

COUNTY OF SULLIVAN, NEW YORK



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
DECEMBER 31, 2014

COUNTY OF SULLIVAN, NEW YORK

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**STATISTICAL SECTION
(Unaudited)**

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the County's overall financial health.

This section includes the following schedules:

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INTRODUCTORY SECTION

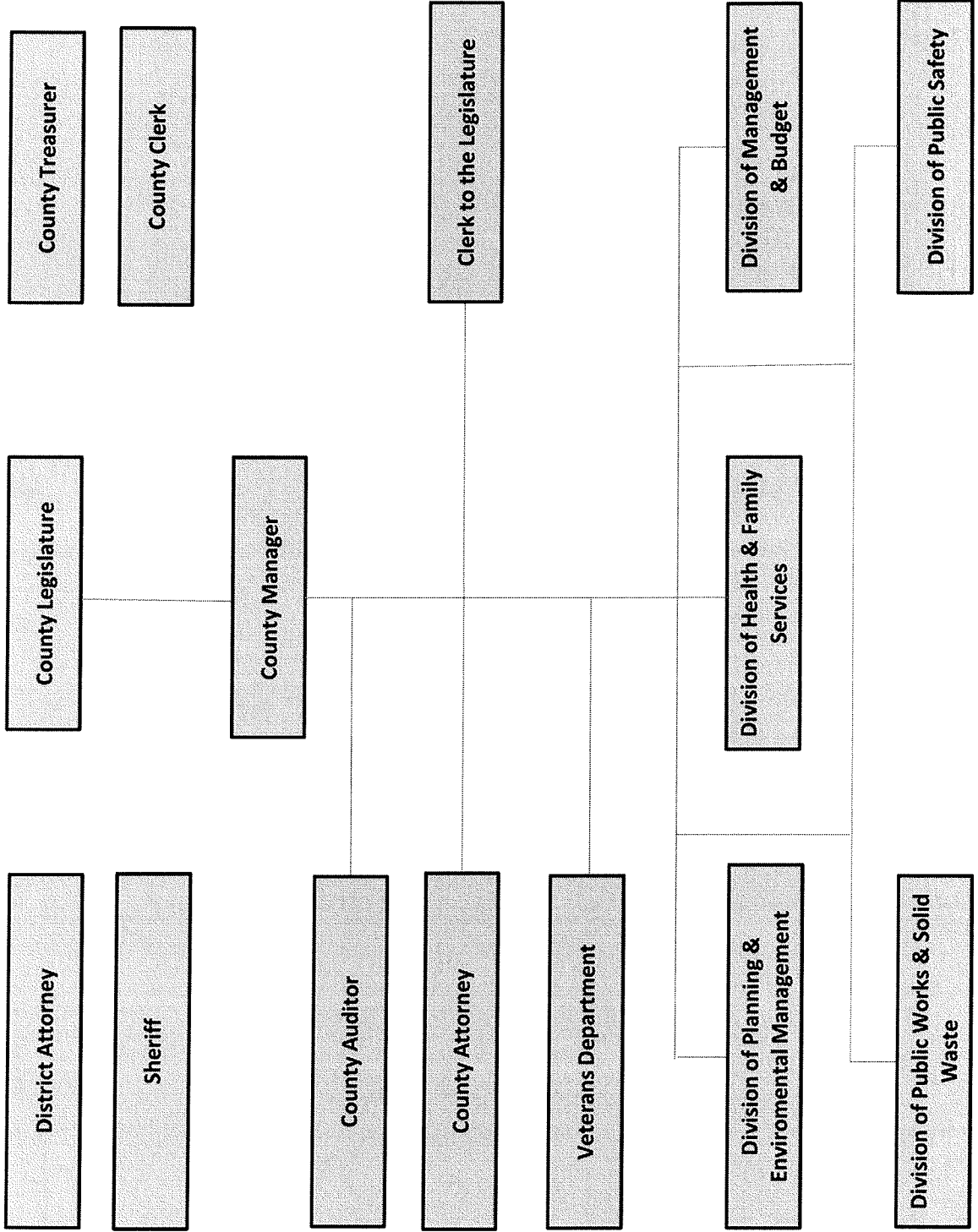
COUNTY OF SULLIVAN, NEW YORK
PRINCIPAL OFFICIALS

As of January 1, 2014

County Legislators

Scott B. Samuelson	District #1, Chairman
Kathleen LaBuda	District #2, Majority Leader
Kathleen M. Vetter	District #3
Jonathan F. Rouis	District #4
Cindy Kurpil Gieger	District #5
Cora Edwards	District #6
Eugene L. Benson	District #7, Vice Chairman
Ira M. Steingart	District #8
Alan J. Sorenson	District #9, Minority Leader
Josh Potosek	County Manager
Daniel L. Briggs	County Clerk
Ira Cohen	County Treasurer
Nancy Buck	County Treasurer (as of November 20, 2014)
James R. Farrell	District Attorney
Michael A. Schiff	Sheriff

Sullivan County Organizational Chart





Sullivan County Treasurer
SULLIVAN COUNTY GOVERNMENT CENTER
100 NORTH STREET
PO BOX 5012
MONTICELLO, NY 12701

To The Legislature of the
County of Sullivan, New York

The Comprehensive Annual Financial Report ("CAFR") for the County of Sullivan, New York for the fiscal year ended December 31, 2014 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

This report consists of management's representations concerning the finances of the County of Sullivan. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed to both protect the County's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's basic financial statements have been audited by Toski & Co., P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County of Sullivan's basic financial statements for

the fiscal year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2014 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

The independent audit of the basic financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the County's separately issued Single Audit Report.

GOVERNMENTAL STRUCTURE

The County operates under a Charter form of government, which allows the local community to have greater control over certain governmental issues. The Charter provides for a County Legislature form of government with nine members. Each Legislator has one vote representing a separate legislative district. Districts were determined by dividing the County on the basis of population. Each Legislator is elected to a four year term. An appointed County Manager is the Chief Executive Officer of the County. The County Treasurer is the Chief Fiscal Officer of the County, and is elected for a four year term.

In accordance with the Laws of the State of New York, the County has formally established budgetary accounting control for its operating funds. Budgetary control is maintained at the department or function level by the encumbrance of estimated purchase amounts before the release of purchase orders to vendors. Purchase orders that result in an overrun of division balances are not released until additional appropriations are made available through transfer from other accounts, either by approval of budget modifications by the County Legislature or by administrative transfer.

The charter mandates a review every 10 years, by a Charter Review Commission appointed to research and assess issues affecting the effectiveness of the County's government. This entity submits recommendations for change to the County Legislature and if the legislature approves the recommendations, it adopts a local law(s) some of which may be subject to a public referendum, presented to the voters to accept or reject proposed changes to the County's form of government.

GENERAL INFORMATION

Sullivan County, formerly a part of Ulster County, was created by a special act of the New York State Legislature in 1809. The County's geographic location and economic history make it very unique in terms of its population trends and economic transition. Located approximately 85 miles northwest of the New York City Metropolitan Area, the County is experiencing steady growth as a result of the out-migration of individuals from the New York Metropolitan Area, Orange and Ulster counties, and an influx of second home owners. Much of this growth is driven by lower median sale prices of homes compared to other neighboring counties in the Hudson-Delaware Region (i.e. Orange, Putnam, Rockland), and the County's desirability as a place to live.

The year-round population of the County has remained relatively stable for the last four years. According to the US Census Bureau, between 2010 and 2014 Sullivan County experienced a 2.1% decrease in population while New York State exhibited a 1.9% growth. Although Sullivan County is fairly large in terms of area, approximately 968 square miles, the average population density is 79 persons per square mile. Indeed this number is higher in the County's larger towns and villages, which has implications for added infrastructure, water quality, and attention to long-term capital planning.

It is important to note that the County's population size is more than just year-round residents: second home owners and seasonal populations have implications for County development as well. The County's Division of Planning and Economic Development released a study of Second Home Owners in 2008 which stated that the County has over 10,000 second home owners spending between two weeks to four months a year here. In addition to homeowners, the County still has several facilities that attract visitors for seasonal, weekly, or daily stays.

In 2013 New York State passed a constitutional amendment to legalize state-regulated gaming. On December 17, 2014, the State Gaming Facility Location Board selected the Montreign Resort Casino in the Town of Thompson in Sullivan County as the Catskills/Hudson Valley region's only casino. With a gaming facility being constructed in the near future, the County's population growth rate over the next ten years could range between a minimum of 12% to a maximum of 28%.

The net effect of this development could yield a total year-round population ranging from 101,767 persons to 129,284 by the year 2020. These unique fluctuations and nuances in population have significant benefits and implications for sales tax revenues. For instance, given these trends, the tourism industry will be able to capture over \$4.5 million in County sales tax and employ more than 4,000 people with an estimated payroll of over \$50 million. While tourism remains an important aspect of the economy of the County, the tourism industry has changed to attract and accommodate the outdoor adventurer. The County has actively pursued a comprehensive strategy to diversify the economic base. In addition, through natural changes in the regional economy, Sullivan County has also experienced a gradual

metamorphosis in its economic base which the County seeks to preserve and build on.

ECONOMIC CONDITION AND OUTLOOK

Historically, the economy of Sullivan County relied heavily on resort hotel based tourism. With the decline in this industry, tourism has reinvented itself in the form of eco-tourism activities, sightseeing, second homes, and arts and cultural industries spearheaded by the opening of the Bethel Woods Performing Arts Center (BPAC) located at the historic site of the 1969 Woodstock Music Festival on Hurd Road in the Town of Bethel. On May 22, 2015, the BPAC commenced its tenth season of concerts kicking off the season with the celebrated Mysteryland Festival which is returned for its second edition at BPAC. Mysteryland's second installment will expand to present an even more immersive festival experience, starting with new and improved campgrounds with increased capacity and camping options, plus more musical programming to offer campground visitors a full three-day festival experience. In addition, performances by Bryan Adams, Kid Rock, Def Leppard, Brad Paisley, Tony Bennett and Lady Gaga, Florida Georgia Line, Zac Brown Band, Chicago, Earth Wind and Fire and Jackson Browne are slated for BPAC's 2015 summer concert season.

The summer of 2015 marks another significant milestone for BPAC in that the organization will feature the eighth year of a 40,000 square foot Museum and Interpretive Center. The facility offers a permanent exhibition depicting the political, social, and cultural transformation of the 1960's that led to the famous 1969 rock festival that took place on that very site, and impacted the world. In its 2008 opening season, thousands of visitors enjoyed the Museum's many attractions and found that more than one visit was necessary in order to fully enjoy the experience. This year the Museum is featuring *Peace, Love, Unity, Respect: The Rise of Electronic Music Culture in America*, which is inspired by the new sounds and crowds Mysteryland has brought to Bethel Woods.

On December 17, 2014, the State Gaming Facility Location Board selected the Montreign Resort Casino in the Town of Thompson in Sullivan County as the Catskills/Hudson Valley region's only casino. The decision means that the developer is now eligible to apply for final approvals by the State Gaming Commission. The \$750 million casino and resort has been rebranded as Adelaar. The proposed casino and resort will sit on 1,700 wooded acres near the location of the old Concord hotel. The proposal includes an 18-story casino, hotel and entertainment complex with 80,000 square feet of gaming space. In addition, plans for the casino and resort include shopping, an 18-hole golf course, spa and indoor water park. When the Casino opens, it is expected to bring 1,000 to 1,500 jobs and attract two million visitors to the Casino each year.

The Town of Thompson Planning Board approved the Developer's plans in January 2014 and additional revisions were approved in June 2014. Site preparation for the casino and resort began in March 2015. Further, the Developer has already started

the process of obtaining site plan approval from the Town of Thompson Planning board for the indoor waterpark.

With the approval of casino gaming, the County, with the assistance of the Partnership for Economic Development in Sullivan County, Inc., is investing in our residents and preparing for an influx of new opportunities by forming the Catskill Hospitality Workforce Alliance, where they will provide training and certification for these specialized jobs such as cashiers, dealers and security.

It is anticipated that the expected revenue from this project would certainly translate to better overall fiscal conditions, cash flow, debt reduction, and an improved bond rating from rating agencies. These monies would most likely be used for economic and community development, infrastructure improvements, jail and landfill construction as well as monies for school districts and other local governments.

The Monticello Motor Club is now enjoying its eighth successful season featuring fast, expensive sports cars and a state of the art 4.1 mile race track. The Karting Track opened at the start of the 2014 season giving families an alternative to racing cars. Future plans include developing an additional 400 acres, off road courses, a winter driving series, year-round trails, on-site overnight accommodations and private residences. Recent approvals and construction of housing opportunities will increase the use and foster further development of this County asset. In addition, adjacent to the Monticello Motor Club is Serenity Gardens, a residential gated community of 34 homes and a 17,000 square foot club house which is presently under construction.

Thanks to a USDA Rural Business Opportunity Grant the County is in the process of finalizing a Comprehensive Economic Development Strategy. This Plan will outline priorities for the various economic development agencies and community partners operating in the County to create economic opportunity.

The draft plan notes three main areas of economic activity in the County - agriculture, tourism and healthcare. Within this last category, the Center for Discovery and Catskill Regional Medical Center (CRMC) have been two of the County's larger employers. The Center for Discovery is a world-class facility and practice focused on the delivery of educational and support services for developmentally disabled adults and children. The Center for Discovery received \$2.5 million through the 2012 round of the Mid-Hudson Regional Council CFA funding, in order to expand its capabilities through the creation of an assessment center and integrated specialty hospital for children with autism, severe developmental disabilities, and medical complexities in Harris, Sullivan County. The project is on schedule, construction is slated to begin in 2015. CRMC is a regional hospital and medical facility emphasizing a Planetree model of patient care. In July 2014, CRMC's laboratories in Harris and Callicoon, NY were awarded national accreditation by the College of American Pathologists. In addition, in September 2014, the New York State Department of Health specified CRMC's Harris Campus as a designated Stroke Center. The Grover Hermann Division of CRMC in

Callicoon was recently awarded a three year accreditation in mammography services by the American College of Radiology.

The Sullivan County Industrial Development Agency (IDA) started an initiative to fund a Food Hub within the County. In October 2014, the IDA and Ginsberg's Foods announced plans to lease a 13,500-square foot warehouse at the Bridgeville Office Centre, located just east of Monticello and the site plan for the same is presently being reviewed by the Town of Thompson Planning Board. This project will improve the efficiency of the regional food distribution network and increase the value of local food transactions by taking advantage of opportunities to sell locally grown food to downstate customers. This network is expected to meet the need for less-than-trailer-load freight service and facilitate transactions between farmers and wholesalers locally while also giving farmers access to the larger New York City market. Funds from the USDA Rural Business Enterprise Grant program, the Rural Business Opportunity Grant program and the Consolidated Funding program were obtained in 2014. A second food hub project has been proposed for the western end of Sullivan County. Led by The Solution Project, this project is centered on the former Narrowsburg School and is a project in the early stages of planning.

In June 2004, Crystal Run Health Care, a major medical service facility focusing on quality primary care, arrived at the Emerald Corporate Center. The Emerald Corporate Center is one of several shovel-ready parks within the County in various stages of development. The Airport Industrial Park, Glen Wild Industrial Park, Liberty Business Park and the Sullivan County Community College Start Up New York have been designed to accommodate differing business needs.

Although agriculture comprises less than 2% of the County's employment, this sector yields a significant economic impact in cash receipts. This impact is a major multiplier in supporting equipment sales and services, as well as professional services in the County that include veterinary clinics.

The County is now playing a pro-active role in promoting new agricultural ventures and retention of farmland. The County recently prepared a Farmland Protection Plan which is essentially a road map for agricultural development within the County over the next ten years. An Agricultural Task Force will be instituted to implement the plan.

The County, in collaboration with the Sullivan County Industrial Development Agency, is in the process of developing a dairy processing facility that utilizing local dairy to offer value-added opportunities for our struggling dairy farmers. The red meat processing facility planned in Liberty has recently moved ahead with the site clearing and an architectural firm was hired to design the facility. Five grants have been approved for the financing of the proposed facility, these funds coming from the US Department of Agriculture, the New York State Empire State Development Corporation, and the US Department of Commerce through the Economic Development Assistance Program. Site plan approval for the project was received from the Village of Liberty Planning Board and excavating work started on the facility site in 2014.

The County remains in the New York State Empire Zone program to assist with the development of retail businesses and shovel-ready sites for business attraction. The Sullivan County Partnership for Economic Development has intensified its business relocation and outreach efforts, and the incentives of the Empire Zone have been an important tool to attract new companies to Sullivan County.

MAJOR INITIATIVES AND THE FUTURE

The prediction for the County's future is steady, planned growth. Through the establishment of a County-wide strategic plan, known as Sullivan 2020, there exists solid support for a diversified economic base that fits the County's location within the Hudson-Delaware Region. The economic diversification promotes business clusters that include healthcare, food processing and agricultural technology, building trade and green technology, ecotourism, arts and culture, light assembly and light manufacturing.

- SUNY Sullivan is also seeking eligible START-UP NY businesses to transition their 18 acre SUNY Sullivan Commerce Park. Space will be provided for food and beverage manufacturers to pilot products and to develop new technologies that build capacity, knowledge sharing and innovation. Technology transfer will provide a focus on how to bring new products to NYC, the region, and the world marketplace.
- The Sullivan County Adult Care Center (ACC) was awarded the HEAL Grant in late 2012. Renovations on the facility began in early 2014 creating a secure Alzheimer unit and a new short term rehabilitation unit. The upgrades to the ACC will increase the overall occupancy and give residence of the County an alternative to out of town rehabilitation. In May of 2014, the ACC held a ribbon-cutting ceremony opening the newly renovated areas of the center.
- NY-Sun, a \$1 billion initiative of Governor Cuomo to advance the scale-up of solar and move the State closer to having a sustainable, self-sufficient solar industry, gives awards for large solar electric projects that will increase the solar capacity in New York State. The Sullivan County Adult Care Center was chosen as one of the sites and through a partnership with SolarCity Corporation the County will develop a 2,405.40 kW solar electric system capable of meeting 100% of the electrical needs of the facility. There will be no upfront expenses to the County for this project.
- The County of Sullivan, in conjunction with the Office of Sustainability Energy (OSE), have been working to support local farmers and have moved to adopt a plan for addressing climate change in a practical and holistic fashion. The strategies reflect a deep understanding of the interconnected issues of climate change, energy efficiency, renewable energy, agriculture, public health, economic development and environmental stewardship. In 2014, Sullivan County has moved to adopt the SC Climate Action Plan, with greenhouse gas reduction goals and other specific measures in the areas of

energy, transportation, waste management, recycling, green purchasing and operations, land and water use, public health, and emergency management. The County has further implemented critically needed infrastructure upgrades at key County facilities through funding strategies that ensure significant energy savings.

- The Center for Discovery has recently introduced a new 'game changing' autism assessment clinic. The \$20 million clinic is projected to bring 200 new jobs to the area. The clinic will include 32 short-term beds and be able to treat 200 children.
- Several town planning boards have numerous proposed projects actively being reviewed. Many of the small hamlets in the County are thriving with new businesses, eateries and lodging facilities.
- The Sullivan County Division of Planning, along with the Partnership for Economic Development and the IDA continue to administer several revolving loan funds to help new and expanding businesses throughout the County.
- Early in 2014, Monticello, NY was named the "Bagel Capital" by resolution of the State Assembly and Senate. The village is home to Louis Wichinsky, the inventor of the first patented bagel making machine. The annual "Bagel Festival" is set for August 16, 2015 and crowds are expected to be near 15,000.
- The County is seeing an increase in Main Street revitalization and high-end projects for dining and entertainment. Most recently opening in the hamlet of Rock Hill is Brew, a unique establishment offering a variety of locally roasted, small batch coffee and a range of local and national craft beers.
- Sullivan County has become a destination for fine dining with restaurants such as Girard's and The Heron in Narrowsburg, Café Divine, Matthews on Main and Ba & Me in Callicoon, The Arnold House and Brandenburg Pastry Bakery in Livingston Manor, Prohibition Distillery and Roscoe Beer Co. in Roscoe and Crust, Bernie's Holiday Restaurant and Brew in Rock Hill.
- When completed, the 2000 acre Lost Lake Resort in the Town of Forestburgh, New York is anticipated to bring almost 2,700 new homes and millions in tax revenue to the Town of Forestburgh and the County. The first phase includes 400 housing units, many of which have already been sold to people seeking vacation homes. The golf course, clubhouse, restaurant, fitness center, spa and more homes will be built later. It is estimated that the County, Town and School District will receive get an additional combined \$35 million a year in tax revenue when the Resort is completely built.
- Construction has commenced for Golden Ridge Apartments on Route 42 in the Town of Thompson which will feature 104 units of workforce housing and 200 units of housing for senior citizens.

- The former Apollo Plaza was recently sold by the County and developers are anticipating a grocery store and other “big box” type shopping attractions.
- In addition to being Sullivan County’s first commercial winery, Bashakill Vineyard has received approval to construct a farm brewery and serve New York State craft beers.
- Bethel Creamery is working with Catskill Mountain Dairies and Cornell Cooperative to construct a yogurt processing facility, adding value to an already existing and valuable company in our County. To date, they have received \$300,000 in grants to assist with the expansion.
- The Upper Delaware Corridor Plan has been instituted to provide access projects to the Delaware River. It is an important site for fishermen, fishing guides, river outfitters, boaters, and other river users. The Plan has already prepared six schematic designs along the River for parking, access and picnicking areas. Work is currently being performed on the Long Eddy access site with the Delaware Highland Conservancy and the NYS DEC to obtain additional lands. The Sullivan County Division of Planning has identified the need to improve this access as part of their Local Waterfront Revitalization Program. It is an important site for fishermen, fishing guides, river outfitters, boaters, and other river users. Purchasing and improving this parcel would give residents and visitors to our region much-needed improved access and easier parking, and would bring positive economic benefits to Long Eddy, the Town of Fremont, and the whole river corridor. Open Space Institute is helping with a zero interest loan for a portion of the purchase

In summary Sullivan County remains well prepared for population growth, both anticipated and actual, together with proactive steps to diversify the County’s economic base.

FINANCIAL POLICIES

Over the last few years the County has implemented or modified several policies, including Capital Planning, Strategic Planning, Performance Budgeting, the Delinquent Tax Installment Program, a Debt Management Plan, and a Fund Balance Policy.

The Capital Planning Program requires the preparation of a plan listing proposed capital projects to be undertaken during the succeeding six-year period. The plan includes a description of the project, total cost, method of financing, along with other pertinent information.

The Strategic Plan is similar to Capital Planning in that it outlines, in order of priority, the programs and fiscal priorities set by and for each department for the succeeding two years. In both programs, the Legislature has the authority to adopt and amend

the plans as needed. These plans provide information necessary to prioritize departmental goals and prepare the County budget.

The County continues to offer an installment payment option to delinquent taxpayers. The program allows all property owners to enter into agreements which, after an initial down payment, converts the delinquent tax balance into 24 equal monthly payments and stays tax foreclosure proceedings. During the contract term, the property owner is required to pay any subsequent taxes when due in addition to the installment payments. Failure to do so results in a default of the agreement, forfeiture of payments made and eventual tax foreclosure.

The County also adopted a Debt Management Policy in 2013 in an effort to standardize and support the issuance and management of debt. This policy will help to establish conditions for the use of debt and create procedures and policies that minimize debt service and issuance costs, maintain the highest practical credit rating, and provide full and complete financial disclosure and reporting.

A Fund Balance Policy was created to establish clear policies and procedures for developing, appropriating, and managing the County's operating budget and capital program. This includes a policy for establishing year-end fund balances that meet specific targets for ensuring accounting and fiscal stability.

AWARDS

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013.

In order to award a Certificate of Excellence, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

CONCLUSION

The County, in anticipation of future expenses, has a designated fund balance for landfill construction/closure cost, building construction/repairs and infrastructure. The total is in excess of \$14 million. The undesignated, unreserved and unappropriated fund balance for 2015 is \$7.8 million.

In the County's 2015 budget, we have continued to project our revenues at reasonable levels. The County's financial outlook continues to be optimistic, however, in the present economy we are carefully monitoring expenses and capital commitments in light of revenues that are holding their own. We will continue to monitor as well as cut expenditures in the future as necessary, pending an upswing in the economy locally, statewide and nationally.

ACKNOWLEDGMENTS

Preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Treasurer's Office to whom I would like to express my deep felt appreciation. My thanks are directed as well to our independent auditors, Toski & Co., P.C. who assisted and contributed to its preparation. I would also like to thank the County Legislature and the Commissioner of Management and Budget for their interest and support in the financial operations of the County.

Respectfully submitted,

Nancy Buck
Sullivan County Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Sullivan
New York**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO



The Government Finance Officers Association
of the United States and Canada

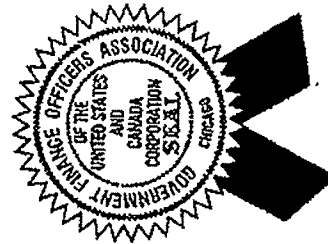
presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Ira J. Cohen
County Treasurer
County of Sullivan, New York

The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.



Executive Director

Date November 19, 2014

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Members of the Sullivan County Legislature
County of Sullivan, New York:

Report on the Financial Statements

We have audited the accompanying financial statements 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 of Sullivan, New York (the County) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Sullivan County Community College, Sullivan County Industrial Development Agency, Emerald Corporate Center Economic Development Corporation, and Sullivan County Funding Corporation which collectively represent 98.5 percent, 98.9 percent, and 96.1 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. We also did not audit the financial statements of Sullivan County Tobacco Asset Securitization Corporation which represent 29.1 percent, 51.4 percent, and 6.9 percent, respectively, of the assets, net position, and revenue of the Proprietary Funds. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Sullivan County Community College, Sullivan County Industrial Development Agency, Emerald Corporate Center Economic Development Corporation, Sullivan County Funding Corporation and Sullivan County Tobacco Asset Securitization Corporation is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the

County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Sullivan, New York, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, County Road, and Refuse and Garbage Funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other postemployment benefits - schedule of funding progress on pages 4 to 16 and 71, respectively 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 other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Sullivan, New York's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the combining and individual fund financial statements and schedules and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2015, on our consideration of the County of Sullivan'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 in considering the County's internal control over financial reporting and compliance.

Williamsville, New York
June 30, 2015

Toski & Co., CPAs, P.C.

**County of Sullivan, New York
Management's Discussion and Analysis
December 31, 2014**

Introduction

As management of the County of Sullivan, New York, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Before getting into this discussion, it is important to note that these financial statements reflect all issued Governmental Accounting Standards Board ("GASB") Statements for which implementation was required through December 31, 2014. No new accounting pronouncements were adopted for the year ended December 31, 2014.

Financial Highlights for Fiscal Year 2014

Key financial highlights for fiscal year 2014 are as follows:

- The net position (assets minus liabilities) of the primary government for fiscal year 2014 was \$28,588,426. Of this amount, \$47,522,712 represents governmental net position and (\$18,934,286) is business-type deficit position.
- The General Fund reported an ending fund balance of \$24,188,143, which represents a decrease of \$3,320,962 from fiscal year 2013. The unassigned fund balance was \$7,389,166, which represents an increase of \$371,806 from fiscal year 2013. County Road and Road Machinery Funds assigned fund balances decreased by \$276,715 and \$363,983, respectively. The Capital Projects Fund reported an ending fund balance of \$2,629,795 which represents an increase of \$6,888,442 from fiscal year 2013. The Adult Care Center, an enterprise fund, experienced an increase in the fund balance in excess of \$4.2 million due to an increase in IGT monies received from New York State.
- The primary government's total outstanding bonds payable for December 31, 2014 were \$66,070,000, inclusive of \$12,390,000 of tobacco asset securitization bonds.

COUNTY OF SULLIVAN, NEW YORK

Management's Discussion and Analysis, Continued

Overview of the Financial Statements

The County's financial statements are comprised of the Management's Discussion and Analysis ("MD&A") and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the County's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains combining and individual fund financial statements and schedules, in addition to the basic financial statements, along with statistical tables.

Government-Wide Financial Statements

The government-wide financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: a Statement of Net Position and a Statement of Activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing the change in the County's net position during the current fiscal year. All revenue and expenses are reported in this statement, regardless of the timing of cash flows. The focus of this statement is on the net cost of providing various activities to the citizens of the County.

Both of the above statements have separate sections for the two different types of activities. These two types of activities are:

Governmental Activities - The activities reflected in this section are general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are mostly supported by taxes, charges for services, and operating grants and contributions.

COUNTY OF SULLIVAN, NEW YORK Management's Discussion and Analysis, Continued

Business-type Activities - These activities consist of the Adult Care Center, a skilled nursing facility and the Sullivan Tobacco Asset Securitization Corporation. These activities are intended to recover their costs of operation, including depreciation, primarily through user charges and/or tobacco settlement revenue from participating manufacturers of cigarettes.

Component Units - The government-wide financial statements include not only the County itself (the *primary government*), but also the Sullivan County Community College, the Sullivan County Industrial Development Agency, the Sullivan County Soil and Water Conservation District, Sullivan County Funding Corporation and the Emerald Corporate Center Economic Development Corporation, for which the County is financially accountable. Financial information for these *component units* are reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is an entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - Most of the basic services provided by the County are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the County's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Since the focus of governmental funds is for the current period, it is useful to compare this information to the data presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's current financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

COUNTY OF SULLIVAN, NEW YORK Management's Discussion and Analysis, Continued

The County has seven individual governmental funds: General, Refuse & Garbage, County Road, Road Machinery, Community Development, Debt Service and Capital Projects funds. Of these, the General, Refuse & Garbage, County Road and Capital Projects funds are reported as major funds, and are presented in separate columns on the balance sheet and statement of revenue, expenditures, and changes in fund balance. Data for the other three governmental funds is combined into a single, aggregated column on these statements. Individual fund data for these non-major funds can be found on the combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund, all Special Revenue Funds (except the Community Development Fund) and the Debt Service Fund. A budgetary comparison statement has been provided for the General and County Road funds (major funds) to demonstrate compliance with the budgets.

The governmental fund financial statements can be found in the basic financial statements section of this report.

Proprietary Funds - These funds are used to show activities that operate similar to private business enterprises. Since these funds charge fees for services provided, they are known as proprietary funds. Proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting, like the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Adult Care Center and the Sullivan Tobacco Asset Securitization Corporation (enterprise funds). In addition, the internal service fund (for workers' compensation benefits) is presented in the proprietary fund financial statements.

The proprietary fund financial statements can be found in the basic financial statement section of this report.

Fiduciary funds - These funds are used to account for resources held for the benefit of parties outside of the County. Fiduciary funds are not reflected in the government-wide financial statements, because the assets of these funds are not available to support the activities of the County.

The financial statements for the fiduciary funds can be found in the basic financial statement section of this report.

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis, Continued

Component Units - As discussed above, component units are legally separate entities for which the County is financially accountable. The component units addressed above are reported in the aggregate in the government-wide financial statements. The combining statements can be found in the basic financial statements section of this report.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements are located following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to financial statements. These include the combining statements for the nonmajor governmental funds, schedules of budget to actual comparisons, and the statistical tables.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$28,588,426 for fiscal year 2014.

The following table reflects the condensed Statement of Net Position:

	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 127,229,804	\$ 124,104,888	\$ 6,598,973	\$ 6,031,008	\$ 133,828,777	\$ 130,135,896
Capital Assets	150,489,470	145,756,741	2,413,422	2,495,679	152,902,892	148,252,420
Total Assets	\$ 277,719,274	\$ 269,861,629	\$ 9,012,395	\$ 8,526,687	\$ 286,731,669	\$ 278,388,316
Deferred Outflows	1,223,811	1,386,986	26,936	39,368	1,250,747	1,426,354
Current Liabilities	\$ 66,713,575	\$ 69,802,088	\$ 4,838,622	\$ 9,086,579	\$ 71,552,197	\$ 78,888,667
Long-term Liabilities	163,424,419	151,144,011	23,134,995	23,215,529	186,559,414	174,359,540
Total Liabilities	\$ 230,137,994	\$ 220,946,099	\$ 27,973,617	\$ 32,302,108	\$ 258,111,611	\$ 253,248,207
Deferred Inflows	1,282,379	1,213,340	-	-	1,282,379	1,213,340
Net Assets:						
Invested in capital assets, net of related debt	\$ 88,651,807	\$ 85,562,582	\$ 1,613,933	\$ 1,298,706	\$ 90,265,740	\$ 86,861,288
Restricted	4,887,153	1,758,414	715,891	850,579	5,603,044	2,608,993
Unrestricted	(46,016,248)	(38,231,820)	(21,264,110)	(25,885,338)	(67,280,358)	(64,117,158)
Total Net Assets	\$ 47,522,712	\$ 49,089,176	\$ (18,934,286)	\$ (23,736,053)	\$ 28,588,426	\$ 25,353,123

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis, Continued

The largest component of the County's net position is Net Investment in Capital Assets (e.g., land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress), which reflects its investment in capital assets, less any related debt used to acquire those assets that are still outstanding. The County uses these assets to provide services to its citizens and 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.

The next largest component of the County's net position is restricted net position of \$5,603,044. This represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 2,665,891
Law Enforcement	258,973
Stop DWI Program	454,807
Community Development	948,979
Debt Service	1,274,394

The remaining portion of net position, unrestricted net position, is a negative \$67,280,358, with a deficit of \$46,016,248 reported in governmental activities and a deficit \$21,264,110 reported in business-type activities. This deficit does not mean that the County does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including retirement incentives, claims payable, compensated absences, and landfill closure costs that are greater than currently available resources. Additionally, beginning in 2007, the County adopted Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* ("OPEB"). This statement requires municipalities to begin recognizing an actuarial determined liability for benefits provided to retirees. The liability will be amortized into the County's entity-wide operations over a period of 30 years. The liability reflected in 2014 for the primary government was \$76,319,457. Additional information on all of these long-term liabilities can be found in Note 3(j).

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis, Continued

The following table reflects the Statement of Activities:

	2014	2013	2014	2013	2014	2013
Program Revenues:						
Charges for Services	\$ 32,085,781	\$ 33,641,072	\$ 9,856,047	\$ 9,241,119	\$ 41,941,828	\$ 42,882,191
Operating Grants and Contributions	38,906,382	37,409,612	11,349,003	3,631,094	50,255,385	41,040,706
Capital Grants and Contributions	1,807,953	2,210,020	-	-	1,807,953	2,210,020
General Revenues:						
Real Property Taxes	54,940,465	53,982,110	-	-	54,940,465	53,982,110
Other Tax Items	7,522,050	9,313,959	-	-	7,522,050	9,313,959
Non-Property Taxes	38,064,659	36,206,602	-	-	38,064,659	36,206,602
Other	468,539	712,055	88,679	1,156,702	557,218	1,868,757
Total Revenues	<u>173,795,829</u>	<u>173,475,430</u>	<u>21,293,729</u>	<u>14,028,915</u>	<u>195,089,558</u>	<u>187,504,345</u>
Program Expenses:						
General Government Support	22,867,189	22,299,150	-	-	22,867,189	22,299,150
Education	6,272,866	6,499,480	-	-	6,272,866	6,499,480
Public Safety	26,718,049	26,924,495	-	-	26,718,049	26,924,495
Health	23,145,341	24,293,812	-	-	23,145,341	24,293,812
Transportation	22,164,720	20,593,635	-	-	22,164,720	20,593,635
Economic Opportunity and Development	60,484,322	56,813,202	-	-	60,484,322	56,813,202
Culture and Recreation	3,355,192	3,463,248	-	-	3,355,192	3,463,248
Home and Community Services	7,309,555	13,221,737	-	-	7,309,555	13,221,737
Interest	1,895,292	2,096,007	-	-	1,895,292	2,096,007
Adult Care Center	-	-	16,886,860	16,165,086	16,886,860	16,165,086
Sullivan County Tobacco Asset Securitization Corporation	-	-	754,869	782,343	754,869	782,343
Total Expenses	<u>174,212,526</u>	<u>176,204,766</u>	<u>17,641,729</u>	<u>16,947,429</u>	<u>191,854,255</u>	<u>193,152,195</u>
Excess (deficiency) in net position before transfers	(416,697)	(2,729,336)	3,652,000	(2,918,514)	3,235,303	(5,647,850)
Transfers	(1,149,767)	(553,762)	1,149,767	553,762	-	-
Change in Net Position	<u>(1,566,464)</u>	<u>(3,283,098)</u>	<u>4,801,767</u>	<u>(2,364,752)</u>	<u>3,235,303</u>	<u>(5,647,850)</u>
Net assets - beginning of year, as reported	<u>49,089,176</u>	<u>52,372,274</u>	<u>(23,736,053)</u>	<u>(21,130,237)</u>	<u>25,353,123</u>	<u>31,242,037</u>
Prior Period Adjustments	-	-	-	(241,064)	-	(241,064)
Net assets - beginning of year, as restated	<u>49,089,176</u>	<u>52,372,274</u>	<u>(23,736,053)</u>	<u>(21,371,301)</u>	<u>25,353,123</u>	<u>31,000,973</u>
Net assets - end of year	<u>\$ 47,522,712</u>	<u>\$ 49,089,176</u>	<u>\$ (18,934,286)</u>	<u>\$ (23,736,053)</u>	<u>\$ 28,588,426</u>	<u>\$ 25,353,123</u>

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis, Continued

Governmental activities - Governmental activities decreased the County's net position by \$1,566,464. The total County governmental activities revenue was \$173,795,829 for the year ended December 31, 2014, an increase of \$320,399 over the prior year. Real property taxes comprised 31.61% while non-property taxes (i.e. sales taxes) comprised 21.90% and operating grants and contributions (primarily state and federal aid) provided an additional 22.39% of the overall revenue stream. Governmental activities expenses of the County for the year ended December 31, 2014 totaled \$174,212,526, a decrease of \$1,992,240 from the prior year. Economic opportunity and development expenses (for social services type programs) accounted for the largest portion (\$60,484,322 or 34.72%), followed by public safety (\$26,718,049 or 15.34%) and health spending (\$23,145,341 or 13.29%).

The major changes are as follows:

Revenues:

- Non - Property taxes increased by \$1,858,057 due to an increase in County Sales Tax.
- Operating Grants & Contributions increased by \$1,496,770 due to an increase in state aid and grants.

Expenses:

- Economic Opportunity and Development expenses increased by \$3,671,120 due to an increase in payments made for IGT/Medicaid Upper Payment Limit monies received by the Adult Care Center.
- Home & Culture decreased by \$5,912,182 due to a decrease in the estimate for Landfill closure & post-closure costs.

Business-type activities Business-type activities net position increased by \$4,801,767 reducing its deficit position to \$18,934,286. The majority of the change can be attributed to the increase in IGT/Medicaid Upper Payment Limit monies from New York State paid to the Adult Care Center. In 2014 the Adult Care Center received \$10,064,732, up from \$2,555,973 in 2013. The Sullivan Tobacco Asset Securitization Corporation's net position increased in 2014 by \$614,169.

COUNTY OF SULLIVAN, NEW YORK

Management's Discussion and Analysis, Continued

Financial Analysis of the Government's Funds

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

Governmental funds The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned 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, the County's governmental funds reported combined fund balances of \$32,088,402, an increase of \$4,418,362 in comparison with the prior year. Of the total combined fund balance, \$7,389,166 constitutes unassigned fund balance, \$5,321,132 is assigned fund balance, \$14,250,044 is committed fund balance, \$4,730,196 is restricted, and \$397,864 is nonspendable.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$7,389,166, representing 30.55% of the total General Fund balance of \$24,188,143. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures, and total fund balance to total expenditures. At the end of the current fiscal year, the General Fund showed a 5.28% unassigned fund balance to total expenditures, while total fund balance represents 17.28% of that same amount.

Revenue was \$154,941,940, which was \$5,900,361 less than the original budget and \$5,232,127 less than the final budget. Expenditures were \$139,995,662, which was \$3,054,481 less than the original budget and \$2,721,968 less than the final budget. Major changes in specific revenue and expenditures in comparison to the prior year were as follows:

- Non-Property tax revenue increased from \$36,206,602 to \$38,064,659 (\$1,858,057), mostly reflecting the increase in County Sales tax revenue.

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund total fund balance at year end was \$2,629,795. This is an increase of \$6,888,442 and is partially attributable to the issuance of a serial bond in the amount of \$11.315 million. This serial bond was for emergency radio communications upgrades, road & bridge reconstruction, government facilities improvements, and equipment purchases.

COUNTY OF SULLIVAN, NEW YORK Management's Discussion and Analysis, Continued

The County Road and Refuse and Garbage funds are Special Revenue that qualify as Major Governmental Funds. For the fiscal year ending December 31, 2014, their fund balances were \$3,437,266 and \$754,523, respectively. This represents an increase in the County Road fund of \$1,673,285 and a decrease of \$529,211 in the Refuse and Garbage fund for the fiscal year 2014.

Non-major Governmental Funds consist of the Special Revenue Funds and the Debt Service Fund. The Special Revenue Funds are made up of the following individual funds: County Road, Road Machinery, Community Development, and Refuse and Garbage funds. For the fiscal year ending December 31, 2014, the combined fund balances of these Special Revenue funds totaled \$1,078,675, which represents a decrease of \$293,192 for the fiscal year 2014.

The Debt Service Fund is maintained with no fund balance. Interest earned on bonded indebtedness is transferred out of the Debt Service Fund to one of the other operating funds as revenue to offset debt service expenditures.

Proprietary funds The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Factors concerning the finances of the Enterprise Fund have already been addressed in the discussion of the County's business-type activities above.

During 2014, the unrestricted net position of the Internal Service Fund increased by \$388,056. This resulted in a deficit in net position of (\$144,253) at December 31, 2014.

General Fund Budgetary Highlights

During the year adjustments to both revenue and expense budgets were less than \$400,000 in the aggregate.

Overall, actual General Fund expenditures, exclusive of transfers, were \$140 million, which was \$2.7 million less than the final budget. The major areas where spending was less than budgeted were general government support (\$2.1 million) and health (\$1.4 million).

Actual General Fund revenue, exclusive of transfers, were \$155 million, which was \$5.2 million less than the final budget. The major areas where revenue was less than budgeted were State Aid (\$4.4 million) and Federal Aid (\$1.5 million).

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis, Continued

Capital Asset and Debt Administration

Capital Assets The County's investment in capital assets for its governmental and business-type activities as of December 31, 2014 amounts to \$152,902,892 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction-in-progress.

**Sullivan County Capital Assets
(Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 8,659,087	\$ 8,659,087	\$ -	\$ -	\$ 8,659,087	\$ 8,659,087
Buildings and improvements	31,658,617	32,563,731	2,284,244	1,294,495	33,942,861	33,858,226
Machinery and equipment	6,919,304	7,471,727	103,769	97,028	7,023,073	7,568,755
Infrastructure	98,300,654	93,815,883	-	-	98,300,654	93,815,883
Construction-in-progress	4,951,808	3,246,313	25,409	1,104,156	4,977,217	4,350,469
Total (Net of Depreciation)	<u>\$ 150,489,470</u>	<u>\$ 145,756,741</u>	<u>\$ 2,413,422</u>	<u>\$ 2,495,679</u>	<u>\$ 152,902,892</u>	<u>\$ 148,252,420</u>

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Airport Construction \$640,000
- DPW/Transportation Equipment \$560,000
- Road/Bridge Construction \$10,000,000
- Radio Communications \$1,946,000

Additional information on the County's capital assets can be found in Note 3(d) in the notes to financial statements.

Long-term Debt At the end of the current fiscal year, the County had total debt outstanding of \$66,070,000. The change in the County's total debt was increased by \$3,725,000 due to increased borrowing for long-term projects. All of this debt is backed by the full faith and credit of the County, exclusive of the Tobacco Asset bonds.

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis, Continued

Sullivan County Outstanding Bonds

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
General Obligation Bonds	\$ 53,630,510	\$ 49,333,027	\$ 49,490	\$ 66,973	\$ 53,680,000	\$ 49,400,000
Tobacco Asset Bonds-	-	-	\$ 12,390,000	\$ 12,945,000	\$ 12,390,000	\$ 12,945,000
Total	<u>\$ 53,630,510</u>	<u>\$ 49,333,027</u>	<u>\$ 12,439,490</u>	<u>\$ 13,011,973</u>	<u>\$ 66,070,000</u>	<u>\$ 62,345,000</u>

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. The County has enjoyed a very favorable Moody's Investors Service bond rating of AA3 since 2001 with our most current rating in April 2014. In 2013, S&P upgraded the County's bond rating AA, a rate we have maintained in 2014.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years. Certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt," may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit. At December 31, 2014, the County of Sullivan had used \$60,127,269 or 10.15% of the constitutional debt limit leaving \$592,419,257 remaining to be used.

Additional information on the County's long-term debt can be found in Note 3(j) in the notes to financial statements.

Economic Factors and Next Year's Budget

According to the New York State Department of Labor, the unemployment rate for Sullivan County was 6.4% in March 2015, down from 7.9% in March 2014. The County's March 2014 unemployment rate exceeded the State-wide rate of 5.8%.

Labor Department data also indicates that the number of people employed in the County increased by 0.10%, from 29,500 to 29,800 between March 2014 and March 2015.

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis, Continued

The County's 2014 per capita personal income of \$41,197 is 74.6% of the State's \$55,246. The taxable assessed value of real property in the County decreased from \$5,435,953,231 in 2013 to \$5,427,480,379 in 2014, with the median sales price of residential properties declining from \$106,500 in 2013 to \$119,780 in 2014.

Increased salary and wage costs, along with rising employee and retiree health care costs, will continue to have a profound effect on the County's future budgets.

All of these factors were taken into consideration in developing the fiscal 2015 budget.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Nancy Buck, County Treasurer, Sullivan County Government Center, P.O. Box 5012, 100 North Street, Monticello, New York, 12701, telephone (845) 807-0210, or visit the County's web site at www.co.Sullivan.ny.us.

BASIC FINANCIAL STATEMENTS

COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position
December 31, 2014

<u>Assets</u>	<u>Primary Government</u>			<u>Component units</u>
	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total</u>	
Cash and equivalents	\$ 39,921,906	1,890,919	41,812,825	3,504,359
Restricted cash and investments	-	1,958,547	1,958,547	-
Patent funds held in trust	-	97,163	97,163	-
Investments	-	-	-	1,077,609
Receivables:				
Taxes, net	36,270,541	-	36,270,541	-
Accounts, net	20,946,418	2,557,371	23,503,789	1,175,518
Loans and notes, net	123,470	-	123,470	1,128,735
State and Federal	18,790,987	-	18,790,987	1,057,147
Due from other governments	121,887	-	121,887	513,177
Due from other funds	11,054,595	-	11,054,595	-
Prepaid expenses	-	94,973	94,973	113,980
Other	-	-	-	1,432,294
Capital assets:				
Not being depreciated	13,610,895	25,409	13,636,304	3,258,742
Being depreciated, net	<u>136,878,575</u>	<u>2,388,013</u>	<u>139,266,588</u>	<u>20,656,010</u>
Total assets	<u>277,719,274</u>	<u>9,012,395</u>	<u>286,731,669</u>	<u>33,917,571</u>
<u>Deferred outflows of resources</u>	<u>1,223,811</u>	<u>26,936</u>	<u>1,250,747</u>	<u>502,544</u>
<u>Liabilities</u>				
Accounts payable	9,604,033	305,124	9,909,157	692,438
Accrued liabilities	4,134,533	3,228,479	7,363,012	1,981,979
Accrued interest payable	795,728	59,992	855,720	-
Due to other governments	474,796	-	474,796	1,110,307
Due to school districts	19,169,614	-	19,169,614	-
Due to other funds	6,923,328	397,864	7,321,192	-
Due to New York State retirement system	5,687,880	-	5,687,880	-
Tax anticipation notes payable	9,000,000	-	9,000,000	-
Bond anticipation notes payable	5,700,000	750,000	6,450,000	-
Deposits and escrow	5,116,508	97,163	5,213,671	887,936
Unearned revenue	107,155	-	107,155	367,994
Non-current liabilities:				
Due within one year	10,561,028	618,511	11,179,539	737,324
Due in more than one year:	<u>152,863,391</u>	<u>22,516,484</u>	<u>175,379,875</u>	<u>22,562,158</u>
Total liabilities	<u>230,137,994</u>	<u>27,973,617</u>	<u>258,111,611</u>	<u>28,340,136</u>
<u>Deferred inflows of resources</u>	<u>1,282,379</u>	<u>-</u>	<u>1,282,379</u>	<u>670,028</u>
<u>Net position</u>				
Net investment in capital assets	88,651,807	1,613,933	90,265,740	13,196,001
Restricted for:				
Capital projects	1,950,000	715,891	2,665,891	-
Community development	948,979	-	948,979	-
Law enforcement	258,973	-	258,973	-
Stop DWI program	454,807	-	454,807	-
Debt service	1,274,394	-	1,274,394	-
Component units	-	-	-	1,480,055
Unrestricted	<u>(46,016,248)</u>	<u>(21,264,110)</u>	<u>(67,280,358)</u>	<u>(9,266,105)</u>
Total net position	<u>\$ 47,522,712</u>	<u>(18,934,286)</u>	<u>28,588,426</u>	<u>5,409,951</u>

See accompanying notes to financial statements

COUNTY OF SULLIVAN, NEW YORK
Statement of Activities
Year ended December 31, 2014

Functions/Programs	Program Revenues					Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	
Primary Government:						
Governmental activities:						
General government support	\$ 22,867,189	8,538,626	977,022	-	(13,351,541)	-
Education	6,272,866	-	-	488,887	(5,783,979)	-
Public safety	26,718,049	1,399,463	803,349	411,570	(24,103,667)	-
Health	23,145,341	6,572,292	8,832,514	-	(7,740,535)	-
Transportation	22,164,720	1,242,440	6,864,357	907,496	(13,150,427)	-
Economic opportunity and development	60,484,522	2,963,563	18,464,315	-	(39,056,444)	-
Culture and recreation	3,355,192	189,508	1,226,045	-	(1,939,639)	-
Home and community services	7,309,555	11,179,889	1,585,685	-	5,456,019	-
Interest	1,895,292	-	153,095	-	(1,742,197)	-
Total governmental activities	174,212,526	32,085,781	38,906,382	1,807,953	(101,412,410)	-
Business-type activities:						
Adult Care Center	16,886,860	9,856,047	10,064,732	-	3,033,919	-
Sullivan County Tobacco Asset Securitization Corporation	754,869	-	1,284,271	-	529,402	-
Total business-type activities	17,641,729	9,856,047	11,349,003	-	3,563,321	-
Total primary government	\$ 191,854,255	41,941,828	50,255,385	1,807,953	(97,849,089)	-
Component Units:						
Sullivan County Community College	25,562,852	3,773,156	13,368,429	909,891	-	(7,511,376)
Sullivan County Soil and Water Conservation District	1,109,189	14,631	650,578	-	-	(443,980)
Sullivan County Industrial Development Agency	606,416	468,134	1,000	871,706	-	734,424
Emerald Corporate Center Economic Development Corporation	46,024	65,489	-	-	-	19,465
Sullivan County Funding Corporation	73,486	181,750	-	-	-	108,264
Total component units	\$ 27,397,967	4,503,160	14,020,007	1,781,597	-	(7,093,203)
General revenues:						
Real property taxes						
Other tax items:						
Gain on sale of tax acquired property		54,940,465	-	-	54,940,465	-
Interest and penalties on real property taxes		2,048,461	-	-	2,048,461	-
Payments in lieu of taxes		4,667,850	-	-	4,667,850	-
Non-property taxes		805,739	-	-	805,739	-
Sale of property and compensation of loss		38,064,659	-	-	38,064,659	-
Unrestricted use of money and property		293,579	-	-	293,579	-
Miscellaneous local sources		69,755	-	-	69,755	-
Grants and contributions not restricted to specific programs		105,205	-	-	105,205	-
Miscellaneous income		-	-	-	-	-
Transfers		(1,149,767)	1,149,767	-	1,252	2,173,437
Total general revenue and transfers		99,845,946	1,238,446	-	101,084,392	6,603,558
Change in net position		(1,566,464)	4,801,767	-	3,235,303	(489,645)
Net position at beginning of year, as reported		49,089,176	(23,736,053)	-	25,353,123	6,070,370
Prior period adjustment (note 2(f))		-	-	-	-	(170,774)
Net position at beginning of year, as restated		49,089,176	(23,736,053)	-	25,353,123	5,899,596
Net position at end of year		\$ 47,522,712	(18,934,286)	-	28,588,426	5,409,951

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Balance Sheet - Governmental Funds
December 31, 2014

	General	County Road	Refuse and Garbage	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
<u>Assets</u>						
Cash and equivalents	\$ 25,764,535	4,616,296	676,780	7,422,464	1,052,341	39,532,416
Taxes receivable, net of allowance for uncollectible amounts	36,270,541	-	-	-	-	36,270,541
Other receivables:						
Accounts, net	11,135,855	51,032	1,170,239	740,607	2,246	13,099,979
Loans, net	-	-	-	-	123,470	123,470
State and Federal aid	16,249,126	1,425,933	5,357	1,090,122	20,449	18,790,987
Due from other governments	121,887	-	-	-	-	121,887
Due from other funds	3,530,382	-	-	-	433,451	3,963,833
Total other receivables	31,037,250	1,476,965	1,175,596	1,830,729	579,616	36,100,156
Total assets	\$ 93,072,326	6,093,261	1,852,376	9,253,193	1,631,957	111,903,113
<u>Liabilities, deferred inflows of resources and fund balances</u>						
<u>Liabilities:</u>						
Accounts payable	6,709,870	1,211,500	639,004	848,282	193,748	9,602,404
Accrued liabilities	3,423,949	458,793	112,536	-	139,255	4,134,533
Due to other governments	474,796	-	-	-	-	474,796
Due to school districts	19,169,614	-	-	-	-	19,169,614
Due to other funds	6,848,192	985,702	346,313	75,116	96,809	8,352,132
Due to New York State retirement system	5,687,880	-	-	-	-	5,687,880
Deposits	5,116,508	-	-	-	-	5,116,508
Tax anticipation notes payable	9,000,000	-	-	-	-	9,000,000
Bond anticipation notes payable	-	-	-	5,700,000	-	5,700,000
Total liabilities	56,430,809	2,655,995	1,097,853	6,623,398	429,812	67,237,867
Deferred inflows of resources	12,453,374	-	-	-	123,470	12,576,844
Fund balances:						
Nonspendable	397,864	-	-	-	-	397,864
Restricted	1,914,665	1,950,000	304	-	865,227	4,730,196
Committed	14,250,044	-	-	-	-	14,250,044
Assigned	236,404	1,487,266	754,219	2,629,795	213,448	5,321,132
Unassigned	7,389,166	-	-	-	-	7,389,166
Total fund balances	24,188,143	3,437,266	754,523	2,629,795	1,078,675	32,088,402
Total liabilities, deferred inflows of resources and fund balances	\$ 93,072,326	6,093,261	1,852,376	9,253,193	1,631,957	111,903,113

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
 Reconciliation of Governmental Funds Balance Sheet to the
 Government-Wide Statement of Net Position - Governmental Activities
 December 31, 2014

Fund balances - total governmental funds	\$ 32,088,402
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	150,489,470
Internal service funds are used by management to charge insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	(144,253)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Real property taxes	11,170,995
Departmental income	123,470
Bond refunding	<u>1,223,811</u>
	<u>12,518,276</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(795,728)
Bonds payable plus unamortized premium	(56,137,663)
Claims payable	(425,174)
Retirement incentives and other pension obligations	(7,964,047)
Compensated absences	(3,361,423)
Other post employment benefit obligations payable	(66,609,098)
Landfill closure costs	<u>(12,136,050)</u>
	<u>(147,429,183)</u>
Net position of governmental activities	\$ <u>47,522,712</u>

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenue, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended December 31, 2014

	General	County Road	Refuse and Garbage	Capital Projects	Non-major Governmental Funds	Total Governmental Funds
Revenue:						
Real property taxes	\$ 55,763,769	-	-	-	-	55,763,769
Other tax items	7,522,050	-	-	-	-	7,522,050
Non-property taxes	38,064,659	-	-	-	-	38,064,659
Departmental income	18,874,213	-	11,013,152	-	64,487	29,951,852
Intergovernmental charges	682,268	542,499	-	-	942,753	2,167,520
Use of money and property	151,976	521	535	109	3,531	156,672
Licenses and permits	58,400	4,500	-	-	-	62,900
Fines and forfeitures	283,928	-	-	-	-	283,928
Sale of property and compensation for loss	39,953	2,804	272,953	-	-	315,710
Miscellaneous local sources	3,464,731	19,009	-	156,165	1,513	3,641,418
State aid	13,514,877	5,659,549	5,357	2,255,685	20,449	21,455,917
Federal aid	16,521,116	698,668	-	790,889	274,111	18,284,784
Total revenue	<u>154,941,940</u>	<u>6,927,550</u>	<u>11,291,997</u>	<u>3,202,848</u>	<u>1,306,844</u>	<u>177,671,179</u>
Expenditures:						
General government support	23,375,800	-	-	-	22,207	23,398,007
Education	5,457,556	-	-	-	-	5,457,556
Public safety	24,058,483	726,758	-	-	-	24,785,241
Health	21,926,234	-	-	-	-	21,926,234
Transportation	1,362,008	13,031,112	-	-	3,895,025	18,288,145
Economic opportunity and development	58,931,619	-	-	-	-	58,931,619
Culture and recreation	3,171,942	-	-	-	-	3,171,942
Home and community services	1,435,145	-	6,867,969	-	206,196	8,509,310
Debt service	276,875	1,140,306	1,122,000	-	8,959,001	11,498,182
Capital outlay	-	-	-	9,957,018	-	9,957,018
Total expenditures	<u>139,995,662</u>	<u>14,898,176</u>	<u>7,989,969</u>	<u>9,957,018</u>	<u>13,082,429</u>	<u>185,923,254</u>
Excess (deficiency) of revenue over expenditures	<u>14,946,278</u>	<u>(7,970,626)</u>	<u>3,302,028</u>	<u>(6,754,170)</u>	<u>(11,775,585)</u>	<u>(8,252,075)</u>
Other financing sources (uses):						
Issuance of long-term debt	-	-	-	11,315,000	-	11,315,000
Premiums	68,892	28,480	7,832	-	-	105,204
Transfers in	884	11,567,754	1,100,304	-	12,361,454	25,030,396
Transfers out	(18,337,016)	(1,952,323)	(4,939,375)	(72,388)	(879,061)	(26,180,163)
BANs redeemed from appropriations	-	-	-	2,400,000	-	2,400,000
Total other financing sources (uses)	<u>(18,267,240)</u>	<u>9,643,911</u>	<u>(3,831,239)</u>	<u>13,642,612</u>	<u>11,482,393</u>	<u>12,670,437</u>
Net change in fund balances	<u>(3,320,962)</u>	<u>1,673,285</u>	<u>(529,211)</u>	<u>6,888,442</u>	<u>(293,192)</u>	<u>4,418,362</u>
Fund balances (deficits) at beginning of year	27,509,105	1,763,981	1,283,734	(4,238,647)	1,371,867	27,670,040
Fund balances (deficits) at end of year	<u>\$ 24,188,143</u>	<u>3,437,266</u>	<u>754,523</u>	<u>2,629,795</u>	<u>1,078,675</u>	<u>32,088,402</u>

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
 Reconciliation of the Statement of Revenue, Expenditures and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 Year ended December 31, 2014

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

Net change in fund balances - total governmental funds \$ 4,418,362

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 and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay expenditures	14,795,838
Depreciation expense	<u>(10,063,109)</u>
	<u>4,732,729</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Real property taxes	(823,304)
Departmental income	<u>(33,487)</u>
	<u>(856,791)</u>

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and installment purchase debt principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position. Also, the governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal paid on bonds	7,017,516
Issuance of long-term debt	(11,315,000)
Principal paid on retirement incentives and other premium costs	596,490
Bond premiums on new issuance	(80,389)
Amortization of issuance premium	334,368
Amortization of deferred outflows	<u>(163,175)</u>
	<u>(3,610,190)</u>

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.

Accrued interest	14,181
Claims payable	(123,138)
Retirement incentives and other pension obligations	(2,228,290)
Compensated absences	152,938
Other post employment benefit obligations payable	(7,134,099)
Landfill closure costs	<u>2,679,778</u>
	<u>(6,638,630)</u>

Internal service funds are used by management to charge the cost of workers' compensation benefits to individual funds. The net expenses of the internal service fund are reported with governmental activities.

388,056

Change in net position of governmental activities \$ (1,566,464)

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual
General, County Road and Refuse and Garbage Funds
Year ended December 31, 2014

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Real property taxes	\$ 55,600,927	55,600,927	55,763,769	162,842
Other tax items	7,101,656	7,128,595	7,522,050	393,455
Non-property taxes	36,037,000	36,037,000	38,064,659	2,027,659
Departmental income	21,986,110	19,950,273	18,874,213	(1,076,060)
Intergovernmental charges	634,994	773,742	682,268	(91,474)
Use of money and property	131,500	131,500	151,976	20,476
Licenses and permits	26,500	26,500	58,400	31,900
Fines and forfeitures	266,308	317,808	283,928	(33,880)
Sale of property and compensation for loss	106,750	106,750	39,953	(66,797)
Miscellaneous local sources	4,143,727	4,213,805	3,464,731	(749,074)
State aid	16,898,864	17,905,413	13,514,877	(4,390,536)
Federal aid	17,907,965	17,981,754	16,521,116	(1,460,638)
Total revenue	<u>160,842,301</u>	<u>160,174,067</u>	<u>154,941,940</u>	<u>(5,232,127)</u>
Expenditures:				
General government support	25,449,250	25,474,152	23,375,800	2,098,352
Education	5,500,000	5,500,000	5,457,556	42,444
Public safety	24,163,436	24,835,607	24,058,483	777,124
Health	24,597,461	23,333,878	21,926,234	1,407,644
Transportation	1,378,331	1,499,348	1,362,008	137,340
Economic opportunity and development	56,870,317	56,936,950	58,931,619	(1,994,669)
Culture and recreation	3,351,598	3,303,655	3,171,942	131,713
Home and community services	1,462,875	1,557,165	1,435,145	122,020
Debt service	276,875	276,875	276,875	-
Total expenditures	<u>143,050,143</u>	<u>142,717,630</u>	<u>139,995,662</u>	<u>2,721,968</u>
Excess of revenue over expenditures	<u>17,792,158</u>	<u>17,456,437</u>	<u>14,946,278</u>	<u>(2,510,159)</u>
Other financing sources (uses):				
Premiums	-	6,704	68,892	62,188
Transfers in	-	-	884	884
Transfers out	(18,391,308)	(18,321,403)	(18,337,016)	(15,613)
Total other financing sources (uses)	<u>(18,391,308)</u>	<u>(18,314,699)</u>	<u>(18,267,240)</u>	<u>47,459</u>
Net change in fund balance	(599,150)	(858,262)	(3,320,962)	(2,462,700)
Fund balance at beginning of year	<u>27,509,105</u>	<u>27,509,105</u>	<u>27,509,105</u>	<u>-</u>
Fund balance at end of year	<u>\$ 26,909,955</u>	<u>26,650,843</u>	<u>24,188,143</u>	<u>(2,462,700)</u>

(Continued)

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual
General, County Road and Refuse and Garbage Funds, Continued
Year ended December 31, 2014

	County Road Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Intergovernmental charges	\$ 423,881	542,792	542,499	(293)
Use of money and property	-	-	521	521
Licenses and permits	3,000	4,500	4,500	-
Sale of property and compensation for loss	5,100	2,810	2,804	(6)
Miscellaneous local sources	-	19,022	19,009	(13)
State aid	3,659,250	2,911,700	5,659,549	2,747,849
Federal aid	3,207,200	722,000	698,668	(23,332)
Total revenue	7,298,431	4,202,824	6,927,550	2,724,726
Expenditures:				
Public safety	815,957	770,311	726,758	43,553
Transportation	16,214,045	13,140,505	13,031,112	109,393
Debt service	1,140,306	1,140,306	1,140,306	-
Total expenditures	18,170,308	15,051,122	14,898,176	152,946
Excess (deficiency) of revenue over expenditures	(10,871,877)	(10,848,298)	(7,970,626)	2,877,672
Other financing sources (uses):				
Premiums	-	-	28,480	28,480
Transfers in	11,605,194	11,598,354	11,567,754	(30,600)
Transfers out	(1,954,317)	(1,954,317)	(1,952,323)	1,994
Total other financing sources (uses)	9,650,877	9,644,037	9,643,911	(126)
Net change in fund balance	(1,221,000)	(1,204,261)	1,673,285	2,877,546
Fund balance at beginning of year	1,763,981	1,763,981	1,763,981	-
Fund balance at end of year	\$ 542,981	559,720	3,437,266	2,877,546

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual
General, County Road and Refuse and Garbage Funds, Continued
Year ended December 31, 2014

	Refuse and Garbage Fund			
	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenue:				
Departmental income	\$ 11,507,680	11,220,155	11,013,152	(207,003)
Use of money and property	-	-	535	535
Sale of property and compensation for loss	381,443	375,668	272,953	(102,715)
State aid	-	5,360	5,357	(3)
Total revenue	<u>11,889,123</u>	<u>11,601,183</u>	<u>11,291,997</u>	<u>(309,186)</u>
Expenditures:				
Home and community services	7,161,408	6,977,859	6,867,969	109,890
Debt service	1,122,000	1,122,000	1,122,000	-
Total expenditures	<u>8,283,408</u>	<u>8,099,859</u>	<u>7,989,969</u>	<u>109,890</u>
Excess of revenue over expenditures	<u>3,605,715</u>	<u>3,501,324</u>	<u>3,302,028</u>	<u>(199,296)</u>
Other financing sources (uses):				
Premiums	-	-	7,832	7,832
Transfers in	1,115,507	1,115,507	1,100,304	(15,203)
Transfers out	(4,940,789)	(4,940,789)	(4,939,375)	1,414
Total other financing sources (uses)	<u>(3,825,282)</u>	<u>(3,825,282)</u>	<u>(3,831,239)</u>	<u>(5,957)</u>
Net change in fund balance	(219,567)	(323,958)	(529,211)	(205,253)
Fund balance at beginning of year	<u>1,283,734</u>	<u>1,283,734</u>	<u>1,283,734</u>	-
Fund balance at end of year	<u>\$ 1,064,167</u>	<u>959,776</u>	<u>754,523</u>	<u>(205,253)</u>

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position
Proprietary Funds
December 31, 2014

	<u>Business-type Activities - Enterprise Funds</u>			
	Sullivan County			
	Adult Care Center	Tobacco Asset Securitization Corporation	Total	Internal Service Fund
Assets				
Current assets:				
Cash and equivalents	\$ 1,647,777	243,142	1,890,919	389,490
Accounts receivable, net	1,422,461	1,134,910	2,557,371	7,846,439
Due from other funds	-	-	-	8,519,566
Prepaid expenses	91,616	3,357	94,973	-
Total current assets	<u>3,161,854</u>	<u>1,381,409</u>	<u>4,543,263</u>	<u>16,755,495</u>
Noncurrent assets:				
Restricted cash and equivalents	715,891	109	716,000	-
Patient funds held in trust	97,163	-	97,163	-
Restricted investments	-	1,242,547	1,242,547	-
Capital assets:				
Assets not being depreciated	157,809	-	157,809	-
Buildings and improvements	11,727,024	-	11,727,024	-
Machinery and equipment	596,601	-	596,601	-
Less accumulated depreciation	<u>(10,068,012)</u>	<u>-</u>	<u>(10,068,012)</u>	<u>-</u>
Total noncurrent assets	<u>3,226,476</u>	<u>1,242,656</u>	<u>4,469,132</u>	<u>-</u>
Total assets	<u>6,388,330</u>	<u>2,624,065</u>	<u>9,012,395</u>	<u>16,755,495</u>
Deferred outflows of resources	<u>26,936</u>	<u>-</u>	<u>26,936</u>	<u>-</u>
Liabilities:				
Current liabilities:				
Current maturities of bonds payable	16,891	165,000	181,891	-
Bond anticipation note	750,000	-	750,000	-
Accounts payable	305,124	-	305,124	1,629
Accrued interest payable	1,175	58,817	59,992	-
Accrued liabilities	2,164,033	-	2,164,033	-
Due to other funds	397,864	-	397,864	-
Patient funds held in trust	97,163	-	97,163	-
Unearned revenue	-	-	-	107,155
Current maturities of claims payable	-	-	-	1,690,964
Due to New York State retirement system	138,662	-	138,662	-
Accrued compensation and vacation	1,064,446	-	1,064,446	-
Current portion of other postemployment benefit obligations payable	<u>297,958</u>	<u>-</u>	<u>297,958</u>	<u>-</u>
Total current liabilities	<u>5,233,316</u>	<u>223,817</u>	<u>5,457,133</u>	<u>1,799,748</u>
Non-current liabilities:				
Bonds payable, less current maturities	32,598	12,129,366	12,161,964	-
Due to New York State Retirement System	942,119	-	942,119	-
Claims payable, less current portion	-	-	-	15,100,000
Other postemployment benefit obligations payable	<u>9,412,401</u>	<u>-</u>	<u>9,412,401</u>	<u>-</u>
Total noncurrent liabilities	<u>10,387,118</u>	<u>12,129,366</u>	<u>22,516,484</u>	<u>15,100,000</u>
Total liabilities	<u>15,620,434</u>	<u>12,353,183</u>	<u>27,973,617</u>	<u>16,899,748</u>
Net position:				
Restricted	715,891	-	715,891	-
Net investment in capital assets	1,613,933	-	1,613,933	-
Unrestricted	<u>(11,534,992)</u>	<u>(9,729,118)</u>	<u>(21,264,110)</u>	<u>(144,253)</u>
Total net position	<u>\$ (9,205,168)</u>	<u>(9,729,118)</u>	<u>(18,934,286)</u>	<u>(144,253)</u>

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenue, Expenses and Changes in Net Position
Proprietary Funds
Year ended December 31, 2014

	<u>Business-type Activities - Enterprise Funds</u>			
	Adult Care Center	Sullivan County Tobacco Asset Securitization Corporation	<u>Total</u>	Internal Service Fund
Operating revenue:				
Charges for services - internal	\$ -	-	-	457,026
Charges for services - external	-	-	-	6,461,397
Departmental charges	9,578,343	-	9,578,343	-
Tobacco settlement revenue	-	1,284,271	1,284,271	-
Insurance recoveries	-	-	-	125,869
Miscellaneous local sources	<u>277,704</u>	-	<u>277,704</u>	-
Total operating revenue	<u>9,856,047</u>	<u>1,284,271</u>	<u>11,140,318</u>	<u>7,044,292</u>
Operating expenses:				
Professional care of residents	5,912,302	-	5,912,302	-
General services	3,812,457	-	3,812,457	-
Administrative services	1,211,009	-	1,211,009	-
Employee benefits	5,251,268	-	5,251,268	6,656,641
Assessments	486,527	-	486,527	-
Professional fees	-	24,968	24,968	-
Insurance expense	-	4,207	4,207	-
Depreciation and amortization	<u>186,899</u>	-	<u>186,899</u>	-
Total operating expenses	<u>16,860,462</u>	<u>29,175</u>	<u>16,889,637</u>	<u>6,656,641</u>
Operating income (loss)	<u>(7,004,415)</u>	<u>1,255,096</u>	<u>(5,749,319)</u>	<u>387,651</u>
Non-operating revenue (expenses):				
Intergovernmental transfers	10,064,732	-	10,064,732	-
Interest income	2,660	84,767	87,427	405
Interest expense	(26,398)	(725,694)	(752,092)	-
Miscellaneous income	<u>1,252</u>	-	<u>1,252</u>	-
Total non-operating revenue (expenses)	<u>10,042,246</u>	<u>(640,927)</u>	<u>9,401,319</u>	<u>405</u>
Transfers from governmental funds	<u>1,149,767</u>	-	<u>1,149,767</u>	-
Change in net position	4,187,598	614,169	4,801,767	388,056
Net position at beginning of year	<u>(13,392,766)</u>	<u>(10,343,287)</u>	<u>(23,736,053)</u>	<u>(532,309)</u>
Net position at end of year	<u>\$ (9,205,168)</u>	<u>(9,729,118)</u>	<u>(18,934,286)</u>	<u>(144,253)</u>

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Cash Flows
Proprietary Funds
Year ended December 31, 2014

	<u>Business-type Activities - Enterprise Funds</u>			
	Adult Care Center	Sullivan County Tobacco Asset Securitization Corporation	Total	Internal Service Fund
Cash flows from operating activities:				
Cash received from charges for services	\$ 9,477,685	-	9,477,685	4,437,583
Cash received from tobacco settlement revenues	-	1,229,861	1,229,861	-
Cash received from insurance recoveries	-	-	-	125,869
Cash payments to vendors for goods and services	(14,880,465)	(28,996)	(14,909,461)	-
Cash payments to employees for services	(5,162,705)	-	(5,162,705)	(4,474,596)
Cash received from miscellaneous local series	277,704	-	277,704	-
Net cash provided by (used in) operating activities	<u>(10,287,781)</u>	<u>1,200,865</u>	<u>(9,086,916)</u>	<u>88,856</u>
Cash flows from investing activities:				
Purchase of restricted investments	-	(1,242,547)	(1,242,547)	-
Sale of restricted investments	-	1,242,547	1,242,547	-
Interest and miscellaneous income	3,912	84,767	88,679	405
Net cash provided by investing activities	<u>3,912</u>	<u>84,767</u>	<u>88,679</u>	<u>405</u>
Cash flows from non-capital financing activities:				
Intergovernmental transfers	10,064,732	-	10,064,732	-
Transfers from governmental funds	1,149,767	-	1,149,767	-
Net cash provided by non-capital financing activities	<u>11,214,499</u>	<u>-</u>	<u>11,214,499</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Principal paid on bonds and bond anticipation notes	(397,484)	(555,000)	(952,484)	-
Interest paid on bonds	(13,966)	(720,761)	(734,727)	-
Acquisition of capital assets	(104,643)	-	(104,643)	-
Net cash used in capital and related financing activities	<u>(516,093)</u>	<u>(1,275,761)</u>	<u>(1,791,854)</u>	<u>-</u>
Net increase in cash and equivalents	414,537	9,871	424,408	89,261
Cash and equivalents at beginning of year	1,949,131	233,271	2,182,402	300,229
Cash and equivalents at end of year	<u>\$ 2,363,668</u>	<u>243,142</u>	<u>2,606,810</u>	<u>389,490</u>
Reconciliation of income (loss) from operations to net cash provided by (used in) operating activities:				
Income (loss) from operations	(7,004,415)	1,255,096	(5,749,319)	387,651
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:				
Bad debt expense	103,169	-	103,169	-
Depreciation and amortization expense	186,899	-	186,899	-
Changes in assets and liabilities:				
Accounts receivable	(476,284)	(54,410)	(530,694)	(1,337,096)
Grant receivable	272,457	-	272,457	-
Supplies	(7,327)	-	(7,327)	-
Prepaid expenses	(1,020)	179	(841)	-
Accounts payable and accrued liabilities	26,972	-	26,972	1,463
Accrued compensation and vacation	96,511	-	96,511	-
Due to the other funds	(4,467,527)	-	(4,467,527)	-
Due to third party payors	(469,509)	-	(469,509)	-
Unearned revenue	-	-	-	3,437
Claims payable	-	-	-	2,180,582
Due to New York State Retirement System	193,283	-	193,283	-
Due from other funds	-	-	-	(1,147,181)
Other postemployment benefit obligations payable	1,259,010	-	1,259,010	-
Net cash provided by (used in) operating activities	<u>\$ (10,287,781)</u>	<u>1,200,865</u>	<u>(9,086,916)</u>	<u>88,856</u>
Noncash investing activities - increase in bonds payable from amortization of original issue and underwriters' discounts	<u>\$ -</u>	<u>7,592</u>	<u>7,592</u>	<u>-</u>

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
 Statement of Assets and Liabilities
 Fiduciary Fund
 December 31, 2014

	<u>Agency</u>
<u>Assets</u>	
Cash - demand deposits	\$ 6,581,589
Due from other funds	<u>14,036</u>
Total assets	<u><u>\$ 6,595,625</u></u>
 <u>Liabilities</u>	
Accounts payable	46,581
Employee payroll deductions	143,612
Deposits	2,657,993
Due to other funds	<u>3,747,439</u>
Total liabilities	<u><u>\$ 6,595,625</u></u>

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position
Component Units
December 31, 2014

	Sullivan County Community College August 31, 2014	Sullivan County Soil and Water Conservation District	Sullivan County Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Sullivan County Funding Corporation	Total
Assets:						
Cash and equivalents	\$ 2,166,535	217,290	543,948	2,164	574,422	3,504,359
Investments	1,077,609	-	-	-	-	1,077,609
Receivables:						
Accounts, net of allowance for uncollectible amounts						
Notes	848,511	273,044	13,237	4,866	35,860	1,175,518
Due from State and Federal	851,738	-	-	-	276,997	1,128,735
Due from other governments	460,205	-	1,057,147	-	-	1,057,147
Prepaid expenses	-	-	18,114	34,858	-	513,177
Other	445,042	3,250	-	11,230	99,500	113,980
Capital assets:						
Not being depreciated	429,269	-	1,387,012	1,442,461	-	3,258,742
Being depreciated, net	20,393,599	23,253	239,158	-	-	20,656,010
Total assets	26,672,508	516,837	4,245,868	1,495,579	986,779	33,917,571
Deferred outflows of resources	502,544	-	-	-	-	502,544
Liabilities:						
Accounts payable	186,108	443,335	59,269	3,726	-	692,438
Accrued liabilities	1,950,910	-	31,069	-	-	1,981,979
Due to other governments	5,812	-	429,495	675,000	-	1,110,307
Unearned revenue	295,031	-	69,654	-	3,309	367,994
Deposits and escrow	735,262	-	42,674	-	110,000	887,936
Non-current liabilities:						
Due within one year	717,926	1,229	18,169	-	-	737,324
Due in more than one year	22,196,420	11,064	354,674	-	-	22,562,158
Total liabilities	26,087,469	455,628	1,005,004	678,726	113,309	28,340,136
Deferred inflows of resources	669,811	217	-	-	-	670,028
Net Position:						
Net investment in capital assets	10,104,117	23,253	1,626,170	1,442,461	-	13,196,001
Restricted	890,369	37,739	551,947	-	-	1,480,055
Unrestricted	(10,576,714)	-	1,062,747	(625,608)	873,470	(9,266,105)
Total net position	\$ 417,772	60,992	3,240,864	816,853	873,470	5,409,951

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK
Statement of Activities
Component Units
Year ended December 31, 2014

Functions/Programs	Net Revenue (Expense) and Changes in Net Position											
	Expenses	Charges for Services	Program Revenue	Sullivan County Community College	Sullivan County Soil and Water Conservation District	Sullivan County Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Sullivan County Funding Corporation	Total			
Sullivan County Community College - August 31, 2014	\$ 25,562,852	3,773,156	13,368,429	909,891	909,891	(7,511,376)	-	-	-	-	-	(7,511,376)
Sullivan County Soil and Water Conservation District	1,109,189	14,631	650,578	-	(443,980)	-	-	-	-	-	-	(443,980)
Sullivan County Industrial Development Agency	606,416	468,134	1,000	871,706	-	734,424	-	-	-	-	-	734,424
Emerald Corporate Center Economic Development Corporation	46,024	65,489	-	-	-	-	-	19,465	-	-	19,465	19,465
Sullivan County Funding Corporation	73,486	181,750	-	-	-	-	-	-	108,264	-	108,264	108,264
Total component units	\$ 27,397,967	4,503,160	14,020,007	1,781,597	(443,980)	734,424	(443,980)	19,465	108,264	108,264	(7,093,203)	(7,093,203)
General revenue:												
Unrestricted use of money and property Grants and contributions not restricted to specific programs				2,008,378	-	15,761	-	-	5,397	-	2,029,536	2,029,536
Miscellaneous				1,881,432	292,005	-	-	-	-	-	2,173,437	2,173,437
Total general revenue				2,267,156	92,186	41,243	-	-	-	-	2,400,585	2,400,585
Change in net position				6,156,966	384,191	57,004	-	-	5,397	-	6,603,558	6,603,558
Net position at beginning of year, as reported				(1,354,410)	(59,789)	791,428	19,465	19,465	113,661	113,661	(489,645)	(489,645)
Prior period adjustment (note 2(f))				1,917,956	120,781	2,474,436	797,388	797,388	759,809	759,809	6,070,370	6,070,370
Net position at beginning of year, as restated				(145,774)	-	(25,000)	-	-	-	-	(170,774)	(170,774)
Net position at end of year				1,772,182	120,781	2,449,436	797,388	797,388	759,809	759,809	5,899,596	5,899,596
				\$ 417,772	60,992	3,240,864	816,853	816,853	873,470	873,470	5,409,951	5,409,951

See accompanying notes to financial statements.

COUNTY OF SULLIVAN, NEW YORK

Notes to Financial Statements

December 31, 2014

(1) Summary of Significant Accounting Policies

The County of Sullivan, New York (County) was established in 1809 and operates in accordance with County Law and the various other applicable laws of the State of New York. The County functions under a County Manager form of government. The County Legislature is the legislative body responsible for overall operation. The County Manager serves as the chief executive officer and the County Treasurer serves as the chief financial officer. The County provides the following services to its residents: education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the County's more significant accounting policies:

(a) Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the County, b) organizations for which the County is financially accountable and c) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the County's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following individual component units are included in the County's reporting entity because of their operational relationship with the County.

The Sullivan County Community College (College) was established in 1963 with the County as the local sponsor under provisions of Article 126 of Education Law. The College is administered by a board of trustees consisting of nine voting members; five are appointed by the County Legislature and four by the Governor. The College budget is subject to approval by the County Legislature. The County generally provides one half of the capital costs and one third of the operating costs for the College. Title to real property of the College vests with the County and bonds and notes for College capital costs are issued by the County and are County debt. A fiscal year ending August 31st is mandated by State Law for the College. The College is included in the County's reporting entity since the primary government is able to impose its will, as demonstrated through the ability to approve budgets. The College may also result in a financial burden to the primary government since the County is obligated for the debt of the College. Since the College does not provide services entirely or almost entirely to the County, the College has been reflected as a discretely presented component unit.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(a) Financial Reporting Entity, Continued

The Sullivan County Soil and Water Conservation District (District) was established in 1966 pursuant to Chapter 727 of the Laws of the State of New York. The District provides for the conservation of soil and soil resources of the State and the County. The Board of Directors is appointed by the County Legislature. The Board of Directors serve at the pleasure of the County Legislature and therefore, the primary government is able to impose its will on the District. Since the District is also dependent on the financial support provided by the County, the financial statements of the District have been reflected as a discretely presented component unit.

The Sullivan County Industrial Development Agency (Agency) is a public benefit corporation created by State legislation to promote the economic welfare, recreation opportunities and prosperity of the County's inhabitants. Members of the Agency are appointed by the County Legislature. Agency members have complete responsibility for management of the Agency and accountability for fiscal matters. The County is not liable for Agency bonds or notes. The governing board of the Agency serves at the pleasure of the County Legislature and therefore, the primary government is able to impose its will on the Agency. Since the Agency does not provide services entirely or almost entirely to the County, the financial statements of the Agency have been reflected as a discretely presented component unit.

The Emerald Corporate Center Economic Development Corporation (Corporation) was established by the County Legislature in 2000 to assist in the commercial rehabilitation of the County. The nine member board is appointed by the County Legislature. The County advances funds necessary to develop the park and is reimbursed upon the sale of property within the park. Since the Corporation is dependent on the financial support provided by the County, the financial statements of the Corporation have been reflected as a discretely presented component unit.

The Sullivan County Funding Corporation (SCFC) was incorporated in November 2010 under Section 1411 of the Not-For-Profit Corporation Law of the State of New York. The mission of the SCFC is to foster the creation, retention and expansion of jobs and economic opportunities within the County. The sole member of the SCFC shall be the County acting by and through its County Manager, ex officio. The SCFC is managed by a Board of Directors consisting of nine Directors that serves at the pleasure of the sole member and, therefore, the County is considered able to impose its will on the SCFC. The County is not liable for SCFC's bonds or notes. Since the SCFC does not provide services entirely or almost entirely to the County, the financial statements of the SCFC have been reflected as a discretely presented component unit.

The Sullivan County Tobacco Asset Securitization Corporation (SCTASC) is a special purpose, bankruptcy-remote local development corporation. SCTASC was organized under the provisions of Section 1411 of the New York State Not-For-Profit Corporation Law and pursuant to the Public Authorities Law of the State of New York. The Board of

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(a) Financial Reporting Entity, Continued

Directors of SCTASC consists of five members; the County Manager, the County's Commissioner of Financial Management, the Chairman of the County's Board of Legislators, the Majority Leader of the County's Board of Legislators and the Minority Leader of the County's Board of Legislators. The Board of Directors has complete responsibility for management of the SCTASC and accountability for fiscal matters. The County is not liable for any deficits or SCTASC bonds or notes. GASB, in April 2004, issued a technical bulletin which clarified the financial reporting of Tobacco Settlement Authorities ("TSA"). This bulletin, which is effective for fiscal years ending after June 15, 2004, provides that when TSA's are entitled to future tobacco settlement resources and have a majority of the governing board appointed by the primary government, the financial accountability criteria are met and the TSA should be reported as a component unit of the settling government. The SCTASC is reflected in the financial statements as a proprietary fund.

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

Sullivan County Community College
112 College Road
Loch Sheldrake, New York 12759

Sullivan County Soil and Water Conservation District
69 Ferndale-Loomis Road
Liberty, New York 12754

Sullivan County Industrial Development Agency
One Cablevision Center
Ferndale, New York 12734

Emerald Corporate Center
Economic Development Corporation
100 North Street, P.O. Box 5012
Monticello, New York 12701

Sullivan County Funding Corporation
One Cablevision Center
Ferndale, New York 12734

Sullivan County Tobacco Asset Securitization Corporation
Sullivan County Government Center
100 North Street P.O. Box 5012
Monticello, New York 12701

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Government-Wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all non-fiduciary activities of the primary government as a whole and its component units. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of net position presents the financial position of the County and its component units at the end of its fiscal year. The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The County does not allocate indirect expenses to functions in the statement of activities. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenue of the enterprise funds is charges to customers for services and Tobacco Settlement Revenue. Operating expenses for the enterprise funds include the cost of services, administrative expenses, professional and director's fees, insurance, depreciation costs and benefit costs. The principal operating revenue of the internal service fund is charges for services, and operating expenses are for workers' compensation costs. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Fund Financial Statements

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances/net position, revenue and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The County maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Proprietary and fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the financial statements in three broad fund categories in accordance with generally accepted accounting principles as follows:

Fund Categories

- a. Governmental Funds - Governmental funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the County's major governmental funds:

General Fund - The general fund constitutes the primary operating fund of the County and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the County are as follows:

County Road Fund - The County road fund is used to account for the maintenance and repair of County roads and bridges and snow removal costs, as defined in New York State Highway Law, and is funded by New York State revenue.

Refuse and Garbage Fund - The refuse and garbage fund is used to account for the activity of the County's solid waste operations, and is funded primarily by user fees.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlay, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Fund Financial Statements, Continued

a. Governmental Funds, Continued

The County also reports the following non-major governmental funds:

Special Revenue Funds:

Road Machinery Fund - The road machinery fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the construction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment.

Community Development Fund - The community development fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.

Debt Service Fund - The debt service fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Sullivan County Adult Care Center and the Sullivan County Tobacco Asset Securitization Corporation are recorded as major enterprise funds. The Adult Care Center is a skilled nursing facility established and operated under provisions of Article 6 of General Municipal Law. The County has established its Workers' Compensation Benefits Fund as an internal service fund. The County has also established a self-insured dental fund as an internal service fund.
- c. Fiduciary Funds (not included in Government-Wide Financial Statements) - The fiduciary funds are used to account for assets held by the County in an agency capacity on behalf of others. The Agency Fund is used to account for employee payroll tax withholdings and various other deposits that are payable to other jurisdictions or individuals.

(d) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Measurement Focus, Basis of Accounting and Financial Statement Presentation, Continued

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. The agency fund has no measurement focus and utilizes the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as they are both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is used for revenue recognition for all other governmental fund revenue. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenue are considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. Fees and other similar revenue are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenue from Federal and State grants is accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, certain pension costs, landfill closure costs, certain claims and postemployment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Patient revenue in the enterprise fund is recorded on the gross charge basis. Contractual adjustments are deducted to arrive at net patient service revenue. Revenue received under cost reimbursement agreements and prospective contractual agreements represent a substantial portion of the Sullivan County Adult Care Center's revenue and are subject to subsequent adjustment either by audit of third-party payors or appeals by the Sullivan County Adult Care Center. Retroactively calculated third-party contractual adjustments are accrued on an estimated basis in the period the services are rendered and adjusted in future periods as required. Final settlements of retroactive cost reimbursements are recorded as retroactive adjustments.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Measurement Focus, Basis of Accounting and Financial Statement Presentation, Continued

Component units are presented on the basis of accounting that most accurately reflect their activities. The Sullivan County Soil and Water Conservation District is accounted for on the modified accrual basis and is converted to the accrual basis for the government-wide statements. The Sullivan County Community College, Sullivan County Industrial Development Agency, Emerald Corporate Center Economic Development Corporation and the Sullivan County Funding Corporation are accounted for on the accrual basis.

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balances

Deposits, Investments and Risk Disclosure

- Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The County's deposits and investment policies are governed by State statutes. The County has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions, and accordingly, the County's policy provides for no credit risk on investments.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2014.

The County was invested only in demand deposit accounts, time deposit accounts and money market accounts and, accordingly, was not exposed to any interest rate risk or credit risk.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balances, Continued

Deposits, Investments and Risk Disclosure, Continued

- Investments - All investments are stated at fair value and/or amortized cost, which approximates fair value.
- Restricted Cash and Equivalents and Investments - The terms of the bond indenture of the Sullivan County Tobacco Asset Securitization Corporation provide for the establishment of a liquidity reserve. The reserve has been established at the maximum annual debt service requirements in the current and any future fiscal year, assuming principal is paid in accordance with the requirements of the indenture.

Taxes Receivable - Real property taxes attach as an enforceable lien on real property and are levied on January 1st, payable without penalty to January 31st. The towns are responsible for the billing and collection of County taxes. The towns are responsible for collection through March 31st, at which time the collection process is transferred to the County. At that time, a 5% penalty is added to the unpaid amounts. Payments received subsequent to March 31st are also charged interest at 1% per month on the unpaid tax. The towns retain from their gross tax collection the full amount of their respective levies and return the balance of such collections, which includes the collection of relieved school district taxes, where applicable, to the County.

The County is also responsible for collecting and enforcing delinquent school taxes. Such taxes are collected by the school districts in the County between September 1st and November 15th. On or about November 15th, the tax receivers of the school districts transmit the school tax rolls together with a listing of unpaid taxes to the appropriate school authorities. The school districts must certify such listing of unpaid taxes and transmit said listing to the County. Unpaid school taxes are relieved as part of the County tax bill due on January 1st of the next calendar year and thereafter collected and enforced in the same manner as County real property taxes. The County must satisfy the full amount of the unpaid school taxes no later than April 1st of the year following the levy of such taxes.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the County. Receivables are recorded and revenue recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

Loans Receivable - Loans receivable consist of residential and commercial loans made by the County. The loans have various interest rates and maturities.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balances, Continued

Due From/To Other Funds - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2014, balances of inter-fund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the County. Purchases of inventorable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Prepaid Expense/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Deferred Outflows of Resources - Deferred outflows arise when expense recognition has not been met for assets consumed by the County. The County's deferred outflows consist of excess amounts paid associated with refunded debt, net of amortization.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balances, Continued

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the County are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Infrastructure and land improvements	10-50
Buildings and improvements	20-50
Machinery and equipment	5-20
Intangibles	25

The costs associated with the acquisition or construction of capital assets are shown as capital outlay in the capital projects fund or as expenditures in the other governmental funds on the governmental fund financial statements. Capital assets are not shown on the governmental funds' balance sheet.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria has been satisfied. In the government-wide financial statements, unearned revenue consists of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met. Unearned revenue includes \$295,031 in the Sullivan County Community College (component unit) for tuition and other fees, \$69,654 in the Sullivan County Industrial Development Agency (component unit) for State Aid received in advance and \$3,309 in the Sullivan County Funding Corporation (component unit).

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balances, Continued

Deferred Inflows of Resources - Deferred inflows arise where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported deferred inflows of \$11,170,995 for real property taxes and \$1,282,379 for various departmental income in the general fund and \$123,470 for loans receivable in the community development fund. Such amounts have been deemed to be measurable but not “available” pursuant to generally accepted accounting principles. Deferred inflows in the government-wide statement of net position includes \$1,282,379 in governmental activities, \$669,811 in the Sullivan County Community College and \$217 in the Sullivan County Soil and Water Conservation District (component units).

Long-Term Liabilities - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as general, debt service or capital projects funds expenditures

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide statement of net position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Position - Net position represents assets plus deferred outflows of resources minus liabilities minus deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the statement of net position includes, net investment in capital assets, net position restricted for: capital projects, community development, law enforcement, Stop DWI program, debt service and component units. The remaining balance is classified as unrestricted.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balances, Continued

Fund Balances - Fund balance represents the difference between current assets plus deferred outflows and current liabilities plus deferred inflows. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications as contained in the County's fund balance policy are as follows:

- Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).
- Restricted fund balance is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law.
- Committed fund balance will be reported for amounts that can only be used for specific purposes imposed by a formal action (adopted resolution) by the highest level of decision-making authority (County Legislature). These funds may only be used for the purpose specified unless the Legislature removes or changes the purpose by taking the same action that was used to establish the commitment.
- Assigned fund balance, in the general fund, represents amounts constrained either by the County's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the general fund. This classification will include amounts designated for balancing the subsequent year's budget and encumbrances. Assigned fund balance in the other governmental funds represents amounts determined by the County Legislature for the specific purpose of the related fund.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balances, Continued

- Unassigned fund balance, in the general fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the general fund, unassigned fund balance would necessarily be zero or negative, if the fund's liabilities, together with amounts already classified as nonspendable, restricted and committed exceed the fund's assets.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: committed, assigned, and unassigned.

(f) Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the general, county road, refuse and garbage and road machinery funds. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities. At December 31, 2014, all encumbrances of the County had lapsed.

(g) Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

(h) Subsequent Events Evaluation by Management

The County has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(2) Stewardship, Compliance and Accountability

(a) Budgetary Data

The County generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- On or before November 15th, the County Manager submits to the County Legislature a tentative operating budget for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the means of financing.
- The County Manager meets with the Management and Budget Committee of the Legislature after transmittal of the tentative budget to review the budget document.
- The County Legislature conducts two public hearings on the tentative budget to obtain taxpayer comments.
- After the public hearing and prior to December 20th, the Legislature meets to consider and adopt the budget.
- All line item changes are made through majority vote by the County Legislature. This process is completed and the final budget is adopted by December 20th.
- Formal budgetary integration is employed during the year as a management control device for general, county road, refuse and garbage, road machinery and debt service funds.
- Budgets for general, county road, refuse and garbage, road machinery and debt service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The capital projects fund is budgeted on a project basis. An annual budget is not adopted for the community development fund.
- The County Legislature has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Legislature. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Legislature.
- Appropriations in general, county road, refuse and garbage, road machinery and debt service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(2) Stewardship, Compliance and Accountability, Continued

(b) Property Tax Limitation

The County is permitted by the Constitution of the State of New York to levy taxes for purposes other than debt service up to 1½% of the five-year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2014 was \$126,946,984, which exceeded the actual levy less exclusions, by \$83,127,027.

(c) Expenditures in Excess of Budget

Certain individual budgetary expenditures accounts exceeded their budgetary authorizations in the general and debt service funds.

(d) Fund Deficits

The Sullivan County Adult Care Center, Sullivan County Tobacco Asset Securitization Corporation and Internal Service Fund reflect unrestricted deficits at December 31, 2014 of \$9,205,168, \$9,729,118 and \$144,253, respectively. These deficits will be reduced annually with the receipt of patient service fees, tobacco revenue and charges for services, respectively.

(e) Prior Period Adjustment

In fiscal 2013, the Sullivan County Community College reported certain fees as revenue later determined to be applicable to fiscal 2014. As a result, net position of the College was restated as of August 31, 2013 by \$145,774.

The beginning net position for the County of Sullivan Industrial Development Agency for the year ended December 31, 2014 has been decreased by \$25,000 to account for an agency fee received and reported as revenue in the year ended December 31, 2013, that was attributable to the subsequent year and should have been reported as unearned revenue as of December 31, 2013.

(3) Detailed Notes on All Funds

(a) Restricted Investments

Restricted investments at December 31, 2014 consisted of the following:

Sullivan County Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in June 2015.	\$ 1,242,547
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Investments of the Sullivan County Tobacco Asset Securitization Corporation are not subject to risk categorization.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(b) Taxes Receivable

Taxes receivable at December 31, 2014 consisted of the following:

Taxes receivable - overdue	\$ 22,325,631
Returned school district taxes	16,117,480
Tax liens	<u>9,712</u>
	38,452,823
Allowance for uncollectible taxes	<u>(2,182,282)</u>
	<u>\$ 36,270,541</u>

School district taxes are offset by liabilities to the school districts. Taxes receivable and tax liens are also partially offset by deferred inflows of \$11,170,995, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

(c) Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2014 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 3,530,382	6,848,192
County road	-	985,702
Refuse and garbage	-	346,313
Capital projects	-	75,116
Non-major governmental	433,451	96,809
Enterprise fund - Adult Care Center	-	397,864
Internal service fund - workers' compensation benefits	8,519,566	-
Fiduciary funds	<u>14,036</u>	<u>3,747,439</u>
	<u>\$ 12,497,435</u>	<u>12,497,435</u>

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(d) Capital Assets

Changes in the County's capital assets are as follows:

	Balance January 1, <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 8,659,087	-	-	8,659,087
Construction-in-progress	<u>3,246,313</u>	<u>2,504,022</u>	<u>(798,527)</u>	<u>4,951,808</u>
Total capital assets, not being depreciated	<u>11,905,400</u>	<u>2,504,022</u>	<u>(798,527)</u>	<u>13,610,895</u>
Capital assets, being depreciated:				
Buildings and improvements	63,426,343	392,225	-	63,818,568
Machinery and equipment	29,797,118	1,051,615	(23,839)	30,824,894
Infrastructure	<u>209,086,881</u>	<u>11,646,503</u>	<u>-</u>	<u>220,733,384</u>
Total capital assets, being depreciated	<u>302,310,342</u>	<u>13,090,343</u>	<u>(23,839)</u>	<u>315,376,846</u>
Less accumulated depreciation for:				
Buildings and improvements	30,862,612	1,297,339	-	32,159,951
Machinery and equipment	22,325,391	1,604,038	(23,839)	23,905,590
Infrastructure	<u>115,270,998</u>	<u>7,161,732</u>	<u>-</u>	<u>122,432,730</u>
Total accumulated depreciation	<u>168,459,001</u>	<u>10,063,109</u>	<u>(23,839)</u>	<u>178,498,271</u>
Capital assets, being depreciated, net	<u>133,851,341</u>	<u>3,027,234</u>	<u>-</u>	<u>136,878,575</u>
Governmental activities capital assets, net	<u>\$ 145,756,741</u>	<u>5,531,256</u>	<u>(798,527)</u>	<u>150,489,470</u>
Business-type activities:				
Capital assets not being depreciated - construction in progress	<u>1,104,156</u>	<u>-</u>	<u>(1,078,747)</u>	<u>25,409</u>
Capital assets, being depreciated:				
Buildings and improvements	10,729,950	1,129,476	-	11,859,426
Machinery and equipment	<u>542,688</u>	<u>53,913</u>	<u>-</u>	<u>596,601</u>
Total capital assets, being depreciated	<u>11,272,638</u>	<u>1,183,389</u>	<u>-</u>	<u>12,456,027</u>
Less accumulated depreciation for:				
Buildings and improvements	9,435,455	139,727	-	9,575,182
Machinery and equipment	<u>445,660</u>	<u>47,172</u>	<u>-</u>	<u>492,832</u>
Total accumulated depreciation	<u>9,881,115</u>	<u>186,899</u>	<u>-</u>	<u>10,068,014</u>
Business-type activities capital assets, net	<u>\$ 2,495,679</u>	<u>996,490</u>	<u>(1,078,747)</u>	<u>2,413,422</u>

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(d) Capital Assets, Continued

Depreciation expense was charged to the County's functions and programs as follows:

Governmental activities:

General government support	\$ 676,381
Education	326,423
Public safety	335,427
Health	137,437
Transportation	6,896,690
Economic opportunity and development	46,968
Culture and recreation	92,262
Home and community services	<u>1,551,521</u>

Total depreciation expense governmental activities	\$ <u>10,063,109</u>
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Business-type activities - Adult Care Center	\$ <u>186,899</u>
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Capital Assets - Component Units

Changes in the Soil and Water Conservation District's (component unit) capital assets are as follows:

	Balance January 1, <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
Capital assets, being depreciated:				
Buildings	\$ 55,197	-	-	55,197
Machinery and equipment	<u>112,752</u>	<u>970</u>	<u>(2,555)</u>	<u>111,167</u>
Total capital assets, being depreciated	<u>167,949</u>	<u>970</u>	<u>(2,555)</u>	<u>166,364</u>
Less accumulated depreciation for:				
Buildings	32,517	1,380	-	33,897
Machinery and equipment	<u>107,044</u>	<u>4,725</u>	<u>(2,555)</u>	<u>109,214</u>
Total accumulated depreciation	<u>139,561</u>	<u>6,105</u>	<u>(2,555)</u>	<u>143,111</u>
Soil and Water Conservation District capital assets, net	\$ <u>28,388</u>	<u>(5,135)</u>	<u>-</u>	<u>23,253</u>

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(d) Capital Assets, Continued

Changes in the Industrial Development Agency's (component unit) capital assets are as follows:

	Balance January 1, <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
Capital assets not being depreciated - construction-in-progress	\$ <u>380,905</u>	<u>1,006,107</u>	-	<u>1,387,012</u>
Capital assets, being depreciated:				
Machinery and equipment	299,865	4,873	(3,770)	300,968
Less accumulated depreciation	<u>(50,125)</u>	<u>(15,455)</u>	<u>3,770</u>	<u>(61,810)</u>
Industrial Development Agency capital assets, net	\$ <u>630,645</u>	<u>995,525</u>	-	<u>1,626,170</u>

Changes in the Emerald Corporate Center Economic Development Corporation's (component unit) capital assets are as follows:

	Balance January 1, <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
Capital assets, not being depreciated - construction-in-progress	\$ <u>1,442,461</u>	-	-	<u>1,442,461</u>

Changes in the Community College (component unit) capital assets are as follows:

	Balance January 1, <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2014</u>
Land	\$ 277,445	-	-	277,445
Construction work in progress	-	151,824	-	151,824
Building and improvements	43,741,155	1,016,522	-	44,757,677
Furniture and equipment	<u>4,797,502</u>	<u>156,457</u>	-	<u>4,953,959</u>
Total capital assets	<u>48,816,102</u>	<u>1,324,803</u>	-	<u>50,140,905</u>
Less accumulated depreciation for:				
Building and improvements	24,239,327	1,454,308	-	25,693,635
Furniture and equipment	<u>3,386,928</u>	<u>237,474</u>	-	<u>3,624,402</u>
Total accumulated depreciation	<u>27,626,255</u>	<u>1,691,782</u>	-	<u>29,318,037</u>
Net capital assets	\$ <u>21,189,847</u>	<u>(366,979)</u>	-	<u>20,822,868</u>

(e) Accrued Liabilities

Accrued liabilities at December 31, 2014 were as follows:

	Fund				<u>Total</u>
	<u>General</u>	<u>County road</u>	<u>Refuse and garbage</u>	<u>Non-major governmental</u>	
Payroll and employee benefits	\$ <u>3,423,949</u>	<u>458,793</u>	<u>112,536</u>	<u>139,255</u>	<u>4,134,533</u>

COUNTY OF SULLIVAN, NEW YORK

Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Pension Plan - Primary Government

The County participates in the New York State and Local Employees' Retirement System (ERS) (System). This System is a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12224.

Funding Policy - The System is non-contributory except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary; employees in tier 5 who contribute 3% of their salary without regard to their years of service; and, employees in tier 6 who contribute 3% of their salaries through March 31, 2013. Beginning on April 1, 2013, employees in tier 6 will contribute between 3% and 6% based upon the amount of their annual salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plan year ended March 31, 2015 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
1 751	27.7%
2 751	25.4, 25.3
3 551	25.0
3 A14	20.4, 20.3
4 551	25.0
4 89PAF	22.1
4 A15	20.4, 20.3
5 89PAF	19.5
5 A15	16.7, 16.6
6 551	15.6
6 89PAF	12.9
6 A15	11.1, 11.0, 10.9

Contributions made or accrued to the System for the current and two preceding years were as follows:

2014	\$ 7,970,747
2013	7,712,766
2012	4,923,708

These contributions were equal to 100% of the actuarially required contributions for each respective fiscal year.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Pension Plan - Primary Government, Continued

The current ERS contribution for the County was charged to the funds identified below.

<u>Fund</u>	<u>Amount</u>
General	\$ 6,100,254
County Road	631,323
Refuse and Garbage	165,048
Road Machinery	219,672
Adult Care Center	<u>854,450</u>
	<u>\$ 7,970,747</u>

(g) Pension Plans - Component Units

The College participates in ERS, as well as the New York State Teachers' Retirement System (TRS) and the Teachers' Insurance and Annuity Association - College Retirement Equities Fund (TIAA/CREF). The Sullivan County Soil and Water Conservation District also participates in the ERS. The ERS system is the same system which covers County employees. The elements of this system are described above. TRS is a cost-sharing multiple-employer defined benefit pension plan. TRS provides retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by Education Law. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. The TRS report may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

Funding Policy - TRS is non-contributory except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary and employees in tier 5 who contribute 3.5% of salary without regard to their years of service. Pursuant to Article 11 of Education Law, contributions are established annually for TRS by the New York State Teachers' Retirement Board. Contribution rates are actuarially determined and based upon membership tier and plan. The employer contribution rate for the plan year ended June 30, 2014 was 16.25% for all covered TRS employees.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(g) Pension Plans - Component Units, Continued

Contributions made to the Systems for the current and two preceding years were as follows:

	<u>Sullivan County Community College</u>		<u>Soil and Water Conservation District</u>
	<u>TRS</u>	<u>ERS</u>	<u>ERS</u>
2014	\$196,360	487,051	65,738
2013	131,014	460,452	58,934
2012	134,895	524,049	47,872

All contributions were equal to 100% of the actuarially required contributions for each respective fiscal year.

TIAA/CREF is an optional retirement program, designated by the trustees of the State University of New York, which has been made available by the College to eligible employees. This System is a privately operated defined contribution retirement plan. The College assumes no liability for the financial status of TIAA/CREF members' accounts other than payment of contributions. Benefits are determined by the amount of individual accumulations and the retirement income option selected.

All benefits are fully vested after thirteen months of participation in TIAA/CREF. New York State Education Law establishes the contribution rate for each employee electing this optional retirement program. TIAA/CREF is contributory for employees who joined after July 27, 1976 who contribute 2-3% of their salary. TIAA/CREF allows members to make extra payments at any time. These extra payments are not matched by the College. For the plan year ended August 31, 2014, the College incurred \$416,025 in pension expenses under this Plan.

Pension costs incurred for the current and two preceding years were as follows:

2014	\$ 416,025
2013	425,851
2012	451,957

The Industrial Development Agency, Emerald Corporate Center Economic Development Corporation and the Sullivan County Funding Corporation do not participate in a pension program.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(h) Short-Term Capital Borrowings

The schedule below details the changes in short-term capital borrowings.

Purpose	Year of Original Issue	Maturity Date	Interest Rate	Balance January 1, 2014	New Issues	Redemptions	Balance December 31, 2014
Governmental activities:							
Landfill cap	2010	3/7/2014	1.00%	\$ 2,200,000	-	(1,100,000)	1,100,000
Road reconstruction	2012	3/7/2014	1.00%	1,600,000	-	(400,000)	1,200,000
Computer equipment	2012	3/7/2014	1.00%	800,000	-	(200,000)	600,000
Road construction	2013	3/7/2014	1.00%	3,500,000	-	(700,000)	2,800,000
				<u>\$ 8,100,000</u>	<u>-</u>	<u>(2,400,000)</u>	<u>5,700,000</u>
Business-type activities:							
ACC Construction	2013	3/7/2014	1.00%	\$ 1,130,000	750,000	(1,130,000)	750,000

Liabilities for bond anticipation notes are generally accounted for in the capital projects fund.

Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes 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. Reductions in outstanding BAN obligations when principal payment is made in another fund is reported as BANs redeemed from appropriations.

Interest expenditures of \$8,000, \$40,306 and \$22,000 were recorded in the fund financial statements in the general, county road and refuse and garbage funds, respectively. Interest expense of \$5,697 was recorded in the government-wide financial statements for governmental activities.

(i) Short-Term Non-Capital Borrowings

The schedule below details the changes in short-term non-capital borrowings. These borrowings consisted of notes issued in anticipation of the collection of real property taxes.

Issued	Matures	Interest Rate	Balance January 1, 2014	New Issues	Redemptions	Balance December 31, 2014
03/19/2013	03/07/2014	0.75%	\$ 9,500,000	-	(9,500,000)	-
03/06/2014	03/06/2015	1.00%	-	9,000,000	-	9,000,000
			<u>\$ 9,500,000</u>	<u>9,000,000</u>	<u>(9,500,000)</u>	<u>9,000,000</u>

Interest expenditures of \$68,875 were recorded in the fund financial statements in the general fund. Interest expense of \$85,566 was recorded in the government-wide financial statements for governmental activities.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities

The changes in the County's long-term indebtedness for the year ended December 31, 2014 is as follows:

	Balance January 1, 2014	New Issues and/or Additions	Maturities and/or Payments	Balance December 31, 2014	Due Within One Year
Governmental activities:					
Bonds payable	\$ 49,333,027	11,315,000	(7,017,516)	53,630,511	6,728,109
Plus unamortized premium	<u>2,761,131</u>	<u>80,389</u>	<u>(334,368)</u>	<u>2,507,152</u>	<u>338,387</u>
	<u>52,094,158</u>	<u>11,395,389</u>	<u>(7,351,884)</u>	<u>56,137,663</u>	<u>7,066,496</u>
Other non-current liabilities:					
Claims payable	14,912,418	7,681,502	(5,377,782)	17,216,138	1,776,138
Retirement incentives and other pension obligations	6,332,247	2,228,290	(596,490)	7,964,047	873,486
Compensated absences	3,514,361	4,889,414	(5,042,352)	3,361,423	331,423
Other postemployment benefit obligations payable	59,474,999	11,766,152	(4,632,053)	66,609,098	-
Landfill closure costs	<u>14,815,828</u>	<u>131,368</u>	<u>(2,811,146)</u>	<u>12,136,050</u>	<u>513,485</u>
Total other non-current liabilities	<u>99,049,853</u>	<u>26,696,726</u>	<u>(18,459,823)</u>	<u>107,286,756</u>	<u>3,494,532</u>
Governmental activities long-term liabilities	<u>\$ 151,144,011</u>	<u>38,092,115</u>	<u>(25,811,707)</u>	<u>163,424,419</u>	<u>10,561,028</u>
Business-type activities:					
Bonds payable	13,011,973	-	(572,484)	12,439,489	181,891
Less unamortized original issue discount	<u>(103,226)</u>	<u>-</u>	<u>7,592</u>	<u>(95,634)</u>	<u>-</u>
	<u>12,908,747</u>	<u>-</u>	<u>(564,892)</u>	<u>12,343,855</u>	<u>181,891</u>
Other non-current liabilities:					
Retirement incentives and other pension obligations	887,498	318,427	(125,144)	1,080,781	138,662
Other postemployment benefit obligations payable	<u>8,451,349</u>	<u>1,556,968</u>	<u>(297,958)</u>	<u>9,710,359</u>	<u>297,958</u>
Total other non-current liabilities	<u>9,338,847</u>	<u>1,875,395</u>	<u>(423,102)</u>	<u>10,791,140</u>	<u>436,620</u>
Business-type activities long-term liabilities	<u>\$ 22,247,594</u>	<u>1,875,395</u>	<u>(987,994)</u>	<u>23,134,995</u>	<u>618,511</u>

COUNTY OF SULLIVAN, NEW YORK

Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

	Balance January 1, 2014	New Issues and/or Additions	Maturities and/or Payments	Balance December 31, 2014	Due Within One Year
Component units:					
Mortgage payable	\$ 7,867,906	8,275,000	(7,879,750)	8,263,156	490,792
Note payable	382,391	-	(9,548)	372,843	18,169
Capital lease obligations	3,413,000	2,200,000	(3,424,877)	2,188,123	171,627
Compensated absences	526,479	113,738	(72,854)	567,363	56,736
Other postemployment benefit obligations payable	<u>10,269,990</u>	<u>2,645,400</u>	<u>(1,007,393)</u>	<u>11,907,997</u>	<u>-</u>
Component units long-term liabilities	<u>\$ 22,459,766</u>	<u>13,234,138</u>	<u>(12,394,422)</u>	<u>23,299,482</u>	<u>737,324</u>

Governmental fund liabilities for bonds and installment purchase debt are liquidated by the debt service fund, which is primarily funded by the general fund. Each governmental fund's liability for retirement incentives and other pension obligations, compensated absences, other postemployment benefit obligations and landfill closure costs are liquidated by the respective fund, primarily the general fund. Claims liabilities are liquidated by the workers' compensation benefits fund, which is funded primarily by the general fund.

Bonds Payable - Governmental and Business-type Activities - Bonds payable at December 31, 2014 are comprised of the following individual issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2014</u>
Landfill projects	1999	\$ 9,976,987	April, 2019	1.242 - 3.382	\$ 2,670,000
Tobacco Asset Securitization	2001	16,965,000	June, 2027	5.000 - 6.000	12,390,000
Public improvements	2007	15,515,000	July, 2022	4.250 - 4.300	2,075,000
Refunding bonds	2007	6,900,000	March, 2017	4.000 - 5.000	1,540,000
Public improvements - tax exempt bonds	2010	8,775,000	May, 2021	3.610 - 5.110	4,790,000
Public improvements - Build America Bonds	2010	7,600,000	May, 2024	4.932 - 5.932	7,600,000
Public improvements - Recovery Zone Economic Development Bonds	2010	810,000	May, 2024	5.932	810,000
Public improvement	2012	9,495,000	October, 2026	1.500 - 3.000	7,785,000
Public improvement refunding	2013	17,880,000	July, 2022	1.000 - 5.000	15,095,000
Public improvement	2014	11,315,000	June, 2024	2.000 - 2.250	<u>11,315,000</u>
					<u>\$ 66,070,000</u>

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

Interest expenditures of \$1,941,485 were recorded in the fund financial statements in the debt service fund. Interest expense of \$1,840,029 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$26,398 and \$725,694 was recorded in the fund and government-wide financial statements for the business-type activities in the Adult Care Center Fund and the Sullivan County Tobacco Asset Securitization Corporation, respectively.

Payments to Maturity - The annual requirements to amortize all bonded debt outstanding as of December 31, 2014 including interest payments are as follows:

Year Ended December 31,	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 6,728,109	2,026,046	981,891 *	669,956	7,710,000	2,696,002
2016	7,018,541	1,683,575	631,459	635,071	7,650,000	2,318,646
2017	6,398,861	1,421,674	661,139	598,462	7,060,000	2,020,136
2018	6,150,000	1,223,965	820,000	556,856	6,970,000	1,780,821
2019	5,400,000	991,421	865,000	509,466	6,265,000	1,500,887
2020 - 2024	20,465,000	2,229,962	5,285,000	1,719,045	25,750,000	3,949,007
2025 - 2027	1,470,000	64,638	3,195,000	289,961	4,665,000	354,599
	<u>\$ 53,630,511</u>	<u>9,641,281</u>	<u>12,439,489</u>	<u>4,978,817</u>	<u>66,070,000</u>	<u>14,620,098</u>

* Includes optional flexible principal of \$800,000.

The above general obligation bonds are direct obligations of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the County, except for the 2001 SCTASC bonds totaling \$12,390,000. These bonds are obligations of SCTASC, and will be repaid from future tobacco revenues.

Note Payable - The Sullivan County Industrial Development Agency has entered into an agreement with the United States Department of Agriculture (USDA) to create a Rural Microloan Revolving Fund (RMRF), which will provide loans to local eligible businesses. The outstanding amount will accrue interest at 2% per annum throughout the term of the loan but will be deferred for the first 24 months. Once the deferral period is over, the Agency must repay the loan in equally amortized monthly payments of principal and interest over a period not to exceed 20 years. The first payment consisting of principal and interest was due in May 2014. As of December 31, 2014, the Agency has drawn down a total of \$372,000 of the \$440,000 loan funds available, and has accrued \$10,391 in deferred interest charges as of December 31, 2014.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

Claims Payable - The internal service fund reflects workers' compensation benefits liabilities. The general fund reflects general liability claims liabilities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	Year ended December 31, 2014			Year ended December 31, 2013		
	<u>Dental</u>	<u>Workers' compensation</u>	<u>General liability</u>	<u>Dental</u>	<u>Workers' compensation</u>	<u>General liability</u>
Balance at beginning of year	\$ 7,874	14,602,508	302,036	8,625	12,352,473	386,416
Provision for claims and claims adjustment expenses/expenditures	372,507	6,284,134	300,000	386,919	5,715,708	(29,821)
Claims and claims adjustment expenses/expenditures paid	(380,381)	(4,095,678)	(176,862)	(387,670)	(3,465,673)	(54,559)
Balance at end of year	<u>\$ -</u>	<u>16,790,964</u>	<u>425,174</u>	<u>7,874</u>	<u>14,602,508</u>	<u>302,036</u>
Due within one year	<u>\$ -</u>	<u>1,690,964</u>	<u>85,174</u>	<u>7,874</u>	<u>1,460,508</u>	<u>250,000</u>

COUNTY OF SULLIVAN, NEW YORK

Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

Retirement Incentives and Other Pension Obligations - Legislation approved by the State and adopted by the County in 2006 permitted correction officers to avail themselves of Section 4434 of the Retirement and Social Security Law. This section provided that the retirement calculation for these employees would be based on the regular compensation earned during the last year of credited service immediately preceding the member's effective date of retirement. Enactment of this provision resulted in a liability for past service costs estimated at \$48,800. Payments are being made over a ten year period, with interest at 8% per annum. The current year cost of the program was \$6,733, including interest, and was charged to general fund expenditures in the fund financial statements. The balance due at December 31, 2014 was \$12,009.

The 2010 State-wide Retirement Incentive Program enacted under Chapter 105 of the Laws of 2010 authorized local municipalities to offer employees a retirement incentive. Under Part A of the plan, eligible employees would be granted one month of additional service credit for each year of service up to 36 years. Under Part B of the plan, eligible employees can retire without penalty and benefit reduction if they are under the age of 62 and have less than 30 years of credited service. The estimated cost of the program will be approximately 60% of the employee's final average salary. The County has elected to pay this obligation over a five year period, with interest. The current year cost of the program was \$455,798 and was charged to general fund expenditures in the fund financial statements. The balance due at December 31, 2014 was \$706,597 for governmental activities and \$80,078 for business-type activities.

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The amount amortized for the County's 2012 contributions made in February 2013, was \$3,633,100 (County \$3,037,888, business-type activities \$424,568 and College \$170,644). The amount amortized for the County's 2013 contributions made in February 2014, was \$3,628,104 (County \$3,006,089, business-type activities \$464,603 and College \$157,412). The County elected to amortize the maximum allowable ERS contributions for 2014. The amount amortized for the County's 2014 contributions made in February 2015, was \$2,325,665 (County \$1,967,942, business-type activities \$223,402 and College \$134,321).

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

The following table summarizes the County's governmental funds and business-type activities future required payments for all retirement incentives and other pension obligations:

Year ended December 31,	Governmental Funds		Business-type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 873,486	246,506	138,662	34,683
2016	1,087,488	265,437	140,866	36,239
2017	738,661	214,504	102,663	29,844
2018	762,915	190,250	106,055	26,452
2019	787,973	165,193	109,561	22,946
2020-2024	<u>3,713,524</u>	<u>427,162</u>	<u>482,974</u>	<u>58,713</u>
Total	\$ <u>7,964,047</u>	<u>1,509,051</u>	<u>1,080,781</u>	<u>208,877</u>

Compensated Absences - Under the terms of existing collective bargaining agreements, County employees are granted vacation and sick leave in varying amounts. Upon retirement or separation of service, employees may be compensated for unused vacation time to a maximum of 30 days at the current daily rate of pay. Employees represented by the Brotherhood of Teamsters can accumulate up to 200 days of sick leave. Upon retirement, those employees who have accumulated more than 165 sick leave days shall receive a sure equal to 25% of the employees' daily rate of pay for sick leave accumulations in excess of 165 days up to a maximum of 200 days. The other collective bargaining agreements provide that employees can accumulate up to 200 days of sick leave. Upon retirement, those employees can apply 50% for each unused sick leave day in excess of 120 days to their share of retiree medical premiums. The value of these compensated absences has been reflected in the government-wide financial statements.

Sullivan County Community College (component unit) and the Soil and Water Conservation District (component unit) employees may accumulate vacation leave. Upon termination, they are compensated for this leave at their current rate of pay. The liability at December 31, 2014 was \$555,070 and \$12,293, respectively.

The Industrial Development Agency (component unit), the Emerald Corporate Center Economic Development Corporation (component unit) and the Sullivan County Funding Corporation (component unit) have no full time employees and therefore do not require policies with respect to compensated absences.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

Other Postemployment Benefit Obligations Payable - In addition to providing pension benefits, the County provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees' covered and the percentage of contribution. Contributions by the County may vary according to length of service. The cost of providing postemployment health care benefits is shared between the County and the retired employee. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County. The cost of retiree health care benefits is recognized as an expenditure as claims are paid in the governmental funds.

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution, (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

The County is required to accrue on the government-wide and proprietary fund financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The assumed increase in healthcare costs is 8% for the next year, decreasing annually through 2021 to 7.75%, 7.5%, 7.25%, 7%, 6.72% and 6.45%, respectively, and then continuing to decline to an ultimate rate of 3.886% in 2075. The amortization basis is the level dollar method with an open amortization approach of 30 years. The actuarial assumptions include a 4.155% investment rate of return and a 2.25% inflation rate. The County currently has no assets set aside for the purpose of paying postemployment benefits. The actuarial cost method utilized was the projected unit credit method. Separate financial statements are not available.

The number of participants as of December 31, 2014 was as follows:

	<u>Primary government</u>	<u>Community College (Component Unit)</u>	<u>Total</u>
Active employees	829	139	968
Retired employees	<u>656</u>	<u>99</u>	<u>755</u>
	<u>1,485</u>	<u>238</u>	<u>1,723</u>

	<u>Governmental Activities</u>	<u>Adult Care Center</u>	<u>Sullivan County Community College</u>
Amortization component:			
Actuarial accrued liability as of January 1, 2014	\$ 190,824,212	20,623,467	33,730,124
Assets at market value	-	-	-
Unfunded actuarial accrued liability (UAAL)	\$ <u>190,824,212</u>	<u>20,623,467</u>	<u>33,730,124</u>
Funded ratio	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Covered payroll (active plan members)	40,672,725	5,313,256	7,197,500
UAAL as a percentage of covered payroll	<u>469.17%</u>	<u>388.15%</u>	<u>468.64%</u>
Annual required contribution (ARC)	12,799,433	1,703,792	2,566,422
Interest on net OPEB obligation	2,471,186	351,154	110,516
Adjustment to annual required contribution	<u>(3,504,467)</u>	<u>(497,982)</u>	<u>(31,538)</u>
Annual OPEB cost	11,766,152	1,556,964	2,645,400
Contributions made	<u>(4,632,053)</u>	<u>(297,958)</u>	<u>(1,007,393)</u>
Increase in net OPEB obligation	7,134,099	1,259,006	1,638,007
Net OPEB obligation at beginning of year	<u>59,474,999</u>	<u>8,451,353</u>	<u>10,269,990</u>
Net OPEB obligation at end of year	\$ <u>66,609,098</u>	<u>9,710,359</u>	<u>11,907,997</u>

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

The primary government's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding years is as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 13,323,116	37.00%	76,319,457
2013	12,818,523	36.03%	67,926,352
2012	12,644,434	36.95%	59,726,970

The schedule of funding progress for the OPEB plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

Landfill Closure Costs - State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The amount of \$12,136,050 reported as a landfill closure costs liability in the government-wide financial statements, at December 31, 2014, represents an estimated amount based on the use of 100 percent of the landfill capacity less the actual expenditures to date of \$31,939,391. These expenditures have been charged to the capital projects fund, which has a total project budget of \$32,060,010. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Capital Lease Obligations - Component Unit - The College has entered into a capital lease to finance the construction of energy saving improvements and equipment. The lease financed \$3,662,030 for these improvements during 2010. On June 26, 2014, the College paid off its \$3,413,000 lease with BNY Mellon at a negotiated, discounted payment of \$2,153,342, representing payment in full and has refinanced with Sterling National Bank in the amount of \$2,200,000. The interest rate on the new lease is 5.49%. The balance due at December 31, 2014 is \$2,188,123.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Long-Term Liabilities, Continued

The future minimum payments required under the leases as of August 31, 2014 are as follows:

Year ending <u>August 31,</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 171,627	115,852
2016	181,271	106,189
2017	191,477	95,983
2018	202,258	85,203
2019	213,645	73,815
2020-2024	<u>1,227,845</u>	<u>174,545</u>
	<u>\$ 2,188,123</u>	<u>651,587</u>

Interest expense for 2014 related to capital lease obligations was \$220,411.

(k) Revenue and Expenditures Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers:

<u>Transfers out</u>	<u>Transfers In</u>						<u>Total</u>
	<u>General fund</u>	<u>County road fund</u>	<u>Refuse and garbage fund</u>	<u>Capital projects fund</u>	<u>Non-major governmental fund</u>	<u>Adult Care Center</u>	
General fund	\$ -	11,567,029	1,100,000	-	4,520,220	1,149,767	18,337,016
County road fund	-	-	-	-	1,952,323	-	1,952,323
Refuse and garbage fund	-	-	-	-	4,939,375	-	4,939,375
Capital projects fund	-	-	-	-	72,388	-	72,388
Non-major governmental fund	884	725	304	-	877,148	-	879,061
Adult Care Center	-	-	-	-	-	-	-
	<u>\$ 884</u>	<u>11,567,754</u>	<u>1,100,304</u>	<u>-</u>	<u>12,361,454</u>	<u>1,149,767</u>	<u>26,180,163</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for capital projects fund expenditures, 2) move unexpended capital projects fund balances to the operating funds that originally provided the funding, 3) move amounts earmarked in the operating funds to fulfill commitments for debt service fund expenditures and 4) move amounts in the general fund that are associated with the refuse and garbage fund.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(1) Net Position/Fund Balance

The components of net position are detailed below:

- Net investment in capital assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.
- Restricted for capital projects - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings (\$715,891) and flood mitigation (\$1,950,000).
- Restricted for community development - the component of net position that reports the difference between assets and liabilities of the community development fund with constraints placed on their use by the United States Department of Housing and Urban Development (\$948,979).
- Restricted for law enforcement - the component of net position that represents the proceeds of seized funds which are restricted by New York State Law for use in law enforcement activities (\$258,973).
- Restricted for Stop DWI program - the component of net position that represents State revenues that must be used in accordance with the parameters of the Driving While Intoxicated Program (\$454,807).
- Restricted for debt service - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law (\$1,274,394).
- Restricted for component units - this component of net position reports assets set aside by the Counties component units and detailed in their respective financial statements (\$1,480,055).
- Unrestricted - all other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described below.

Nonspendable fund balance reported in the general fund represents the amount due from the ACC which is a long-term receivable not available to fund current year operations.

Amounts committed by the County Legislature include \$8,679,610 to fund the closure and post closure care costs of the County’s land fill site; \$3,558,000 for building repairs; \$2,000,000 for infrastructure; and \$12,434 for Fort Delaware.

Restricted funds include \$792,022 for community development, \$258,973 for law enforcement, \$454,807 for Stop DWI program, \$1,950,000 for flood mitigation and \$1,274,394 for debt service.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(l) Net Position/Fund Balance, Continued

Assignment of fund balance are not legally required segregations but represent intended use for a specific purpose. At December 31, 2014, the County has assigned \$236,404 to be appropriated for the ensuing year's budget in the general fund. All remaining fund balances of the County Road, Refuse and Garbage, Capital Project and Road Machinery Fund are reported as assigned fund balances.

Unassigned fund balance in the general fund represents amounts not classified as nonspendable, restricted, committed or assigned.

(4) Summary Disclosure of Significant Contingencies

(a) Litigation

The County receives numerous notices of claims for damages arising generally from alleged negligence, false arrest, bodily injury, breach of contract and civil rights violations. The County is self-insured for general liability claims to the extent disclosed below. The County attorney has indicated that he is not aware of any such action which would have a significant adverse impact on the County's financial condition.

The County is also a defendant in numerous pending tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year in which the payments are made.

(b) Contingencies

The County participates in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Single Audit Act. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County anticipates such amounts, if any, to be immaterial.

The County has been made aware of a possible Medicaid recoupment of \$1,051,229 from the Sullivan County Adult Care Center, the provider, for the disallowance of a federal payment from the Centers for Medicare and Medicaid Services (CMS) for the New York State fiscal year 2006/07 intergovernmental transfer payment. CMS is basing this possible recoupment on the claim that payment was made outside the 2-year claiming window and, as such, is an overpayment to the health care provider. The County is of the opinion that its original request for payment was made within the 2-year claiming window, but later changed as directed by the New York State Department of Health (NYS DOH). Subsequent to the change in the requested payment date, CMS informed NYS DOH that supplemental Medicaid payments are based on "date of service" rather than "date of payment". This was contrary to how NYS DOH had interpreted the methodology for supplemental Medicaid payments since inception of the program in New York. This difference of opinion regarding payment methodology between CMS and

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(4) Summary Disclosure of Significant Contingencies, Continued

(b) Contingencies, Continued

NYS DOH should not result in a recoupment of Medicaid payments from the County. Due to these circumstances, a Congressional letter has been sent to CMS requesting a “good cause” waiver be granted to the counties affected. The outcome of this request is still pending and the County has not yet received official notification from NYS DOH regarding the recoupment. The County is of the opinion that since it originally requested payment within the 2-year claiming window and modified its payment request based on the directions received from NYS DOH, that the County should be held harmless from any recoupment. The potential recoupment reflects the actual amount due to the County from CMS, under the accepted guidelines that have been followed for more than two decades. Therefore, the only portion of any recoupment that should be subject of discussion are those enhanced funds that were awarded as part of the federal American Reinvestment and Recovery Act program, which are wholly outside of this \$1,051,229 that was properly and timely claimed by the County. The County may consider legal action to ensure that NYS DOH is held responsible for any recoupment, as opposed to funds from the County.

(c) Significant Contingencies - Sullivan County Tobacco Asset Securitization Corporation

The enforceability of the rights and remedies of the State (and thus the bondholders) and of the obligations of a participating manufacturer under the Master Settlement Agreement (MSA) are subject to the Bankruptcy Code and the other applicable insolvency, moratorium or similar laws relating to or affecting the enforcement of creditors’ rights. Some of the risks include risks of delay in or reduction of amounts of payment or of non-payment under the MSA and the risk that the State (and thus the County and/or SCTASC) may be stayed for an extended time from enforcing any rights under the MSA and the Consent Decree or with respect to the payments owed by the bankrupt participating manufacturer or from commencing legal proceedings against the bankrupt participating manufacturer. As a result, if a participating manufacturer becomes a debtor in a bankruptcy case and defaults in making payment, funds available to SCTASC to pay bondholders may be reduced or eliminated.

The bonds are payable only from the assets of SCTASC. The bonds are neither legal nor moral obligations of the County or the State of New York, and no recourse may be had thereto for payment of amounts owing on the bonds. SCTASC’s only source of funds for payments on the bonds is the collections and amounts on deposit in pledged accounts pursuant to the indenture. SCTASC has no taxing power and no significant assets other than the rights to receive tobacco settlement revenues.

(d) Risk Management

The County purchases various insurance coverages to reduce its exposure to loss. The County maintains a general liability policy with limits of \$1 million per occurrence. There is a \$75,000 self-insured retention per claim. The County also maintains an excess liability policy with coverage up to \$9 million per claim and in the aggregate. In addition, the County purchases conventional health insurance coverage. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(4) Summary Disclosure of Significant Contingencies, Continued

(d) Risk Management, Continued

The County adopted a self-insured workers compensation program under the provisions of Local Law No. 1 of 1967. The County, as well as other participants in the program (15 towns and 5 villages within the County), are assessed premiums which are based on a formula involving assessed value and the actual historical claims experience of such participant.

(5) Subsequent Events

The County issued \$8,500,000 of tax anticipation notes on March 5, 2015 in anticipation of real property tax collections. The notes mature on March 4, 2016 and bear interest at the rate of 1.25%.

The County issued bond anticipation notes of \$4,050,000 for various capital projects on March 4, 2015. The notes mature on March 4, 2016 and bear interest at the rate of 1.00%. The County also issued bond anticipation notes of \$7,070,000 for various capital projects on April 16, 2015. The notes mature on March 4, 2016 and bear interest at the rate of 1.25%.

(6) Other Matters

On June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 (Tax Levy Limitation Law). This law applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a County in a particular year, beginning with the 2012 year. It expires on June 16, 2016.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the County to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes

COUNTY OF SULLIVAN, NEW YORK
Notes to Financial Statements, Continued

(6) Other Matters, Continued

determined by the United States with the result expressed as a decimal to four places. The County is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the County, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the County. The County legislature may adopt a budget that exceeds the tax levy limit for the coming fiscal year only if the County Legislature first enacts, by a vote of at least sixty percent of the total voting power of the County Legislature, a local law to override such limit for such coming fiscal year.

(7) Accounting Standards Issued But Not Yet Implemented

The Governmental Accounting Standards Board has issued the following pronouncements which will be implemented in the years required.

Statement No. 68 - "Accounting and Financial Reporting for Pensions," effective for periods beginning after June 15, 2014.

Statement No. 71 - "Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68." The provisions of the statement will be applied simultaneously with the provisions of GASB Statement No. 68.

Statement No. 72 - "Fair Value Measurement and Application," effective for periods beginning after June 15, 2015.

Statement No. 73 - "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68," effective for periods beginning after June 15, 2015.

Statement No. 74 - "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans," effective for periods beginning after June 15, 2016.

Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," effective for periods beginning after June 15, 2017.

The County is currently studying these statements and plans on adoption as required.

COUNTY OF SULLIVAN, NEW YORK
 Required Supplementary Information - Schedule of Funding Progress
 Other Postemployment Benefits
 Last Three Fiscal Years

<u>Valuation Date</u>	<u>Actuarial</u>		<u>Unfunded Actuarial</u>	<u>Funded</u>	<u>Covered</u>	<u>Unfunded Liability as a Percentage of Covered Payroll</u>
	<u>Value of Assets</u>	<u>Accrued Liability</u>	<u>Accrued Liability</u>	<u>Ratio</u>	<u>Payroll</u>	
January 1, 2014	\$ -	211,447,679	211,447,679	-	45,985,981	459.81%
January 1, 2013	-	154,875,543	154,875,543	-	44,710,078	346.40
January 1, 2012	-	158,452,478	158,452,478	-	45,250,882	350.16

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The general fund constitutes the primary operating fund of the County and is used to account for and report all financial resources not accounted for and reported in another fund.

COUNTY ROAD FUND

The county road fund is established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.

REFUSE AND GARBAGE FUND

The refuse and garbage fund is used to account for the activity of the County's solid waste operations.

CAPITAL PROJECTS FUND

The capital projects fund is utilized to account for and report financial resources that are restricted, committed or assigned for capital outlay, including the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

COUNTY OF SULLIVAN, NEW YORK
 General Fund
 Comparative Balance Sheets
 December 31, 2014 and 2013

	<u>Assets</u>	<u>2014</u>	<u>2013</u>
Cash:			
Demand deposits		\$ 25,751,885	26,584,300
Petty cash		12,650	12,800
		<u>25,764,535</u>	<u>26,597,100</u>
Taxes receivable:			
Taxes receivable - overdue		22,325,631	20,839,573
Returned school district taxes		16,117,480	15,172,435
Tax liens		9,712	30,791
		<u>38,452,823</u>	<u>36,042,799</u>
Less allowance for uncollectible amounts		<u>(2,182,282)</u>	<u>(2,057,858)</u>
		<u>36,270,541</u>	<u>33,984,941</u>
Other receivables:			
Accounts		11,135,855	8,270,666
State and Federal aid		16,249,126	21,264,280
Due from other governments		121,887	191,546
Due from other funds		3,530,382	7,926,380
		<u>31,037,250</u>	<u>37,652,872</u>
Total assets		<u>\$ 93,072,326</u>	<u>98,234,913</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balance</u>			
Liabilities:			
Accounts payable		6,709,870	7,902,881
Accrued liabilities		3,423,949	3,281,169
Retained percentages payable		-	1,352
Due to other governments		474,796	314,258
Due to school districts		19,169,614	18,477,332
Due to other funds		6,848,192	8,276,984
Due to New York State retirement system		5,687,880	5,378,238
Deposits		5,116,508	4,385,955
Tax anticipation notes payable		9,000,000	9,500,000
Total liabilities		<u>56,430,809</u>	<u>57,518,169</u>
Deferred inflows of resources:			
Deferred departmental income inflows		1,282,379	1,213,340
Deferred tax inflows		11,170,995	11,994,299
Total deferred inflows of resources		<u>12,453,374</u>	<u>13,207,639</u>
Fund balance:			
Nonspendable		397,864	4,865,391
Restricted		1,914,665	773,434
Committed		14,250,044	13,503,770
Assigned		236,404	1,349,150
Unassigned		7,389,166	7,017,360
Total fund balance		<u>24,188,143</u>	<u>27,509,105</u>
Total liabilities, deferred inflows and fund balance		<u>\$ 93,072,326</u>	<u>98,234,913</u>

COUNTY OF SULLIVAN, NEW YORK

General Fund

Comparative Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget and Actual
Years ended December 31, 2014 and 2013

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Real property taxes	\$ 55,600,927	55,600,927	55,763,769	162,842
Other tax items	7,101,656	7,128,595	7,522,050	393,455
Non-property taxes	36,037,000	36,037,000	38,064,659	2,027,659
Departmental income	21,986,110	19,950,273	18,874,213	(1,076,060)
Intergovernmental charges	634,994	773,742	682,268	(91,474)
Use of money and property	131,500	131,500	151,976	20,476
Licenses and permits	26,500	26,500	58,400	31,900
Fines and forfeitures	266,308	317,808	283,928	(33,880)
Sale of property and compensation for loss	106,750	106,750	39,953	(66,797)
Miscellaneous local sources	4,143,727	4,213,805	3,464,731	(749,074)
State aid	16,898,864	17,905,413	13,514,877	(4,390,536)
Federal aid	17,907,965	17,981,754	16,521,116	(1,460,638)
Total revenue	<u>160,842,301</u>	<u>160,174,067</u>	<u>154,941,940</u>	<u>(5,232,127)</u>
Expenditures:				
General government support	25,449,250	25,474,152	23,375,800	2,098,352
Education	5,500,000	5,500,000	5,457,556	42,444
Public safety	24,163,436	24,835,607	24,058,483	777,124
Health	24,597,461	23,333,878	21,926,234	1,407,644
Transportation	1,378,331	1,499,348	1,362,008	137,340
Economic opportunity and development	56,870,317	56,936,950	58,931,619	(1,994,669)
Culture and recreation	3,351,598	3,303,655	3,171,942	131,713
Home and community services	1,462,875	1,557,165	1,435,145	122,020
Debt service	276,875	276,875	276,875	-
Total expenditures	<u>143,050,143</u>	<u>142,717,630</u>	<u>139,995,662</u>	<u>2,721,968</u>
Excess of revenue over expenditures	<u>17,792,158</u>	<u>17,456,437</u>	<u>14,946,278</u>	<u>(2,510,159)</u>
Other financing sources (uses):				
Premiums	-	6,704	68,892	62,188
Transfers in	-	-	884	884
Transfers out	(18,391,308)	(18,321,403)	(18,337,016)	(15,613)
Total other financing sources (uses)	<u>(18,391,308)</u>	<u>(18,314,699)</u>	<u>(18,267,240)</u>	<u>47,459</u>
Net change in fund balance	<u>(599,150)</u>	<u>(858,262)</u>	<u>(3,320,962)</u>	<u>(2,462,700)</u>
Fund balance at beginning of year	<u>27,509,105</u>	<u>27,509,105</u>	<u>27,509,105</u>	<u>-</u>
Fund balance at end of year	<u>\$ 26,909,955</u>	<u>26,650,843</u>	<u>24,188,143</u>	<u>(2,462,700)</u>

COUNTY OF SULLIVAN, NEW YORK

General Fund

Comparative Schedule of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual, Continued

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Real property taxes	\$ 53,364,524	53,364,524	53,786,165	421,641
Other tax items	6,085,851	6,463,870	9,313,959	2,850,089
Non-property taxes	36,387,000	36,426,594	36,206,602	(219,992)
Departmental income	23,042,265	22,581,968	20,015,462	(2,566,506)
Intergovernmental charges	631,967	606,752	521,439	(85,313)
Use of money and property	131,150	131,150	174,443	43,293
Licenses and permits	26,500	26,500	20,000	(6,500)
Fines and forfeitures	276,208	301,872	322,034	20,162
Sale of property and compensation for loss	108,250	144,321	62,818	(81,503)
Miscellaneous local sources	3,320,779	3,354,547	3,411,682	57,135
State aid	15,798,305	16,178,692	16,102,525	(76,167)
Federal aid	16,723,427	16,765,310	16,283,063	(482,247)
Total revenue	<u>155,896,226</u>	<u>156,346,100</u>	<u>156,220,192</u>	<u>(125,908)</u>
Expenditures:				
General government support	24,488,251	24,531,263	22,866,068	1,665,195
Education	5,600,000	5,600,000	5,547,733	52,267
Public safety	22,534,847	23,643,746	23,168,719	475,027
Health	24,885,404	24,564,446	23,063,706	1,500,740
Transportation	1,314,570	1,426,523	1,187,575	238,948
Economic opportunity and development	55,831,395	56,179,931	55,052,400	1,127,531
Culture and recreation	3,419,072	3,266,588	3,129,855	136,733
Home and community services	1,176,313	1,165,713	1,063,084	102,629
Debt service	843,125	843,125	843,125	-
Total expenditures	<u>140,092,977</u>	<u>141,221,335</u>	<u>135,922,265</u>	<u>5,299,070</u>
Excess of revenue over expenditures	<u>15,803,249</u>	<u>15,124,765</u>	<u>20,297,927</u>	<u>5,173,162</u>
Other financing sources (uses):				
Premiums	-	-	36,237	36,237
Transfers in	-	-	10,313	10,313
Transfers out	(17,317,662)	(17,481,480)	(17,258,234)	223,246
Total other financing sources (uses)	<u>(17,317,662)</u>	<u>(17,481,480)</u>	<u>(17,211,684)</u>	<u>269,796</u>
Net change in fund balance	(1,514,413)	(2,356,715)	3,086,243	5,442,958
Fund balance at beginning of year	<u>24,422,862</u>	<u>24,422,862</u>	<u>24,422,862</u>	<u>-</u>
Fund balance at end of year	<u>\$ 22,908,449</u>	<u>22,066,147</u>	<u>27,509,105</u>	<u>5,442,958</u>

COUNTY OF SULLIVAN, NEW YORK

General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual
Year ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
Real property taxes	\$ 55,600,927	55,600,927	55,763,769	162,842	53,786,165
Other tax items:					
Gain on sale of tax acquired property	750,000	776,939	2,048,461	1,271,522	2,751,742
Interest and penalties on real property taxes	5,500,000	5,500,000	4,667,850	(832,150)	5,566,052
Payments in lieu of taxes	851,656	851,656	805,739	(45,917)	996,165
	7,101,656	7,128,595	7,522,050	393,455	9,313,959
Non-property taxes:					
Sales and use tax	34,000,000	34,000,000	35,960,305	1,960,305	33,793,427
Hotel room occupancy tax	550,000	550,000	538,021	(11,979)	619,352
Off-track betting surcharge	250,000	250,000	207,963	(42,037)	265,550
E-911 surcharge	290,000	290,000	277,083	(12,917)	286,122
Automobile use tax	475,000	475,000	507,281	32,281	548,403
Mortgage tax	470,000	470,000	569,181	99,181	689,150
Other taxes	2,000	2,000	4,825	2,825	4,598
	36,037,000	36,037,000	38,064,659	2,027,659	36,206,602

(Continued)

COUNTY OF SULLIVAN, NEW YORK

General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
Departmental income:					
General government support:					
County treasurer fees	\$ 4,350	4,350	5,575	1,225	5,726
Tax collection fees	810,217	910,572	1,002,078	91,506	1,099,667
Tax map fees	2,375	2,375	1,925	(450)	3,502
Clerk fees	1,706,765	1,515,450	1,515,042	(408)	1,642,387
Charges for tax advertising	1,500	4,247	2,798	(1,449)	937
Civil service examination fees	10,000	10,000	11,583	1,583	8,841
Attorney fees	34,533	79,232	79,232	-	108,409
Public works charges	3,797,641	3,801,391	3,797,768	(3,623)	3,804,417
Management information fees	1,403,372	1,228,921	1,183,828	(45,093)	990,857
Stop-DWI reimbursement	80,850	67,850	67,850	-	67,850
Central services chargebacks	213,681	213,681	146,446	(67,235)	172,754
	<u>8,065,284</u>	<u>7,838,069</u>	<u>7,814,125</u>	<u>(23,944)</u>	<u>7,905,347</u>
Public safety:					
Sheriff fees	673,500	756,500	799,609	43,109	730,310
Probation fees	167,034	167,034	112,206	(54,828)	122,328
Public safety fees	107,205	107,205	104,237	(2,968)	103,473
	<u>947,739</u>	<u>1,030,739</u>	<u>1,016,052</u>	<u>(14,687)</u>	<u>956,111</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK

General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	Actual	Variance with Final Budget Positive (Negative)	2013 <u>Actual</u>
Departmental income, continued:					
Health:					
Home nursing charges	\$ 5,476,726	4,862,275	3,880,642	(981,633)	4,682,373
Mental health fees	3,351,543	1,978,636	1,702,990	(275,646)	1,811,195
Early intervention child care services	226,112	469,428	511,997	42,569	737,151
Narcotics, DWI and alcoholism programs	485,077	320,777	321,395	618	275,413
Other	8,300	8,567	8,566	(1)	6,822
	<u>9,547,758</u>	<u>7,639,683</u>	<u>6,425,590</u>	<u>(1,214,093)</u>	<u>7,512,954</u>
Transportation:					
Airport rentals and fees	67,300	59,387	63,389	4,002	63,732
Public transportation fees	293,575	293,575	295,189	1,614	294,721
	<u>360,875</u>	<u>352,962</u>	<u>358,578</u>	<u>5,616</u>	<u>358,453</u>
Economic opportunity and development:					
Medical assistance	1,276,130	1,276,130	1,257,058	(19,072)	1,395,279
Child care	495,900	495,900	322,638	(173,262)	489,011
Juvenile delinquency	12,500	12,500	145,999	133,499	18,232
Safety net	349,467	349,467	340,083	(9,384)	326,241
Home energy assistance program repayments	115,000	115,000	133,782	18,782	91,211
Emergency aid to adults	27,000	27,000	22,483	(4,517)	26,553
Family services - chargebacks	68,628	68,628	315,999	247,371	140,628
Other	458,514	546,591	532,315	(14,276)	580,115
	<u>2,803,139</u>	<u>2,891,216</u>	<u>3,070,357</u>	<u>179,141</u>	<u>3,067,270</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2013 <u>Actual</u>
Departmental income, continued:					
Culture and recreation:					
Parks and recreation	\$ 71,140	57,515	57,247	(268)	57,439
Recreation concessions	15,000	11,445	8,703	(2,742)	9,771
Contributions - Office for the Aging	157,675	113,534	111,628	(1,906)	130,882
Fort Delaware admissions fees	17,500	15,110	11,931	(3,179)	13,281
	<u>261,315</u>	<u>197,604</u>	<u>189,509</u>	<u>(8,095)</u>	<u>211,373</u>
Home and Community Services - community development administration reimbursement	-	-	2	2	3,954
Total departmental income	<u>21,986,110</u>	<u>19,950,273</u>	<u>18,874,213</u>	<u>(1,076,060)</u>	<u>20,015,462</u>
Intergovernmental charges:					
General services	425,823	429,215	431,850	2,635	400,520
Election service charges	1,000	3,652	3,809	157	344
Public safety	15,500	63,625	57,066	(6,559)	16,127
Health services	85,000	169,579	84,578	(85,001)	21
Economic assistance	107,671	107,671	104,965	(2,706)	104,427
	<u>634,994</u>	<u>773,742</u>	<u>682,268</u>	<u>(91,474)</u>	<u>521,439</u>
Use of money and property:					
Earnings on investments	40,300	40,300	53,854	13,554	58,167
Rental of property	7,800	7,800	7,800	-	7,800
Commissions	83,400	83,400	90,322	6,922	108,476
	<u>131,500</u>	<u>131,500</u>	<u>151,976</u>	<u>20,476</u>	<u>174,443</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	Actual	Variance with Final Budget Positive (Negative)	2013 <u>Actual</u>
Licenses and permits:					
Business and occupational licenses	\$ 25,000	25,000	56,900	31,900	18,500
Other licenses and permits	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	-	<u>1,500</u>
	<u>26,500</u>	<u>26,500</u>	<u>58,400</u>	<u>31,900</u>	<u>20,000</u>
Fines and forfeitures:					
Fines and forfeited bail	12,000	63,500	110,337	46,837	157,244
Stop DWI fines	<u>254,308</u>	<u>254,308</u>	<u>173,591</u>	<u>(80,717)</u>	<u>164,790</u>
	<u>266,308</u>	<u>317,808</u>	<u>283,928</u>	<u>(33,880)</u>	<u>322,034</u>
Sale of property and compensation for loss:					
Minor sales	6,750	6,750	19,327	12,577	12,243
Insurance recoveries	<u>100,000</u>	<u>100,000</u>	<u>20,626</u>	<u>(79,374)</u>	<u>50,575</u>
	<u>106,750</u>	<u>106,750</u>	<u>39,953</u>	<u>(66,797)</u>	<u>62,818</u>
Miscellaneous local sources:					
Refund of prior year's expenditures	-	11,736	11,736	-	22,063
Gifts and donations	107,500	94,820	95,205	385	89,460
Video and lottery terminals	242,448	308,570	308,570	-	242,448
Indirect cost chargebacks	<u>3,043,779</u>	<u>3,043,779</u>	<u>3,043,779</u>	-	<u>3,043,779</u>
Other	<u>750,000</u>	<u>754,900</u>	<u>5,441</u>	<u>(749,459)</u>	<u>13,932</u>
	<u>4,143,727</u>	<u>4,213,805</u>	<u>3,464,731</u>	<u>(749,074)</u>	<u>3,411,682</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2013 <u>Actual</u>
State aid:					
General government support:					
Court facilities	\$ 223,500	220,050	219,246	(804)	216,963
District attorney	113,800	113,800	114,976	1,176	130,552
Indigent legal services	81,000	81,000	158,054	77,054	291,393
Records management	-	-	-	-	2,616
Other	-	161,423	161,423	-	210,020
	<u>418,300</u>	<u>576,273</u>	<u>653,699</u>	<u>77,426</u>	<u>851,544</u>
Public safety:					
Homeland security	32,792	839	-	(839)	-
Probation services	292,023	292,023	272,022	(20,001)	278,501
Navigation aid	4,000	4,000	3,016	(984)	3,995
Court officer reimbursement	-	-	-	-	14,710
Coroners reimbursement	3,000	6,000	10,172	4,172	-
Other	18,150	344,197	323,407	(20,790)	(307)
	<u>349,965</u>	<u>647,059</u>	<u>608,617</u>	<u>(38,442)</u>	<u>296,899</u>
Health:					
Public health	1,332,218	1,442,145	1,259,970	(182,175)	1,160,751
Education and care of handicapped children	6,000	4,421	731	(3,690)	824
Addition control	334,892	451,711	451,740	29	222,078
Mental health	3,097,054	3,661,052	3,661,278	226	2,976,453
Education and transportation of handicapped child	15,000	134,322	134,321	(1)	141,885
Early intervention program	3,070,305	2,611,352	2,172,562	(438,790)	2,264,236
	<u>7,855,469</u>	<u>8,305,003</u>	<u>7,680,602</u>	<u>(624,401)</u>	<u>6,766,227</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2013 Actual</u>
State aid, continued:					
Transportation:					
Bus subsidies	\$ 36,500	36,500	6,352	(30,148)	58,505
Other	<u>1,500</u>	<u>6,147</u>	<u>6,147</u>	<u>-</u>	<u>5,910</u>
	<u>38,000</u>	<u>42,647</u>	<u>12,499</u>	<u>(30,148)</u>	<u>64,415</u>
Economic opportunity and development:					
Medical assistance	(252,086)	(252,086)	(127,463)	124,623	(308,370)
Aid to dependent children	-	-	555,673	555,673	2,764
Family services administration	3,262,317	3,262,317	2,049,863	(1,212,454)	4,406,590
Child care	2,412,152	2,412,152	1,007,680	(1,404,472)	1,817,369
Juvenile delinquency	222,328	222,328	(95,641)	(317,969)	77,931
Home relief	994,001	994,001	315,280	(678,721)	1,026,700
Emergency aid for adults	64,100	64,100	11,817	(52,283)	59,563
Day care	243,472	243,472	135,797	(107,675)	160,686
Veterans' service agency	8,529	8,529	8,529	-	8,529
Economic assistance	117,595	117,595	2,684	(114,911)	4,829
Services for recipients	<u>493,566</u>	<u>493,566</u>	<u>(40,966)</u>	<u>(534,532)</u>	<u>158,338</u>
	<u>7,565,974</u>	<u>7,565,974</u>	<u>3,823,253</u>	<u>(3,742,721)</u>	<u>7,414,929</u>
Culture and recreation:					
Programs for the aging	620,417	571,356	571,356	-	594,149
Youth programs	<u>50,739</u>	<u>97,101</u>	<u>75,433</u>	<u>(21,668)</u>	<u>51,875</u>
	<u>671,156</u>	<u>668,457</u>	<u>646,789</u>	<u>(21,668)</u>	<u>646,024</u>
Home and community services - refuse, garbage and recycling charges	-	100,000	89,418	(10,582)	62,487
Total state aid	<u>16,898,864</u>	<u>17,905,413</u>	<u>13,514,877</u>	<u>(4,390,536)</u>	<u>16,102,525</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	Actual	Variance with Final Budget Positive (Negative)	2013 <u>Actual</u>
Federal aid:					
Public safety:					
Sheriff's department	\$ 195,000	119,000	118,897	(103)	60,019
Other	<u>12,346</u>	<u>72,346</u>	<u>70,198</u>	<u>(2,148)</u>	<u>122,810</u>
	<u>207,346</u>	<u>191,346</u>	<u>189,095</u>	<u>(2,251)</u>	<u>182,829</u>
Health:					
Public health	275,448	276,062	274,552	(1,510)	269,834
W.I.C. program	595,601	567,326	503,101	(64,225)	372,381
Mental health	<u>300,000</u>	<u>370,057</u>	<u>370,057</u>	<u>-</u>	<u>239,274</u>
	<u>1,171,049</u>	<u>1,213,445</u>	<u>1,147,710</u>	<u>(65,735)</u>	<u>881,489</u>
Economic opportunity and development:					
Medial assistance	(286,808)	(286,808)	(321,027)	(34,219)	(299,021)
Aid to dependent children	3,893,000	3,893,000	3,705,876	(187,124)	3,805,336
Family services administration	5,002,498	5,043,898	4,818,561	(225,337)	5,033,386
Food stamps	742,174	742,174	642,875	(99,299)	620,998
Flexible fund family services	3,104,497	3,104,497	3,241,791	137,294	2,651,826
Child care	1,562,365	1,562,365	1,326,546	(235,819)	1,349,727
Home relief	44,816	44,816	27,421	(17,395)	5,931
Workforce development	814,191	814,191	545,743	(268,448)	601,457
Day care	<u>1,169,672</u>	<u>1,169,672</u>	<u>672,358</u>	<u>(497,314)</u>	<u>941,033</u>
	<u>16,046,405</u>	<u>16,087,805</u>	<u>14,660,144</u>	<u>(1,427,661)</u>	<u>14,710,673</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK

General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget - With Prior Year Actual, Continued

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
Federal aid, continued:					
Culture and recreation - programs for the aging	\$ 483,165	489,158	489,118	(40)	461,799
Home and community services - planning	-	-	35,049	35,049	46,273
Total federal aid	17,907,965	17,981,754	16,521,116	(1,460,638)	16,283,063
Total revenue	160,842,301	160,174,067	154,941,940	(5,232,127)	156,220,192
Other financing sources:					
Premiums	-	6,704	68,892	62,188	36,237
Transfer in:					
Capital projects fund	-	-	-	-	1,060
Debt service fund	-	-	884	884	9,253
Total other financing sources	-	6,704	69,776	63,072	46,550
Total revenue and other financing sources	\$ 160,842,301	160,180,771	155,011,716	(5,169,055)	156,266,742

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - With Prior Year Actual
Year ended December 31, 2014

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2013 <u>Actual</u>
General governmental support:					
County legislature	\$ 611,667	647,667	613,913	33,754	549,149
Municipal Court	7,000	7,000	5,450	1,550	6,640
District Attorney	1,556,036	1,693,480	1,663,967	29,513	1,532,247
Public defense	1,382,757	1,382,757	1,472,093	(89,336)	1,497,310
Coroners	315,249	318,249	317,732	517	317,897
County manager	295,019	295,869	276,622	19,247	284,090
Audit and control	500,416	503,616	489,623	13,993	474,850
County treasurer	515,942	515,942	506,172	9,770	486,619
Tax collection	1,031,460	1,131,815	1,077,471	54,344	1,194,268
Management and budget	425,294	429,611	319,580	110,031	422,500
Grants administration	244,893	245,693	254,987	(9,294)	238,700
Risk management	-	-	-	-	2
Payroll	254,785	254,785	256,488	(1,703)	250,511
Health finance	203,525	203,525	220,733	(17,208)	164,549
Purchasing	360,641	360,732	354,556	6,176	343,599
Real property tax map	579,086	579,086	534,613	44,473	568,797
County clerk	2,010,335	2,030,335	2,014,496	15,839	2,003,771
County attorney	928,512	1,164,137	1,139,140	24,997	838,630
Personnel	851,790	860,560	799,263	61,297	843,285
Elections	667,892	831,965	807,988	23,977	610,546

(Continued)

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - With Prior Year Actual, Continued

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	<u>2013 Actual</u>
General governmental support, continued:					
Records management	\$ 141,753	141,753	138,270	3,483	131,506
Public works administration	563,644	563,844	568,075	(4,231)	603,772
Central services administration	244,593	245,312	225,322	19,990	249,586
Buildings	4,599,185	4,687,406	4,450,378	237,028	4,411,762
Management information systems	3,395,797	3,245,434	3,090,829	154,605	2,948,344
Unallocated insurance	869,060	869,060	745,401	123,659	896,032
Municipal association dues	35,000	35,000	34,524	476	34,221
Judgments and claims	150,000	150,000	25,956	124,044	85,278
Postemployment benefits	772,919	772,919	808,249	(35,330)	779,330
Miscellaneous	1,935,000	1,306,600	163,909	1,142,691	98,277
Bond and note issuance costs	-	-	-	-	-
	<u>25,449,250</u>	<u>25,474,152</u>	<u>23,375,800</u>	<u>2,098,352</u>	<u>22,866,068</u>
Education:					
Community college - non-resident tuition	1,500,000	1,500,000	1,457,556	42,444	1,547,733
Contribution to community college	4,000,000	4,000,000	4,000,000	-	4,000,000
	<u>5,500,000</u>	<u>5,500,000</u>	<u>5,457,556</u>	<u>42,444</u>	<u>5,547,733</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - With Prior Year Actual, Continued

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
Public safety:					
Administration	\$ 195,251	214,457	228,722	(14,265)	230,299
E-911	1,543,331	1,836,268	1,771,016	65,252	1,460,406
Sheriff	7,029,623	7,214,605	7,012,304	202,301	6,430,413
Probation	2,313,305	2,314,791	2,298,314	16,477	2,064,975
Jail	11,998,539	12,164,019	11,646,025	517,994	11,911,216
Stop DWI	281,708	281,708	232,331	49,377	248,050
Fire protection	92,585	100,665	94,943	5,722	81,947
Animal control	2,500	2,500	4,964	(2,464)	2,283
Safety inspection	1,750	1,750	919	831	914
Postemployment benefits	704,844	704,844	768,945	(64,101)	738,216
	<u>24,163,436</u>	<u>24,835,607</u>	<u>24,058,483</u>	<u>777,124</u>	<u>23,168,719</u>
Health:					
Public health	7,671,420	7,132,651	6,756,645	376,006	7,137,181
Handicapped children	23,008	21,429	14,537	6,892	10,386
Diagnostic and treatment programs	652,845	657,763	634,427	23,336	603,903
Early Care/Intervention Children/WIC	5,967,859	5,967,859	5,073,128	894,731	5,811,107
Addiction control	740,508	798,123	700,059	98,064	513,696
Community services administration	875,411	949,226	945,450	3,776	768,163
Mental health programs	1,781,592	1,758,484	1,743,593	14,891	1,680,913
Contracted mental health services	3,946,410	3,645,935	3,628,162	17,773	3,752,204
Postemployment benefits	2,548,826	2,012,826	2,012,510	316	2,402,084
Public transportation fees	389,582	389,582	417,723	(28,141)	384,069
	<u>24,597,461</u>	<u>23,333,878</u>	<u>21,926,234</u>	<u>1,407,644</u>	<u>23,063,706</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - With Prior Year Actual, Continued

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
Transportation:					
Airport	\$ 418,795	411,835	395,652	16,183	389,438
Public transportation	882,174	1,010,151	888,772	121,379	719,766
Postemployment benefits	77,362	77,362	77,584	(222)	78,371
	<u>1,378,331</u>	<u>1,499,348</u>	<u>1,362,008</u>	<u>137,340</u>	<u>1,187,575</u>
Economic opportunity and development:					
Family services administration	14,334,399	14,410,222	14,125,209	285,013	13,043,055
Day care	1,537,437	1,537,437	1,264,054	273,383	1,391,662
Services for recipients	695,343	695,343	717,278	(21,935)	537,077
Medical assistance	182,736	182,736	106,393	76,343	140,319
Medical assistance - MMIS	21,504,572	21,504,572	26,451,463	(4,946,891)	21,718,772
Family assistance	5,046,626	5,046,626	5,489,590	(442,964)	5,257,885
Child care	4,892,852	4,892,852	3,295,868	1,596,984	4,856,104
Juvenile delinquent care	382,822	382,822	91,285	291,537	210,505
State training schools	283,592	152,182	226,822	(74,640)	(45,672)
Safety net	3,717,034	3,717,034	2,846,350	870,684	3,669,078
Home energy assistance program	52,400	52,400	91,190	(38,790)	11,371
Emergency aid for adults	195,000	295,000	320,756	(25,756)	273,383
Center for workforce development	1,510,448	1,507,448	1,245,874	261,574	1,332,245
Community action commission	18,360	18,360	18,360	-	62,272
Other economic opportunity programs	31,396	31,396	31,396	-	31,396
Public information	517,500	517,500	612,869	(95,369)	648,774
Veterans' services	611,886	611,886	517,241	94,645	531,954

(Continued)

COUNTY OF SULLIVAN, NEW YORK

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - With Prior Year Actual, Continued

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2013 Actual
Economic opportunity and development, continued:					
Consumer affairs - weights and measures	\$ 77,828	78,048	92,309	(14,261)	89,971
Economic and community development	242,024	267,024	267,686	(662)	223,240
Postemployment benefits	1,036,062	1,036,062	1,119,626	(83,564)	1,069,009
	<u>56,870,317</u>	<u>56,936,950</u>	<u>58,931,619</u>	<u>(1,994,669)</u>	<u>55,052,400</u>
Culture and recreation:					
Parks and recreation	323,740	326,715	293,633	33,082	318,356
Youth programs	170,371	234,333	188,482	45,851	161,732
County museum	76,094	75,102	59,134	15,968	56,908
Historical property - Fort Delaware	84,491	75,003	53,350	21,653	61,969
Cultural affairs	42,803	42,803	37,603	5,200	49,303
Aging programs	2,531,519	2,427,119	2,415,341	11,778	2,358,762
Postemployment benefits	122,580	122,580	124,399	(1,819)	122,825
	<u>3,351,598</u>	<u>3,303,655</u>	<u>3,171,942</u>	<u>131,713</u>	<u>3,129,855</u>
Home and community services:					
Planning	688,147	782,437	676,331	106,106	511,400
Human rights commission	39,081	39,081	38,448	633	38,085
Fish and game	13,600	13,600	12,240	1,360	13,600
DPW flood and erosion control	298,535	298,535	285,178	13,357	158,828
Veterans' cemetery	4,825	4,825	4,237	588	5,517
Postemployment benefits	3,687	3,687	3,711	(24)	3,654
Other	415,000	415,000	415,000	-	332,000
	<u>1,462,875</u>	<u>1,557,165</u>	<u>1,435,145</u>	<u>122,020</u>	<u>1,063,084</u>

(Continued)

COUNTY OF SULLIVAN, NEW YORK
General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - With Prior Year Actual, Continued

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>	<u>2013 Actual</u>
Debt service:					
Principal	\$ 200,000	200,000	200,000	-	700,000
Interest:					
Bond anticipation notes	8,000	8,000	8,000	-	18,125
Tax anticipation notes	<u>68,875</u>	<u>68,875</u>	<u>68,875</u>	-	<u>125,000</u>
	<u>276,875</u>	<u>276,875</u>	<u>276,875</u>	-	<u>843,125</u>
Total expenditures	<u>143,050,143</u>	<u>142,717,630</u>	<u>139,995,662</u>	<u>2,721,968</u>	<u>135,922,265</u>
Other financing uses:					
Transfer out:					
Adult Care Center	1,149,767	1,149,767	1,149,767	-	553,760
County road fund	11,605,194	11,535,704	11,567,029	(31,325)	10,677,408
Refuse and garbage fund	1,115,507	1,115,507	1,100,000	15,507	1,100,000
Road machinery fund	3,388,164	3,387,749	3,387,749	-	3,777,687
Debt service fund	<u>1,132,676</u>	<u>1,132,676</u>	<u>1,132,471</u>	<u>205</u>	<u>1,149,379</u>
Total other financing uses	<u>18,391,308</u>	<u>18,321,403</u>	<u>18,337,016</u>	<u>(15,613)</u>	<u>17,258,234</u>
Total expenditures and other financing uses	<u>\$ 161,441,451</u>	<u>161,039,033</u>	<u>158,332,678</u>	<u>2,706,355</u>	<u>153,180,499</u>

COUNTY OF SULLIVAN, NEW YORK
County Road Fund
Comparative Balance Sheets
December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Cash - demand deposits	\$ 4,616,296	36,496
Receivables:		
Accounts	51,032	90,407
State and Federal aid	1,425,933	2,275,050
Due from other funds	<u>-</u>	<u>579,012</u>
Total receivables	<u>1,476,965</u>	<u>2,944,469</u>
Total assets	<u>\$ 6,093,261</u>	<u>2,980,965</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable	1,211,500	660,894
Accrued liabilities	458,793	457,679
Retained percentages payable	-	98,411
Due to other funds	<u>985,702</u>	<u>-</u>
Total liabilities	2,655,995	1,216,984
Fund balance:		
Restricted	1,950,000	-
Assigned	<u>1,487,266</u>	<u>1,763,981</u>
Total liabilities and fund balance	<u>\$ 6,093,261</u>	<u>2,980,965</u>

COUNTY OF SULLIVAN, NEW YORK
County Road Fund
Comparative Schedule of Revenue, Expenditures and
Changes in Fund Balances - Budget and Actual
Years ended December 31, 2014 and 2013

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Intergovernmental charges	\$ 423,881	542,792	542,499	(293)
Use of money and property	-	-	521	521
Licenses and permits	3,000	4,500	4,500	-
Sale of property and compensation for loss	5,100	2,810	2,804	(6)
Miscellaneous local sources	-	19,022	19,009	(13)
State aid	3,659,250	2,911,700	5,659,549	2,747,849
Federal aid	3,207,200	722,000	698,668	(23,332)
Total revenue	<u>7,298,431</u>	<u>4,202,824</u>	<u>6,927,550</u>	<u>2,724,726</u>
Expenditures:				
Public safety	815,957	770,311	726,758	43,553
Transportation	16,214,045	13,140,505	13,031,112	109,393
Debt service:				
Principal	1,100,000	1,100,000	1,100,000	-
Interest	40,306	40,306	40,306	-
Total expenditures	<u>18,170,308</u>	<u>15,051,122</u>	<u>14,898,176</u>	<u>152,946</u>
Excess (deficiency) of revenue over expenditures	<u>(10,871,877)</u>	<u>(10,848,298)</u>	<u>(7,970,626)</u>	<u>2,877,672</u>
Other financing sources (uses):				
Premiums	-	-	28,480	28,480
Transfers in	11,605,194	11,598,354	11,567,754	(30,600)
Transfers out	(1,954,317)	(1,954,317)	(1,952,323)	1,994
Total other financing sources (uses)	<u>9,650,877</u>	<u>9,644,037</u>	<u>9,643,911</u>	<u>(126)</u>
Net change in fund balance	(1,221,000)	(1,204,261)	1,673,285	2,877,546
Fund balance at beginning of year	<u>1,763,981</u>	<u>1,763,981</u>	<u>1,763,981</u>	<u>-</u>
Fund balance at end of year	<u>\$ 542,981</u>	<u>559,720</u>	<u>3,437,266</u>	<u>2,877,546</u>

COUNTY OF SULLIVAN, NEW YORK
County Road Fund
Comparative Schedule of Revenue, Expenditures and
Changes in Fund Balances - Budget and Actual, Continued

	2013			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:				
Intergovernmental charges	\$ 469,509	348,496	429,576	81,080
Use of money and property	-	-	348	348
Licenses and permits	2,500	5,190	5,467	277
Sale of property and compensation for loss	5,100	2,131	1,005	(1,126)
Miscellaneous local sources	350	350	161	(189)
State aid	3,422,500	2,634,636	2,433,837	(200,799)
Federal aid	1,519,150	570,064	926,455	356,391
Total revenue	5,419,109	3,560,867	3,796,849	235,982
Expenditures:				
Public safety	752,813	713,021	619,385	93,636
Transportation	13,602,931	11,531,593	11,014,177	517,416
Debt service:				
Principal	400,000	400,000	400,000	-
Interest	23,750	23,750	23,750	-
Total expenditures	14,779,494	12,668,364	12,057,312	611,052
Excess (deficiency) of revenue over expenditures	(9,360,385)	(9,107,497)	(8,260,463)	847,034
Other financing sources (uses):				
Premiums	-	-	21,099	21,099
Transfers in	10,689,048	10,947,692	10,678,709	(268,983)
Transfers out	(1,840,195)	(1,840,195)	(1,939,718)	(99,523)
Total other financing sources (uses)	8,848,853	9,107,497	8,760,090	(347,407)
Net change in fund balance	(511,532)	-	499,627	499,627
Fund balance at beginning of year	1,264,354	1,264,354	1,264,354	-
Fund balance at end of year	\$ 752,822	1,264,354	1,763,981	499,627

COUNTY OF SULLIVAN, NEW YORK
 Refuse and Garbage Fund
 Comparative Balance Sheets
 December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Cash - demand deposits	\$ 676,780	708,700
Receivables:		
Accounts, net of allowance for uncollectible amounts of \$0 in 2014 and 2013	1,170,239	1,560,805
State and Federal aid	5,357	4,643
Due from other funds	<u>-</u>	<u>123,505</u>
Total receivables	<u>1,175,596</u>	<u>1,688,953</u>
Total assets	<u>\$ 1,852,376</u>	<u>2,397,653</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable	639,004	1,007,737
Accrued liabilities	112,536	106,182
Due to other funds	<u>346,313</u>	<u>-</u>
Total liabilities	<u>1,097,853</u>	<u>1,113,919</u>
Fund balance:		
Restricted	304	54,846
Assigned	<u>754,219</u>	<u>1,228,888</u>
Total fund balance	<u>754,523</u>	<u>1,283,734</u>
Total liabilities and fund balance	<u>\$ 1,852,376</u>	<u>2,397,653</u>

COUNTY OF SULLIVAN, NEW YORK
 Refuse and Garbage Fund
 Comparative Schedule of Revenue, Expenditures and
 Changes in Fund Balances - Budget and Actual
 Years ended December 31, 2014 and 2013

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Departmental income	\$ 11,507,680	11,220,155	11,013,152	(207,003)
Use of money and property	-	-	535	535
Sale of property and compensation for loss	381,443	375,668	272,953	(102,715)
State Aid	-	5,360	5,357	(3)
Total revenue	<u>11,889,123</u>	<u>11,601,183</u>	<u>11,291,997</u>	<u>(309,186)</u>
Expenditures:				
Home and community services	7,161,408	6,977,859	6,867,969	109,890
Debt service:				
Principal	1,100,000	1,100,000	1,100,000	-
Interest	22,000	22,000	22,000	-
Total expenditures	<u>8,283,408</u>	<u>8,099,859</u>	<u>7,989,969</u>	<u>109,890</u>
Excess of revenue over expenditures	<u>3,605,715</u>	<u>3,501,324</u>	<u>3,302,028</u>	<u>(199,296)</u>
Other financing sources (uses):				
Premiums	-	-	7,832	7,832
Transfers in	1,115,507	1,115,507	1,100,304	(15,203)
Transfers out	(4,940,789)	(4,940,789)	(4,939,375)	1,414
Total other financing sources (uses)	<u>(3,825,282)</u>	<u>(3,825,282)</u>	<u>(3,831,239)</u>	<u>(5,957)</u>
Net change in fund balance	(219,567)	(323,958)	(529,211)	(205,253)
Fund balance at beginning of year	<u>1,283,734</u>	<u>1,283,734</u>	<u>1,283,734</u>	-
Fund balance at end of year	<u>\$ 1,064,167</u>	<u>959,776</u>	<u>754,523</u>	<u>(205,253)</u>

COUNTY OF SULLIVAN, NEW YORK
 Refuse and Garbage Fund
 Comparative Schedule of Revenue, Expenditures and
 Changes in Fund Balances - Budget and Actual, Continued

	2013			Variance with
	Original	Final	Actual	Final Budget
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	Positive (Negative)
Revenue:				
Departmental income	\$ 11,234,094	11,234,094	11,529,394	295,300
Use of money and property	-	-	1,050	1,050
Sale of property and compensation for loss	200,000	200,000	353,661	153,661
State Aid	-	42,000	129,954	87,954
Total revenue	<u>11,434,094</u>	<u>11,476,094</u>	<u>12,014,059</u>	<u>537,965</u>
Expenditures:				
Home and community services	7,167,578	7,376,938	7,173,601	203,337
Debt service:				
Principal	1,100,000	1,100,000	1,100,000	-
Interest	41,250	41,250	41,250	-
Total expenditures	<u>8,308,828</u>	<u>8,518,188</u>	<u>8,314,851</u>	<u>203,337</u>
Excess of revenue over expenditures	<u>3,125,266</u>	<u>2,957,906</u>	<u>3,699,208</u>	<u>741,302</u>
Other financing sources (uses):				
Premiums	-	-	13,178	13,178
Transfers in	1,123,593	1,123,593	1,114,382	(9,211)
Transfers out	(5,032,891)	(5,032,891)	(4,962,118)	70,773
Total other financing sources (uses)	<u>(3,909,298)</u>	<u>(3,909,298)</u>	<u>(3,834,558)</u>	<u>74,740</u>
Net change in fund balance	(784,032)	(951,392)	(135,350)	816,042
Fund balance at beginning of year	<u>1,419,084</u>	<u>1,419,084</u>	<u>1,419,084</u>	-
Fund balance at end of year	<u>\$ 635,052</u>	<u>467,692</u>	<u>1,283,734</u>	<u>816,042</u>

COUNTY OF SULLIVAN, NEW YORK
 Capital Projects Fund
 Comparative Balance Sheets
 December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Cash - demand deposits	\$ 7,422,464	2,459,922
Receivables:		
Accounts	740,607	675,000
State and Federal aid	1,090,122	1,168,778
Due from other funds	-	6,424
Total receivables	1,830,729	1,850,202
Total assets	\$ 9,253,193	4,310,124
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable	848,282	154,491
Retained percentages payable	-	298,305
Due to other funds	75,116	15,975
Bond anticipation notes payable	5,700,000	8,100,000
Total liabilities	6,623,398	8,568,771
Fund balance:		
Assigned	2,629,795	-
Unassigned (deficit)	-	(4,258,647)
Total fund balance	2,629,795	(4,258,647)
Total liabilities and fund balance	\$ 9,253,193	4,310,124

COUNTY OF SULLIVAN, NEW YORK
 Capital Projects Fund
 Comparative Schedule of Revenue, Expenditures and Changes in Fund Balance
 Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue:		
Use of money and property	\$ 109	154
Miscellaneous local sources	156,165	80,000
State aid	2,255,685	1,443,150
Federal aid	<u>790,889</u>	<u>724,933</u>
Total revenue	<u>3,202,848</u>	<u>2,248,237</u>
Expenditures - capital outlay	<u>9,957,018</u>	<u>6,297,006</u>
Excess (deficiency) of revenue over expenditures	<u>(6,754,170)</u>	<u>(4,048,769)</u>
Other financing sources (uses):		
Bonds issued	11,315,000	-
BAN's redeemed from appropriations	2,400,000	2,200,000
Transfers out	<u>(72,388)</u>	<u>(122,360)</u>
Total other financing sources (uses)	<u>13,642,612</u>	<u>2,077,640</u>
Net change in fund balance	6,888,442	(1,971,129)
Fund balance (deficit) at beginning of year	<u>(4,258,647)</u>	<u>(2,287,518)</u>
Fund balance (deficit) at end of year	<u>\$ 2,629,795</u>	<u>(4,258,647)</u>

COUNTY OF SULLIVAN, NEW YORK
 Capital Projects Fund
 Project-Length Schedule
 Inception of project through December 31, 2014

Project	Appropriation	Expenditures and transfers	Unexpended balance	State and federal aid	Interfund transfers	Methods of Financing			Fund balance (deficit) at December 31, 2014	Bond Anticipation Notes Outstanding at December 31, 2014
						Proceeds of obligations	Others	Totals		
General government support:										
Computer equipment Government Center	\$ 1,000,000	969,823	30,177	-	-	400,000	-	400,000	(569,823)	600,000
	654,000	6,455	647,545	-	-	654,000	4,646	658,646	652,191	-
Total general government support	1,654,000	976,278	677,722	-	-	1,054,000	4,646	1,058,646	82,368	600,000
Education:										
SCCC Pass Thru Improvement	1,266,047	1,266,047	-	1,266,052	-	-	6	1,266,058	11	-
Seelig SUNY Grant	976,342	482,363	493,979	482,363	-	-	-	482,363	-	-
Total education	2,242,389	1,748,410	493,979	1,748,415	-	-	6	1,748,421	11	-
Public safety:										
Fire training center	2,885,098	2,899,444	(14,346)	1,418,652	550,000	975,000	-	2,943,652	44,208	-
Jail planning	2,500,000	1,725,272	774,728	-	-	1,500,000	500,000	2,000,000	274,728	-
Jail facility	1,996,082	1,996,082	-	-	-	1,995,000	1,082	1,996,082	-	-
Sheriff patrol facility	250,000	3,496	246,504	-	3,436	-	60	3,496	-	-
Public safety improvements	4,490,253	2,291,663	2,198,590	2,151,367	114,400	1,920,000	423,886	4,609,653	2,317,990	-
Total public safety	12,121,433	8,915,957	3,205,476	3,570,019	667,836	6,390,000	925,028	11,552,883	2,636,926	-
Transportation:										
Airport construction	18,654,888	18,566,418	88,470	17,879,029	933,693	77,000	23,630	18,913,352	346,934	-
Bus garage	2,712,901	2,572,443	140,458	2,457,435	-	115,000	8	2,572,443	-	-
Right of way	2,487,891	2,322,127	165,764	13,164	2,124,195	-	350,679	2,488,038	165,911	-
DPW Maplewood facility	3,191,332	3,191,334	(2)	-	153,000	1,913,800	1,124,534	3,191,334	-	-
Road reconstruction 2007	2,000,000	2,000,000	-	-	-	1,599,150	400,850	2,000,000	-	-
Road reconstruction 2008	6,000,000	6,000,000	-	3,000,000	154,850	2,845,150	-	6,000,000	-	-
Road and bridge reconstruction	2,500,000	2,360,426	139,574	-	160,574	2,199,850	2	2,360,426	-	-
DPW equipment 2008 - road machinery	2,420,424	2,360,426	59,998	-	160,574	2,199,850	2	2,360,426	-	-
Bridge reconstruction 2010	800,000	627,965	172,035	-	-	800,000	-	800,000	172,035	-
DPW equipment 2010	1,874,700	1,181,626	693,074	-	-	1,874,700	-	1,874,700	693,074	-
Road Construction 2012	2,000,000	2,000,000	-	-	-	800,000	-	800,000	(1,200,000)	1,200,000

(Continued)

COUNTY OF SULLIVAN, NEW YORK
 Capital Projects Fund
 Project-Length Schedule, Continued

Project	Appropriation	Expenditures and transfers	Unexpended balance	State and federal aid	Interfund transfers	Methods of Financing			Fund balance (deficit) at December 31, 2014	Anticipation Notes Outstanding at December 31, 2014
						Proceeds of obligations	Others	Totals		
Transportation, continued:										
Road Construction 2013	\$ 3,500,000	3,500,000	-	-	-	700,000	-	700,000	(2,800,000)	2,800,000
Road Construction 2014	6,122,000	5,997,814	124,186	-	-	6,122,000	43,494	6,165,494	167,680	-
Transport equipment	2,542,000	7,403	2,534,597	-	-	2,542,000	18,060	2,560,060	2,552,657	-
Total transportation	56,806,136	52,687,982	4,118,154	23,349,628	3,686,886	23,788,500	1,961,259	52,786,273	98,291	4,000,000
Economic opportunity and development - Emerald corporate park	3,600,000	4,138,881	(538,881)	1,831,762	1,225,000	-	1,768,402	4,825,164	686,283	-
Culture and recreation:										
Snowmobile trail	134,974	134,974	-	134,828	-	-	146	134,974	-	-
D and H canal park	769,858	693,612	76,246	601,904	114,700	-	4,969	721,573	27,961	-
Park improvements	139,205	54,878	84,327	133,846	-	-	5,434	139,280	84,402	-
Total culture and recreation	1,044,037	883,464	160,573	870,578	114,700	-	10,549	995,827	112,363	-
Home and community services:										
Landfill MERF construction 2001	2,227,759	2,227,759	-	-	32,000	1,369,000	826,759	2,227,759	-	-
Landfill cell 6 construction	7,329,687	7,329,687	-	-	441,000	6,864,000	24,687	7,329,687	-	-
Landfill phase II expansion	1,906,310	1,906,310	-	-	140,000	1,760,000	6,310	1,906,310	-	-
Landfill closure 3-5	6,400,000	6,400,000	-	-	1,500,000	4,900,000	-	6,400,000	-	-
DPW equipment 2008 - landfill	60,000	60,000	-	-	60,000	-	-	60,000	-	-
Landfill	7,857,254	7,857,251	3	-	357,241	7,500,000	10	7,857,251	-	-
Solid waste equipment 2010	780,000	780,000	-	-	-	780,000	-	780,000	-	-
Landfill cap	5,500,000	5,386,447	113,553	-	-	3,300,000	1,100,000	4,400,000	(986,447)	1,100,000
Total home and community services	32,061,010	31,947,454	113,556	-	2,530,241	26,473,000	1,957,766	30,961,007	(986,447)	1,100,000
Total	\$ 109,529,005	101,298,426	8,230,579	31,370,402	8,224,663	57,705,500	6,627,656	103,928,221	2,629,795	5,700,000

**NON-MAJOR
GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

- Road machinery fund - The road machinery fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.
- Community development fund - The community development fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.

DEBT SERVICE FUND

- The debt service fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

COUNTY OF SULLIVAN, NEW YORK
Non-major Governmental Funds
Combining Balance Sheet
December 31, 2014
(with comparative totals for 2013)

<u>Assets</u>	Road Machinery Fund	Community Development Fund	<u>Totals</u>	
			<u>2014</u>	<u>2013</u>
Cash and equivalents	\$ 144,432	907,909	1,052,341	900,680
Receivables:				
Accounts	2,246	-	2,246	49
Loans, net	-	123,470	123,470	156,958
State and Federal aid	-	20,449	20,449	118,779
Due from other funds	<u>433,451</u>	<u>-</u>	<u>433,451</u>	<u>822,810</u>
Total receivables	<u>435,697</u>	<u>143,919</u>	<u>579,616</u>	<u>1,098,596</u>
Total assets	<u>\$ 580,129</u>	<u>1,051,828</u>	<u>1,631,957</u>	<u>1,999,276</u>
 <u>Liabilities, Deferred Inflows and Fund Balance</u>				
Liabilities:				
Accounts payable	154,597	39,151	193,748	326,064
Accrued liabilities	139,255	-	139,255	144,388
Due to other funds	<u>-</u>	<u>96,809</u>	<u>96,809</u>	<u>-</u>
Total liabilities	<u>293,852</u>	<u>135,960</u>	<u>429,812</u>	<u>470,452</u>
Deferred inflows	<u>-</u>	<u>123,470</u>	<u>123,470</u>	<u>156,957</u>
Fund balance:				
Restricted	73,205	792,022	865,227	794,812
Assigned	<u>213,072</u>	<u>376</u>	<u>213,448</u>	<u>577,055</u>
Total fund balance	<u>286,277</u>	<u>792,398</u>	<u>1,078,675</u>	<u>1,371,867</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 580,129</u>	<u>1,051,828</u>	<u>1,631,957</u>	<u>1,999,276</u>

COUNTY OF SULLIVAN, NEW YORK
Non-major Governmental Funds
Combining Statement Revenue, Expenditures and Changes in Fund Balance
December 31, 2014
(with comparative totals for 2013)

	Road Machinery Fund	Community Development Fund	Debt Service Fund	Totals	
				2014	2013
Revenue:					
Departmental income	\$ -	64,487	-	64,487	64,092
Intergovernmental charges	942,753	-	-	942,753	997,840
Use of money and property	180	620	2,731	3,531	4,748
Sale of property and compensation for loss	-	-	-	-	192,763
Miscellaneous local sources	1,513	-	-	1,513	14,119
Interfund revenue	-	-	-	-	2,810
State aid	-	20,449	-	20,449	251,082
Federal aid	-	121,016	153,095	274,111	486,490
Total revenue	944,446	206,572	155,826	1,306,844	2,013,944
Expenditures:					
General government support	-	-	22,207	22,207	135,986
Transportation	3,895,025	-	-	3,895,025	3,931,133
Home and community services	-	206,196	-	206,196	592,100
Debt service:					
Principal	-	-	7,017,516	7,017,516	7,132,285
Interest	-	-	1,941,485	1,941,485	1,970,883
Total expenditures	3,895,025	206,196	8,981,208	13,082,429	13,762,387
Excess (deficiency) of revenue over expenditures	(2,950,579)	376	(8,825,382)	(11,775,585)	(11,748,443)
Other financing sources (uses):					
Proceeds from the issuance of long-term debt	-	-	-	-	17,880,000
Premiums	-	-	-	-	2,568,574
Payment to escrow agent	-	-	-	-	(20,330,062)
Transfers in	3,460,954	-	8,900,500	12,361,454	12,755,424
Transfers out	(803,943)	-	(75,118)	(879,061)	(830,160)
Total other financing sources (uses)	2,657,011	-	8,825,382	11,482,393	12,043,776
Net change in fund balance	(293,568)	376	-	(293,192)	295,333
Fund balance at beginning of year	579,845	792,022	-	1,371,867	1,076,534
Fund balance at end of year	\$ 286,277	792,398	-	1,078,675	1,371,867

COUNTY OF SULLIVAN, NEW YORK
 Road Machinery Fund
 Comparative Balance Sheets
 December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Cash and equivalents	\$ 144,432	102,276
Receivables:		
Accounts	2,246	49
Due from other funds	<u>433,451</u>	<u>822,810</u>
Total receivables	<u>435,697</u>	<u>822,859</u>
Total assets	<u>\$ 580,129</u>	<u>925,135</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable	154,597	200,902
Accrued liabilities	<u>139,255</u>	<u>144,388</u>
Total liabilities	<u>293,852</u>	<u>345,290</u>
Fund balance:		
Restricted	73,205	2,790
Assigned	<u>213,072</u>	<u>577,055</u>
Total fund balance	<u>286,277</u>	<u>579,845</u>
Total liabilities and fund balance	<u>\$ 580,129</u>	<u>925,135</u>

COUNTY OF SULLIVAN, NEW YORK
Road Machinery Fund
Comparative Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
Years ended December 31, 2014 and 2013

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Intergovernmental charges	\$ 875,000	935,000	942,753	7,753
Use of money and property	-	-	180	180
Miscellaneous local sources	1,264	1,264	1,513	249
Sales of equipment	60,000	-	-	-
Rental of equipment	-	85,000	-	(85,000)
Interfund revenue	8,000	8,000	-	(8,000)
Total revenue	<u>944,264</u>	<u>1,029,264</u>	<u>944,446</u>	<u>(84,818)</u>
Expenditures - transportation	<u>3,947,764</u>	<u>4,086,631</u>	<u>3,895,025</u>	<u>191,606</u>
Total expenditures	<u>3,947,764</u>	<u>4,086,631</u>	<u>3,895,025</u>	<u>191,606</u>
Excess (deficiency) of revenue over expenditures	<u>(3,003,500)</u>	<u>(3,057,367)</u>	<u>(2,950,579)</u>	<u>106,788</u>
Other financing sources (uses):				
Transfers in	3,388,164	3,387,749	3,460,954	73,205
Transfers out	(804,664)	(804,664)	(803,943)	721
Total other financing sources	<u>2,583,500</u>	<u>2,583,085</u>	<u>2,657,011</u>	<u>73,926</u>
Net change in fund balance	(420,000)	(474,282)	(293,568)	180,714
Fund balance at beginning of year	<u>579,845</u>	<u>579,845</u>	<u>579,845</u>	-
Fund balance at end of year	<u>\$ 159,845</u>	<u>105,563</u>	<u>286,277</u>	<u>180,714</u>

COUNTY OF SULLIVAN, NEW YORK
Road Machinery Fund
Comparative Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual, Continued

	2013			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenue:				
Intergovernmental charges	\$ 800,000	982,857	997,840	14,983
Use of money and property	-	-	201	201
Sale of property and compensation for loss	100,000	189,286	192,763	3,477
Miscellaneous local sources	1,248	1,248	2,160	912
Interfund revenue	<u>8,000</u>	<u>8,000</u>	<u>2,810</u>	<u>(5,190)</u>
Total revenue	<u>909,248</u>	<u>1,181,391</u>	<u>1,195,774</u>	<u>14,383</u>
Expenditures - transportation	<u>3,910,072</u>	<u>4,087,389</u>	<u>3,931,133</u>	<u>156,256</u>
Total expenditures	<u>3,910,072</u>	<u>4,087,389</u>	<u>3,931,133</u>	<u>156,256</u>
Excess (deficiency) of revenue over expenditures	<u>(3,000,824)</u>	<u>(2,905,998)</u>	<u>(2,735,359)</u>	<u>170,639</u>
Other financing sources (uses):				
Transfers in	3,776,499	3,681,673	3,780,477	98,804
Transfers out	<u>(775,675)</u>	<u>(775,675)</u>	<u>(802,434)</u>	<u>(26,759)</u>
Total other financing sources (uses)	<u>3,000,824</u>	<u>2,905,998</u>	<u>2,978,043</u>	<u>72,045</u>
Net change in fund balance	-	-	242,684	242,684
Fund balance at beginning of year	<u>337,161</u>	<u>337,161</u>	<u>337,161</u>	<u>-</u>
Fund balance at end of year	<u>\$ 337,161</u>	<u>337,161</u>	<u>579,845</u>	<u>242,684</u>

COUNTY OF SULLIVAN, NEW YORK
Community Development Fund
Comparative Balance Sheets
December 31, 2014 and 2013

<u>Assets</u>	<u>2014</u>	<u>2013</u>
Cash - demand deposits	\$ 907,909	798,404
Receivables:		
Loans, net	123,470	156,958
State and Federal aid	20,449	-
Due from other funds	-	118,779
Total receivables	143,919	275,737
Total assets	\$ 1,051,828	1,074,141
<u>Liabilities, Deferred Inflows and Fund Balance</u>		
Liabilities:		
Accounts payable	39,151	125,162
Due from other funds	96,809	-
Total liabilities	135,960	125,162
Deferred inflows	123,470	156,957
Fund balance - restricted	792,398	792,022
Total liabilities, deferred inflows, and fund balance	\$ 1,051,828	1,074,141

COUNTY OF SULLIVAN, NEW YORK
 Community Development Fund
 Comparative Schedule of Revenue, Expenditures and Changes in Fund Balance
 Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Revenue:		
Departmental income	\$ 64,487	64,092
Use of money and property	620	967
State aid	20,449	251,082
Federal aid	<u>121,016</u>	<u>328,608</u>
Total revenue	<u>206,572</u>	<u>644,749</u>
Expenditures - home and community services	<u>206,196</u>	<u>592,100</u>
Excess of revenue over expenditures	<u>376</u>	<u>52,649</u>
Fund balance at beginning of year	<u>792,022</u>	<u>739,373</u>
Fund balance at end of year	<u><u>\$ 792,398</u></u>	<u><u>792,022</u></u>

COUNTY OF SULLIVAN, NEW YORK
Debt Service Fund
Comparative Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
Years ended December 31, 2014 and 2013

	2014			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Interest and earnings	\$ -	-	2,731	2,731
Federal aid	<u>165,063</u>	<u>165,063</u>	<u>153,095</u>	<u>(11,968)</u>
Total revenue	<u>165,063</u>	<u>165,063</u>	<u>155,826</u>	<u>(9,237)</u>
Expenditures:				
General government support	<u>22,405</u>	<u>22,405</u>	<u>22,207</u>	<u>198</u>
Debt service:				
Principal - serial bonds	7,017,516	7,017,516	7,017,516	-
Interest - serial bonds	<u>1,957,588</u>	<u>1,957,588</u>	<u>1,941,485</u>	<u>16,103</u>
Total debt service	<u>8,975,104</u>	<u>8,975,104</u>	<u>8,959,001</u>	<u>16,103</u>
Total expenditures	<u>8,997,509</u>	<u>8,997,509</u>	<u>8,981,208</u>	<u>16,301</u>
Excess (deficiency) of revenue over expenditures	<u>(8,832,446)</u>	<u>(8,832,446)</u>	<u>(8,825,382)</u>	<u>7,064</u>
Other financing sources (uses):				
Transfers in	8,832,446	8,832,446	8,900,500	68,054
Transfers out	<u>-</u>	<u>-</u>	<u>(75,118)</u>	<u>(75,118)</u>
Total other financing sources (uses)	<u>8,832,446</u>	<u>8,832,446</u>	<u>8,825,382</u>	<u>(7,064)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

COUNTY OF SULLIVAN, NEW YORK
Debt Service Fund
Comparative Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual, Continued

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Use of money and property	\$ -	-	3,580	3,580
Miscellaneous local sources	-	-	11,959	11,959
Federal aid	165,063	165,063	157,882	(7,181)
Total revenue	<u>165,063</u>	<u>165,063</u>	<u>173,421</u>	<u>8,358</u>
Expenditures:				
General government support	9,332	9,332	135,986	(126,654)
Debt service:				
Principal:				
Serial bonds	6,922,370	6,922,370	7,027,370	(105,000)
Installment purchase debt	104,916	104,916	104,915	1
	<u>7,027,286</u>	<u>7,027,286</u>	<u>7,132,285</u>	<u>(104,999)</u>
Interest:				
Serial bonds	2,056,883	2,056,883	1,966,686	90,197
Installment purchase debt	4,197	4,197	4,197	-
	<u>2,061,080</u>	<u>2,061,080</u>	<u>1,970,883</u>	<u>90,197</u>
Total debt service	<u>9,088,366</u>	<u>9,088,366</u>	<u>9,103,168</u>	<u>(14,802)</u>
Total expenditures	<u>9,097,698</u>	<u>9,097,698</u>	<u>9,239,154</u>	<u>(141,456)</u>
Excess (deficiency) of revenue over expenditures	<u>(8,932,635)</u>	<u>(8,932,635)</u>	<u>(9,065,733)</u>	<u>(133,098)</u>
Other financing sources (uses):				
Proceeds from the issuance of long term debt	-	-	17,880,000	17,880,000
Premiums	-	-	2,568,574	2,568,574
Payment to escrow agent	-	-	(20,330,062)	(20,330,062)
Transfers in	8,932,635	8,932,635	8,974,947	42,312
Transfers out	-	-	(27,726)	(27,726)
Total other financing sources (uses)	<u>8,932,635</u>	<u>8,932,635</u>	<u>9,065,733</u>	<u>133,098</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public.

Adult Care Center - This fund is used to account for the operation of the Adult Care Center, a skilled nursing facility established and operated under the provisions of Article 6 of General Municipal Law.

Sullivan Tobacco Asset Securitization Corporation - This fund reflects the operations of this not-for-profit local development corporation organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York.

COUNTY OF SULLIVAN, NEW YORK
Enterprise Fund
Sullivan County Adult Care Center
Comparative Statements of Net Position
December 31, 2014 and 2013

Assets:	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and equivalents	\$ 1,647,777	1,098,552
Accounts receivable, net	1,422,461	1,049,346
Grants receivable	-	272,457
Prepaid expenses	<u>91,616</u>	<u>83,269</u>
Total current assets	<u>3,161,854</u>	<u>2,503,624</u>
Noncurrent assets:		
Restricted cash and equivalents:		
Capital projects funds	715,891	850,579
Patient funds	<u>97,163</u>	<u>116,841</u>
Total restricted cash and equivalents	<u>813,054</u>	<u>967,420</u>
Capital assets:		
Assets not being depreciated	157,809	1,148,956
Buildings and improvements	11,727,024	10,685,148
Machinery and equipment	596,601	542,688
Less accumulated depreciation	<u>(10,068,012)</u>	<u>(9,881,113)</u>
Total capital assets, net of accumulated depreciation	<u>2,413,422</u>	<u>2,495,679</u>
Total assets	<u>6,388,330</u>	<u>5,966,723</u>
Deferred outflows of resources	<u>26,936</u>	<u>39,368</u>
Liabilities:		
Current liabilities:		
Current maturities of bonds payable	16,891	17,484
Bond anticipation note	750,000	1,130,000
Accounts payable	305,124	278,153
Accrued interest payable	1,175	1,175
Accrued liabilities	2,164,033	2,633,542
Due to other funds	397,864	4,865,391
Patient funds held in trust	97,163	116,841
Due to New York State retirement system	138,662	144,894
Accrued compensation and vacation	1,064,446	967,935
Other postemployment benefit obligations payable	<u>297,958</u>	<u>279,874</u>
Total current liabilities	<u>5,233,316</u>	<u>10,435,289</u>
Non-current liabilities:		
Bonds payable, less current maturities	32,598	49,489
Due to New York State retirement system	942,119	742,604
Other postemployment benefit obligations payable	<u>9,412,401</u>	<u>8,171,475</u>
Total noncurrent liabilities	<u>10,387,118</u>	<u>8,963,568</u>
Total liabilities	<u>15,620,434</u>	<u>19,398,857</u>
Net position:		
Restricted	715,891	850,579
Net investment in capital assets	1,613,933	1,298,706
Unrestricted	<u>(11,534,992)</u>	<u>(15,542,051)</u>
Total net position	<u>\$ (9,205,168)</u>	<u>(13,392,766)</u>

COUNTY OF SULLIVAN, NEW YORK
Enterprise Fund
Sullivan County Adult Care Center
Comparative Statements of Revenue, Expenses and Changes in Net Position
Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenue:		
Departmental charges	\$ 9,578,343	8,952,547
Miscellaneous local sources	<u>277,704</u>	<u>288,572</u>
Total operating revenue	<u>9,856,047</u>	<u>9,241,119</u>
Operating expenses:		
Professional care of residents	5,912,302	4,930,636
General services	3,812,457	3,806,305
Administrative services	1,211,009	1,075,748
Employee benefits	5,251,268	5,560,953
Assessments	486,527	608,433
Depreciation and amortization	186,899	148,943
Other	<u>-</u>	<u>18,389</u>
Total operating expenses	<u>16,860,462</u>	<u>16,149,407</u>
Operating income (loss)	<u>(7,004,415)</u>	<u>(6,908,288)</u>
Non-operating revenue (expenses):		
Intergovernmental transfers	10,064,732	2,555,973
Interest income	2,660	6,373
Interest expense	(26,398)	(15,679)
Miscellaneous income	<u>1,252</u>	<u>1,064,864</u>
Total non-operating revenue (expenses)	<u>10,042,246</u>	<u>3,611,531</u>
Transfers from governmental funds	<u>1,149,767</u>	<u>553,762</u>
Change in net position	4,187,598	(2,742,995)
Net position at beginning of year	<u>(13,392,766)</u>	<u>(10,649,771)</u>
Net position at end of year	<u>\$ (9,205,168)</u>	<u>(13,392,766)</u>

COUNTY OF SULLIVAN, NEW YORK
Enterprise Fund
Sullivan County Adult Care Center
Comparative Statements of Cash Flows
Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Cash received from charges for services	\$ 9,477,685	9,560,660
Cash payments to vendors for goods and services	(14,880,466)	(10,513,507)
Cash payments to employees for services	(5,162,705)	(4,859,967)
Miscellaneous	277,704	288,572
Net cash used in operating activities	<u>(10,287,782)</u>	<u>(5,524,242)</u>
Cash flows from non-capital financing activities:		
Intergovernmental transfers	10,064,732	2,555,973
Cash received from non-operating activities	1,153,680	1,626,026
Net cash provided by non-capital financing activities	<u>11,218,412</u>	<u>4,181,999</u>
Cash flows from capital and related financing activities:		
Principal paid on bonds and bond anticipation notes	(397,484)	(17,630)
Proceeds from bond issuance	-	1,130,000
Interest paid on bonds	(13,966)	(3,468)
Acquisition of capital assets	(104,643)	(1,183,588)
Net cash used in capital and related financing activities	<u>(516,093)</u>	<u>(74,686)</u>
Net increase (decrease) in cash and equivalents	414,537	(1,416,929)
Cash and equivalents at beginning of year	1,949,131	3,366,060
Cash and equivalents at end of year	<u>\$ 2,363,668</u>	<u>1,949,131</u>
Reconciliation of income (loss) from operations to net cash used in operating activities:		
Income (loss) from operations	(7,004,415)	(6,908,288)
Adjustments to reconcile income (loss) from operations to net cash used in operating activities:		
Bad debt expense	103,169	50,752
Depreciation and amortization expense	186,899	148,943
Loss on disposal of equipment	-	18,389
Changes in assets and liabilities:		
Accounts receivable	(476,284)	829,818
Grant receivable	272,457	(272,457)
Supplies	(7,327)	6,709
Prepaid expenses	(1,020)	(612)
Accounts payable and accrued expenses	26,971	(8,605)
Accrued compensation and vacation	96,511	(149,546)
Due to other funds	(4,467,527)	(984,116)
Accrued liabilities	(469,509)	130,373
Due to New York State retirement system	193,283	419,699
Other postemployment benefit obligations payable	1,259,010	1,194,699
Net cash used in operating activities	<u>\$ (10,287,782)</u>	<u>(5,524,242)</u>

COUNTY OF SULLIVAN, NEW YORK
 Enterprise Fund
 Sullivan County Tobacco Asset Securitization Corporation
 Comparative Statements of Net Position
 December 31, 2014 and 2013

Assets:	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and equivalents	\$ 243,142	233,271
Accounts receivable, net	1,134,910	1,080,500
Prepaid expenses	<u>3,357</u>	<u>3,536</u>
Total current assets	<u>1,381,409</u>	<u>1,317,307</u>
Noncurrent assets:		
Restricted cash and equivalents	109	110
Restricted investments	<u>1,242,547</u>	<u>1,242,547</u>
Total noncurrent assets	<u>1,242,656</u>	<u>1,242,657</u>
Total assets	<u>2,624,065</u>	<u>2,559,964</u>
Liabilities:		
Current liabilities:		
Accrued interest payable	58,817	61,477
Current maturities of bonds payable	<u>165,000</u>	<u>155,000</u>
Total current liabilities	223,817	216,477
Non-current liabilities - bonds payable, less current maturities	<u>12,129,366</u>	<u>12,686,774</u>
Total liabilities	<u>12,353,183</u>	<u>12,903,251</u>
Net position:		
Unrestricted	<u>\$ (9,729,118)</u>	<u>(10,343,287)</u>

COUNTY OF SULLIVAN, NEW YORK
 Enterprise Fund
 Sullivan County Tobacco Asset Securitization Corporation
 Comparative Statements of Revenue, Expenses and Changes in Net Position
 Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenue - tobacco settlement revenue	\$ <u>1,284,271</u>	<u>1,075,121</u>
Operating expenses:		
Professional fees	24,968	25,637
Insurance expense	<u>4,207</u>	<u>4,285</u>
Total operating expenses	<u>29,175</u>	<u>29,922</u>
Operating income	<u>1,255,096</u>	<u>1,045,199</u>
Non-operating revenue (expenses):		
Interest income	84,767	85,465
Interest expense	<u>(725,694)</u>	<u>(752,421)</u>
Total non-operating revenue (expenses)	<u>(640,927)</u>	<u>(666,956)</u>
Income before transfers	<u>614,169</u>	<u>378,243</u>
Change in net position	<u>614,169</u>	<u>378,243</u>
Net position at beginning of year, as originally reported	(10,343,287)	(10,480,466)
Restatement	<u>-</u>	<u>(241,064)</u>
Net position at beginning of year, as restated	<u>(10,343,287)</u>	<u>(10,721,530)</u>
Net position at end of year	<u>\$ (9,729,118)</u>	<u>(10,343,287)</u>

COUNTY OF SULLIVAN, NEW YORK
Enterprise Fund
Sullivan County Tobacco Asset Securitization Corporation
Comparative Statements of Cash Flows
Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Cash received from tobacco settlement revenue	\$ 1,229,861	1,087,768
Cash payments to vendors for goods and services	<u>(28,996)</u>	<u>(29,880)</u>
Net cash provided by operating activities	<u>1,200,865</u>	<u>1,057,888</u>
Cash flows investing activities:		
Purchase of restricted investments	(1,242,547)	(1,242,547)
Sale of restricted investments	1,242,547	1,242,547
Interest income	<u>84,767</u>	<u>85,465</u>
Net cash provided by investing activities	<u>84,767</u>	<u>85,465</u>
Cash flows from capital and related financing activities:		
Principal paid on bonds	(555,000)	(395,000)
Interest paid on bonds	<u>(720,761)</u>	<u>(746,450)</u>
Net cash used in capital and related financing activities	<u>(1,275,761)</u>	<u>(1,141,450)</u>
Net increase in cash and equivalents	9,871	1,903
Cash and equivalents at beginning of year	<u>233,271</u>	<u>231,368</u>
Cash and equivalents at end of year	<u>\$ 243,142</u>	<u>233,271</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	1,255,096	1,045,199
Adjustments to reconcile operating income to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(54,410)	12,650
Prepaid expenses	<u>179</u>	<u>39</u>
Net cash provided by operating activities	<u>\$ 1,200,865</u>	<u>1,057,888</u>
Noncash investing activities - increase in bonds payable from amortization of original issue and underwriters' discounts	<u>\$ 7,592</u>	<u>7,589</u>

INTERNAL SERVICE FUNDS

Internal Service Funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The County has established its Workers' Compensation Benefits and Dental Self-Insurance Funds as internal service funds. These funds are consolidated in the following presentation. The County established the self-insured dental fund in 2012.

COUNTY OF SULLIVAN, NEW YORK
Internal Service Funds
Combining Statement of Net Position
December 31, 2014
(With comparative totals for the years ended December 31, 2013)

	Workers' Compensation Benefits Fund	Self-insured Dental Fund	<u>2014</u>	<u>2013</u>
Assets:				
Cash and equivalents	\$ 67,686	321,804	389,490	300,229
Receivables:				
Accounts	7,846,439	-	7,846,439	6,509,343
Due from other funds	<u>8,519,566</u>	<u>-</u>	<u>8,519,566</u>	<u>7,372,385</u>
Total receivables	<u>16,366,005</u>	<u>-</u>	<u>16,366,005</u>	<u>13,881,728</u>
Total assets	<u>16,433,691</u>	<u>321,804</u>	<u>16,755,495</u>	<u>14,181,957</u>
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	1,629	-	1,629	166
Unearned revenue	107,155	-	107,155	103,718
Current maturities of claims payable	<u>1,690,964</u>	<u>-</u>	<u>1,690,964</u>	<u>1,468,382</u>
Total current liabilities	1,799,748	-	1,799,748	1,572,266
Claims payable, less current portion	<u>15,100,000</u>	<u>-</u>	<u>15,100,000</u>	<u>13,142,000</u>
Total liabilities	<u>16,899,748</u>	<u>-</u>	<u>16,899,748</u>	<u>14,714,266</u>
Net position - unrestricted	<u>\$ (466,057)</u>	<u>321,804</u>	<u>(144,253)</u>	<u>(532,309)</u>

COUNTY OF SULLIVAN, NEW YORK
Internal Service Funds
Combining Statement of Revenue, Expenses and Changes in Net Position
Year ended December 31, 2014
(With comparative totals for the years ended December 31, 2013)

	Workers' Compensation Benefits <u>Fund</u>	Self-insured Dental <u>Fund</u>	<u>2014</u>	<u>2013</u>
Operating revenue:				
Charges for services - internal	\$ -	457,026	457,026	505,012
Charges for services - external	6,461,397	-	6,461,397	6,056,603
Insurance recoveries	125,869	-	125,869	145,728
Miscellaneous local sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>45</u>
Total operating revenue	6,587,266	457,026	7,044,292	6,707,388
Operating expenses - employee benefits	<u>6,284,134</u>	<u>372,507</u>	<u>6,656,641</u>	<u>6,102,627</u>
Operating income	303,132	84,519	387,651	604,761
Non-operating revenue - interest income	<u>184</u>	<u>221</u>	<u>405</u>	<u>523</u>
Change in net position	303,316	84,740	388,056	605,284
Net position at beginning of year	<u>(769,373)</u>	<u>237,064</u>	<u>(532,309)</u>	<u>(1,137,593)</u>
Net position at end of year	<u>\$ (466,057)</u>	<u>321,804</u>	<u>(144,253)</u>	<u>(532,309)</u>

COUNTY OF SULLIVAN, NEW YORK
Internal Service Funds
Combining Statement of Cash Flows
Year ended December 31, 2014
(With comparative totals for the years ended December 31, 2013)

	Workers' Compensation Benefits Fund	Self-insured Dental Fund	2014	2013
Cash flows from operating activities:				
Cash received from charges for services	\$ 3,980,557	457,026	4,437,583	3,825,432
Cash received from insurance recoveries	125,869	-	125,869	145,728
Cash received from miscellaneous local sources	-	-	-	45
Cash payments to insurance carriers and claimants	<u>(4,094,215)</u>	<u>(380,381)</u>	<u>(4,474,596)</u>	<u>(3,853,696)</u>
Net cash provided by operating activities	12,211	76,645	88,856	117,509
Cash flows from investing activities - interest income	<u>184</u>	<u>221</u>	<u>405</u>	<u>523</u>
Net increase in cash and equivalents	12,395	76,866	89,261	118,032
Cash and equivalents at beginning of year	<u>55,291</u>	<u>244,938</u>	<u>300,229</u>	<u>182,197</u>
Cash and equivalents at end of year	<u>\$ 67,686</u>	<u>321,804</u>	<u>389,490</u>	<u>300,229</u>
Reconciliation of income from operations to net cash provided by operating activities:				
Income from operations	303,132	84,519	387,651	604,761
Adjustments to reconcile income from operations to net cash provided by operating activities:				
Changes in assets and liabilities:				
Accounts receivable	(1,337,096)	-	(1,337,096)	(1,016,800)
Due from other funds	(1,147,181)	-	(1,147,181)	(1,486,806)
Accounts payable and accrued liabilities	1,463	-	1,463	(353)
Unearned revenue	3,437	-	3,437	(232,577)
Claims payable	<u>2,188,456</u>	<u>(7,874)</u>	<u>2,180,582</u>	<u>2,249,284</u>
Net cash provided by operating activities	<u>\$ 12,211</u>	<u>76,645</u>	<u>88,856</u>	<u>117,509</u>

COUNTY OF SULLIVAN, NEW YORK
Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statements of Net Position
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets:		
Cash and equivalents	\$ 67,686	55,291
Receivables:		
Accounts	7,846,439	6,509,343
Due from other funds	<u>8,519,566</u>	<u>7,372,385</u>
Total receivables	<u>16,366,005</u>	<u>13,881,728</u>
Total assets	<u>16,433,691</u>	<u>13,937,019</u>
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	1,629	166
Unearned revenue	107,155	103,718
Current maturities of claims payable	<u>1,690,964</u>	<u>1,460,508</u>
Total current liabilities	1,799,748	1,564,392
Claims payable, less current portion	<u>15,100,000</u>	<u>13,142,000</u>
Total liabilities	<u>16,899,748</u>	<u>14,706,392</u>
Net position - unrestricted	<u>\$ (466,057)</u>	<u>(769,373)</u>

COUNTY OF SULLIVAN, NEW YORK
Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statements of Revenue, Expenses and Changes in Net Position
Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenue:		
Charges for services - external	\$ 6,461,397	6,056,603
Insurance recoveries	125,869	145,728
Miscellaneous local sources	<u>-</u>	<u>45</u>
Total operating revenue	6,587,266	6,202,376
Operating expenses - employee benefits	<u>6,284,134</u>	<u>5,715,708</u>
Operating income	303,132	486,668
Non-operating revenue - interest income	<u>184</u>	<u>245</u>
Change in net position	303,316	486,913
Net position at beginning of year	<u>(769,373)</u>	<u>(1,256,286)</u>
Net position at end of year	<u><u>\$ (466,057)</u></u>	<u><u>(769,373)</u></u>

COUNTY OF SULLIVAN, NEW YORK
Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statements of Cash Flows
Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Cash received from charges for services	\$ 3,980,557	3,320,420
Cash received from insurance recoveries	125,869	145,728
Cash received from miscellaneous local sources	-	45
Cash payments to insurance carriers and claimants	<u>(4,094,215)</u>	<u>(3,466,026)</u>
Net cash provided by operating activities	12,211	167
Cash flows from investing activities - interest income	<u>184</u>	<u>245</u>
Net increase in cash and equivalents	12,395	412
Cash and equivalents at beginning of year	<u>55,291</u>	<u>54,879</u>
Cash and equivalents at end of year	<u>\$ 67,686</u>	<u>55,291</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	303,132	486,668
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(1,337,096)	(1,016,800)
Due from other funds	(1,147,181)	(1,486,806)
Accounts payable and accrued liabilities	1,463	(353)
Unearned revenue	3,437	(232,577)
Claims payable	<u>2,188,456</u>	<u>2,250,035</u>
Net cash provided by operating activities	<u>\$ 12,211</u>	<u>167</u>

COUNTY OF SULLIVAN, NEW YORK
Internal Service Fund - Self-insured Dental Fund
Comparative Statements of Net Position
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Assets - cash and equivalents	\$ 321,804	<u>244,938</u>
Liabilities - claims payable	<u>-</u>	<u>7,874</u>
Net position - unrestricted	<u>\$ 321,804</u>	<u>237,064</u>

COUNTY OF SULLIVAN, NEW YORK
 Internal Service Fund - Self-insured Dental Fund
 Comparative Statements of Revenue, Expenses and Changes in Net Position
 Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenue - charges for services - internal	\$ 457,026	505,012
Operating expenses - employee benefits	<u>372,507</u>	<u>386,919</u>
Operating income	84,519	118,093
Non-operating revenue - interest income	<u>221</u>	<u>278</u>
Change in net position	84,740	118,371
Net position at beginning of year	<u>237,064</u>	<u>118,693</u>
Net position at end of year	<u><u>\$ 321,804</u></u>	<u><u>237,064</u></u>

COUNTY OF SULLIVAN, NEW YORK
Internal Service Fund - Self-insured Dental Fund
Comparative Statements of Cash Flows
Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Cash received from charges for services	\$ 457,026	505,012
Cash payments to insurance carriers and claimants	<u>(380,381)</u>	<u>(387,670)</u>
Net cash provided by operating activities	76,645	117,342
Cash flows from investing activities - interest income	<u>221</u>	<u>278</u>
Net increase in cash and equivalents	76,866	117,620
Cash and equivalents at beginning of year	<u>244,938</u>	<u>127,318</u>
Cash and equivalents at end of year	<u>\$ 321,804</u>	<u>244,938</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	84,519	118,093
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Changes in assets and liabilities - claims payable	<u>(7,874)</u>	<u>(751)</u>
Net cash provided by operating activities	<u>\$ 76,645</u>	<u>117,342</u>

COUNTY OF SULLIVAN, NEW YORK
Fiduciary Fund - Agency Fund
Statement of Changes in Assets and Liabilities
Year ended December 31, 2014

<u>Assets</u>	Balance January 1, <u>2014</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2014</u>
Cash - demand deposits	\$ 7,075,065	98,661,168	(99,154,644)	6,581,589
Due from other funds	<u>-</u>	<u>87,296,840</u>	<u>(87,282,804)</u>	<u>14,036</u>
Total assets	<u>\$ 7,075,065</u>	<u>185,958,008</u>	<u>(186,437,448)</u>	<u>6,595,625</u>
 <u>Liabilities and Fund Balance</u>				
Accounts payable	154,677	26,464,672	(26,572,768)	46,581
Employee payroll deductions	124,679	74,152,111	(74,133,178)	143,612
Deposits	3,123,543	41,723,372	(42,188,922)	2,657,993
Due to other funds	<u>3,672,166</u>	<u>571,493</u>	<u>(496,220)</u>	<u>3,747,439</u>
Total liabilities	<u>\$ 7,075,065</u>	<u>142,911,648</u>	<u>(143,391,088)</u>	<u>6,595,625</u>

STATISTICAL SECTION

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes, and required supplementary information says about the County's overall financial Health.

CONTENTS

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

Revenue Capacity - These schedules contain information to help the reader assess the County's most significant revenue sources.

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 of the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

COUNTY OF SULLIVAN, NEW YORK
Net Position by Component
Last Ten Fiscal Years

<u>Year Ended December 31,</u>	<u>2014</u>	<u>2013</u>	<u>2012 (2)</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008 (1)</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental activities:										
Net position:										
Investment in capital assets										
net of related debt	\$ 88,651,807	85,562,582	81,670,910	76,768,306	70,516,266	69,015,657	61,589,988	38,417,445	45,700,511	41,830,738
Restricted	4,887,153	1,758,414	4,500,821	8,270,567	8,517,769	8,500,676	11,771,895	1,014,666	2,118,289	1,474,075
Unrestricted	(46,016,248)	(38,231,820)	(33,799,457)	(27,051,908)	(20,556,594)	(19,618,689)	(11,622,787)	9,607,692	2,623,869	4,481,196
Total governmental										
activities net position	\$ 47,522,712	49,089,176	52,372,274	57,986,965	58,477,441	57,897,644	61,739,096	49,039,803	50,442,669	47,786,009
Business type activities:										
Net position:										
Investment in capital assets										
net of related debt	1,613,933	1,298,706	1,413,451	1,643,913	1,883,587	2,124,380	2,076,502	2,025,110	1,937,042	1,919,295
Restricted	715,891	850,579	-	-	-	-	-	-	-	-
Unrestricted	(21,264,110)	(25,885,338)	(22,543,688)	(20,823,848)	(18,121,973)	(13,457,345)	(14,098,396)	(208,507)	1,239,256	197,295
Total business-type										
activities net position	\$ (18,934,286)	(23,736,053)	(21,130,237)	(19,179,935)	(16,238,386)	(11,332,965)	(12,021,894)	1,816,603	3,176,298	2,116,590
Primary government:										
Net position:										
Net investment in capital assets	90,265,740	86,861,288	83,084,361	78,412,219	72,399,853	71,140,037	63,666,490	40,442,555	47,637,553	43,750,033
Restricted	5,603,044	2,608,993	4,500,821	8,270,567	8,517,769	8,500,676	11,771,895	1,014,666	2,118,289	1,474,075
Unrestricted	(67,280,358)	(64,117,158)	(56,343,145)	(47,875,756)	(38,678,567)	(33,076,034)	(25,721,183)	9,399,185	3,863,125	4,678,491
Total primary government										
net position	\$ 28,588,426	25,353,123	31,242,037	38,807,030	42,239,055	46,564,679	49,717,202	50,856,406	53,618,967	49,902,599

- (1) The activities of the Sullivan County Tobacco Securitization Corporation that had previously been reported under governmental activities have been reclassified and presented under business-type activities.
- (2) Governmental Accounting Standards Board Statement No. 63 - "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" renamed net assets to net position effective for the year ended December 31, 2012.

COUNTY OF SULLIVAN, NEW YORK
Changes in Net Position
Last Ten Fiscal Years

Year Ended December 31,	2014	2013	2012 (2)	2011	2010	2009	2008 (1)	2007	2006	2005
Expenses:										
Governmental activities:										
General government support	\$ 22,867,189	22,299,150	23,222,974	18,610,178	20,573,018	17,432,319	17,114,529	24,516,886	20,393,273	22,718,564
Education	6,272,866	6,499,480	5,775,448	5,800,343	6,011,024	6,771,949	6,622,720	5,489,354	5,341,804	5,664,625
Public safety	26,718,049	26,924,495	26,070,999	24,267,723	24,460,208	23,927,441	23,456,337	22,486,088	18,409,153	15,460,359
Health	23,145,341	24,293,812	25,388,743	24,063,061	23,818,137	23,906,533	25,389,140	23,526,196	20,826,613	20,404,235
Transportation	22,164,720	20,593,635	19,581,033	19,677,365	21,447,683	18,423,675	15,723,127	20,910,476	18,753,073	13,668,423
Economic assistance and development	60,484,322	56,813,202	58,836,611	57,259,852	56,207,703	59,353,745	54,082,395	50,064,825	49,349,886	51,237,401
Culture and recreation	3,355,192	3,463,248	3,545,385	3,231,074	3,038,366	3,088,411	3,187,191	2,294,525	2,147,178	1,867,195
Home and community services	7,309,555	13,221,737	10,530,023	9,743,923	7,114,794	9,470,621	8,859,856	631,759	5,933,563	14,885,010
Interest	1,895,292	2,096,007	2,472,088	2,863,482	2,350,765	2,334,358	2,491,364	3,265,875	3,439,780	3,004,615
Total governmental activities expenses	174,212,526	176,204,766	175,423,304	165,517,001	165,021,698	164,709,052	156,926,659	153,185,984	144,594,323	148,910,427
Business-type activities:										
Adult Care Center	16,886,860	16,165,086	17,447,113	16,827,634	16,228,151	17,212,907	14,907,433	14,427,641	13,078,760	13,138,454
Sullivan Tobacco Asset Securitization Corporation	754,869	782,343	818,639	839,981	860,655	882,994	903,018	-	-	-
Total business-type activities expenses	17,641,729	16,947,429	18,265,752	17,667,615	17,088,806	18,095,901	15,810,451	14,427,641	13,078,760	13,138,454
Total primary government expenses	\$ 191,854,255	193,152,195	193,689,056	183,184,616	182,110,504	182,804,953	172,737,110	167,613,625	157,673,083	162,048,881
Program revenues:										
Governmental activities:										
Charges for services:										
General government support	8,538,626	8,440,597	8,386,063	2,520,630	2,573,330	2,524,940	2,433,889	2,317,104	2,426,989	2,159,046
Education	-	-	462,102	235,678	42,553	52,644	67,120	-	-	-
Public safety	1,399,463	1,298,078	1,559,469	1,881,807	1,578,510	1,574,307	1,450,584	580,086	1,022,160	916,874
Health	6,572,292	7,525,923	8,775,797	8,628,023	9,505,384	10,680,595	7,679,516	10,021,037	10,453,604	11,061,114
Transportation	1,242,440	1,272,124	1,200,844	1,509,166	964,553	1,373,681	1,908,668	1,890,474	949,373	1,366,068
Economic assistance and development	2,963,563	3,175,957	2,538,179	3,040,513	2,733,305	2,461,848	2,328,255	2,796,860	2,554,493	3,498,352
Culture and recreation	189,508	213,173	221,139	188,196	148,258	153,442	200,230	169,138	176,387	214,308
Home and community services	11,179,889	11,715,220	11,535,541	11,587,218	9,241,673	5,109,884	6,175,827	7,032,512	6,981,774	7,724,497
Operating grants and contributions	38,906,382	37,409,612	38,601,375	42,207,077	45,364,696	45,604,484	40,874,585	39,935,423	40,422,191	37,765,338
Capital grants and contributions	1,807,953	2,210,020	1,712,392	1,620,224	2,471,353	2,026,614	6,446,290	938,606	262,266	1,207,525
Total governmental activities program revenues	72,800,116	73,260,704	74,992,901	73,418,532	74,623,615	71,562,439	69,564,964	65,681,240	65,249,237	65,913,122
Business type activities:										
Adult Care Center:										
Charges for services	9,856,047	9,241,119	11,766,216	11,460,580	10,977,303	11,090,401	12,455,417	11,009,162	11,413,535	10,781,561
Operating grants and contributions	10,064,732	2,555,973	3,125,999	2,626,286	-	-	5,792	-	-	-
Capital grants and contributions	-	-	-	-	-	-	20,000	-	-	-
Sullivan Tobacco Asset Securitization Corporation - operating grants and contributions	1,284,271	1,075,121	993,587	1,034,231	1,106,106	1,373,566	1,334,160	-	-	-
Total business type activities program revenues	21,205,050	12,872,213	15,885,802	15,121,097	12,083,409	12,463,967	13,815,369	11,009,162	11,413,535	10,781,561
Total primary government program revenues	\$ 94,005,166	86,132,917	90,878,703	88,539,629	86,707,024	84,026,406	83,380,333	76,690,402	76,662,772	76,694,683

COUNTY OF SULLIVAN, NEW YORK
Changes in Net Position, Continued
Last Ten Fiscal Years

Year Ended December 31,	2014	2013	2012 (2)	2011	2010	2009	2008 (1)	2007	2006	2005
Net (expense)/revenue:										
Governmental activities	\$ (101,412,410)	(102,944,062)	(100,430,403)	(92,098,469)	(90,398,083)	(93,146,613)	(87,361,695)	(87,504,744)	(79,345,086)	(82,997,305)
Business-type activities	3,563,321	(4,075,216)	(2,379,950)	(2,546,518)	(5,005,397)	(5,631,934)	(1,995,082)	(3,418,479)	(1,665,225)	(2,356,893)
Total primary government net expense	\$ (97,849,089)	(107,019,278)	(102,810,353)	(94,644,987)	(95,403,480)	(98,778,547)	(89,356,777)	(90,923,223)	(81,010,311)	(85,354,198)
Governmental activities:										
General revenues:										
Taxes:										
Real property taxes	54,940,465	53,982,110	49,824,079	48,065,549	48,690,132	46,790,101	41,809,497	47,854,011	44,422,184	40,115,298
Other real property tax items	7,522,050	9,313,959	8,463,919	7,606,522	6,633,477	6,318,080	5,252,252	-	-	-
Non-property tax items	38,064,659	36,206,602	36,226,594	35,103,619	35,304,348	35,766,177	39,691,935	38,931,199	35,490,723	34,651,040
Sale of property and compensation for loss	293,579	589,724	521,881	263,115	-	-	-	-	-	-
Unrestricted use of money and property	69,755	74,090	79,860	75,953	112,113	158,195	504,051	1,579,506	1,697,405	1,076,109
Miscellaneous	105,205	48,241	-	-	237,810	272,608	315,280	3,197,737	3,109,057	2,590,714
Transfers	(1,149,767)	(553,762)	(300,621)	493,235	-	-	-	(2,046,700)	(2,717,623)	(2,428,521)
Total governmental activities	99,845,946	99,660,964	94,815,712	91,607,993	90,977,880	89,305,161	87,573,015	89,515,753	82,001,746	76,004,640
Business-type activities:										
General revenues:										
Unrestricted use of money and property	87,427	91,838	95,094	95,154	68,968	112,476	-	6,684	7,309	5,922
Grants and contributions not restricted to specific programs	-	-	-	-	-	6,192,294	-	-	-	-
Miscellaneous	1,252	1,064,864	33,933	3,050	31,008	16,093	7,590	5,400	-	-
Transfers	1,149,767	553,762	300,621	(493,235)	-	-	-	2,046,700	2,717,623	2,428,521
Total business-type activities	1,238,446	1,710,464	429,648	(395,031)	99,976	6,320,863	7,590	2,058,784	2,724,932	2,434,443
Total primary government general revenues	101,084,392	101,371,428	95,245,360	91,212,962	91,077,856	95,626,024	87,580,605	91,574,537	84,726,678	78,439,083
Change in net position:										
Governmental activities	(1,566,464)	(3,283,098)	(5,614,691)	(490,476)	579,797	(3,841,452)	211,320	2,011,009	2,656,660	(6,992,665)
Business-type activities	4,801,767	(2,364,752)	(1,950,302)	(2,941,549)	(4,905,421)	688,929	(1,987,492)	(1,359,695)	1,059,707	77,550
Total primary government	\$ 3,235,303	(5,647,850)	(7,564,993)	(3,432,025)	(4,325,624)	(3,152,523)	(1,776,172)	651,314	3,716,367	(6,915,115)

(1) The activities of the Sullivan County Tobacco Securitization Corporation that had previously been reported under governmental activities have been reclassified and presented under business-type activities.

(2) Governmental Accounting Standards Board Statement No. 63 - "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" remained net assets to net position effective for the year ended December 31, 2012.

COUNTY OF SULLIVAN, NEW YORK
Fund Balances of Governmental Funds
Last Ten Fiscal Years

<u>Year Ended December 31,</u> General fund:	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011 (2)</u>	<u>2010</u>	<u>2009</u>	<u>2008 (1)</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Nonspendable	\$ 397,864	4,865,391	-	-	-	-	-	-	-	-
Restricted	1,914,665	773,434	775,058	554,732	N/A	N/A	N/A	N/A	N/A	N/A
Committed	14,250,044	13,503,770	9,694,504	11,914,377	N/A	N/A	N/A	N/A	N/A	N/A
Assigned	236,404	1,349,150	1,116,190	7,925,968	N/A	N/A	N/A	N/A	N/A	N/A
Unassigned	7,389,166	7,017,360	12,837,110	2,737,515	N/A	N/A	N/A	N/A	N/A	N/A
Reserved	N/A	N/A	N/A	N/A	1,164,799	1,983,965	1,066,049	2,264,316	1,656,142	1,208,140
Unreserved	N/A	N/A	N/A	N/A	23,297,252	17,870,045	19,802,670	22,114,837	23,743,431	25,937,714
Total general fund	\$ 24,188,143	27,509,105	24,422,862	23,132,592	24,462,051	19,854,010	20,868,719	24,379,153	25,399,573	27,145,854
All other governmental funds:										
Nonspendable	-	N/A	N/A	675,000	N/A	N/A	N/A	N/A	N/A	N/A
Restricted	2,815,531	849,658	926,902	691,527	N/A	N/A	N/A	N/A	N/A	N/A
Assigned	5,084,728	3,569,924	2,833,070	3,123,551	N/A	N/A	N/A	N/A	N/A	N/A
Unassigned	-	(4,258,647)	(2,287,518)	(9,282,628)	N/A	N/A	N/A	N/A	N/A	N/A
Reserved	N/A	N/A	N/A	N/A	976,711	1,160,991	883,358	1,295,563	462,147	265,936
Unreserved, reported in:										
Special revenue funds	N/A	N/A	N/A	N/A	3,741,696	2,406,397	2,683,499	7,794,061	7,207,642	6,109,935
Capital projects funds	N/A	N/A	N/A	N/A	(5,805,546)	(6,246,400)	1,314,486	3,051,398	(4,252,474)	(5,300,734)
Total all other governmental funds	\$ 7,900,259	160,935	1,472,454	(4,792,550)	(1,087,139)	(2,679,012)	4,881,343	12,141,022	3,417,315	1,075,137
Total governmental funds	\$ 32,088,402	27,670,040	25,895,316	18,340,042	23,374,912	17,174,998	25,750,062	36,520,175	28,816,888	28,220,991

(1) The activities of the Sullivan County Tobacco Securitization Corporation that had previously been reported under governmental activities have been reclassified and presented under business-type activities.

(2) Governmental Accounting Standards Board Statement No. 54 - "Fund Balance Reporting and Governmental Fund Type Definitions" changed the categories of fund balance effective for the year ended December 31, 2011.

COUNTY OF SULLIVAN, NEW YORK
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

Year Ended December 31,	2014	2013	2012	2011	2010	2009	2008(L)	2007	2006	2005
Revenue:										
Real property taxes	\$ 55,763,769	53,786,165	51,466,856	47,403,913	49,825,309	42,132,012	39,863,381	41,745,084	39,239,740	34,818,413
Other real property tax items	7,522,050	9,313,959	8,463,919	7,606,522	6,633,477	6,318,080	5,252,252	5,366,993	5,542,254	4,986,308
Non-property tax items	38,064,659	36,206,602	36,226,594	35,103,619	35,304,348	35,766,177	39,691,935	38,934,175	35,795,876	34,938,013
Departmental income	29,951,852	31,608,948	32,633,592	32,498,904	30,944,301	26,319,095	24,753,634	26,880,981	27,309,505	29,497,650
Intergovernmental charges	2,167,520	1,948,855	1,741,864	1,900,270	1,966,413	2,274,525	2,162,156	3,272,524	2,052,047	2,088,739
Use of money and property	156,672	180,743	176,224	267,747	347,208	418,700	956,458	2,099,706	2,021,199	1,459,243
License and permits	62,900	25,467	30,541	33,600	25,910	29,860	44,590	32,645	37,795	25,851
Fines and forfeitures	283,928	322,034	497,936	253,020	313,712	336,312	217,220	282,150	306,064	344,904
Sale of property and compensation for loss	315,710	610,247	573,178	49,790	177,224	397,610	1,180,834	1,327,946	2,122,255	1,421,796
Interfund revenues	-	2,810	13,264	12,801	11,083	1,667,981	1,782,203	1,876,365	1,803,156	1,971,468
Miscellaneous and local sources	3,641,418	3,505,962	3,405,574	3,360,287	3,301,136	5,722,219	3,288,754	4,379,722	3,925,315	4,055,091
State aid	21,455,917	20,360,548	18,631,685	19,532,927	19,793,237	22,501,577	28,109,378	21,753,982	21,853,625	21,489,204
Federal aid	18,284,784	18,420,941	20,569,698	20,841,709	24,573,646	21,700,290	17,981,659	19,120,046	18,830,831	17,481,663
Total revenue	177,671,179	176,293,281	174,430,925	168,865,109	173,217,004	165,584,438	165,284,454	167,072,319	160,839,662	154,578,343
Expenditures:										
Current:										
General government support	23,398,007	23,002,054	23,036,459	23,091,977	23,021,148	22,964,458	23,139,969	22,513,936	21,408,614	22,815,457
Education	5,457,556	5,547,733	5,297,188	5,317,421	5,509,250	5,534,473	5,267,829	5,125,716	4,984,706	4,704,382
Public safety	24,785,241	23,788,104	22,979,002	22,739,389	22,490,855	20,924,956	21,521,334	21,656,492	20,244,415	16,618,702
Health	21,926,234	23,063,706	23,150,414	23,447,003	22,938,752	23,238,111	24,627,930	23,787,895	22,565,624	21,580,429
Transportation	18,288,145	16,132,885	16,992,170	17,221,839	17,171,903	16,913,655	21,254,149	23,687,474	19,166,587	19,482,496
Economic assistance and development	58,931,619	55,052,400	56,711,538	55,167,983	53,135,382	57,380,014	52,378,731	51,207,103	52,402,446	54,279,496
Culture and recreation	3,171,942	3,129,855	3,289,795	3,194,231	3,108,254	3,097,943	3,112,943	2,923,233	3,095,789	2,868,091
Home and community service	8,509,310	8,828,785	8,575,046	8,758,568	8,615,212	7,744,566	6,057,828	6,139,977	6,863,167	6,735,576
Debt service:										
Principal	9,417,516	9,332,285	8,988,877	6,163,806	5,089,763	5,016,457	4,880,524	4,933,700	3,680,155	3,000,940
Interest	2,080,666	2,179,008	2,557,391	3,194,187	2,238,712	2,361,233	2,474,081	3,247,355	3,320,171	2,734,981
Capital outlay	9,957,018	6,297,006	6,651,897	6,096,810	20,831,316	8,983,636	7,756,734	7,189,972	6,802,923	8,345,718
Total expenditures	185,923,254	176,353,821	178,229,777	174,393,214	184,696,547	174,159,502	172,472,052	172,412,853	164,534,597	163,166,268
Excess of revenues over (under) expenditures	(8,252,075)	(60,540)	(3,798,852)	(5,528,105)	(11,479,543)	(8,575,064)	(7,187,598)	(5,340,534)	(3,694,935)	(8,587,925)
Other financing sources (uses):										
Bonds issued	11,315,000	-	9,495,000	-	17,185,000	-	-	15,515,000	5,055,000	9,790,000
Issuance premium	105,204	2,639,088	113,897	-	494,457	-	-	-	-	-
Refunding bonds issued	-	17,880,000	-	-	-	-	-	6,106,908	-	-
Payments to refunded bond escrow agent	-	(20,330,062)	-	-	-	-	-	(6,303,197)	-	-
Transfers in	25,030,396	24,558,828	26,002,934	27,835,452	24,388,607	20,887,654	18,056,305	27,179,038	20,125,302	16,923,776
Transfers out	(26,180,163)	(25,112,590)	(26,303,555)	(27,342,217)	(24,388,607)	(20,887,654)	(18,056,305)	(27,946,338)	(22,534,864)	(19,352,297)
Bond Anticipation Notes redeemed from appropriations	2,400,000	2,200,000	2,045,850	-	-	-	-	612,000	-	-
Total other financing sources (uses)	12,670,437	1,835,264	11,354,126	493,235	17,679,457	-	-	15,163,411	2,645,438	7,361,479
Net change in fund balances	\$ 4,418,362	1,774,724	7,555,274	(5,034,870)	6,199,914	(8,575,064)	(7,187,598)	9,822,877	(1,049,497)	(1,226,446)

(1) The Activities of the Sullivan County Tobacco Securitization Corporation that had previously been reported under governmental activities have been reclassified and presented under Business-type activities.

COUNTY OF SULLIVAN, NEW YORK
Debt Service as a Percentage of Noncapital Expenditures
Last Ten Fiscal Years

<u>Year Ended December 31,</u>	<u>2014</u>	<u>2013</u>	<u>2012(1)</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt service:										
Principal	\$ 9,417,516	9,332,285	8,988,877	6,163,806	5,089,763	5,016,457	4,880,524	4,933,700	3,680,155	3,000,940
Interest	2,080,666	2,179,008	2,557,391	3,194,187	2,238,712	2,361,233	2,474,081	3,247,355	3,320,171	2,734,981
Total debt service	\$ 11,498,182	11,511,293	11,546,268	9,357,993	7,328,475	7,377,690	7,354,605	8,181,055	7,000,326	5,735,921
Total expenditures	185,923,254	176,353,821	178,229,777	174,393,214	184,696,547	174,159,502	172,472,052	172,412,853	164,534,597	163,166,268
Less capital outlay:										
Capital outlay reported in capital projects fund	9,957,018	6,297,006	6,651,897	6,096,810	20,831,316	8,983,636	7,756,734	7,189,972	6,802,923	8,345,718
Capital additions charged to functional expenditures	4,838,820	2,475,847	3,608,458	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total capital outlay	14,795,838	8,772,853	10,260,355	6,096,810	20,831,316	8,983,636	7,756,734	7,189,972	6,802,923	8,345,718
Total expenditures less capital outlay	\$171,127,416	167,580,968	167,969,422	168,296,404	163,865,231	165,175,866	164,715,318	165,222,881	157,731,674	154,820,550
Debt service as a percentage of noncapital expenditures	<u>6.7%</u>	<u>6.9%</u>	<u>6.9%</u>	<u>5.6%</u>	<u>4.5%</u>	<u>4.5%</u>	<u>4.5%</u>	<u>5.0%</u>	<u>4.4%</u>	<u>3.7%</u>

(1) Capital additions charged to functional expenditures data is not available prior to 2012

**County of Sullivan, New York
Tax Revenue by Source, Governmental Funds
Last Ten Fiscal Years**

Fiscal Year	Real Property	Sales	Room Occupancy	E-911	Off-Track Betting	Mortgage	Total
2005	\$ 34,818,413	31,718,350	341,287	286,974	829,907	1,761,495	69,756,426
2006	39,239,740	32,317,343	305,244	305,153	981,924	1,886,212	75,035,616
2007	41,745,084	34,955,732	549,668	308,767	761,338	1,827,296	80,147,885
2008	39,863,381	36,412,777	635,613	313,009	697,269	1,102,903	79,024,952
2009	42,132,012	33,133,253	599,376	303,821	518,746	711,371	77,398,579
2010	49,825,309	32,605,248	749,105	282,018	576,753	533,659	84,572,092
2011	47,403,913	32,911,401	558,728	310,179	325,031	476,223	81,985,475
2012	51,466,856	34,034,864	629,009	291,465	323,316	469,369	87,214,880
2013	53,786,165	33,793,427	619,352	286,122	265,550	689,150	89,439,766
2014	55,763,769	35,960,305	538,021	277,083	207,963	569,181	93,316,322
Change							
2004 - 2014	60%	13%	58%	-3%	-75%	-68%	34%

Note: In June of 2007 the county portion of sales tax was raised from 3.5% to 4% and room occupancy tax increased from 2% to 5% of taxable room rentals.

**County of Sullivan, New York
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year Ended Dec 31,	Residential and Commercial Property	State Property	Special Franchise Property	Utility Property	Railroad Property	Less Exempt Property	Total Taxable Assessed Value	County Tax Rate Per Thousand	Estimated Full Assessed Value	Taxable Assessed Value as a Percentage of Full Value
2005	\$ 5,183,019,867	26,226,610	78,351,069	127,426,290	34,243,322	1,040,751,059	4,408,516,099	16.23	5,614,658,242	78.52%
2006	5,463,541,501	25,889,077	77,490,984	131,202,671	-	1,088,399,418	4,609,724,815	22.26	6,339,748,599	72.71%
2007	5,688,459,405	25,713,850	57,381,750	130,804,208	-	1,131,444,333	4,770,914,880	18.36	7,991,235,969	59.70%
2008	5,910,095,084	25,588,520	53,071,515	126,864,212	-	1,144,119,965	4,971,499,366	18.68	9,318,389,821	53.35%
2009	6,261,297,574	25,681,290	53,082,965	119,912,271	-	1,146,947,631	5,313,026,469	20.02	9,804,980,597	54.19%
2010	6,433,054,934	25,236,574	60,821,640	114,378,957	-	1,308,569,208	5,324,922,897	21.08	11,041,711,351	48.23%
2011	6,617,749,695	25,273,775	66,046,153	115,187,844	-	1,391,241,016	5,433,016,451	21.73	9,087,396,624	59.79%
2012	6,627,350,429	25,382,375	72,095,385	114,300,718	-	1,403,003,715	5,436,125,192	22.34	8,423,392,565	64.54%
2013	6,642,143,138	25,557,665	74,964,935	112,393,145	-	1,419,105,652	5,435,953,231	25.27	8,120,649,757	62.61%
2014	6,628,056,033	25,541,375	79,082,515	110,948,188	-	1,416,147,732	5,427,480,379	26.66	7,693,733,110	70.54%

Source: Sullivan County tax rolls for assessed values by type.
Sullivan County Legislative resolution for estimated actual full value.
Sullivan County tax abstracts for direct tax rates.

Note: Both direct tax rates and Assessed value percentages are average values. Sullivan County consists of 15 Towns with various equalization rates necessitating an average rate for all.

**County of Sullivan, New York
Property Tax Rates - All Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Fiscal Years**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Town of Bethel	10.7	11.06	10.48	10.57	11.26	10.72	9.68	8.72	7.72	7.53
Town of Callicoon	10.83	11.15	10.92	10.26	10.09	10.12	9.43	8.81	7.08	6.93
Town of Cochection	9.21	9.26	8.09	7.51	7.98	7.96	7.40	7.58	7.32	7.02
Town of Delaware	11.09	10.61	9.87	9.72	9.58	9.85	8.99	8.93	8.09	7.53
Town of Fallsburg	12.04	11.15	10.75	10.92	10.36	10.02	9.62	9.11	8.44	8.38
Town of Forestburgh	81.27	71.19	66.14	62.15	59.6	63.55	58.48	52.93	48.37	40.45
Town of Fremont	9.33	9.62	9.29	8.54	7.95	8.07	7.76	7.79	7.34	6.74
Town of Highland	7.93	7.51	6.65	6.57	6.81	4.92	4.73	5.32	5.84	6.51
Town of Liberty	9.09	9.07	8.43	8.16	8.08	7.86	7.65	7.62	7.16	7.28
Town of Lumberland	7.37	6.83	6.06	5.47	5.08	4.94	4.74	5.32	5.87	5.55
Town of Mamakating	11.14	11.26	10.23	10.37	10.95	10.76	10.47	10.41	9.89	9.31
Town of Neversink	186.98	179.4	160.96	148.45	141.64	125.12	117.19	118.7	188.93	109.04
Town of Rockland	11.01	10.77	9.52	9.29	9.29	9.14	8.57	8.01	7.49	7.18
Town of Thompson	8.54	8.58	7.72	7.61	7.81	7.47	6.50	6.59	6.16	6.47
Town of Tusten	13.34	11.66	10.50	10.38	9.67	9.74	9.02	9.57	8.24	7.55
Average County Tax Rate	10.94	10.68	9.79	9.79	9.56	9.06	8.47	6.12	7.44	8.04

The fifteen towns within the county have varying equalization rates on assessed valuations, ranging from 4.00% to 100%, resulting in differing county tax rates.

Average county tax rates are a weighted average

County of Sullivan, New York
Property Tax Rates - All Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
County Tax Rate	\$7.37 - \$186.98	\$6.83 - \$179.4	\$ 6.06 - \$ 160.96	\$5.47 - \$148.45	\$5.08 - \$141.64	\$4.92 - \$125.12	\$4.73 - \$117.19	\$5.32-\$118.70	\$5.84-\$188.93	\$5.55-\$109.04
Town Rates										
Bethel	9.01	8.89	8.62	8.35	\$8.08	\$7.92	\$7.70	\$7.52	\$7.18	\$6.46
Callicoon	6.98	6.98	6.8	6.81	\$6.33	\$6.11	\$7.99	\$5.78	\$5.61	\$5.05
Cochection	7.14	7.22	7.23	7.12	\$7.04	\$7.03	\$6.92	\$6.69	\$6.52	\$6.42
Delaware	9.62	9.6	9.5	9.57	\$9.26	\$9.25	\$8.61	\$9.26	\$8.67	\$8.33
Fallsburg	7.1	6.94	6.82	6.65	\$6.20	\$5.76	\$12.40	\$5.58	\$5.41	\$4.68
Forestburgh	6.02	6.04	5.98	5.83	\$58.91	\$57.25	\$58.05	\$57.14	\$54.63	\$51.30
Fremont	5.16	5.18	5.1	5.13	\$5.14	\$5.23	\$4.94	\$4.62	\$4.57	\$4.58
Highland	4.65	4.64	4.59	4.66	\$4.59	\$3.32	\$3.39	\$3.81	\$3.91	\$4.43
Liberty	6.98	6.98	6.96	6.88	\$6.70	\$6.64	\$9.78	\$6.32	\$6.24	\$5.88
Lumberland	7.44	7.34	7.39	7.33	\$6.39	\$5.93	\$6.21	\$6.72	\$6.79	\$6.65
Mamakating	4.56	4.45	4.26	4.14	\$4.09	\$4.03	\$5.07	\$3.33	\$2.69	\$2.70
Neversink	119.32	114.42	110.65	109.03	\$105.27	\$103.57	\$103.23	\$99.37	\$94.02	\$91.68
Rockland	9.7	9.59	9.22	8.78	\$8.15	\$7.90	\$7.29	\$6.04	\$5.50	\$6.18
Thompson	3.15	3.24	2.68	1.75	\$1.85	\$1.81	\$2.29	\$2.22	\$2.18	\$2.04
Tusten	11.15	11.21	11.07	11.21	\$10.92	\$10.97	\$10.04	\$9.16	\$8.61	\$8.28
Village Rates										
Bloomingburg	5.99	5.99	6.71	6.71	6.93	\$7.88	\$7.04	\$7.88	\$7.69	\$7.69
Jeffersonville	6.26	6.14	6.14	5.99	5.99	\$5.82	\$5.39	\$4.65	\$4.40	\$4.20
Liberty	21.77	21.55	21.44	21.16	20.99	\$20.50	\$20.10	\$19.63	\$19.08	\$20.46
Monticello	22.79	22.08	21.66	21.27	21.27	\$20.64	\$20.35	\$20.35	\$20.63	\$19.64
Woodridge	17.85	17.69	17.26	16.91	14.95	\$13.25	\$13.25	\$12.50	\$12.50	\$11.51
Wurtsboro	6.24	6.23	6.22	6.22	5.95	\$5.84	\$5.43	\$5.13	\$5.04	\$5.04
School District Rates	\$14.02 - \$787.65	\$13.77 - \$743.28	\$ 13.44 - \$ 610.26	\$13.01 - \$661.01	\$13.44-\$610.26	\$12.82 - \$578.94	\$12.39 - \$533.26	\$12.44-\$527.08	\$14.71-\$544.76	\$15.17-\$618.21
Fire District Rates	\$ 30 - \$36.47	\$ 30 - \$41.69	\$ 19 - \$ 41.63	\$ 31-\$41.95	\$ 32-\$39.35	\$ 29 - \$34.41	\$ 29 - \$33.44	\$ 26-\$53.60	\$ 31-\$54.19	\$ 22-\$35.97
Sewer District Rates	\$ 35 - \$1,123.28	\$ 35 - \$1,311.48	\$ 36 - \$ 1,273.04	\$ 12-\$1255.65	\$2.89-\$1535.74	\$2.95 - \$1183.51	\$2.99 - \$1152.36	\$3.84-\$1181.33	\$4.25-\$1047.23	\$4.19-\$914.38
Other Special District Rates	\$ 04 - \$8.20	\$ 04 - \$267.68	\$ 04 - \$ 10.15	\$ 03-\$11.56	\$ 01-\$12.05	\$ 06 - \$12.12	\$ 02 - \$10.91	\$ 02-\$4.84	\$ 06-\$11.01	\$ 06-\$11.71

Note: Equalization rates vs Equalization rates vary by town making it necessary to present the county tax rate as a range
Source: Village rates suppl Village rates supplied by appropriate village
All other rates ava All other rates available through the Sullivan County Treasurer

**County of Sullivan, New York
Principal Property Taxpayers
Current Year and Ten Years Ago**

Taxpayer	2014		Percentage of Total County		2005		Percentage of Total County	
	Taxable Assessed Value	Rank	Taxable Assessed Value	Rank	Taxable Assessed Value	Rank	Taxable Assessed Value	Rank
NYSEG	94,550,587	1	1.856%	1	96,532,579	1	2.14%	1
Orange & Rockland	29,212,894	2	0.573%	2	67,166,518	3	1.49%	3
State of NY	24,553,835	3	0.482%	3	24,958,003	4	0.55%	4
Verizon	23,038,428	4	0.452%	4	21,332,050	9	0.47%	9
Catskill Devel	20,449,200	5	0.401%	5	18,326,350	5	0.41%	5
City of NY	18,326,350	6	0.360%	6	13,400,000	8	0.30%	8
Kutshers's	11,000,000	7	0.216%	7	8,965,857	6	0.20%	6
Thompson Station, Inc	10,567,700	8	0.207%	8	8,500,000	2	0.19%	2
Wal-Mart Real	10,000,000	9	0.196%	9	7,111,100	7	0.16%	7
Eagle Creek	9,526,694	10	0.187%	10	738,812	10	0.02%	10
Citizens	7,600,268	11	14.900%	11				
	258,825,956		5.08%		267,031,269		5.93%	

Source: Sullivan County Treasurer's Office

County of Sullivan, New York
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collection	Percent of Levy Collected	Cancellations and Adjustments	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes To Levy	Percent of Adjustments To Levy
2005	\$90,237,917	76,682,085	84.98%	(164,036)	13,536,840	90,218,924	99.98%	183,028	0.20%	-0.18%
2006	96,941,417	82,407,487	85.01%	452,509	13,838,145	96,245,632	99.28%	243,276	0.25%	0.47%
2007	103,343,814	87,265,798	84.44%	404,904	15,390,939	102,656,737	99.34%	282,173	0.27%	0.39%
2008	107,755,568	89,587,757	83.14%	816,133	16,426,414	106,014,172	98.38%	925,263	0.86%	0.76%
2009	116,465,759	96,579,088	82.92%	940,061	16,346,161	112,925,249	96.96%	2,600,449	2.23%	0.81%
2010	127,025,621	103,981,298	81.86%	872,621	15,753,484	119,734,783	94.26%	6,418,217	5.05%	0.69%
2011	128,522,636	105,162,255	81.82%	817,367	10,332,550	115,494,805	89.86%	12,210,464	9.50%	0.64%
2012	131,802,271	108,719,407	82.49%	499,014	11,512,868	120,232,275	91.22%	11,070,983	8.40%	0.38%
2013	138,206,973	114,812,766	83.07%	506,953	11,440,877	126,253,644	91.35%	11,446,376	8.28%	0.37%
2014	140,067,028	117,745,523	84.06%	685,895	10,750,635	128,496,158	91.74%	10,884,974	7.77%	0.49%

Current Tax Collection reflects amount collected before the end of the Town Tax Collector's collecting period.

Cancellations & Adjustments reflects the amount removed in the calendar year regardless of the year the taxes were levied.

Adjustments also includes 5% penalty added to original tax upon close of town warrant.

Delinquent and Total Tax Collections reflect collections through December 31 for each year levied.

County of Sullivan, New York
Ratios of Outstanding Net Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Funds				Business- Type	Long-Term ACC	Bonds	Anticipation	Notes	Bond	Activities			Total Primary Government	Less Debt Service Funds	Total Net Primary Government	Per - Capita Income	Percentage of Per Capita Income	Population	Per Capita
	Long-Term		Installment								Less									
	General Obligation Bonds	Bonds	Purchase								Debt Service Funds	Net Primary Government								
2005	\$ 45,082,214		734,626	18,825,000	1,442,786						173,641	65,910,985	29,901	0.045%	76539	861				
2006	46,819,195		654,898	16,725,000	1,110,805						415,494	64,894,404	30,412	0.047%	76588	847				
2007	58,406,908		571,982	4,725,000	793,092						421,271	64,075,711	31,490	0.049%	76588	837				
2008	53,612,617		485,758	11,700,000	462,383						112,060	66,148,698	31,490	0.048%	76189	868				
2009	48,685,842		396,076	13,695,000	139,158						100,894	62,815,182	34,613	0.055%	75828	828				
2010	60,874,351		302,796	19,880,000	120,650						27,962	81,149,835	37,416	0.046%	77547	1,046				
2011	54,807,544		205,796	15,685,000	102,456						20,551	70,780,245	39,038	0.055%	76900	920				
2012	57,460,397		104,915	6,800,000	84,603						13,702	64,436,213	40,258	0.062%	76818	839				
2013	49,333,027		-	8,100,000	66,973						3,580	57,496,420	40,258	0.070%	76665	750				
2014	53,630,511		-	5,700,000	49,489						2,731	59,377,269	41,197	0.069%	76665	775				

County of Sullivan, New York
 Direct and Overlapping Governmental Debt
 As of December 31, 2014

	Total Debt Outstanding	Excludable Debt	Net Debt	Percentage of Total Debt
Town of Bethel	\$ 3,343,557	-	3,343,557	1.76%
Town of Callicoon	674,148	122,210	551,938	0.36%
Town of Cocheton	-	-	-	0.00%
Town of Delaware	332,300	226,500	105,800	0.18%
Town of Fallsburg	12,493,180	3,763,300	8,729,880	6.59%
Town of Forestburgh	25,625	-	25,625	0.01%
Town of Fremont	-	-	-	0.00%
Town of Highland	45,596	-	45,596	0.02%
Town of Liberty	3,081,000	1,681,000	1,400,000	1.62%
Town of Lumberland	750,000	-	750,000	0.40%
Town of Mamakating	-	-	-	0.00%
Town of Neversink	-	-	-	0.00%
Town of Rockland	770,000	335,000	435,000	0.41%
Town of Thompson	6,330,407	5,501,393	829,014	3.34%
Town of Tusten	-	-	-	0.00%
Village of Bloomingburg	208,000	208,000	-	0.11%
Village of Jeffersonville	60,000	-	60,000	0.03%
Village of Liberty	3,835,000	3,835,000	-	2.02%
Village of Monticello	4,049,979	698,301	3,351,678	2.14%
Village of Woodridge	6,890,498	6,890,498	-	3.63%
Village of Wurtsboro	1,426,000	1,426,000	-	0.75%
Eldred School District	11,625,087	-	11,625,087	6.13%
Fallsburg School District	1,674,231	-	1,674,231	0.88%
Liberty School District	27,253,430	-	27,253,430	14.37%
Livingston Manor School District	660,000	-	660,000	0.35%
Monticello School District	27,370,000	-	27,370,000	14.44%
Roscoe School District	2,795,000	-	2,795,000	1.47%
Sullivan West School District	2,657,500	-	2,657,500	1.40%
Tri-Valley School District	11,920,000	-	11,920,000	6.29%
Total Indirect Debt	130,270,538	24,687,202	105,583,336	68.70%
Sullivan County				
Direct Debt	59,330,511	-	59,330,511	31.30%
Total All Debt	\$ 189,601,049	24,687,202	164,913,847	100.00%

Note: Debt issued by Sullivan County is direct debt to all property owners within the county. Towns, villages, and school districts are smaller taxing jurisdictions within the county and their debt is the responsibility of the property owners within those entities.

The percentage to total debt is each entities' proportionate share of total outstanding debt.

Source: Debt information is obtained from the towns, villages and school districts within the county. County debt information is provided by the county treasurer's office.

County of Sullivan, New York
 Legal Debt Margin Information
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2014

Five Year - Full Valuation	\$ 42,315,661,181												
Average Full Valuation	\$ 8,463,132,236												
Debt Limit - 7% of Average Full Value	\$ 592,419,257												
Total Indebtedness - Serial Bonds and Bond Anticipation Notes	\$ 60,130,000												
Less Exclusions: Cash on Hand - Earnings on Investments and Premiums	\$ 2,731												
Indebtedness Subject to Debt Limit Constitutional Debt Margin (Debt Limit less Net Debt)	\$ 60,127,269	\$ 532,291,987											
			2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
Debt Limit	\$ 313,140,067	369,480,284	418,676,264	478,441,119	569,605,057	600,291,330	629,359,407	635,250,346	592,419,257	592,419,257	592,419,257	592,419,257	
Total Net Debt Applicable to Limit	65,176,359	64,239,506	63,503,729	65,662,940	62,419,106	80,847,038	70,574,449	64,331,298	57,496,420	60,127,269	60,127,269	60,127,269	
Legal Debt Margin	247,963,708	305,240,778	355,172,535	412,778,179	507,185,951	519,444,292	558,784,958	570,919,048	534,922,837	532,291,988	532,291,988	532,291,988	
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.81%	17.39%	15.17%	13.72%	10.96%	13.47%	11.21%	10.13%	9.71%	10.15%	9.71%	10.15%	

SOURCE Five Year Full Value taken from Sullivan County Legislative resolution and NYS State Comptroller.

**County of Sullivan, New York
Demographic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population	Personal Income(6) (thousands of dollars)	Per Capita Income (6)	Unemployment Rate (3)
2005	76539 (3)	\$2,258,699	\$29,901	4.90%
2006	76588 (3,5)	\$2,308,579	\$30,412	4.90%
2007	76588 (5)	\$2,547,655	\$33,345	5.20%
2008	76189 (5)	\$2,659,432	\$35,007	6.60%
2009	75828 (5)	\$2,687,619	\$34,613	8.80%
2010	77547 (5)	\$2,897,028	\$37,416	9.30%
2011	76900 (5)	\$3,008,994	\$39,038	9.20%
2012	76818 (5)	\$3,091,551	\$40,258	9.60%
2013	76665 (5)	\$3,091,551	\$40,258	8.80%
2014	76665 (6)	\$3,158,339	\$41,197	6.75%

(1) SOURCE: 1990 Decennial Census, NYS Department of Commerce

(2) SOURCE: New York State Department of Commerce

(3) SOURCE: New York State Department of Labor/ Empire State Development

(4) SOURCE: 2000 Decennial Census, NYS Department of Labor

(5) SOURCE: US Census Bureau

(6) SOURCE: US Bureau of Economic Analysis

Note: Sullivan County Personal Income figures for 2014 are not available as of yet.

County of Sullivan, New York
Principal Employers
Current Year and Nine Years Ago

	2014			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
<u>Employer</u>						
SDTC THE CENTER FOR DISCOVERY	1,391	1	4.32%	1,200	2	3.60%
SULLIVAN COUNTY GOVERNMENT	1,006	2	3.12%	1,247	1	3.74%
UNITED STATES POSTAL SERVICE				800	3	2.40%
CATSKILL REGIONAL MEDICAL CTR	700	3	2.17%	760	4	2.28%
MONTICELLO CENTRAL SCHOOL DIST	673	4	2.09%	758	5	2.28%
NEW HOPE COMMUNITY INC	668	5	2.07%	505	7	1.52%
BETHEL WOODS CENTER FOR ARTS	517	6	1.61%			
NYSARC INC/COMMUNITY RSRCE CTR	508	7	1.58%	467	8	1.40%
IDEAL SNACKS	444	8	1.38%			
VILLA ROMA RESORT	378	11	1.17%			
SULLIVAN CORRECTIONAL FACILITY	434	9	1.35%	460	9	1.38%
WOODBOURNE CORRECTIONAL FACILITY	408	10	1.27%	435	10	1.31%
MONTICELLO GAMING & RACEWAY				386	11	1.16%
KOHL'S CORP	347	12	1.08%	328	12	0.98%
ROLLING V BUS CORP	335	13	1.04%			
WALMART				519	6	1.56%
MURRAY BRESKY CONSULTANTS	310	14	0.96%			
	8,119		25.21%	7,865		23.61%

Source: New York State Department of Labor
Source: Sullivan County Treasurers Office

County of Sullivan, New York
 Full Time County Employees by Function/Program
 Last Ten Fiscal Years

<u>Function/Program</u>	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government Support	182	175	177	175	180	187	221	171	174	169
Education	0	0	0	0	0	0	0	0	0	0
Public Safety	215	216	212	212	211	228	222	185	191	191
Health/Adult Care Center	284	279	304	291	296	331	326	280	283	280
Transportation	92	94	94	96	94	113	124	127	126	131
Economic Assistance & Opportunity	171	175	168	169	179	212	212	194	214	194
Culture & Recreation	34	34	31	32	32	35	35	18	19	21
Home & Community Service	24	22	24	23	24	29	46	40	42	41
Total	1002	995	1010	998	1016	1135	1186	1015	1049	1027

**County of Sullivan, New York
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Sheriff										
Arrests	1139	1163	1330	1473	1511	1332	1535	1537	1434	2,003
Traffic Summons	1187	1224	1716	2405	3552	2629	2621	1737	2169	3,193
DWI Summons	70	54	49	83	110	102	81	80	80	92
Jail										
Inmates	1387	1475	1472	1616	1664	1630	1722	1873	1714	1,768
Public Works										
Road Paving (miles)	25.5	14.7	12.8	14.9	37.2	26.6	19.4	22.9	34.9	14.7
Road Chip Seal (miles)	0	0	22.3	29	38.5	0	0	57.4	7.0	52.0
Bridge Replacement	1	1	1	2	2	1	2	6	2	5
Bridge Rehabilitation	5	8	1	1	4	6	3	0	1	0
Parks & Recreation										
Park & Pavilion Permits	73	36	58	74	80	89	85	57	59	57
Lake Superior Attendance	11225	12266	13714	14634	16788	14300	17827	17426	16,647	18,169
Fort Delaware Attendance	2848	2843	3062	3449	3463	3832	3878	4523	2,977	4,327
Refuse Collection										
* Refuse Collection (tons per day)	149.00	150.00	156.00	153.00	195.00	238.30	209.32	219.29	234.02	257.62
Recyclables collected (tons per day)	16.00	15.00	14.50	13.78	17.95	21.37	16.76	16.86	14.02	13.61

Refuse Collection

* Refuse Collector *Note: Importation at the Landfill stopped during 2004

Recyclables collected (tons per day)

Source: Sullivan County DPW/Sullivan County Sheriff's Department

*Note: Importation at the Landfill stopped during 2004.

Source: Sullivan County DPW/Sullivan County Sheriff's Department

**County of Sullivan, New York
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Sheriff										
Jail										
Vans (prisoner transport)										
Sheriff Vehicles	3	1	1	1	1	1	1	1	1	1
Cars	2	3	2	2	2	2	2	2	4	4
SUV	26	27	21	21	27	30	28	32	21	21
Pickups	11	6	6	8	7	8	9	10	5	3
Electric Cars	2	2	2	1	2	2				
ATV	3	3	3	3	3	3				
Boat	5	3	3	3	3	3				
Tactical Vehicle	2	2	2	2	2	2	2	1	1	1
Humvee	1	1	1	1						
Public Works										
Roads (miles)	385.2	385.2	385.4	385.4	385.4	385.6	386.8	386.7	386.7	386.7
Traffic Signals	10	10	10	9	9	8	8	8	8	8
Flashing Beacons	25	25	25	25	25	26	26	26	26	26
Bridges	401	401	401	398	400	400	400	400	400	400
Park & Recreation										
Park Acres	1572	1572	1572	1572	1550	1550	1550	1550	1550	1550
Playgrounds	2	2	2	2	2	2	2	2	2	1
Refuse Collection										
Landfill Acres	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	42.5
Transfer Stations	6	6	6	6	6	5	5	5	5	5
Haul Trucks	6	6	6	6	6	6	4	4	4	6

*Note: 2007 Sheriff Vehicles includes all vehicles not just patrol as previously reported

Source: Sullivan County DPW/Sullivan County Sheriff's Department

**County of Sullivan, New York
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year	Population (1)	Assessed Full Valuation	Gross General Bonded Debt	Less Debt Service Funds	Net General Bonded Debt	Ratio of Net Bonded Debt To Assessed Valuation	Net General Bonded Debt Per Capita
2005	76539	\$ 5,614,658,242	62,440,000	173,641	62,266,359	1.11%	814
2006	76588	6,339,748,599	63,555,000	415,494	63,139,506	1.00%	824
2007	76588	7,991,235,969	63,925,000	421,271	63,503,729	0.79%	829
2008	76189	9,318,389,821	65,775,000	112,060	65,662,940	0.70%	862
2009	75828	9,804,980,597	62,520,000	100,894	62,419,106	0.64%	823
2010	77547	11,041,711,351	60,874,351	27,692	60,846,659	0.55%	785
2011	76900	9,087,396,624	54,807,544	20,551	54,786,993	0.60%	712
2012	76793	8,423,392,565	57,460,397	13,702	57,446,695	0.68%	748
2013	76665	8,120,649,757	49,333,027	3,580	49,329,446	0.61%	643
2014	76665	7,693,733,110	53,630,511	2,731	53,627,780	0.70%	700