,571,299	1,329,881	1,212,305	1,000,535	897,835	801,236	1,049,588	1,006,461	933,928	943,928
WEST UNION	273,766	244,218	243,077	236,460	230,691	209,442	196,412	169,053	164,186	163,903
WHEELER	464,703	492,897	480,879	459,338	449,163	468,576	368,828	309,340	300,027	283,594
WOODHULL	746,738	506,058	486,937	483,181	502,291	448,107	579,146	587,709	546,872	496,258
	\$ 36,556,777	\$ 35,132,636	\$ 34,018,563	\$ 33,351,115	\$ 32,842,369	\$ 30,537,054	\$ 32,473,972	\$ 28,770,188	\$ 26,896,096	\$ 26,392,619

Source: Steuben County Real Property Tax Office Annual Report.

STEUBEN COUNTY, NY
Constitutional Tax Limit
Five Year Average Full Valuation of Real Estate Taxable for County Purposes
For tax year ending December 31:

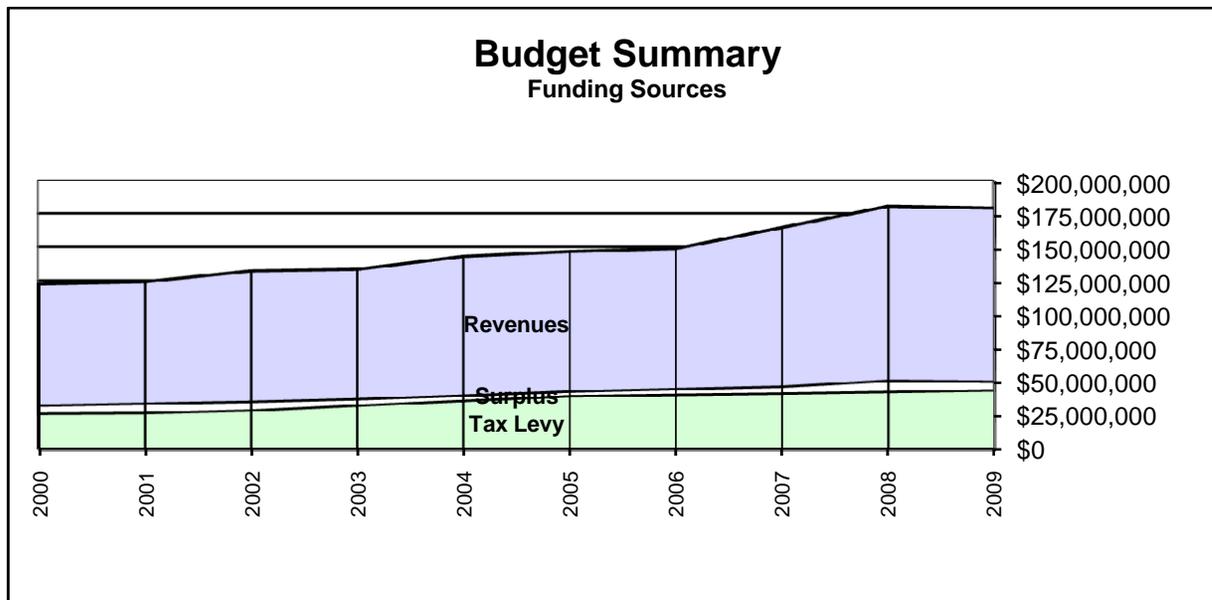
	2009	2008	2007	2006	2005
2009	\$ 4,790,937,718				
2008	4,468,608,608	\$ 4,468,608,608			
2007	4,237,937,384	4,237,937,384	\$ 4,237,937,384		
2006	3,955,893,111	3,955,893,111	3,955,893,111	\$ 3,955,893,111	
2005	3,736,813,595	3,736,813,595	3,736,813,595	3,736,813,595	\$ 3,736,813,595
2004		3,606,929,735	3,606,929,735	3,606,929,735	3,606,929,735
2003			3,607,286,286	3,607,286,286	3,607,286,286
2002				3,284,323,880	3,284,323,880
2001					3,173,350,999
	\$ 21,190,190,416	\$ 20,006,182,433	\$ 19,144,860,111	\$ 18,191,246,607	\$ 17,408,704,495
5 Yr Avg	\$ 4,238,038,083	\$ 4,001,236,487	\$ 3,828,972,022	\$ 3,638,249,321	\$ 3,481,740,899
Tax Limit: 1.5%	\$ 63,570,571	\$ 60,018,547	\$ 57,434,580	\$ 54,573,740	\$ 52,226,113
Exclusions (Debt)	\$ 3,236,244	\$ 2,599,942	\$ 2,599,707	\$ 2,426,052	\$ 2,426,053
Tax Levy	\$ 37,247,907	\$ 35,417,816	\$ 34,008,190	\$ 33,380,097	\$ 39,407,242
Tax Levy Subject to Tax Margin	\$ 34,011,663	\$ 32,817,874	\$ 31,408,483	\$ 30,954,045	\$ 36,981,189
Tax Levy % of Max	54%	55%	55%	57%	71%



Source: NYS OSC "Tax Limit Summary Worksheet"

STEUBEN COUNTY, NY TEN-YEAR BUDGET SUMMARY

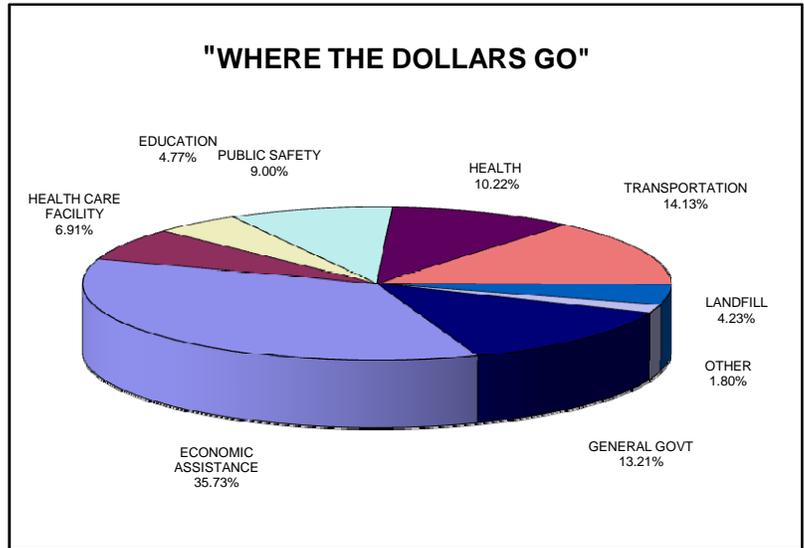
YEAR	BUDGET	%	BUDGET	%	APPROP	%	TOTAL	%	%
	EXPENSES	Increase	REVENUES	Expense	SURPLUS	Expense	TAX LEVY	Expense	Increase
2009	\$179,497,241	-0.78%	\$129,297,672	72.03%	\$6,401,134	3.57%	\$43,798,435	24.40%	2.83%
2008	180,900,633	9.65%	130,018,876	71.87%	8,290,668	4.58%	42,591,089	23.54%	2.83%
2007	164,984,796	10.46%	118,453,266	71.80%	5,114,217	3.10%	41,417,313	25.10%	2.33%
2006	149,355,083	1.54%	104,653,762	70.07%	4,226,267	2.83%	40,475,051	27.10%	2.71%
2005	147,094,225	2.53%	104,173,962	70.82%	3,513,021	2.39%	39,407,242	26.79%	9.52%
2004	143,465,777	7.15%	103,633,744	72.24%	3,850,556	2.68%	35,981,477	25.08%	10.80%
2003	133,888,420	0.90%	96,630,100	72.17%	4,784,350	3.57%	32,473,970	24.25%	12.87%
2002	132,687,638	6.51%	97,379,874	73.39%	6,537,580	4.93%	28,770,184	21.68%	6.97%
2001	124,582,686	1.29%	90,724,282	72.82%	6,962,306	5.59%	26,896,098	21.59%	1.91%
2000	122,995,885	6.64%	90,541,475	73.61%	6,061,793	4.93%	26,392,617	21.46%	0.00%



STEUBEN COUNTY BUDGET 2009

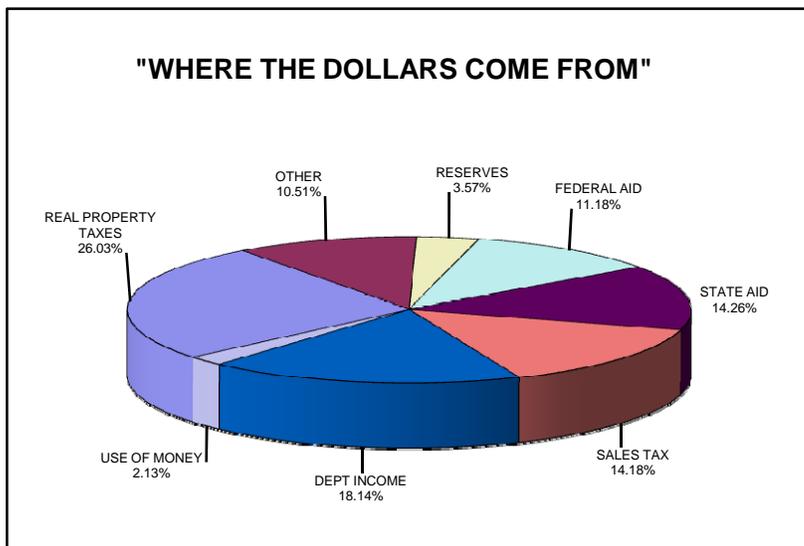
"WHERE THE DOLLARS GO"

ECONOMIC ASSISTANCE	35.73%
HEALTH CARE FACILITY	6.91%
EDUCATION	4.77%
PUBLIC SAFETY	9.00%
HEALTH	10.22%
TRANSPORTATION	14.13%
LANDFILL	4.23%
OTHER	1.80%
GENERAL GOVT	13.21%
	100.00%



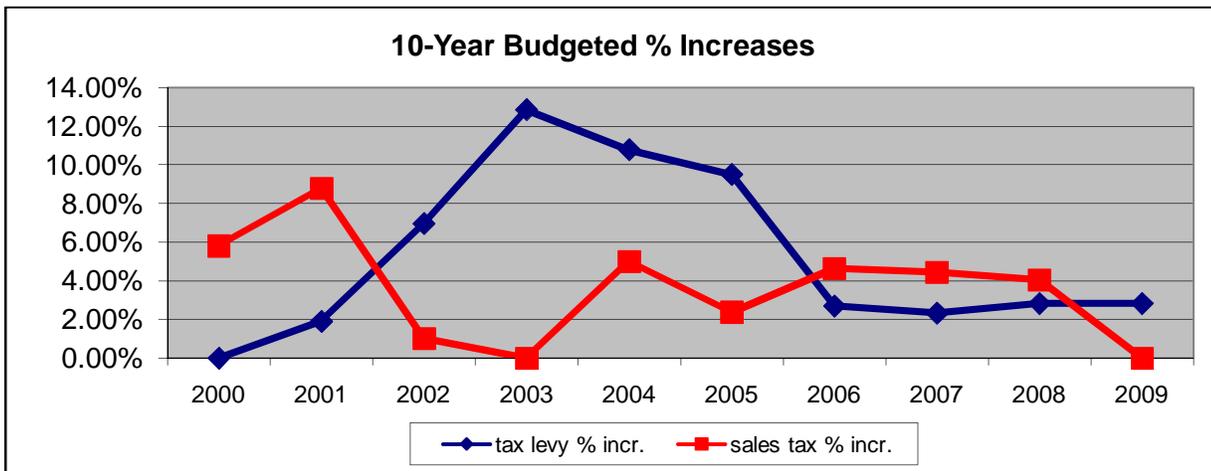
"WHERE THE DOLLARS COME FROM"

REAL PROPERTY TAXES	26.03%
OTHER	10.51%
RESERVES	3.57%
FEDERAL AID	11.18%
STATE AID	14.26%
SALES TAX	14.18%
DEPT INCOME	18.14%
USE OF MONEY	2.13%
	100.00%



STEBEN COUNTY, NY
Budget Analysis: Major Revenue Sources

<u>Year</u>	<u>Total Budget</u>	<u>% Increase</u>	<u>Budgeted Tax Levy</u>	<u>% Increase</u>	<u>TL %</u>	<u>Budgeted Sales Tax</u>	<u>% Increase</u>	<u>ST%</u>
1989	72,640,912	6.53%	21,376,975	8.74%	29.43%	8,500,000	6.25%	11.70%
1990	77,277,634	6.38%	23,040,204	7.78%	29.81%	9,300,000	9.41%	12.03%
1991	83,891,443	8.56%	24,628,103	6.89%	29.36%	9,900,000	6.45%	11.80%
1992	86,059,375	2.58%	25,508,989	3.58%	29.64%	9,900,000	0.00%	11.50%
1993	93,108,644	8.19%	25,508,395	0.00%	27.40%	14,875,000	50.25%	15.98%
1994	101,432,989	8.94%	25,508,395	0.00%	25.15%	16,000,000	7.56%	15.77%
1995	106,712,021	5.20%	26,659,209	4.51%	24.98%	16,000,000	0.00%	14.99%
1996	109,316,843	2.44%	26,659,209	0.00%	24.39%	16,425,000	2.66%	15.03%
1997	110,277,219	0.88%	26,659,209	0.00%	24.17%	17,100,000	4.11%	15.51%
1998	114,603,155	3.92%	26,659,209	0.00%	23.26%	17,200,000	0.58%	15.01%
1999	115,335,262	0.64%	26,392,617	-1.00%	22.88%	17,200,000	0.00%	14.91%
2000	122,995,885	6.64%	26,392,617	0.00%	21.46%	18,200,000	5.81%	14.80%
2001	124,582,686	1.29%	26,896,098	1.91%	21.59%	19,800,000	8.79%	15.89%
2002	132,687,638	6.51%	28,770,184	6.97%	21.68%	20,000,000	1.01%	15.07%
2003	133,888,420	0.90%	32,473,970	12.87%	24.25%	20,000,000	0.00%	14.94%
2004	143,465,777	7.15%	35,981,477	10.80%	25.08%	21,000,000	5.00%	14.64%
2005	147,094,225	2.53%	39,407,242	9.52%	26.79%	21,500,000	2.38%	14.62%
2006	149,355,083	1.54%	40,475,052	2.71%	27.10%	22,500,000	4.65%	15.06%
2007	164,984,796	10.46%	41,417,313	2.33%	25.10%	23,500,000	4.44%	14.24%
2008	180,900,633	9.65%	42,591,089	2.83%	23.54%	24,450,000	4.04%	13.52%
2009	179,497,241	-0.78%	43,798,435	2.83%	24.40%	24,450,000	0.00%	13.62%

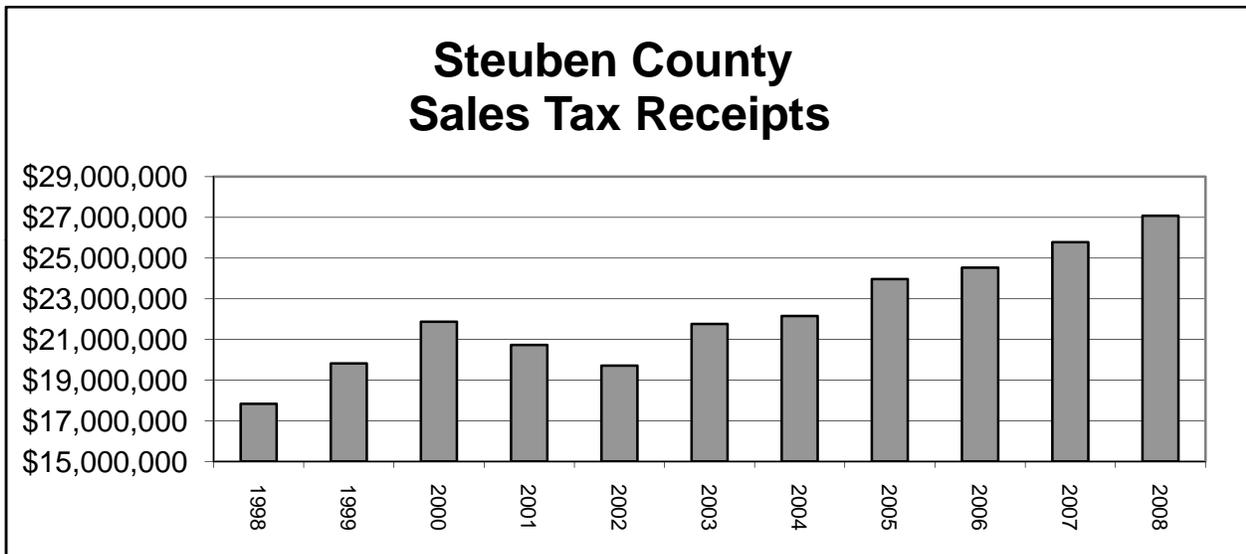


STEUBEN COUNTY, NY
SALES TAX REVENUES AND DISTRIBUTIONS
10-Year Summary by Quarter

Year	County	Corning	Hornell	Add'l 1%	Towns & Villages	Total Municipal	Total Collections
1999	4,369,707	561,456	408,388	375,000	1,881,644	3,226,488	7,596,195
	5,008,522	621,252	471,093	375,000	2,152,054	3,619,399	8,627,922
	5,223,892	585,453	444,765	375,000	2,337,518	3,742,737	8,966,628
	<u>5,213,099</u>	<u>684,728</u>	<u>495,089</u>	<u>375,000</u>	<u>2,178,057</u>	<u>3,732,874</u>	<u>8,945,973</u>
	19,815,221	2,452,889	1,819,335	1,500,000	8,549,273	14,321,498	34,136,718
2000	4,635,698	533,233	461,497	375,000	2,022,013	3,391,743	8,027,441
	5,891,933	612,436	467,205	375,000	2,679,225	4,133,866	10,025,799
	5,717,809	659,520	410,897	375,000	2,558,268	4,003,685	9,721,494
	<u>5,614,661</u>	<u>650,767</u>	<u>434,972</u>	<u>375,000</u>	<u>2,511,545</u>	<u>3,972,284</u>	<u>9,586,945</u>
	21,860,101	2,455,956	1,774,571	1,500,000	9,771,051	15,501,578	37,361,679
2001	4,491,993	471,714	482,668	375,000	2,005,307	3,334,689	7,826,681
	5,208,856	602,203	452,866	375,000	2,317,822	3,747,891	8,956,747
	5,654,685	718,383	479,500	375,000	2,431,962	4,004,845	9,659,530
	<u>5,372,117</u>	<u>635,224</u>	<u>452,723</u>	<u>375,000</u>	<u>2,323,013</u>	<u>3,785,960</u>	<u>9,158,077</u>
	20,727,651	2,427,524	1,867,757	1,500,000	9,078,104	14,873,385	35,601,035
2002	4,871,480	498,321	527,777	375,000	2,125,574	3,526,672	8,398,152
	3,746,146	463,785	622,236	375,000	1,554,857	3,015,878	6,762,024
	5,930,536	553,616	536,528	375,000	2,690,332	4,155,476	10,086,012
	<u>5,157,003</u>	<u>492,624</u>	<u>518,320</u>	<u>375,000</u>	<u>2,303,018</u>	<u>3,688,963</u>	<u>8,845,966</u>
	19,705,165	2,008,346	2,204,861	1,500,000	8,673,781	14,386,989	34,092,154
2003	4,975,360	475,547	477,668	375,000	2,248,109	3,576,324	8,551,683
	5,228,550	464,425	519,700	375,000	2,369,067	3,728,192	8,956,742
	5,975,069	562,070	578,153	375,000	2,670,655	4,185,878	10,160,946
	<u>5,581,685</u>	<u>508,511</u>	<u>510,896</u>	<u>375,000</u>	<u>2,556,144</u>	<u>3,950,551</u>	<u>9,532,235</u>
	21,760,664	2,010,553	2,086,417	1,500,000	9,843,975	15,440,945	37,201,606
2004	4,587,348	416,087	492,142	475,000	2,180,514	3,563,744	8,151,091
	5,381,536	411,836	550,294	475,000	2,610,083	4,047,212	9,428,748
	6,242,742	610,670	493,675	475,000	2,960,392	4,539,737	10,782,479
	<u>5,942,829</u>	<u>585,853</u>	<u>584,638</u>	<u>475,000</u>	<u>2,693,152</u>	<u>4,338,643</u>	<u>10,281,471</u>
	22,154,455	2,024,446	2,120,749	1,900,000	10,444,141	16,489,336	38,643,789
2005	5,212,313	419,909	578,759	475,000	2,452,072	3,925,740	9,138,053
	5,747,324	515,744	540,612	475,000	2,663,023	4,194,379	9,941,703
	6,828,729	590,686	613,557	475,000	3,183,354	4,862,597	11,691,326
	<u>6,165,554</u>	<u>549,883</u>	<u>546,555</u>	<u>475,000</u>	<u>2,961,808</u>	<u>4,533,246</u>	<u>10,698,800</u>
	23,953,920	2,076,222	2,279,483	1,900,000	11,260,257	17,515,962	41,469,881
2006	5,705,591	523,307	521,137	475,000	2,672,818	4,192,262	9,897,853
	6,201,558	618,512	525,817	475,000	2,885,778	4,505,107	10,706,665
	6,313,707	591,118	584,342	475,000	2,924,975	4,575,435	10,889,142
	<u>6,310,036</u>	<u>669,256</u>	<u>565,102</u>	<u>475,000</u>	<u>2,866,330</u>	<u>4,575,688</u>	<u>10,885,724</u>
	24,530,892	2,402,193	2,196,398	1,900,000	11,349,901	17,848,492	42,379,383
2007	5,465,509	576,186	544,332	475,000	2,481,803	4,077,320	9,542,829
	6,366,310	609,372	545,184	475,000	2,995,348	4,624,904	10,991,214
	7,203,751	691,460	574,690	475,000	3,351,016	5,092,166	12,295,917
	<u>6,743,690</u>	<u>634,061</u>	<u>597,465</u>	<u>475,000</u>	<u>3,129,476</u>	<u>4,836,002</u>	<u>11,579,692</u>
	25,779,260	2,511,079	2,261,671	1,900,000	11,957,643	18,630,392	44,409,652
2008	6,301,725	572,289	568,911	502,500	2,965,777	4,609,476	10,911,201
	6,501,977	628,303	604,817	502,500	2,999,741	4,735,360	11,237,337
	7,484,709	758,272	612,800	502,500	3,435,019	5,308,592	12,793,301
	<u>6,779,483</u>	<u>609,386</u>	<u>596,386</u>	<u>502,500</u>	<u>3,187,390</u>	<u>4,895,662</u>	<u>11,675,146</u>
	27,067,894	2,568,249	2,382,914	2,010,000	12,587,927	19,549,090	46,616,984

STEUBEN COUNTY, NY
Sales Tax Receipts Summary

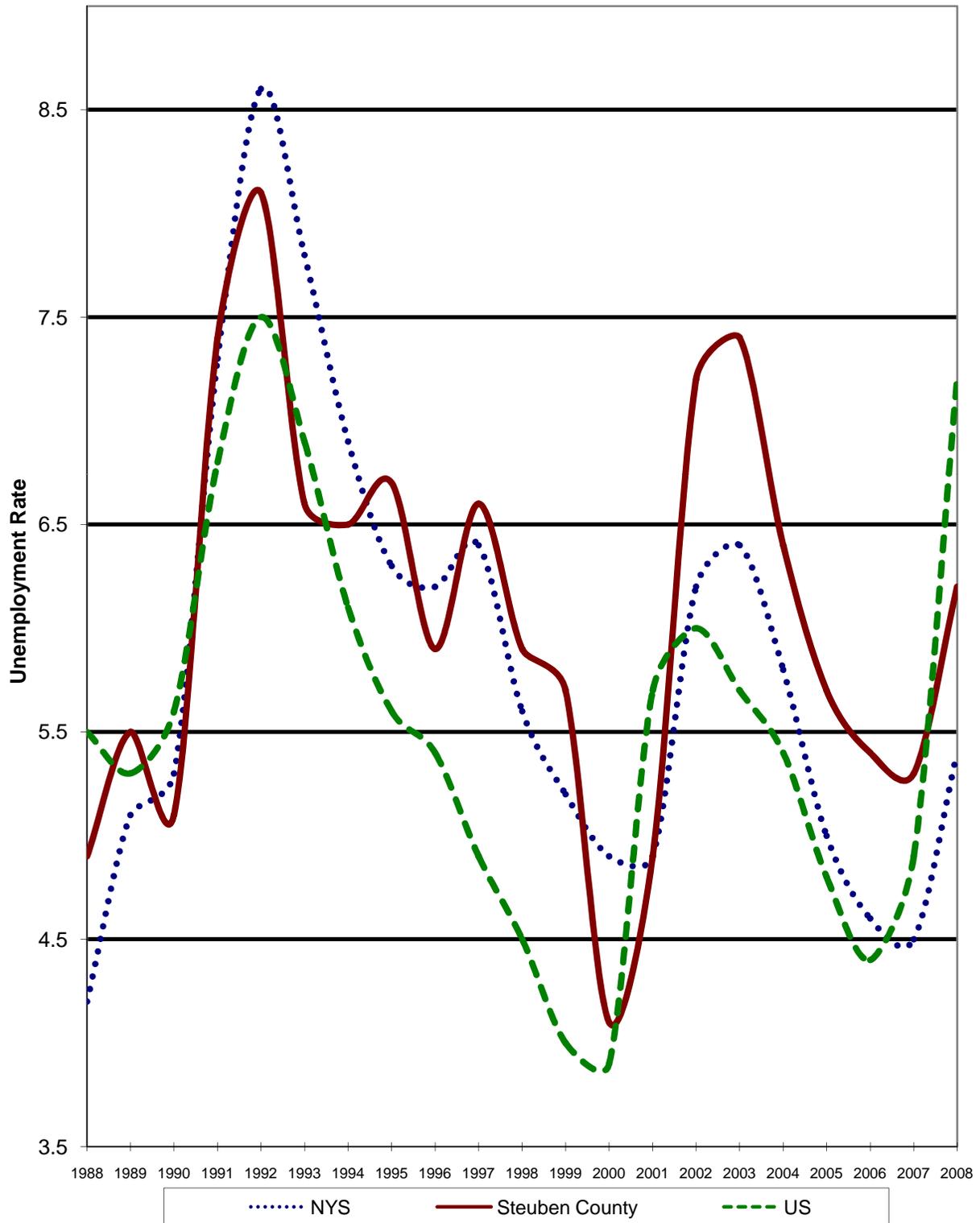
Year	Municipalities						Grand Total
	County	Corning	Hornell	Addtl 1%	Towns & Villages	Municipality Total	
1998	17,839,460	2,416,106	1,643,964	1,500,000	7,645,226	13,205,297	31,044,757
1999	19,815,221	2,452,889	1,819,336	1,500,000	8,549,273	14,321,498	34,136,718
2000	21,860,102	2,455,956	1,774,571	1,500,000	9,771,050	15,501,577	37,361,680
2001	20,727,651	2,427,523	1,867,757	1,500,000	9,078,104	14,873,385	35,601,036
2002	19,705,165	2,008,346	2,204,860	1,500,000	8,673,782	14,386,988	34,092,154
2003	21,760,664	2,010,553	2,086,417	1,500,000	9,843,975	15,440,945	37,201,606
2004	22,154,455	2,024,446	2,120,749	1,900,000	10,444,141	16,489,336	38,643,789
2005	23,953,920	2,076,222	2,279,483	1,900,000	11,260,257	17,515,962	41,469,881
2006	24,530,892	2,402,193	2,196,398	1,900,000	11,349,901	17,848,492	42,379,383
2007	25,779,260	2,511,079	2,261,671	1,900,000	11,957,643	18,630,392	44,409,652
2008	27,067,894	2,568,249	2,382,914	2,010,000	12,587,927	19,549,090	46,616,984



Methodology used to distribute Steuben County sales tax receipts pursuant to Article 29.

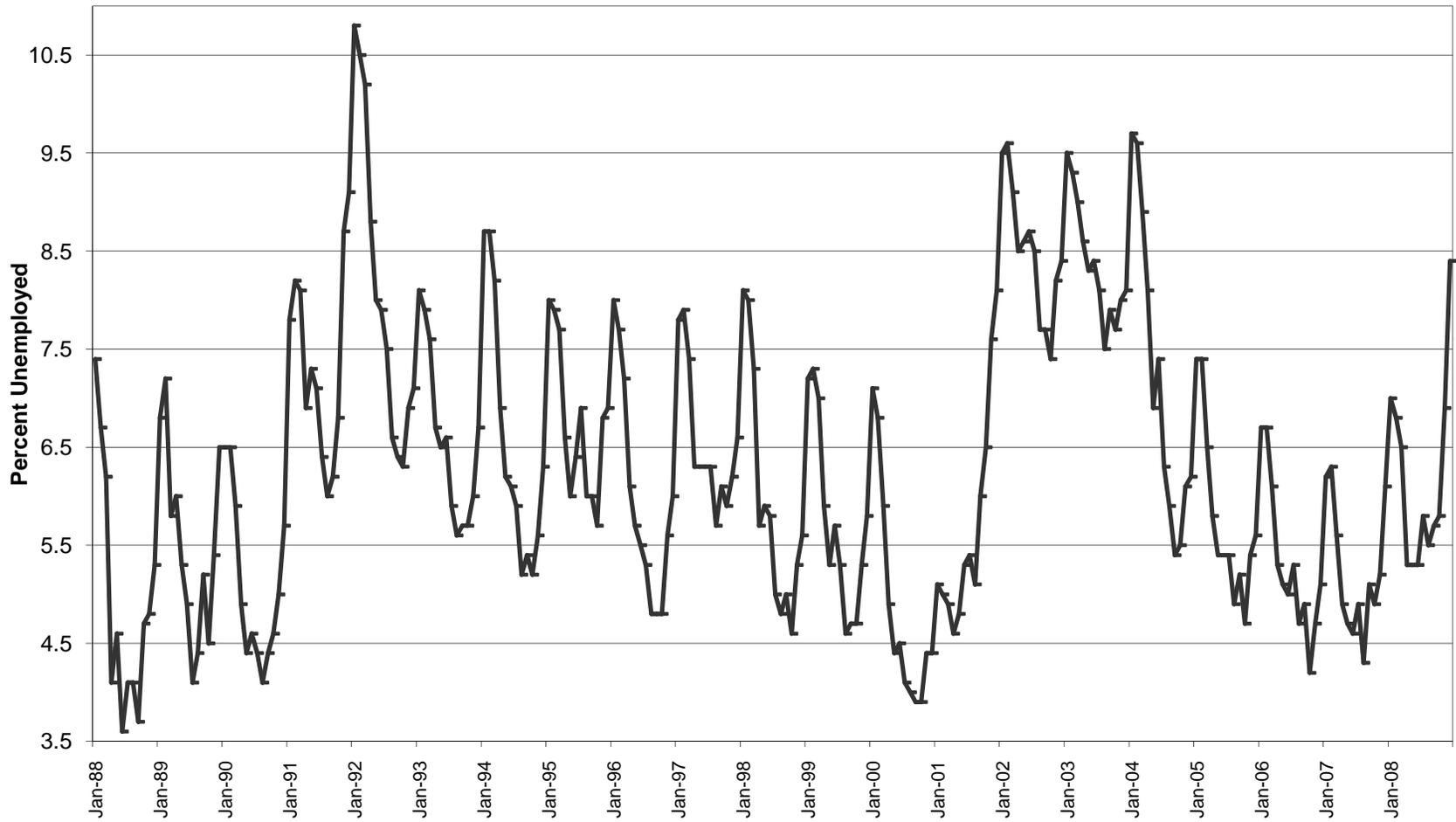
- ~Steuben County Sales Tax Rate - 8% (4% state and 4% local)
- ~Distribution of 3% Statutory Rate:
 - 1.5% to County of all sales within the County
 - 1.5% to cities for sales within each city
 - 1.5% to towns and villages for sales outside of the cities
- ~The 1% additional tax is distributed as follows: \$550,000 to the City of Hornell, \$600,000 to the City of Corning, and \$750,000 to the towns and villages on the basis of full value of property tax. The County retains the remainder.

Steuben County, NY Unemployment Annual Average 1988-2008



Steuben County, NY

Unemployment Rate 1988 - 2008



Source: NYS Department of Labor

STEUBEN COUNTY, NY

Bank Deposits, Mortgage Tax Summary, Property Value

STEUBEN COUNTY BANKING INSTITUTIONS AND DEPOSITS

<u>Year</u>	<u>#of Institutions</u>	<u># of Offices</u>	<u>Deposits*</u>
1999	11	36	680
2000	10	35	672
2001	10	35	720
2002	8	32	784
2003	8	31	792
2004	8	31	729
2005	8	30	754
2006	8	30	752
2007	9	30	776
2008	9	29	784

Source:

Deposits - FDIC (<http://www4.fdic.gov/SOD/SODSumReport.asp>)

* Amounts in millions of dollars and as of each fiscal June 30

Deposits represents only institutions headquartered in Steuben County

MORTGAGE TAX SUMMARY

	<u>MAY</u>	<u>NOV</u>	<u>TOTAL</u>
1999	532,888	585,644	1,118,532
2000	514,964	602,454	1,117,418
2001	516,417	770,867	1,287,284
2002	748,372	637,759	1,386,131
2003	734,335	854,303	1,588,637
2004	702,350	701,574	1,403,924
2005	559,107	737,626	1,296,733
2006	621,073	757,630	1,378,703
2007	625,078	743,136	1,368,214
2008	561,778	651,826	1,213,604

HOUSING DATA

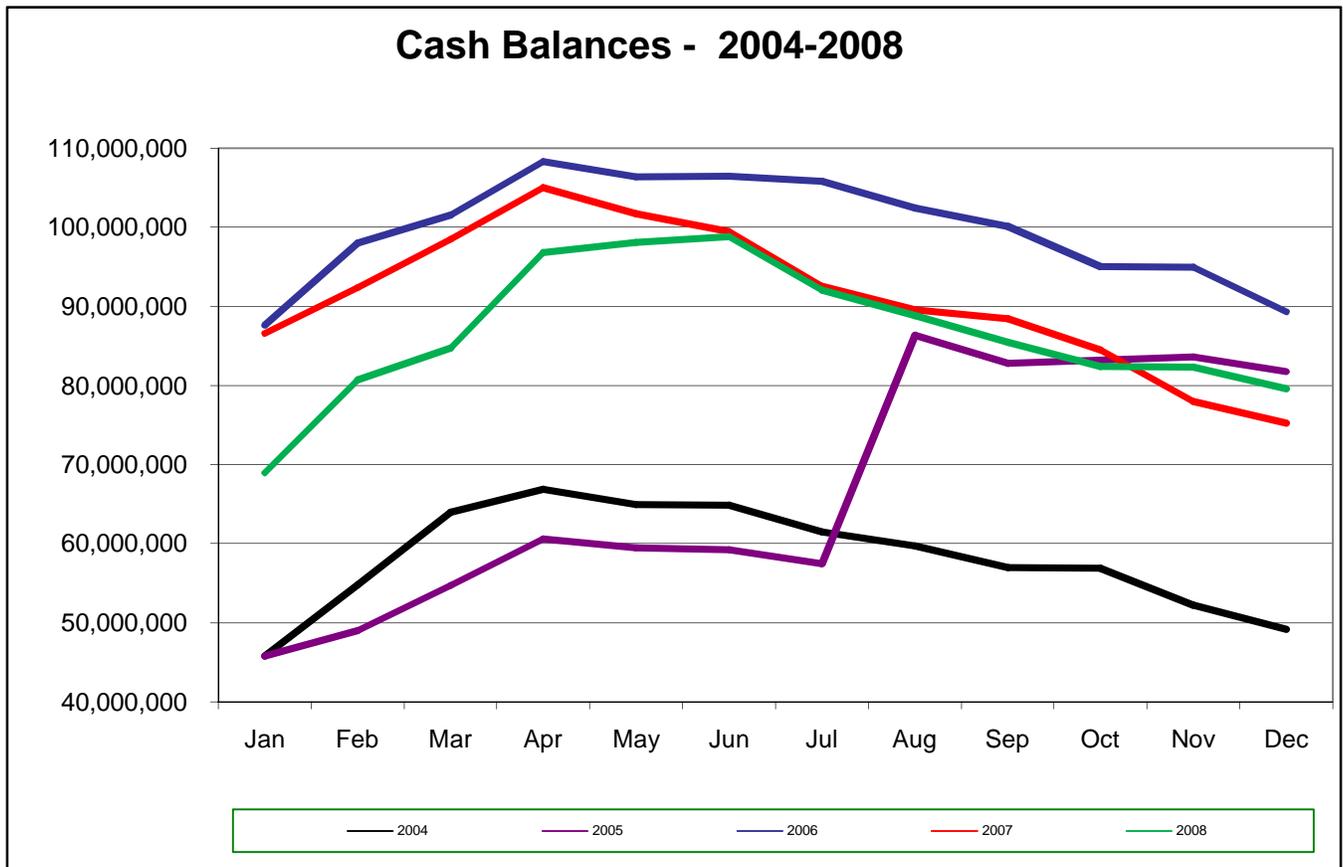
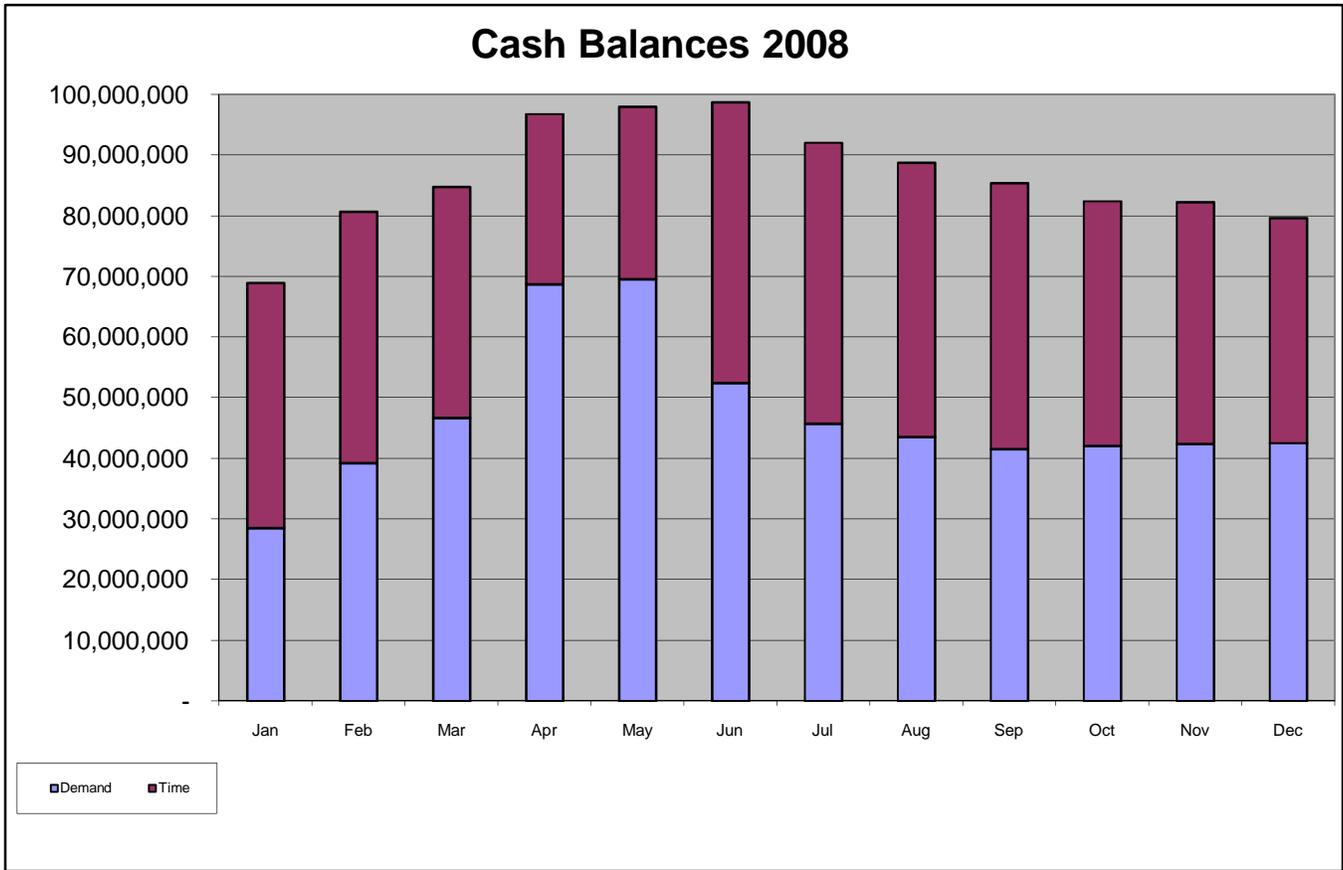
Median Value	\$66,200	
Median Mortgage	838	
Median Rent	468	
Housing Units	46,744	(Source: 2002 - STC Economic Profile)

Mortgage Tax distributions present an indication of housing starts and transfers that require a mortgage.

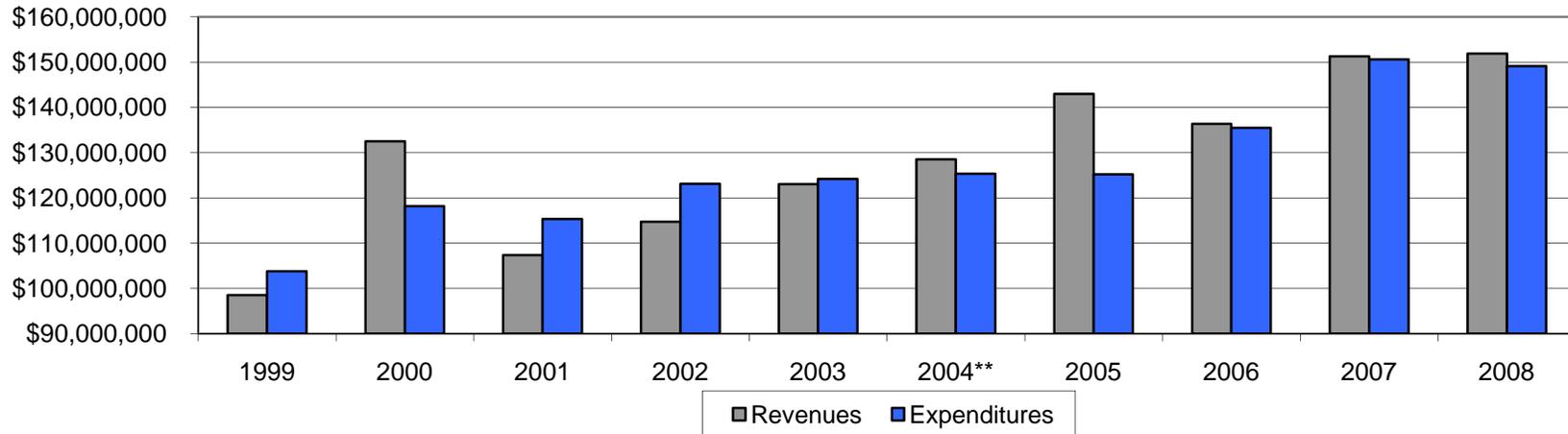
Housing permits are not uniformly required in all municipalities within the County.

Housing Data Source: 2000 US Census Bureau

Steuben County, New York



Steuben County, New York General Government 10 Year History (excludes proprietary funds)



STEUBEN COUNTY, NEW YORK
GENERAL GOVERNMENTAL EXPENDITURES By Function *
Last Ten Fiscal Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004**</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Government	\$ 9,664,879	\$ 10,603,092	\$ 10,965,335	\$ 11,362,887	\$ 11,699,333	\$ 11,927,613	\$ 12,504,174	\$ 12,444,667	\$ 20,838,447	\$ 21,938,357
Education	5,407,280	5,818,012	5,524,685	5,924,331	6,388,188	6,186,677	6,649,959	6,846,164	8,417,701	8,464,816
Public Safety	8,041,673	8,718,839	8,867,112	12,383,510	10,751,452	10,481,955	12,872,413	20,411,745	18,367,842	15,189,451
Health	11,179,112	12,037,577	12,810,284	14,374,674	14,145,258	14,444,990	14,899,314	15,599,244	16,145,706	16,147,207
Transportation	22,523,558	21,274,653	21,847,170	21,063,656	20,740,508	19,741,717	22,146,497	21,618,093	26,654,327	26,929,823
Economic Asst/Opportunity	41,778,934	44,783,030	51,644,864	54,754,462	58,233,743	60,211,411	54,454,285	56,620,652	57,501,433	55,585,951
Culture and Recreation	689,697	687,260	700,679	725,160	651,097	666,993	657,665	750,433	794,436	991,133
Home & Community	1,988,321	1,889,188	2,995,466	2,519,499	1,593,675	1,685,961	1,042,430	1,107,364	1,070,531	1,300,144
Debt Service	2,531,588	12,395,684	16,189	15,600	15,010	11,631	805	121,855	806,944	2,587,266
Total	\$ 103,805,042	\$ 118,207,335	\$ 115,371,784	\$ 123,123,779	\$ 124,218,264	\$ 125,358,948	\$ 125,227,542	\$ 135,520,217	\$ 150,597,367	\$ 149,134,148

STEUBEN COUNTY, NEW YORK
GENERAL GOVERNMENTAL REVENUES By Source *
Last Ten Fiscal Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Real Property Taxes	\$ 21,921,483	\$ 23,202,266	\$ 22,451,353	\$ 23,242,047	\$ 27,083,894	\$ 30,459,593	\$ 32,493,347	\$ 33,329,207	\$ 33,679,402	\$ 34,873,131
Real Property Tax Items	1,971,144	2,366,922	1,815,458	2,369,980	2,621,223	2,638,250	2,645,082	2,833,563	2,891,531	3,043,795
Non-Property Taxes	24,994,612	27,035,476	25,909,851	25,714,738	27,706,734	29,109,876	32,130,414	34,467,302	43,064,534	44,665,840
Departmental Income	8,523,714	11,902,200	10,148,010	12,468,657	12,089,812	14,060,482	16,090,281	15,343,572	15,466,887	16,427,429
Intergovernmental Revenues	1,253,507	1,673,757	1,481,436	1,252,783	1,259,255	1,292,424	1,522,803	1,632,473	1,681,783	2,611,352
Use of Money and Property	3,001,890	3,534,356	3,322,403	2,162,378	1,840,682	1,901,777	2,687,224	4,448,090	4,823,211	4,026,082
Licenses and Permits	9,357	16,355	9,238	9,844	8,929	1,030	3,222	1,680	962	1,403
Fines and Forfeitures	324,759	388,035	379,008	373,505	417,962	306,341	352,749	416,059	345,247	355,068
Sale of Property/Comp Losses	405,118	21,412,384	288,011	681,252	318,654	117,121	9,325,690	149,794	154,516	235,430
Tobacco Settlement	-	-	-	-	-	-	-	-	-	1,668,830
Miscellaneous	5,524,024	5,049,136	5,583,229	4,247,847	2,887,007	2,327,773	1,791,258	704,280	974,325	2,605,433
Interfund Revenues	2,764,335	2,403,668	2,105,419	1,827,633	2,589,667	2,717,257	2,954,237	3,016,298	3,688,224	4,686,248
State Aid	15,912,768	19,392,724	21,283,131	21,607,376	26,525,184	20,374,411	19,518,335	20,461,745	24,410,760	21,332,704
Federal Aid	11,879,833	14,127,003	12,609,796	18,806,014	17,704,691	23,232,093	21,480,908	19,587,862	20,138,754	15,393,753
Issuance of Long-term Debt	-	-	-	-	-	-	517,000	-	-	-
Total	\$ 98,486,544	\$ 132,504,282	\$ 107,386,343	\$ 114,764,054	\$ 123,053,694	\$ 128,538,428	\$ 142,995,550	\$ 136,391,925	\$ 151,320,136	\$ 151,926,498

*Includes General, Special Revenue, and Capital Projects Funds. (Excludes Proprietary Funds)

**Corrected to agree with 2004 financial statements.

*** Reflects a reclassification of Steuben Tobacco Asset Securitization Corporation to a Governmental Debt Service Fund from a Proprietary Fund

STEUBEN COUNTY, NY
Budget Adjustment Policy

Modifications to departmental budgets as outlined in the County Administrative Code:

Transfers Requiring Approval of Department Heads ONLY:

- Transfers between expenditure line items within the same objects of expenditure (within state defined cost centers/departments and County Road/D Fund transportation line items)
- 1000 (Personal Services: Within and between 1800 (Temporary Hire) and 1900 (Overtime) lines only.
- 200 (Equipment and Capital): Between lines except account 298090 (Other Equipment) shall not exceed \$500 or amount in adopted budget, whichever is more.
- 400 (Contractual): Some lines are restricted such as MILOR and Insurance. Contact Treasurer's Office.
- County Treasurer may transfer within 400 (Contractual) lines to adequately fund charge-backs between cost centers/departments. A copy of transfer will be sent to the Department Head.
- 800 (Fringe Benefits)

Transfers Requiring Approval of County Administrator/Budget Officer & County Treasurer:

- Transfers up to \$10,000* between 1000 (Personal Services), 400 (Contractual), and 800 (Fringe) line items for budgeted programs and positions.
- Transfers between 1100 (Salary and Wages) and 1800 (Temporary Hire) or 1900 (Overtime).
- Transfers within same line-item categories (1000, 200, 400, 800) between cost centers/departments that are in the same state-defined functions.
- Transfers up to \$3,500 into or out of the 200 (Equipment and Capital) line items for approved equipment or projects.
- Transfers up to \$25,000 from account D 511200.2 (County Road Construction).
- Amendments up to \$10,000* to reflect increase or decrease in revenues and expenditures for additional State and Federal aid, insurance reimbursements to repair or replace property, or gifts required to be spent for particular purposes.
- Emergency transfers that require supplemental approvals must be authorized by County Administrator/Budget Officer and County Treasurer. Ratification shall be obtained from the appropriate Legislative Committee(s).
- Transfers to appropriate TE (Private-Purpose Trust Fund) and certain A (General Fund) reserve balances.
- Transfers under this section shall not increase County funds, costs, or in any way increase the County share of such programs, agencies or Departments.

Transfers Requiring Approval of Department Head, County Administrator/Budget Officer, County Treasurer, Standing Committee and Finance Committee.

- Transfers over \$10,000* between 1000 (Personal Services), 400 (Contractual) and 800 (Fringe) line items for budgeted programs and positions.
- Transfers within same line-item categories (1000, 200, 400, 800) between cost centers/departments that are in different state-defined functions.
- Transfers \$3,500 to \$25,000 into or out of 200 (Equipment and Capital) line items for approved equipment or projects.
- Transfers over \$25,000 and less than \$100,000 into or out of account D 511200.02 (County Road Construction).
- Amendments over \$10,000* to reflect increase or decrease in revenues and expenditures for additional State and Federal aid, insurance reimbursements to repair or replace property, or gifts required to be spent for particular purposes.
- Amendments to appropriate surplus revenues determined on a cost center/department basis (Calculation: Budgeted County Cost + Actual Revenues – Budgeted Expenditures).
- Transfers authorized under this section shall not increase County funds, costs, or in any way increase the County share of such programs, agencies, or Departments.

Transfers Requiring the approval of the Department Head, Administrator/Budget Officer, County Treasurer, Standing Committee, Finance Committee and County Legislature

- Establishment of new programs, Departments and positions.
- New Equipment items requiring additional appropriations or transfers in excess of \$25,000
- New County Contracts
- Transfers into or out of capital projects
- Transfers for \$100,000 within County Road Fund into or out of D 511200.2 (County Road Construction).
- All transfers from contingency fund
- Supplemental Appropriations

Source: Steuben County Administrative Code last updated May 2009.