

STEUBEN COUNTY

New York



Comprehensive Annual Financial Report

For Fiscal Year Ended December 31, 2010

Prepared by:
Steuben County Treasurer's Office
Patrick F. Donnelly, Treasurer
Tammy Hurd-Harvey, Deputy Treasurer

Steuben County, New York

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For the fiscal year Ended: December 31, 2010

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**Steuben County, New York
Comprehensive Annual Financial Report
December 31, 2010**

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Introductory Section

STEBEN COUNTY TREASURER

Patrick F. Donnelly
Treasurer

Tammy Hurd-Harvey
Deputy Treasurer



Tel. (607) 664-2488

(607) 664-2188 (Fax)

COUNTY OFFICE BUILDING
3 EAST PULTENEY SQUARE
BATH, NEW YORK 14810-1577

June 24, 2011

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, 2010, 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 Steuben 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, 2010, 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 separate audits of both the Steuben County Health Care Facility and the Steuben Tobacco Asset Securitization Corporation. These reports are issued separately and copies can be obtained from the administrative offices of the County at 3 East Pulteney Square, Bath, NY 14810.

The financial statements of the discretely presented component units of the County have been audited by Wheat & Fitzpatrick, Certified Public Accountants, 6 Ganesvoort Street, Bath, NY 14810. Copies can be obtained by contacting the component units directly at the addresses below:

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

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 – Generally accepted accounting principles 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 1,409 square miles and is located in the south 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, ensure 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, tourism, manufacturing and healthcare. There are many attractions including wineries, museums, and scenic beauty. There are a plentiful number of fine accommodations within the County.

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, on the eastern edge of the County, there are many Corning, Inc. manufacturing and research facilities located throughout the region. Corning, Inc creates leading-edge technologies in the telecommunications, flat panel display, environmental, diesel mechanics, life sciences, and semiconductor industries. Alstom, Inc. is located in Hornell on the western edge of the County.

Alstom refurbishes rail and subway cars in their Hornell plant. In the central part of the County, Phillips Lighting provides industrial employment while several private not-for-profit organizations also represent significant employers.

There are three public hospitals and several large nursing homes in the County that also employ a number of skilled and unskilled workers. Additionally, there is a Veterans Administration hospital located in the center of the County.

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 was completed in 2010. This project links Steuben County to the downstate metropolitan area and to the surrounding states. The tourism industry is an important contributor to the Steuben County economy. With few exceptions, tourism has seen steady growth trending over the past 10 years. The upgrade of State Route 17 to Interstate 86 creates better visibility for the tourism industry, creating an environment for further growth and expansion. Glacier carved lakes, over one-hundred award winning wineries, exceptional museums, small town charm, and genuine hospitality draw over 400,000 visitors to the County annually. The explosion of the wine industry and the world-wide recognition of the high quality of the wines produced have increased awareness and profitability of winery businesses, spurring expansion beyond simple tasting rooms and tours. With a focus on sustainability, the wine industry is expected to see continued growth, drawing additional visitation to the County. The Corning Museum of Glass attracts visitors from all over the globe and links well with visits to New York City and Niagara Falls. Innovations such as experiential learning and hands-on activities at this museum and other attractions throughout the county create a unique draw for visitors. A healthy tourism economy matched with improved interstate access has a positive impact on attracting additional industry and retail development.

The 2010 average unemployment rate in Steuben County of 9.9% is above both the state and national averages. In 2009, several large Steuben County employers were forced to lay off large numbers of employees. Corning, Inc, reduced its workforce by 3,500 in early 2009. Alstom, Inc. laid-off 200 in the spring of 2009 and an additional 500 in the spring of 2010. Gunlocke, Inc., also had layoffs in both the spring of 2009 and 2010. These three companies were not able to rehire these employees in 2010. The local economy continues to be depressed and there is no anticipation that there will be anything other than very slow growth over the next several years.

The New York State government continues to experience fiscal struggles. It is anticipated that the State will continue to reduce aid to counties as part of its effort to respond to fiscal pressures. Federal funding from the American Recovery and Reinvestment Act is slated to expire in 2011. The reduction of both State and Federal aid is anticipated to have a profound impact on the County budget.

The New York legislature and governor will likely implement a property tax cap in 2011. This legislation is likely to apply to all local municipalities as well school districts. The cap will likely result in direct impacts to all the optional services the County currently provides as we struggle to provide the mandated services and still keep the tax levy within the maximum increase. This struggle will be exacerbated by the very slow recovery in our local economy and by the increased costs for both New York State retirement billings and ever climbing health care costs. Most of the community benefits activities will have to be eliminated as we go forward. Very few optional activities will be able to be funded.

The Steuben County workforce was greatly impacted by the early retirement incentives of 2010. We had a total of 16 Department Heads leave service last year and an additional 67 other employees took advantage of the retirement incentives offered in 2010. With these changes the County lost a tremendous amount of institutional knowledge and experience as well as some very skilled managers. For the second year, the County will be offering employees the opportunity to take advantage of a retirement incentive in 2011. It is hoped that through voluntary work-force reductions, the County will avoid the need to make any additional employee cuts.

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 health care costs on future generations of Steuben County citizens.

The Steuben County Solid Waste division maintains a ten-year financial plan. This planning process assists in determining debt management, fee structures, closure and post-closure budgeting.

Relevant Financial Policies

Capital Project Financing: The County has a five-year capital improvement plan for maintaining existing infrastructure and buildings to meet demands from growth, legal mandates, and health and safety issues. While the plan covers a five-year period, it is updated annually to reflect ongoing changes as new projects are added, existing projects are modified, and completed projects are deleted from the plan document. The plan is a policy guide and is not intended to replace future County budget decisions.

Risk Management: The County's Risk Management Division administers all liability claims filed against the County and manages the workers' compensation program. Workers' compensation and liability are self-insured programs. Workers' compensation has a self-insured retention of \$750,000. Liability claims have a self-insured retention of \$750,000 per occurrence with an aggregate limit of \$10,000,000. Property is insured with \$25,000 deductibles.

Health Benefits: The County provides access to comprehensive health benefits for employees, dependents and retirees through a self-funded health plan and contractual health insurance plans. Claims paid in 2010 under the self-funded plan exceeded \$10,000,000. A third party administrator is used to pay claims.

Major Initiatives – Due to the on-going weak economy and New York State budget crisis, in the coming years the County will be focusing much of its attention on methods to provide quality services at reduced costs. During 2011, the County will again be offering a retirement incentive to continue to reduce costs. By necessity, individual departments will be adjusting services and response times as the number of employees is reduced. In addition, County departments will be learning to cope with the drain of institutional knowledge as long-time employees leave the County.

Awards and Acknowledgements:

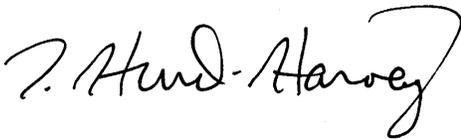
Award – The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Steuben County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2009. This was the ninth consecutive year that the County 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. 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. In addition, we thank our independent auditors, Bonadio & Co., LLP for their cooperation and dedication to this project.

Respectfully submitted,



Patrick F. Donnelly
County 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, 2009

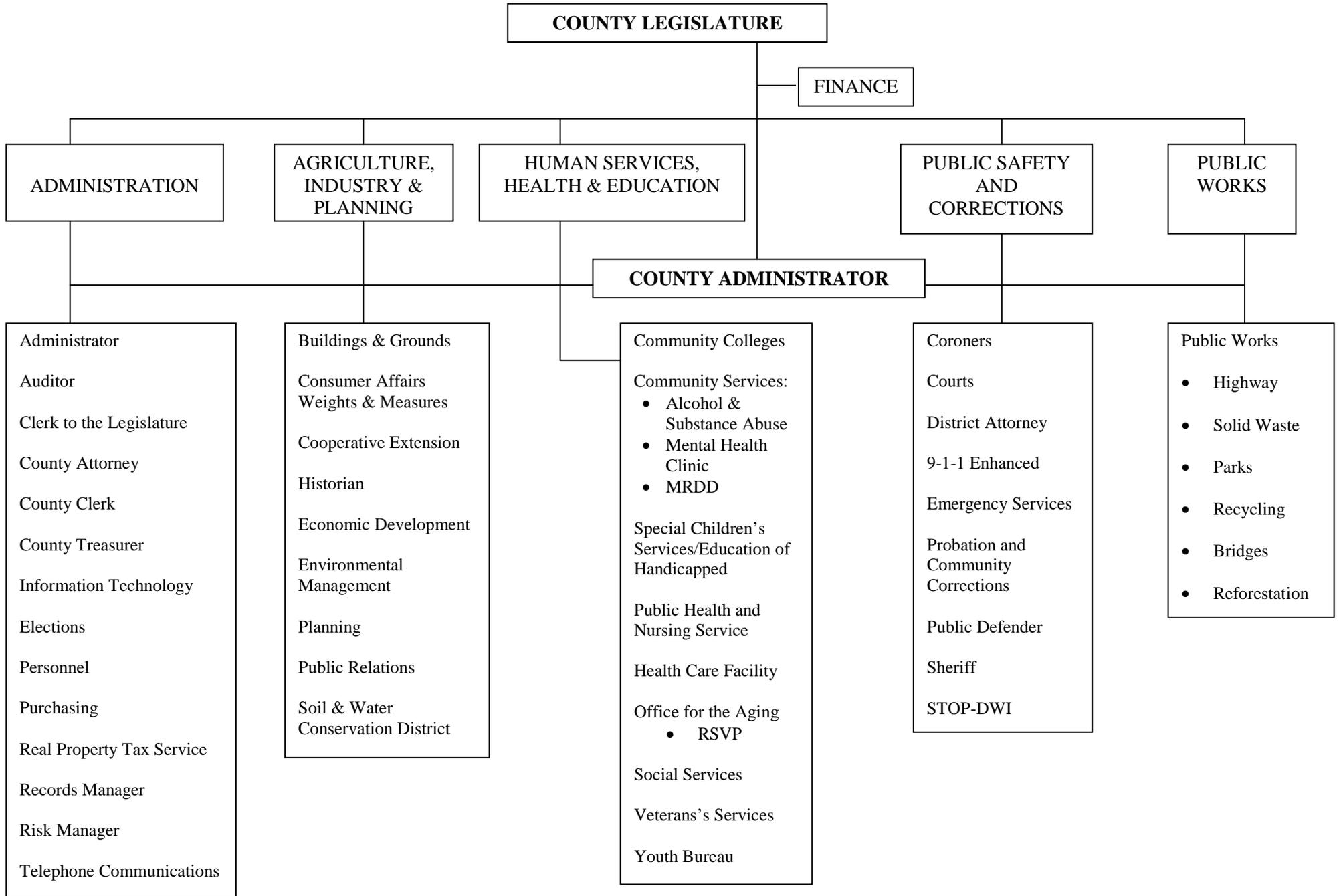
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

STEUBEN COUNTY LEGISLATURE COMMITTEE SYSTEM



**STEUBEN COUNTY LEGISLATORS
2010**

District 1 – City of Hornell

Gary D. Swackhamer	67 N. Main Street, Hornell, NY 14843
Randolph J. Weaver (*)	181 Seneca Street, Hornell, NY 14843

District 2 – City of Corning

Donald B. Creath	86 Cintra Lane East, Corning, NY 14830
Philip A. Palmesano	224 Pearl Street, Corning, NY 14830

District 3 – Town of Bath

Patrick F. Donnelly, Chair	301 Maple Heights, Bath, NY 14810
Lawrence P. Crossett	124 Freeman Terrace, Bath, NY 14810

District 4 – Cohocton & Wayland

Patrick F. McAllister, Esq.	P.O. Box 388, Wayland, NY 14572
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District 5 – Prattsburgh, Pulteney, Urbana

Michael Hanna	13 Vine Street, Hammondsport, NY 14840
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District 6 – Dansville, Hartsville, Hornellsville

Brian C. Schu, Esq.	226 Main Street, Hornell, NY 14843
---------------------	------------------------------------

District 7 – Avoca, Fremont, Howard, Wheeler

John S. Walsh	8261 Hemlock Hill Road, Bath, NY 14810-9573
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District 8 – Bradford, Campbell, Wayne

Joseph J. Hauryski	6031 County Route 17, Campbell, NY 14821
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District 9 – Cameron, Canisteo, Thurston

Thomas J. Ryan	41 Chestnut Street, Canisteo, NY 14823
----------------	--

District 10 – Greenwood, Jasper, Rathbone, Troupsburg, West Union, Woodhull

Dan C. Farrand	6360 County Route 21, Addison, NY 14801
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District 11 – Addison, Lindley, Tuscarora

Robert V. Nichols	743 Thompson Road, Addison, NY 14801
-------------------	--------------------------------------

District 12 – Town Erwin

Gary B. Roush	43 Overbrook Road, Painted Post, NY 14870
---------------	---

District 13 – Caton, Corning, Hornby

Scott J. Van Etten	11310 Hendy Hollow Road, Corning, NY 14830
Carol A. Ferratella	8 Fenderson Street, Painted Post, NY 14870

(*) Democrat

COUNTY OF STEUBEN, NY

2010 - 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 (Elected)
Social Services
Special Children's Services
Treasurer (Elected)
Veterans
Weights & Measures
Youth Bureau

Department Head

Linda M Tetor
Veronica Olin & Joseph Welch
William J Partridge
Christine D Kane/ Brenda Mori
Mark R Alger
Frederick H Ahrens, Jr
John C Bowers
Judith M Hunter
John C Tunney
Michael A Sprague
David McCarroll
Twila O'Dell
Kenneth S Peaslee
Patrick F Donnelly
Robert W Anderson
Robert F Biehl/Nancy Smith
Gregory P Heffner/Amy Dlugos
Eugene Greeley
Byrum W Cooper, Jr
Victoria M Fuerst
David Hopkins
Vincent Spagnoletti
James L Gleason
Donna P Hatch/Wendy Flaitz
Kenneth K Sherer/Jack Wheeler
Kenneth Isaman
Joel R Ordway
Kathryn A Muller
Diane L Kiff
Carol S Whitehead
Daniel P McRae
Dennis S Abbey
Gary S Pruyn/Jack Wheeler

Financial Section

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

June 24, 2011

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, 2010, 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 discretely presented 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 the 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. 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 the 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 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, 2010, 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.

171 Sully's Trail
Pittsford, NY 14534
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f (585) 381-3131

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www.bonadio.com

(Continued)

INDEPENDENT AUDITORS' REPORT

(Continued)

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2011, 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 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 should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States require that the management's discussion and analysis and budgetary comparison information on pages 3 through 15 and 73 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements as a whole. The 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 financial statements. The combining fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section, individual fund statements and schedules, and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements applied by us and the other auditors and, accordingly, we do not express an opinion or provide any assurance on them.

Financial Section

Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Unaudited)

Introduction

The following is management's discussion and analysis (MD&A) of Steuben County's (the County) financial performance, providing a narrative overview of the activities for the fiscal year that ended December 31, 2010. 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 \$139,682,179 at the close of the year compared to \$139,593,842 at the end of 2009.
- Of the total net asset amount, \$24,958,352 or 18% was unrestricted and may be used to meet the County's ongoing obligations compared to \$27,877,980 or 20% at the end of 2009.
- Total net assets increased from the previous year by \$88,337 and the unrestricted portion decreased by \$2,919,628.
- Governmental activities invested in capital assets, net of related debt increased \$2,856,914 for a total of \$97,958,711 at the end of 2010.
- Governmental activities increased the County's net assets by \$3,855,188 or 3% compared to the 2009 increase of \$7,997,728 or 7%. The governmental activities net assets value at the end of 2010 was \$126,378,868.
- Operating & Capital Grants/Contributions equaled \$47,830,482 or 29% of the total governmental activities revenue compared to \$48,228,073 or 30% in 2009.
- Business-type activities include the Health Care Facility (HCF) and the Solid Waste Operations. Business-type activities net assets value for 2010 was \$13,303,311 compared to \$17,070,162 at the end of 2009.
- The Health Care Facility (HCF) change in net assets was a decrease of \$3,299,613 or a decrease of 69%. Total net assets at December 2010 were \$1,485,015 compared to \$4,784,628 for 2009. In 2010 the HCF realized a loss of \$3,044,210 from operating activities compared to a loss of \$1,653,769 in 2009. There was no Intergovernmental Transfer (IGT) revenue recorded for 2010 compared to \$359,296 in 2009.
- The Solid Waste Operations experienced a loss of \$826,377 from operations compared to a loss of \$1,477,202 in 2009. Non-Operating Activities generated income of \$359,139 in 2010. Total Net Assets decreased by \$467,238 or 4% to \$11,818,296 at the end of 2010.

- At December 31, 2010, the County had total debt excluding the Steuben Tobacco Asset Securitization Corporation of \$25,990,000 consisting of:
 - Installment bonds for the expansion of cell#2 of the Bath landfill of \$3,480,000.
 - Bonds for the construction of a new health care facility of \$16,220,000.
 - Bonds for the construction of an expansion of the jail facility for \$6,290,000.
- At December 31, 2010, STASC had total bonds net of bond premiums of \$30,622,790 securitized by future tobacco settlement payments.
- The government-wide "Current Ratio," which is an indicator of liquidity, for governmental activities was 2.7 compared to 3.2 at the end of 2009.

Overview of the Financial Statements

The 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 on 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 Health Care Facility and the 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.
- Repayments of long-term debt reduce long-term liabilities 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 – Statement of Net Assets						
As of December 31,						
	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current assets	\$ 106,868,814	\$ 97,394,800	\$ 13,834,998	\$ 16,939,075	120,703,814	\$ 114,333,875
Unamortized bond issue costs	-	-	59,879	69,877	59,879	69,877
Capital assets, net	104,248,711	101,940,197	34,131,984	36,445,889	138,380,695	138,386,086
Total assets	211,117,525	199,334,997	48,026,861	53,454,841	259,144,386	252,789,838
Current liabilities	39,109,894	30,753,709	4,284,669	5,009,414	43,394,563	35,763,123
Non-current liabilities	45,628,763	46,057,608	30,438,881	31,375,265	76,067,644	77,432,873
Total Liabilities	84,738,657	76,811,317	34,723,550	36,384,679	119,462,207	113,195,996
Invested in capital assets net of related debt	97,958,711	95,101,797	14,148,950	13,804,689	112,107,661	108,906,486
Restricted net assets	2,343,632	2,372,614	272,534	436,762	2,616,166	2,809,376
Unrestricted net assets	26,076,525	25,049,269	(1,118,173)	2,828,711	24,958,352	27,877,980
Total Net Assets	\$ 126,378,868	\$ 122,523,680	\$ 13,303,311	\$ 17,070,162	\$ 139,682,179	\$ 139,593,842

Net assets total \$139,682,179 in 2010 compared to \$139,593,842 in 2009. Governmental activities comprise 90% of the total net assets with \$126,378,868 in 2010 compared to 88% or \$122,523,680 in 2009. Business-type activities have total net assets of \$13,303,311 in 2010 compared to net assets of \$17,070,162 in 2009. Governmental unrestricted net assets increased to \$26,076,525 in 2010 compared to \$25,049,269 in 2009.

The largest component of the County's net assets, \$112,107,661 or 80% (\$108,906,486 or 78% in 2009) 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 \$2,616,166 or 2% of the total net assets compared to \$2,809,376 or 2% of the total net assets in 2009. These assets are subject to constitutional, legal, or external constraints on how they may be used. Business-type restricted net assets declined to \$272,534 in 2010 from \$436,762 in 2009. This decline resulted from the continued expenditure of the restricted bond proceeds for the Landfill Cell#2.

The balance of unrestricted net assets of \$24,958,352 (\$27,877,980 in 2009) represents those 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 – Statement of Activities and Change in Net Assets
For the Year Ended December 31:

	Governmental Activities		Business-type Activities		Total	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenues:						
Program revenues:						
Charges for services	\$ 25,301,272	\$ 23,820,262	\$ 14,479,063	\$ 13,888,669	\$ 39,780,335	\$ 37,708,931
Operating grants & contributions	45,972,119	44,617,265	794,757	370,070	46,766,876	44,987,335
Capital grants & contributions	1,858,363	3,610,808	-	-	1,858,363	3,610,808
General Revenues:						
Taxes:						
Real property taxes	38,122,963	36,501,838	-	-	38,122,963	36,501,838
Real property tax items	3,684,012	2,951,592	-	-	3,684,012	2,951,592
Sales & Use Tax	34,707,975	32,769,327	-	-	34,707,975	32,769,327
Other Nonproperty tax items	9,625,869	10,410,917	-	-	9,625,869	10,410,917
Interest and earnings	378,229	611,323	43,614	141,104	421,843	752,427
Gain on disposition of assets	141,381	941,326	-	-	141,381	941,326
Miscellaneous	<u>3,108,309</u>	<u>3,666,472</u>	<u>985,766</u>	<u>1,073,414</u>	<u>4,094,075</u>	<u>4,739,886</u>
TOTAL REVENUE	<u>162,900,492</u>	<u>159,901,130</u>	<u>16,303,200</u>	<u>15,473,257</u>	<u>179,203,692</u>	<u>175,374,387</u>
Expenses:						
General Government	25,788,367	25,315,553	-	-	25,788,367	25,315,553
Education	9,205,295	9,046,812	-	-	9,205,295	9,046,812
Public Safety	18,924,405	17,812,344	-	-	18,924,405	17,812,344
Health	17,061,123	16,760,346	13,365,470	12,132,826	30,426,593	28,893,172
Transportation	23,107,833	20,927,774	-	-	23,107,833	20,927,774
Economic asst & opportunity	60,286,419	59,206,207	-	-	60,286,419	59,206,207
Culture and recreation	901,224	975,305	-	-	901,224	975,305
Home and community	1,547,544	1,290,512	6,704,581	6,818,909	8,252,125	8,109,421
Interest and amortization expense	<u>2,223,094</u>	<u>568,549</u>	<u>-</u>	<u>-</u>	<u>2,223,094</u>	<u>568,549</u>
TOTAL EXPENSES	<u>159,045,304</u>	<u>151,903,402</u>	<u>20,070,051</u>	<u>18,951,735</u>	<u>179,115,355</u>	<u>170,855,137</u>
Increase in Net Assets	3,855,188	7,997,728	(3,766,851)	(3,478,478)	88,337	4,519,250
Net Assets, beginning of year	<u>122,523,680</u>	<u>114,525,952</u>	<u>17,070,162</u>	<u>20,548,640</u>	<u>139,593,842</u>	<u>135,074,592</u>
Net Assets, end of year	<u>\$ 126,378,868</u>	<u>\$ 122,523,680</u>	<u>\$ 13,303,311</u>	<u>\$ 17,070,162</u>	<u>\$ 139,682,179</u>	<u>\$ 139,593,842</u>

Governmental Activities: Governmental activities increased the County's net assets by \$3,855,188 or 3% in 2010 compared to an increase of \$7,997,728 or 7% in 2009. Total revenue in 2010 was approximately \$163,000,000 which is about \$3,000,000 more than the \$160,000,000 in 2009. Expenses increased approximately \$7,000,000 to about \$159,000,000 in 2010 compared to approximately \$152,000,000 in 2009.

The \$3,000,000 increase in total governmental activities revenue is comprised of various increases and decreases in revenue categories. Capital grants declined by about \$1.7

million from 2009. This was the result of less federal bridge construction reimbursement and single year grants for both court facilities and public safety aid that was received in 2009 and not in 2010. Operating grants increased to \$45,972,119 or approximately \$1.4 million. This increase was primarily within the economic assistance and opportunity services as increased grants for social services programs were received in 2010. Charges for services revenue increased approximately \$1.5 million over the 2009 amount to approximately \$25,300,000. The majority of this increase was realized within the mental health services area. There was a negative retroactive rate adjustment in 2009 of approximately \$1.7 million. A portion of this 2009 adjustment (\$450,000) was reversed in 2010. The combination of both of these adjustments resulted in the increase in 2010 charges for services revenue. Increases in 2010 in real property taxes and real property tax items over the 2009 amounts were offset by declines in other non-property tax items, interest and earnings, gain on disposition of assets, and miscellaneous revenues. Sales tax revenues increased approximately \$1.9 million over the 2009 level to \$34,707,975 as the local economy began to recover slightly from the 2009 downturn.

The \$7 million increase in expenses between 2009 and 2010 is primarily the result of increased spending for public safety, transportation, economic assistance and interest. Most of the \$1 million increase in public safety spending over 2009 was driven by increased wages and fringe benefit costs. Although there was virtually no increase in full-time equivalent positions in this area, the total cost for wages and fringes increased about \$900,000 in 2010 over 2009. Within the transportation services area, the increase in expenses of almost \$2.2 million was caused primarily by fewer permanent (capitalized) improvements to roads and bridges. Cash basis spending for transportation services declined from about \$30.2 million in 2009 to about \$27.2 million in 2010. However, as a proportion of spending, far less was invested in road and bridge work that would extend the life or utilization of roads and bridges. In 2009 approximately \$15 million of spending on improvements was capitalized to capital assets and hence was not considered a current year cost. In 2010 only about \$10 million was reduced from current year expense and capitalized as depreciable assets. Because less was invested in capitalized assets, more was invested in simple maintenance and repair. The net impact was an increase in 2010 transportation expense of about \$2.2 million. Expenses for economic assistance programs increased a little over \$1 million in 2010 compared to 2009. Retirement costs accounted for about \$476,000 of this increase. The wheels to work program had about \$218,000 more spending in 2010 than in 2009. The cost for County attorney services to the department of social services accounted for approximately \$250,000. The final area with a significant increase in 2010 expenses over 2009 was interest expense. Interest expense was almost \$1.7 million greater in 2010 compared to 2009 and this is all related to the interest costs for the Steuben Tobacco Asset Securitization Corporation debt. Other relatively minor fluctuations in costs results in the total increased costs in 2010 of approximately \$7 million.

There were no transfers between governmental activities and business-type activities in either 2010 or 2009.

Business-type Activities: Net assets from the business-type activities decreased \$3,766,851 in 2010 compared to a decrease of \$3,478,478 in 2009.

The Health Care Facility had a decrease in net assets of \$3,299,613 in 2010 compared to a decrease of \$1,964,400 in 2009. The Health Care Facility had revenue of \$10,065,857 in 2010 compared to \$10,316,830 in 2009 for a decrease of about \$250,000.

This decrease was driven primarily by the decrease in the Intergovernmental Transfer (IGT) funding. No IGT revenue was recorded in 2010 while there was \$359,296 booked in 2009. The Health Care Facility had increased expenses of approximately \$1,100,000 (\$13,365,470 in 2010 compared to \$12,281,230 in 2009). This difference is comprised mostly of an increase of approximately \$800,000 in wages and fringe benefits.

The Solid Waste Operations had a decrease in net assets of \$467,238 in 2010 compared to a decrease of \$1,514,078 in 2009. The Solid Waste Operations revenue increased by about \$948,000 to approximately \$6,253,000 in 2010 compared to approximately \$5,300,000 in 2009. The revenue improvement was mainly attributable to the small improvement in the economy and a slight recovery of the recycling market. Landfill fees were about \$567,000 more in 2010 than in 2009. Similarly State Aid increased about \$400,000 in 2010 compared to 2009. On the other hand, interest revenue was about \$85,000 less in 2010 than in 2009. Solid Waste Operations expenses increased by about \$99,000 in 2010 compared to 2009 (\$6,720,381 in 2010 and \$6,818,909 in 2009). This decreased expense is primarily attributable to savings resulting from changes in the hours of operation at the landfill and transfer stations.

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 Steuben County's governmental funds financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Steuben 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.

As of the end of the current fiscal year, Steuben County's governmental funds reported combined ending fund balances of \$66,531,307, an increase of \$3,083,715 in comparison with the prior year. Approximately 68% of this amount (\$45,533,264) constitutes unreserved, undesignated fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed; 1) to liquidate contracts and purchase orders of the prior period (\$777,602), 2) to pay debt service (\$1,758,028), 3) to pay potential future insurance claims (\$2,413,922), 4) to pay for future facility repair and renovations (\$3,924,579), 5) to reduce the following year tax levy (\$9,413,372 or 14% of total fund balances), and 6) for a variety of other restricted purposes (\$2,710,540).

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

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):

The total of unreserved fund balance and undesignated fund balance represented 34% of expenditures in both 2010 and 2009.

Total fund balance represents 42% of the expenditures in 2010, compared to 40% of the expenditures in 2009.

The general fund unreserved and undesignated fund balance increased by \$2,366,182 or 6% in 2010 compared to an increase of \$930,593 or 2% in 2009. In 2010, the unreserved and undesignated fund balance equaled 83% of the total fund balance compared to 84% in 2009.

In 2010, \$4,097,497 of the unreserved fund balance was allocated to fund 2011 appropriations compared to \$3,237,497 for 2010 appropriations in 2009.

Total fund balance for the general fund increased by \$3,165,419 or 6% in 2010 compared to an increase of \$97,875 or 0.2% in 2009. Total general fund revenues were greater in 2010 than 2009 by approximately \$7 million (\$132,777,525 in 2010 and \$125,650,062 in 2009). Real property taxes and other real property tax items increased over the 2009 value by approximately \$2.3 million. This increase resulted as part of the normal budget process whereby the tax levy is derived based on estimated costs less estimated non-tax revenue. There was an approximate \$1.2 million increase in non-property taxes which is primarily the growth in the sales tax between 2009 and 2010. Departmental income was about \$2.3 million greater in 2010 than in 2009. Most of this relates to the mental health revenue adjustments in both 2009 and 2010. There was a negative retroactive rate adjustment in 2009 of approximately \$1.7 million. A portion of this 2009 adjustment (\$450,000) was reversed in 2010. The net impact was about \$2.2 million related to these two retroactive adjustments. Combined State and Federal aid increased about \$2.2 million in 2010 compared to 2009. Most of this increase was related to new Federal funds received under the American Recovery and Reinvestment Act (ARRA) and social services state aid. Expenditures also increased in 2010 over 2009. Total general fund expenditures were \$129,134,986 in 2010 compared to \$124,763,516 in 2009. The largest increases were in the public safety and economic assistance and opportunity areas. Most of the \$1 million increase in public safety spending over 2009 was driven by increased wages and fringe benefit costs. Although there was virtually no increase in full-time equivalent positions in this area, the total cost for wages and fringes increased about \$900,000 in 2010 over 2009. Expenditures for economic assistance programs increased a little over \$1 million in 2010 compared to 2009. Retirement costs accounted for about \$476,000 of this increase. The wheels to work program had about \$218,000 more spending in 2010 than in 2009. The cost for County attorney services to the department of social services accounted for approximately \$250,000.

The **County Road Fund** has a total fund balance of \$2,603,681 representing a 9% decrease from the 2009 fund balance of \$2,863,804. Total revenues were down in 2010 when compared to 2009 by approximately \$1.8 million. Primarily, there were three sources of revenue that declined from 2009. In 2009, ARRA revenue and reimbursement for road damage caused by wind tower construction were received and neither was repeated in 2010. Additionally, interfund transfers were lower in 2010 to correspond with a reduction in machinery chargeback costs. Expenditures dropped about \$1,078,078 to \$20,644,601 compared to \$21,722,679 in 2009. This decline was the net impact of about \$2.7 million less being spent on permanent improvements to roads and bridges and an increase of about \$1.5 million being spent on repairs and upkeep for existing roads and bridges.

Financial Analysis of Proprietary funds The Steuben County proprietary funds provide the same type of information found in the government-wide financial statement, but in more detail.

The **Health Care Facility** had net assets of \$1,485,015 compared to \$4,784,628 at the end of 2009. In 2010, the Health Care Facility had a negative change in net assets of \$3,299,613 or 69%. The results for the past five consecutive years follow:

2010	(\$ 3,299,613)
2009	(\$ 1,964,400)
2008	\$ 1,535,298
2007	(\$ 917,463)
2006	(\$ 105,070)

The **Solid Waste Operations** had net assets of \$11,818,296 at the end of 2010 compared to \$12,285,534 at the end of 2009, representing a decrease of \$467,238 or 4%. The results for the past five consecutive years follow:

2010	(\$ 467,238)
2009	(\$ 1,514,078)
2008	(\$ 2,381,436)
2007	\$ 1,180,072
2006	\$ 57,070

General Fund Budgetary Highlights - Appropriation budget adjustments increased the original budget by \$4,328,940 or 3.1% compared to \$3,455,745 or 2.6% in 2009. 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, 2010

	<u>Original</u>	<u>Modified</u>	<u>Difference</u>	<u>% change</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 24,309,880	\$ 26,528,120	\$ 2,218,240	9.1%
Education	8,910,000	9,238,000	328,000	3.7%
Public Safety	16,876,144	17,277,017	400,873	2.4%
Health	18,642,450	18,775,505	133,055	0.7%
Transportation	350,000	750,999	400,999	114.6%
Economic Assistance and Opportunity	65,764,645	65,431,745	(332,900)	-0.5%
Culture and Recreation	910,966	951,232	40,266	4.4%
Home and Community Services	1,369,001	1,789,227	420,226	30.7%
Debt Service	697,340	697,340	-	0.0%
TOTAL APPROPRIATED EXPENDITURES	137,830,426	141,439,185	3,608,759	2.6%
Transfers Out	132,000	852,181	720,181	545.6%
TOTAL APPROPRIATIONS & TRANSFERS	137,962,426	142,291,366	4,328,940	3.1%

Explanation of significant budget modifications:

- The current year General Fund budget was increased by \$128,951 to fund encumbrances issued in 2009.
- In 2010, \$429,145 or 33% (\$782,305 or 56% in 2009) of the contingency budget of \$1,300,000 established for unforeseen purposes was allocated. The most significant transfers include \$150,000 to fund the County's cost of community college enrollments and \$120,000 was transferred to fund a capital project established to improve the County's computer network security.
- The increase in the General Government Support area is primarily driven by an increase of approximately \$1,800,000 in the distribution of sales tax to municipalities in the County and about \$300,000 appropriated within the central communications department from additional telephone charge backs.
- The increase in the Transportation budget of approximately \$400,000 from the original amount is comprised primarily of increases from the Federal 5311 funding for new public transportation buses.
- The budget for the Home and Community Services programs increased by about \$420,000 related to an appropriation of the \$125,000 Bond Anticipation Note for the Upper Five Mile Creek Watershed district. The proceeds of the borrowing were used for repairs and upgrades to the ditches and pipes. In addition, approximately \$450,000 of Community Develop Block Grant funding became available during 2010 for water and sewer repairs to residential homes within the County.
- The increase in Transfers Out was related to additional capital projects for several building maintenance and improvement projects, the purchase of additional computer hardware, and an energy conservation project.

General Fund Final Budget Compared to Actual Expenditures and Revenues –

- Actual revenues fell short of the final-modified revenue budget by \$3,046,431 or 2% (\$7,212,054 or 5% in 2009). This difference was the net result of about \$2,300,000 more sales tax received than anticipated which was offset by a budget shortage in State Aid revenues of about 1,900,000. State aid in social services, mental health, early intervention and public safety accounted for \$1,500,000 of the total state aid shortfall. Other revenue shortfalls included \$1,710,000 in patient fees for Public Health Nursing and Mental Health services, interest earnings of about \$365,000, and interdepartmental revenue of about \$849,000 for Mental Health, Youth Bureau and Aging services.
- The final-appropriation budget exceeded actual expenditures by \$11,894,783 or 8% (\$12,101,566 or 9% in 2009). General County actual costs were less than budgeted by about \$3,000,000. Of this amount, approximately \$871,000 was unexpended contingency budget. In addition, about \$300,000 of the budgeted amount for judgments and claims was not needed, about \$901,000 set aside for cash distributions of sales tax to towns and villages was not used, and both elections and

buildings and grounds had over \$100,000 of budget unexpended. Expenditures for Health services were about \$2,100,000 less than the modified budget. This is in keeping with the under-realization of revenues in both public and mental health services. The greatest budgetary difference is within social services program services. Approximately \$5,900,000 of the modified budget for these services was not expended in 2010. Of this amount, about \$1,200,000 was unspent in services for recipients, \$1,300,000 in aid to dependent children, \$400,000 for day care and \$900,000 in administration costs.

- The County's focus on reducing costs facilitates maintenance of budgetary control.

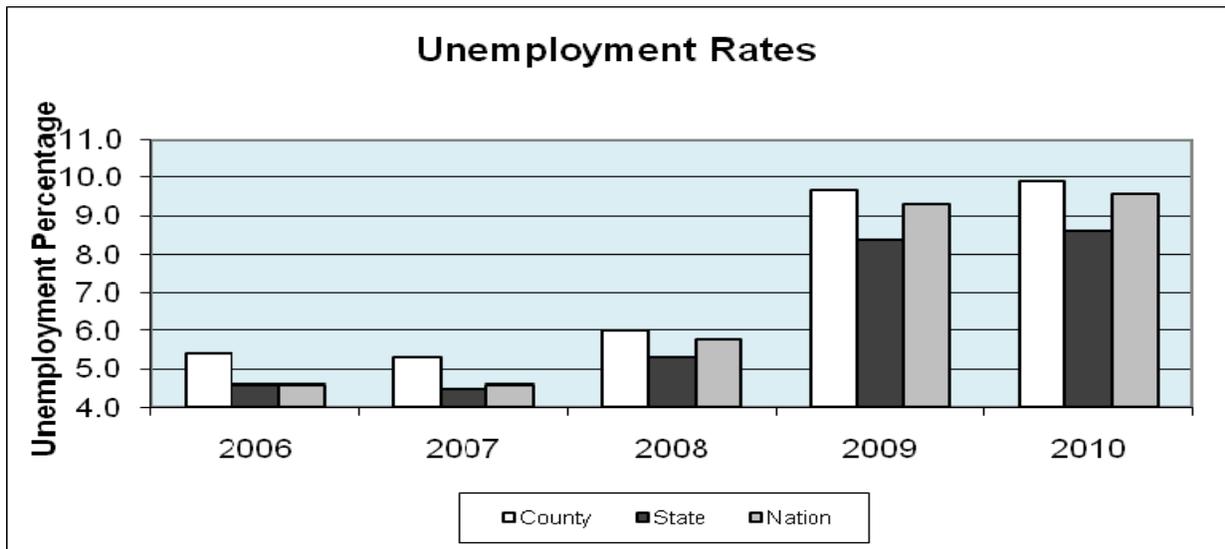
Capital Asset and Debt Administration

Capital Assets - The County's investment in capital assets (net of accumulated depreciation) for governmental and business-type activities as of December 31, 2010 totaled \$138,380,695 compared to \$138,386,086 in 2009. 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 2010 were for additional investments in infrastructure, road equipment and vehicles. Please refer to Note III C in the Notes to the Basic Financial Statements in this report for additional information on the County's capital assets.

Long-Term Debt - At December 31, 2010, excluding the STASC, the County had total debt obligations of \$25,990,000 compared to \$29,468,400 at the end of 2009. The STASC had debt (net of discount) of \$29,962,180 (\$30,033,574 in 2009) which is securitized by future tobacco settlement payments. A Bond Anticipation Note for \$125,000 was issued in 2010 for the repair and upgrade of ditching and piping within the Upper Five Mile Creek watershed district. Please Refer to Note III I of the Notes to the Basic 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 that of New York State as well as the national average.



In 2009, several large Steuben County employers were forced to lay off large numbers of employees. Corning, Inc., reduced its workforce by 3,500 in early 2009. Alstom, Inc. laid-off 200 in the spring of 2009 and an additional 500 in the spring of 2010. Gunlocke, Inc. also had layoffs in both the spring of 2009 and 2010. Although local economic conditions have improved slightly since 2009, these employers have not been able to rehire more than a handful of the employees that were originally laid off.

During 2010, the County offered both a local retirement incentive and the incentives provided via the New York State Retirement systems. Eighty-three (83) employees took advantage of these incentives and the bulk of these positions were not filled. In addition, vacancies created by normal attrition have not been filled.

Despite the decreased salary costs associated with these retirements, the ever-increasing cost of employee fringe benefits continues to impact the County budget. New York State retirement contributions increased approximately \$2 million between 2009 and 2010 and by a similar amount in the 2011 budget. The County anticipates further increases in retirement, health insurance and workers' compensation costs in the 2012 budget. Combined with the increasing costs, the County will be experiencing decreasing revenue reimbursements from providing services on behalf of both the Federal and State governments. The Federal Stimulus funding will end in mid 2011. New York State is facing a budget crisis and state aid for many of the state mandated programs will be significantly reduced during both 2011 and 2012. In addition, the State legislature and Governor have proposed legislation that would limit the amount of annual increase in property taxes for local municipalities. The aggregate impact of these financial stressors will be challenging budget preparation for the next several years.

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 County'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.

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Financial Section

Basic Financial Statements

STEUBEN COUNTY, NY
Statement of Net Assets
As of December 31, 2010

	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	\$ 71,664,007	\$ 8,973,969	\$ 80,637,976	\$ 2,562,577	\$ 1,136,196
Taxes receivable and tax deeds, net	10,832,317	-	10,832,317	-	-
Other receivables, net	6,396,973	4,142,416	10,539,389	222,075	71,520
Assets whose use is limited	1,758,028	272,534	2,030,562	-	-
Internal balances	146,664	(146,664)	-	-	-
State and federal receivables	12,972,294	537,360	13,509,654	-	-
Due from other governments	1,514,408	13,407	1,527,815	-	-
Prepaid items	1,265,775	7,508	1,273,283	-	-
Inventory of supplies	318,348	34,468	352,816	-	-
Total current assets	106,868,814	13,834,998	120,703,812	2,784,652	1,207,716
Noncurrent assets:					
Bond issuance costs, net	-	59,879	59,879	-	-
Non-depreciable capital assets	8,113,086	477,498	8,590,584	-	-
Net depreciable capital assets	96,135,625	33,654,486	129,790,111	1,081,422	126,035
Total noncurrent assets	104,248,711	34,191,863	138,440,574	1,081,422	126,035
Total Assets	211,117,525	48,026,861	259,144,386	3,866,074	1,333,751
Liabilities					
Current Liabilities					
Cash overdraft	-	1,244,211	1,244,211	-	-
Accounts payable	14,233,526	357,619	14,591,145	-	18,357
Accrued liabilities	5,854,315	359,917	6,214,232	210	-
Current portion of compensated absences	3,427,947	81,480	3,509,427	-	-
Bond Anticipation Notes Payable	125,000	-	125,000	-	-
Due to other governments	7,110,137	-	7,110,137	-	-
Accrued Interest Payable	2,692,556	285,742	2,978,298	-	-
Current portion of bonds payable	625,000	1,955,700	2,580,700	-	-
Other liabilities	5,041,413	-	5,041,413	-	-
Total current liabilities	39,109,894	4,284,669	43,394,563	210	18,357
Noncurrent Liabilities					
Compensated absences, net of current portion	1,333,631	612,464	1,946,095	-	-
Other post-employment benefits	8,667,952	1,204,848	9,872,800	-	-
Estimated arbitrage liability	-	73,287	73,287	-	-
Accrued landfill closure/post closure care costs	-	10,793,482	10,793,482	-	-
Bonds payable, net of current portion	35,627,180	17,754,800	53,381,980	-	-
Total noncurrent liabilities	45,628,763	30,438,881	76,067,644	-	-
Total Liabilities	84,738,657	34,723,550	119,462,207	210	18,357
Net Assets					
Invested in capital assets, net of related debt	97,958,711	14,148,950	112,107,661	1,081,422	126,035
Restricted for:					
Capital improvements	585,604	272,534	858,138	666,041	726,910
Debt service	1,758,028	-	1,758,028	-	-
Unrestricted	26,076,525	(1,118,173)	24,958,352	2,118,401	462,449
Total Net Assets	\$ 126,378,868	\$ 13,303,311	\$ 139,682,179	\$ 3,865,864	\$ 1,315,394

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

Steuben County, NY
Statement of Activities
For the Year Ended December 31, 2010

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	\$ 25,788,367	\$ 7,258,941	\$ 715,306	\$ -	\$ (17,814,120)	\$ -	\$ (17,814,120)		
Education	9,205,295	-	3,318,909	-	(5,886,386)	-	(5,886,386)		
Public safety	18,924,405	2,308,530	1,539,923	-	(15,075,952)	-	(15,075,952)		
Health	17,061,123	9,790,289	4,712,395	-	(2,558,439)	-	(2,558,439)		
Transportation	23,107,833	3,009,127	4,024,710	1,858,363	(14,215,633)	-	(14,215,633)		
Economic assistance and opportunity	60,286,419	2,769,503	31,526,568	-	(25,990,348)	-	(25,990,348)		
Culture and recreation	901,224	39,708	134,308	-	(727,208)	-	(727,208)		
Home and community	1,547,544	125,174	-	-	(1,422,370)	-	(1,422,370)		
Interest and amortization expense	2,223,094	-	-	-	(2,223,094)	-	(2,223,094)		
Total governmental activities	<u>159,045,304</u>	<u>25,301,272</u>	<u>45,972,119</u>	<u>1,858,363</u>	<u>(85,913,550)</u>	<u>-</u>	<u>(85,913,550)</u>		
Business-type activities:									
Health Care Facility	13,365,470	9,150,688	389,017	-	-	(3,825,765)	(3,825,765)		
Solid Waste Operations	6,704,581	5,328,375	405,740	-	-	(970,466)	(970,466)		
Total business-type activities	<u>20,070,051</u>	<u>14,479,063</u>	<u>794,757</u>	<u>-</u>	<u>-</u>	<u>(4,796,231)</u>	<u>(4,796,231)</u>		
Total primary government	<u>\$ 179,115,355</u>	<u>\$ 39,780,335</u>	<u>\$ 46,766,876</u>	<u>\$ 1,858,363</u>	<u>(85,913,550)</u>	<u>(4,796,231)</u>	<u>(90,709,781)</u>		
Component Units									
Industrial Development Agency	\$ 431,239	\$ 926,343	\$ -	\$ -			\$ 495,104	\$ -	
Soil and Water Conservation District	891,678	372,467	1,225,757	-			-	706,546	
	<u>\$ 1,322,917</u>	<u>\$ 1,298,810</u>	<u>\$ 1,225,757</u>	<u>\$ -</u>			<u>\$ 495,104</u>	<u>\$ 706,546</u>	
General Revenues:									
Real property taxes					38,122,963	-	38,122,963	-	-
Real property tax items					3,684,012	-	3,684,012	-	-
Sales and use tax					34,707,975	-	34,707,975	-	-
Nonproperty tax items					9,625,869	-	9,625,869	-	-
Interest and earnings					378,229	43,614	421,843	12,757	2,267
Gain on disposition of assets					141,381	-	141,381	-	-
Miscellaneous					<u>3,108,309</u>	<u>985,766</u>	<u>4,094,075</u>	<u>3,211</u>	<u>-</u>
Total general revenues					<u>89,768,738</u>	<u>1,029,380</u>	<u>90,798,118</u>	<u>15,968</u>	<u>2,267</u>
Change in net assets					<u>3,855,188</u>	<u>(3,766,851)</u>	<u>88,337</u>	<u>511,072</u>	<u>708,813</u>
Net Assets, Beginning of year					<u>122,523,680</u>	<u>17,070,162</u>	<u>139,593,842</u>	<u>3,354,792</u>	<u>606,581</u>
Net Assets, End of year					<u>\$ 126,378,868</u>	<u>\$ 13,303,311</u>	<u>\$ 139,682,179</u>	<u>\$ 3,865,864</u>	<u>\$ 1,315,394</u>

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

STEUBEN COUNTY, NY
Balance Sheet
Governmental Funds
As of December 31, 2010

	<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	\$ 57,667,303	\$ 3,700,015	\$ 8,037,002	\$ 69,404,320
Taxes receivable and tax deeds, net	10,832,317	-	-	10,832,317
Other receivables	4,711,041	-	1,685,932	6,396,973
State and federal receivables	12,300,084	350	671,860	12,972,294
Due from other governments	311,487	-	93,009	404,496
Prepaid items	1,265,775	-	-	1,265,775
Inventory of supplies	20,860	-	-	20,860
Restricted assets	-	-	1,758,028	1,758,028
Total assets	<u>\$ 87,108,867</u>	<u>\$ 3,700,365</u>	<u>\$ 12,245,831</u>	<u>\$ 103,055,063</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 13,384,153	\$ 259,634	\$ 214,169	\$ 13,857,956
Accrued liabilities	1,908,647	263,444	27,653	2,199,744
Notes payable	125,000	-	-	125,000
Due to other governments	7,110,137	-	-	7,110,137
Due to other funds	200,618	312,718	-	513,336
Deferred revenues	9,129,872	260,888	1,685,913	11,076,673
Other liabilities	1,640,910	-	-	1,640,910
Total liabilities	<u>33,499,337</u>	<u>1,096,684</u>	<u>1,927,735</u>	<u>36,523,756</u>
Fund Balances:				
Reserved for:				
Encumbrances	409,416	269,380	98,806	777,602
Debt service	-	-	1,758,028	1,758,028
Inventory of supplies	25,000	-	-	25,000
Special purposes	7,175,838	-	582,428	7,758,266
Prepaid items	1,265,775	-	-	1,265,775
Unreserved, designated for next year's budget:				
General fund	4,097,497	-	-	4,097,497
Special revenue funds	-	600,000	275,000	875,000
Capital projects fund	-	-	4,440,875	4,440,875
Undesignated reported in:				
General fund	40,636,004	-	-	40,636,004
Special revenue funds	-	1,734,301	3,162,959	4,897,260
Total Fund Balances	<u>53,609,530</u>	<u>2,603,681</u>	<u>10,318,096</u>	<u>66,531,307</u>
Total Liabilities and Fund Balances	<u>\$ 87,108,867</u>	<u>\$ 3,700,365</u>	<u>\$ 12,245,831</u>	<u>\$ 103,055,063</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
As of December 31, 2010

Total fund balances - governmental funds **\$66,531,307**

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	44,886,376	
Improvements other than buildings	501,336	
Equipment	24,427,504	
Infrastructure	121,998,035	
Construction in progress	7,000,230	
Accumulated depreciation	<u>(95,678,832)</u>	
Total capital assets		104,247,505

Deferred property tax revenues are not available to pay for current-period expenditures and are therefore deferred in the funds. 5,843,531

Deferred tobacco settlement revenues are not available to pay for current-period expenditures and are therefore deferred in the funds. 1,832,639

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 297,488

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		(2,692,556)
Accrued compensated absences		(4,761,578)
Bonds payable		(36,252,180)
Other post employment benefits liability		(8,667,952)

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. 664

Total Net Assets - End of Year **\$ 126,378,868**

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

STEUBEN COUNTY, NY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended December 31, 2010

	<u>General Fund</u>	<u>County Road</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Real property taxes	\$ 19,321,385	\$ 15,978,803	\$ 2,158,218	\$ 37,458,406
Real property tax items	3,684,012	-	-	3,684,012
Non-property taxes	44,333,844	-	-	44,333,844
Departmental Income	16,305,742	-	-	16,305,742
Intergovernmental services revenue	1,854,372	579,711	46,224	2,480,307
Use of money and property	2,272,996	7,642	26,880	2,307,518
Licenses and permits	1,477	-	-	1,477
Fines and forfeitures	307,111	-	-	307,111
Sale of property and compensation for losses	60,816	81,382	43,545	185,743
Tobacco settlement revenues	-	-	1,531,511	1,531,511
Interfund revenues	1,646,641	-	2,407,909	4,054,550
State aid	18,449,747	3,688,392	248,453	22,386,592
Federal aid	23,669,653	-	1,774,237	25,443,890
Miscellaneous	869,729	3,396	1,390	874,515
Total revenues	<u>132,777,525</u>	<u>20,339,326</u>	<u>8,238,367</u>	<u>161,355,218</u>
Expenditures:				
Current:				
General government	23,464,588	-	50,535	23,515,123
Education	9,205,295	-	-	9,205,295
Public safety	16,712,910	-	-	16,712,910
Health	16,691,684	-	-	16,691,684
Transportation	363,387	20,644,601	4,132,439	25,140,427
Economic assistance and opportunity	59,551,660	-	-	59,551,660
Culture and recreation	865,194	-	-	865,194
Home and community services	1,582,928	-	10,000	1,592,928
Capital outlays:				
General government	-	-	495,970	495,970
Public safety	-	-	46,538	46,538
Transportation	-	-	2,086,237	2,086,237
Economic assistance and opportunity	-	-	27,717	27,717
Culture and recreation	-	-	36,538	36,538
Debt service:				
Principal	445,000	-	208,400	653,400
Interest	252,340	-	1,397,542	1,649,882
Total expenditures	<u>129,134,986</u>	<u>20,644,601</u>	<u>8,491,916</u>	<u>158,271,503</u>
Excess (deficiency) of revenues over expenditures	<u>3,642,539</u>	<u>(305,275)</u>	<u>(253,549)</u>	<u>3,083,715</u>
Other financing sources (uses):				
Transfers in	365,256	45,152	842,376	1,252,784
Transfers out	(842,376)	-	(410,408)	(1,252,784)
Total other financing sources (uses)	<u>(477,120)</u>	<u>45,152</u>	<u>431,968</u>	<u>-</u>
Net change in fund balance	3,165,419	(260,123)	178,419	3,083,715
Fund balance - Beginning of year	<u>50,444,111</u>	<u>2,863,804</u>	<u>10,139,677</u>	<u>63,447,592</u>
Fund balance - End of year	<u>\$ 53,609,530</u>	<u>\$ 2,603,681</u>	<u>\$ 10,318,096</u>	<u>\$ 66,531,307</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, 2010

Net Change in Fund Balances - Total Governmental Funds **\$ 3,083,715**

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 outlays	\$ 10,485,704	
Depreciation	<u>(8,132,076)</u>	
Excess of capital outlays over depreciation expense		2,353,628

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.	737,920
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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.	(44,362)
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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	637,052
Inventory of supplies	60,700
Accrued interest on bonds	(539,606)
Amortization of bond discount	(33,606)
OPEB - annual required contribution	(3,045,015)

Repayment of bond principal is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Assets	653,400
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Internal service funds are used by management to charge the costs of insurance to individual funds. The net expense of the internal service fund is reported with the governmental activities.	<u>(8,638)</u>
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Change in Net Assets of Governmental Activities **\$ 3,855,188**

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

STEUBEN COUNTY, NY
Statement of Net Assets
Proprietary Funds
As of December 31, 2010

	Enterprise Funds			Internal Service
	Health Care	Solid Waste	Total	
	Facility	(Landfill)		
ASSETS				
Current Assets:				
Cash, cash equivalents and investments	\$ -	\$ 8,973,969	\$ 8,973,969	\$ 2,259,687
Accounts receivable	1,233,074	649,043	1,882,117	-
Amounts due from third-party payors	2,260,299	-	2,260,299	-
Current portion of assets whose use is limited	-	272,534	272,534	-
State & federal receivables	-	537,360	537,360	-
Due from other governments	-	13,407	13,407	1,109,912
Due from other funds	-	82,190	82,190	660,000
Prepaid expenses	7,508	-	7,508	-
Inventories	34,468	-	34,468	-
Total current assets	3,535,349	10,528,503	14,063,852	4,029,599
Noncurrent Assets:				
Unamortized bond issuance costs, net	45,030	14,849	59,879	-
Non-depreciable capital assets	-	477,498	477,498	-
Capital assets, net	17,747,707	15,906,779	33,654,486	1,206
Total noncurrent assets	17,792,737	16,399,126	34,191,863	1,206
TOTAL ASSETS	21,328,086	26,927,629	48,255,715	4,030,805
LIABILITIES				
Current liabilities:				
Cash overdraft	1,244,211	-	1,244,211	-
Accounts payable	215,406	142,213	357,619	375,570
Accrued liabilities	279,687	80,230	359,917	3,654,571
Current portion of accrued compensated absences	19,628	61,852	81,480	-
Current portion of bonds payable	795,700	1,160,000	1,955,700	-
Accrued interest payable	249,985	35,757	285,742	-
Due to other funds	228,854	-	228,854	-
Total current liabilities	3,033,471	1,480,052	4,513,523	4,030,141
Noncurrent liabilities:				
Accrued compensated absences, net of current portion	440,625	171,839	612,464	-
Accrued other post-employment benefits, net of current portion	860,888	343,960	1,204,848	-
Estimated arbitrage liability	73,287	-	73,287	-
Accrued landfill closure/postclosure care costs	-	10,793,482	10,793,482	-
Bonds payable, net of current portion	15,434,800	2,320,000	17,754,800	-
Total noncurrent liabilities	16,809,600	13,629,281	30,438,881	-
TOTAL LIABILITIES	19,843,071	15,109,333	34,952,404	4,030,141
NET ASSETS				
Investment in capital assets, net of related debt	1,517,207	12,631,743	14,148,950	1,206
Restricted for capital improvements	-	272,534	272,534	-
Unrestricted	(32,192)	(1,085,981)	(1,118,173)	(542)
TOTAL NET ASSETS	\$ 1,485,015	\$ 11,818,296	\$ 13,303,311	\$ 664

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

STEUBEN COUNTY, NY
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2010

	Enterprise Funds			Internal Service
	Health Care Facility	Solid Waste (Landfill)	TOTAL	
Operating revenues:				
Charges for services	\$ 9,150,688	\$ 5,328,375	\$14,479,063	\$ 1,924,883
Adjustment of prior years' revenue, net	389,017	-	389,017	-
Other revenue	93,759	463,360	557,119	297,410
Total operating revenue	9,633,464	5,791,735	15,425,199	2,222,293
Operating expenses:				
Personal services	5,721,042	1,209,925	6,930,967	49,560
Employee benefits	3,209,605	604,996	3,814,601	20,879
Contractual expense	2,451,827	1,593,168	4,044,995	599,011
Depreciation & amortization	866,553	2,134,211	3,000,764	752
Indirect expense	428,647	123,697	552,344	-
Closure & postclosure costs	-	952,115	952,115	-
Workers' compensation benefits	-	-	-	1,567,824
Total operating expenses	12,677,674	6,618,112	19,295,786	2,238,026
Operating (loss)	(3,044,210)	(826,377)	(3,870,587)	(15,733)
Non-operating revenue (expenses):				
County subsidy	428,647	-	428,647	-
State and federal aid	-	405,740	405,740	-
Investment income	3,746	39,868	43,614	7,095
Gain (loss) on disposition of assets	(2,745)	15,800	13,055	-
Interest expense	(685,051)	(102,269)	(787,320)	-
Total non-operating revenue (expenses)	(255,403)	359,139	103,736	7,095
Change in net assets	(3,299,613)	(467,238)	(3,766,851)	(8,638)
Total net assets - Beginning of year	4,784,628	12,285,534	17,070,162	9,302
Total net assets - End of year	\$ 1,485,015	\$ 11,818,296	\$ 13,303,311	\$ 664

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

STEUBEN COUNTY, NY
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2010

	Enterprise Funds			Internal Service
	Health Care Facility	Solid Waste (Landfill)	Total	
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Receipts from services	\$ 9,237,322	\$ 6,020,575	\$ 15,257,897	\$ 3,259,516
Payments to suppliers for goods and services	(1,058,794)	(2,544,459)	(3,603,253)	(596,527)
Payments to employees for services	(8,275,942)	(1,739,619)	(10,015,561)	(70,439)
Payments for workers compensation benefits	-	-	-	(1,684,567)
Net cash provided by (used in) operating activities	(97,414)	1,736,497	1,639,083	907,983
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES				
Transfer, purchase and construction of capital assets	(38,828)	(640,779)	(679,607)	-
Amounts due from other funds	-	(82,190)	(82,190)	(660,000)
Changes in assets whose use is limited	-	164,228	164,228	-
Receipts from state and federal agencies	-	416,366	416,366	-
Proceeds on sale of equipment	-	15,800	15,800	-
Payments on bond interest expense	(697,224)	(124,081)	(821,305)	-
Principal repayment of bonds	(765,000)	(2,165,000)	(2,930,000)	-
Net cash provided by (used in) capital and related financing activities	(1,501,052)	(2,415,656)	(3,916,708)	(660,000)
NET CASH PROVIDED BY INVESTING ACTIVITIES				
Investment income received	3,746	39,868	43,614	7,095
Net cash provided by investing activities	3,746	39,868	43,614	7,095
Net increase (decrease) in cash, cash equivalents and investments	(1,594,720)	(639,291)	(2,234,011)	255,078
Cash, cash equivalents and investments, beginning of year	1,594,720	9,613,260	11,207,980	2,004,609
Cash, cash equivalents and investments, end of year	\$ -	\$ 8,973,969	\$ 8,973,969	\$ 2,259,687
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES				
Operating loss	\$ (3,044,210)	\$ (826,377)	\$ (3,870,587)	\$ (15,733)
Adjustments to reconcile loss from operations to net cash provided by (used in) operating activities:				
County indirect charges	428,647	-	428,647	-
Depreciation and amortization	866,553	2,134,211	3,000,764	752
Bad debt expense	161,934	-	161,934	-
Changes in:				
Accounts receivable	963,016	227,440	1,190,456	1,037,223
Cash overdraft	1,244,211	-	1,244,211	-
Arbitrage liability	(176,713)	-	(176,713)	-
Inventories and prepaids	(5,148)	140	(5,008)	-
Accounts payable	(7,964)	(304,112)	(312,076)	2,484
Accrued liabilities	64,351	(38,883)	25,468	(26,590)
Retained percentages	-	(379,712)	(379,712)	-
Due to other funds	228,854	-	228,854	-
Amounts due to/from third-party payors	(1,182,445)	-	(1,182,445)	-
Accrued landfill closure/postclosure care costs	-	808,205	808,205	-
Customer deposits	-	1,400	1,400	-
Accrued items	361,500	114,185	475,685	(90,153)
Net cash provided by (used in) operating activities	\$ (97,414)	\$ 1,736,497	\$ 1,639,083	\$ 907,983
Supplemental Information:				
Non-cash indirect expenses and revenue provided by County	\$ 428,647	\$ -		

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

STEUBEN COUNTY, NY

Balance Sheet

Fiduciary Funds

As of December 31, 2010

	<u>Agency Funds</u>	<u>Private Purpose Trust Funds</u>
ASSETS		
Cash and cash equivalents	\$ 1,072,368	\$ 127,384
Securities and mortgages	60,790	-
TOTAL ASSETS	<u>\$ 1,133,158</u>	<u>\$ 127,384</u>
LIABILITIES		
Agency liabilities	\$ 1,133,158	\$ 28
TOTAL LIABILITIES	<u>1,133,158</u>	<u>28</u>
NET ASSETS		
Held in trust for other purposes	-	127,356
TOTAL NET ASSETS	<u>-</u>	<u>127,356</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,133,158</u>	<u>\$ 127,384</u>

Statement of Changes in Fiduciary Net Assets Fiduciary Funds

Year Ended December 31, 2010

	<u>Private Purpose Trust Funds</u>
ADDITIONS:	
Interest earnings	\$ 4
Miscellaneous local sources	26,401
TOTAL ADDITIONS	<u>26,405</u>
DEDUCTIONS:	
Home and community services	4
Public safety	21,862
TOTAL DEDUCTIONS	<u>21,866</u>
CHANGE IN NET ASSETS	4,539
Net assets - Beginning of year	122,817
Net assets - End of year	<u>\$ 127,356</u>

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

STEBEN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2010

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) statements.

The decision to include a potential component unit in the County's reporting entity is based on several criteria 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 State legislation to promote the economic welfare, recreational 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 2010. 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 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 2010 was \$223,426 (36% of the District's revenue). The District is considered a governmental component unit and is discretely presented. The 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's enterprise funds and business-type activities are prepared in conformity with accounting principles generally accepted in the United States as set forth by the Governmental Accounting Standards Board for proprietary funds. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and the proprietary fund financial statements to the extent they do not conflict with or contradict

guidance of the GASB. Governments also have the option of following subsequent private sector guidance for their business type activities and enterprise funds. The County's enterprise funds and business-type activities have elected not to follow subsequent private sector guidance. 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.

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. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities.

The following are the major proprietary funds:

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

The Steuben County Health Care Facility – is used to account for the 105-bed nursing home.

The Steuben County Solid Waste Operations – is used to account for 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, whereas 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 2010 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 and amortization of bond 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 depository 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 the 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 and amortization are 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.

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" if present at year end.

H. INVENTORY AND PREPAID ITEMS

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.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The consumption method is used to account for these prepaid costs.

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 towns 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 after the settlement date.

Unpaid village and central 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 in the government-wide statement of net assets, not in the fund statements, 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. 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 a 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 the Statistical Section of this

report for detail. A separately issued detailed budget report is available upon request. In 2010, the County budgeted \$1,300,000 in a "contingency account" to be appropriated by the County Legislature as needed to cover unanticipated costs. During the year, \$429,145 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 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 net asset deficit of the Tobacco Asset Securitization Corporation at the end of 2010 was (\$28,991,296) compared to (\$28,423,089) in 2009. 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.

III. DETAIL NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Cash and investments at December 31, 2010, are classified in the accompanying financial statements as follows:

Statement of Net Assets cash and equivalents	\$ 80,637,976
Statement of Net Assets assets whose use is limited	2,030,562
Less Statement of Net Assets cash overdraft	(1,244,211)
Fiduciary Funds cash and equivalents	1,199,752
Fiduciary Funds securities and mortgages	60,790
Total Deposits and Investments	<u><u>\$ 82,684,869</u></u>

Cash and investments at December 31, 2010, consist of the following:

Cash on hand	\$ 28,565
Demand deposits with financial institutions	69,235,303
Total Cash	<u>69,263,868</u>
Certificates of deposits with financial institutions	11,203,800
Other time deposits with financial institutions	398,383
Total cash and time deposits	<u>80,866,051</u>
Investments held by STASC trustee	1,758,028
Securities and mortgages	60,790
Total Investments	<u>1,818,818</u>
Total Deposits and Investments	<u><u>\$ 82,684,869</u></u>

Credit Risk – It is the County’s policy that all financial institutions with which the County 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. As authorized by General Municipal Law, §11, the County of Steuben authorizes the County Treasurer to invest moneys not required for immediate expenditure for terms not to exceed projected cash flow needs in the following types of investments:

Special time deposit accounts;

Certificates of Deposit issued by a bank or trust company located and authorized to do business in New York State;

Obligations of the United States of America;

Obligations guaranteed by agencies of the United States of America, where the payment of principal and interest are guaranteed by the United States of America;

Obligation of the State of New York;

Obligations issued pursuant to Local Finance Law §24 or §25 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the County of Steuben.

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.

Certificates of Participation (COPs) issued pursuant to General Municipal Law §109-b.

Obligations of the County of Steuben, but only with any moneys in a reserve fund established pursuant to GML & General Municipal Law §6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m or 6-n.

All investment obligations shall be payable or redeemable at the option of the County within such time frames as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided.

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 \$80,637,976 and the bank balance was \$82,236,562. Of the bank balance, \$3,514,118 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 \$102,038,861.

In accordance with the provisions of General Municipal Law, §10, all deposits of the County, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by General Municipal Law, §10, equal to the aggregate amount of deposits from the categories designated in Appendix A to the policy.
2. By an eligible "irrevocable letter of credit" issued by a qualified bank, other than the bank with the deposits, in favor of the County for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
3. By an eligible surety bond payable to the County for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.
4. An "irrevocable letter of credit" issued in favor of the County by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally recognized statistical rating organization, for the payment of 100 percent of the aggregate amount of public deposits and investments from the County and agreed-upon interest, if any.

Eligible securities used for collateralization of deposits, shall be held by a third party trust company and/or the trust department of the specific bank or trust company, subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure the County's deposits together with agreed upon interest, if any, and any

costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events, which will enable the County to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the County, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the County of Steuben or its custodial bank.

The custodial agreement shall provide the securities held by the bank or trust company, or agent of and custodian for the County, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with, or become part of the backing for any other deposit or other liabilities. The agreement will also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

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. 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 at least annually. The list of authorized financial institutions for both deposits and investments along with any restrictions and/or limits relative to authorized maximum amounts are designated below:

	Maximum Percentage (Of Total Cash & Investments)
Bank of America	25%
Five Star Bank	25%
Steuben Trust Company	35%
Community Bank, NA	35%
First State Bank	25%
Chemung Canal Trust	35%
M&T Bank & Trust	25%
J.P. Morgan Chase	35%
North Fork Bank – Mattituck, NY	15%
Key Bank	15%
HSBC	15%
Cooperative Liquid Assets Securities	10%
Morgan-Stanley/Dean Witter	10%

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
Certificates of Deposit	\$ 2,500,000
Certificates of Deposit	2,500,000
Certificates of Deposit	5,000,000
Certificates of Deposit	1,203,800
Other Time Deposits with financial institutions	398,383
Investments held in Trust	1,758,028
Mechanics Lien Surety Bond	60,790
	<hr/>
	\$ 13,421,001

B. RECEIVABLES AND PREPAID ITEMS

At December 31, 2010, government-wide total real property tax receivables of \$10,832,317 are net of an allowance for uncollectible taxes of \$299,433. Included in the total real property tax receivables are returned city, village and school taxes of \$4,194,077, which are offset by liabilities to the cities, villages and school districts, which will be paid no later than April 1, 2011.

On the fund financial statements, total real property tax receivables of \$10,832,317 are offset by an allowance for uncollectable taxes of \$299,433. The remaining amount of the taxes receivable is partially offset by deferred tax revenue of \$5,843,351 and represents an estimate of the tax liens, which will not be collected within the first sixty (60) days of the subsequent year.

On the government-wide Statement of Net Assets, State and federal receivables of \$13,509,654 consist primarily of the following items:

Office of Temporary and Disability Assistance	\$ 5,569,203
State Education Department	3,139,311
7th Judicial District Courts	689,058
United States Marshall	429,382
Department of Health	700,668
State Office for the Aging	602,244
Department of Environmental Conservation	537,360
Other	<u>1,842,428</u>
	\$ <u>13,509,654</u>

On the government-wide Statement of Net Assets, prepaid items of \$1,273,283 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, 2011 and March 31, 2011.

C. **CAPITAL ASSETS** - Capital asset activity for the year ended December 31, 2010, was as follows:

	Balance				Balance
	<u>12/31/2009</u>	<u>Transfers</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/2010</u>
Governmental Activities:					
Nondepreciable Capital Assets:					
Land	\$ 1,112,856	\$ -	\$ -	\$ -	\$ 1,112,856
Construction in Progress	<u>7,701,655</u>	<u>(5,003,947)</u>	<u>4,302,522</u>	<u>-</u>	<u>7,000,230</u>
Total Nondepreciable Capital Assets	<u>8,814,511</u>	<u>(5,003,947)</u>	<u>4,302,522</u>	<u>-</u>	<u>8,113,086</u>
Depreciable Capital Assets:					
Buildings & Improvements	44,854,949	-	31,427	-	44,886,376
Improvements other than Buildings	458,477	-	42,859	-	501,336
Machinery & Equipment	23,705,690	-	1,695,525	(966,864)	24,434,351
Infrastructure	<u>112,580,717</u>	<u>5,003,947</u>	<u>4,413,371</u>	<u>-</u>	<u>121,998,035</u>
Total Depreciable Capital Assets	<u>181,599,833</u>	<u>5,003,947</u>	<u>6,183,182</u>	<u>(966,864)</u>	<u>191,820,098</u>
Less: Accumulated Depreciation For:					
Buildings & Improvements	(20,719,658)	-	(1,802,877)	-	(22,522,535)
Improvements other than Buildings	(190,791)	-	(18,902)	-	(209,693)
Machinery & Equipment	(15,883,341)	-	(1,690,078)	922,502	(16,650,917)
Infrastructure	<u>(51,680,357)</u>	<u>-</u>	<u>(4,620,971)</u>	<u>-</u>	<u>(56,301,328)</u>
Total Accumulated Depreciation	<u>(88,474,147)</u>	<u>-</u>	<u>(8,132,828)</u>	<u>922,502</u>	<u>(95,684,473)</u>
Total Depreciable Capital Assets, Net	<u>93,125,686</u>	<u>5,003,947</u>	<u>(1,949,646)</u>	<u>(44,362)</u>	<u>96,135,625</u>
Governmental Activities Capital Assets, Net	<u>\$ 101,940,197</u>	<u>\$ -</u>	<u>\$ 2,352,876</u>	<u>\$ (44,362)</u>	<u>\$ 104,248,711</u>

Business-Type Activities:	Balance				Balance
	<u>12/31/2009</u>	<u>Transfers</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/2010</u>
Nondepreciable Capital Assets:					
Land	\$ 406,301	\$ -	\$ -	\$ -	\$ 406,301
Construction in Progress	<u>5,973,696</u>	<u>(5,949,589)</u>	<u>47,090</u>	<u>-</u>	<u>71,197</u>
Total Nondepreciable Capital Assets	6,379,997	(5,949,589)	47,090	-	477,498
Depreciable Capital Assets:					
Buildings & Improvements	20,450,025	1,025,187	3,400	-	21,478,612
Improvements other than Buildings	14,567,975	4,924,402	-	-	19,492,377
Fixed Equipment	7,098,331	-	-	-	7,098,331
Moveable Equipment	1,816,331	-	38,830	(5,490)	1,849,671
Machinery & Equipment	<u>6,483,906</u>	<u>-</u>	<u>590,289</u>	<u>(114,515)</u>	<u>6,959,680</u>
Total Depreciable Capital Assets	<u>50,416,568</u>	<u>5,949,589</u>	<u>632,519</u>	<u>(120,005)</u>	<u>56,878,671</u>
Less: Accumulated Depreciation For:					
Buildings & Improvements	(4,050,840)	-	(590,689)	-	(4,641,529)
Improvements other than Buildings	(11,324,400)	-	(1,392,633)	-	(12,717,033)
Fixed Equipment	(406,032)	-	(397,955)	-	(803,987)
Moveable Equipment	(485,433)	-	(169,072)	2,745	(651,760)
Machinery & Equipment	<u>(4,083,974)</u>	<u>-</u>	<u>(440,417)</u>	<u>114,515</u>	<u>(4,409,876)</u>
Total Accumulated Depreciation	<u>(20,350,679)</u>	<u>-</u>	<u>(2,990,766)</u>	<u>117,260</u>	<u>(23,224,185)</u>
Total Depreciable Capital Assets, Net	<u>30,065,889</u>	<u>5,949,589</u>	<u>(2,358,247)</u>	<u>(2,745)</u>	<u>33,654,486</u>
Business-type Activities Capital Assets, Net	<u>\$ 36,445,886</u>	<u>\$ -</u>	<u>\$ (2,311,157)</u>	<u>\$ (2,745)</u>	<u>\$ 34,131,984</u>

Depreciation expense was charged to the governmental functions as follows:

Governmental Activities:	
General government	\$ 741,929
Public safety	1,800,135
Health	39,860
Transportation	5,477,131
Economic assistance and opportunity	50,205
Culture and recreation	6,215
Home and community	<u>17,353</u>
Total depreciation expense – Governmental activities	\$ 8,132,828

Business-type Activities:	
Health Care Facility	\$ 863,551
Solid Waste (Landfill)	<u>2,127,215</u>
Total depreciation expense – Business-type activities	\$2,990,766

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 (collectively, the Systems). 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 Systems 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:

2010	\$5,167,125
2009	\$3,201,962
2008	\$3,363,418

The Health Care Facility's portion of the County's required contribution for the current year and each of the preceding two years was approximately \$629,200, \$384,600, and \$391,900, respectively, and is included in employee benefits on the statements of revenues, expenses and change in net assets.

E. 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 expenditure, if payable from current financial resources. At the end of 2010, the liability in the proprietary funds for compensated absences totaled \$693,944 and amounted to \$4,761,578 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.

F. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The County provides certain health care benefits for retired employees. The County administers the Retirement Benefits Plan (the "Retirement Plan") as a single-employer defined benefit Other Post-employment Benefit (OPEB) Plan.

In general, the County provides health care benefits for those retired personnel who are eligible for a pension through the New York State Employees' Retirement System (ERS). The Retirement Plan can be amended by action of the County subject to applicable collective bargaining and employment agreements. The number of retired employees currently eligible to receive benefits at December 31, 2010 and 2009, was 379 and 364, respectively. The Retirement Plan does not issue a stand alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Funding Policy

The obligations of the Retirement Plan are established by action of the County pursuant to applicable collective bargaining and employment agreements. Healthcare benefits for non-union employees are similar to those of union employees. The retiree's share of the calculated premium cost ranges from 0% to 100%, depending on the retirement date and length of service. Based on collective bargaining agreements, the retiree and his or her beneficiaries receive this coverage for the remainder of their life. In most plans, actual medical claims paid are self-funded by the County. The costs of administering the Retirement Plan are paid by the County. The County currently contributes enough money to the Retirement Plan to satisfy current obligations on a pay-as-you-go basis to cover annual premiums.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with generally accepted accounting principles. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year plus the amortization of the unfunded actuarial accrued liability over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the Retirement Plan, and the changes in the County's net OPEB obligation:

	<u>HCF</u>	<u>County</u>	<u>Total</u>
2010 amortization of UAAL	\$ 144,400	\$ 1,653,400	\$ 1,797,800
Normal Cost	<u>264,100</u>	<u>1,933,600</u>	<u>2,197,700</u>
2010 Annual Required Contribution	408,500	3,587,000	3,995,500
Interest	25,000	292,600	317,600
Adjustment to ARC	<u>(19,500)</u>	<u>(228,900)</u>	<u>(248,400)</u>
2010 Annual OPEB Cost	414,000	3,650,700	4,064,700
2010 Contributions made	<u>(53,000)</u>	<u>(491,000)</u>	<u>(544,000)</u>
Increase in Net OPEB Obligation	361,000	3,159,700	3,520,700
Net OPEB obligation at 12/31/2009	<u>499,700</u>	<u>5,852,400</u>	<u>6,352,100</u>
Net OPEB obligation at 12/31/2010	<u>\$ 860,700</u>	<u>\$ 9,012,100</u>	<u>\$ 9,872,800</u>

The following table provides trend information for the Retirement Plan:

Trend Information

	Annual OPEB cost	Actual Contribution	Percentage Contributed	Net OPEB Obligation
2008	\$ 3,576,600	\$ 1,440,000	40.3%	\$ 3,479,800
2009	3,687,300	815,000	22.1%	6,352,100
2010	4,064,700	544,000	13.4%	9,872,800

Funded Status and Funding Progress

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Retirement Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Retirement Plan is currently not funded.

The schedule of funding progress presents information on the actuarial value of plan assets relative to the actuarial accrued liabilities for benefits.

Schedule of Funding Progress for the County's Plan

Actuarial Date	Actuarial Value of Plan Assets (a)	Accrued Liability (b)	Unfunded Accrued Liability (UAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAL as a % of Covered Payroll ((b-a)/c)
01/01/2007	\$0	\$32,974,000	\$32,974,000	0.0%	\$41,616,000	79.2%
01/01/2009	\$0	\$39,489,000	\$39,489,000	0.0%	\$45,738,000	86.3%
01/01/2009	\$0	\$45,956,900	\$45,956,900	0.0%	\$46,797,815	98.2%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan as understood by the County and plan members and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the County and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2010 actuarial valuation, the following methods and assumptions were used:

Actuarial Cost Method	Projected Unit Credit Cost Method
Discount Rate*	5%
Medical Care Cost Trend Rate	8.1%, 5.8%, or 8.7% initially, based on age of employees and type of plan chosen. The rate is reduced by decrements each year to an ultimate rate of 4%.
Dental Care Cost Trend Rate	5% initially, reduced by decrements each year to an ultimate rate of 4%.

Unfunded Actuarial Accrued Liability:

Amortization Period	30 years
Amortization Method	Level Percent of Pay
Amortization Basis	Open

*As the retirement plan is unfunded, the discount rate is based on the expected earnings of the County's general fund.

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.

G. Termination Benefits

During 2010, the County approved a one-time early retirement incentive plan, known as the 2010-2011 Retirement Incentive Program (the Program), for all employees. This Program was initiated by the New York State and Local Retirement System (the System) and has two different incentive programs, Part A and Part B. To be eligible for Part A under the Program, employees were required to have 10 years of service with the County and be at least 50 years of age or employees must be at least 55 years of age and have five or more years of service as of the date of retirement. To be eligible for Part B of the Program, employees must be Tier 2, 3, or 4 and must be at least 55 years of age and have 25 or more years of service credit. For Part A and Part B of the Program, an employee also must have been in active service from February 1, 2010 until the commencement of the open period on June 28, 2010 for Part A or October 1, 2010 for Part B. Eligible employees under Part A of the Program were required to retire by September 15, 2010 and eligible employees under Part B of the Program were required to retire by December 29, 2010.

Employees taking advantage of Part A of the Program received approximately one month of additional service credit for each year of service, up to a maximum of three additional years of service credit. Employees taking advantage of Part B of the Program are allowed to retire at age 55 without a benefit reduction.

During the year ended December 31, 2010, forty employees elected early retirement under the Program. Thirty-seven of those employees were included in Part A of the Program and three of those employees were included in Part B. The estimated present value of the benefits provided to the retirees under the Program is reported as a liability to the County of approximately \$1,497,000 and is included in accrued liabilities both in the fund financial statements and the government-wide financial statements at December 31, 2010. The County intends to fund the Program as a one-time payment to the System in 2011.

In addition, the County approved its own voluntary retirement incentive program (the Retirement Program) on March 22, 2010, which was the commencement of the open period. Employees had to retire on or before September 15, 2010 in order to receive benefits under the Retirement Program. The Retirement Program offered payment of a percentage of the employees' health insurance until age 65 depending on years of service or a one-time cash payment.

Employees with 25 years or more of service were eligible for 50% of health insurance payments until age 65 or were provided a one-time cash payment of \$15,000; employees with 15 years to less than 25 years of service were eligible for 25% of health insurance payments until age 65 or were provided a one-time cash payment of \$6,000; and employees with less than 15 years of service that were eligible to retire without reduced benefits were eligible for 25% of health insurance payments of a single policy through age 65 or were provided a one-time cash payment of \$2,500.

During the year ended December 31, 2010, forty-seven employees took part in the Retirement Program. Nine employees took the one-time cash payment, which resulted in an expenditure of approximately \$96,000 and is included in the accompanying fund financial statements and the government-wide financial statements.

H. 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.

At December 31, 2010, the amount of these liabilities was \$3,652,794. 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 <u>Liability</u>	Current Year Claims & Changes <u>in Estimates (Net)</u>	Balance at Fiscal <u>Year-End</u>
2010	\$3,769,808	\$(117,014)	\$ 3,652,794
2009	\$3,354,455	\$ 415,353	\$ 3,769,808
2008	\$3,139,125	\$ 215,330	\$ 3,354,455

At December 31, 2010, the internal service fund has \$2,259,687 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 \$1,109,912.

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 \$97,300 in 2010. General Fund balance includes a reserve for unemployment claims of \$335,038.

The County is also self-insured for medical and prescriptions for active employees and retirees under the age of 65. This activity is expensed to individual funds based on a calculated value per employee. Accounts payable in the General Fund includes a liability for such unpaid claims in the amount of \$2,630,000 as of December 31, 2010.

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 \$390,500 as of December 31, 2010. For the past three fiscal years insurance losses have not exceeded commercial insurance coverage.

General Fund balance includes a reserve for self-insurance for claims of \$2,078,884.

I. 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.

A BAN was issued in 2010 for \$125,000 for repairs to the equipment and ditches of the Upper Five Mile Creek watershed special district. This BAN carries an interest rate of 1.22% and matures on March 26, 2011 with interest of \$1,521.

J. LONG-TERM DEBT

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

	<u>Balance</u> <u>12/31/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/10</u>	<u>Amount Due</u> <u>Within One Year</u>
<u>Governmental Activities:</u>					
Compensated Absences	\$ 5,398,630	\$ 2,792,703	\$ (3,429,755)	\$ 4,761,578	\$ 3,427,947
Bonds Payable	6,838,400	-	(548,400)	6,290,000	460,000
Bonds Payable - STASC	30,727,790	-	(105,000)	30,622,790	165,000
Bond Discount - STASC	(694,216)	-	33,606	(660,610)	-
Other Post Empl. Benefits	<u>5,622,937</u>	<u>3,525,015</u>	<u>(480,000)</u>	<u>8,667,952</u>	<u>-</u>
Gov't Activities Total Long-Term Debt	<u>\$ 47,893,541</u>	<u>\$ 6,317,718</u>	<u>\$ (4,529,549)</u>	<u>\$ 49,681,710</u>	<u>\$ 4,052,947</u>
	<u>Balance</u> <u>12/31/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/10</u>	<u>Amount Due</u> <u>Within One Year</u>
<u>Business-Type Activities:</u>					
Accrued Landfill					
Closure / Postclosure	\$ 9,985,277	\$ 952,115	\$ (143,910)	\$ 10,793,482	\$ -
Compensated Absences	728,592	514,533	(549,181)	693,944	81,480
Bonds Payable	22,630,000	-	(2,930,000)	19,700,000	1,955,000
Bond Premiums Payable	11,200	-	(700)	10,500	700
Bond Interest Arbitrage	250,000	-	(176,713)	73,287	-
Other Post Empl. Benefits	<u>729,163</u>	<u>539,685</u>	<u>(64,000)</u>	<u>1,204,848</u>	<u>-</u>
Bus. Type Activities Total Long-Term Debt	<u>\$ 34,334,232</u>	<u>\$ 2,006,333</u>	<u>\$ (3,864,504)</u>	<u>\$ 32,476,061</u>	<u>\$ 2,037,180</u>

Internal service funds predominantly serve the governmental funds, and accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. At year-end, \$4,279 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.

Description / Purpose	Date Issued	Original Amount	Interest Rate	Final Maturity	Outstanding 12/31/10
<u>Correctional Facility</u>					
Jail Expansion	01/15/2006	\$ 7,820,000	3.75%	07/15/2021	\$ 6,290,000
<u>Landfill</u>					
Bath Cell 2 Expansion	05/15/2008	5,800,000	2.74%	02/15/2013	3,480,000
<u>Health Care Facility</u>					
New Facility	08/16/2005	19,710,000	4.00%	08/16/2025	16,220,000
<u>STASC</u>					
Tobacco Settlement	2005	<u>31,947,790</u>	Various	2060	<u>30,622,790</u>
TOTAL DEBT		<u>\$ 65,277,790</u>			<u>\$ 56,612,790</u>

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

Year	<u>Full Faith and Credit of County Pledged</u>			<u>Tobacco Asset Securitization Corp</u>		
	Principal	Interest	Total	Term Bonds	Interest / Accretion	Total
2011	\$ 2,415,000	\$ 981,960	\$ 3,396,960	\$ 165,000	\$ 2,000,578	\$ 2,165,578
2012	2,470,000	901,126	3,371,126	185,000	2,032,653	2,217,653
2013	2,525,000	818,142	3,343,142	195,000	2,068,685	2,263,685
2014	1,425,000	748,900	2,173,900	215,000	2,104,652	2,319,652
2015	1,485,000	693,213	2,178,213	220,000	2,046,012	2,266,012
2016-2020	8,435,000	2,543,913	10,978,913	985,000	11,447,555	12,432,555
2021-2025	7,235,000	883,763	8,118,763	1,900,000	13,191,127	15,091,127
2026-2030	-	-	-	3,200,000	15,337,817	18,537,817
2031-2035	-	-	-	4,455,000	18,490,723	22,945,723
2036-2040	-	-	-	5,950,000	23,436,528	29,386,528
2041-2045	-	-	-	7,550,000	30,927,098	38,477,098
2046-2050	-	-	-	1,090,190	42,805,660	43,895,850
2051-2055	-	-	-	1,188,760	56,583,410	57,772,170
2056-2060	-	-	-	3,323,840	64,717,640	68,041,480
	<u>\$ 25,990,000</u>	<u>\$ 7,571,017</u>	<u>\$ 33,561,017</u>	<u>\$ 30,622,790</u>	<u>\$ 287,190,138</u>	<u>\$ 317,812,928</u>

The STASC future debt service schedule includes amounts for the capital appreciation bonds.

At December 31, 2010, the total outstanding indebtedness of the County, excluding the STASC, aggregated \$25,990,000. Of this amount, all was subject to the constitutional debt limit and represented approximately 7.6% 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 backed by the 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 V, D & 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. See Note V, D for more information.

K. 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, 2010, consisted of the following:

<u>Due To:</u>			
<u>Due From:</u>	<u>Internal Service</u>	<u>Landfill</u>	<u>Total</u>
General	\$ 200,618	\$ -	\$ 200,618
County Road	230,528	82,190	312,718
Health Care	228,854	-	228,854
Total	\$ 660,000	\$ 82,190	\$ 742,190

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.

L. 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, 2010, consisted of the following:

	Transfer From:		
	<u>General</u>	<u>Non-Major Governmental</u>	<u>Total</u>
Transfer To:			
General	\$ -	\$ 365,256	\$ 365,256
County Road	-	45,152	45,152
Capital Projects	842,376	-	842,376
	<u>\$ 842,376</u>	<u>\$ 410,408</u>	<u>\$ 1,252,784</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.

M. 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 became operable. This cell is referred to as Cell #1 and is an overlay that ties into the south side of the existing Bath Landfill. In January 2010, an additional cell (Cell #2) was put into operation. The combined design capacity of the landfill is 2,492,900 tons. Based on a survey completed in December 2010 by Barton & Loguidice, the remaining air space capacity of the combined Bath Landfill was 571,722 tons which represents an estimated remaining useful life of approximately 4.8 years. In 2003, the Bath Landfill was re-permitted and the current permit expires in the year 2014.

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 care 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 care 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 \$10,793,482 that represents the landfill closure and post-closure care costs liability at December 31, 2010. The cumulative amounts reported to date are \$6,313,527 for the Bath Landfill and \$4,479,955 for the other closed landfills maintained by the County. The Bath Landfill is estimated to be at 77% of the available capacity at December 31, 2010. Actual capital costs contributed to covering the landfills reduce the total liability. The liability for the Bath Landfill was increased by \$952,115 in 2010 as cell #2 was put into service. The liability related to landfills that have already been closed was decreased by \$143,910 as post-closure maintenance and testing for these closed sites was incurred.

The total estimated cost for closure and post-closure care costs at the combined Bath Landfill is \$8,192,411. 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. There was no revenue recorded associated with this contract in 2010.

N. RESERVES AND DESIGNATED FUND BALANCES

The County has the following reserve funds for the following purposes at December 31, 2010:

Purpose	General Fund	Special Revenue	Capital Projects	Debt Service (STASC)
Reserve for Inventory	\$ 25,000	\$ -	\$ -	\$ -
Reserve for Encumbrances	409,416	365,010	3,176	-
Reserve for Insurances	2,413,922	-	-	-
Reserve for Prepaid Items	1,265,775	-	-	-
Reserve for Capital Projects	3,924,578	-	582,428	-
Reserve for Debt	-	-	-	1,758,028
Other Reserves	837,338	-	-	-
TOTAL	\$ 8,876,029	\$ 365,010	\$ 585,604	\$ 1,758,028

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

IV. STEUBEN 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 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 & Co., LLP 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 is prepared in conformity with accounting principles generally accepted in the United States as set forth by the Governmental Accounting Standards Board for proprietary funds. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the proprietary fund financial statements to the extent they do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private sector guidance for their business type activities and enterprise funds. The Facility has elected not to follow subsequent private sector guidance.

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 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.”

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.

Operating Revenue and Expense - The Facility’s statements of revenues, expenses, and change in net assets distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with the Facility’s principal ongoing operations. Operating expenses include the cost of services provided, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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, Medicaid, Medicare, and other third-party payors for services rendered and includes estimated retroactive revenue adjustments due to future audits, reviews and appeals. 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 appeals. It is not possible to determine the extent of additional liabilities (or receivables) resulting from governmental audits conducted in subsequent years.

Credit is granted to all residents, the majority of whom are covered by third-party payor insurance coverage. Accounts for which no payments have been received for several months are considered delinquent, and when customary collection efforts are exhausted, the account is written off. The Facility records an allowance for doubtful accounts in anticipation of future write-offs. The allowance for doubtful accounts is based on the Facility’s historical collection experience and a review of outstanding accounts. The Facility does not accrue interest on these receivables.

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 existed at December 31, 2010 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.

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 IV, G.

Disadvantaged Facility Funding

In 2010, the Facility received disadvantaged facility funding from New York State in the form of Medicaid rate enhancements. These rate enhancements were 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 in 2010 from these rate enhancements of approximately \$400,000 for years prior to 2010. The Facility reported this funding as a component of net resident service revenue in the accompanying statements of revenues, expenses, and change in net assets in 2010 when such amounts were known and received. In 2010, the Facility did not receive any such funding.

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.

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 \$19,221 at December 31, 2010.

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. During 2010, the Facility hired an outside consultant to calculate the estimated arbitrage liability. During 2010, the Facility made payment of \$170,713. The Facility estimated arbitrage liability was approximately \$73,000 at December 31, 2010.

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, 2010:

Resident accounts receivable	\$ 1,981,069
Allowance for doubtful accounts	<u>(872,221)</u>
	<u>\$ 1,108,848</u>

C. NET RESIDENT SERVICE REVENUE

Adjustments to previously recognized Medicaid revenue of approximately \$390,000 for 2010 are included in operating revenue in the statements of revenues, expenses and change in net assets. The 2010 adjustment of prior years' revenue included revenues related to disadvantaged facility funding moneys of approximately \$390,000.

Concentrations

For the year ended December 31, 2010, aggregate revenue from the Medicaid and Medicare programs accounted for approximately 62% and 10%, 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>2010</u>
Gross resident service revenue	\$ 10,101,685
Less: Contractual allowances	<u>(1,047,499)</u>
	<u>\$ 9,054,186</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 recorded no IGT revenue for the year ended December 31, 2010.

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, 2010 was approximately \$461,000 and is included in the accompanying statements of revenues, expenses and change in net assets.

D. THIRD-PARTY REIMBURSEMENT

The Facility is responsible to report to and is regulated by various governmental third parties, among which are the Centers for Medicare and Medicaid Services (CMS) and the New York State Department of Health (DOH). These agencies, as well as the New York State Office of Attorney General's Medicaid Fraud Control Unit (MFCU), the Internal Revenue Service, the New York State Office of the Attorney General's Charities Bureau, the New York State Department of Health's Independent Office of Medicaid Inspector General (OMIG), and other agencies have the right to audit fiscal, as well as programmatic compliance, i.e., clinical documentation, among other compliance requirements.

In January 2010, the DOH issued revised skilled nursing facility Medicaid per diem rates retroactive to April 2009, based upon Chapter 109 of the laws of 2006, as modified by Chapters 2 and 58 of the laws of 2007 and 2009, respectively. Pursuant to the above statutes and other administrative interpretations, effective April 2009 the methodology used to develop the rates has changed and is no longer based on 1983 cost data and Patient Review Instrument (PRI) data. Instead, the financial and statistical data reflected in the 2002 residential health care facility cost report is the basis for these rates. In addition, the relative resource utilization group system of patient classification (RUG-III), used by the federal government, has been adopted by the DOH with certain modifications, and the case mix index (CMI), which is used to develop the rates, is based on the January 2009 assessment for Medicaid patients only. Once approved the January 2009 CMI will be updated based on the bi-annual RUG III assessment. The rates beginning May 2009 include an across-the-board adjustment in each facility's rates (proportionate to its Medicaid revenue relative to all other facilities) limiting the overall increase in statewide Medicaid rates due to rebasing (net of the overall rate decrease due to Medicaid-only CMI) to \$210,000,000. This adjustment is referred to as the "scaleback." At the current time, these rates have not been implemented, since the associated Medicaid state plan amendment is awaiting approval by CMS. After approval by CMS, the NYS Division of Budget approval will be needed to implement these rates.

The Facility has recorded an estimated net receivable due from third-party payors of \$2,260,299 at December 31, 2010 primarily for amounts due from Medicaid for projected increases in the Medicaid reimbursement rates resulting from the filing of a base year cost report, Medicaid reimbursement system overhaul, disadvantaged facility funding, as well cash receipts assessment reconciliations. It is at least reasonably possible that the amount recorded will differ materially from the actual amount to be paid in the near term.

There were positive adjustments related to the above items to Medicaid revenue of approximately \$1,182,000 for 2010 included in resident service revenue in the statements of revenues, expenses, and change in net assets.

The 2010 adjustment included primarily net revenues related to the Facility's new base year reimbursement (approximately \$614,000), a cash receipts assessment reconciliation (approximately \$104,000), and the Medicaid reimbursement system overhaul (approximately \$464,000).

E. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Depreciable capital assets:				
Buildings	\$ 10,130,094	\$ -	\$ -	\$ 10,130,094
Fixed equipment	7,098,331	-	-	7,098,331
Land improvements	1,056,160	-	-	1,056,160
Moveable equipment	<u>1,816,331</u>	<u>38,829</u>	<u>(5,489)</u>	<u>1,849,671</u>
Total depreciable capital assets	<u>20,100,916</u>	<u>38,829</u>	<u>(5,489)</u>	<u>20,134,256</u>
Total capital assets	<u>20,100,916</u>	<u>38,829</u>	<u>(5,489)</u>	<u>20,134,256</u>
Less: Accumulated depreciation:				
Buildings	570,988	254,197	-	825,185
Fixed equipment	406,031	397,955	-	803,986
Land improvements	63,288	42,328	-	105,616
Moveable equipment	<u>485,433</u>	<u>169,073</u>	<u>(2,744)</u>	<u>651,762</u>
	<u>1,525,740</u>	<u>863,553</u>	<u>(2,744)</u>	<u>2,386,549</u>
Capital assets, net	<u>\$ 18,575,176</u>	<u>\$ (824,724)</u>	<u>\$ (2,745)</u>	<u>\$ 17,747,707</u>

Depreciation expense was \$863,553 for the year ended December 31, 2010.

F. 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 \$16,230,500 at December 31, 2010.

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>
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>4,100,500</u>	<u>352,538</u>
	<u>\$ 16,230,500</u>	<u>\$ 5,916,926</u>

G. RELATED PARTY TRANSACTIONS

The Facility's cash is combined and deposited with the County's and invested in accordance with the provisions of applicable New York State (the State) statutes. The County also has its own written investment policy. The County deposits cash into a number of bank accounts. Monies must be deposited in demand or time accounts or certificates of deposit issued by FDIC insured commercial banks or trust companies located within the State. Permissible investments include obligations of the U.S. Treasury and its agencies, repurchase agreements, and obligations of the State. In accordance with existing policies, repurchase agreements are only entered into with banks or trust companies located within the State or with registered and primary reporting dealers in government securities. Underlying securities for repurchase transactions must be only obligations fully insured and guaranteed by the federal government.

Collateral is required for deposits and certificates of deposit in an amount equal to or greater than the amount of all deposits not covered by federal deposit insurance. 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.

Cash recorded by the Facility is combined with cash recorded by the County in determining amounts covered by Federal Depository Insurance or by collateral held by the County's agent in the County's name. The County Treasurer is responsible for ensuring the deposits are properly collateralized. As of December 31, 2010 the County has reported that its deposits were adequately collateralized.

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 year ended December 31, 2010:

	<u>2010</u>
Clerk of the Board, purchasing, risk management and accounting departments	\$ 119,647
Data processing	119,786
Personnel	80,601
County Treasurer	71,591
County Administrator	<u>37,022</u>
	<u>\$ 428,647</u>

H. CONTINGENCIES

Regulatory Environment

The Facility is responsible to report to various third-parties/regulators, including the Center for Medicare and Medicaid Services, the New York State Department of Health (DOH), the New York State Office of Attorney General and the Internal Revenue Service.

Each of these third-parties has the ability to conduct audits, reviews, surveys and/or other investigations related to financial, operating and compliance matters. The Facility is subject to operational and compliance surveys by the DOH on a regular basis.

Estimated Third Party Settlements

Medicaid and Medicare reimbursed rates are subject to audit and retroactive rate adjustments by the New York State Department of Health and the Center for Medicare and Medicaid Services. Estimated third party settlements are included in the financial statements based upon the information available at year end. However, it is at least reasonably possible that those estimates will change during 2011 and future years as more information becomes available.

V. 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.

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, 2010, there were no internally designated net assets and the unrestricted net deficit was (\$30.7) million.

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 and bond issuance costs.

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 12 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 and has been increased by funds from the Series 2005 bonds. This account must be maintained at a minimum of \$1,725,625 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. This account is included in restricted cash and cash equivalents on the balance sheet. At December 31, 2010, the balance in the liquidity reserve account was \$1,725,640.

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 discount expense was \$33,606 for the year ended December 31, 2010. Accumulated amortization on bond discounts was \$168,031 for the year ended December 31, 2010.

Accounts Receivable

The Corporation records a receivable for Tobacco Settlement Revenues (TSRs) and does not accrue interest on unpaid amounts. The Corporation has not recorded an allowance for doubtful accounts related to the TSRs and does not anticipate future write-offs.

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. The Corporation is also exempt from Federal reporting requirements under Internal Revenue Service Revenue Procedure 95-48, 1995-2 C.B. 418 as a governmental unit or affiliate of a governmental unit described in the procedure.

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. 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;
- 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.
- Eligible investments, as defined in the indenture between the Corporation and Manufacturers and Traders Trust Company, as trustee, as amended from time to time.

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, 2010, the carrying amount of the Corporation's cash and cash equivalents was \$110,226, and was exposed to custodial credit risk as follows:

Federal Depository Insurance Coverage	\$ <u>110,226</u>
Collateralization rate	<u>100%</u>

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, 2010, 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>1,758,028</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, 2010, all amounts were held by one bank.

The Corporation had the following reserve funds as of December 31, 2010:

Investments

Liquidity reserve	\$ 1,725,640
Debt service reserve	3,250
Turbo redemption account	2,655
Bond issuance and rebate cost reserve	<u>26,483</u>
Total	<u>\$ 1,758,028</u>

D. **ADVANCE REFUNDING/DEFEASANCE OF SERIES 2000 BONDS**

A \$525,000 payment was made against the \$19,363,332 defeased Series 2000 bonds on June 1, 2010. Cumulative payments of \$2,260,000 have been made leaving an outstanding balance of \$17,103,332 as of December 31, 2010.

E. **BONDS PAYABLE**

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 TSRs 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%.
- \$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.

In 2005, the Corporation entered into a forward purchase contract for the issuance of Tobacco Settlement Asset-Backed Bonds, Series 2010A Bonds (Tax Exempt Turbo Term Bonds) to be in an amount equal to the amount of Series 2005C Bonds outstanding on the date of issuance of the Series 2010A Bonds. The Series 2005C Bonds were replaced by the Series 2010A Bonds on June 1, 2010 with a maturity date of June 1, 2041 and an interest rate of 6.25%.

The Series 2010 Bonds are composed of the following:

- \$8,300,000 Tobacco Settlement Asset-Backed Bonds, Series 2010A (Taxable Turbo Bonds), maturity date is June 1, 2041, interest rate of 6.25%

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

Balance - beginning of year	\$30,727,790
Repayments of bonds	<u>(105,000)</u>
Balance - end of year	<u>\$30,622,790</u>
Required payments due within one year	<u>\$ 165,000</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:

Year	Term Bonds	Interest / Accretion	Total
2011	\$ 165,000	\$ 2,000,578	\$ 2,165,578
2012	185,000	2,032,653	2,217,653
2013	195,000	2,068,685	2,263,685
2014	215,000	2,104,652	2,319,652
2015	220,000	2,046,012	2,266,012
2016-2020	985,000	11,447,555	12,432,555
2021-2025	1,900,000	13,191,127	15,091,127
2026-2030	3,200,000	15,337,817	18,537,817
2031-2035	4,455,000	18,490,723	22,945,723
2036-2040	5,950,000	23,436,528	29,386,528
2041-2045	7,550,000	30,927,098	38,477,098
2046-2050	1,090,190	42,805,660	43,895,850
2051-2055	1,188,760	56,583,410	57,772,170
2056-2060	<u>3,323,840</u>	<u>64,717,640</u>	<u>68,041,480</u>
	<u>\$ 30,622,790</u>	<u>\$ 287,190,138</u>	<u>\$ 317,812,928</u>

Bonds payable as recorded on the Statement of Net Assets is the following as of December 31, 2010:

	Bond Principal	Bond Discount	Total
Beginning Balance, 1/1/10	\$ 31,727,790	\$ (694,216)	\$30,033,574
Principal Payment	(105,000)	-	(105,000)
Amortization	<u>-</u>	<u>33,606</u>	<u>33,606</u>
Ending Balance, 12/31/10	<u>\$ 30,622,790</u>	<u>\$ (660,610)</u>	<u>\$ 29,962,180</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.

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, 2010.

A principal payment in the amount of \$105,000 was made during 2010 in accordance with the Series 2005 bonds.

Interest

Interest expense on bonds payable was \$1,942,418 in 2010. In 2010, cash paid for interest was \$1,394,150.

F. 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.

G. 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.

VI. JOINT VENTURES

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

Southern Tier Central Regional Planning and Development Board (the 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 2010, the County of Steuben contributed \$85,000. Audited financial statements for the Board may be obtained from the Administrative Offices of the Board located at 8 Denison Parkway East, Suite 310, Corning, NY 14830.

Corning Community College Region (the College) – 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 on the Regional Board of Trustees. In 2010, Steuben County expended \$3,842,450 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.

VII. SUBSEQUENT EVENT

The \$125,000 Bond Anticipation Note was paid on March 26, 2011. A new note for \$100,000 was issued that same date with an interest rate of 1.55% and a maturity of March 29, 2012.

Financial Section

Required Supplementary Information

STEUBEN COUNTY, NY
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
General Fund
Year Ended December 31, 2010

	BUDGET		Expenditures Budgetary Basis		Variance with Modified Budget Positive (Negative)
	Original	Modified	Actual	Encumbrances	
REVENUE					
Real property taxes	\$ 20,014,088	\$ 20,014,088	\$19,321,385	\$ -	\$ (692,703)
Real property tax items	3,253,250	3,278,250	3,684,012	-	405,762
Non-property tax items	42,287,123	42,287,123	44,333,844	-	2,046,721
Departmental income	17,351,843	17,715,024	16,305,742	-	(1,409,282)
Intergovernmental services revenue	2,154,400	2,187,360	1,854,372	-	(332,988)
Use of money and property	2,933,523	2,933,523	2,272,996	-	(660,527)
Licenses and permits	2,500	2,500	1,477	-	(1,023)
Fines and forfeitures	336,704	336,704	307,111	-	(29,593)
Sale of property/compensation for loss	53,912	54,212	60,816	-	6,604
Miscellaneous local sources	432,253	433,103	869,729	-	436,626
Interfund revenues	2,494,606	2,496,106	1,646,641	-	(849,465)
State aid	20,368,389	20,353,240	18,449,747	-	(1,903,493)
Federal aid	22,509,149	23,732,723	23,669,653	-	(63,070)
TOTAL REVENUE	134,191,740	135,823,956	132,777,525	-	(3,046,431)
EXPENDITURES					
General government	24,309,880	26,528,120	23,464,588	38,804	3,024,728
Education	8,910,000	9,238,000	9,205,295	-	32,705
Public safety	16,876,144	17,277,017	16,712,910	44,402	519,705
Health	18,642,450	18,775,505	16,691,684	17,436	2,066,385
Transportation	350,000	750,999	363,387	303,759	83,853
Economic assistance and opportunity	65,764,645	65,431,745	59,551,660	3,757	5,876,328
Culture and recreation	910,966	951,232	865,194	1,258	84,780
Home and community services	1,369,001	1,789,227	1,582,928	-	206,299
Debt service	697,340	697,340	697,340	-	-
TOTAL EXPENDITURES	137,830,426	141,439,185	129,134,986	409,416	11,894,783
Excess (Deficiency) Revenues Over Expenditures	(3,638,686)	(5,615,229)	3,642,539	(409,416)	8,848,352
Transfers In	363,606	363,606	365,256	-	(1,650)
Transfers Out	(132,000)	(852,181)	(842,376)	-	9,805
Obligations authorized	-	125,000	-	-	(125,000)
Total Other Financing Sources (Uses)	231,606	(363,575)	(477,120)	-	(116,845)
Excess (Deficiency) Revenues and Other Sources Over Expenditures and Other Uses	\$ (3,407,080)	\$ (5,978,804)	3,165,419	\$ (409,416)	\$ 8,731,507
FUND BALANCE - BEGINNING OF YEAR			50,444,111		
FUND BALANCE - END OF YEAR			\$ 53,609,530		

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, 2010

	Budget		Expenditures Budgetary Basis		Variance with
	Original	Modified	Actual	Encumbrances	Modified Budget Positive (Negative)
REVENUE					
Real Property Taxes	\$ 15,978,803	\$ 15,978,803	\$ 15,978,803	\$ -	\$ -
Intergovernmental Charges	715,000	715,000	579,711	-	(135,289)
Use of Money & Property	10,000	10,000	7,642	-	(2,358)
Sale of Property/Compensation for Loss	23,000	23,000	81,382	-	58,382
Miscellaneous Local Sources	2,000	2,000	3,396	-	1,396
State & Federal Aid	3,688,392	3,688,392	3,688,392	-	-
Federal Aid	-	-	-	-	-
TOTAL REVENUE	20,417,195	20,417,195	20,339,326	-	(77,869)

EXPENDITURES

Transportation	21,017,195	21,216,537	20,644,601	269,380	302,556
TOTAL EXPENDITURES	21,017,195	21,216,537	20,644,601	269,380	302,556

Excess (Deficiency) Revenues Over Expenditures	(600,000)	(799,342)	(305,275)	(269,380)	224,687
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Transfers In	-	45,152	45,152	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	45,152	45,152	-	-

Excess (Deficiency) Revenues and Other Sources Over Expenditures and Other Uses	\$ (600,000)	\$ (754,190)	(260,123)	\$ (269,380)	\$ 224,687
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FUND BALANCE-BEGINNING OF YEAR 2,863,804

FUND BALANCE-END OF YEAR \$ 2,603,681

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
As of December 31, 2010

	<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>
ASSETS					
Cash, Cash Equivalents and Investments	\$ 730,850	\$ 2,798,960	\$ 4,396,966	\$ 110,226	\$ 8,037,002
Accounts Receivable	-	-	-	-	-
Accrued Interest Receivable	-	-	-	1,685,932	1,685,932
Due From Other Funds	-	-	-	-	-
Due From Other Governments	-	93,009	-	-	93,009
State & Federal Receivables	-	-	671,860	-	671,860
Restricted cash and cash equivalents	-	-	-	1,758,028	1,758,028
TOTAL ASSETS	<u>\$ 730,850</u>	<u>\$ 2,891,969</u>	<u>\$ 5,068,826</u>	<u>\$ 3,554,186</u>	<u>\$ 12,245,831</u>
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 171,822	\$ 42,347	\$ -	\$ 214,169
Accrued Liabilities	-	27,653	-	-	27,653
Due to Other Funds	-	-	-	-	-
Deferred Revenues	-	-	-	1,685,913	1,685,913
TOTAL LIABILITIES	<u>-</u>	<u>199,475</u>	<u>42,347</u>	<u>1,685,913</u>	<u>1,927,735</u>
FUND BALANCES					
Reserved for:					
Encumbrances	-	95,630	3,176	-	98,806
Debt Service	-	-	-	1,758,028	1,758,028
Special Purposes	-	-	582,428	-	582,428
Unreserved					
Designated, Next Year's Budget	25,000	250,000	4,440,875	-	4,715,875
Undesignated	705,850	2,346,864	-	110,245	3,162,959
TOTAL FUND BALANCES	<u>730,850</u>	<u>2,692,494</u>	<u>5,026,479</u>	<u>1,868,273</u>	<u>10,318,096</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 730,850</u>	<u>\$ 2,891,969</u>	<u>\$ 5,068,826</u>	<u>\$ 3,554,186</u>	<u>\$ 12,245,831</u>

STEBEN COUNTY, NY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended December 31, 2010

	<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	\$ -	\$ 2,158,218	\$ -	\$ -	\$ 2,158,218
Intergovernmental services revenue	-	21,507	24,717	-	46,224
Use of money and property	3,626	3,772	19,278	204	26,880
Sale of property and compensation for losses	-	43,545	-	-	43,545
Tobacco settlement revenues	-	-	-	1,531,511	1,531,511
Miscellaneous	-	-	1,390	-	1,390
Interfund revenues	-	2,407,909	-	-	2,407,909
State aid	-	-	248,453	-	248,453
Federal aid	-	-	1,774,237	-	1,774,237
Total revenues	<u>3,626</u>	<u>4,634,951</u>	<u>2,068,075</u>	<u>1,531,715</u>	<u>8,238,367</u>
Expenditures:					
Current:					
General government	-	-	-	50,535	50,535
Transportation	-	4,132,439	-	-	4,132,439
Home and community services	10,000	-	-	-	10,000
Capital Outlay:					
General government	-	-	495,970	-	495,970
Public safety	-	-	46,538	-	46,538
Transportation	-	-	2,086,237	-	2,086,237
Economic assistance and opportunity	-	-	27,717	-	27,717
Culture and recreation	-	-	36,538	-	36,538
Debt Service:					
Principal	-	103,400	-	105,000	208,400
Interest	-	3,392	-	1,394,150	1,397,542
Total expenditures	<u>10,000</u>	<u>4,239,231</u>	<u>2,693,000</u>	<u>1,549,685</u>	<u>8,491,916</u>
Excess (deficiency) of revenues over expenditures	<u>(6,374)</u>	<u>395,720</u>	<u>(624,925)</u>	<u>(17,970)</u>	<u>(253,549)</u>
Other financing sources (uses):					
Transfers in	-	-	842,376	-	842,376
Transfers out	-	(45,152)	(365,256)	-	(410,408)
Total other financing sources (uses)	<u>-</u>	<u>(45,152)</u>	<u>477,120</u>	<u>-</u>	<u>431,968</u>
Net change in fund balance	<u>(6,374)</u>	<u>350,568</u>	<u>(147,805)</u>	<u>(17,970)</u>	<u>178,419</u>
Fund Balance - Beginning of Year	<u>737,224</u>	<u>2,341,926</u>	<u>5,174,284</u>	<u>1,886,243</u>	<u>10,139,677</u>
Fund Balance - End of Year	<u>\$ 730,850</u>	<u>\$ 2,692,494</u>	<u>\$ 5,026,479</u>	<u>\$ 1,868,273</u>	<u>\$ 10,318,096</u>

STEUBEN COUNTY, NY
Combining Balance Sheet
Private Purpose Trust Funds
As of December 31, 2010

	<u>Fairview Cemetery</u>	<u>County Jail Inmate Fund</u>	<u>Total Private Purpose Trust Funds</u>
ASSETS:			
Cash and cash equivalents	\$ 1,000	\$ 126,384	\$ 127,384
TOTAL ASSETS	\$ 1,000	\$ 126,384	\$ 127,384
TOTAL LIABILITIES	\$ -	\$ 28	\$ 28
NET ASSETS			
Held in trust for other purposes	1,000	126,356	127,356
TOTAL NET ASSETS	1,000	126,356	127,356
TOTAL LIABILITIES & NET ASSETS	\$ 1,000	\$ 126,384	\$ 127,384

Combining Statement of Changes in Fiduciary Net Assets

Private Purpose Trust Funds

For the Year Ended December 31, 2010

	<u>Fairview Cemetery</u>	<u>County Jail Inmate Fund</u>	<u>Total Private Purpose Trust Funds</u>
ADDITIONS:			
Interest earnings	\$ 4	\$ -	\$ 4
Other revenue	-	26,401	26,401
TOTAL ADDITIONS	<u>4</u>	<u>26,401</u>	<u>26,405</u>
DEDUCTIONS:			
Home and community services	4	-	4
Public safety	-	21,862	21,862
TOTAL DEDUCTIONS	<u>4</u>	<u>21,862</u>	<u>21,866</u>
CHANGE IN NET ASSETS	-	4,539	4,539
Net Assets - Beginning of Year	<u>1,000</u>	<u>121,817</u>	<u>122,817</u>
Net Assets - End of Year	<u>\$ 1,000</u>	<u>\$ 126,356</u>	<u>\$ 127,356</u>

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 24, 2011

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, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 24, 2011. Our report includes a reference to other auditors. The report on the Steuben County Soil and Water Conservation District was qualified because interfund transfers were not properly eliminated. 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 as a basis for designing 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.

A deficiency in internal control 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**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)

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 management of the County in a separate letter dated June 24, 2011.

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 entities and is not intended to be and should not be used by anyone other than these specified parties.

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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Assets:				
Cash, cash equivalents	\$ 41,196,273	\$ 47,999,827	\$ 51,638,041	\$ 57,667,303
Taxes receivable and tax deeds, net	8,753,590	9,308,190	9,879,489	10,832,317
Other receivables	5,308,755	5,218,311	4,082,760	4,711,041
State and federal receivables	10,205,846	9,038,310	10,555,886	12,300,084
Due from other funds	535,424	149,676	-	-
Due from other governments	175,221	246,212	190,137	311,487
Inventory of supplies	17,681	23,852	26,052	20,860
Prepaid Items	970,915	884,710	739,093	1,265,775
Restricted assets	5,925,130	-	-	-
TOTAL ASSETS	\$ 73,088,835	\$ 72,869,088	\$ 77,111,458	\$ 87,108,867
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts payable	\$ 9,317,768	\$ 7,299,342	\$ 9,127,484	\$ 13,384,153
Accrued liabilities	2,327,197	2,798,058	1,654,971	1,908,647
Notes payable	16,773	-	-	125,000
Other liabilities	170,153	172,705	1,822,423	1,640,910
Due to other funds	16,403	55,486	-	200,618
Due to other governments	7,161,555	6,588,278	5,894,260	7,110,137
Deferred revenues	5,780,691	5,608,983	8,168,209	9,129,872
TOTAL LIABILITIES	24,790,540	22,522,852	26,667,347	33,499,337
Fund Balance:				
RESERVED FOR:				
Encumbrances	121,857	96,838	128,951	409,416
Prepaid Items	970,915	884,711	739,093	1,265,775
Inventories	25,000	25,000	25,000	25,000
Special Purposes	7,806,682	7,902,961	7,183,748	7,175,838
UNRESERVED:				
Designated, Next Year's Budget	4,000,000	3,700,040	3,237,497	4,097,497
Undesignated	35,373,841	37,736,686	39,129,822	40,636,004
TOTAL FUND BALANCE	48,298,295	50,346,236	50,444,111	53,609,530
TOTAL LIABILITIES & FUND BALANCE	\$ 73,088,835	\$ 72,869,088	\$ 77,111,458	\$ 87,108,867

Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balance

GENERAL FUND

Year ended December 31

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>REVENUES</u>				
Real property taxes	\$ 17,959,613	\$ 17,904,261	\$17,789,312	\$ 19,321,385
Real property tax items	2,891,531	3,043,795	2,951,592	3,684,012
Non-property taxes	43,064,534	44,665,840	43,180,244	44,333,844
Departmental Income	15,466,887	16,397,013	14,005,001	16,305,742
Intergovernmental revenue	929,131	1,861,717	1,859,863	1,854,372
Use of money and property	4,323,611	3,687,535	2,495,958	2,272,996
Licenses and permits	962	1,403	1,686	1,477
Fines and forfeitures	345,247	355,068	378,657	307,111
Sale of property/compensation for losses	94,262	95,467	95,114	60,816
Miscellaneous	973,075	2,582,984	1,455,549	869,729
Interfund revenues	652,318	1,207,081	1,523,832	1,646,641
State aid	19,206,862	17,436,768	16,971,988	18,449,747
Federal Aid	18,480,505	14,619,717	22,941,266	23,669,653
TOTAL REVENUES	124,388,538	123,858,649	125,650,062	132,777,525
<u>EXPENDITURES</u>				
General Government	20,156,720	21,288,946	22,642,547	23,464,588
Education	8,417,701	8,464,816	9,046,812	9,205,295
Public Safety	12,806,181	14,773,153	15,653,018	16,712,910
Health	16,102,696	16,147,207	16,315,563	16,691,684
Transportation	403,714	290,222	380,041	363,387
Economic Assistance and Opportunity	57,501,433	55,537,617	58,550,888	59,551,660
Culture and Recreation	788,669	986,930	929,120	865,194
Home and Community Services	1,051,974	1,285,144	1,245,527	1,582,928
Debt Service	689,978	693,791	-	697,340
TOTAL EXPENDITURES	117,919,066	119,467,826	124,763,516	129,134,986
Excess (Deficiency) Revenues Over Expenditures	6,469,472	4,390,823	886,546	3,642,539
Transfers In	12,174	-	-	365,256
Transfers Out	(1,349,740)	(2,342,882)	(788,671)	(842,376)
Other Financing Sources (Uses)	(1,337,566)	(2,342,882)	(788,671)	(477,120)
Excess (Deficiency) Revenues & Other Sources Over Expenditures and Other Uses	5,131,906	2,047,941	97,875	3,165,419
FUND BALANCE-BEGINNING OF YEAR	43,166,389	48,298,295	50,346,236	50,444,111
FUND BALANCE-END OF YEAR	\$ 48,298,295	\$ 50,346,236	\$ 50,444,111	\$ 53,609,530

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Real Property Taxes	A1001	\$ 17,888,560	\$ 17,850,508	\$ 17,738,218	\$ 19,270,773
Real Property Taxes - Part County	A1002	71,053	53,753	51,094	50,612
TOTAL REAL PROPERTY TAXES		17,959,613	17,904,261	17,789,312	19,321,385
Gain From Sale of Tax Acquired Property	A1051	375,829	368,193	168,561	784,351
Other Payments in Lieu of Taxes	A1081	1,172,845	1,224,578	1,255,838	1,345,937
Interest & Penalties on Real Property Taxes	A1090	1,342,857	1,451,024	1,527,193	1,553,724
TOTAL REAL PROPERTY TAX ITEMS		2,891,531	3,043,795	2,951,592	3,684,012
Sales and Use Tax	A1110	32,681,611	34,308,365	32,769,327	34,707,975
Tax on Hotel Room Occupancy	A1113	778,851	946,457	802,379	868,685
Towns Share of Sales Tax	A1115	7,384,610	7,449,201	7,233,176	6,893,275
Automobile Use Tax		615,210	593,484	612,161	609,871
Emergency Telephone System Surcharge	A1140	342,559	365,356	352,925	353,225
Other Non-Property taxes	A1140	1,261,693	1,002,977	1,410,276	900,813
TOTAL NON-PROPERTY TAX ITEMS		43,064,534	44,665,840	43,180,244	44,333,844
Treasurer Fees	A1230	143,475	167,835	171,982	158,991
Charges for Tax Redemption	A1235	170,933	165,865	163,460	166,497
Clerk Fees	A1255	1,771,209	1,765,040	1,904,701	2,089,724
Personnel Fees	A1260	13,441	19,451	21,695	12,492
Attorney Fees	A1265	710,055	700,842	755,852	959,539
Other General Department Income	A1289	810,802	830,497	852,634	1,139,982
Sheriff Fees	A1510	156,267	175,728	189,357	189,427
Alternatives to Incarceration Fees	A1515	48,620	51,283	41,128	47,795
Police Fees	A1520	-	512	100	570
Restitution Surcharges	A1580	23,557	27,661	34,988	42,075
Other Public Safety Departmental Income	A1589	124,433	131,271	149,694	150,567
Charges for Care of Handicapped Children	A1605	7,701	7,537	9,637	8,766
Home Nursing Charges	A1610	3,130,274	3,014,007	3,096,570	2,995,322
Mental Health Fees	A1620	4,017,868	4,427,174	2,853,009	4,855,222
Early Intervention Fees for Services	A1620	672,666	655,585	748,786	-
Alcoholism Clinic Fees	A1631	880,763	694,810	546,742	815,754
Other Health Departmental Income	A1689	69,832	102,588	12,304	28,093
Other Transportation - Bus Operation	A1789	22,669	9,346	-	-
Repayment of Medical Assistance	A1801	931,723	1,422,750	898,828	986,431
Repayment of Aid to Dependent Children	A1809	479,284	531,437	270,163	249,308
Medical Incentive Earnings	A1811	83,175	63,081	97,920	176,881
Repayment of Child Care	A1819	241,216	229,654	282,806	358,092
Repayment of Juvenile Delinquent Care	A1823	402,625	427,233	428,688	360,477
Repayment of State Training School	A1829	-	-	1,847	-
Repayment of Safety Net	A1840	521,753	712,089	424,039	462,568
Repayment of Emergency Care for Adults	A1842	-	456	558	749
Repayments of Day Care	A1855	1,478	9,047	11,555	12,395
Social Services Administration	A1894	5,985	5,510	4,494	1,567

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Charges-Programs for the Aging	A1972	325	17,817	-	-
Other Economic Assistance & Opportunity	A1989	-	-	350	-
Park and Recreational Charges	A2001	24,758	30,907	31,114	36,458
TOTAL DEPARTMENTAL INCOME		15,466,887	16,397,013	14,005,001	16,305,742
General Services-Inter Government	A2210	102,596	105,614	142,244	193,540
Election Service Charges	A2215	125,537	145,030	123,399	144,593
Participant's Share	A2222	17,096	-	-	-
Data Processing-Other Governments	A2228	24,681	17,203	21,983	22,500
Public Safety Services-Other Governments	A2260	112,168	114,988	105,655	96,405
Jail Facilities Services, Other Governments	A2264	529,585	1,373,528	1,390,327	1,335,946
Transportation Services-Other Governments	A2300	17,468	105,354	76,255	61,388
TOTAL INTERGOVERNMENTAL CHARGES		929,131	1,861,717	1,859,863	1,854,372
Interest and Earnings	A2401	2,538,357	1,719,996	557,448	336,962
Rental of Real Property	A2410	1,709,036	1,881,537	1,850,589	1,856,919
Rental of Real Property - Other Governments	A2412	812	-	-	-
Commissions	A2450	75,406	86,002	87,921	79,115
TOTAL USE OF MONEY & PROPERTY		4,323,611	3,687,535	2,495,958	2,272,996
Permits - Other	A2590	962	1,403	1,686	1,477
TOTAL LICENSES AND PERMITS		962	1,403	1,686	1,477
Fines and Forfeited Bail	A2610	3,328	29,707	3,292	3,674
Stop DWI Fines	A2615	325,632	322,080	310,012	284,552
Forfeiture of Crime Proceeds Restricted		16,287	3,281	65,353	18,885
TOTAL FINES AND FORFEITURES		345,247	355,068	378,657	307,111
Minor Sales - Other	A2655	30,779	28,236	17,021	16,325
Sales of Equipment	A2665	53,532	41,715	44,817	44,391
Insurance Recoveries	A2680	9,041	25,000	32,594	100
Other Compensation for Losses		910	516	682	-
TOTAL SALE OF PROPERTY		94,262	95,467	95,114	60,816
COMPENSATION FOR LOSSES					
Reimbursement of Medicare Part D Exp	A2700	142,662	77,643	55,970	39,088
Refund of Prior Year's Expenditures	A2701	531,504	2,242,262	872,147	504,539
Gifts and Donations	A2705	133,697	77,525	207,519	182,604
OTB-Distributed Earnings	A2720	83,349	71,713	62,786	87,145
Endowment & Trust	A2755	15,000	15,000	15,000	15,000
Unclassified	A2770	66,863	98,841	242,127	41,353
TOTAL MISCELLANEOUS SOURCES		973,075	2,582,984	1,455,549	869,729

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Interfund Revenue	A2801	652,318	1,207,081	1,523,832	1,646,641
TOTAL INTERFUND REVENUE		652,318	1,207,081	1,523,832	1,646,641
State Aid-Court Facilities	A3021	129,177	152,534	167,723	173,256
State Aid-Indigent Legal Aid	A3025	269,085	297,328	313,191	281,198
State Aid-District Attorney Salaries	A3030	59,833	68,255	57,318	39,055
State Aid-Real Property Tax Administration	A3040	5,336	3,475	-	-
State Aid-Records Management	A3060	25,500	73,462	-	-
State Aid-Rail Infrastructure Investment Act	A3070	-	22,045	-	42,062
State Aid-Other	A3089	148,090	60,965	162,957	14,584
State Aid-Education of Handicapped Children	A3277	2,812,908	2,331,475	2,436,551	2,705,749
State Aid-Probation Services	A3310	414,800	434,256	393,157	302,286
State Aid-Navigation Law Enforcement	A3315	19,487	12,850	14,680	4,612
State Aid-Unified Court Security Costs	A3330	739,077	774,125	908,997	924,785
State Aid-Other Public Safety	A3389	131,279	162,736	113,679	32,529
State Aid-Public Health	A3401	484,518	483,300	516,816	659,722
State Aid-Handicapped Children	A3446	29,998	37,959	32,625	28,172
State Aid-Early Intervention	A3449	269,579	262,177	217,820	189,783
State Aid-Mental Health	A3490	3,235,388	2,646,955	2,468,277	2,405,581
State Aid-Other Health	A3489	1,979	-	-	-
State Aid-Other Transportation	A3589	160,594	187,227	217,855	202,618
State Aid-Medical Assistance	A3601	(371,744)	(657,906)	(376,118)	(382,607)
State Aid-Family Assistance	A3609	724,161	389,149	709,709	639,460
State Aid-Social Services Administration	A3610	3,267,258	3,239,252	2,779,009	3,779,625
State Aid-Local Administrative Fund (laf)	A3616	1,137,630	1,251,390	-	-
State Aid-Child Care	A3619	1,614,144	1,770,299	2,161,714	1,981,524
State Aid-Juvenile Delinquent	A3623	71,014	214,507	80,453	67,086
State Aid-Safety Net	A3640	1,118,964	682,792	1,092,724	1,161,582
State Aid-Emergency Aid for Adults	A3642	8,652	8,408	19,099	13,490
State Aid-Day Care	A3655	418,867	320,447	27,900	217,014
State Aid-Services for Recipients	A3670	1,233,162	1,125,517	1,441,367	2,024,869
State Aid-Social Services Other	A3689	-	5,980	-	-
State Aid-Veterans Services Agencies	A3710	10,000	-	8,654	8,654
State Aid-Programs for Aging	A3772	774,778	766,494	765,916	794,465
State Aid-Economic Assistance	A3789	3,944	4,639	4,471	4,285
State Aid-Other Cul & Rec St Aid	A3889	19,800	62,623	49,644	15,635
State Aid-Youth Programs	A3820	239,604	242,053	185,800	118,673
TOTAL STATE AID		19,206,862	17,436,768	16,971,988	18,449,747

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Federal Aid-Other	A4089	-	-	48,008	888,544
Federal Aid-Civil Defense	A4305	27,410	16,898	26,055	40,862
Federal Aid-Home Land Security	A4306	12,384	75,590	186,607	189,400
Federal Aid-Other Public Safety	A4389	59,917	23,651	47,487	19,163
Federal Aid-Public Health	A4401	173,448	138,120	241,831	222,291
Federal Aid-Early Intervention	A4451	69,154	69,433	67,361	51,503
Federal Aid-Mental Health	A4490	881,289	779,570	1,072,643	1,106,579
Federal Aid-Other Transportation	A4589	67,906	285,271	159,365	171,580
Federal Aid-Medicaid Assistance	A4601	(332,110)	(565,817)	3,577,686	3,669,260
Federal Aid-Family Assistance	A4609	-	1,104,812	-	-
Federal Aid-Social Services Administration	A4610	3,486,144	3,342,254	4,271,315	5,015,762
Federal Aid-Food Stamp Program Admin	A4611	1,199,493	889,665	1,275,796	1,485,914
Federal Aid-Flexible Fund For Family Services	A4615	1,088,277	2,538,304	2,690,360	3,884,904
Federal Aid-Child Care/Day Care	A4619	5,849,622	3,294,907	5,776,614	4,565,544
Federal Aid-Safety Net	A4640	5,704	12,413	10,684	13,498
Federal Aid-Home Energy Assistance	A4641	3,341,328	324,538	770,601	674,317
Federal Aid-Services for Recipients	A4670	999,440	913,447	1,027,193	848,503
Federal Aid-Other Social Services	A4689	930,312	600,000	850,754	32,123
Federal Aid-Program for Aging	A4772	569,658	547,050	663,191	496,067
Federal Aid-Economic Assistance/Opportunity	A4789	51,129	229,611	177,715	293,839
TOTAL FEDERAL AID		18,480,505	14,619,717	22,941,266	23,669,653
TOTAL REVENUE		124,388,538	123,858,649	125,650,062	132,777,525
OTHER SOURCES:					
Interfund Transfers	A5031	12,174	-	-	365,256
TOTAL REVENUE AND OTHER SOURCES		\$ 124,400,712	\$ 123,858,649	\$ 125,650,062	\$ 133,142,781

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	A1010.1	\$ 200,670	\$ 202,916	\$ 202,999	\$ 202,345
Equipment & Capital Outlay	A1010.2	-	-	-	3,524
Contractual Expenditure	A1010.4	48,760	52,553	52,474	50,418
Employee Benefits	A1010.8	171,541	177,608	195,565	170,151
LEGISLATIVE BOARD		420,971	433,077	451,038	426,438
Personal Services	A1040.1	131,672	137,788	142,672	124,797
Equipment & Capital Outlay	A1040.2	-	-	208	290
Contractual Expenditure	A1040.4	21,306	22,863	20,758	20,708
Employee Benefits	A1040.8	60,833	65,844	71,094	102,015
CLERK OF LEGISLATIVE BOARD		213,811	226,495	234,732	247,810
Contractual Expenditure	A1162.4	329,305	305,133	329,612	330,369
UNIFIED COURT		329,305	305,133	329,612	330,369
Personal Services	A1165.1	775,020	817,791	828,548	831,169
Equipment & Capital Outlay	A1165.2	2,869	-	27,824	-
Contractual Expenditure	A1165.4	137,106	160,493	150,031	116,458
Employee Benefits	A1165.8	291,751	298,598	319,417	332,121
DISTRICT ATTORNEY		1,206,746	1,276,882	1,325,820	1,279,748
Personal Services	A1170.1	516,436	563,084	584,331	607,294
Equipment & Capital Outlay	A1170.2	-	1,536	-	-
Contractual Expenditure	A1170.4	593,253	667,645	658,579	600,158
Employee Benefits	A1170.8	218,463	249,578	275,249	297,355
PUBLIC DEFENDER		1,328,152	1,481,843	1,518,159	1,504,807
Personal Services	A1185.1	55,541	46,832	59,810	54,602
Equipment & Capital Outlay	A1185.2	-	24,432	9,925	-
Contractual Expenditure	A1185.4	93,038	90,671	92,560	91,347
Employee Benefits	A1185.8	5,728	6,295	6,850	7,445
MEDICAL EXAMINERS & CORONERS		154,307	168,230	169,145	153,394
Personal Services	A1230.1	131,400	175,160	202,695	212,567
Contractual Expenditure	A1230.4	12,000	13,111	11,622	11,363
Employee Benefits	A1230.8	54,299	60,996	71,313	81,120
MUNICIPAL EXECUTIVE		197,699	249,267	285,630	305,050
Personal Services	A1320.1	37,343	34,176	40,477	45,123
Equipment & Capital Outlay	A1320.2	130	-	-	-
Contractual Expenditure	A1320.4	1,780	2,084	1,665	1,686
Employee Benefits	A1320.8	19,158	18,020	18,955	24,900
AUDITOR		58,411	54,280	61,097	71,710

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	A1325.1	\$ 504,190	\$ 508,794	\$ 526,423	\$ 508,029
Equipment & Capital Outlay	A1325.2	1,985	795	814	3,934
Contractual Expenditure	A1325.4	113,776	144,398	155,516	125,082
Employee Benefits	A1325.8	183,717	201,351	208,048	246,121
TREASURER		803,668	855,338	890,801	883,166
Personal Services	A1345.1	199,871	210,324	217,516	213,874
Equipment & Capital Outlay	A1345.2	-	17,577	-	-
Contractual Expenditure	A1345.4	38,538	37,330	27,925	28,267
Employee Benefits	A1345.8	67,307	71,888	82,206	126,584
PURCHASING		305,716	337,119	327,647	368,725
Personal Services	A1355.1	395,050	389,394	402,716	418,792
Equipment & Capital Outlay	A1355.2	-	1,978	1,364	700
Contractual Expenditure	A1355.4	87,007	125,808	100,607	92,671
Employee Benefits	A1355.8	170,725	175,294	184,674	243,203
ASSESSMENT		652,782	692,474	689,361	755,366
Contractual Expenditure	A1362.4	12,073	12,341	15,880	20,444
TAX ADVERTISING		12,073	12,341	15,880	20,444
Contractual Expenditure	A1364.4	1,863	6,011	4,636	11,893
PROPERTY ACQUIRED FOR TAXES		1,863	6,011	4,636	11,893
Personal Services	A1410.1	809,738	913,354	954,128	1,002,442
Equipment & Capital Outlay	A1410.2	10,341	5,326	27,497	4,264
Contractual Expenditure	A1410.4	174,115	239,369	223,707	232,257
Employee Benefits	A1410.8	364,678	426,877	470,644	536,035
COUNTY CLERK		1,358,872	1,584,926	1,675,976	1,774,998
Personal Services	A1420.1	671,732	672,400	709,353	693,620
Equipment & Capital Outlay	A1420.2	-	124	-	-
Contractual Expenditure	A1420.4	43,449	48,454	47,097	103,313
Employee Benefits	A1420.8	232,113	247,223	279,347	494,326
LAW		947,294	968,201	1,035,797	1,291,259
Personal Services	A1430.1	406,853	434,628	438,795	453,532
Equipment & Capital Outlay	A1430.2	879	3,001	322	967
Contractual Expenditure	A1430.4	60,081	64,014	82,735	59,187
Employee Benefits	A1430.8	160,041	175,083	179,997	261,963
PERSONNEL		627,854	676,726	701,849	775,649

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	A1450.1	\$ 163,157	\$ 182,175	\$ 222,982	\$ 245,107
Equipment & Capital Outlay	A1450.2	341	458	15,273	4,789
Contractual Expenditure	A1450.4	200,456	305,857	286,601	277,607
Employee Benefits	A1450.8	69,205	73,893	94,014	111,426
ELECTIONS		433,159	562,383	618,870	638,928
Personal Services	A1460.1	83,464	87,087	91,046	89,605
Equipment & Capital Outlay	A1460.2	321	339	-	-
Contractual Expenditure	A1460.4	1,939	69,193	2,122	1,598
Employee Benefits	A1460.8	40,379	43,560	47,099	97,777
PUBLIC RECORDS		126,103	200,179	140,267	188,979
Contractual Expenditure	A1610.4	104,035	112,007	140,884	141,391
CENTRAL SERVICES ADMIN		104,035	112,007	140,884	141,391
Personal Services	A1620.1	534,129	585,979	603,191	622,464
Equipment & Capital Outlay	A1620.2	29,002	26,922	29,761	21,470
Contractual Expenditure	A1620.4	477,114	572,008	508,198	498,551
Employee Benefits	A1620.8	301,937	313,492	339,118	365,739
BUILDINGS		1,342,182	1,498,401	1,480,268	1,508,225
Personal Services	A1640.1	2,500	2,500	2,575	3,000
Equipment & Capital Outlay	A1640.2	15,718	17,814	16,360	
Contractual Expenditure	A1640.4	13,440	24,152	19,401	18,151
Employee Benefits	A1640.8	231	60	270	314
CENTRAL GARAGE		31,889	44,526	38,606	21,465
Personal Services	A1650.1	111,993	116,485	119,987	126,731
Equipment & Capital Outlay	A1650.2	16,903	-	-	-
Contractual Expenditure	A1650.4	111,045	109,482	105,304	406,518
Employee Benefits	A1650.8	57,648	62,540	68,001	112,818
CENTRAL COMMUNICATION SYSTEM		297,589	288,507	293,292	646,067
Contractual Expenditure	A1660.4	4,271	(1,357)	4,352	10,047
CENTRAL STOREROOM		4,271	(1,357)	4,352	10,047
Personal Services	A1670.1	68,055	56,885	63,975	67,516
Contractual Expenditure	A1670.4	(3,851)	16,399	104,080	92,367
Employee Benefits	A1670.8	26,252	33,361	41,833	45,548
Interfund Transfer	A1670.9	-	-	-	-
CENTRAL PRINTING AND MAILING		90,456	106,645	209,888	205,431

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	A1680.1	\$ 1,060,401	\$ 1,038,660	\$ 1,032,397	\$ 1,048,806
Equipment & Capital Outlay	A1680.2	19,705	16,849	999	-
Contractual Expenditure	A1680.4	174,540	178,900	154,281	146,420
Employee Benefits	A1680.8	429,985	436,884	465,365	635,014
DATA PROCESSING		1,684,631	1,671,293	1,653,042	1,830,240
Personal Services	A1710.1	29,048	42,274	32,162	50,440
Contractual Expenditure	A1710.4	25,432	25,224	25,646	29,253
Employee Benefits	A1710.8	9,303	12,029	8,343	29,983
SELF INSURANCE ADMINISTRATION		63,783	79,527	66,151	109,676
Contractual Expenditure	A1920.4	10,274	10,517	10,887	11,024
MUNICIPAL ASSN DUES		10,274	10,517	10,887	11,024
Contractual Expenditure	A1930.4	442,143	143,084	778,829	47,627
JUDGEMENTS AND CLAIMS		442,143	143,084	778,829	47,627
Contractual Expenditure	A1985.4	6,902,351	7,240,471	7,485,621	7,900,771
DISTRIBUTION OF SALES TAX		6,902,351	7,240,471	7,485,621	7,900,771
Contractual Expenditure	A1989.4	4,330	4,420	4,410	3,890
OTHER GENERAL GOVT SUPPORT		4,330	4,420	4,410	3,890
TOTAL GOVERNMENT SUPPORT		20,156,720	21,288,946	22,642,547	23,464,588
Contractual Expenditure	A2490.4	606,437	709,395	646,941	549,851
COMMUNITY COLLEGE TUITION		606,437	709,395	646,941	549,851
Contractual Expenditure	A2490.4	3,239,908	3,304,867	3,784,952	3,842,450
CCC COMMUNITY COLLEGE		3,239,908	3,304,867	3,784,952	3,842,450
Contractual Expenditure	A2960.4	4,571,356	4,450,554	4,614,919	4,812,994
EDUCATION SPECIAL CHILDREN		4,571,356	4,450,554	4,614,919	4,812,994
TOTAL EDUCATION		8,417,701	8,464,816	9,046,812	9,205,295
Personal Services	A3020.1	1,216,841	1,260,333	1,313,708	1,445,492
Equipment & Capital Outlay	A3020.2	253	116,462	239	22,251
Contractual Expenditure	A3020.4	427,610	406,639	467,469	460,420
Employee Benefits	A3020.8	501,274	565,861	573,836	628,096
PUBLIC SAFETY COMMUNICATION		2,145,978	2,349,295	2,355,252	2,556,259

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	A3110.1	\$ 1,998,911	\$ 2,057,033	\$ 2,081,915	\$ 2,326,299
Equipment & Capital Outlay	A3110.2	266,937	205,610	190,413	165,021
Contractual Expenditure	A3110.4	288,206	537,570	294,319	317,798
Employee Benefits	A3110.8	855,825	871,391	936,859	1,188,337
SHERIFF		3,409,879	3,671,604	3,503,506	3,997,454
Personal Services	A3140.1	1,423,885	1,513,424	1,593,684	1,557,812
Equipment & Capital Outlay	A3140.2	28,030	48,375	35,591	35,170
Contractual Expenditure	A3140.4	173,080	198,351	244,394	239,203
Employee Benefits	A3140.8	561,400	607,569	659,884	691,330
PROBATION		2,186,395	2,367,719	2,533,553	2,523,515
Personal Services	A3150.1	2,467,676	3,007,532	3,416,746	3,594,576
Equipment & Capital Outlay	A3150.2	15,037	18,957	31,019	22,640
Contractual Expenditure	A3150.4	747,059	1,167,317	1,228,888	1,213,890
Employee Benefits	A3150.8	1,058,100	1,360,305	1,539,899	1,762,626
JAIL		4,287,872	5,554,111	6,216,552	6,593,732
Personal Services	A3310.1	14,959	29,012	10,595	11,810
Equipment & Capital Outlay	A3310.2	-	-	-	-
Contractual Expenditure	A3310.4	6,465	6,994	8,493	17,294
Employee Benefits	A3310.8	-	-	-	-
TRAFFIC CONTROL		21,424	36,006	19,088	29,104
Personal Services	A3315.1	-	-	-	-
Equipment & Capital Outlay	A3315.2	41,515	6,721	6,917	16,275
Contractual Expenditure	A3315.4	53,913	52,945	60,446	72,307
Employee Benefits	A3315.8	-	-	-	-
STOP DWI		95,428	59,666	67,363	88,582
Contractual Expenditure	A3520.4	25,000	39,000	54,000	39,000
OTHER ANIMAL CONTROL		25,000	39,000	54,000	39,000
Personal Services	A3640.1	204,989	220,731	227,623	234,243
Equipment & Capital Outlay	A3640.2	29,014	15,572	57,923	29,268
Contractual Expenditure	A3640.4	303,281	303,334	327,253	320,570
Employee Benefits	A3640.8	85,408	105,325	114,234	123,377
CIVIL DEFENSE		622,692	644,962	727,033	707,458
Equipment & Capital Outlay	A3645.2	\$ 7,200	\$ 30,126	\$ 173,880	\$ 149,686
Homeland Security, Contractual	A3645.4	4,313	20,664	2,791	28,120
HOMELAND SECURITY		11,513	50,790	176,671	177,806
TOTAL PUBLIC SAFETY		12,806,181	14,773,153	15,653,018	16,712,910

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	A4010.1	1,733,627	1,780,388	1,824,691	1,883,084
Equipment & Capital Outlay	A4010.2	22,429	46,757	41,244	47,703
Contractual Expenditure	A4010.4	1,748,498	1,558,982	1,658,172	1,831,605
Employee Benefits	A4010.8	727,145	790,335	794,499	975,143
PUBLIC HEALTH		4,231,699	4,176,462	4,318,606	4,737,534
Contractual Expenditure	A4042.4	23,897	23,748	31,719	20,480
RABIES CONTROL		23,897	23,748	31,719	20,480
Contractual Expenditure	A4046.4	68,108	83,468	74,950	66,839
HANDICAPPED MEDICAL		68,108	83,468	74,950	66,839
Contractual Expenditure	A4059.4	1,159,613	1,172,875	1,122,816	975,021
EARLY INTERVENTION PROGRAM		1,159,613	1,172,875	1,122,816	975,021
Contractual Expenditure	A4070.4	1,695	3,340	3,960	2,899
CHILD HEALTH PROGRAM		1,695	3,340	3,960	2,899
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	853,099	946,829	952,575	856,046
Equipment & Capital Outlay	A4250.2	663	340	1,630	2,395
Contractual Expenditure	A4250.4	140,688	144,662	190,582	226,217
Employee Benefits	A4250.8	342,147	371,073	389,815	421,620
ALCOHOL ADDICTION CONTROL		1,336,597	1,462,904	1,534,602	1,506,278
Personal Services	A4310.1	607,661	618,890	792,488	706,345
Equipment & Capital Outlay	A4310.2	995	46,092	357	
Contractual Expenditure	A4310.4	362,148	470,657	415,694	332,246
Employee Benefits	A4310.8	237,466	261,947	350,876	415,029
MENTAL HEALTH ADMIN		1,208,270	1,397,586	1,559,415	1,453,620
Personal Services	A4320.1	\$ 3,237,183	\$ 3,406,606	\$ 3,288,442	\$ 3,441,639
Equipment & Capital Outlay	A4320.2	61,122	4,273	4,034	1,387
Contractual Expenditure	A4320.4	1,004,122	1,074,793	1,030,035	1,001,212
Employee Benefits	A4320.8	1,122,567	1,212,407	1,208,313	1,402,760
MENTAL HEALTH PROGRAMS		5,424,994	5,698,079	5,530,824	5,846,997
Contractual Expenditure	A4322.4	2,641,198	2,122,120	2,132,046	2,075,392
CONTRACTED MENTAL HEALTH		2,641,198	2,122,120	2,132,046	2,075,392
TOTAL HEALTH		16,102,696	16,147,207	16,315,563	16,691,684

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Equipment & Capital Outlay	A5630.2	154,346	-	-	-
Contractual Expenditure	A5630.4	249,368	290,222	380,041	363,387
BUS OPERATIONS		403,714	290,222	380,041	363,387
TOTAL TRANSPORTATION		403,714	290,222	380,041	363,387
Personal Services	A6010.1	7,646,986	8,114,095	8,447,232	8,617,993
Equipment & Capital Outlay	A6010.2	53,696	77,697	82,512	74,241
Contractual Expenditure	A6010.4	3,712,321	3,741,142	3,972,663	4,409,238
Employee Benefits	A6010.8	3,372,136	3,651,772	3,862,799	4,420,479
SOCIAL SERVICES ADMINISTRATION		14,785,139	15,584,706	16,365,206	17,521,952
Equipment & Capital Outlay	A6050.2	-	-	453	-
Contractual Expenditure	A6050.4	19,769	25,148	14,432	17,036
PUBLIC FACILITY FOR CHILDREN		19,769	25,148	14,885	17,036
Equipment & Capital Outlay	A6055.2	-	8,335	-	-
Contractual Expenditure	A6055.4	2,496,519	2,661,598	2,694,730	1,761,931
DAY CARE		2,496,519	2,669,933	2,694,730	1,761,931
Contractual Expenditure	A6070.4	2,686,346	2,725,612	2,967,635	3,232,907
SERVICES FOR RECIPIENTS		2,686,346	2,725,612	2,967,635	3,232,907
Contractual Expenditure	A6100.4	17,969,445	19,074,243	19,713,241	19,613,382
MEDICAL ASSISTANCE		17,969,445	19,074,243	19,713,241	19,613,382
Contractual Expenditure	A6109.4	3,244,486	2,393,949	2,917,274	2,341,028
FAMILY ASSISTANCE (TANF)		3,244,486	2,393,949	2,917,274	2,341,028
Contractual Expenditure	A6119.4	\$ 5,740,563	\$ 5,540,562	\$ 6,456,675	\$ 6,758,848
CHILD CARE		5,740,563	5,540,562	6,456,675	6,758,848
Contractual Expenditure	A6123.4	1,002,000	1,129,928	998,691	1,038,101
JUVENILE DELINQUENT		1,002,000	1,129,928	998,691	1,038,101
Contractual Expenditure	A6129.4	15,674	250,000	182,282	300,000
STATE TRAINING SCHOOL		15,674	250,000	182,282	300,000

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Contractual Expenditure	A6140.4	3,151,027	2,735,171	2,697,083	2,865,918
SAFETY NET		3,151,027	2,735,171	2,697,083	2,865,918
Contractual Expenditure	A6141.4	3,088,792	99,574	20,945	34,349
HOME ENERGY ASSISTANCE		3,088,792	99,574	20,945	34,349
Contractual Expenditure	A6142.4	15,970	16,177	35,781	21,901
EMERGENCY AID FOR ADULTS		15,970	16,177	35,781	21,901
Contractual Expenditure	A6143.4	30,000	40,000	40,000	40,000
FOOD ASSISTANCE PROGRAM		30,000	40,000	40,000	40,000
Contractual Expenditure	A6326.4	-	-	81,219	227,673
HOMELESS PREVENTION		-	-	81,219	227,673
Contractual Expenditure	A6410.4	680,528	703,728	759,630	825,848
PUBLICITY		680,528	703,728	759,630	825,848
Personal Services	A6510.1	102,475	98,561	109,160	118,322
Equipment & Capital Outlay	A6510.2	-	-	345	262
Contractual Expenditure	A6510.4	20,309	16,447	40,891	44,610
Employee Benefits	A6510.8	53,798	42,765	53,291	60,781
VETERANS SERVICE		176,582	157,773	203,687	223,975
Contractual Expenditure	A6510.4	5,000	5,000	5,000	-
PRIVATE SOCIAL SERVICE AGENCY		5,000	5,000	5,000	-
Personal Services	A6610.1	114,804	118,735	123,303	122,132
Equipment & Capital Outlay	A6610.2	20,167	1,309	1,557	698
Contractual Expenditure	A6610.4	36,283	32,836	17,787	18,851
Employee Benefits	A6610.8	47,183	52,447	58,625	62,346
CONSUMER AFFAIRS		218,437	205,327	201,272	204,026
Personal Services	A6772.1	464,983	486,650	507,160	628,165
Equipment & Capital Outlay	A6772.2	1,264	1,064	892	165
Contractual Expenditure	A6772.4	1,516,342	1,488,979	1,463,373	1,586,065
Employee Benefits	A6772.8	192,567	204,093	224,226	308,390
PROGRAMS FOR AGING		2,175,156	2,180,786	2,195,651	2,522,785
ECONOMIC ASSISTANCE & OPPORTUNITY		\$ 57,501,433	\$ 55,537,617	\$ 58,550,887	\$ 59,551,660
Recreation Admin, Contr Expend	A7020.4	19,800	62,623	49,644	15,635
RECREATION ADMINI		19,800	62,623	49,644	15,635

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	A7110.1	104,652	111,169	125,533	122,375
Equipment & Capital Outlay	A7110.2	2,492	4,941	21,674	7,313
Contractual Expenditure	A7110.4	46,776	54,851	58,040	65,980
Employee Benefits	A7110.8	45,540	50,045	51,539	55,842
PARKS		199,460	221,006	256,786	251,509
Personal Services	A7310.1	110,432	146,112	123,867	98,175
Equipment & Capital Outlay	A7310.2	316	656	86	-
Contractual Expenditure	A7310.4	285,726	342,668	290,277	237,002
Employee Benefits	A7310.8	47,558	65,503	58,907	112,094
YOUTH PROGRAMS		444,032	554,939	473,137	447,272
Contractual Expenditure	A7410.4	90,000	110,000	110,000	110,000
LIBRARY		90,000	110,000	110,000	110,000
Personal Services	A7510.1	12,340	12,811	12,769	12,983
Equipment & Capital Outlay	A7510.2	-	-	93	-
Contractual Expenditure	A7510.4	8,718	9,728	9,530	10,268
Employee Benefits	A7510.8	14,319	15,823	17,161	17,527
HISTORIAN		35,377	38,362	39,553	40,778
TOTAL CULTURE & RECREATION		788,669	986,930	929,120	865,194
Personal Services	A8020.1	187,198	194,776	201,857	202,105
Equipment & Capital Outlay	A8020.2	-	180	-	146
Contractual Expenditure	A8020.4	43,550	24,142	19,217	20,296
Employee Benefits	A8020.8	62,839	66,965	71,884	71,187
PLANNING		293,587	286,063	292,958	293,734
Contractual Expenditure	A8025.4	85,000	85,000	85,000	85,000
JOINT PLANNING BOARD		85,000	85,000	85,000	85,000
Contractual Expenditure	A8040.4	424	439	439	439
HUMAN RIGHTS COMMISSION		424	439	439	439
Contractual Expenditure	A8090.4	90	289	746	94
ENVIRONMENTAL CONTROL		90	289	746	94
Contractual Expenditure	A8710.4	207,426	217,426	222,426	223,426
CONSERVATION		207,426	217,426	222,426	223,426

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Contractual Expenditure	A8720.4	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
FISH AND GAME		3,000	3,000	3,000	3,000
Contractual Expenditure	A8730.4	24	4,610	5,886	5,977
FORESTRY		24	4,610	5,886	5,977
Equipment & Capital Outlay	A8742.2	-	19,184	-	258,943
Contractual Expenditure	A8740.4	29,389	30,520	52,098	14,801
WATERSHED PROTECTION DISTRICT		29,389	49,704	52,098	273,744
Contractual Expenditure	A8750.4	384,905	416,502	408,260	413,331
AGRICULTURE AND LIVESTOCK		384,905	416,502	408,260	413,331
Contractual Expenditure	A8989.4	48,129	222,111	174,715	284,183
MISC HOME & COMMUNITY SERV.		48,129	222,111	174,715	284,183
TOTAL HOME & COMMUNITY SERV.		1,051,974	1,285,144	1,245,528	1,582,928
Serial Bonds	A9710.6	250,000	410,000	-	445,000
Statutory Bonds	A9730.6	-	-	-	-
TOTAL DEBT PRINCIPAL		250,000	410,000	-	445,000
Serial bonds	A9710.7	438,728	283,235	-	252,340
Statutory Bonds		1,250	556	-	-
TOTAL DEBT INTEREST		439,978	283,791	-	252,340
TOTAL DEBT SERVICE		689,978	693,791	-	697,340
TOTAL EXPENDITURES		117,919,066	119,467,826	124,763,516	129,134,986
Other Funds	A9901.9	100,000	2,003,364	-	-
Capital Projects Fund	A9950.9	1,249,740	339,518	788,671	842,376
TOTAL OTHER USES		1,349,740	2,342,882	788,671	842,376
TOTAL EXPENDITURES & OTHER USES		\$ 119,268,806	\$ 121,810,708	\$ 125,552,187	\$ 129,977,362

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>REVENUE:</u>				
Real Property Taxes	\$ 18,383,851	\$ 18,223,965	\$ 18,393,335	\$ 20,014,088
Real Property Tax Items	2,650,000	2,759,475	2,875,000	3,278,250
Non-Property Tax items	40,697,638	42,013,400	43,098,427	42,287,123
Departmental Income	16,065,711	17,074,788	16,961,180	17,715,024
Intergovernmental Charges	1,091,650	1,812,797	2,234,199	2,187,360
Use of Money & Property	2,933,523	4,305,968	3,603,085	2,933,523
Licenses and Permits	2,500	2,500	2,500	2,500
Fines and Forfeitures	296,489	316,173	399,202	336,704
Sale of Property and Compensation for Loss	55,062	53,062	55,062	54,212
Miscellaneous Local Sources	325,743	1,308,433	397,441	433,103
Interfund Revenues	696,772	1,286,450	1,556,073	2,496,106
State Aid	21,386,231	21,614,902	22,011,228	20,353,240
Federal Aid	22,441,572	23,312,196	21,275,384	23,732,723
TOTAL ESTIMATED REVENUE	127,026,742	134,084,109	132,862,116	135,823,956
Interfund Transfers	12,174	-	-	363,606
Appropriated Reserve	1,264,561	802,654	712,713	169,583
Obligations Authorized	-	-	-	125,000
Appropriated Fund Balance	2,641,309	4,290,230	2,987,497	3,237,497
TOTAL ESTIMATED OTHER SOURCES	3,918,044	5,092,884	3,700,210	3,895,686
TOTAL ESTIMATED REVENUES & OTHER SOURCES	\$ 130,944,786	\$ 139,176,993	\$ 136,562,326	\$ 139,719,642
<u>APPROPRIATIONS:</u>				
General Government Support	\$ 26,528,120	\$ 23,548,255	\$ 24,203,953	\$ 26,528,120
Education	8,552,000	8,494,900	9,090,000	9,238,000
Public Safety	14,134,891	15,820,185	16,419,907	17,277,017
Health	18,411,283	18,645,023	18,967,705	18,775,505
Transportation	504,346	679,600	752,700	750,999
Economic Assistance and Opportunity	63,289,680	66,569,198	64,429,500	65,431,745
Culture and Recreation	897,383	1,066,847	1,077,877	951,232
Home and Community Services	1,382,078	1,364,989	1,359,326	1,789,227
Debt Service	689,000	693,235	693,065	697,340
TOTAL ESTIMATED APPROPRIATIONS	134,388,780	136,882,232	136,994,033	141,439,185
Interfund Transfers	1,333,337	2,294,761	828,572	852,181
TOTAL ESTIMATED OTHER USES	1,333,337	2,294,761	828,572	852,181
TOTAL APPROPRIATIONS	\$ 135,722,117	\$ 139,176,993	\$ 137,822,605	\$ 142,291,366
<u>OUTSTANDING ENCUMBRANCES:</u>				
General Government Support	\$ 27,671	\$ 31,294	\$ 36,317	\$ 38,804
Public Safety	64,749	38,578	48,911	44,402
Health	19,868	20,910	24,922	17,436
Transportation	-	-	-	303,759
Economic Assistance and Opportunity	8,913	6,056	14,339	3,757
Culture and Recreation	656	-	4,462	1,258
TOTAL OUTSTANDING ENCUMBRANCES	\$ 121,857	\$ 96,838	\$ 128,951	\$ 409,416

STEUBEN COUNTY, NY
Budget Comparison
GENERAL FUND
Year Ended December 31, 2010

	BUDGET		DIFFERENCE	ADOPTED
	ORIGINAL	MODIFIED		2011 BUDGET
<u>REVENUE</u>				
Real Property Taxes	\$ 20,014,088	\$ 20,014,088	\$ -	29,331,835
Real Property Tax Items	3,253,250	3,278,250	25,000	3,253,250
Non-Property Tax items	42,287,123	42,287,123	-	36,220,848
Departmental Income	17,351,843	17,715,024	363,181	17,426,179
Intergovernmental Charges	2,154,400	2,187,360	32,960	2,329,878
Use of Money & Property	2,933,523	2,933,523	-	2,986,719
Licenses and Permits	2,500	2,500	-	2,000
Fines and Forfeitures	336,704	336,704	-	336,704
Sale of Property/Compensation for Loss	53,912	54,212	300	51,662
Miscellaneous Local Sources	432,253	433,103	850	406,493
Interfund Revenues	2,494,606	2,496,106	1,500	1,909,573
State Aid	20,368,389	20,353,240	(15,149)	18,931,320
Federal Aid	22,509,149	23,732,723	1,223,574	21,882,118
TOTAL ESTIMATED REVENUE	134,191,740	135,823,956	1,632,216	135,068,579
Interfund Transfers	363,606	363,606	-	-
Appropriated Reserve	169,583	169,583	-	47,500
Obligations authorized		125,000	125,000	-
Appropriated Fund Balance	3,237,497	3,237,497	-	4,097,497
TOTAL OTHER SOURCES	3,770,686	3,895,686	125,000	4,144,997
TOTAL ESTIMATED REVENUE & OTHER SOURCES	\$ 137,962,426	\$ 139,719,642	\$ 1,757,216	\$ 139,213,576
*Original Budget Includes Sales Tax Credit				
<u>APPROPRIATIONS</u>				
General Government Support	\$ 24,309,880	\$ 26,528,120	2,218,240	24,679,279
Education	8,910,000	9,238,000	328,000	9,245,000
Public Safety	16,876,144	17,277,017	400,873	17,156,924
Health	18,642,450	18,775,505	133,055	18,484,931
Transportation	350,000	750,999	400,999	333,500
Economic Assistance and Opportunity	65,764,645	65,431,745	(332,900)	66,455,851
Culture and Recreation	910,966	951,232	40,266	629,511
Home and Community Services	1,369,001	1,789,227	420,226	1,367,020
Debt Service	697,340	697,340	-	695,875
TOTAL APPROPRIATIONS	137,830,426	141,439,185	3,608,759	139,047,891
Transfers Out	132,000	852,181	720,181	165,685
TOTAL OTHER USES	132,000	852,181	720,181	165,685
TOTAL APPROPRIATIONS & OTHER USES	\$ 137,962,426	\$ 142,291,366	\$ 4,328,940	\$ 139,213,576

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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS:				
Cash & Cash Equivalent	\$ 266,260	\$ 757,139	\$ 737,224	\$ 730,850
State & Federal Receivables	-	-	-	-
TOTAL ASSETS	\$ 266,260	\$ 757,139	\$ 737,224	\$ 730,850
LIABILITIES & FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
Fund Balance:				
Unreserved Fund Balance - Designated	15,000	25,000	25,000	25,000
Unreserved Fund Balance-Undesignated	251,260	732,139	712,224	705,850
TOTAL FUND BALANCE	266,260	757,139	737,224	730,850
TOTAL LIABILITIES & FUND BALANCE	\$ 266,260	\$ 757,139	\$ 737,224	\$ 730,850

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

<u>REVENUE</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Interest and Earning	\$ 15,649	\$ 5,879	\$ 6,685	\$ 3,626
TOTAL USE OF MONEY AND PROPERTY	15,649	5,879	6,685	3,626
Refund Prior Year's Expenditures	-	-	-	-
TOTAL MISCELLANEOUS LOCAL SOURCES	-	-	-	-
Fed Aid-Home & Community	-	-	-	-
TOTAL FEDERAL AID	-	-	-	-
Interfund Transfers	-	500,000	-	-
TOTAL INTERFUND TRANSFERS	-	500,000	-	-
TOTAL REVENUES	15,649	505,879	6,685	3,626
<u>EXPENDITURES</u>				
Other Home & Community Service-Contractual	15,000	15,000	26,600	10,000
TOTAL HOME & COMMUNITY SERVICE	15,000	15,000	26,600	10,000
TOTAL EXPENDITURES	15,000	15,000	26,600	10,000
Excess (Deficiency) of Revenues Over Expenditures	649	490,879	(19,915)	(6,374)
Interfund Transfers In	-	-	-	-
TOTAL OTHER FINANCING SOURCES	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	649	490,879	(19,915)	(6,374)
FUND BALANCE-BEGINNING OF YEAR	265,611	266,260	757,139	737,224
FUND BALANCE-END OF YEAR	\$ 266,260	\$ 757,139	\$ 737,224	\$ 730,850

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

<u>COMPARATIVE BUDGET</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,600	\$ -
TOTAL ESTIMATED REVENUE	\$ -	\$ -	\$ 1,600	\$ -
Interfund Transfers	-	500,000	-	-
Appropriated Fund Balance	15,000	15,000	25,000	25,000
TOTAL ESTIMATED OTHER SOURCES	15,000	515,000	25,000	25,000
TOTAL ESTIMATED REVENUES & OTHER SOURCES	\$ 15,000	\$ 515,000	\$ 26,600	\$ 25,000
APPROPRIATIONS:				
Economic and Development - Contractual	\$ 15,000	515,000	26,600	25,000
TOTAL APPROPRIATIONS	\$ 15,000	\$ 515,000	\$ 26,600	\$ 25,000

STEUBEN COUNTY, NY
Budget Comparison
ECONOMIC DEVELOPMENT FUND
Year Ended December 31, 2010

	<u>BUDGET</u>		DIFFERENCE	<u>ADOPTED</u>
	ORIGINAL	MODIFIED		2011 BUDGET
REVENUE				
Use of money and property	\$ -	-	\$ -	\$ -
Total Revenue	-	-	-	-
Interfund Transfers	-	-	-	-
Designated Fund Balance	25,000	25,000	-	25,000
Total Other Sources	25,000	25,000	-	25,000
TOTAL ESTIMATED REVENUES AND OTHER SOURCES	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
EXPENDITURES				
Other Home & Community Service	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Total Home & Community Service	25,000	25,000	-	25,000
TOTAL APPROPRIATIONS	\$ 25,000	\$ 25,000	\$ -	\$ 25,000

STEUBEN COUNTY, NY
Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget To Actual
ECONOMIC DEVELOPMENT FUND
Year Ended December 31, 2010

<u>REVENUE</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ENCUMBRANCES</u>	<u>VARIANCE</u> Over (Under)
Use of Money & Property		\$ 3,626	\$ -	\$ 3,626
TOTAL REVENUE	-	3,626	-	3,626
<u>EXPENDITURES</u>				
Economic Development	25,000	10,000	-	15,000
TOTAL EXPENDITURES	25,000	10,000	-	15,000
Excess (Deficiency) Revenues over Expenditures	(25,000)	(6,374)	-	18,626
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess (Deficiency) Revenues & Other Sources Over Expenditures and Other Uses	<u>\$ (25,000)</u>	<u>\$ (6,374)</u>	<u>\$ -</u>	<u>\$ 18,626</u>
FUND BALANCE-BEGINNING OF YEAR		<u>737,224</u>		
FUND BALANCE-END OF YEAR		<u>\$ 730,850</u>		

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS:				
Cash & Cash Equivalents	\$ 1,521,798	\$ 3,264,063	\$ 2,975,055	\$ 3,700,015
State & Federal Receivables	3,220,745	9,134	665,576	350
Due From Other Governments	11,284	24,003	-	-
Prepaid Expenses	-	985	525	-
TOTAL ASSETS	<u>\$ 4,753,827</u>	<u>\$ 3,298,185</u>	<u>\$ 3,641,156</u>	<u>\$ 3,700,365</u>
LIABILITIES & FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 328,987	\$ 158,363	\$ 273,312	\$ 259,634
Accrued Liabilities	407,484	488,722	251,990	263,444
Due to Other Funds	1,057,068	-	-	312,718
Deferred Revenues	211,756	132,834	252,050	260,888
TOTAL LIABILITIES	<u>2,005,295</u>	<u>779,919</u>	<u>777,352</u>	<u>1,096,684</u>
Fund Balance:				
Reserve for Encumbrances	42,100	53,266	154,189	269,380
Unreserved Fund Balance:				
Designated - Next Year's Budget	500,000	500,000	600,000	600,000
Undesignated	2,206,432	1,965,000	2,109,615	1,734,301
TOTAL FUND BALANCE	<u>2,748,532</u>	<u>2,518,266</u>	<u>2,863,804</u>	<u>2,603,681</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 4,753,827</u>	<u>\$ 3,298,185</u>	<u>\$ 3,641,156</u>	<u>\$ 3,700,365</u>

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Real Property Taxes	\$ 13,589,827	\$ 15,131,282	\$ 15,957,192	\$ 15,978,803
TOTAL REAL PROPERTY TAXES	13,589,827	15,131,282	15,957,192	15,978,803
Other Transportation Departmental Income	-	-	-	-
TOTAL DEPARTMENTAL INCOME	-	-	-	-
Services - Other Governments	50,950	42,912	2,974	2,067
Snow Removal Services - Other Governments	585,478	666,502	575,832	577,644
TOTAL INTERGOVERNMENTAL CHARGES	636,428	709,414	578,806	579,711
Interest & Earnings	30,424	29,072	4,911	7,292
Rental of Real Property, Individuals	-	-	701	350
TOTAL USE OF MONEY & PROPERTY	30,424	29,072	5,612	7,642
Sale of Real Property	-	-	-	-
Sale of Scrap & Excess Materials	38,196	67,406	-	78,454
Insurance and Other Recoveries	1,220	1,673	774,688	2,928
Sales, Other	-	-	-	-
TOTAL SALE OF PROPERTY & COMPENSATION	39,416	69,079	774,688	81,382
Refunds of Prior Years Expenditures	-	15,470	24,405	3,396
TOTAL MISCELLANEOUS LOCAL SOURCES	-	15,470	24,405	3,396
State Aid - OSHA Training Grant	-	-	-	-
State Aid - Consolidated Highway Aid	3,188,177	3,688,392	3,688,392	3,688,392
State Aid - Multi-Modal Transportation Prog	-	-	-	-
State Aid - Emergency Disaster Assistance	(3,219)	-	-	-
TOTAL STATE AID	3,184,958	3,688,392	3,688,392	3,688,392
Federal Aid	-	-	662,030	-
TOTAL FEDERAL AID	-	-	662,030	-
TOTAL REVENUE	17,481,053	19,642,709	21,691,125	20,339,326
Interfund Transfers	1,489,325	2,637,031	484,592	45,152
TOTAL OTHER SOURCES	1,489,325	2,637,031	484,592	45,152
TOTAL REVENUES & OTHER SOURCES	\$ 18,970,378	\$ 22,279,740	\$ 22,175,717	\$ 20,384,478

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	D5010.1	\$ 403,515	\$ 412,010	\$ 437,804	\$ 452,116
Equip & Cap Outlay	D5010.2	5,709	5,189	2,943	672
Contractual Expenditure	D5010.4	179,408	110,075	105,707	101,377
Fringe Benefits	D5010.8	183,263	177,336	202,261	463,722
HIGHWAY AND STREET ADMINISTRATION		771,895	704,610	748,715	1,017,887
Personal Services	D5020.1	472,383	510,466	528,793	517,687
Equip & Cap Outlay	D5020.2	2,381	25,731	2,007	-
Contractual Expenditure	D5020.4	10,715	40,104	19,626	15,956
Fringe Benefits	D5020.8	214,568	219,713	244,365	267,014
ENGINEERING		700,047	796,014	794,791	800,657
Personal Services	D5110.1	2,740,707	2,997,243	2,796,432	3,254,163
Equip & Cap Outlay	D5110.2	-	-	124,970	90,071
Contractual Expenditure	D5110.4	2,641,004	3,614,662	2,901,221	3,495,602
Fringe Benefits	D5110.8	1,204,611	1,290,060	1,293,946	1,679,697
MAINTENANCE OF ROADS		6,586,322	7,901,965	7,116,569	8,519,533
Personal Services	D5112.1	693,037	590,663	929,343	402,401
Equipment & Capital Outlay	D5112.2	2,861,306	5,147,495	5,555,231	4,244,573
Contractual Expenditure	D5112.4	1,147,122	1,127,646	1,392,018	709,942
Fringe Benefits	D5112.8	300,443	254,231	427,809	207,551
PERMANENT HIGHWAY IMPROVEMENTS		5,001,908	7,120,035	8,304,401	5,564,467
Personal Services	D5120.1	355,880	331,933	419,906	399,987
Contractual Expenditure	D5120.4	1,146,678	853,241	1,071,155	1,140,181
Fringe Benefits	D5120.8	163,692	142,869	193,650	206,306
MAINTENANCE OF BRIDGES		1,666,250	1,328,043	1,684,711	1,746,474
Personal Services	D5142.1	690,215	617,542	388,411	427,739
Contractual Expenditure	D5142.4	2,223,236	2,540,493	2,018,325	1,912,600
Fringe Benefits	D5142.8	182,247	265,799	180,804	220,620
SNOW REMOVAL		3,095,698	3,423,834	2,587,540	2,560,959
Personal Services	D5144.1	138,723	140,170	88,839	91,476
Contractual Expenditure	D5144.4	290,244	327,836	255,765	235,966
Fringe Benefits	D5144.8	36,130	60,331	41,348	47,182
SNOW REMOVAL STATE		465,097	528,337	385,952	374,624
Contractual Expenditure	D5148.4	-	60,000	100,000	60,000
SERVICES FOR OTHER GOVERNMENTS		-	60,000	100,000	60,000
TOTAL EXPENDITURES		18,287,217	21,862,838	21,722,679	20,644,601

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

	<u>Acct</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Transfers - Other Funds	D9901.9	187,422	487,168	-	-
Transfers - Capital Projects Funds	D9950.9	518,750	160,000	107,500	-
TOTAL OPERATING TRANSFERS		706,172	647,168	107,500	-
TOTAL EXPENDITURES AND OTHER USES		\$ 18,993,389	\$ 22,510,006	\$ 21,830,179	\$ 20,644,601

Comparative Analysis of Changes in Fund Balance

FUND BALANCE - BEGINNING OF YEAR	\$ 2,771,543	\$ 2,748,532	\$ 2,518,266	\$ 2,863,804
Add-Revenues and Other Sources	18,970,378	22,279,740	22,175,717	20,384,478
Deduct-Expenditures and Other Uses	(18,993,389)	(22,510,006)	(21,830,179)	(20,644,601)
FUND BALANCE-END OF YEAR	\$ 2,748,532	\$ 2,518,266	\$ 2,863,804	\$ 2,603,681

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
REVENUES:				
Real Property Taxes	\$ 13,589,827	\$ 15,131,282	\$ 15,957,192	\$ 15,978,803
Intergovernmental Charges	625,478	721,502	715,000	715,000
Use of Money and Property	75,000	75,000	35,000	10,000
Sale of Property & Compensation for Losses	5,000	18,120	795,293	23,000
Miscellaneous Local Sources	8,000	8,000	9,000	2,000
State and Federal Aid	3,188,177	3,688,392	4,542,392	3,688,392
TOTAL ESTIMATED REVENUE	<u>17,491,482</u>	<u>19,642,296</u>	<u>22,053,877</u>	<u>20,417,195</u>
Estimated Interfund Transfers	1,489,325	2,637,031	484,592	45,152
Appropriated Fund Balance	599,690	467,995	500,000	600,000
TOTAL ESTIMATED OTHER SOURCES	<u>2,089,015</u>	<u>3,105,026</u>	<u>984,592</u>	<u>645,152</u>
TOTAL ESTIMATED REVENUE & OTHER SOURCES	<u>\$ 19,580,497</u>	<u>\$ 22,747,322</u>	<u>\$ 23,038,469</u>	<u>\$ 21,062,347</u>
APPROPRIATIONS:				
Transportation	\$ 18,874,325	\$ 22,100,154	\$ 22,984,236	\$ 21,216,537
TOTAL ESTIMATED APPROPRIATIONS	<u>18,874,325</u>	<u>22,100,154</u>	<u>22,984,236</u>	<u>21,216,537</u>
Interfund Transfers	706,172	647,168	107,500	-
TOTAL ESTIMATED OTHER USES	<u>706,172</u>	<u>647,168</u>	<u>107,500</u>	<u>-</u>
TOTAL APPROPRIATIONS & OTHER USES	<u>\$ 19,580,497</u>	<u>\$ 22,747,322</u>	<u>\$ 23,091,736</u>	<u>\$ 21,216,537</u>
OUTSTANDING ENCUMBRANCES:				
Transportation	\$ 42,101	\$ 53,266	\$ 154,189	\$ 269,380
TOTAL OUTSTANDING ENCUMBRANCES	<u>\$ 42,101</u>	<u>\$ 53,266</u>	<u>\$ 154,189</u>	<u>\$ 269,380</u>

STEUBEN COUNTY, NY
Budget Comparison
COUNTY ROAD FUND
Year Ended December 31, 2010

	BUDGET		DIFFERENCE	ADOPTED
	ORIGINAL	MODIFIED		2011 BUDGET
<u>REVENUE</u>				
Real Property Taxes	\$ 15,978,803	\$ 15,978,803	\$ -	\$ 15,605,341
Intergovernmental Charges	715,000	715,000	-	553,000
Use of Money & Property	10,000	10,000	-	21,000
Sale of Property/Compensation for Losses	23,000	23,000	-	23,075
Miscellaneous Local Sources	2,000	2,000	-	7,585
State and Federal Aid	3,688,392	3,688,392	-	3,688,392
TOTAL REVENUE	20,417,195	20,417,195	-	19,898,393
Estimated - Interfund Transfer	-	45,152	45,152	-
Designated Fund Balance	600,000	600,000	-	600,000
Total Other Sources	600,000	645,152	45,152	600,000
Total Est Revenue & Other Sources	\$ 21,017,195	\$ 21,062,347	\$ 45,152	\$ 20,498,393

EXPENDITURES

Transportation	\$ 21,017,195	\$ 21,216,537	\$ 199,342	\$ 20,498,393
TOTAL EXPENDITURES	21,017,195	21,216,537	199,342	20,498,393
Transfers Out	-	-	-	-
Total Other Uses	-	-	-	-
Total Appropriations & Other Uses	\$ 21,017,195	\$ 21,216,537	\$ 199,342	\$ 20,498,393

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS:				
Cash & Cash Equivalents	\$ 133,794	\$ 2,294,108	\$ 2,229,859	\$ 2,798,960
State & Federal Receivables	447,230	-	-	
Due From Other Funds	1,180,820	75,361	252,301	
Due From Other Governments	84,324	66,237	71,982	93,009
TOTAL ASSETS	\$ 1,846,168	\$ 2,435,706	\$ 2,554,142	\$ 2,891,969

LIABILITIES & FUND BALANCE:

Liabilities:

Accounts Payable	\$ 473,593	\$ 99,121	\$ 187,497	\$ 171,822
Accrued Liabilities	41,187	47,215	24,719	27,653
Due to Other Funds	6,518	-	-	-
Deferred Revenue	240	-	-	-
TOTAL LIABILITIES	521,538	146,336	212,216	199,475

Fund Balance:

Reserve for Encumbrances	155,255	808,532	102,024	95,630
Unreserved Fund Balance:				
Designated - Next Year's Budget	-	-	-	250,000
Undesignated	1,169,375	1,480,838	2,239,902	2,346,864
TOTAL FUND BALANCE	1,324,630	2,289,370	2,341,926	2,692,494

TOTAL LIABILITIES & FUND BALANCE	\$ 1,846,168	\$ 2,435,706	\$ 2,554,142	\$ 2,891,969
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STEUBEN COUNTY, NY
Comparative Schedule of Revenues and Other Sources - Detail
ROAD MACHINERY FUND
Years Ended December 31

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Real Property Taxes	\$ 2,129,962	\$ 1,837,588	\$ 2,265,826	\$ 2,158,218
REAL PROPERTY TAXES	2,129,962	1,837,588	2,265,826	2,158,218
Transportation Services, Other Govts	20,588	30,416	19,082	21,507
INTERGOVERNMENTAL CHARGES	20,588	30,416	19,082	21,507
Interest & Earnings	50,844	23,336	6,944	3,772
USE OF MONEY & PROPERTY	50,844	23,336	6,944	3,772
Sale of Scrap & Excess Materials	-	-	-	-
Sale of Equipment	18,939	47,432	89,162	43,545
Insurance Recoveries	-	23,369	-	-
SALE OF PROPERTY & COMPENSATION	18,939	70,801	89,162	43,545
Refunds of Prior Years Expenditures	-	5,732	1,040	-
MISCELLANEOUS LOCAL SOURCES	-	5,732	1,040	-
Interfund Revenue	3,035,906	3,479,167	2,844,317	2,407,909
INTERFUND REVENUE	3,035,906	3,479,167	2,844,317	2,407,909
NYS Shared Services	247,230	38,629	-	-
State Aid , Other	100,000	(100,000)	200,000	-
STATE AID	347,230	(61,371)	200,000	-
TOTAL REVENUE	5,603,469	5,385,669	5,426,371	4,634,951
Interfund Transfers	182,464	487,168	-	-
TOTAL INTERFUND TRANSFERS	182,464	487,168	-	-
TOTAL DETAIL REVENUES AND OTHER SOURCES	\$ 5,785,933	\$ 5,872,837	\$ 5,426,371	\$ 4,634,951

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Personal Services	\$ 585,088	\$ 585,457	\$ 633,607	\$ 649,628
Equipment & Capital Outlay	1,333,741	680,829	1,937,239	1,302,417
Contractual Expenditures	1,987,968	2,144,439	1,883,329	1,839,513
Employee Benefits	259,166	250,130	297,864	340,881
TOTAL TRANSPORTATION	4,165,963	3,660,855	4,752,039	4,132,439
Debt Principal, Installment Bonds	103,400	103,400	103,400	103,400
Debt Interest, Installment Bonds	13,566	10,175	6,784	3,392
TOTAL DEBT SERVICE	116,966	113,575	110,184	106,792
TOTAL EXPENDITURES	4,282,929	3,774,430	4,862,223	4,239,231
Transfers - Other Funds	1,490,406	1,133,667	484,592	45,152
Transfers - Capital Projects Funds	-	-	27,000	-
TOTAL OPERATION TRANSFERS	1,490,406	1,133,667	511,592	45,152
TOTAL EXPENDITURES AND OTHER USES	\$ 5,773,335	\$ 4,908,097	\$ 5,373,815	\$ 4,284,383

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

FUND BALANCE - BEGINNING OF YEAR	\$ 1,312,032	\$ 1,324,630	\$ 2,289,370	\$ 2,341,926
Add-Revenues and Other Sources	5,785,933	5,872,837	5,426,371	4,634,951
Deduct-Expenditures and Other Uses	(5,773,335)	(4,908,097)	(5,373,815)	(4,284,383)
FUND BALANCE - END OF YEAR	\$ 1,324,630	\$ 2,289,370	\$ 2,341,926	\$ 2,692,494

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ESTIMATED REVENUES AND OTHER SOURCES:				
Real Property Taxes	\$ 2,129,962	\$ 1,837,588	\$ 2,265,826	\$ 2,158,218
Intergovernmental Services	21,657	-	-	
Use of Money and Property	24,000	31,000	21,000	10,000
Sale of Property & Compensation of Loss	29,000	58,369	28,000	36,000
Miscellaneous	2,500	3,000	1,000	3,000
Interfund Revenue	3,035,406	3,468,667	2,844,317	2,390,153
State Aid	392,368	100,000	-	-
TOTAL ESTIMATED REVENUE	5,634,893	5,498,624	5,160,143	4,597,371
Estimated Interfund Transfers	182,464	487,168	-	-
Designated Fund Balance	159,633	155,255	-	-
TOTAL ESTIMATED OTHER SOURCES	342,097	642,423	-	-
TOTAL ESTIMATED REVENUE & OTHER SOURCES	\$ 5,976,990	\$ 6,141,047	\$ 5,160,143	\$ 4,597,371
APPROPRIATIONS:				
Transportation	\$ 4,369,617	\$ 4,893,805	\$ 5,336,365	\$ 4,547,450
Debt Service	116,967	113,575	110,184	106,792
TOTAL ESTIMATED EXPENDITURES	4,486,584	5,007,380	5,446,549	4,654,242
Interfund Transfers	1,490,406	1,133,667	511,592	45,152
TOTAL ESTIMATED OTHER USES	1,490,406	1,133,667	511,592	45,152
TOTAL APPROPRIATIONS	\$ 5,976,990	\$ 6,141,047	\$ 5,958,141	\$ 4,699,394
OUTSTANDING ENCUMBRANCES:				
Transportation	\$ 155,255	\$ 808,532	\$ 102,024	\$ 95,630
TOTAL OUTSTANDING ENCUMBRANCES	\$ 155,255	\$ 808,532	\$ 102,024	\$ 95,630

STEUBEN COUNTY, NY
Budget Comparison
ROAD MACHINERY FUND
Year Ended December 31, 2010

	BUDGET		DIFFERENCE	ADOPTED
	ORIGINAL	MODIFIED		2011 BUDGET
<u>REVENUE</u>				
Real Property Taxes	\$ 2,158,218	\$ 2,158,218	\$ -	\$ 1,144,719
Participants Share		-	-	
Use of Money & Property	10,000	10,000	-	10,000
Sale of Property/Compensation for Loss	36,000	36,000	-	46,000
Miscellaneous Local Sources	3,000	3,000	-	3,000
Interfund Revenues	2,345,000	2,390,153	45,153	2,345,000
TOTAL REVENUE	4,552,218	4,597,371	45,153	3,548,719
Designated Fund Balance	-	-	-	250,000
TOTAL ESTIMATED OTHER SOURCES	-	-	-	250,000
TOTAL ESTIMATED REVENUE & OTHER SOURCES	\$ 4,552,218	\$ 4,597,371	\$ 45,153	\$ 3,798,719
<u>EXPENDITURES</u>				
Transportation	\$ 4,445,426	\$ 4,547,450	\$ 102,024	\$ 3,798,719
Debt Service	106,792	106,792	-	-
TOTAL EXPENDITURES	4,552,218	4,654,242	102,024	3,798,719
Transfers Out	-	45,152	45,152	-
TOTAL OTHER USES	-	45,152	45,152	-
TOTAL APPROPRIATIONS & OTHER USES	\$ 4,552,218	\$ 4,699,394	\$ 147,176	\$ 3,798,719

STEUBEN COUNTY, NY
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual
ROAD MACHINERY FUND
Year Ended December 31, 2010

	<u>Budget</u>		<u>Expenditures</u> <u>Budgetary Basis</u>		<u>Variance with</u>
	<u>Original</u>	<u>Modified</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Modified Budget</u> <u>Positive (Negative)</u>
REVENUE					
Real Property Taxes	\$ 2,158,218	\$ 2,158,218	2,158,218	\$ -	\$ -
Participants Share	-	-	21,507	-	21,507
Use of Money & Property	10,000	10,000	3,772	-	(6,228)
Sale of Property/Compensation for Loss	36,000	36,000	43,545	-	7,545
Miscellaneous Local Sources	3,000	3,000	-	-	(3,000)
Interfund Revenues	2,345,000	2,390,153	2,407,909	-	17,756
TOTAL REVENUE	4,552,218	4,597,371	4,634,951	-	37,580
EXPENDITURES					
Transportation	4,445,426	4,547,450	4,132,439	95,630	319,381
Debt Service	106,792	106,792	106,792	-	-
TOTAL EXPENDITURES	4,552,218	4,654,242	4,239,231	95,630	319,381
EXCESS REVENUES OVER EXPENDITURES	-	(56,871)	395,720	(95,630)	356,961
Transfers Out	-	(45,152)	(45,152)	-	-
TOTAL OTHER FINANCING SOURCES	-	(45,152)	(45,152)	-	-
(USES)	-	(45,152)	(45,152)	-	-
DEFICIENCY OF REVENUES & OTHER SOURCES					
OVER EXPENDITURES & OTHER USES	\$ -	\$ (102,023)	350,568	\$ (95,630)	\$ 356,961
FUND BALANCE-BEGINNING OF YEAR			2,341,926		
FUND BALANCE-END OF YEAR			\$ 2,692,494		

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.

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS:				
Cash & Cash Equivalents	\$ 6,209,056	6,188,735	5,077,295	4,396,966
State & Federal Receivables	1,779,371	172,471	489,514	671,860
Due From Other Funds	16,403	55,486	-	-
Due From Other Governments	95,636	75,000	-	-
TOTAL ASSETS	\$ 8,100,466	\$ 6,491,692	\$ 5,566,809	\$ 5,068,826
LIABILITIES & FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 728,715	159,493	140,224	42,347
Retained Percentages	204,488	1,856	-	-
Due To Other Funds	678,628	93,578	252,301	-
TOTAL LIABILITIES	1,611,831	254,927	392,525	42,347
Fund Balance:				
Reserve for Encumbrances	659,742	96,352	194,358	3,176
Capital Reserves	178,734	178,734	582,428	582,428
Unreserved Fund Balance - Designated	5,650,159	5,961,679	4,397,498	4,440,875
TOTAL FUND BALANCE	6,488,635	6,236,765	5,174,284	5,026,479
 TOTAL LIABILITIES & FUND BALANCE	 \$ 8,100,466	 \$ 6,491,692	 \$ 5,566,809	 \$ 5,068,826

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Miscellaneous Revenue, Other Govts	\$ 95,636	\$ 40,221	\$ -	\$ 24,717
TOTAL INTERGOVERNMENTAL CHARGES	95,636	40,221	-	24,717
Interest & Earnings	402,683	152,027	26,307	19,278
TOTAL USE OF MONEY & PROPERTY	402,683	152,027	26,307	19,278
Sale of Property/Compensation for Losses	1,899	83	448	-
TOTAL SALE OF PROPERTY/COMPENSATION	1,899	83	448	-
Other Unclassified	1,250	1,247	1,566	1,390
TOTAL MISCELLANEOUS LOCAL SOURCES	1,250	1,247	1,566	1,390
State Aid - Capital Projects	16,282	-	5,838	37,597
State Aid - Safety	161,369	-	587,423	-
State Aid - Highway Capital Projects	1,471,795	231,678	380,463	133,739
State Aid - Other Economic Assistance	22,264	37,237	7,307	-
State Aid - Other Home and Community Serv	-	-	125,330	77,117
TOTAL STATE AID	1,671,710	268,915	1,106,361	248,453
Federal Aid - Capital Projects	-	-	-	28,575
Federal Aid - Transportation	1,658,249	735,598	2,642,922	1,724,624
Federal Aid - Economic Assistance	-	38,438	15,114	21,038
TOTAL FEDERAL AID	1,658,249	774,036	2,658,036	1,774,237
TOTAL REVENUE	3,831,427	1,236,529	3,792,718	2,068,075
Interfund Transfers	1,018,490	499,518	923,171	842,376
TOTAL INTERFUND TRANSFERS	1,018,490	499,518	923,171	842,376
TOTAL OTHER SOURCES	1,018,490	499,518	923,171	842,376
TOTAL REVENUES AND OTHER SOURCES	\$ 4,849,917	\$ 1,736,047	\$ 4,715,889	\$ 2,910,451

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Buildings	\$ 373,279	\$ 131,136	\$ 1,188,650	\$ 182,995
Central Data Processing	181,166	289,499	247,915	192,547
General Government	127,282	192,539	114,878	120,428
GENERAL GOVERNMENT SUPPORT	681,727	613,174	1,551,443	495,970
Public Safety Comm Systems	113,360	195,909	28,366	34,697
Jail Projects	5,391,746	6,775	101,398	92
Other Public Safety	56,555	3,614	2,395	11,749
PUBLIC SAFETY	5,561,661	206,298	132,159	46,538
Mental Health Adm	230	-	-	-
Public Health - Dispatching Services - E 911	42,780	-	-	-
HEALTH	43,010	-	-	-
Permanent Improvements - Highway	1,596,528	121,254	-	22,088
Bridges	2,071,060	976,038	3,337,608	2,064,149
Machinery	129,845	18,616	20,574	-
TRANSPORTATION	3,797,433	1,115,908	3,358,182	2,086,237
Economic Assistance	-	48,334	13,681	27,717
ECONOMIC ASSISTANCE & OPPORTUNITY	-	48,334	13,681	27,717
Parks	3,855	2,510	27,759	35,331
Other Culture and Recreation	1,912	1,693	2,081	1,207
CULTURE AND RECREATION	5,767	4,203	29,840	36,538
Environmental Control	3,557	-	-	-
HOME AND COMMUNITY SERVICES	3,557	-	-	-
Debt Principal, Installment Bonds	-	-	425,000	-
Debt Interest, Installment Bonds	-	-	268,065	-
TOTAL DEBT SERVICE	-	-	693,065	-
TOTAL EXPENDITURES	10,093,155	1,987,917	5,778,370	2,693,000
Transfers, other Funds	-	-	-	365,256
Transfers - Capital Projects Funds	-	-	-	-
OPERATING TRANSFERS	-	-	-	365,256
TOTAL EXPENDITURES AND OTHER USES	\$ 10,093,155	\$ 1,987,917	\$ 5,778,370	\$ 3,058,256

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
FUND BALANCE - BEGINNING OF YEAR	\$ 11,731,873	\$ 6,488,635	\$ 6,236,765	\$ 5,174,284
Add-Revenues and Other Sources	4,849,917	1,736,047	4,715,889	2,910,451
Deduct-Expenditures and Other Uses	(10,093,155)	(1,987,917)	(5,778,370)	(3,058,256)
FUND BALANCE - END OF YEAR	\$ 6,488,635	\$ 6,236,765	\$ 5,174,284	\$ 5,026,479

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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS:				
Cash & Cash Equivalents	\$ 145,378	\$ 3,723,732	\$ 1,594,720	\$ (1,244,211)
Accounts Receivable	2,471,402	2,708,532	2,219,825	3,493,373
Due From Other Funds	19,452	-	-	
Due From Third-Party Payors	89,195	168,992	1,461,465	
Prepaid Expenses and Other	94,031	1,301	138,622	7,508
Inventory	30,225	36,104	36,405	34,468
Bond Issuance Cost, Net	57,039	51,034	48,032	45,030
Restricted Assets	5,406,514	823,556	-	
Capital Assets, Net	18,603,015	19,386,492	18,575,176	17,747,707
TOTAL ASSETS	\$ 26,916,251	\$ 26,899,743	\$ 24,074,245	\$ 20,083,875

LIABILITIES:				
Accounts Payable	1,491,020	552,722	223,370	215,406
Amounts Due Third-Party Payors	313,558	215,222	383,611	-
Accrued Liabilities & Comp Absences	1,177,284	1,378,387	1,424,977	1,674,115
Accrued Interest Payable	283,059	272,484	261,459	249,985
Due to Other Funds	-	-	-	228,854
Bonds Payable	18,437,600	17,731,900	16,996,200	16,230,500
TOTAL LIABILITIES	21,702,521	20,150,715	19,289,617	18,598,860

NET ASSETS:				
Investment in Capital Assets				
Net of Related Debt	1,147,338	1,705,626	1,627,008	1,517,207
Restricted for Capital Improvements	4,482,265	958,163	-	
Unrestricted	(415,873)	4,085,239	3,157,620	(32,192)
TOTAL NET ASSETS	5,213,730	6,749,028	4,784,628	1,485,015

TOTAL LIABILITIES & NET ASSETS	\$ 26,916,251	\$ 26,899,743	\$ 24,074,245	\$ 20,083,875
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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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
OPERATING REVENUES				
Charges For Service	\$ 7,674,449	\$ 9,122,622	\$ 9,268,357	\$ 9,539,705
Miscellaneous Local Sources	297,335	198,112	284,908	93,759
Intergovernmental Transfer Payments	(312,500)	3,874,820	359,296	-
TOTAL OPERATING REVENUES	7,659,284	13,195,554	9,912,561	9,633,464
OPERATING EXPENSES				
Personal Services	4,849,805	5,197,721	5,513,378	5,721,042
Assessment	356,772	427,733	397,442	461,081
Depreciation and Amortization	212,108	551,753	872,347	866,553
Bad Debt Expense	289,027	184,572	137,600	161,934
Contractual Expense	1,718,312	1,773,255	1,669,881	1,828,812
Employee Benefits	2,053,233	2,260,374	2,596,938	3,209,605
Indirect Expense	444,196	368,289	378,044	428,647
TOTAL EXPENSES	9,923,453	10,763,697	11,565,630	12,677,674
EARNING FROM OPERATIONS	(2,264,169)	2,431,857	(1,653,069)	(3,044,210)
NON-OPERATING REVENUES(EXPENSE)				
County Subsidy	444,196	368,289	378,044	428,647
Investment Income:				
From Assets Whose Use is Limited	-	-	-	-
From Unrestricted Assets	553,849	87,239	16,121	3,746
Gain on Disposition of Assets	(12,077)	(277,555)	10,104	(2,745)
Interest Expense	(489,262)	(425,448)	(715,600)	(685,051)
TOTAL NON-OPERATING REVENUES(EXPENSE)	496,706	(247,475)	(311,331)	(255,403)
Excess (Deficiency) of Revenues over Expenses	(1,767,463)	2,184,382	(1,964,400)	(3,299,613)
Transfers - Other Funds	850,000	(649,084)	-	-
Change in Net Assets	(917,463)	1,535,298	(1,964,400)	(3,299,613)
FUND EQUITY, BEGINNING OF YEAR	6,131,193	5,213,730	6,749,028	4,784,628
FUND EQUITY, END OF YEAR	\$ 5,213,730	\$ 6,749,028	\$ 4,784,628	\$ 1,485,015

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS:				
Cash & Cash Equivalents	\$ 10,881,687	\$ 10,806,004	\$ 9,613,260	\$ 8,973,969
Accounts Receivable	687,503	574,088	889,890	649,043
Due From Other Funds	6,518	-	-	82,190
State & Federal Aid Receivable	1,230,038	1,778,086	547,986	537,360
Due From Other Governments	-	-	-	13,407
Prepaid Expenses	34,299	-	140	-
Restricted Assets	-	684,982	436,762	272,534
Capitalized Cost of Bond Issues, Net	-	28,841	21,845	14,849
Capital Assets, Net	14,627,103	19,100,473	17,870,713	16,384,277
TOTAL ASSETS	\$ 27,467,148	\$ 32,972,474	\$ 29,380,596	\$ 26,927,629
LIABILITIES:				
Accounts Payable	\$ 262,890	\$ 128,824	\$ 446,325	\$ 142,213
Accrued Payroll Liabilities & Comp Absences	370,210	361,057	324,417	285,534
Landfill Closure Liability	7,678,399	10,181,759	9,985,277	10,793,482
Other Liabilities	20,988	24,188	26,988	28,387
Retained Percentages	-	313,582	379,711	-
Due to Other Funds	-	131,728	-	-
Other Post Employment Benefit Liabilities	-	133,000	229,775	343,960
Accrued Interest Payable	28,613	118,724	57,569	35,757
Bond Payable	2,925,000	7,780,000	5,645,000	3,480,000
TOTAL LIABILITIES	11,286,100	19,172,862	17,095,062	15,109,333
NET ASSETS:				
Investment in Capital Assets, Net of Related Debt	11,702,103	11,320,473	12,225,713	12,631,743
Restricted: Closure/Postclosure	-	-	-	-
Unrestricted	4,478,945	2,479,139	59,821	(813,447)
TOTAL NET ASSETS	16,181,048	13,799,612	12,285,534	11,818,296
TOTAL LIABILITIES & NET ASSETS	\$ 27,467,148	\$ 32,972,474	\$ 29,380,596	\$ 26,927,629

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
REVENUES:				
Refuse & Garbage Charges	\$ 5,573,737	\$ 5,362,175	\$ 4,703,064	\$ 5,221,187
Sale of Scrap Materials	282,058	109,833	58,049	107,188
Interfund & Other Revenues	75	-	-	-
CHARGES FOR SERVICES WITHIN LOCALITY	5,855,870	5,472,008	4,761,113	5,328,375
Minor Sales	-	750	-	-
Sale of Carbon Credits	-	568,934	411,052	449,952
Gain on Disposition of Assets	1,908	24,098	-	15,800
SALE OF PROPERTY & COMPENSATION	1,908	593,782	411,052	465,752
Interest & Earnings	450,247	292,767	124,983	39,868
USE OF MONEY & PROPERTY	450,247	292,767	124,983	39,868
Refunds of Prior Years Expenditures	-	-	110	-
Unclassified	107,900	-	-	13,408
MISCELLANEOUS LOCAL SOURCES	107,900	-	110	13,408
State Aid - Other Home and Community Service	234,596	711,714	7,573	405,740
STATE AID	234,596	711,714	7,573	405,740
Federal Aid - Other Home and Community Service	271,580	-	-	-
FEDERAL AID	271,580	-	-	-
TOTAL REVENUE - TRANSFERS AND TAXES	6,922,101	7,070,271	5,304,831	6,253,143
EXPENSES:				
Depreciation & Amortization	2,092,010	2,102,198	2,166,691	2,134,211
Personal Services	1,261,274	1,340,242	1,312,909	1,209,925
Contractual Expense	1,337,882	1,605,375	1,582,448	1,716,865
Closure and Post Closure Costs/Recoveries	429,335	629,927	938,646	952,115
Employee Benefits	554,412	629,122	648,783	604,996
Loss on Disposition of Assets	-	-	1,953	-
Debt Service	60,981	154,127	167,479	102,269
TOTAL EXPENSES	5,735,894	6,460,991	6,818,909	6,720,381
Transfers - Other Funds	6,135	-	-	-
TOTAL TRANSFERS	6,135	-	-	-
TOTAL EXPENSES AND OTHER USES	5,742,029	6,460,991	6,818,909	6,720,381
ANALYSIS OF CHANGES IN FUND EQUITY				
FUND EQUITY - BEGINNING OF YEAR	15,000,976	16,181,048	13,799,612	12,285,534
Prior Period Adjustments	-	(2,990,716)	-	-
Add-Revenues and Other Sources	6,922,101	7,070,271	5,304,831	6,253,143
Deduct-Expenses and Other Uses	(5,742,029)	(6,460,991)	(6,818,909)	(6,720,381)
FUND EQUITY-END OF YEAR	\$ 16,181,048	\$ 13,799,612	\$ 12,285,534	\$ 11,818,296

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS:				
Cash & Cash Equivalents	\$ 571,796	\$ 2,080,435	\$ 2,004,609	\$ 2,259,687
Cash, Special Reserves	2,000,000	-	-	-
Accounts Receivable	125,000	125,000	-	-
Due from Other Funds	-	269	-	660,000
Due From Other Governments	1,188,780	1,835,167	2,147,135	1,109,912
Fixed Assets	4,001	2,777	1,958	1,206
TOTAL ASSETS	\$ 3,889,577	\$ 4,043,648	\$ 4,153,702	\$ 4,030,805

LIABILITIES:				
Accounts Payable	\$ 292,906	\$ 443,865	\$ 373,086	\$ 375,570
Accrued Liabilities & Judgments	3,266,421	3,357,128	3,771,314	3,654,571
Due To Other Funds	-	-	-	-
TOTAL LIABILITIES	3,559,327	3,800,993	4,144,400	4,030,141

NET ASSETS:				
Investment in Capital Assets	4,001	2,777	1,958	1,206
Insurance Reserve	-	200,000	-	-
Unrestricted	326,249	39,878	7,344	(542)
TOTAL NET ASSETS	330,250	242,655	9,302	664

TOTAL LIABILITIES & NET ASSETS	\$ 3,889,577	\$ 4,043,648	\$ 4,153,702	\$ 4,030,805
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STEBEN COUNTY, NY
Comparative Schedule of Revenues, Expenses, and Changes in Fund Equity
SELF INSURANCE FUND (Internal Service Fund)
Year Ended December 31

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
REVENUES:				
Participants Assessments	\$ 1,431,189	\$ 1,621,533	\$ 2,224,649	\$ 1,924,883
INTERGOVERNMENTAL CHARGES	1,431,189	1,621,533	2,224,649	1,924,883
Interest & Earnings	161,282	54,084	9,028	7,095
USE OF MONEY & PROPERTY	161,282	54,084	9,028	7,095
Insurance Recoveries	72	-	-	-
SALES AND COMPENSATED LOSS	72	-	-	-
Refunds of Prior Years Expenditures	290,080	254,577	244,701	297,410
MISCELLANEOUS LOCAL SOURCES	290,080	254,577	244,701	297,410
TOTAL REVENUE	\$ 1,882,623	\$ 1,930,194	\$ 2,478,378	\$ 2,229,388
EXPENSES:				
Personal Services	\$ 34,445	\$ 48,586	\$ 39,397	\$ 49,560
Contractual Expense	56,135	929,970	711,538	599,011
Employee Benefits	18,286	19,109	22,284	20,879
ADMINISTRATION	108,866	997,665	773,219	669,450
Worker's Compensation Benefits	2,229,403	1,019,004	1,937,693	1,567,824
BENEFITS AND AWARDS	2,229,403	1,019,004	1,937,693	1,567,824
Depreciation	746	1,120	819	752
DEPRECIATION	746	1,120	819	752
TOTAL EXPENSES	\$ 2,339,015	\$ 2,017,789	\$ 2,711,731	\$ 2,238,026

STEBEN COUNTY, NY
Comparative Analysis of Changes in Fund Equity
SELF INSURANCE FUND
Year Ended December 31

FUND EQUITY - BEGINNING OF YEAR	\$ 786,642	\$ 330,250	\$ 242,655	\$ 9,302
Add-Revenues and Other Sources	1,882,623	1,930,194	2,478,378	2,229,388
Deduct-Expenses and Other Uses	(2,339,015)	(2,017,789)	(2,711,731)	(2,238,026)
FUND EQUITY-END OF YEAR	\$ 330,250	\$ 242,655	\$ 9,302	\$ 664

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>2007</u>		<u>2008</u>		<u>2009</u>		<u>2010</u>
ASSETS:							
Cash & Cash Equivalents	\$ 837,583	\$	776,807	\$	895,612	\$	1,072,368
Securities & Mortgages	60,790		60,790		60,790		60,790
TOTAL ASSETS	\$ 898,373	\$	837,597	\$	956,402	\$	1,133,158

LIABILITIES:							
Payroll Withholdings	\$ 99,099	\$	(72,883)	\$	137,927	\$	150,851
Guaranty & Bid Deposits	5,100		5,100		5,100		-
Bail Deposits	89,992		132,535		37,896		87,723
Court Ordered Deposits	28,571		68,860		48,474		19,800
Payments - SSI	475		3,066		-		438
Social Services Trusts	308,826		300,841		391,193		388,359
Health Care Facility Patient Trust	38,010		47,790		39,540		41,699
Dog Money	3,315		4,130		4,728		5,774
Mortgage Tax	216,644		229,634		162,882		188,381
Coroners	740		740		740		740
Court & Trust	76,927		88,166		101,705		225,731
Liens & Other Trusts	30,674		29,618		26,217		23,662
TOTAL LIABILITIES	\$ 898,373	\$	837,597	\$	956,402	\$	1,133,158

STEUBEN COUNTY, NY
Statement of Changes in Assets and Liabilities
AGENCY FUND
For the Fiscal Year Ended December 31, 2010

	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
ASSETS:				
Cash & Cash Equivalents	\$ 895,613	\$ 18,387,321	\$ 18,211,004	\$ 1,071,930
Securities & Mortgages	60,790	-	-	60,790
TOTAL ASSETS	\$ 956,403	\$ 18,387,321	\$ 18,211,004	\$ 1,132,720
LIABILITIES:				
Payroll Withholdings	137,927	15,170,117	15,157,193	150,851
Guaranty & Bid Deposits	5,100	-	5,100	-
Bail Deposits	37,896	88,716	38,889	87,723
Court Ordered Deposits	48,474	70,525	99,200	19,800
Social Services Trusts	391,193	1,681,313	1,684,147	388,359
Health Care Facility Patient Trust	39,540	159,192	157,033	41,699
Dog Money	4,728	30,298	29,252	5,774
Mortgage Tax	162,882	1,021,682	996,183	188,381
Coroners	740	-	-	740
Court & Trust	101,705	165,478	41,453	225,731
Liens & Other Trusts	26,217	-	2,555	23,662
TOTAL	956,402	18,387,321	18,211,004	1,132,719
TOTAL LIABILITIES	\$ 956,402	\$ 18,387,321	\$ 18,211,004	\$ 1,132,719

The accompanying notes are an integral part of these statements

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
ASSETS				
Cash & Cash Equivalents	\$ 115,854	\$ 123,215	\$ 122,917	\$ 127,384
TOTAL ASSETS	\$ 115,854	\$ 123,215	\$ 122,917	\$ 127,384
LIABILITIES				
Accounts Payable	\$ 3,300	\$ 877	\$ 100	\$ 28
TOTAL LIABILITIES	3,300	877	100	28
FUND BALANCE				
Net Assets-Restricted for Other Purposes	112,554	122,338	122,817	127,356
TOTAL FUND BALANCE	112,554	122,338	122,817	127,356
TOTAL FUND BALANCE	\$ 115,854	\$ 123,215	\$ 122,917	\$ 127,384

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2009</u>
REVENUE:				
Interest Earnings	\$ 35	\$ 33	\$ 10	\$ 4
Miscellaneous Local Sources	20,863	23,239	29,910	26,401
TOTAL REVENUE	20,898	23,272	29,920	26,405
EXPENDITURES:				
Home & Community	35	33	10	4
Public Safety	14,281	13,455	29,431	21,862
TOTAL EXPENDITURES	14,316	13,488	29,441	21,866
ANALYSIS OF CHANGES IN FUND BALANCE:				
FUND BALANCE - BEGINNING OF YEAR	105,972	112,554	122,338	122,817
Add-Revenues and Other Sources	20,898	23,272	29,920	26,405
Deduct-Expenditures and Other Uses	(14,316)	(13,488)	(29,441)	(21,866)
FUND BALANCE-END OF YEAR	\$ 112,554	\$ 122,338	\$ 122,817	\$ 127,356

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.

STEBEN 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>	<u>2009</u>	<u>2010</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	\$ 95,101,797	\$ 97,958,711
Restricted	396,325	324,569	97,297	113,525	242,846	475,640	1,851,553	2,372,614	2,343,632
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>	<u>25,049,269</u>	<u>26,076,525</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>	<u>\$ 122,523,680</u>	<u>\$ 126,378,868</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	\$ 13,804,689	\$ 14,148,950
Restricted	1,092,113	1,105,951	1,723,718	3,757,301	4,688,424	6,370,901	1,643,145	436,762	272,534
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>	<u>2,828,711</u>	<u>(1,118,173)</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>	<u>\$ 17,070,162</u>	<u>\$ 13,303,311</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	\$ 108,906,486	\$ 112,107,661
Restricted	1,488,438	1,430,520	1,821,015	3,870,826	4,931,270	6,846,541	3,494,698	2,809,376	2,616,166
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>	<u>27,877,980</u>	<u>24,958,352</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>	<u>\$ 139,593,842</u>	<u>\$ 139,682,179</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>	<u>2009</u>	<u>2010</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	\$ 25,315,553	\$ 25,788,367
Education	5,924,331	6,388,188	6,186,677	6,649,959	6,846,164	8,417,701	8,464,816	9,046,812	9,205,295
Public Safety	10,932,587	9,835,245	11,510,948	13,664,043	13,797,472	13,509,866	17,020,919	17,812,344	18,924,405
Health	14,488,663	14,313,494	14,688,441	14,962,214	15,721,594	16,302,944	16,493,095	16,760,346	17,061,123
Transportation	12,893,847	16,757,012	17,009,055	18,411,168	18,363,348	20,164,337	21,798,609	20,927,774	23,107,833
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	59,206,207	60,286,419
Culture and Recreation	684,050	689,610	677,094	666,899	746,903	818,185	1,014,171	975,305	901,224
Home and Community	2,524,053	1,599,339	1,689,713	1,043,728	1,112,697	939,918	1,308,221	1,290,512	1,547,544
Interest Expense	1,600	1,010	1,631	805	298,753	309,845	3,289,155	568,549	2,223,094
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>	<u>151,903,402</u>	<u>159,045,304</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	12,281,230	13,365,470
Solid Waste Operations	3,165,793	3,533,889	6,430,827	4,522,858	5,606,778	5,735,894	6,460,991	6,816,956	6,704,581
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>	<u>19,098,186</u>	<u>20,070,051</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>	<u>171,001,588</u>	<u>179,115,355</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	7,048,953	7,258,941
Education	284,490	533,249	233,277	348,264	42	45,755	45,680	550,974	-
Public Safety	1,270,142	1,074,310	1,101,263	1,120,501	807,947	1,308,644	2,318,709	2,285,206	2,308,530
Health	6,862,396	6,113,294	7,947,927	8,908,065	9,044,329	8,928,518	9,386,835	7,653,824	9,790,289
Transportation	2,333,787	2,942,429	3,060,363	3,400,705	3,869,080	3,828,658	4,268,564	3,442,205	3,009,127
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	2,588,564	2,769,503
Culture and Recreation	15,988	17,783	21,431	139,373	21,951	309,959	282,287	248,850	39,708
Home and Community	309	1,264	8,530	3,222	1,680	1,074	1,503	1,686	125,174
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	44,617,265	45,972,119
Capital Grants and Contributions	4,342,749	6,962,002	5,570,936	3,873,139	1,647,006	3,291,413	967,276	3,610,808	1,858,363
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>	<u>72,048,335</u>	<u>73,131,754</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	9,265,156	9,150,688
Landfill	3,572,711	4,041,272	4,661,284	4,670,624	5,019,439	5,855,795	5,472,008	4,761,113	5,328,375
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	370,070	794,757
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>	<u>14,396,339</u>	<u>15,273,820</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>	<u>86,444,674</u>	<u>88,405,574</u>
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)	(79,855,067)	(85,913,550)
Business-type activities									
	(1,989,654)	(1,818,012)	(3,117,537)	(10,078,663)	(3,184,975)	(2,259,527)	1,531,028	(4,701,847)	(4,796,231)
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>	<u>(84,556,914)</u>	<u>(90,709,781)</u>

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>	<u>2009</u>	<u>2010</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	36,501,838	38,122,963
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	2,951,592	3,684,012
Sales Tax	19,705,165	21,760,663	22,154,454	23,953,920	24,530,891	32,681,611	34,308,365	32,769,327	34,707,975
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	10,410,917	9,625,869
Interest and earnings	900,159	515,629	587,305	1,338,162	3,062,375	3,199,239	2,112,627	611,323	378,229
Gain on dispositions of assets	492,183	303,461	100,110	42,313	122,545	154,589	211,028	941,326	141,381
Transfers	290,000	163,000	-	9,210,442	-	(843,865)	649,084	-	-
Miscellaneous	5,630,977	4,525,245	3,946,833	2,196,416	2,467,647	3,049,323	4,827,549	3,666,472	3,108,309
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>	<u>87,852,795</u>	<u>89,768,738</u>
Business-type activities:									
Interest and earnings	276,880	184,632	1,915,381	439,440	1,439,375	656,949	380,006	141,104	43,614
Gain (Loss) on dispositions of assets	34,195	-	(611,014)	739,756	186,621	1,908	(253,457)	8,151	-
Transfers	(290,000)	(163,000)	-	665,420	-	843,865	(649,084)	-	-
Miscellaneous	1,208,755	1,241,703	795,322	150,024	690,575	849,506	1,136,085	1,074,114	985,766
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>	<u>1,223,369</u>	<u>1,029,380</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>	<u>89,076,164</u>	<u>90,798,118</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	7,997,728	3,855,188
Business-type activities	(759,824)	(554,677)	(1,017,848)	(8,084,023)	(868,404)	92,701	2,144,578	(3,478,478)	(3,766,851)
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>	<u>\$ 4,519,250</u>	<u>\$ 88,337</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
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>	<u>2009</u>	<u>2010</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	\$ 36,012,330	\$ 37,458,406
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	2,951,592	3,684,012
Non-property taxes	25,714,738	27,706,734	29,109,876	32,130,414	34,467,302	43,064,534	44,665,840	43,180,243	44,333,844
Departmental Income	12,468,657	12,089,812	14,060,482	16,090,281	15,343,572	15,487,475	16,427,429	14,005,002	16,305,742
Intergovernmental revenue	1,252,783	1,259,255	1,292,424	1,522,803	1,632,473	1,661,530	2,611,352	2,457,751	2,480,307
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	2,541,506	2,307,518
Licenses and permits	9,844	8,929	1,030	3,222	1,680	962	1,403	1,686	1,477
Fines and forfeitures	373,505	417,962	306,341	352,749	416,059	345,247	355,068	378,657	307,111
Sale of property and compensation for losses	681,252	318,654	120,861	9,325,690	149,794	154,516	235,430	959,412	185,743
Tobacco Settlement	-	-	-	-	-	-	1,668,830	1,840,314	1,531,511
Miscellaneous	4,247,847	2,887,007	2,324,033	1,791,258	704,280	973,990	2,605,433	1,482,560	4,054,550
Interfund revenues	21,607,376	2,589,667	2,717,257	2,954,237	3,016,298	3,688,224	4,686,248	4,368,149	22,386,592
State aid	18,806,014	26,525,184	20,374,411	19,518,335	20,461,745	24,410,760	21,332,704	21,966,741	25,443,890
Federal Aid	1,827,633	17,704,691	23,232,093	21,480,908	19,587,862	20,138,754	15,393,753	26,261,332	874,515
Total revenues	114,764,054	123,053,694	128,538,428	142,995,550	136,391,925	151,320,136	151,926,498	158,407,275	161,355,218
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	22,754,954	23,515,123
Education	5,924,331	6,388,188	6,186,677	6,649,959	6,846,164	8,417,701	8,464,816	9,046,812	9,205,295
Public Safety	12,383,510	10,751,452	10,481,955	12,872,413	20,411,745	18,367,842	14,773,153	15,653,018	16,712,910
Health	14,374,674	14,145,258	14,444,990	14,899,314	15,599,244	16,145,706	16,147,207	16,315,563	16,691,684
Transportation	21,063,656	20,740,508	19,741,717	22,146,497	21,618,093	26,654,327	25,813,915	26,854,760	25,140,427
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	58,550,888	59,551,660
Culture and Recreation	725,160	651,097	666,993	657,665	750,433	794,436	986,930	929,120	865,194
Home and Community	2,519,499	1,593,675	1,685,961	1,042,430	1,107,364	1,070,531	1,300,144	1,272,127	1,592,928
Capital Outlays									
General Government	-	-	-	-	-	-	613,174	1,551,443	495,970
Public Safety	-	-	-	-	-	-	206,298	322,159	46,538
Transportation	-	-	-	-	-	-	1,115,908	3,358,182	2,086,237
Economic Assistance and Opportunity	-	-	-	-	-	-	48,334	15,717	27,717
Culture and Recreation	-	-	-	-	-	-	4,203	29,840	36,538
Debt Service:									
Principal	14,000	14,000	10,000	-	103,400	353,400	843,300	963,400	653,400
Interest	1,600	1,010	1,631	805	18,455	453,544	1,743,966	1,701,798	1,649,882
Total expenditures	123,123,779	124,218,264	125,358,948	125,227,542	135,520,217	150,597,367	148,924,148	159,319,781	158,271,503
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	(912,506)	3,083,715

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>	<u>2009</u>	<u>2010</u>
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	1,599,799	1,252,784
Transfers out	(2,905,006)	(1,437,018)	(2,252,489)	(2,131,767)	(1,887,448)	(3,546,318)	(4,123,717)	(1,343,661)	(1,252,784)
Total other financing sources (uses)	<u>290,000</u>	<u>163,000</u>	<u>-</u>	<u>517,000</u>	<u>7,820,000</u>	<u>(843,865)</u>	<u>-</u>	<u>256,138</u>	<u>-</u>
Prior Period Adjustments:	(480,616)	-	29,468	(1,234,378)	-	-	-	-	-
Net change in fund balance	<u>\$ (8,550,341)</u>	<u>\$ (1,001,570)</u>	<u>\$ 3,208,948</u>	<u>\$ 17,050,630</u>	<u>\$ 8,691,708</u>	<u>\$ (121,096)</u>	<u>\$ 3,002,350</u>	<u>\$ (656,368)</u>	<u>\$ 3,083,715</u>

Debt Service as a percentage of noncapital expenditures	0.01%	0.01%	0.01%	0.00%	0.10%	0.61%	1.89%	1.87%	1.63%
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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
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>	<u>2009</u>	<u>2010</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	\$ 8,076,792	\$ 8,876,029
Unreserved	9,912,956	10,073,418	14,084,185	25,545,243	33,270,666	39,373,841	41,386,726	42,367,319	44,733,501
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>	<u>\$ 50,444,111</u>	<u>\$ 53,609,530</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	\$ 2,823,185	\$ 2,708,642
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	2,709,615	2,334,301
Capital Project Funds	7,049,301	3,920,525	4,377,094	10,990,565	11,366,022	5,650,159	5,961,679	4,397,498	4,440,875
Economic Development Fund	270,956	275,600	273,745	268,957	265,611	266,260	757,139	737,224	730,850
Road Machinery Fund	1,179,133	758,680	844,113	893,637	1,152,399	1,169,375	1,480,838	2,239,902	2,596,864
Steuben Tobacco Asset Securitization	-	-	-	-	-	-	104,631	96,057	110,245
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>	<u>\$ 13,003,481</u>	<u>\$ 12,921,777</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>	<u>\$ 63,447,592</u>	<u>\$ 66,531,307</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
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>
2010	\$ 128,389,276	\$ 2,789,744,459	\$ 169,561,408	\$ 506,917,116	\$ 17,258,797	\$ 19,011,706	\$ 233,762,295	\$ 298,012,567	\$ 9,629,525	\$ 4,172,287,149	7.48
2009	122,962,371	2,646,105,648	156,445,307	492,724,746	15,749,962	18,516,226	220,183,447	281,507,035	9,046,963	3,963,241,705	7.41
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>
2010	\$7.48	\$4.04	\$1.13	\$2.67	\$18.04	\$33.38
2009	\$7.41	\$3.97	\$1.13	\$2.63	\$17.70	\$32.84
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

* The County rate is the direct rate for all properties in Steuben County. The other municipality rates overlap to derive the direct and overlapping total rate.

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	2010 Tax Year			2001 Tax Year		
		Assessed Valuation	% Total Tax Levy	Taxes	Assessed Valuation	% Total Tax Levy	Taxes
NYS Electric & Gas Corp	Gas,Electric, Utility	\$ 109,236,998	1.62%	\$ 1,043,507	\$ 83,280,654	1.72%	\$ 717,178
Fortuna Energy Inc	Gas Transmission	124,363,191	1.52%	976,721	not in business in 2001		
Corning Prop Mgmt Corp	Manufacturing & Processing	95,515,670	1.17%	749,867	93,806,741	1.65%	685,607
Dominion Transmission Corp	Gas Transmission	39,149,236	0.63%	405,003	11,951,206	0.70%	292,735
Verizon New York Inc	Telephone Utility	30,941,700	0.33%	213,609	not in business in 2001		
Corning Natural Gas Corp	Gas, Electric, Utility	24,051,010	0.47%	300,632	15,416,246	0.35%	144,326
Tennessee Gas Pipeline Co	Gas Transmission	20,166,519	0.39%	251,724	not in business in 2001		
National Fuel Gas Dist Corp	Gas, Electric Generation	23,606,057	0.33%	211,298	11,522,758	0.31%	127,162
Steuben Rural Electric Co	Gas, Electric, Utility	12,413,638	0.26%	168,351	not in top 10 in 2001		
Pennsylvania Lines LLC	Railroad	18,075,584	0.23%	147,906	17,373,606	0.29%	120,487
Guthrie Clinic, Ltd.	Health Care	13,000,000	0.18%	117,984	13,348,300	0.27%	112,177
			7.13%	\$ 4,586,602		5.29%	\$ 2,199,672
	County Tax Levy			\$ 38,098,620			\$ 25,675,921
	Town Tax Levies			20,388,347			13,109,413
	Special Districts Tax Levies			5,829,571			2,802,538
	Total County & Town			<u>\$ 64,316,538</u>			<u>\$ 41,587,872</u>

Source: Steuben County Real Property Tax Office Annual Report

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

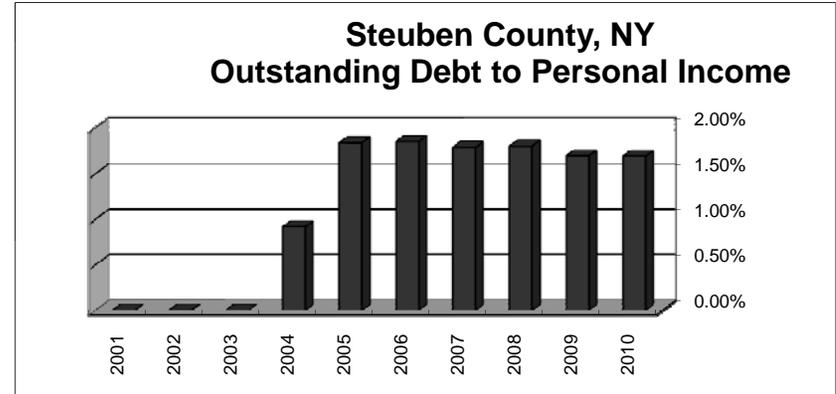
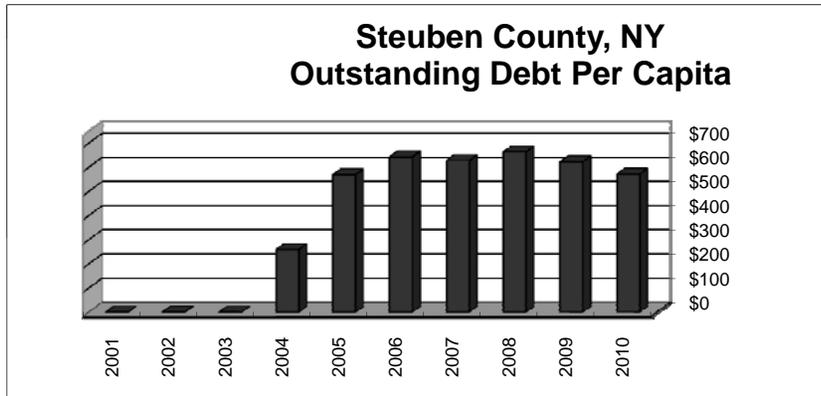
<u>Year</u>	<u>Taxes on Roll</u>	<u>Actual Collections & Adjustments in Fiscal year of Levy</u>	<u>Percent of Current Levy Collected</u>	<u>Uncollected Current Taxes and Other Items</u>	<u>Collections In Subsequent Years</u>	<u>Total Collections To Date</u>	<u>Percent of Levy Collected</u>
2001	41,587,872	(38,770,815)	93.23%	2,817,057	(2,754,879)	(41,525,694)	99.85%
2002	43,614,888	(41,093,992)	94.22%	2,520,896	(2,456,953)	(43,550,945)	99.85%
2003	48,942,101	(46,032,582)	94.06%	2,909,519	(2,843,328)	(48,875,910)	99.86%
2004	53,029,714	(49,817,238)	93.94%	3,212,476	(3,174,871)	(52,992,109)	99.93%
2005	56,850,422	(53,720,510)	94.49%	3,129,912	(3,082,551)	(56,803,061)	99.92%
2006	58,719,297	(55,655,812)	94.78%	3,063,485	(3,004,603)	(58,660,415)	99.90%
2007	61,039,964	(57,782,745)	94.66%	3,257,219	(3,105,122)	(60,887,867)	99.75%
2008	62,677,894	(59,203,788)	94.46%	3,474,106	(2,968,129)	(62,171,917)	99.19%
2009	66,372,332	(62,693,600)	94.46%	3,678,732	(2,172,037)	(64,865,637)	97.73%
2010	68,953,253	(64,704,469)	93.84%	4,248,784	-	(64,704,469)	93.84%

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.

**STEBEN 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
2010	98,990	\$ 3,346,722	\$ 4,172,287,149	\$ 36,912,790	\$ 19,700,000	\$ 56,612,790	1.36%	\$ 571.90	1.69%
2009	96,552	3,552,456	3,963,241,705	37,566,190	22,630,000	60,196,190	1.52%	623.46	1.69%
2008	96,452	3,552,456	3,910,540,471	38,529,590	25,500,000	64,029,590	1.64%	663.85	1.80%
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%



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 2009 personal income is not available at the point the report was compiled therefore 2008 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
2010	98,990	\$ 4,172,287,149	\$ 6,290,000	\$ 19,700,000	25,990,000	0.62%	262.55
2009	96,552	3,963,241,705	6,735,000	22,630,000	29,365,000	0.74%	304.14
2008	96,452	3,910,540,471	7,160,000	25,500,000	32,660,000	0.84%	338.61
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

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

** Population from STCRPDB

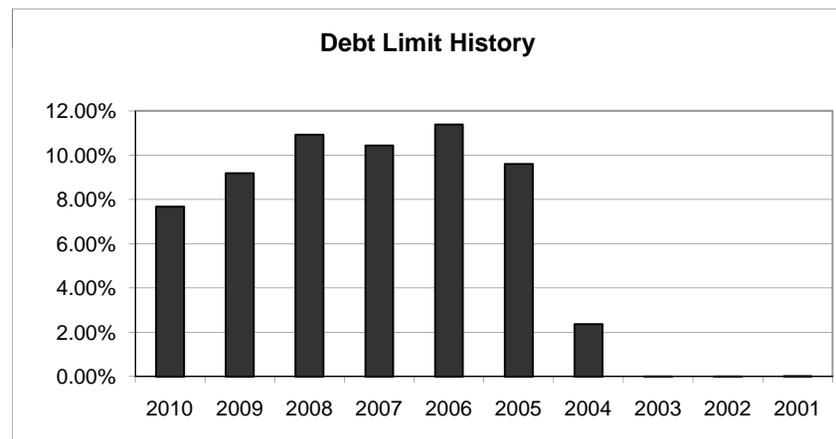
STEBEN COUNTY, NY

**Computation of Debt-Contracting Margin
December 31, 2010**

Full Valuation - Fiscal Year Ending December 31:		
	2010	\$ 5,248,502,647
	2009	5,141,450,374
	2008	4,997,159,113
	2007	4,573,973,323
	2006	<u>4,237,937,384</u>
Total Five-Year Valuation		<u>\$24,199,022,841</u>
Five-Year Average		\$4,839,804,568
Debt Limit - 7% of Five-Year Average Valuation		\$338,786,320
Net Indebtedness		\$25,990,000
Percentage of Debt Contracting Margin Exhausted		7.67%

**Debt Limit History
Ten Fiscal Years**

	Debt Limit	Net Indebtedness	Margin	% of Debt to Limit
2010	\$338,786,320	\$25,990,000	\$312,796,320	7.67%
2009	320,689,786	29,468,400	291,221,386	9.19%
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%



STEBEN COUNTY, NY
Miscellaneous and Demographic Information
December 31, 2010

Web address:	http://www.steubencony.org
Date of Incorporation:	March 18, 1796
Form of Government	Non-Charter
<i>Named for "Baron Von Steuben", a German drill master in the Revolutionary War.</i>	
County Employees (including temporary & part-time)	1,078
Parcels of Property	55,646
Area	1409 square miles
Population 2010 Census	98,990
Population 2000 Census	98,726
Population 1990 Census	99,088
Persons per Square Mile	70
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
<i>Rank in NYS</i>	<i>3rd highest</i>
Number of Bridges	334
<i>Rank in NYS</i>	<i>#1 - Highest</i>
County Parks (Birdseye Hollow, Boyd's Corners, Hornby, Kanakadea)	4
Moody's Bond Rating	Aa2
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 attract many tourists.

Economic Profile:	<u>Estimated Population</u>	<u>Tot Personal Income **</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
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	96,452	\$3,552,456	\$35,141	6.2
2009	96,552	\$3,346,722	\$34,662	9.7
2010	98,990	\$3,346,722 *	\$34,662	9.9

* 2010 Personal income is not available at the point the report was compiled therefore 2009 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>2010 Employees</u>	<u>2010 % of total Steuben Co.</u>	<u>2001 Employees</u>	<u>2001 % of total Steuben Co.</u>
Corning Inc	Corning	Gas, Ceramic Research	4,811	12.56%	5800	13.33%
Corning-Painted Post School District	Painted Post	Education	1,100	2.87%	814	1.87%
County of Steuben	Bath	Government	1,078	2.81%	1000	2.30%
Alstom, Inc	Hornell	Transit Car Refurbishing	150	0.39%	750	1.72%
St James Mercy Health	Hornell	Medical	840	2.19%	1000	2.30%
Gunlocke, Inc	Wayland	Wood Office Furniture, Space Panel Systems	848	2.21%	800	1.84%
Dresser Rand	Painted Post	General Industrial, Machinery, Pumps	698	1.82%	1300	2.99%
Veterans' Administration	Bath	Medical	700	1.83%	700	1.61%
Corning Hospital/Founders Pavilion	Corning	Medical	770	2.01%	535	1.23%
Pathways	Corning	Not-For-Profit	615	1.61%	220	0.51%
Wegmans	Corning, Hornell	Retail	528	1.38%	320	0.74%
Mercury Aircraft	Hammondsport	Sheet Metal, Electronic Components	300	0.78%	700	1.61%
World Kitchen	Corning	Ceramic Manufacturing	350	0.91%	not available	not available
North American Phillips	Bath	Lamps and Electrical Products	438	1.14%	850	1.95%
Hornell City Schools	Hornell	Education	435	1.14%	300	0.69%
Steuben-Allegany BOCES	Bath	Education	850	2.22%	400	0.92%
Kraft Foods	Campbell	Cheese, Dairy Products	445	1.16%	400	0.92%
Haverling Central Schools	Bath	Education	391	1.02%	225	0.52%
Ira Davenport Memorial Hosp	Bath	Medical	321	0.84%	385	0.89%
Steuben Arc	Bath	Not-For-Profit	386	1.01%	300	0.69%
Corning Community College	Corning	Education	496	1.30%	280	0.64%
Guthrie Medical Groups	Corning	Medical	250	0.65%	225	not available
State of New York	Hornell	Government	not available	not available	625	1.44%
Average Total Steuben County Employment (per NYS Dept of Labor)			38,300		43,500	

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

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>
2011 Full Time	132	139	116	326	139	25	25	902
2011 Part Time	36	26	0	16	9	0	1	88
2011 Total	168	165	116	342	148	25	26	990
2010 Full Time	156	145	133	334	157	26	27	978
2010 Part Time	41	23	0	21	14	0	1	100
2010 Total	197	168	133	355	171	26	28	1078
2009 Full Time	154	139	138	329	165	28	25	978
2009 Part Time	38	22	20	15	3	3	3	98
2009 Total	192	161	138	349	180	28	28	1076
2008 Full Time	156	142	133	324	167	29	25	976
2008 Part Time	35	17	20	14	3	3	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

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

Steuben County, New York
Operating Indicators by Function/Program

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>General Government</u>				
Delinquent tax installment contracts negotiated	704	800	871	878
District Attorney Indictments	147	162	126	98
Elections Registrations	2,297	3,849	2,102	2,407
Coroners' cases	218	152	262	241
Real Property Tax Service number of deeds processed through mapping	3,503	3,168	2,903	2,811
Real Property Tax Service number of Payment in Lieu of Tax Agreements	48	51	52	57
Law Department Family Court Petitions	3,693	3,632	3,683	2,596
Law Department tort claims filed	6	10	23	31
County Clerk documents recorded	15,031	14,068	12,119	10,909
County Clerk court filings	7,325	7,774	8,777	8,814
Personnel Civil Service exams administered	633	925	1,292	737
Purchasing number of bids and quotations requested	620	685	686	686
Motor vehicle registrations	72,775	73,132	74,628	74,842
Driver licenses issued	7,087	7,943	14,648	16,921
Public Defender cases	3,169	3,173	2,993	3,205
<u>Education</u>				
Early Intervention Children	655	515	457	430
Community College student residency certificates issued	2,836	2,900	3,193	2,930
<u>Public Safety</u>				
Emergency Management fire service course participants	258	155	156	196
Emergency Management fires investigated	70	79	66	59
Sheriff number of arrests	3,599	3,043	2,079	2,556
Sheriff number of civil papers served	2,988	3,160	3,358	3,513
E-911 average calls answered per month	10,250	9,975	9,033	9,024
Probation average monthly case load	880	919	913	959
Average daily jail population	141	182	178	167
Total inmates booked	1,219	1,346	1,411	1,474
<u>Health</u>				
Physically handicapped children receiving services	88	85	88	85
Public Health Nursing long-term in home care clients	31	19	10	16
Public Health Nursing Clinics people immunized	486	576	15,000	2,152
Public Health Nursing communicable disease investigations	103	107	164	159
Mental Health adult clinic cases	1,152	1,026	974	1,007
Mental Health children and family clinic cases	647	706	718	749
Mental Health day treatment admissions	76	77	77	62
Health Care Facility days of care	36,569	35,603	36,061	35,819
Health Care Facility new resident admissions	87	158	168	147
<u>Transportation</u>				
Miles of road with major renovation or complete reconstruction	106	86	114	106
Bridges and culverts with major renovation or complete reconstruction	13	9	9	9
Public Transportation Trips	42,870	54,663	60,220	55,167
<u>Economic Assistance & Opportunity</u>				
Family Assistance and Safety Net caseload	684	595	687	781
Food Stamp caseload	3,146	3,598	4,618	5,115
Medicaid and Family Health Plus caseload	10,419	10,669	11,531	12,185
Monthly average of families enrolled in subsidized day care	395	466	186	219
Children receiving foster care services	175	171	184	167
Weights and Measures small capacity scale inspections	624	696	626	612
<u>Culture & Recreation</u>				
Overnights at park campsites	532	773	695	696
<u>Home & Community Services</u>				
Tons of garbage added to the Bath Landfill	119,827	149,500	93,874	100,076
Tons of garbage recycled	3,850	2,387	2,754	3,616

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>2009</u>	<u>2010</u>
<u>General</u>						
Number of County Buildings	10	10	11	12	12	12
Number of passenger vehicles & pickup trucks	10	13	14	19	21	20
<u>Public Safety</u>						
Number of inmate beds	156	156	262	262	262	262
Number of passenger vehicles & pickup trucks	67	67	65	76	80	79
Number of radio towers	4	4	4	4	4	4
Civil Defense training center	1	1	1	1	1	1
<u>Health</u>						
Number of passenger vehicles & pickup trucks	26	27	28	32	31	29
Number of Health Care Facility Patient Beds	105	105	105	105	105	105
<u>Transportation</u>						
Number of miles of road	678	678	678	678	678	678
Number of bridges	334	334	334	334	334	334
Number of equipment shops	10	10	10	10	10	10
Number of salt storage facilities	8	8	9	9	9	9
Number of Buses	0	0	1	1	1	1
Number of passenger vehicles & pickup trucks	54	54	58	55	51	48
<u>Economic Assistance & Opportunity</u>						
Number of passenger vehicles & pickup trucks	10	10	11	9	8	10
<u>Culture and Recreation</u>						
Number of Parks	4	4	4	4	4	4
<u>Home and Community</u>						
Number of Active Landfills	1	1	1	1	1	1
Number of Leachate Treatment Facilities	1	1	1	1	1	1
Number of Transfer Stations	3	3	3	3	3	3

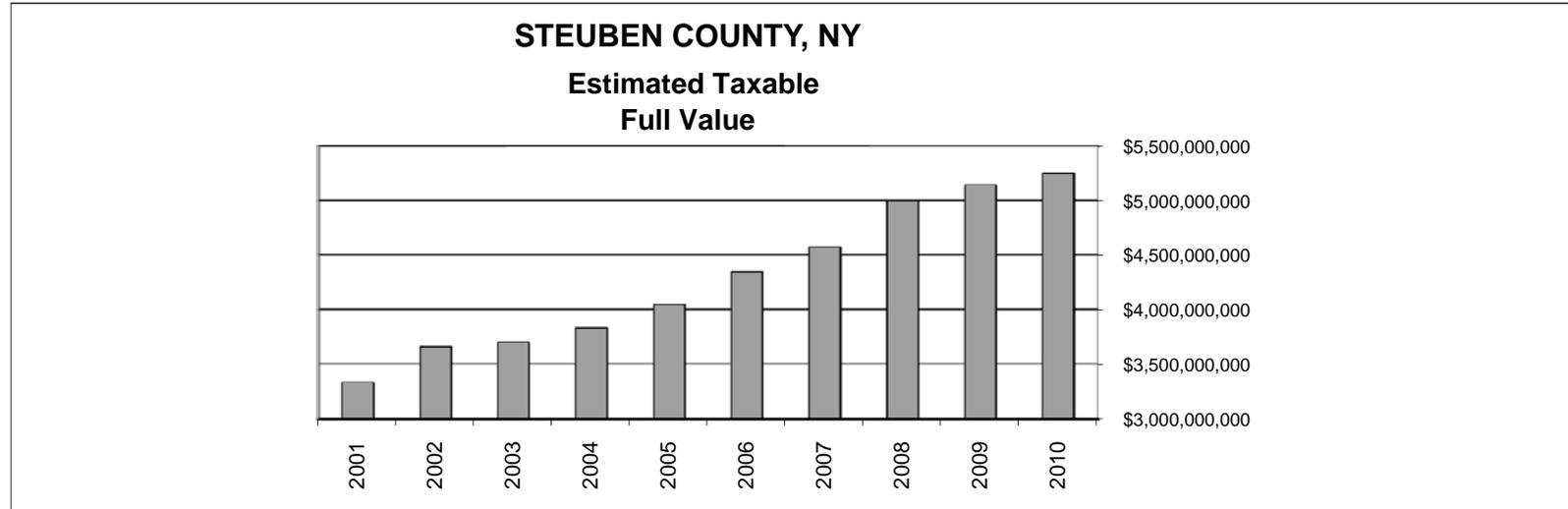
Note: The fixed asset system was installed during the 2004 year, therefore only four years of information is currently available rather than the ten years that are typically reported.

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

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

Assessment 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
2010	\$ 5,424,438,243	\$ 4,286,858,360	\$ 5,248,502,647	81.68%
2009	5,184,408,849	4,073,948,764	5,141,450,375	79.24%
2008	5,004,766,402	4,018,573,687	4,997,159,112	80.42%
2007	4,453,468,905	3,550,244,769	4,573,973,322	77.62%
2006	4,135,100,503	3,327,306,424	4,343,430,753	76.61%
2005	3,969,329,870	3,170,219,469	4,050,807,305	78.26%
2004	3,860,139,513	3,065,934,744	3,828,929,627	80.07%
2003	3,762,039,503	2,958,913,704	3,697,648,336	80.02%
2002	3,699,009,072	2,896,780,467	3,657,249,220	79.21%
2001	3,570,881,930	2,791,784,037	3,329,936,473	83.84%

Source: Steuben County Real Property Tax Office "Final County Equalization" Annual Report.



COUNTY OF STEUBEN, NY
PROPERTY TAX LEVY-DIRECT AND OVERLAPPING GOVERNMENTS
Based on 2010 Assessment Rolls and 2011 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	\$	4,691,375	\$	-	\$	5,304,030	\$	12,275,613	\$	22,271,018	\$	533,795,192	4.17%	100.00%		
Hornell City		2,092,171		-		2,605,815		4,097,815		8,795,801		237,005,393	3.71%	100.00%		
Addison		297,056		236,638		10,403		-		652,185		1,196,282	\$	33,917,504	3.53%	96.00%
Addison, Village		429,646		186,339		-		557,494		947,668		2,121,147		49,056,451	4.32%	96.00%
Avoca		658,611		524,889		95,815		-		1,039,578		2,318,893		75,199,459	3.08%	100.00%
Avoca, Village		198,906		154,105		-		261,927		309,477		924,415		22,710,827	4.07%	100.00%
Bath		2,204,066		940,891		278,066		-		4,613,589		8,036,612		251,657,796	3.19%	50.00%
Bath, Village		1,784,869		342,864		-		2,013,557		3,664,246		7,805,536		203,794,352	3.83%	50.00%
Savona, Village		176,283		33,465		-		154,936		385,530		750,214		20,127,810	3.73%	50.00%
Bradford		237,265		391,638		57,154		-		763,806		1,449,863		39,765,711	3.65%	87.00%
Cameron		369,821		240,624		65,500		-		788,729		1,464,674		42,225,726	3.47%	1.00%
Campbell		1,208,267		673,495		185,024		-		2,842,539		4,909,325		137,958,585	3.56%	3.25%
Canisteo		378,788		351,417		48,500		-		1,156,025		1,934,730		65,318,560	2.96%	60.00%
Canisteo, Village		559,551		252,417		-		430,171		1,130,177		2,372,316		63,888,850	3.71%	60.00%
Caton		890,117		918,895		158,236		-		3,541,045		5,508,293		153,492,746	3.59%	100.00%
Cohocton		726,440		223,211		265,074		-		1,244,815		2,459,540		82,944,051	2.97%	95.00%
Cohocton, Village		226,804		87,170		-		189,951		393,741		897,666		25,896,277	3.47%	95.00%
Corning		1,830,853		1,435,544		372,106		-		7,287,891		10,926,394		315,714,292	3.46%	96.00%
Riverside, Village		235,809		42,850		-		64,229		618,924		961,812		26,924,434	3.57%	96.00%
South Corning, Village		375,685		67,853		-		200,898		986,566		1,631,002		42,895,336	3.80%	96.00%
Dansville		483,715		685,210		74,893		-		1,439,115		2,682,933		81,070,809	3.31%	100.00%
Erwin		2,643,592		2,337,263		1,984,921		-		10,180,227		17,146,003		443,066,772	3.87%	100.00%
Painted Post, Village		693,804		211,508		-		1,282,741		1,827,541		4,015,594		79,217,755	5.07%	100.00%
Fremont		283,832		453,596		53,000		-		879,261		1,669,689		48,944,275	3.41%	100.00%
Greenwood		239,672		358,667		33,931		-		775,773		1,408,043		41,329,552	3.41%	3.35%

COUNTY OF STEUBEN, NY
PROPERTY TAX LEVY-DIRECT AND OVERLAPPING GOVERNMENTS
Based on 2010 Assessment Rolls and 2011 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>
Hartsville		261,625	31,877	-	706,243	1,237,407	38,216,039	3.24%	100.00%
Hornby		712,551	56,154	-	1,939,304	3,336,623	81,358,232	4.10%	100.00%
Hornellsville		1,126,058	239,451	-	2,730,704	4,526,429	145,237,648	3.12%	100.00%
North Hornell, Village		332,366	-	121,623	645,546	1,144,512	37,949,138	3.02%	100.00%
Arkport, Village		280,271	34,036	155,900	621,892	1,131,677	32,001,002	3.54%	100.00%
Almond, Village		4,710	-	6,134	17,549	29,173	789,385	3.70%	100.00%
Howard		743,087	61,680	-	1,336,908	2,821,126	84,844,893	3.33%	54.00%
Jasper		315,642	45,330	-	746,306	1,464,251	54,429,625	2.69%	4.80%
Lindley		442,747	35,600	-	1,757,287	2,804,617	76,347,797	3.67%	3.45%
Prattsburgh		946,538	225,516	-	1,533,763	3,582,691	108,074,633	3.32%	100.00%
Pulteney		1,594,839	416,773	-	2,626,496	5,298,032	267,295,484	1.98%	50.00%
Rathbone		409,113	45,661	-	892,793	1,714,134	46,712,034	3.67%	100.00%
Thurston		391,890	34,500	-	1,286,817	2,252,455	67,578,031	3.33%	4.57%
Troupsburg		550,304	54,594	-	1,010,924	2,000,697	74,745,402	2.68%	51.37%
Tuscarora		535,398	52,312	-	1,195,340	2,132,110	61,131,143	3.49%	4.20%
Urbana		1,367,841	273,005	-	2,350,603	5,231,310	235,872,015	2.22%	100.00%
Hammondsport, Village		406,398	41,408	311,659	431,225	1,272,780	46,402,023	2.74%	100.00%
Wayland		1,044,326	160,240	-	2,104,449	3,757,017	136,974,509	2.74%	100.00%
Wayland, Village		558,645	-	358,453	970,827	2,112,785	63,785,476	3.31%	100.00%
Wayne		1,675,353	204,548	-	2,638,295	5,193,937	280,789,877	1.85%	100.00%
West Union		288,038	50,575	-	618,903	1,249,455	32,887,836	3.80%	64.15%
Wheeler		487,738	80,838	-	846,969	1,859,411	55,689,354	3.34%	100.00%
Woodhull		888,716	117,003	-	1,857,839	3,361,528	101,472,556	3.31%	100.00%
<hr/>									
\$ 39,281,192 \$ 21,218,660 \$ 5,943,724 \$ 14,019,518 \$ 94,708,858 \$ 175,171,952 \$ 5,248,502,647									
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NOTE: School totals do not include library levies.

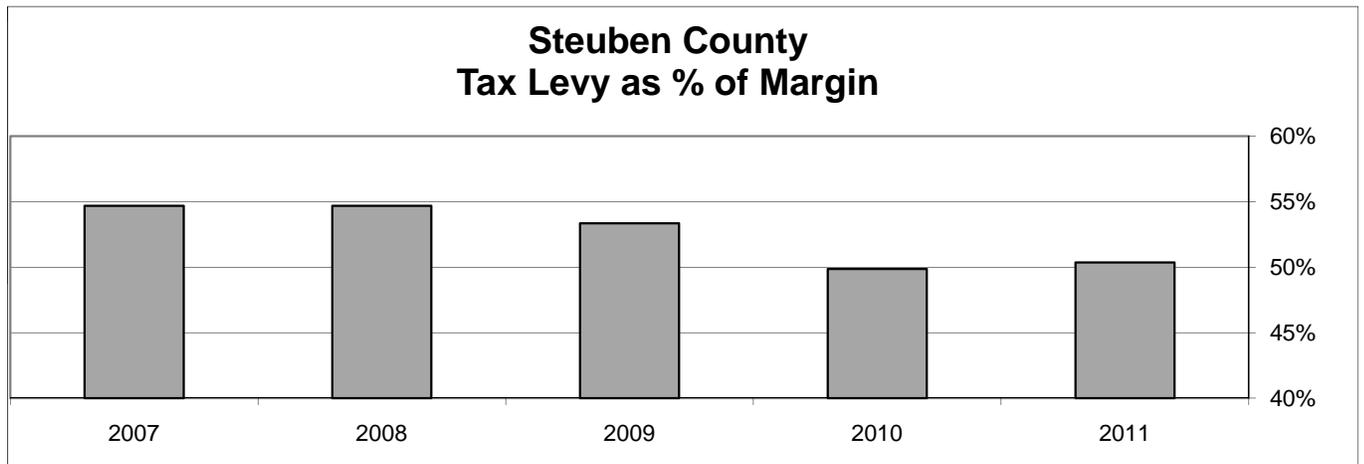
STEBEN COUNTY, NY
County Property Tax Levies by Town

<u>MUNICIPALITY</u>	<u>2010</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>
ADDISON	\$ 297,056	\$ 282,153	\$ 282,541	\$ 247,502	\$ 260,322	\$ 222,546	\$ 160,449	\$ 183,632	\$ 164,395	\$ 156,388
V ADDISON	429,646	408,293	421,579	420,375	360,729	364,927	338,650	301,894	270,387	258,931
AVOCA	658,611	648,892	493,233	459,520	473,186	477,174	432,389	385,562	373,746	353,255
V AVOCA	198,906	198,475	190,479	194,372	181,072	183,942	172,436	153,705	147,885	143,381
BATH	2,204,066	2,146,328	2,077,816	2,063,936	2,138,146	2,173,210	2,030,536	1,860,264	1,375,489	1,298,171
V BATH	1,784,869	1,782,778	1,777,017	1,789,674	1,874,366	1,928,408	1,801,497	1,667,640	1,240,407	1,181,781
V SAVONA	176,283	176,032	176,510	177,366	183,772	188,965	178,031	164,991	126,929	121,142
BRADFORD	237,265	215,033	198,516	188,588	149,313	152,239	149,635	197,004	168,643	159,947
CAMERON	369,821	364,069	349,220	384,482	353,392	376,760	338,986	309,891	230,842	216,867
CAMPBELL	1,208,267	1,166,386	1,156,267	1,158,693	1,183,278	1,155,446	1,091,308	902,730	881,943	799,981
CANISTEO	378,788	364,987	329,498	328,856	316,651	291,982	261,953	399,076	356,033	348,975
V CANISTEO	559,551	550,047	516,252	530,559	521,420	471,372	403,116	394,142	344,741	332,761
CATON	890,117	871,637	734,039	584,633	511,232	483,514	471,248	681,428	578,754	515,952
COHOCTON	726,440	717,406	709,490	655,331	680,095	704,601	577,568	510,507	472,946	458,964
V COHOCTON	226,804	222,364	228,013	215,463	224,306	234,194	192,793	172,972	160,756	155,238
CORNING T.	1,830,853	1,745,288	1,519,753	1,531,306	1,597,277	1,370,458	1,272,391	1,744,506	1,614,903	1,460,204
V RIVERSIDE	235,809	231,799	238,334	224,171	231,543	217,694	198,801	181,922	181,868	153,575
V S CORNING	375,685	359,340	362,950	374,245	389,223	386,948	365,863	323,786	321,707	292,641
CORNING C.	4,691,375	4,672,579	4,395,677	4,378,229	4,517,254	4,554,733	4,281,340	3,852,303	3,682,335	3,501,774
DANSVILLE	483,715	473,149	410,680	405,789	382,762	396,923	368,611	487,895	448,802	427,225
ERWIN	2,643,592	2,549,530	2,404,606	2,318,414	2,278,830	2,347,212	2,362,025	3,126,945	2,832,639	2,529,874
V PAINTED POST	693,804	658,308	664,278	681,212	708,836	739,391	701,880	619,084	623,237	599,476
FREMONT	283,832	261,942	234,258	232,991	220,630	226,722	210,431	290,183	278,240	265,228
GREENWOOD	239,672	218,992	226,077	221,299	235,095	216,983	207,741	296,255	208,683	213,341
HARTSVILLE	261,625	243,976	239,165	240,789	223,935	217,712	192,148	236,358	180,160	171,232
HORNBY	712,551	668,169	718,289	595,867	615,430	629,773	598,484	516,299	412,557	363,901
HORNELLSVILLE	1,126,058	1,115,887	1,049,618	1,067,638	942,752	943,534	897,551	977,557	835,164	783,845
V N HORNELL	332,366	331,886	309,891	308,162	272,876	271,387	247,206	227,479	195,695	184,809
V ARKPORT	280,271	281,309	268,977	271,490	240,100	238,107	216,370	201,569	168,814	159,025
V ALMOND	4,710	4,449	4,047	3,999	3,310	3,372	3,282	4,491	3,884	5,046
HORNELL C.	2,092,171	2,124,179	2,156,227	1,974,738	1,920,482	1,732,338	1,624,846	1,610,176	1,431,714	1,371,220
HOWARD	743,087	708,510	642,471	657,484	664,095	573,224	544,529	518,905	443,910	419,187
JASPER	315,642	307,881	284,599	273,232	277,617	277,873	247,575	359,546	273,692	266,836
LINDLEY	442,747	425,383	390,172	391,954	377,206	363,164	365,870	537,114	439,885	405,293
PRATTSBURGH	946,538	940,412	948,507	875,170	916,589	823,573	759,398	634,115	604,870	563,993
PULTENEY	1,594,839	1,579,822	1,383,738	1,159,160	982,133	997,708	938,727	1,201,975	1,139,281	1,061,936
RATHBONE	409,113	367,372	379,656	332,018	343,944	352,065	329,433	298,962	287,178	234,237
THURSTON	391,890	421,072	304,423	296,258	285,696	286,022	264,415	365,635	278,913	259,081
TROUPSBURG	550,304	531,099	359,014	344,530	326,242	316,486	297,505	406,610	344,821	330,202
TUSCARORA	535,398	531,790	474,080	491,356	470,709	466,832	402,604	385,530	336,448	327,015
URBANA	1,367,841	1,311,957	1,198,906	1,206,259	909,570	917,596	836,823	1,152,102	1,003,781	929,685
V HAMMONDSPORT	406,398	405,931	229,706	245,304	339,351	339,457	297,860	268,108	238,159	219,554
WAYLAND	1,044,326	763,684	555,905	535,751	525,084	559,634	484,713	707,684	596,939	569,356
V WAYLAND	558,645	554,569	565,108	557,200	561,750	586,188	490,676	461,466	395,450	380,558
WAYNE	1,675,353	1,692,728	1,329,881	1,212,305	1,000,535	897,835	801,236	1,049,588	1,006,461	933,928
WEST UNION	288,038	279,764	244,218	243,077	236,460	230,691	209,442	196,412	169,053	164,186
WHEELER	487,738	484,246	492,897	480,879	459,338	449,163	468,576	368,828	309,340	300,027
WOODHULL	888,716	736,738	506,058	486,937	483,181	502,291	448,107	579,146	587,709	546,872
	\$ 39,281,192	\$ 38,098,620	\$ 35,132,636	\$ 34,018,563	\$ 33,351,115	\$ 32,842,369	\$ 30,537,054	\$ 32,473,972	\$ 28,770,188	\$ 26,896,096

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:

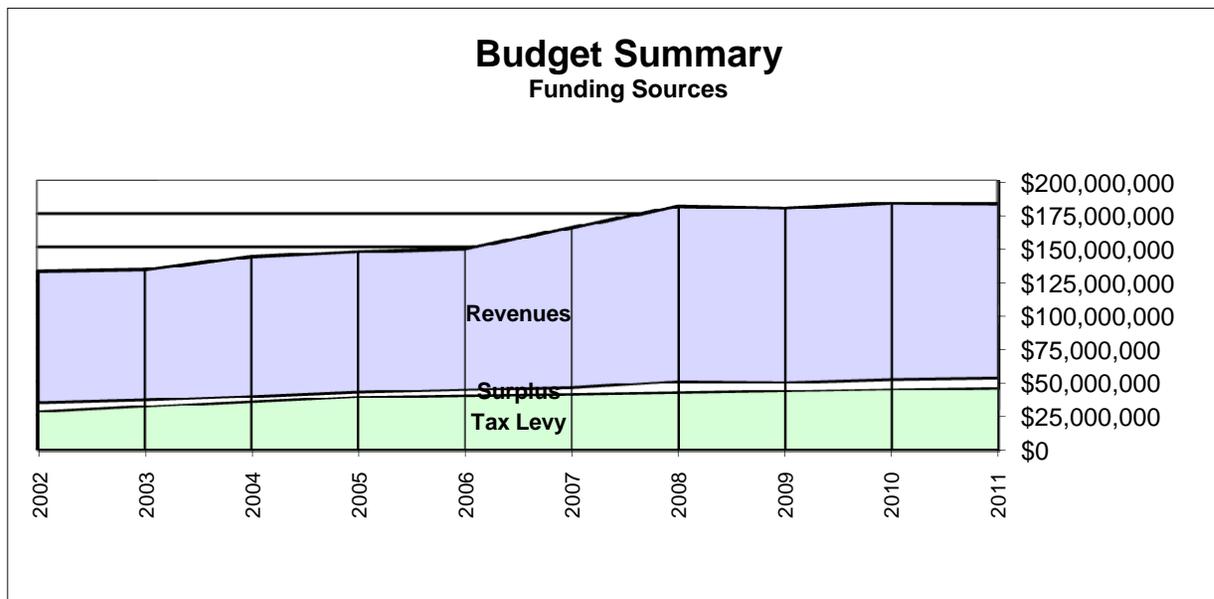
For Roll Completed In:	2011	2010	2009	2008	2007	2006
2010	\$ 5,248,502,647					
2009	4,994,121,286	\$ 4,994,121,286				
2008	4,855,041,902	4,855,041,902	\$ 4,855,041,902			
2007	4,468,608,600	4,468,608,600	4,468,608,608	\$ 4,468,608,608		
2006	4,237,937,384	4,237,937,384	4,237,937,384	4,237,937,384	\$ 4,237,937,384	
2005		3,955,893,111	3,955,893,111	3,955,893,111	3,955,893,111	\$ 3,955,893,111
2004			3,736,813,595	3,736,813,595	3,736,813,595	3,736,813,595
2003				3,606,929,735	3,606,929,735	3,606,929,735
2002					3,607,286,286	3,607,286,286
2001						3,284,323,880
	\$ 23,804,211,819	\$ 22,511,602,283	\$ 21,254,294,600	\$ 20,006,182,433	\$ 19,144,860,111	\$ 18,191,246,607
5 Yr Avg	\$ 4,760,842,364	\$ 4,502,320,457	\$ 4,250,858,920	\$ 4,001,236,487	\$ 3,828,972,022	\$ 3,638,249,321
Tax Limit: 1.5%	\$ 71,412,635	\$ 67,534,807	\$ 63,762,884	\$ 60,018,547	\$ 57,434,580	\$ 54,573,740
Exclusions (Debt)	\$ 3,396,960	\$ 4,477,687	\$ 3,236,244	\$ 2,599,942	\$ 2,599,707	\$ 2,426,052
Tax Levy	\$ 39,362,986	\$ 38,151,108	\$ 37,247,907	\$ 35,417,816	\$ 34,008,190	\$ 33,380,097
Tax Levy Subject to Tax Margin	\$ 35,966,026	\$ 33,673,421	\$ 34,011,663	\$ 32,817,874	\$ 31,408,483	\$ 30,954,045
Tax Levy % of Max	50%	50%	53%	55%	55%	57%



Source: NYS OSC "Tax Limit Summary Worksheet"

STEUBEN COUNTY, NY TEN-YEAR BUDGET SUMMARY

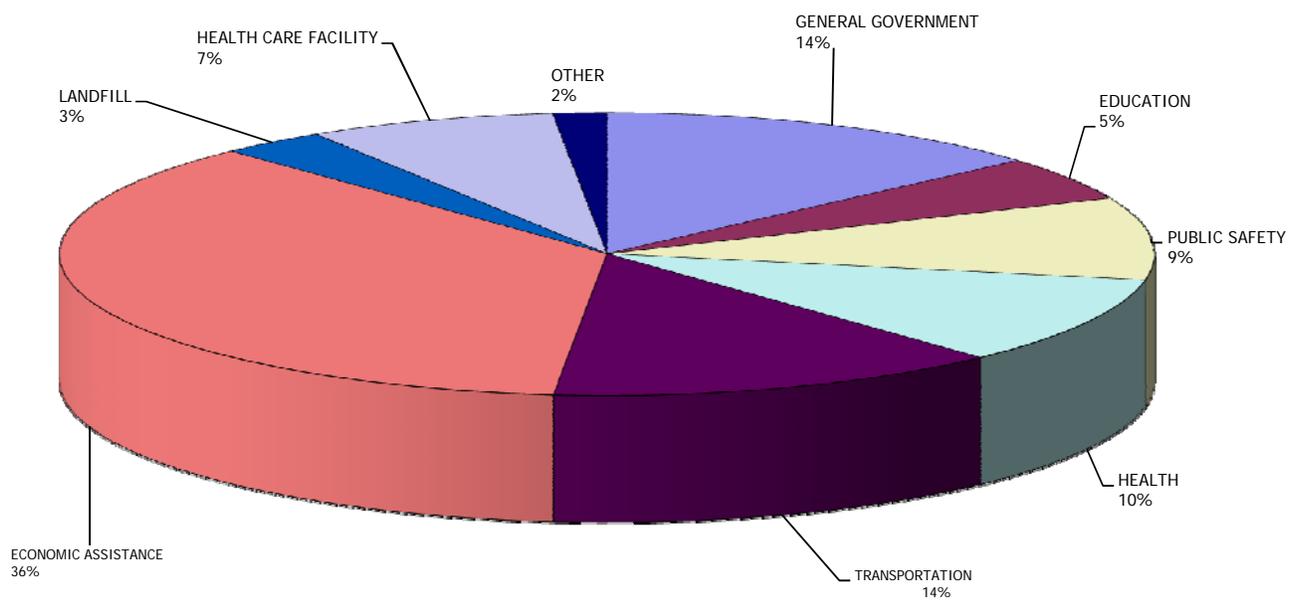
YEAR	BUDGET	%	BUDGET	%	APPROP	%	TOTAL	%	%
	EXPENSES	Increase	REVENUES	Expense	SURPLUS	Expense	TAX LEVY	Expense	Increase
2011	\$182,661,060	-0.32%	\$129,224,565	70.75%	\$7,434,059	4.07%	\$46,002,435	25.18%	2.24%
2010	183,256,342	2.09%	130,881,631	71.42%	7,380,939	4.03%	44,993,772	24.55%	2.73%
2009	179,497,241	-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%



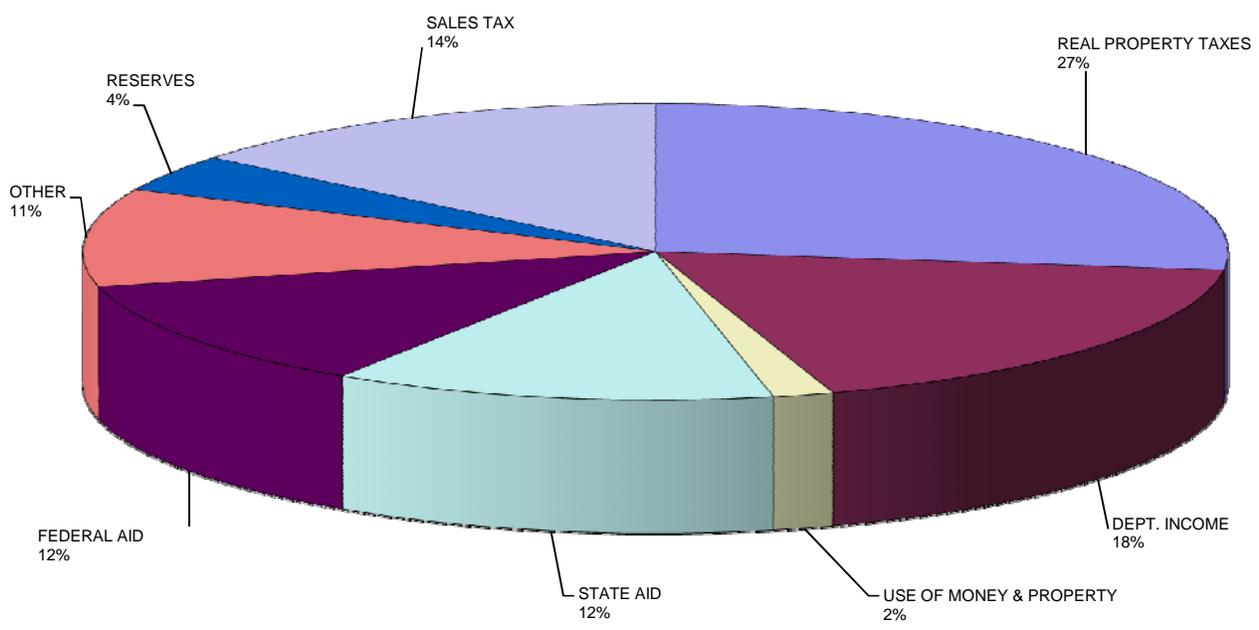
STEUBEN COUNTY

Budget 2011

WHERE THE DOLLARS GO

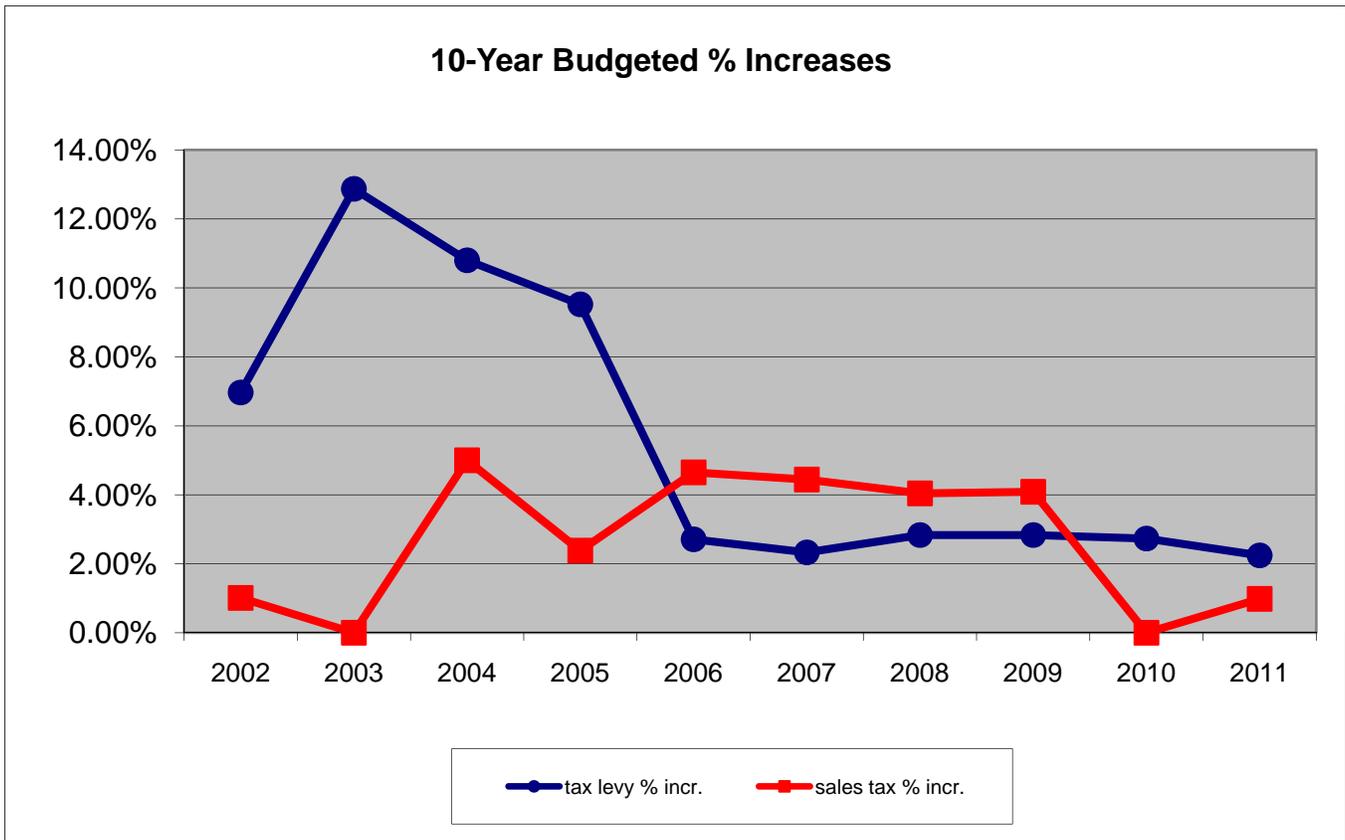


WHERE THE DOLLARS COME FROM



STEUBEN 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>
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%	25,450,000	4.09%	14.18%
2010	183,256,342	2.09%	44,993,772	2.73%	24.55%	25,450,000	0.00%	13.89%
2011	182,661,060	-0.32%	46,002,435	2.24%	25.18%	25,700,000	0.98%	14.07%



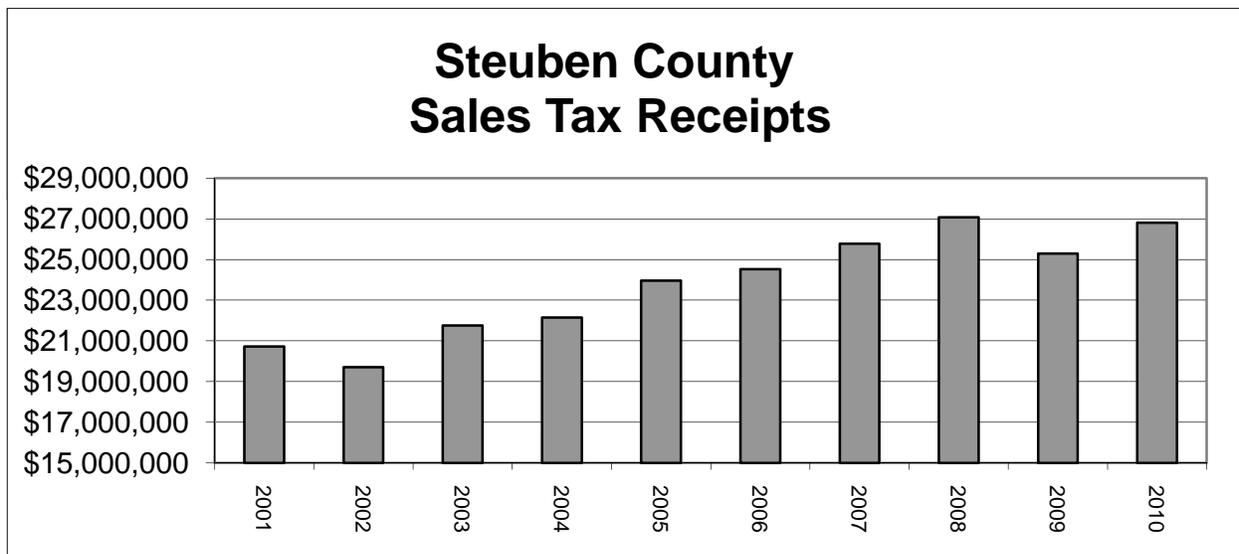
STEUBEN COUNTY, NY
SALES TAX REVENUES AND DISTRIBUTIONS
10-Year Summary by Quarter

Year	County	Corning	Hornell	Add'l 1%	Towns & Villages	Total Municipal	Total Collections
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
2009	6,061,834	612,252	633,567	502,500	2,743,285	4,491,605	10,553,439
	6,169,969	517,832	586,779	502,500	2,930,670	4,537,781	10,707,750
	6,944,058	578,704	607,070	502,500	3,296,712	4,984,987	11,929,044
	<u>6,107,845</u>	<u>554,521</u>	<u>615,247</u>	<u>502,500</u>	<u>2,816,894</u>	<u>4,489,162</u>	<u>10,597,007</u>
	25,283,706	2,263,309	2,442,663	2,010,000	11,787,562	18,503,534	43,787,240
2010	5,636,820	565,035	599,981	542,500	2,580,732	4,288,248	9,925,068
	7,156,609	588,157	601,993	542,500	3,453,103	5,185,753	12,342,362
	7,226,026	629,670	656,359	542,500	3,386,173	5,214,702	12,440,728
	<u>6,787,747</u>	<u>680,077</u>	<u>620,252</u>	<u>542,500</u>	<u>3,116,370</u>	<u>4,959,199</u>	<u>11,746,946</u>
	26,807,203	2,462,939	2,478,585	2,170,000	12,536,379	19,647,902	46,455,105

STEBEN COUNTY, NY
Sales Tax Receipts Summary

Municipalities

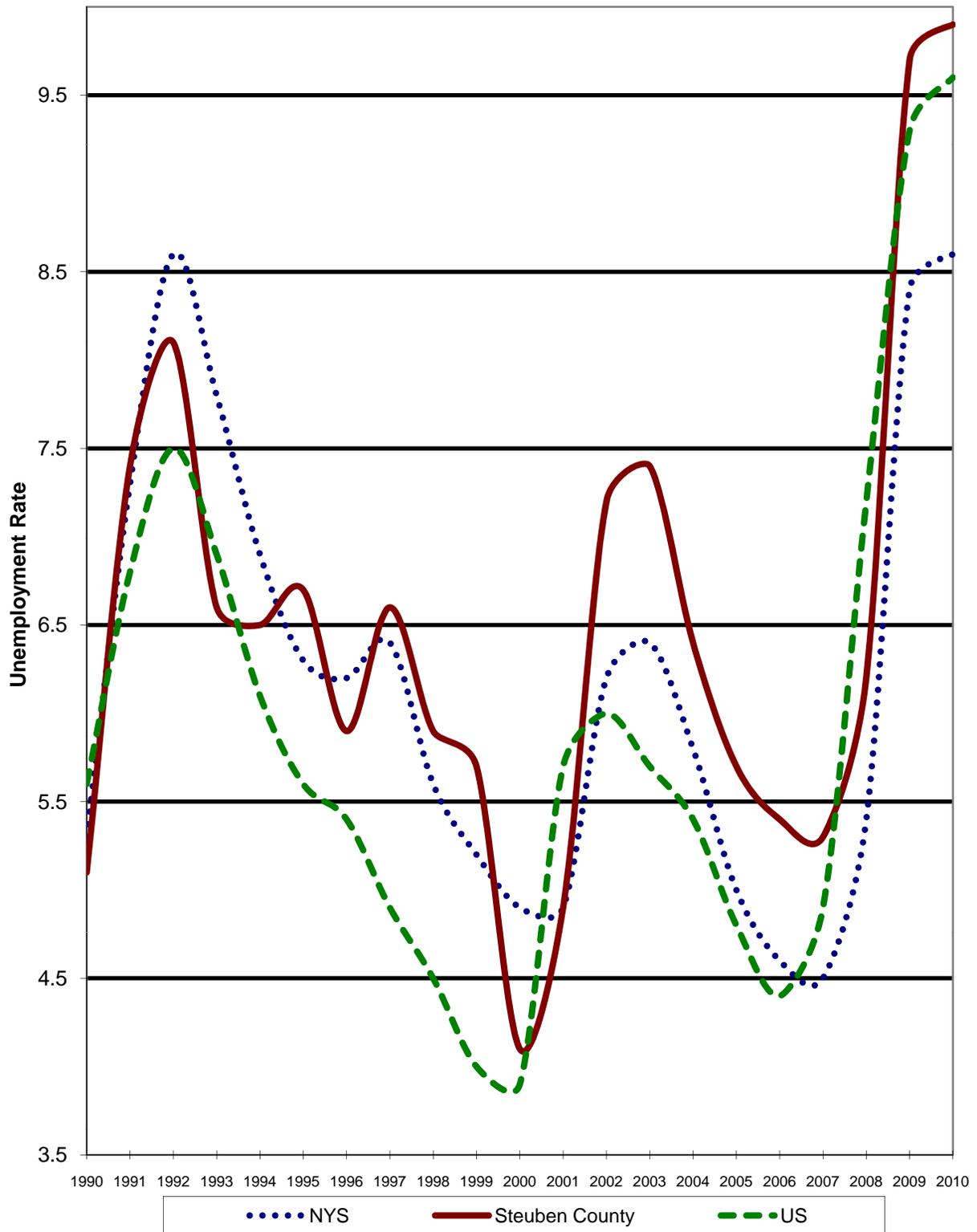
<u>Year</u>	<u>County</u>	<u>Corning</u>	<u>Hornell</u>	<u>Addtl 1%</u>	<u>Towns & Villages</u>	<u>Municipality Total</u>	<u>Grand Total</u>
2000	21,860,102	2,455,956	1,774,571	1,500,000	9,771,050	15,501,577	37,361,680
2001	20,727,651	2,427,523	1,867,757	1,500,000	9,078,104	14,873,385	35,601,036
2002	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
2009	25,283,706	2,263,309	2,442,663	2,010,000	11,787,562	18,503,534	43,787,240
2010	26,807,203	2,462,939	2,478,585	2,170,000	12,536,379	19,647,902	46,455,105



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

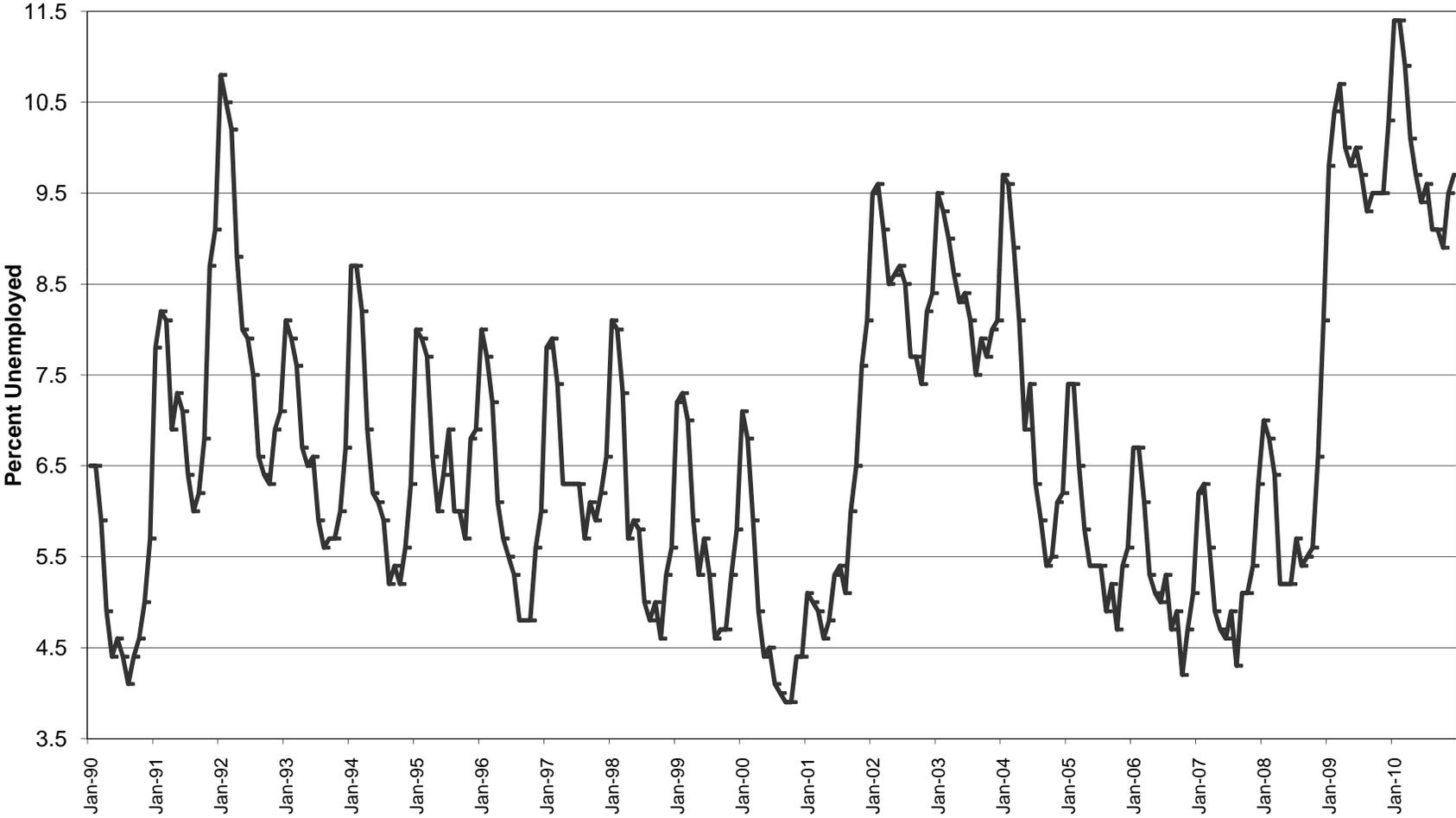
- Steuben County Sales Tax Rate - 8% (4% state and 4% local)
- Distribution of 3% Statutory Rate:
 - 1.5% to County of all sales within the County
 - 1.5% to cities for sales within each city
 - 1.5% to towns and villages for sales outside of the cities
- The 1% additional tax is distributed as follows: \$610,000 to the City of Hornell, \$650,000 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 1990-2010



Steuben County, NY

Unemployment Rate 1990 - 2010



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>
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
2009	8	29	795
2010	8	29	817

Source:

Deposits - FDIC (<http://www2.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>
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
2009	731,833	635,416	1,367,249
2010	445,217	472,870	918,087

HOUSING DATA

Median Value	\$83,100
Median Mortgage	\$1,069
Median Rent	\$592
Housing Units	48,875

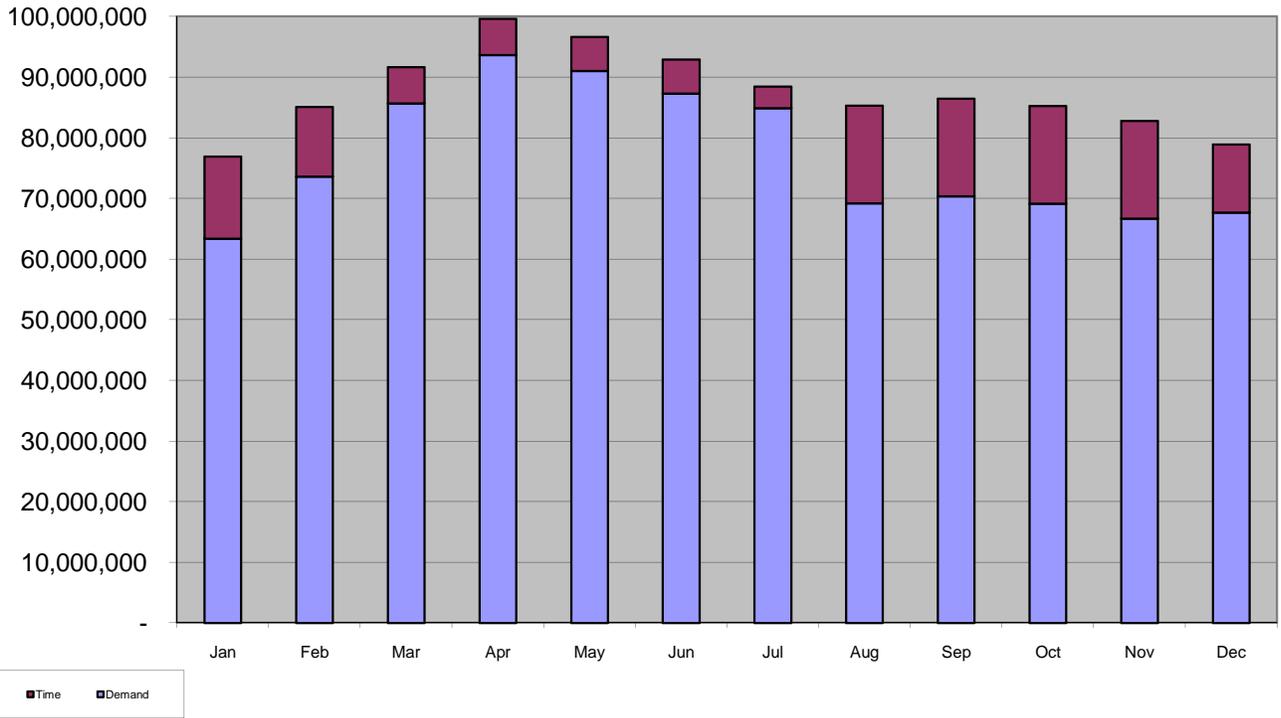
Mortgage Tax distributions present an indication of housing starts and transfers that require a mortgage.

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

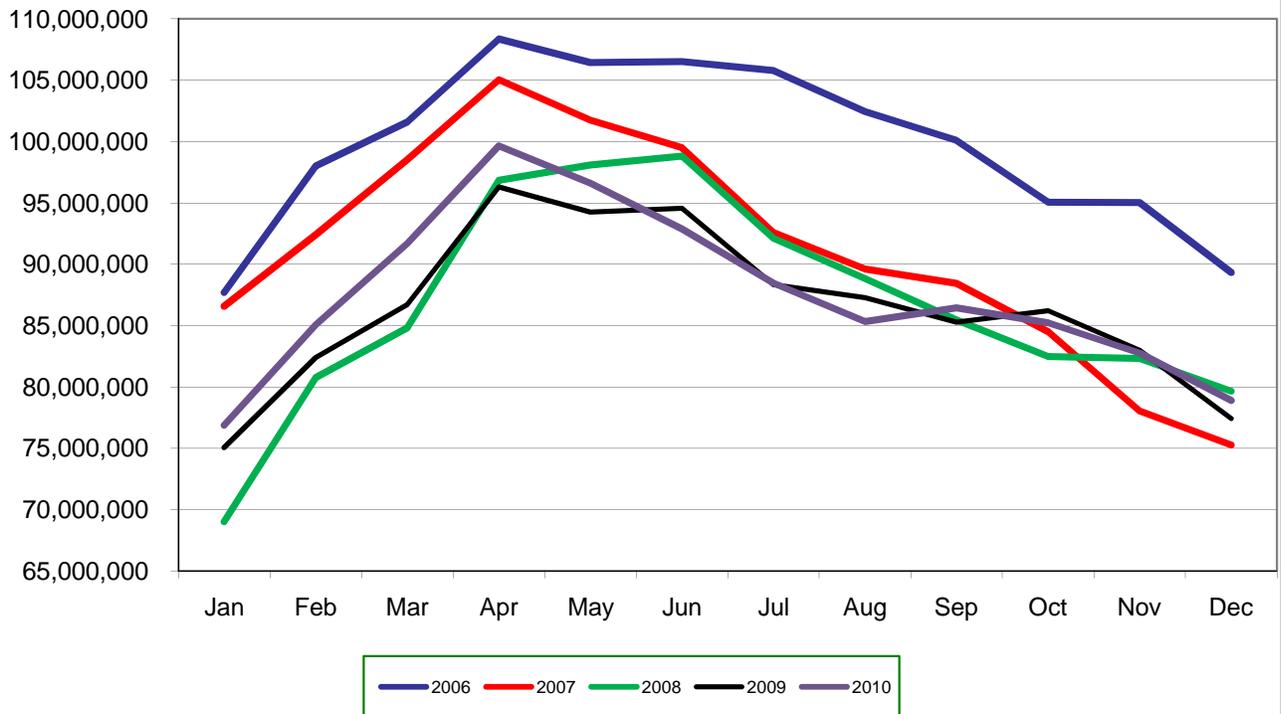
Housing Data Source: STC Economic Profile 2010

Steuben County, New York

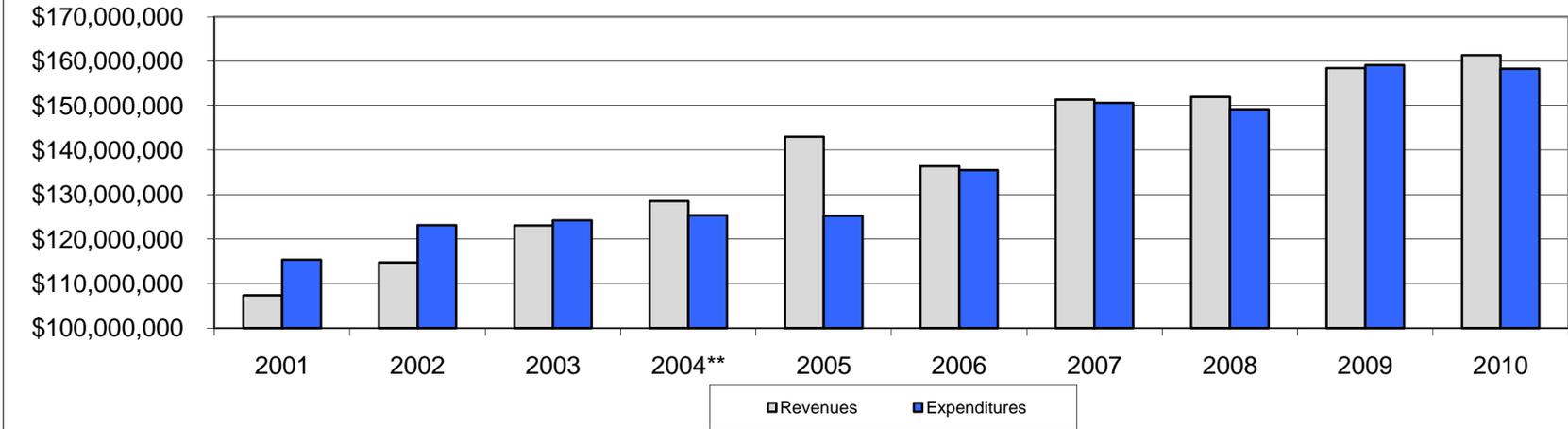
Cash Balances 2010



Cash Balances - 2006-2010



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>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004**</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Government	\$ 10,965,335	\$ 11,362,887	\$ 11,699,333	\$ 11,927,613	\$ 12,504,174	\$ 12,444,667	\$ 20,838,447	\$ 21,938,357	\$ 24,242,295	\$ 24,011,093
Education	5,524,685	5,924,331	6,388,188	6,186,677	6,649,959	6,846,164	8,417,701	8,464,816	9,046,812	9,205,295
Public Safety	8,867,112	12,383,510	10,751,452	10,481,955	12,872,413	20,411,745	18,367,842	15,189,451	15,785,177	16,759,448
Health	12,810,284	14,374,674	14,145,258	14,444,990	14,899,314	15,599,244	16,145,706	16,147,207	16,315,563	16,691,684
Transportation	21,847,170	21,063,656	20,740,508	19,741,717	22,146,497	21,618,093	26,654,327	26,929,823	30,212,942	27,226,664
Economic Asst/Opportunity	51,644,864	54,754,462	58,233,743	60,211,411	54,454,285	56,620,652	57,501,433	55,585,951	58,564,569	59,579,377
Culture and Recreation	700,679	725,160	651,097	666,993	657,665	750,433	794,436	991,133	958,960	901,732
Home & Community	2,995,466	2,519,499	1,593,675	1,685,961	1,042,430	1,107,364	1,070,531	1,300,144	1,272,127	1,592,928
Debt Service	16,189	15,600	15,010	11,631	805	121,855	806,944	2,587,266	2,665,198	2,303,282
Total	\$ 115,371,784	\$ 123,123,779	\$ 124,218,264	\$ 125,358,948	\$ 125,227,542	\$ 135,520,217	\$ 150,597,367	\$ 149,134,148	\$ 159,063,643	\$ 158,271,503

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Real Property Taxes	\$ 22,451,353	\$ 23,242,047	\$ 27,083,894	\$ 30,459,593	\$ 32,493,347	\$ 33,329,207	\$ 33,679,402	\$ 34,873,131	\$ 36,012,330	\$ 37,458,406
Real Property Tax Items	1,815,458	2,369,980	2,621,223	2,638,250	2,645,082	2,833,563	2,891,531	3,043,795	2,951,592	3,684,012
Non-Property Taxes	25,909,851	25,714,738	27,706,734	29,109,876	32,130,414	34,467,302	43,064,534	44,665,840	43,180,243	44,333,844
Departmental Income	10,148,010	12,468,657	12,089,812	14,060,482	16,090,281	15,343,572	15,466,887	16,427,429	14,005,002	16,305,742
Intergovernmental Revenues	1,481,436	1,252,783	1,259,255	1,292,424	1,522,803	1,632,473	1,681,783	2,611,352	2,457,751	2,480,307
Use of Money and Property	3,322,403	2,162,378	1,840,682	1,901,777	2,687,224	4,448,090	4,823,211	4,026,082	2,541,506	2,307,518
Licenses and Permits	9,238	9,844	8,929	1,030	3,222	1,680	962	1,403	1,686	1,477
Fines and Forfeitures	379,008	373,505	417,962	306,341	352,749	416,059	345,247	355,068	378,657	307,111
Sale of Property/Comp Losses	288,011	681,252	318,654	117,121	9,325,690	149,794	154,516	235,430	959,412	185,743
Tobacco Settlement	-	-	-	-	-	-	-	1,668,830	1,840,314	1,531,511
Miscellaneous	5,583,229	4,247,847	2,887,007	2,327,773	1,791,258	704,280	974,325	2,605,433	1,331,269	4,054,550
Interfund Revenues	2,105,419	1,827,633	2,589,667	2,717,257	2,954,237	3,016,298	3,688,224	4,686,248	4,519,440	22,386,592
State Aid	21,283,131	21,607,376	26,525,184	20,374,411	19,518,335	20,461,745	24,410,760	21,332,704	21,966,741	25,443,890
Federal Aid	12,609,796	18,806,014	17,704,691	23,232,093	21,480,908	19,587,862	20,138,754	15,393,753	26,261,332	874,515
Issuance of Long-term Debt	-	-	-	-	517,000	-	-	-	-	-
Total	\$ 107,386,343	\$ 114,764,054	\$ 123,053,694	\$ 128,538,428	\$ 142,995,550	\$ 136,391,925	\$ 151,320,136	\$ 151,926,498	\$ 158,407,275	\$ 161,355,218

*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.