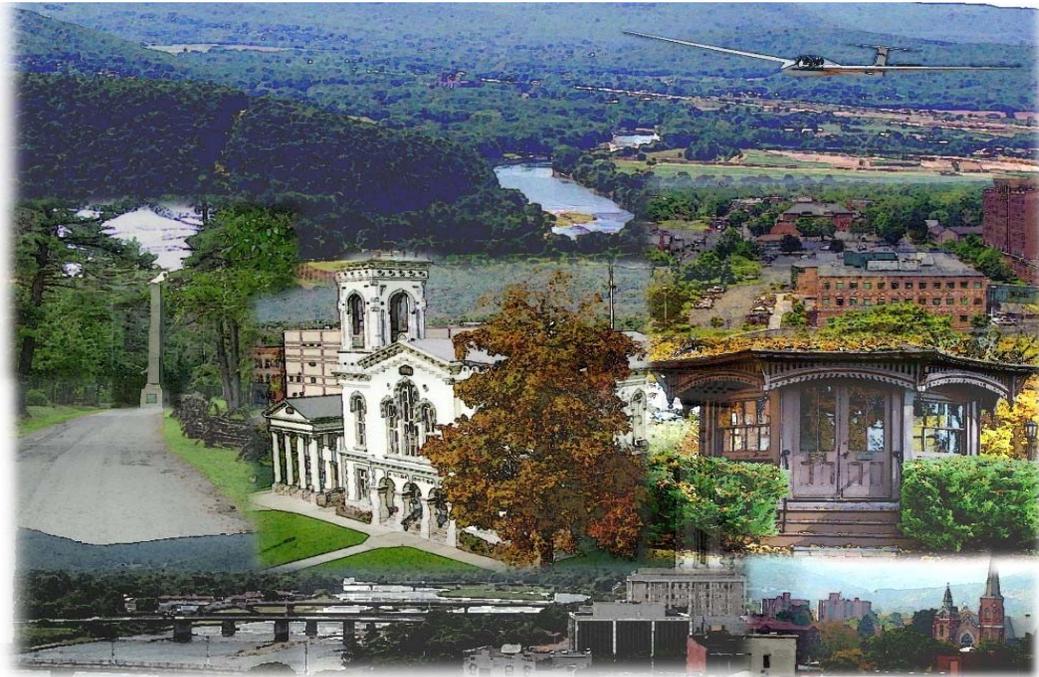


COUNTY OF CHEMUNG - STATE OF NEW YORK



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2012

**Prepared by:
Office of the Chemung County Treasurer**

Joseph E. Sartori, CPA
County Treasurer

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INTRODUCTORY SECTION



CHEMUNG COUNTY

OFFICE OF THE TREASURER
320 E. MARKET STREET
P.O. BOX 588
ELMIRA, NEW YORK 14902-0588
(607)737-2926 FAX (607)737-2846

JOSEPH E. SARTORI, CPA
COUNTY TREASURER

June 26, 2013

**Taxpayers of Chemung County,
Honorable Thomas J. Santulli, County Executive,
Members of the Chemung County Legislature, and
Employees of Chemung County**

This Comprehensive Annual Financial Report ("CAFR") for the County of Chemung, New York (the "County") for the year ended December 31, 2012 has been prepared in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board. The responsibility for the accuracy and completeness of these statements belongs to the Office of the Treasurer of Chemung County. To the best of our knowledge and belief, the information in this CAFR presents fairly the financial position and results of operations of the County. All disclosures necessary to enable the governing body to evaluate and make informed decisions have been included.

The CAFR is presented in three sections: Introductory, Financial and Statistical. The Introductory Section consists of this letter of transmittal, which gives an overview of the County's history and highlights of key departmental structure. The Financial Section includes the independent auditors' report, management's discussion and analysis ("MD&A"), the basic financial statements and notes thereto, required supplementary information other than the MD&A and other supplementary information for the year ended December 31, 2012. The Statistical Section provides individual fund financial statements and sets forth selected economic and demographic information for the County on a multi-year basis.

This report includes management's representation as to the finances of the County. Accordingly, management assumes full responsibility for the completeness and accuracy of all the information presented herein. 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 provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

The County's basic financial statements have been audited by the independent Certified Public Accounting firm of EFP Rotenberg, LLP. The auditors are required to conduct the 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 the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatement. The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 entity'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, the auditors' 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. As a result of their audit they have issued an unmodified opinion on the County's basic financial statements for the year ended December 31, 2012.

The independent audit of the County's basic financial statements was part of a federally mandated "single audit" designed to report on specific requirements of the recipient of federal funds. The standards mandated under a Single Audit require the County to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the U.S. Office of Management and Budget Circular A-133, and the Single Audit Act Amendments of 1996. The single audit includes the schedule of expenditures of federal awards, the independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*, the independent auditors' report on compliance for each major program and on internal control over compliance required by OMB Circular A-133, and a schedule of findings and questioned costs. The single audit report is issued separately and a copy can be obtained at the Chemung County Treasurer's Office, 320 East Market Street, Elmira, New York 14901.

PROFILE OF COUNTY OF CHEMUNG, NEW YORK

The County is situated on the New York-Pennsylvania State border in the area known as the Southern Tier of New York State. It is almost mid-center (east-west) in New York State and is approximately equidistant from Boston, Montreal, Washington, D.C. and Cleveland. The County encompasses a land area of 412 square miles. The City of Elmira is the County Seat.

The Elmira-Chemung County metropolitan area is a gateway to the Finger Lakes region and is the focal point of industry, business and recreation in the "Twin Tiers" area which is comprised of the New York counties of Chemung, Steuben, Schuyler and Tioga and the Pennsylvania counties of Bradford and Tioga.

The first permanent settlements in Chemung were made between 1787 and 1800 and occurred in Big Flats, Elmira, Southport, Van Etten and Veteran. In 1836, the County was officially formed from a portion of Tioga County. By 1867, it had eleven towns: Catlin, Veteran, Big Flats, Horseheads, Erin, Van Etten, Elmira, Baldwin, Southport, Ashland and Chemung.

In 1974 the County adopted the charter form of government (the "County Charter"). The charter provides for an independently elected Executive and Legislature. Under the County Charter, the County is divided into 15 legislative districts with an elected legislator representing each district in the County Legislature. The County Executive and the Legislature are elected to four year terms.

The County Treasurer is the Chief Fiscal Officer of the County. The County Treasurer is independently elected and serves a four year term. The Treasurer is responsible for the administration of the financial affairs of the County. The responsibilities of the Treasurer include collection and distribution of County funds, investing of excess funds, issuing debt, maintaining accounts and records and preparing financial reports including the annual financial statements.

The County provides an extensive range of services to its residents, including education, public safety, transportation, health, economic opportunity and development, culture and recreation, home and community services and general administrative support. This report includes all of the funds of the County. It includes all County organizations and activities for which the County is financially accountable. The County has considered all potential component units based on criteria set forth in GASB Statements No. 14 and No. 61 including legal standing, fiscal dependency and governance. Based on these criteria the Chemung County Industrial Development Agency and the Chemung County Soil and Water Conservation District are considered component units and are included in the County's reporting entity as discrete presentations. The Chemung Tobacco Asset Securitization Corporation is considered a component unit and is included in the County's reporting entity as a blended presentation.

The County maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the County Legislature. The County Executive is required to submit the annual proposed budget and capital program to the Legislature on or before November 10th for their consideration. The Legislature must submit the proposed budget along with any changes they adopt back to the Executive not later than the 7th day of December for Executive approval or rejection of the changes. The Executive must submit his (her) objection to the changes back to the Legislature not later than the 9th day of December. If the Executive does not submit objection to changes by the 9th day of December the budget is deemed adopted on that date. If objections are submitted, the Legislature can, with a three-fifths vote, override the Executive's objections. If the Legislature cannot get a three-fifths affirmative vote the budget is deemed adopted with the Executive's objections incorporated not later than the 15th day of December.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The County of Chemung, New York is a rural county located in the southern portion of New York State on the northern Pennsylvania border. The County's economy has a generous mix of agricultural, industrial, retail and tourist activity.

Major industries include:

Synthes USA – Synthes USA ("Synthes") is a world leader in orthopedic implant devices. Synthes constructed a \$14 million manufacturing facility across from the Elmira-Corning Regional Airport (the "Airport") in 2006. This facility initially employed 150 people. They have experienced continued growth in their business over the last several years and now employ over 400 people. They are projecting that this increase in employment will continue and they will be adding an additional 30 individuals on an annual basis.

CAF, USA – CAF, USA (“CAF”) is a rail car manufacturer located in the County and has recently been awarded a \$298.1 million contract to build 130 new single level rail cars for Amtrak. This is the first step in Amtrak’s comprehensive fleet renewal program. This contract will result in 575 new jobs being created in the CAF facility. This could be just the beginning of Amtrak’s multi-year strategic plan to replace its entire fleet of rail cars over the next 30 years. The CAF facility located in the County could be the recipient of hundreds of new rail cars over this 30-year period. CAF is also starting to gear up for its Houston rail car project which will result in 150 new employees.

CVS - CVS completed construction of a \$96 million 751,000 square foot Distribution Center in 2010. This facility services hundreds of CVS drugstores throughout the northeast with an emphasis on the greater New York City area. CVS employs 600 people at this facility. CVS is the largest pharmaceutical chain in the USA.

Vulcraft - Vulcraft is the leading producer of steel joists, joist girders and decking in the United States. The operation in the Town of Chemung began operation in 2000 and currently employs more than 250 employees.

DeMet’s Candy Company – Demet’s Candy Company (“Demet’s”) began production in their new facility located at the County’s Corporate Park in Big Flats, New York in the spring of 2009. They have hired over 250 full-time employees and more jobs are planned in the near future. They have recently signed a contract with the entire Wal-Mart chain for the distribution of their candy products. This will eventually lead to an additional 100,000 square foot facility being constructed in our area.

Schlumberger Technology, Inc. – Schlumberger Technology, Inc. (“Schlumberger”) is a Fortune 200 company, which began constructing a new 400,000 square foot facility at a cost of \$56 million in the County. This natural gas support facility will employ over 400 individuals at an average annual salary of \$60,000 per person.

Kennedy Valve Company – Kennedy Valve Company (“Kennedy”) is a division of McWane, Inc. and is one of the world’s largest manufacturers of fire hydrants. Kennedy employees over 400 people at its Chemung County plant located in the City of Elmira.

Anchor Glass Container – Anchor Glass Container (“Anchor Glass”), is a retail glass manufacturer. Anchor employs 400 people in the Chemung County plant. Its product line consists of clear, green, brown and other colors of glass jars, bottles and containers. Anchor Glass markets its products to numerous food and beverage retailers, with customers that include Anheuser-Busch, Stroh Brewery, Coca-Cola Trading Company, Specialty Products Company, Jim Beam and Hunt Wesson. Incorporated in 1931, Anchor Glass maintains a facilities in Elmira Heights, New York and additional strategically located facilities throughout the United States.

Hardinge, Inc. – Hardinge, Inc. (“Hardinge”) is the leader in providing a wide range of highly reliable turning, milling, grinding and workholding solutions. Hardinge supports a variety of market applications, including aerospace, automotive, medical, energy, construction, agriculture, mold, tool and die, and more. Hardinge employs approximately 1,400 people throughout it’s facilities.

Hillard Corporation – Hillard Corporation (“Hillard”) is a world leader in motion control and filtration technology. Hillard has been located in Elmira, New York since 1905. The Hilliard Corporation offers a broad line of motion control products, oil filtration and reclaiming equipment, starters for industrial gas, diesel engines and gas turbines, and plate and frame filter presses used in the food and beverage industry. Hillard employs 350 people.

Howell Packaging – Howell Packaging (“Howell”) is a division of F.M. Howell and Company, which began operations in Chemung County in 1883. Howell is a designer and manufacturer of folding cartons, rigid boxes and thermoformed plastic containers for a variety of applications including the pharmaceutical industry. Howell currently employs more than 250 people in its various facilities within the County.

In addition to manufacturing, Chemung County is the retail center of five counties in New York State and the northern tier of Pennsylvania. There are over three million square feet of retail space in the mall and four plaza complexes located in the County. Numerous new stores and restaurants have opened in the last eighteen months. This retail complex has been the mainstay of the County’s sales tax collections. The County continues to see potential for even further retail growth as we move forward.

The County is one of the few counties whose sales tax brings in more revenue than its property tax. This is significant due to the fact that over thirty five percent of all sales tax generated in the County comes from shoppers who reside outside the County’s borders.

Health Care

There are two major hospitals within the County. St. Joseph's Hospital is a church affiliated facility and has been in operation for over seventy years. With its modernized facilities, 275 beds are served by a professional, medical and technical staff of approximately 500 employees. Arnot-Ogden Medical Center is non-denominational facility which began in 1888 and has grown with the area. In addition, Guthrie Healthcare System operates several outpatient clinics throughout the County. The State Psychiatric Center is a 300-bed facility with 410 employees.

There are over 160 doctors and dentists practicing in the County and specializing in all areas of medicine. There are also more than 800 skilled nursing beds in Chemung County.

Education

The County is served by four school systems as follows: The Elmira City School District serving the City of Elmira, and major portions of the Towns of Southport, Elmira, Ashland, Chemung and Baldwin. The Horseheads Central School District serving major portions of the Towns of Horseheads, Big Flats, Catlin and Veteran, and about one-half the Town of Erin. The Elmira Heights Central School District serving the Village of Elmira Heights and small sections of the Towns of Big Flats and Elmira. The Spencer-Van Etten Central School District serving the Town of Van Etten, which is located in the County, as well as the Town of Spencer in neighboring Tioga County.

In addition, the aforesaid School Districts are part of the Greater Southern Tier Board of Cooperative Education Services ("GST BOCES"). GST BOCES services school districts in Allegany, Steuben, Schuyler and Chemung Counties, as well as part of Tioga County.

The County is the home of Elmira College, which, until 1969, was the first women's college to grant degrees comparable to those awarded to male students. In the fall of 1969, male students were accepted for the first time. It is a non-sectarian, four year liberal arts college offering undergraduate programs leading principally to the bachelor of arts degree. Through its continuing education program, the college offers night school programs leading to associate and bachelor degrees and a master of science degree in education. Other schools within a one hundred mile radius include Corning Community College, Alfred University, Cornell University, Hobart, William Smith, Ithaca College, Syracuse University, the State Universities of New York at Cortland, Geneseo, Alfred State, and Binghamton University, Broome Community College, Mansfield State University, the University of Rochester and the Rochester Institute of Technology. The Arnot-Ogden Medical Center has an accredited school of nursing.

The former Laganegro School Building, located in the City of Elmira, has undergone a \$5 million renovation and is operating as the Academic and Workforce Developments Center. The center is operated by Corning Community College and provides training in skills needed by area manufacturers such as Vulcraft, Hardinge, Hillard, Howell and others.

Recreation

The County is located in the southern part of the Finger Lakes region and is within easy travel of all Finger Lakes, the closest of which is Seneca Lake, 25 miles to the north. County residents enjoy two County Parks, in addition to numerous playgrounds, swimming and wading pools, three public golf courses and other points of interest. One of the County Parks hosts the world renowned Harris Hill Soaring Site, which offers picnic areas, amusements, cabins and the Soaring Museum, along with glider rides and a close up view of this exhilarating sport and the majestic river valley below. Park Station is a County facility that provides more than 100 acres of lake and lands for campgrounds, swimming, boating and other fun.

Not surprisingly, tourism is a growing industry in the County. Hundreds of thousands of visitors from around the world annually visit such attractions as the Mark Twain study on the campus of Elmira College, the National Soaring Museum, Wings of Eagles Discovery Center, Arnot Art Museum, the County Historical Museums, Dunn Field (the home of the College League Baseball's Elmira Pioneers), First Arena (the home of the Elmira Jackals of the East Coast Hockey League) and a host of other shopping, recreational, entertainment, cultural and leisure time attractions.

Thanks to new regional partnerships, the County hosts a healthy share of the numerous visitors, who each year visit the world renowned Finger Lakes, wineries, Watkins Glen Gorge, Watkins Glen International Speedway, the Corning Museum of Glass and other nearby attractions of New York's Southern Tier.

Transportation

Air transportation is available through the County-owned Elmira-Corning Regional Airport (the "Airport"). It is served by First Air (locally owned Fixed Base Operator (FBO)), US Airways and Northwest AirlinK (operated by MESABA). The airport is the only airport in the region with sufficient runway length to accommodate larger regional jets. As a result of the economic growth in the area the airport has experienced a significant increase in enplanements. In 2011, the Elmira Corning Regional Airport conducted the third most economic activity in the state behind only JFK and LaGuardia.

The County manages an interior network of roads totaling about 780 miles. The Highway Departments in the Towns, City of Elmira and the County cooperate to provide quality highways and various services. The Southern Tier Expressway (Route #17), which passes through Elmira, runs from the New York City area to cities and markets in the western section of the State. The federal government has committed to convert Route #17 to Federal Interstate Route #86. Much of the conversion has already been completed. The New York Thruway is accessible 65 miles to the north at Geneva on Route #14. Route #13 provides the County with a valuable connection to Federal Interstate Route #81, 55 miles to the north located in Cortland. Route #15, which is being upgraded to Federal Interstate Route #99, provides access to Pennsylvania and southern markets. Federal Interstate Route #390 provides a direct route to Rochester.

Elmira has railroad facilities on the main line of Norfolk Southern. Eight daily freight connections are provided in routes to New York; Hoboken, New Jersey and Chicago.

Bus services, both local and regional, are available to residents. Bus transportation is provided by the County by Mass Transit. Mass Transit provides routes to a five county area. Short Line and Capital Trailways also offer services with connecting routes throughout New York and surrounding states.

CASH MANAGEMENT AND INVESTMENT POLICIES

The County has a written investment policy approved by the Legislature. The policy is governed by and in compliance with statutes of the State of New York. The County invests its excess cash primarily in financial instruments of authorized commercial banks. These investments are placed using a competitive bid process to obtain the best rate of return.

RISK MANAGEMENT

The County is currently self-insured for general liability insurance. As of December 31, 2012 the accrued liability for claims in the self-insurance fund was \$1,058,144. The County also is currently self-insured for workers' compensation insurance. As of December 31, 2012 the accrued liability for claims in the workers' compensation fund was \$1,322,199.

The County purchases conventional insurance for property and health.

PENSION AND OTHER POST-EMPLOYMENT BENEFITS

The County participates in the New York State and Local Employees' Retirement System (the "Plan"). The Plan is a cost-sharing multiple-employer defined benefit pension plan. The Plan provides retirement, disability and death benefits to plan members. The New York State Retirement and Social Security Law governs the obligations of the employers and employees who contribute to the Plan and the employees who derive benefits from the Plan. The County's annual contribution to the Plan represents 100% of the actuarially required contribution to maintain a fully funded plan. The County also provides health care coverage to retired employees. The County and the employees share the cost of the coverage as stipulated in the various collective bargaining agreements between the County and the unions representing its employees. As of December 31, 2012 there were 352 retired employees receiving health care benefits through the County.

ACKNOWLEDGEMENT

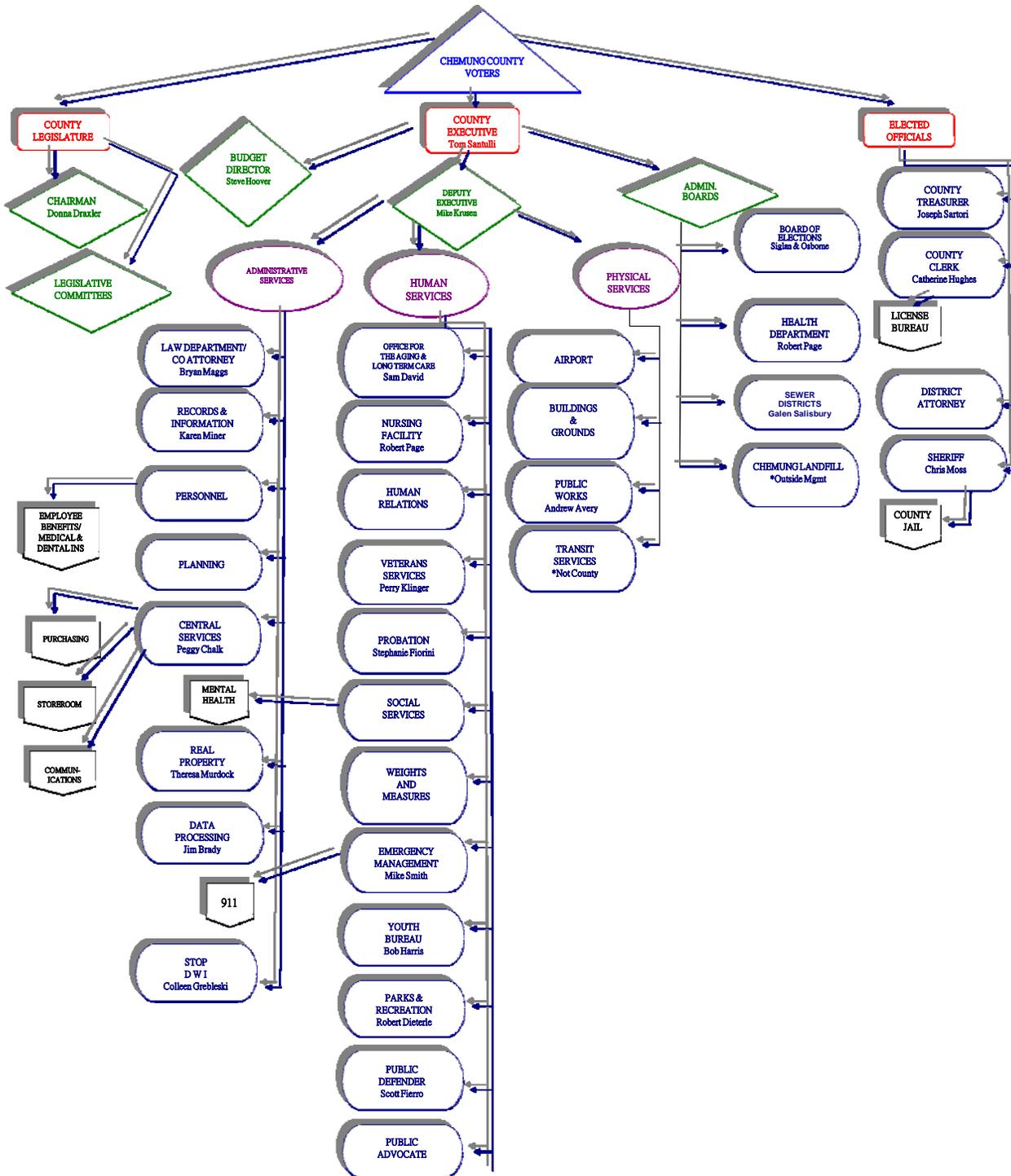
The presentation of this report would not have been possible without the hard work and dedication of the Treasurer's Office staff. We would also like to acknowledge the hard work and professionalism of our independent auditors, EFP Rotenberg, LLP, in this effort.

Respectfully Submitted,



Joseph E. Sartori, CPA
County Treasurer

CHEMUNG COUNTY ORGANIZATIONAL CHART



COUNTY OF CHEMUNG - STATE OF NEW YORK
Members of the Chemung County Legislature
2012

John C. Pastrick	First District
David L. Manchester	Second District
L. Thomas Sweet	Third District
Joseph C. Brennan	Fourth District
Sidney S. Graubard	Fifth District
Brian Hyland	Sixth District
Cornelius J. Milliken, III	Seventh District
Peggy L. Woodard	Eighth District
Mark S. Hitchcock	Ninth District
Theodore A. Bennett	Tenth District
Aola R. Jackson	Eleventh District
Richard C. Milazzo	Twelfth District
Richard D. Madil	Thirteenth District
Donna L. Draxler, Chairman	Fourteenth District
Rodney J. Strange	Fifteenth District

FINANCIAL SECTION
Independent Auditors' Report



INDEPENDENT AUDITORS' REPORT

To the Members of the County Legislature
County of Chemung - State of New York
Elmira, New York

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 Chemung - State of New York, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County of Chemung - State of New York's 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Chemung County Nursing Facility, which represents 17.5%, 0.0%, and 82.5%, respectively, of the assets, net position, and revenues of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Chemung County Nursing Facility, is based solely on the report 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 *Governmental 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 auditors' 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 entity'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 report of the 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 Chemung - State of New York, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, the County of Chemung - State of New York adopted the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule and schedule of funding progress for other postemployment benefits obligation on pages 3 - 12, 52 - 53, and 54, 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 the 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 the 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 Chemung - State of New York's basic financial statements. The introductory section, other supplementary information, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements.

The other supplementary information on pages 56 - 60 is the responsibility of management and was derived from and relates 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 the other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, and the report of the other auditors, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections on pages I - VII and 63 - 98, respectively, 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 26, 2013 on our consideration of the County of Chemung - State of New York'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 of Chemung - State of New York's internal control over financial reporting and compliance.

EFP Rotenberg, LLP

EFP Rotenberg, LLP
Corning, New York
June 26, 2013

FINANCIAL SECTION
Management's Discussion and Analysis

COUNTY OF CHEMUNG - STATE OF NEW YORK
Management's Discussion and Analysis
For the Year Ended December 31, 2012

Introduction

Our discussion and analysis of the County of Chemung - State of New York's (the "County") financial performance provides an overview of the County's financial activities for the fiscal year ended December 31, 2012. It also provides a description and understanding of the various financial statements and other financial and statistical information contained herein. This section is only an introduction and should be read in conjunction with the County's financial statements, which immediately follow this section.

Financial Highlights

- The County's net position, as of December 31, 2012, on the government-wide statements amounted to \$96,294,698 for governmental activities. The unrestricted net position was \$22,458,369, the net investment in capital assets was \$72,480,166 and \$1,356,163 was restricted as of December 31, 2012.
- The County's net position, as of December 31, 2012, on the government-wide statements amounted to \$32,560,642 for business-type activities. The unrestricted net deficit was \$10,583,346, the net investment in capital assets was \$42,261,722 and \$882,266 was restricted as of December 31, 2012.
- The "current ratio", which is an indicator of liquidity, for governmental activities was 3.51 and 2.84 as of December 31, 2012 and 2011, respectively.
- The "current ratio", which is an indicator of liquidity, for business-type activities was 0.80 and 1.04 as of December 31, 2012 and 2011, respectively.
- Governmental activities decreased the County's overall net position by \$29,620 or 0.03% in 2012 compared with an increase of \$15,053,904 or 18.52% in 2011.
- Business-type net position increased \$1,815,435 or 5.90% in 2012 as compared with an increase of \$1,242,795 or 4.21% in 2011.

Overview of the Financial Statements

The discussion and analysis provided here is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes required and other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Net position is classified into three components as follows:

Net Investment in Capital Assets - This amount consists of capital assets, including infrastructure, net of accumulated depreciation and reduced by outstanding debt, excluding unspent bond proceeds, costs related to issuance of the debt, bond premiums and discounts, and deferred refund proceeds.

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

Unrestricted Net Position - This amount is all net position that is not invested in capital assets or restricted net position.

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The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues, governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, business-type activities. The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance, culture and recreation, and debt interest. The business-type activities of the County include operation of the Chemung County Nursing Facility, operation of the Elmira-Corning Regional Airport and activities conducted by the Chemung County Tobacco Asset Securitization Corporation.

The government-wide financial statements include not only the County itself, known as the primary government, but also legally separate component units for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Chemung County Industrial Development Agency and the Chemung County Soil and Water Conservation District, although legally separate, function for all practical purposes as departments of the County, and therefore have been included as component units of the County.

The government-wide financial statements can be found on pages 13 - 14 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

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

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

The County maintains eight governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general and capital projects funds, which are considered to be the County's only major funds as defined by Governmental Accounting Standards Board Statement No. 34. Data from the other six funds are combined into a single aggregated presentation as total nonmajor funds. These include, solid waste, road machinery, sewer, county road, worker's compensation and self insurance funds. Individual fund data for the nonmajor funds is provided in the form of combining statements in the combining and individual fund statements and schedules in the supplementary information section of this report.

The County legally adopts an annual budget for its general fund. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15 - 18 of this report.

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Proprietary Funds

The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprises funds to account for the Chemung County Nursing Facility, the Elmira-Corning Regional Airport and the Chemung County Tobacco Asset Securitization Corporation. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the workers' compensation and self insurance funds. Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in 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 separate information for the Chemung County Nursing Facility, the Elmira-Corning Regional Airport and the Chemung County Tobacco Asset Securitization Corporation, all of which are considered to be major funds of the County. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the combining and individual fund statements and schedules in the other supplementary information section of this report.

The basic proprietary fund financial statements can be found on pages 19 - 21 of this report.

Fiduciary Fund

The fiduciary fund is used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for the fiduciary fund is much like that used for proprietary funds.

The County maintains one type of fiduciary funds. The Agency fund reports resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The fiduciary fund financial statement can be found on page 22 of this report.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 51 of this report.

Other Financial Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information. This includes a budgetary comparison schedule for the general fund and a schedule of funding progress for other postemployment benefits obligation. Also included in this section are the notes to required supplementary information. Required supplementary information can be found on pages 52 - 55 of this report.

Presented as other supplementary information, the combining statements for the nonmajor funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 56 - 60 of this report.

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Government-wide Overall Financial Analysis

These following schedules present the condensed statements of net position and condensed statements of activities in comparative format with the current and previous year for both governmental and business-type activities. The change column indicates the net increase (or decrease) of each component of the net position summary.

Condensed Statements of Net Position
December 31, 2012 and 2011

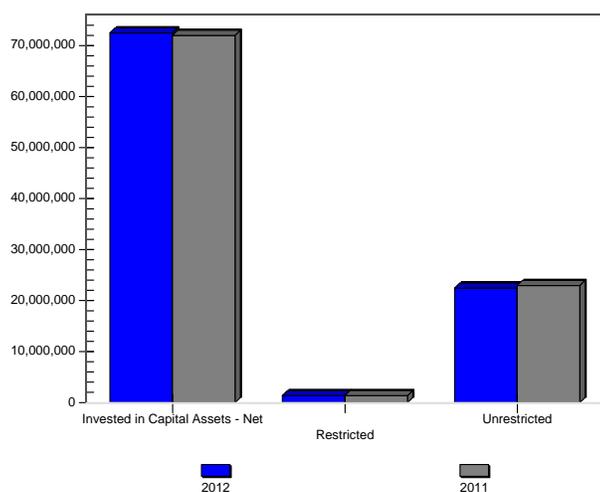
	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>2012</u>	<u>Restated 2011</u>	<u>Change</u>	<u>2012</u>	<u>Restated 2011</u>	<u>Change</u>
Assets						
Current and other assets	\$ 51,443,452	\$ 57,443,555	\$ (6,000,103)	\$ 9,056,209	\$ 11,451,577	\$ (2,395,368)
Capital assets - net	<u>107,062,727</u>	<u>105,511,639</u>	<u>1,551,088</u>	<u>52,501,890</u>	<u>47,843,778</u>	<u>4,658,112</u>
Total assets	<u>\$ 158,506,179</u>	<u>\$ 162,955,194</u>	<u>\$ (4,449,015)</u>	<u>\$ 61,558,099</u>	<u>\$ 59,295,355</u>	<u>\$ 2,262,744</u>
Liabilities						
Current and other liabilities	\$ 14,644,061	\$ 20,215,778	\$ (5,571,717)	\$ 11,322,499	\$ 11,006,389	\$ 316,110
Long-term liabilities	<u>47,567,420</u>	<u>46,415,098</u>	<u>1,152,322</u>	<u>17,674,958</u>	<u>17,543,759</u>	<u>131,199</u>
Total liabilities	<u>62,211,481</u>	<u>66,630,876</u>	<u>(4,419,395)</u>	<u>28,997,457</u>	<u>28,550,148</u>	<u>447,309</u>
Net Position (Deficit)						
Net investment in capital assets	72,480,166	72,008,186	471,980	42,261,722	39,983,156	2,278,566
Restricted	1,356,163	1,352,916	3,247	882,266	1,011,598	(129,332)
Unrestricted	<u>22,458,369</u>	<u>22,963,216</u>	<u>(504,847)</u>	<u>(10,583,346)</u>	<u>(10,249,547)</u>	<u>(333,799)</u>
Total net position (deficit)	<u>96,294,698</u>	<u>96,324,318</u>	<u>(29,620)</u>	<u>32,560,642</u>	<u>30,745,207</u>	<u>1,815,435</u>
Total Liabilities and Net Position (Deficit)	<u>\$ 158,506,179</u>	<u>\$ 162,955,194</u>	<u>\$ (4,449,015)</u>	<u>\$ 61,558,099</u>	<u>\$ 59,295,355</u>	<u>\$ 2,262,744</u>

The largest portion of the County's net position reflects its investment in capital assets, less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

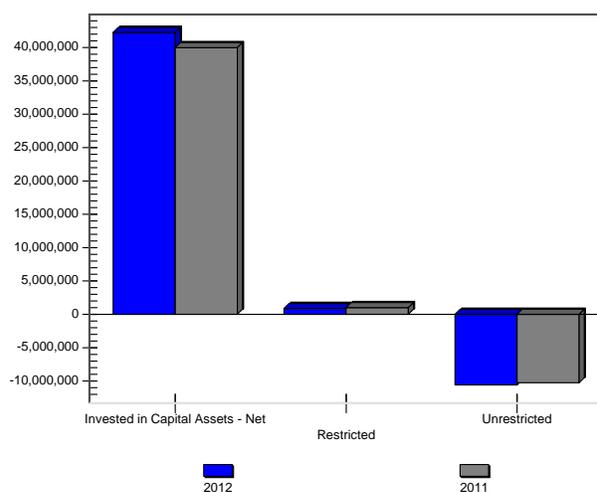
An additional portion of the County's net position represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the County's net position is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

Net Position Components - Governmental



Net Position Components - Business-Type

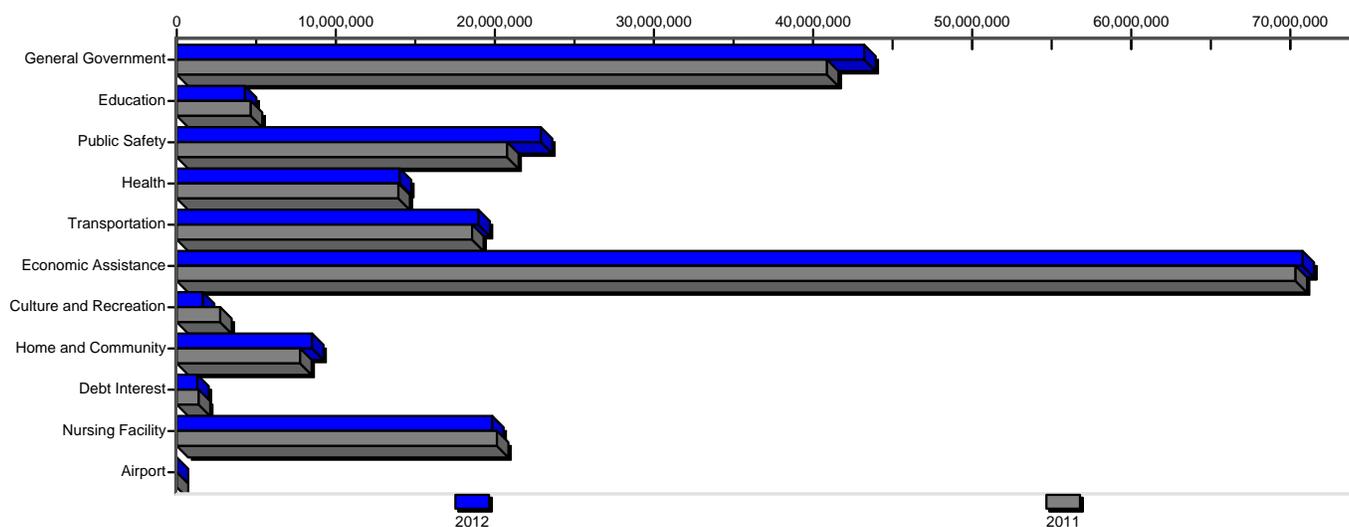


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Condensed Statements of Activities
For the Years Ended December 31, 2012 and 2011

	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>2012</u>	<u>Restated 2011</u>	<u>Change</u>	<u>2012</u>	<u>Restated 2011</u>	<u>Change</u>
Revenues						
Program Revenues						
Charges for services	\$ 30,404,163	\$ 32,511,113	\$ (2,106,950)	\$ 20,027,951	\$ 20,068,345	\$ (40,394)
Operating grants and contributions	45,449,792	46,002,029	(552,237)	-	-	-
Capital grants and contributions	6,804,302	10,535,345	(3,731,043)	-	-	-
General Revenues						
Property taxes	32,688,049	32,464,557	223,492	-	-	-
Other taxes	60,678,716	61,800,320	(1,121,604)	-	-	-
Other revenue	6,815,379	7,394,937	(579,558)	4,329,980	6,676,401	(2,346,421)
Interfund transfers	<u>(3,153,625)</u>	<u>-</u>	<u>(3,153,625)</u>	<u>3,153,625</u>	<u>-</u>	<u>3,153,625</u>
Total revenues	<u>179,686,776</u>	<u>190,708,301</u>	<u>(11,021,525)</u>	<u>27,511,556</u>	<u>26,744,746</u>	<u>766,810</u>
Program Expenses						
General government support	42,791,187	40,431,955	2,359,232	423,920	445,920	(22,000)
Education	4,284,409	4,661,422	(377,013)	-	-	-
Public safety	22,888,662	20,765,379	2,123,283	-	-	-
Health	14,024,615	13,938,498	86,117	-	-	-
Transportation	13,518,783	13,646,519	(127,736)	5,447,618	4,922,990	524,628
Economic assistance	70,766,316	70,329,152	437,164	-	-	-
Culture and recreation	1,642,147	2,736,251	(1,094,104)	-	-	-
Home and community services	8,506,752	7,762,376	744,376	-	-	-
Debt interest	1,293,525	1,382,845	(89,320)	-	-	-
Nursing facility	-	-	-	<u>19,824,583</u>	<u>20,133,041</u>	<u>(308,458)</u>
Total expenses	<u>179,716,396</u>	<u>175,654,397</u>	<u>4,061,999</u>	<u>25,696,121</u>	<u>25,501,951</u>	<u>194,170</u>
Changes in Net Position	<u>(29,620)</u>	<u>15,053,904</u>	<u>(15,083,524)</u>	<u>1,815,435</u>	<u>1,242,795</u>	<u>572,640</u>
Net Position - Beginning, As Previously Stated	96,324,318	122,209,158	(25,884,840)	30,745,207	(11,436,332)	42,181,539
Restatement	-	<u>(40,938,744)</u>	<u>40,938,744</u>	-	<u>40,938,744</u>	<u>(40,938,744)</u>
Net Position - Beginning, As Restated	<u>96,324,318</u>	<u>81,270,414</u>	<u>15,053,904</u>	<u>30,745,207</u>	<u>29,502,412</u>	<u>1,242,795</u>
Net Position - Ending	<u>\$ 96,294,698</u>	<u>\$ 96,324,318</u>	<u>\$ (29,620)</u>	<u>\$ 32,560,642</u>	<u>\$ 30,745,207</u>	<u>\$ 1,815,435</u>

Comparative Expenses by Function

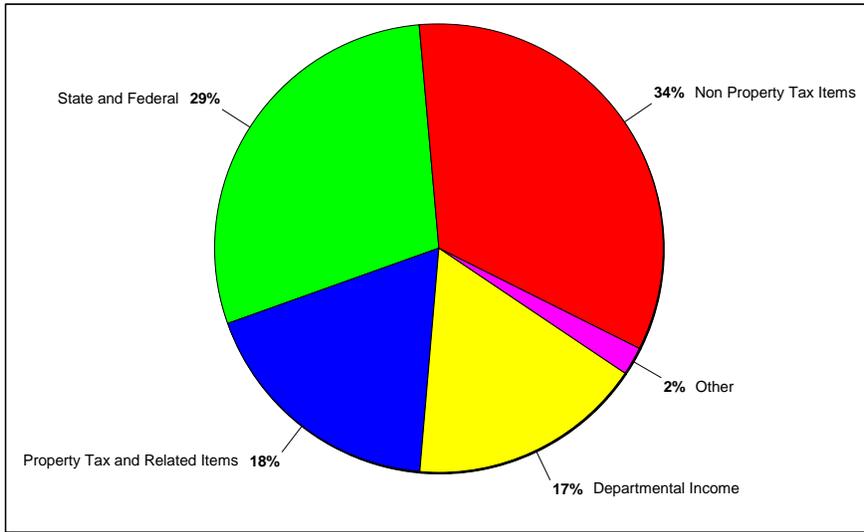


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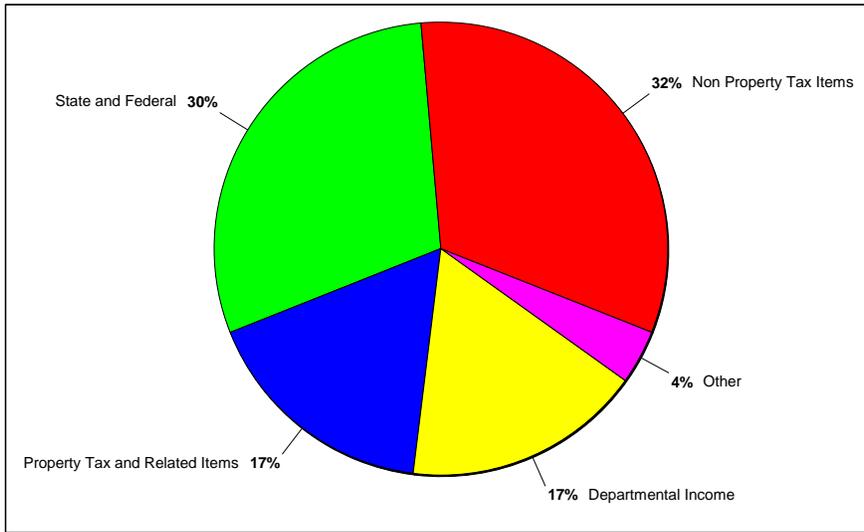
Governmental Activities Analysis

During 2012, governmental activities had an overall decrease of net position of \$29,620 which represents a 0.03% decrease from 2011. The County receives revenues from varying sources. Charges to other governmental units in the internal service fund were down significantly in the current year, due to a reduction in claims. In the year ended December 31, 2011, the County received increased federal funding for capital projects and operating grants and contributions due to stimulus funding. In the year ended December 31, 2012, stimulus programs came to a close and therefore, the related capital and operating grants declined significantly as illustrated in the condensed statements of activities. Property taxes showed a slight increase due to changes in assessments and tax rates. In the year ended December 31, 2011, the County experienced a large increase in sales tax revenues as a result of natural gas exploration in Marcellus Shale in the northern tier of Pennsylvania. In the year ended December 31, 2012, the natural gas exploration activity began to decline due to a decrease in market price. As a result, the County experienced a decrease in other taxes. Overall, County expenditures were up from the previous period. Significant increases to pension costs impacted all programs, however, this had the greatest impact on the general government support function. In the year ended December 31, 2012, the County entered into a new employment contract with public safety employees, which resulted in increased expenses for public safety. Culture and recreation had increased capitalized costs in the year ended December 31, 2012, which created a decrease in the expenditures for the year ended. Major funding sources and their relationship to total revenue for the year are as follows:

2012 Revenues by Source



2011 Revenues by Source

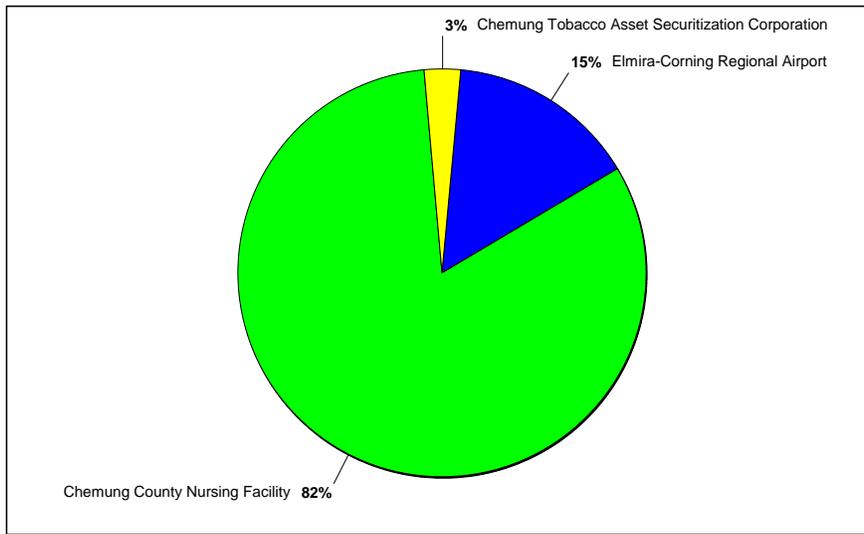


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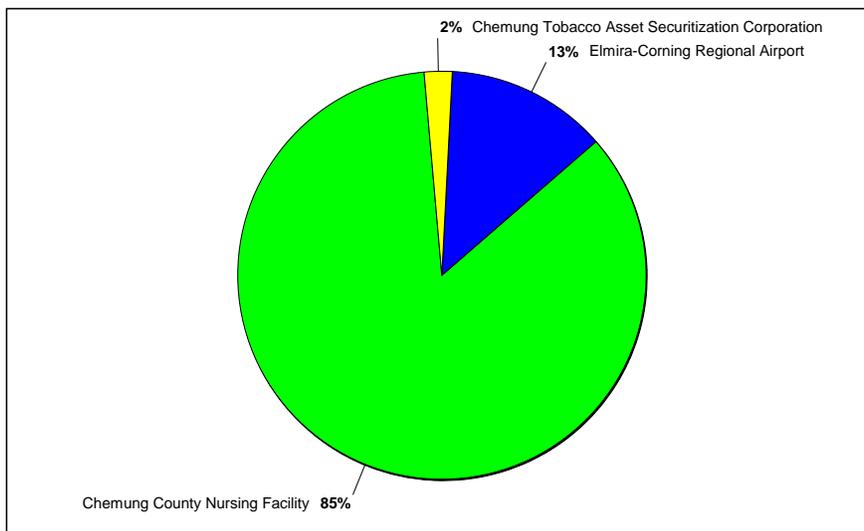
Business-type Activities Analysis

The County restated the 2011 financial statements to include the Elmira-Corning Regional Airport as an enterprise fund, which was removed from the general fund. Overall, revenues were stable from year to year, increasing 2.9%. A majority of this increase was directly related to an increase in charges for services in the Chemung County Nursing Facility. Expenses of the business-type activities were also consistent with results from the previous period, increasing by less than 1.0%. During the year ended December 31, 2012, overall net position of the business-type activities increased \$1,815,435. The Chemung County Nursing Facility's net position increased by \$265,381, the Elmira-Corning Regional Airport's net position increased by \$1,370,000 and the Chemung Tobacco Asset Securitization Corporation's net position increased by \$180,054.

2012 Revenues by Fund



2011 Revenues by Fund

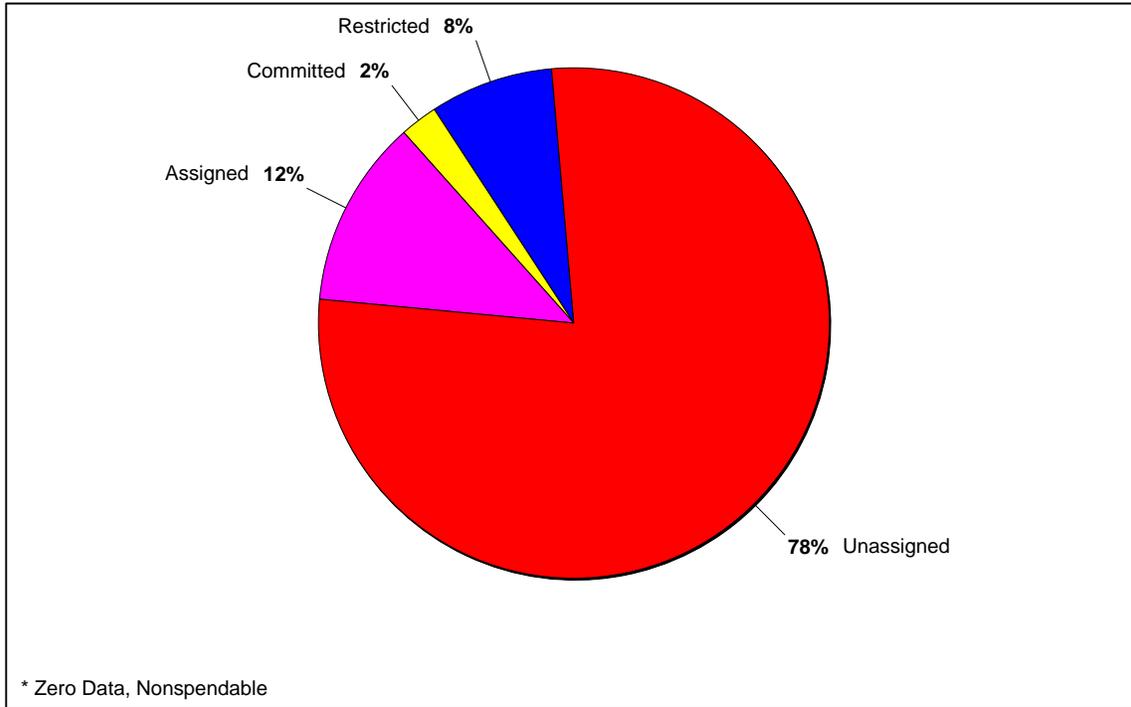


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Financial Analysis of Governmental Funds

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

At December 31, 2012, the County's governmental funds reported combined fund balances of \$33,628,645, a decrease of \$809,993 in comparison with the prior year. Approximately 77.9% or \$26,185,634 of this amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned. The components of fund balance were as follows as of December 31, 2012:



The fund balance of the County's general fund increased by \$1,075,017 or 3.7% to \$30,107,813 in the year ended December 31, 2012. This increase in fund balance was a result of a settlement received by the department of social services and a cut in the sales tax distribution. The County's only other major fund, the capital projects fund, experienced a decrease in fund balance of \$2,524,279 to a deficit fund balance of \$273,265 at December 31, 2012. This deficit was a result of amounts owed to the capital projects fund from other funds at year end due to timing and the status of current projects.

Capital Asset and Debt Administration

Capital Assets - The County's net investment in capital assets for governmental and business-type activities as of December 31, 2012 was \$114,741,888. This represents an increase of \$2,750,546 from 2011. The net investment in capital assets includes land, land improvements, buildings, building improvements, furniture, equipment, vehicles, construction in progress, infrastructure and accumulated depreciation. Infrastructure includes highways, bridges, airport runways and sewers. In accordance with GASB 34, these financial statements include all infrastructure constructed from 1980 through 2012. Major capital additions included significant highway and road work as well as equipment purchases. See Note 5 to the basic financial statements beginning on page 34.

Bonds Payable - The County had total long-term general obligation bonds payable, net of bond premiums and discounts, for governmental and business-type activities of \$48,694,061 as of December 31, 2012. Total bonds payable decreased by \$1,141,977 from the balance of \$49,836,038 as of December 31, 2011. The County borrowed \$3,159,522 in 2012 for various capital projects. See Note 11 to the basic financial statements beginning on page 38. Due to its strong and healthy local economy, the County has maintained a credit rating of A1 from Moody's Investor Service for 2012 and 2011.

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General Fund Budgetary Highlights

The most significant differences between estimated revenues and actual revenues were as follows:

	<u>Modified Budget</u>	<u>Actual Revenues</u>	<u>Variances</u>
Non property tax items	\$ 65,750,697	\$ 60,678,716	\$ (5,071,981)
Department income	\$ 12,385,068	\$ 11,464,532	\$ (920,536)
Miscellaneous local sources	\$ 6,433,470	\$ 3,886,846	\$ (2,546,624)
State aid	\$ 20,845,274	\$ 21,946,998	\$ 1,101,724

The County budgeted gross sales tax revenue more than \$5 million above actual collections in 2012. For the past several years the County experienced significant growth in sales tax revenue resulting from extensive natural gas exploration and drilling in northern Pennsylvania. The 2012 adopted budget for sales tax revenue represented a modest increase over the sales tax revenue in 2011. Throughout most of the year the sales tax collections were on track with those of 2011. In the third quarter of 2012, however, the County experienced a sharp decline in revenue which continued through the end of the year. Overbudgeted revenues for department income related to multiple factors. First, the estimate of the number of patients seen in the public health department for budget purposes exceeded the actual number of patients seen. This resulted in a negative budget variance in public health revenues of almost \$400,000 with a corresponding positive variance in public health expenditures. Secondly, the department of social services budget for collection of overpayments of medical assistance, child care and safety net programs that exceeded actual collections by almost \$350,000. Lastly, the youth bureau's budget for revenues from outside agencies was almost \$140,000 more than the actual revenues collected for such agencies. Several years ago the department of social services sued the state over unreimbursed Medicaid overburden payments due to the County. In late 2012, the suit was settled and the state paid the County approximately \$2.3 million. This amount was not budgeted because of the uncertainty of the ultimate outcome of the proceedings, which related to the budget variance in other miscellaneous sources. The department of mental hygiene received an excess of \$1 million in State reinvestment income that was not budgeted in state aid for 2012. These funds were distributed to aid the County in encouraging outpatient treatment of mental health patients.

The most significant differences between estimated expenses and actual expenses were as follows:

	<u>Modified Budget</u>	<u>Actual Expenditures</u>	<u>Variances</u>
Distribution of sales tax	\$ 24,189,941	\$ 22,197,000	\$ 1,992,941
Department of social services - other	\$ 61,382,639	\$ 57,487,373	\$ 3,895,266

The distribution of sales tax is directly related to sales tax collections. As explained in the non property tax items variance, sales tax collections were significantly under budget and, therefore, the distribution of collected sales tax to the towns and villages within the County were significantly less than the amounts budgeted. The expenditure budgets for children services, day care, temporary assistance, safety net and medicaid were over budgeted by a combined \$2.8 million. This was based on the expectation of more recipients and greater volume that the recovering economy ultimately produced. Adoption subsidies were also over budgeted by approximately \$500,000 based on the number of known recipients and past history.

Economic Outlook and Future Benefits

Sikorsky Aircraft, announced on September 24, 2012 that it will close its military completions center in Big Flats as of December 31, 2012. The Connecticut-based company's decision resulted in the loss of 570 jobs at the five-year-old facility on Kahler Road. Sikorsky Aircraft leased its facilities from the Chemung County Industrial Development Agency. Employment in Chemung County is expected to be sluggish with the closing of Sikorsky and the reduction in gas exploration in northern Pennsylvania.

Major industries within the County include:

Synthes USA - a world leader in orthopedic implant devices constructed a \$14 million manufacturing facility across from the Elmira-Corning Regional Airport in 2006. This facility initially employed 150 people. They have experienced continued growth in their business over the last several years and now employ over 400 people. They are projecting that this increase in employment will continue and they will be adding an additional 30 individuals on an annual basis.

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CAF, USA - a rail car manufacturer located in the County has recently been awarded a \$298.1 million contract to build 130 new single level rail cars for Amtrak. This is the first step in Amtrak's comprehensive fleet renewal program. This contract will result in 575 new jobs being created in the CAF, USA facility. This could be just the beginning of Amtrak's multi-year strategic plan to replace its entire fleet of rail cars over the next 30 years. Our CAF, USA facility could be the recipient of hundreds of new rail cars over this 30-year period. CAF is also starting to gear up for its Houston rail car project which will result in 150 new employees.

Vulcraft - is the leading producer of steel joists and joist girders and decking in the United States. The operation in the Town of Chemung began operation in 2000 and currently employs more than 250 employees.

DeMet's Candy Company - DeMet's Candy Company began production in their new facility located at the County's Corporate Park in Big Flats, New York in the Spring of 2009. They have hired over 250 full-time employees and more jobs are planned in the near future. They have recently signed a contract with the entire Wal-Mart chain for the distribution of their candy products. This will eventually lead to an additional 100,000 square foot facility being constructed in the County.

Schlumberger Technology Inc. - a Fortune 200 company, which began constructing a new 400,000 square foot facility at a cost of \$56 million in the County. This natural gas support facility will employ over 400 individuals at an average annual salary of \$60,000 per person.

Kennedy Valve Company - a division of McWane, Inc., which is one of the world's largest manufacturers of fire hydrants and employees over 400 people at its Chemung County plant located in the City of Elmira.

Anchor Glass Container Corporation - a retail glass manufacturer. They employ 400 people in the Chemung County plant. Its product line consists of clear, green, brown and other colors of glass jars, bottles and containers. Anchor Glass markets its products to markets such as beer, liquor, food, tea and other beverage retailers, with customers that include Anheuser-Busch, Stroh Brewery, Coca-Cola Trading Company, Specialty Products Company, Jim Beam and Hunt Wesson. Incorporated in 1931, Anchor Glass Container Corporation maintains facilities in Elmira Heights, New York, with additional strategically located facilities throughout the United States.

Hilliard Corporation - a world leader in motion control and filtration technology and has been located in Elmira, New York since 1905. The Hilliard Corporation offers a broad line of motion control products, oil filtration and reclaiming equipment, starters for industrial gas, diesel engines and gas turbines, and plate and frame filter presses used in the food and beverage industry. Hilliard employs 350 people.

Howell Packaging - a division of F.M. Howell and Company which began operation in Chemung County in 1883 is a designer and manufacturer of folding cartons, rigid boxes and thermoformed plastic containers for the for a variety of applications including the pharmaceutical industry. Howell currently employs more than 250 people in its various facilities within Chemung County.

CVS - CVS completed a \$96 million 751,000 square foot Distribution Center in 2010. This facility services hundreds of CVS drugstores throughout the northeast with an emphasis on the greater New York City area. CVS employs 600 people at this facility. CVS is the largest pharmaceutical chain in the USA.

In addition to manufacturing, Chemung County is the retail center of 5 counties in New York State and the northern tier of Pennsylvania. There are over 3 million square feet of retail space in small and four plaza complexes. Numerous new stores and restaurants have opened in the last 18 months. This retail complex has been the mainstay of sales tax collections, which were up year to year by almost 5% in 2011 and more than 13% in 2010. The County continues to see potential for even further retail growth. Chemung County is one of the few counties whose sales tax brings in more revenue than its property tax. This is significant because over 35 percent of all sales tax generated in the County comes from shoppers who reside outside its borders.

County and Component Unit Financial Information

The County of Chemung's financial information can be obtained from the Chemung County Treasurer's Office, 320 E. Market Street, Elmira, NY 14901 or on the County website at www.chemungcounty.com. Complete financial statements of individual component units can be obtained from their respective administrative offices. Addresses for each component unit are listed in Note 1 on page 25 of these financial statements.

FINANCIAL SECTION

Basic Financial Statements

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Net Position
December 31, 2012

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 16,916,484	\$ 691,494	\$ 17,607,978	\$ 3,109,351
Taxes receivable - net	7,403,874	-	7,403,874	-
Other receivables - net	10,269,307	7,018,075	17,287,382	334,974
State and federal aid receivables	13,940,077	-	13,940,077	412,964
Due from other governments	-	-	-	301,635
Inventories	-	280,246	280,246	-
Prepaid expenses	710,100	-	710,100	26,901
Restricted cash	1,864,166	882,266	2,746,432	-
Loans receivable	-	-	-	2,647,185
Grants receivable	-	-	-	4,850,519
Deferred refunding proceeds - net	219,925	24,307	244,232	-
Bond issuance costs - net	119,519	159,821	279,340	-
Capital assets				
Capital assets - not depreciated	15,702,377	15,861,618	31,563,995	-
Capital assets - net of depreciation	<u>91,360,350</u>	<u>36,640,272</u>	<u>128,000,622</u>	<u>33,294,173</u>
Total Assets	<u>\$ 158,506,179</u>	<u>\$ 61,558,099</u>	<u>\$ 220,064,278</u>	<u>\$ 44,977,702</u>
Liabilities				
Internal balances	\$ (7,534,600)	\$ 7,534,600	\$ -	\$ -
Accounts payable	4,374,753	517,367	4,892,120	2,759,430
Accrued liabilities	5,496,741	1,134,691	6,631,432	-
Accrued interest payable	362,588	51,286	413,874	118,726
Due to other governments	5,605,241	-	5,605,241	-
Deferred revenues	4,796,766	-	4,796,766	-
Bond anticipation note payable	1,474,113	2,084,555	3,558,668	-
Other liabilities	68,459	-	68,459	-
Long-term liabilities				
Portion due or payable within one year				
Compensated absences	1,803,299	56,878	1,860,177	-
Loans payable	-	-	-	1,903,081
Bonds payable - net	3,297,171	1,305,882	4,603,053	480,535
Contract advances	-	-	-	354,879
Portion due or payable after one year				
Workers' compensation benefits	-	2,049,502	2,049,502	-
Compensated absences	848,611	26,767	875,378	-
Loans payable	-	-	-	23,187,916
Bonds payable - net	31,350,892	12,740,116	44,091,008	4,590,152
Contract advances	-	-	-	311,250
OPEB liability	10,267,447	1,495,813	11,763,260	-
Total liabilities	<u>62,211,481</u>	<u>28,997,457</u>	<u>91,208,938</u>	<u>33,705,969</u>
Net Position				
Net investment in capital assets	72,480,166	42,261,722	114,741,888	9,488,852
Restricted				
Restricted FAA cash	-	234,012	234,012	-
Restricted health insurance cash	1,356,163	-	1,356,163	-
Restricted for liquidity reserves	-	648,254	648,254	-
Unrestricted	<u>22,458,369</u>	<u>(10,583,346)</u>	<u>11,875,023</u>	<u>1,782,881</u>
Total net position	<u>96,294,698</u>	<u>32,560,642</u>	<u>128,855,340</u>	<u>11,271,733</u>
Total Liabilities and Net Position	<u>\$ 158,506,179</u>	<u>\$ 61,558,099</u>	<u>\$ 220,064,278</u>	<u>\$ 44,977,702</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Activities
For the Year Ended December 31, 2012

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental activities								
General government support	\$ 42,791,187	\$ 13,800,536	\$ 646,437	\$ -	\$ (28,344,214)	\$ -	\$ (28,344,214)	\$ -
Education	4,284,409	4,041,618	-	-	(242,791)	-	(242,791)	-
Public safety	22,888,662	1,383,155	1,104,268	-	(20,401,239)	-	(20,401,239)	-
Health	14,024,615	3,405,146	4,296,317	-	(6,323,152)	-	(6,323,152)	-
Transportation	13,518,783	-	2,588,302	5,174,323	(5,756,158)	-	(5,756,158)	-
Economic assistance	70,766,316	2,609,868	35,744,515	-	(32,411,933)	-	(32,411,933)	-
Culture and recreation	1,642,147	341,029	632,699	-	(668,419)	-	(668,419)	-
Home and community services	8,506,752	4,822,811	437,254	1,629,979	(1,616,708)	-	(1,616,708)	-
Debt interest	<u>1,293,525</u>	-	-	-	<u>(1,293,525)</u>	-	<u>(1,293,525)</u>	-
Total governmental activities	<u>179,716,396</u>	<u>30,404,163</u>	<u>45,449,792</u>	<u>6,804,302</u>	<u>(97,058,139)</u>	-	<u>(97,058,139)</u>	-
Business-type activities								
Chemung County Nursing Facility	19,824,583	16,501,635	-	-	-	(3,322,948)	(3,322,948)	-
Elmira-Corning Regional Airport	5,447,618	3,526,316	-	-	-	(1,921,302)	(1,921,302)	-
Chemung Tobacco Asset Securitization Corporation	<u>423,920</u>	-	-	-	-	<u>(423,920)</u>	<u>(423,920)</u>	-
Total business-type activities	<u>25,696,121</u>	<u>20,027,951</u>	-	-	-	<u>(5,668,170)</u>	<u>(5,668,170)</u>	-
Total primary government	<u>\$ 205,412,517</u>	<u>\$ 50,432,114</u>	<u>\$ 45,449,792</u>	<u>\$ 6,804,302</u>	<u>(97,058,139)</u>	<u>(5,668,170)</u>	<u>(102,726,309)</u>	-
Component Units								
Industrial Development Agency	\$ 2,900,207	\$ -	\$ 2,500,000	\$ -	-	-	-	(400,207)
Soil and Water Conservation District	<u>986,339</u>	<u>91,415</u>	<u>150,000</u>	-	-	-	-	<u>(744,924)</u>
Total component units	<u>\$ 3,886,546</u>	<u>\$ 91,415</u>	<u>\$ 2,650,000</u>	<u>\$ -</u>	-	-	-	<u>(1,145,131)</u>
General Revenues								
Real property taxes					28,721,834	-	28,721,834	-
Real property tax items					3,966,215	-	3,966,215	-
Non property tax items					60,678,716	-	60,678,716	-
Use of money and property					1,488,312	108	1,488,420	109,786
Sale of property and compensation for loss					1,062,654	-	1,062,654	-
Miscellaneous local sources					4,264,413	4,329,872	8,594,285	3,761,919
Interfund transfers					<u>(3,153,625)</u>	<u>3,153,625</u>	-	-
Total general revenues and interfund transfers					<u>97,028,519</u>	<u>7,483,605</u>	<u>104,512,124</u>	<u>3,871,705</u>
Changes in Net Position					<u>(29,620)</u>	<u>1,815,435</u>	<u>1,785,815</u>	<u>2,726,574</u>
Net Position - Beginning, As Previously Stated					135,765,977	(8,696,452)	127,069,525	8,679,588
Restatement					<u>(39,441,659)</u>	<u>39,441,659</u>	-	<u>(134,429)</u>
Net Position - Beginning, As Restated					<u>96,324,318</u>	<u>30,745,207</u>	<u>127,069,525</u>	<u>8,545,159</u>
Net Position - Ending					<u>\$ 96,294,698</u>	<u>\$ 32,560,642</u>	<u>\$ 128,855,340</u>	<u>\$ 11,271,733</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Balance Sheet
Governmental Funds
December 31, 2012

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Assets				
Cash and cash equivalents	\$ 11,912,378	\$ 3,088,274	\$ 1,915,832	\$ 16,916,484
Taxes receivable - net	7,403,874	-	-	7,403,874
Other receivables - net	6,066,502	154,422	1,659,696	7,880,620
Due from other funds	11,306,691	1,503,452	1,047,083	13,857,226
State and federal aid receivables	12,435,672	1,503,565	191	13,939,428
Restricted cash	<u>1,356,163</u>	<u>508,003</u>	-	<u>1,864,166</u>
Total Assets	<u>\$ 50,481,280</u>	<u>\$ 6,757,716</u>	<u>\$ 4,622,802</u>	<u>\$ 61,861,798</u>
LIABILITIES AND FUND BALANCES (DEFICIT)				
Liabilities				
Accounts payable	\$ 2,619,944	\$ 1,315,754	\$ 423,539	\$ 4,359,237
Accrued liabilities	2,862,506	93,906	145,739	3,102,151
Other liabilities	-	68,459	-	68,459
Due to other funds	4,542,896	4,078,749	257,031	8,878,676
Due to other governments	5,602,845	-	2,396	5,605,241
Deferred revenues	4,745,276	-	-	4,745,276
Bond anticipation note payable	-	1,474,113	-	1,474,113
Total liabilities	<u>20,373,467</u>	<u>7,030,981</u>	<u>828,705</u>	<u>28,233,153</u>
Fund Balances (Deficit)				
Restricted				
Restricted health insurance cash	1,356,163	-	-	1,356,163
Restricted unspent bond proceeds	-	1,273,990	-	1,273,990
Committed				
Reserve for DWI funds	282,179	-	-	282,179
Reserve for senior games	10,059	-	-	10,059
Reserved purchase agreement funds	-	508,003	-	508,003
Assigned				
Assigned for solid waste	-	-	1,159,479	1,159,479
Assigned for road machinery	-	-	85,280	85,280
Assigned for sewer	-	-	2,537,938	2,537,938
Reserve for encumbrances	218,520	-	11,400	229,920
Unassigned	<u>28,240,892</u>	<u>(2,055,258)</u>	-	<u>26,185,634</u>
Total fund balances (deficit)	<u>30,107,813</u>	<u>(273,265)</u>	<u>3,794,097</u>	<u>33,628,645</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 50,481,280</u>	<u>\$ 6,757,716</u>	<u>\$ 4,622,802</u>	<u>\$ 61,861,798</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position
December 31, 2012

Total Governmental Fund Balances \$ 33,628,645

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. These assets consisted of the following:

Land	\$ 11,908,523	
Construction in progress	<u>3,793,854</u>	
Total capital assets - not depreciated		15,702,377
Land improvements	355,101	
Buildings and building improvements	53,786,751	
Infrastructure	91,999,974	
Furniture, equipment and vehicles	<u>30,157,129</u>	
Total depreciable assets	176,298,955	
Less, accumulated depreciation	<u>(84,938,605)</u>	
Total capital assets - net of depreciation		91,360,350

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consisted of the following:

Bonds payable - net	(34,648,063)	
Compensated absences	(2,651,910)	
Accrued interest payable	(362,588)	
OPEB liability	<u>(10,267,447)</u>	
Total liabilities		(47,930,008)

Other differences:

Internal service funds are used to allocate collective costs across funds. The assets and liabilities of these internal services funds are included in the governmental activities statement of net position but not in the governmental fund balances. The net balance of those internal service funds are as follows:

Workers' compensation fund	3,035,833	
Self insurance fund	<u>158,057</u>	
Total internal service funds		3,193,890
Deferred refunding proceeds - net		219,925
Bond issuance costs - net		<u>119,519</u>

Net Position of Governmental Activities \$ 96,294,698

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Real property taxes	\$ 26,746,775	\$ -	\$ 1,975,059	\$ 28,721,834
Real property tax items	3,966,215	-	-	3,966,215
Non property tax items	60,678,716	-	-	60,678,716
Department income	11,464,532	-	4,812,117	16,276,649
Intergovernmental charges	4,907,570	49,420	-	4,956,990
Use of money and property	176,564	-	1,311,748	1,488,312
Licenses and permits	20,413	-	5,700	26,113
Fines and forfeitures	277,060	-	-	277,060
Sale of property and compensation for loss	1,192,077	5,663	22,692	1,220,432
Miscellaneous local sources	3,886,846	11,800	87,598	3,986,244
State aid	21,946,998	1,629,979	105,550	23,682,527
Federal aid	<u>23,502,794</u>	<u>4,946,973</u>	<u>121,800</u>	<u>28,571,567</u>
Total revenues	<u>158,766,560</u>	<u>6,643,835</u>	<u>8,442,264</u>	<u>173,852,659</u>
Expenditures				
General government support	33,782,536	2,814,628	-	36,597,164
Education	4,284,409	-	-	4,284,409
Public safety	13,766,631	51,972	-	13,818,603
Health	10,070,062	82,764	-	10,152,826
Transportation	2,764,865	5,959,770	4,739,528	13,464,163
Economic assistance	62,976,228	-	-	62,976,228
Culture and recreation	2,107,911	-	-	2,107,911
Home and community services	1,319,931	-	4,388,425	5,708,356
Employee benefits	17,509,021	-	2,654,168	20,163,189
Debt principal	3,035,264	-	375,025	3,410,289
Debt interest	<u>1,079,599</u>	<u>-</u>	<u>219,085</u>	<u>1,298,684</u>
Total expenditures	<u>152,696,457</u>	<u>8,909,134</u>	<u>12,376,231</u>	<u>173,981,822</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>6,070,103</u>	<u>(2,265,299)</u>	<u>(3,933,967)</u>	<u>(129,163)</u>
Other Financing Sources (Uses)				
Interfund transfers - in	185,469	1,184,315	4,753,836	6,123,620
Proceeds from long-term obligations	-	2,472,795	-	2,472,795
Interfund transfers - out	<u>(5,180,555)</u>	<u>(3,916,090)</u>	<u>(180,600)</u>	<u>(9,277,245)</u>
Total other financing sources (uses)	<u>(4,995,086)</u>	<u>(258,980)</u>	<u>4,573,236</u>	<u>(680,830)</u>
Net Change in Fund Balances	<u>1,075,017</u>	<u>(2,524,279)</u>	<u>639,269</u>	<u>(809,993)</u>
Fund Balances - Beginning, As Previously Stated	29,576,112	2,251,014	3,154,828	34,981,954
Restatement	<u>(543,316)</u>	<u>-</u>	<u>-</u>	<u>(543,316)</u>
Fund Balances - Beginning, As Restated	<u>29,032,796</u>	<u>2,251,014</u>	<u>3,154,828</u>	<u>34,438,638</u>
Fund Balances (Deficit) - Ending	<u>\$ 30,107,813</u>	<u>\$ (273,265)</u>	<u>\$ 3,794,097</u>	<u>\$ 33,628,645</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of the Governmental Funds to the Government-Wide Statement of Activities
For the Year Ended December 31, 2012

Net Change in Fund Balances - Total Governmental Funds \$ (809,993)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are the following:

Capital outlay	8,354,596	
Depreciation expense	<u>(6,645,730)</u>	
Excess of capital outlay over depreciation		1,708,866

Governmental funds report only the proceeds received from the disposal of assets. In the statement of activities, a gain or loss is recorded for each disposal. This is the loss on the disposal of capital assets. (157,778)

Receipt of bond proceeds is a revenue in the governmental funds, but the receipt increases the liabilities in the statement of net position. In the current period, these amounts are the following:
 Debt proceeds (2,472,795)

Premiums and discounts are reported as revenues and expenditures in the governmental fund financial statements. These are capitalized in the government-wide financial statements and amortized over the life of the debt. 52,712
 Amortization of bond premium

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current period, these amounts are the following:
 Debt repayments 3,410,289

Issuance costs and deferred refundings are reported as revenues and expenditures in the governmental funds, but are capitalized for reporting purposes in the government-wide statement of net position. Amounts will be amortized over the lives of the related debt. In the current period, these amounted to the following

Amortization of issuance costs	(26,892)	
Amortization of deferred refundings	<u>(43,643)</u>	
		(70,535)

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. In the current period, these amounts are the following:

Compensated absences	(286,517)	
Accrued interest	22,982	
OPEB liability	<u>(1,856,011)</u>	
		(2,119,546)

Internal service funds are used by management to charge the costs of insurance to individual funds. The net revenue (expense) of the internal service fund is reported with the governmental activities. 429,160

Change in Net Position of Governmental Activities \$ (29,620)

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Net Position
Proprietary Funds
December 31, 2012

	Enterprise Funds				Internal Service Funds
	Chemung County Nursing Facility	Elmira- Corning Regional Airport	Chemung Tobacco Asset Securitization Corporation	Total	
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 558,666	\$ -	\$ 132,828	\$ 691,494	\$ -
Accounts receivable - net	1,976,586	599,677	737,591	3,313,854	2,388,687
State and federal receivables	-	-	-	-	649
Due from other funds	-	144,511	-	144,511	3,375,960
Prepaid expenses	-	-	-	-	710,100
Other receivables	3,704,221	-	-	3,704,221	-
Inventories	<u>280,246</u>	<u>-</u>	<u>-</u>	<u>280,246</u>	<u>-</u>
Total current assets	<u>6,519,719</u>	<u>744,188</u>	<u>870,419</u>	<u>8,134,326</u>	<u>6,475,396</u>
Noncurrent Assets					
Restricted cash	-	234,012	648,254	882,266	-
Bond issuance costs - net	-	20,923	138,898	159,821	-
Deferred refunding proceeds - net	-	24,307	-	24,307	-
Capital assets - not depreciated	154,362	15,707,256	-	15,861,618	-
Capital assets - net of depreciation	<u>4,148,330</u>	<u>32,491,942</u>	<u>-</u>	<u>36,640,272</u>	<u>-</u>
Total noncurrent assets	<u>4,302,692</u>	<u>48,478,440</u>	<u>787,152</u>	<u>53,568,284</u>	<u>-</u>
Total Assets	<u>\$ 10,822,411</u>	<u>\$ 49,222,628</u>	<u>\$ 1,657,571</u>	<u>\$ 61,702,610</u>	<u>\$ 6,475,396</u>
LIABILITIES AND NET POSITION (DEFICIT)					
Current Liabilities					
Accounts payable	\$ 281,264	\$ 236,103	\$ -	\$ 517,367	\$ 29,793
Accrued liabilities	1,048,215	86,476	-	1,134,691	2,380,313
Accrued interest payable	-	51,286	-	51,286	-
Deferred revenues	-	-	-	-	51,490
Due to other funds	6,409,520	1,269,591	-	7,679,111	819,910
Bond anticipation note payable	-	2,084,555	-	2,084,555	-
Compensated absences - current portion	-	56,878	-	56,878	-
Bonds payable - current portion and discount	<u>317,199</u>	<u>418,683</u>	<u>570,000</u>	<u>1,305,882</u>	<u>-</u>
Total current liabilities	<u>8,056,198</u>	<u>4,203,572</u>	<u>570,000</u>	<u>12,829,770</u>	<u>3,281,506</u>
Noncurrent Liabilities					
Workers' compensation benefits	2,049,502	-	-	2,049,502	-
Compensated absences - net of current portion	-	26,767	-	26,767	-
Bonds payable - net of current portion and discount	3,506,351	3,942,737	5,291,028	12,740,116	-
OPEB liability	<u>1,257,920</u>	<u>237,893</u>	<u>-</u>	<u>1,495,813</u>	<u>-</u>
Total noncurrent liabilities	<u>6,813,773</u>	<u>4,207,397</u>	<u>5,291,028</u>	<u>16,312,198</u>	<u>-</u>
Total Liabilities	<u>14,869,971</u>	<u>8,410,969</u>	<u>5,861,028</u>	<u>29,141,968</u>	<u>3,281,506</u>
Net Position (Deficit)					
Net investment in capital assets	479,142	41,782,580	-	42,261,722	-
Restricted					
Restricted FAA cash	-	234,012	-	234,012	-
Restricted for liquidity reserves	-	-	648,254	648,254	-
Unrestricted	<u>(4,526,702)</u>	<u>(1,204,933)</u>	<u>(4,851,711)</u>	<u>(10,583,346)</u>	<u>3,193,890</u>
Total net position (deficit)	<u>(4,047,560)</u>	<u>40,811,659</u>	<u>(4,203,457)</u>	<u>32,560,642</u>	<u>3,193,890</u>
Total Liabilities and Net Position (Deficit)	<u>\$ 10,822,411</u>	<u>\$ 49,222,628</u>	<u>\$ 1,657,571</u>	<u>\$ 61,702,610</u>	<u>\$ 6,475,396</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2012

	Enterprise Funds				Internal Service Funds
	Chemung County Nursing Facility	Elmira- Corning Regional Airport	Chemung Tobacco Asset Securitization Corporation	Total	
Operating Revenues					
Charges for services - net	\$ 16,501,635	\$ 3,526,316	\$ -	\$ 20,027,951	\$ 23,009,287
Other revenue	3,588,329	137,677	603,866	4,329,872	278,230
Investment income	-	-	108	108	-
Total operating revenues	<u>20,089,964</u>	<u>3,663,993</u>	<u>603,974</u>	<u>24,357,931</u>	<u>23,287,517</u>
Operating Expenses					
Personal services	8,646,586	830,115	-	9,476,701	-
Employee benefits	5,049,614	500,480	-	5,550,094	22,858,357
Contractual expenses	5,388,673	1,160,621	21,518	6,570,812	-
Depreciation expense	339,204	2,768,020	-	3,107,224	-
Operating interest expense	269,087	-	-	269,087	-
Bond interest expense	-	-	402,402	402,402	-
Total operating expenses	<u>19,693,164</u>	<u>5,259,236</u>	<u>423,920</u>	<u>25,376,320</u>	<u>22,858,357</u>
Operating Income (Loss)	<u>396,800</u>	<u>(1,595,243)</u>	<u>180,054</u>	<u>(1,018,389)</u>	<u>429,160</u>
Nonoperating Revenues (Expenses)					
Intergovernmental transfer - in	-	3,166,742	-	3,166,742	-
Intergovernmental transfer - out	-	(13,117)	-	(13,117)	-
Interest expense	(131,419)	(188,382)	-	(319,801)	-
Total nonoperating revenues (expenses)	<u>(131,419)</u>	<u>2,965,243</u>	<u>-</u>	<u>2,833,824</u>	<u>-</u>
Changes in Net Position	<u>265,381</u>	<u>1,370,000</u>	<u>180,054</u>	<u>1,815,435</u>	<u>429,160</u>
Net Position (Deficit) - Beginning, As Previously Stated	(4,312,941)	-	(4,383,511)	(8,696,452)	2,764,730
Restatement	<u>-</u>	<u>39,441,659</u>	<u>-</u>	<u>39,441,659</u>	<u>-</u>
Net Position (Deficit) - Beginning, As Restated	<u>(4,312,941)</u>	<u>39,441,659</u>	<u>(4,383,511)</u>	<u>30,745,207</u>	<u>2,764,730</u>
Net Position (Deficit) - Ending	<u>\$ (4,047,560)</u>	<u>\$ 40,811,659</u>	<u>\$ (4,203,457)</u>	<u>\$ 32,560,642</u>	<u>\$ 3,193,890</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2012

	Enterprise Funds				Internal Service Funds
	Chemung County Nursing Facility	Elmira- Corning Regional Airport	Chemung Tobacco Asset Securitization Corporation	Total	
Cash Flows from Operating Activities					
Receipts from services	\$ 16,670,053	\$ 4,516,733	\$ -	\$ 21,186,786	\$ 23,357,179
Payments to suppliers	(2,859,523)	(1,045,576)	-	(3,905,099)	-
Payments to employees	(13,146,571)	(1,234,868)	-	(14,381,439)	-
Proceeds of tobacco receipts	-	-	595,116	595,116	-
Interest and dividends received	-	-	108	108	-
Payments to employees for benefits and claims	-	-	-	-	(23,635,409)
Payments of operating expenses	-	-	(21,518)	(21,518)	-
Other receipts	49,516	137,677	-	187,193	278,230
Payments of bond interest expense	-	-	(389,132)	(389,132)	-
Net cash flows from operating activities	<u>713,475</u>	<u>2,373,966</u>	<u>184,574</u>	<u>3,272,015</u>	<u>-</u>
Cash Flow From Noncapital Financing Activities					
Transfers from other funds	-	3,153,625	-	3,153,625	-
Cash Flows from Capital and Related Financing Activities					
Purchase and construction of capital assets - net	(759,728)	(7,005,608)	-	(7,765,336)	-
Proceeds from issuance of bond	686,727	-	-	686,727	-
Proceeds from issuance of bond anticipation note	-	2,084,555	-	2,084,555	-
Payment of bond and bond anticipation note principal	(262,828)	(418,764)	(155,000)	(836,592)	-
Payment of bond and bond anticipation note interest	(131,419)	(187,774)	-	(319,193)	-
Net cash flows from capital and related financing activities	<u>(467,248)</u>	<u>(5,527,591)</u>	<u>(155,000)</u>	<u>(6,149,839)</u>	<u>-</u>
Changes in Cash and Cash Equivalents	246,227	-	29,574	275,801	-
Cash and Cash Equivalents - Beginning	<u>312,439</u>	<u>-</u>	<u>103,254</u>	<u>415,693</u>	<u>-</u>
Cash and Cash Equivalents - Ending	<u>\$ 558,666</u>	<u>\$ -</u>	<u>\$ 132,828</u>	<u>\$ 691,494</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Flows from Operating Activities					
Operating income (loss)	\$ 396,800	\$ (1,595,243)	\$ 180,054	\$ (1,018,389)	\$ 429,160
Adjustments					
Depreciation expense	339,204	2,768,020	-	3,107,224	-
Amortization expense	-	-	9,351	9,351	-
Consumption of discount on bonds	-	-	3,918	3,918	-
Bad debt expense	187,903	-	-	187,903	-
Changes in assets and liabilities					
Accounts receivable - net	145,923	(263,995)	(8,749)	(126,821)	69,818
Due from other funds	-	(144,511)	-	(144,511)	10,368,717
State and federal aid receivables	-	-	-	-	(325)
Other receivables	(3,704,221)	-	-	(3,704,221)	-
Inventories	(11,538)	-	-	(11,538)	-
Prepaid expenses	-	-	-	-	(710,100)
Restricted cash	-	129,332	-	129,332	-
Accounts payable	(99,012)	115,045	-	16,033	14,955
Due to other funds	3,147,568	1,269,591	-	4,417,159	(10,090,318)
Deferred revenues	-	-	-	-	51,490
Accrued liabilities	310,848	95,727	-	406,575	(133,397)
Net Cash Flows from Operating Activities	<u>\$ 713,475</u>	<u>\$ 2,373,966</u>	<u>\$ 184,574</u>	<u>\$ 3,272,015</u>	<u>\$ -</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2012

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 1,910,555
Other receivables - net	<u>341,078</u>
Total Assets	\$ <u>2,251,633</u>
Liabilities	
Accounts payable	\$ 19,422
Other liabilities	<u>2,232,211</u>
Total Liabilities	\$ <u>2,251,633</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Net Position
Component Units
December 31, 2012

ASSETS	Industrial Development Agency	Soil and Water Conservation District	Total
Current Assets			
Cash and cash equivalents	\$ 2,636,793	\$ 472,558	\$ 3,109,351
Other receivables - net	232,100	102,874	334,974
State and federal aid receivables	-	412,964	412,964
Due from other governments	-	301,635	301,635
Prepaid expenditures	26,901	-	26,901
Loans receivable - current portion	259,726	-	259,726
Grants receivable - current portion	434,023	-	434,023
Total current assets	<u>3,589,543</u>	<u>1,290,031</u>	<u>4,879,574</u>
Noncurrent Assets			
Loans receivable - net of current portion	2,387,459	-	2,387,459
Grants receivable - net	4,416,496	-	4,416,496
Capital assets - net	<u>33,102,252</u>	<u>191,921</u>	<u>33,294,173</u>
Total noncurrent assets	<u>39,906,207</u>	<u>191,921</u>	<u>40,098,128</u>
Total Assets	\$ <u>43,495,750</u>	\$ <u>1,481,952</u>	\$ <u>44,977,702</u>
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts payable	\$ 1,698,299	\$ 1,061,131	\$ 2,759,430
Accrued interest payable	118,726	-	118,726
Loans payable - current portion	1,903,081	-	1,903,081
Bonds payable - current portion	480,535	-	480,535
Contract advances - current portion	<u>354,879</u>	<u>-</u>	<u>354,879</u>
Total current liabilities	<u>4,555,520</u>	<u>1,061,131</u>	<u>5,616,651</u>
Noncurrent Liabilities			
Loans payable - net of current portion	23,187,916	-	23,187,916
Bonds payable - net of current portion	4,590,152	-	4,590,152
Contract advances - net of current portion	<u>311,250</u>	<u>-</u>	<u>311,250</u>
Total noncurrent liabilities	<u>28,089,318</u>	<u>-</u>	<u>28,089,318</u>
Total Liabilities	<u>32,644,838</u>	<u>1,061,131</u>	<u>33,705,969</u>
Net Position			
Net investment in capital assets	9,296,931	191,921	9,488,852
Unrestricted	<u>1,553,981</u>	<u>228,900</u>	<u>1,782,881</u>
Total net position	<u>10,850,912</u>	<u>420,821</u>	<u>11,271,733</u>
Total Liabilities and Net Position	\$ <u>43,495,750</u>	\$ <u>1,481,952</u>	\$ <u>44,977,702</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Statement of Revenues, Expenses and Changes in Net Position
Component Units
For the Year Ended December 31, 2012

	<u>Industrial Development Agency</u>	<u>Soil and Water Conservation District</u>	<u>Total</u>
Expenses	\$ <u>2,900,207</u>	\$ <u>986,339</u>	\$ <u>3,886,546</u>
Program Revenues			
Charges for services	-	91,415	91,415
Operating grants and contributions	<u>2,500,000</u>	<u>150,000</u>	<u>2,650,000</u>
Total program revenues	<u>2,500,000</u>	<u>241,415</u>	<u>2,741,415</u>
Net Program Revenues (Expenses)	<u>(400,207)</u>	<u>(744,924)</u>	<u>(1,145,131)</u>
General Revenues			
Use of money and property	108,509	1,277	109,786
Miscellaneous local sources	<u>3,187,448</u>	<u>574,471</u>	<u>3,761,919</u>
Total general revenues	<u>3,295,957</u>	<u>575,748</u>	<u>3,871,705</u>
Changes in Net Position	<u>2,895,750</u>	<u>(169,176)</u>	<u>2,726,574</u>
Net Position - Beginning, As Previously Stated	8,089,591	589,997	8,679,588
Restatement	<u>(134,429)</u>	<u>-</u>	<u>(134,429)</u>
Net Position - Beginning, As Restated	<u>7,955,162</u>	<u>589,997</u>	<u>8,545,159</u>
Net Position - Ending	\$ <u>10,850,912</u>	\$ <u>420,821</u>	\$ <u>11,271,733</u>

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

Financial Reporting Entity

The County of Chemung - State of New York (the "County") was incorporated by act of the State Legislature on March 29, 1836. The County operates under a charter adopted by the County Board of Supervisors under local law number 3 in 1973 and effective January 1, 1974. Under the charter, the position of County Executive was established. The Executive is elected to a four year term and is responsible for overall County operations. The charter also established a County Legislature consisting of fifteen members, each elected to four year terms. The Legislature is responsible for adopting a budget, approving amendments to the budget, enacting local laws and approving tax rates.

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

The financial reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the County are not misleading. The primary government for the County consists of all funds, departments, boards, and agencies that are not legally separate from the County.

In evaluating the County as a reporting entity, management has included all component units in accordance with the Governmental Accounting Standards Board ("GASB") Statement No. 14, *Defining the Financial Reporting Entity* and Statement No. 61, *The Financial Reporting Entity: Omnibus*. The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth in GASB No. 14 and No. 61 including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities considered in determining the County's reporting entity.

Chemung County Industrial Development Agency, Inc. - (the "Agency") is a Public Benefit Corporation created by state legislation to promote industrial and economic welfare for County inhabitants. Agency members are appointed by the County Legislature; however these members have sole control over the management and operation of the Agency. Agency finances are generally restricted to amounts generated by project revenue bonds and such bonds are only secured to the extent of the assets acquired for the related project. Debt of the Agency is not an obligation of the County. The Agency is considered a component unit and is discretely presented. The Agency uses proprietary accounting.

Chemung County Soil and Water Conservation District - (the "District") is a County-wide district created by the County Legislature to provide for the control and conservation of soil and water resources. Members of the Board of Directors are appointed by the County Legislature. These directors have sole control of the management and operation of the District. The County provides a portion of the District's funding. The County's subsidy to the District for 2012 was \$150,000. The District is considered a component unit and is discretely presented. The Soil and Water Conservation District uses proprietary accounting.

Chemung Tobacco Asset Securitization Corporation - (the "Corporation") is described in detail in Note 16 of these financial statements. The Corporation is considered a component unit and is blended into the basic financial statements of the County.

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

Chemung County Industrial Development Agency, Inc.
400 East Church Street
Elmira, New York 14901

Chemung Tobacco Asset Securitization Corp.
203 Lake Street
Elmira, New York 14901

Chemung County Soil & Water Conservation District
851 Chemung Street
Horseheads, New York 14845

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Basis of Presentation

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Beginning in 2012, the County adopted the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement codifies all sources of accounting principles generally accepted in the United States of America into the GASB's authoritative literature. Beginning in 2012, the County also adopted the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement provides guidance on presenting deferred outflows, deferred inflows and net position. The County's most significant accounting policies are described in Note 1 to the financial statements in the following paragraphs.

The County's basic financial statements consist of government-wide financial statements, including the statement of net position and the statement of activities, and fund financial statements which provide a more detailed level of information.

Government-Wide Financial Statements

The government-wide financial statements, which consist of the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the primary government. Governmental activities, which are supported primarily through taxes or intergovernmental revenues, are reported separately from business-type activities, which are intended to be funded primarily through fees and charges for goods or services. The fiduciary fund is excluded from the government-wide financial statements. Internal service activity between the internal service fund and the government has been eliminated and the remaining internal service fund amounts are shown as governmental activities on the statement of net position and the statement of activities.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, and program revenues for each program or function of the County's governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses, which include centralized services and administrative overhead, are allocated among the programs, functions and segments using a full cost allocation approach and are combined with direct expenses activity.

Program revenues include charges paid by recipients of goods or services offered by the program as well as grants and contributions that are restricted to meet the operational or capital requirements of the particular program. Revenues not classified as program revenues are presented as general revenues of the County. The comparison of expenses with general program revenues identifies the extent to which each governmental program or business-type activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

The accounting system is organized and separated on a fund basis. A fund is defined as a fiscal accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities of the government and attaining certain objectives in accordance with special regulations, restrictions or limitations. The emphasis of fund financial statements is on major funds, each of which are displayed in a separate column. All remaining funds are aggregated and reported as total nonmajor funds. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are funds through which most governmental functions are financed. The major governmental funds of the County are the general fund and the capital projects fund. The general fund is the principal operating fund and includes all operations not required to be recorded in other funds. All major construction projects are recorded in the capital projects fund. Nonmajor funds are combined and included in the "total nonmajor funds" column on the governmental fund financial statements.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Proprietary Funds (Business-Type Activities) - Proprietary funds are used to account for ongoing activities which are similar to those often found in the private sector. The County has the following major proprietary funds:

Enterprise Funds - Enterprise funds are used to account for the Chemung County Nursing Facility, the Elmira-Corning Regional Airport and the Chemung Tobacco Asset Securitization Corporation.

Internal Service Funds - Internal service funds are used to account for the self insurance and workers' compensation funds that record assessments charged and benefits paid to participating governments for insurance.

Fiduciary Fund - The fiduciary fund is used to account for the agency fund which includes assets held by the County in a trustee capacity or as an agent for individuals, private organizations, and other governments.

Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The economic resources measurement focus means that all of the assets and liabilities associated with the operations (whether current or non-current) of the County are included in the statement of net position and that the statement of activities presents increases (revenues) and decreases (expenses) in total net position.

Modified Accrual Basis - The governmental fund financial statements are accounted for using the modified accrual basis of accounting and use the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Measurable means that the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to finance any of the liabilities of the current period. For the County, available means expected to be received within sixty days of year end. With this measurement focus, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

A reconciliation accompanies the governmental fund financial statements to reconcile and explain the differences between fund balances, as presented in these statements, and net position, as presented in the government-wide financial statements.

In accordance with GASB Statement No. 36, *Recipient Reporting for Certain Shared Nonexchange Revenues*, certain state-levied locally shared taxes and fees including motor vehicle license fees, sales tax and mortgage tax are considered voluntary non-exchange transactions. These types of transactions may be accrued if receipt is expected within six months.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Use of Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results may differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, the County includes all cash accounts and all highly liquid debt instruments purchased with an original maturity of three months or less in cash and cash equivalents. The County invests excess cash in certificates of deposit with high credit quality financial institutions and, by policy, requires collateral for investments not covered by federal deposit insurance.

Investment Policy

The County has a written investment policy approved by the County Legislature. This policy has been established in accordance with New York State municipal law. Accordingly, funds must be deposited in Federal Deposits Insurance Company ("FDIC") insured accounts. The policy also requires financial institutions to provide securities for all deposits in excess of FDIC maximum coverage. The County Treasurer is authorized to invest excess funds in instruments permitted under New York State municipal law.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Internal Balances

Short-term interfund receivables and payables are classified as current assets and liabilities in the fund financial statements. Such internal balances in the government-wide financial statements are included only between governmental activities and business-type activities.

Interfund Transfers

Interfund transfers are reported as other financing sources/uses in governmental funds and as nonoperating revenues/expenses in enterprise funds.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as an interfund transfer. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Capital Assets

Capital assets are assets which are associated with and generally arise from governmental activities. Capital assets result from expenditures in governmental funds. Capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets purchased and used by the enterprise funds are recorded in both the business-type activities column in the government-wide statement of net position and in the respective fund financial statements.

The County has established a capital asset policy which defines capital assets and establishes criteria for capitalization and depreciation. Capital assets are recorded at historical cost for purchased or constructed assets and at estimated fair market value for donated assets. All capital assets are depreciated, except construction in progress and land. The policy also establishes a capitalization threshold, which defines the dollar threshold for capitalizing assets and a useful-life range for each capital asset class. Depreciation is calculated using the straight-line method.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

	<u>Capitalization Threshold</u>	<u>Years</u>
Construction in progress	All assets	N/A
Land	All assets	N/A
Land improvements	\$5,000	20-40
Buildings	All assets	10-80
Building improvements	\$5,000	10-80
Infrastructure	\$5,000	6-100
Furniture, equipment and vehicles	\$5,000	5-20
Works of art & historical treasures	All assets	N/A

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are reported on the government-wide financial statements in their entirety. Governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred.

Encumbrances

Encumbrances are a budgetary basis of accounting. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General fund	\$ 218,520
Sewer funds	<u>11,400</u>
Total	<u>\$ 229,920</u>

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities in the statement of net position. Bond premiums, discounts, issuance costs and deferred gain or loss on refundings of obligations are deferred and amortized over the life of the bonds using the effective interest rate method. In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures. Bonds are presented net of premiums and discounts on the statement of net position.

Compensated Absences, Vacation and Sick Leave

Employees earn a specified amount of vacation time in each pay period based on their years of service. Employees can carry-forward up to thirty-five vacation days from year to year. Unused vacation time at year end is multiplied by the employees hourly rate at year end to establish the County's liability for unused vacation time.

Sick time is awarded on a monthly basis to those employees on the payroll for more than 50% of the month. Employees can carry forward up to 250 sick hours. Employees hired before January 1, 1981 receive a percentage of their unused sick time upon separation from service with the County. Employees hired after January 1, 1981 receive a percentage of their unused sick time only upon retirement. The sick time liability was estimated by taking a percentage of unused sick time multiplied by the hourly rate for employees in retirement tiers 1 through 3. Tier 3 ended in 1983 and the estimate would therefore, include all individuals hired prior to January 1, 1981 as well as most of those employees eligible for retirement based on age and years of service.

Net Position and Fund Balance

Government-wide Financial Statements - Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied. Net position on the statement of net position includes the following:

Net Investment in Capital Assets - The components of net position that reports the difference between capital assets, related debt issuance costs, bond discounts and deferred refunding proceeds, less both the accumulated depreciation and the outstanding balance of debt and bond premiums, excluding unspent bond proceeds, that is directly attributable to the acquisition, construction or improvement of capital assets.

Restricted - The components of restricted net position report amounts restricted by external parties. The components that make up the County's restricted net position include the following:

Restricted for FAA Cash - Represents the cumulative unexpended passenger facility charge restricted to be used for Federal Aviation Administration approved projects.

Restricted for Health Insurance Cash - Represents the cumulative unexpended amounts related to cash restricted for County health insurance obligations.

Restricted for Liquidity Reserves - Chemung Tobacco Asset Securitization Corporation is required to place a portion of the bond proceeds in trust as a reserve to partially secure payments to the bond holders. The restriction will be released as the bonds mature and are paid.

Unrestricted - The difference between the assets and liabilities that is not reported as restricted or net investment in capital assets.

Net Deficits - Net deficits occur when total fund liabilities exceed total fund assets. At December 31, 2012, the County had net deficits in the capital projects fund, Chemung County Nursing Facility and Chemung Tobacco Asset Securitization Corporation. Reducing the deficit is a priority for the County.

Capital Projects Fund - The capital projects fund had a fund deficit of \$273,265 at December 31, 2012. The net deficit resulted from amounts owed to the capital project from other funds at year end and due to the status of the current projects. It is expected that these amounts will be repaid within the next fiscal year, eliminating the deficit.

Chemung County Nursing Facility - The Chemung County Nursing Facility had a deficit of \$4,047,560 at December 31, 2012. The Chemung County Nursing Facility increased its net position in 2012 by \$265,381. The County's review of operations have assisted in making gains in operating efficiencies.

Chemung Tobacco Asset Securitization Corporation - The net deficit of the Chemung Tobacco Asset Securitization Corporation ("TASC") at the end of 2012 was \$4,203,457. The Chemung TASC increased its net position in 2012 by \$180,054. This deficit results from the full accrual accounting for the Chemung TASC. Full accrual accounting requires the recording of the full amount of the bonds payable at the time the bonds are issued, while the revenue is recognized each year as it becomes available to pay the bonds. It is expected that the deficit will decline as the revenues related to the tobacco settlements are received.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Governmental Fund Financial Statements - In the governmental fund financial statements, the County records fund balance in accordance with GASB Statement No. 54. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, improves the usefulness and clarity of fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact. There were no nonspendable amounts at December 31, 2012.

Restricted Fund Balance - amounts with constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments.

Committed Fund Balance - amounts constrained to specific purposes by the County itself, by adopting a formal resolution from the County Legislature. To be reported as committed, amounts cannot be used for any other purpose unless the County Legislature adopts a resolution to remove or change the constraint.

Assigned Fund Balance - amounts a government intends to use for a specific purpose. Intent can be expressed by the County Legislature or by an official or body to which the County Legislature delegates the authority.

Unassigned Fund Balance - amounts that are available for any purpose.

For the classification of governmental fund balances, the County considers an expenditure to be made from the budgetary appropriations first when more than one classification is available. The County established and modifies fund balance commitments by the passage of a legislative resolution in meetings of the County Legislature. Assigned fund balance is established by the County through adoption or amendment of the budget as intended for specific purposes (such as the purchase of capital assets, construction, debt service or for other purposes). The County's Treasurer and County Legislature are responsible for all the purchasing activities of the County and encumbrances at year end, which are considered assigned funds and therefore, the Treasurer and County Legislature are designated as having the authority to assign amounts intended to be used for specific purposes. The County Legislature approves the adoption and amendment of the budget and has the authority of final review of all assignments of fund balance.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The following is a detail summary of the different classifications of fund balance within the County:

Restricted

Restricted health insurance cash - Represents the cumulative unexpended amounts related to cash restricted for County health insurance obligations. This amounted to \$1,356,163 for all governmental funds as of December 31, 2012.

Restricted unspent bond proceeds - Represents unexpended bond proceeds related to capital improvement projects. These amounted to \$1,273,990 for all governmental funds as of December 31, 2012. The unspent bond proceeds for the County consisted of the following at December 31, 2012:

- Public Improvement Bonds - 10/18/2012 - \$793,387
- Public Improvement Bonds - 10/21/2011 - \$290,158
- Public Improvement Bonds - 12/01/2010 - \$190,445

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Committed

Reserve for DWI funds - Represents unexpended amounts from DWI fines, restricted by the County Legislature through formal resolution. This amounted to \$282,179 for all governmental funds as of December 31, 2012.

Reserve for senior games - Represents amounts restricted by the County Legislature through formal resolution for the annual senior games. This amounted to \$10,059 for all governmental funds as of December 31, 2012.

Reserved purchase agreement funds - Represents amounts received upon the closing of the Casella Waste agreement. These funds have been restricted by the County Legislature through formal resolution for future repayment upon completion of the contract. This amounted to \$508,003 for all governmental funds as of December 31, 2012.

Assigned

Assigned for solid waste - Represents assigned amounts strictly related to the operation and activities of the solid waste fund. This amounted to \$1,159,479 for all governmental funds as of December 31, 2012.

Assigned for road machinery - Represents assigned amounts strictly related to the operation and activities of the road machinery fund. This amounted to \$85,280 for all governmental funds as of December 31, 2012.

Assigned for sewer - Represents assigned amounts strictly related to the operation and activities of the sewer funds. This amounted to \$2,537,938 for all governmental funds as of December 31, 2012.

Reserve for encumbrances - Represents encumbrances expected to be honored upon performance by the vendor in the next year. These amounted to \$229,920 for all governmental funds as of December 31, 2012.

Unassigned

Unassigned fund balance consists of excess funds that have not been classified in the previous categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls. This amounted to \$26,185,634 for all governmental funds as of December 31, 2012.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the funds. Revenues and expenses not meeting these definitions are reported as non-operating.

Property Taxes

County property taxes are levied annually as of January 1, payable without penalty until January 31. Unpaid taxes are advertised for tax sale beginning September 1, and property liens are obtained in October. Taxes for County purposes are levied together with taxes for town and special district purposes as a single bill. The towns and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. The County assumes enforcement responsibility for all taxes levied in the towns. Unpaid village and school district taxes are turned over to the County for enforcement. Any such taxes remaining unpaid at year end are re-levied as County taxes in the subsequent year.

Sales Tax

Chemung County and the State of New York each currently impose sales and use tax. The State of New York imposes a sales and use tax of four percent and the County imposes an additional four percent for a total of an eight percent sales and use tax imposed within the County. The County's sales and use tax is composed of an original three percent and an additional one percent authorized by State law. The County recognizes as sales tax revenue the entire four percent in the general fund. The subsequent payments to cities, towns and villages are recognized as general fund general governmental expenditures.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 2. Deposits and Investments

The County Charter specifies that the County Treasurer is responsible for all deposits and investments in accordance with general municipal law and the County's investment policy. General Municipal Law, Section 10 provides that all deposits of the County including certificates of deposits and special time deposits, in excess of the amount insured under the provision of the Federal Deposit Insurance Act shall be secured:

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

Security on deposits and investments is categorized based on the level of credit risk. The categories of credit risk are defined as follows:

- Category 1 Insured by the Federal Deposit Insurance Corporation ("FDIC") or securities held by the County or by an agent of the County in the County's name.
- Category 2 Securities held by the pledging financial institution's trust department or an agent in the County's name.
- Category 3 Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the County's name; or collateralized with no written collateral agreement.

At year end, the carrying amount of the County's deposits was \$22,264,965, which excludes component units. The following were the bank balances according to risk categories:

	Total	Category 1	Category 2	Category 3
Cash deposits	\$ 23,147,288	\$ 5,661,610	\$ 17,485,678	\$ -

On December 31, 2010, legislation was passed allowing unlimited FDIC insurance coverage for noninterest-bearing transaction accounts. This coverage was temporary and was effective through December 31, 2012. Beginning on January 1, 2013, accounts held by FDIC insurance coverage for a government unit will be insured up to \$250,000 for the combined amount of all time and savings accounts (including NOW accounts) and up to \$250,000 for all demand deposit accounts (interest-bearing and noninterest-bearing).

Note 3. Receivables

Real property taxes receivable at December 31, 2012 were \$7,403,874. Included in the real property taxes receivable are returned city, village, and school taxes of \$2,501,791 which are offset by liabilities to the cities, villages, and school districts. The remaining amount of tax receivables are offset by deferred tax revenue of \$3,888,201 and represents an estimate of tax liens, which will not be collected within the first sixty days of the subsequent year. City, village, and school district taxes not collected by the respective entity have been or will be re-levied with the County tax levy the following year.

State and federal receivable balances in the government activities column of the government-wide statement of net position consisted of funds claimed but not received from various state and federal sources of \$13,940,077 at December 31, 2012. Other receivables in the government activities column of the government-wide statement of net position consisted of amounts receivable for PILOT payments, sales tax and services rendered by departments such as solid waste, the sewer districts, workers' compensation and self insurance of \$10,269,307 at December 31, 2012.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 4. Long-Term Solid Waste Lease Agreement

In September 2005, the County entered into a long-term lease agreement with New England Waste Services of New York, Inc and Casella Waste Systems, Inc. ("Casella"). The agreement stipulates that Casella will run the landfill and material recycling operations and will reimburse the County for personnel and other costs as well as pay an annual lease payment. Rates for services rendered are set by Casella. The lease payment will increase if the Department of Environmental Conservation approves a request to increase the annual dumping allotment.

Under the terms of the agreement, Casella will be responsible for all closure and post-closure costs. Accordingly, the long-term liability for landfill closure and post closure costs has been removed from these financial statements. Casella has issued a performance bond to the County to assure their obligations under the terms of the agreement. Minimum lease payments are as follows:

2013	\$ 1,000,000
2014	1,000,000
2015	1,000,000
2016	1,000,000
2017	1,000,000
Thereafter	<u>12,000,000</u>
Total	<u>\$ 17,000,000</u>

In April 2010, an amendment was made to the Operation, Management and Lease Agreement whereby the County will receive an additional \$8,000,000 from April 2010 through May 2013 in exchange for canceling some of the infrastructure projects included in the original agreement. Of the \$8,000,000, \$5,000,000 was received in the year ended December 31, 2010. An additional \$1,000,000 was received in the years ended December 31, 2011 and 2012. The remaining \$1,000,000 installment will be received in the 2013 fiscal year.

Note 5. Capital Assets

Capital asset activity for the year ended December 31, 2012 was as follows:

	Restated Balance 12/31/2011	Increases	Decreases	Balance 12/31/2012
Governmental Activities				
Capital Assets Not Depreciated				
Land	\$ 11,908,523	\$ -	\$ -	\$ 11,908,523
Construction in progress	<u>4,831,354</u>	<u>2,626,791</u>	<u>(3,664,291)</u>	<u>3,793,854</u>
Total capital assets not depreciated	<u>16,739,877</u>	<u>2,626,791</u>	<u>(3,664,291)</u>	<u>15,702,377</u>
Capital Assets Depreciated				
Land improvements	213,021	142,080	-	355,101
Buildings and building improvements	50,385,750	3,401,001	-	53,786,751
Infrastructure	88,033,040	3,966,934	-	91,999,974
Furniture, equipment and vehicles	<u>28,672,112</u>	<u>1,726,909</u>	<u>(241,892)</u>	<u>30,157,129</u>
Total capital assets depreciated	<u>167,303,923</u>	<u>9,236,924</u>	<u>(241,892)</u>	<u>176,298,955</u>
Less, Accumulated Depreciation				
Land improvements	63,556	19,143	-	82,699
Buildings and building improvements	18,009,059	976,071	-	18,985,130
Infrastructure	41,718,018	3,908,919	-	45,626,937
Furniture, equipment and vehicles	<u>18,741,528</u>	<u>1,741,597</u>	<u>(239,286)</u>	<u>20,243,839</u>
Total accumulated depreciation	<u>78,532,161</u>	<u>6,645,730</u>	<u>(239,286)</u>	<u>84,938,605</u>
Total capital assets depreciated - net	<u>88,771,762</u>	<u>2,591,194</u>	<u>(2,606)</u>	<u>91,360,350</u>
Governmental Activities Capital Assets - Net	<u>\$105,511,639</u>	<u>\$ 5,217,985</u>	<u>\$ (3,666,897)</u>	<u>\$107,062,727</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Depreciation expense was charged to governmental functions as follows:

General government support	\$ 497,715
Public safety	616,249
Health	87,418
Transportation	4,250,937
Economic assistance	174,500
Culture and recreation	160,023
Home and community services	858,888
Total governmental activities depreciation expense	<u>\$ 6,645,730</u>

	<u>Restated Balance 12/31/2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/2012</u>
Business-type Activities				
Capital Assets Not Depreciated				
Land	\$ 4,513,404	\$ -	\$ -	\$ 4,513,404
Construction in progress	<u>6,854,388</u>	<u>5,976,280</u>	<u>(1,482,454)</u>	<u>11,348,214</u>
Total non-depreciable capital assets	<u>11,367,792</u>	<u>5,976,280</u>	<u>(1,482,454)</u>	<u>15,861,618</u>
Capital Assets Depreciated				
Land improvements	1,350,540	850	(77,720)	1,273,670
Buildings and building improvements	20,633,521	2,271,909	(168,191)	22,737,239
Infrastructure	37,011,847	333,023	-	37,344,870
Furniture, equipment and vehicles	<u>6,438,830</u>	<u>665,728</u>	<u>(443,968)</u>	<u>6,660,590</u>
Total capital assets depreciated	<u>65,434,738</u>	<u>3,271,510</u>	<u>(689,879)</u>	<u>68,016,369</u>
Less, Accumulated Depreciation				
Land improvements	860,882	53,724	(77,720)	836,886
Buildings and building improvements	10,167,165	566,319	(168,191)	10,565,293
Infrastructure	13,654,489	2,047,549	-	15,702,038
Furniture, equipment and vehicles	<u>4,276,216</u>	<u>439,632</u>	<u>(443,968)</u>	<u>4,271,880</u>
Total accumulated depreciation	<u>28,958,752</u>	<u>3,107,224</u>	<u>(689,879)</u>	<u>31,376,097</u>
Total capital assets depreciated - net	<u>36,475,986</u>	<u>164,286</u>	<u>-</u>	<u>36,640,272</u>
Business-type Activities Capital Asset - Net	<u>\$ 47,843,778</u>	<u>\$ 6,140,566</u>	<u>\$ (1,482,454)</u>	<u>\$ 52,501,890</u>

Depreciation expense was charged to the business-type activities as follows:

Chemung County Nursing Facility	\$ 339,204
Elmira-Corning Regional Airport	<u>2,768,020</u>
Total business-type activities depreciation expense	<u>\$ 3,107,224</u>

Note 6. Pension Plan

The County participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost sharing multiple employer system that provides retirement benefits as well as death and disability benefits. The County's contribution for 2012 and the three preceding years was as follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
ERS pension contributions	<u>\$ 7,834,915</u>	<u>\$ 6,489,864</u>	<u>\$ 4,576,065</u>	<u>\$ 2,975,770</u>

Actual contributions presented represent 100% of the annual required contribution as determined in the actuarial valuation.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). The Comptroller of the State of New York is the sole trustee and administrator of the ERS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the ERS and for the custody and control of their funds. The ERS system issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on the New York State Office of the State Comptroller website.

Membership Tiers

Pension legislation enacted in 1973, 1976, 1983 and 2009 established distinct classes of membership. For convenience, the System uses a tier concept to distinguish these groups, generally:

Tier 1 - Those persons who last became members before July 1, 1973.

Tier 2 - Those persons who last became members on or after July 1, 1973, but before July 27, 1976.

Tier 3 - Generally those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1, 2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.

Tier 4 - Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.

Tier 5 - Generally those persons who first became members on or after January 1, 2010.

Tier 6 - Generally those persons who first became members on or after April 1, 2012.

Vesting

Members who joined the System prior to January 1, 2010 need five years of service to be 100% vested. Members who joined on or after January 1, 2010 need ten years of service credit to be 100% vested.

Benefits

Tier 1 and Tier 2 - Most Tier 1 and Tier 2 members are in a plan with a minimum retirement age of 55, which provides for 1.67% of final average salary for each year of service less than 20 years. Generally, the benefit with more than 20 years of service is 2% of final average salary for each year of service. Tier 2 members retiring between ages 55 and 62 with less than 30 years of service receive reduced benefits. As a result of Article 19 of the RSSL, eligible Tier 1 and Tier 2 members, whose date of membership is prior to July 27, 1976, will receive an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 months.

Tier 3, 4 and 5 - The full benefit age for Tiers 3, 4 and 5 is 62. Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Tier 6 - With the exception of those retiring under special retirement plans, Tier 6 members must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members. Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2% of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 7. Deferred Compensation

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time County employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

The Small Business Job Protection Act of 1996 was signed into law on August 20, 1996. As a result of this legislation, all 457 program assets must now be held in a trust, custodial account or annuity contract for the exclusive benefit of plan participants and their beneficiaries. Plan assets are no longer subject to claims of public entities' creditors during financial crisis.

The County adopted the Model Deferred Compensation Plan for employees of the County on December 14, 1999 retroactive to January 1, 1996. To insure compliance with the Small Business Job Protection Act of 1996, the County entered into an agreement with PEBSCO and The Hartford to become Trustee and Custodian for the County of Chemung Deferred Compensation Plan. Subsequent to December 31, 2012, MassMutual was retained as the Plan's Trustee.

During the year ended December 31, 2012, employee contributions to the plan totaled \$1,542,104.

Note 8. Risk Retention

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees and their survivors. The County uses the internal service funds to account for and finance risks for workers' comp, general liability and property damage. Assessments are paid in to this fund from other funds and participating municipalities, and are available to pay claims and administrative costs of the program. Claim liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include amounts for claims that have been incurred but not reported. Claim liabilities are estimated considering recent claim settlement trends and the effects of inflation using the present value method. Changes in the balances of claims liabilities reported in the internal service fund for the past two fiscal years ended December 31 are as follows:

	<u>Workers' Comp</u>	<u>Self Insurance</u>
Liability - December 31, 2010	\$ 2,015,859	\$ 1,109,200
Claims incurred	170,030	-
Claims payments	(647,272)	-
Changes to prior year estimates	-	-
Liability - December 31, 2011	<u>1,538,617</u>	<u>1,109,200</u>
Claims incurred	787,985	-
Claims payments	(1,004,403)	(50,056)
Changes to prior year estimates	-	-
Liability - December 31, 2012	<u>\$ 1,322,199</u>	<u>\$ 1,059,144</u>

Note 9. Commitments and Contingencies

In the normal course of operations the County receives grant funds from various Federal and State agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any disallowed expenditures resulting from such audits could become a liability of the governmental funds. While the amount of any expenditures which may be disallowed cannot be determined at this time, management expects any amounts to be immaterial.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 10. Short-Term Debt

Bond Anticipation Notes

Liabilities for bond anticipation notes (BANS) are generally accounted for in the general fund, capital projects fund and in the proprietary funds. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within the first two years. Redemptions must then continue in each subsequent twelve month period until the obligation is completely extinguished.

New York State Law requires that BANS issued for capital purposes be converted to long-term obligations within five years from the original issuance date. However, BANS issued for assessable improvement projects may be renewed up to the maximum life of the permanent financing, provided that stipulated annual reductions in principal occur.

Short-term debt outstanding at December 31, 2012 is as follows:

	<u>Balance</u> <u>12/31/2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2012</u>
Bond anticipation note payable	\$ <u>1,652,400</u>	\$ <u>3,558,668</u>	\$ <u>(1,652,400)</u>	\$ <u>3,558,668</u>

Short-term debt at December 31, 2012 consisted of a BAN in the amount of \$3,558,668 issued for general road work, airport improvements and equipment, general building improvement and highway equipment.

Note 11. Long-Term Debt

The County finances capital projects under New York State Local Finance Law. The law stipulates borrowing parameters and limitations. Titles 8, 9 and 10 establish the County's borrowing limitation. Under these guidelines certain debt, such as debt that may be added to a separate ad valorem tax, is excluded in the computation of the County's debt limit. The County's constitutional debt limit for 2012, as defined by New York State Local Finance Law is \$260,638,457. The County's qualified debt for that period is \$40,755,331 or 16% of the constitutional debt limit.

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

	<u>Restated</u> <u>Balance</u> <u>12/31/2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/2012</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities					
General obligation bonds payable - net	\$ 35,638,269	\$ 2,472,795	\$ (3,463,001)	\$ 34,648,063	\$ 3,297,171
Compensated absences	2,365,393	286,517	-	2,651,910	1,803,299
OPEB liability	<u>8,411,436</u>	<u>1,856,011</u>	<u>-</u>	<u>10,267,447</u>	<u>-</u>
	<u>\$ 46,415,098</u>	<u>\$ 4,615,323</u>	<u>\$ (3,463,001)</u>	<u>\$ 47,567,420</u>	<u>\$ 5,100,470</u>
Business-type Activities					
General obligation bonds payable - net	\$ 8,185,660	\$ 686,727	\$ (687,417)	\$ 8,184,970	\$ 735,882
Tobacco settlement bonds - net	6,012,109	-	(151,081)	5,861,028	570,000
Workers' compensation	2,049,216	286	-	2,049,502	-
Compensated absences	82,745	900	-	83,645	56,878
OPEB liability	<u>1,214,029</u>	<u>281,784</u>	<u>-</u>	<u>1,495,813</u>	<u>-</u>
	<u>\$ 17,543,759</u>	<u>\$ 969,697</u>	<u>\$ (838,498)</u>	<u>\$ 17,674,958</u>	<u>\$ 1,362,760</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Current year debt service payments and balances at December 31, 2012 are as follows:

<u>Bond</u>	<u>2012</u>			<u>Balance at December 31, 2012</u>		
	<u>Original Amount</u>	<u>Interest Payments</u>	<u>Principal Payments</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Public Improvement Bonds, 07/15/92. These bonds have staggered maturities from 1993-2012. Interest rates ranged from 5.40% to 5.50%. The interest rate was 5.50% for the current year. Interest payments were made bi-annually. The bonding covered capital projects and purchases for various general fund and airport projects.	\$ 6,815,000	\$ 20,625	\$ 375,000	\$ -	\$ -	\$ -
Public Improvement Bonds, 06/15/98. These bonds have staggered maturities from 1999-2018. Interest rates range from 4.50% to 4.55%. The interest rate was 4.55% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for the solid waste district and various general fund projects.	5,090,000	14,901	165,000	245,000	245,000	-
Public Improvement Bonds, 03/15/02. These bonds have staggered maturities from 2003-2016. Interest rates range from 4.25% to 5.00%. The interest rate was 4.375% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for various general fund and airport projects.	4,145,670	86,050	330,000	1,485,000	1,400,223	84,777
Public Improvement Bonds, 06/15/04. These bonds have staggered maturities from 2005-2017. Interest rates range from 4.125% to 4.40%. The interest rate was 4.20% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for various general fund, airport and nursing facility projects.	3,492,372	73,690	280,000	1,590,000	976,521	613,479
Public Improvement Bonds, 08/15/05. These bonds have staggered maturities from 2006-2020. Interest rates range from 3.80% to 4.00%. The interest rate was 3.85% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for various general fund, airport and nursing facility projects.	5,185,000	171,868	415,000	3,985,000	2,484,200	1,500,800

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

<u>Bond</u>	<u>Original Amount</u>	<u>Interest Payments</u>	<u>Principal Payments</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Public Improvement Bonds, 11/01/06. These bonds have staggered maturities from 2007-2021. Interest rates range from 3.75% to 4.00%. The interest rate was 3.75% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for various general fund, airport and nursing facility projects.	4,278,620	123,700	255,000	2,870,000	2,418,636	451,364
Public Improvement Bonds, 8/15/07. These bonds have staggered maturities from 2008-2027. Interest rates range from 4.125% to 4.25%. The interest rate was 4.25% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for various general fund, airport and nursing facility projects.	6,402,298	234,600	245,000	5,275,000	4,801,510	473,490
Public Improvement Refunding Bonds, 2/15/08. These bonds have staggered maturities from 2008-2015. Interest rates range from 4.00% to 4.25%. The interest rate was 4.00% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for various general fund and nursing facility projects. Debt issuance costs relating to this current refunding are recorded on the statement of net position as of December 31, 2012 for \$43,875, net of amortization.	3,935,000	81,513	495,000	1,605,000	1,567,282	37,718
Clear Water State Revolving Fund, 7/08/08. These are interest free bonds that require annual principal payments of \$29,751. The bonds mature in July 2038.	892,535	-	29,751	773,519	773,519	-
Public Improvement Bonds, 9/15/08. These bonds have staggered maturities from 2009-2023. Interest rates range from 4.00% to 4.25%. The interest rate was 4.00% for the current year. Interest payments are made bi-annually. The bonding covers capital projects and purchases for various general fund, airport and nursing facility projects.	4,170,246	142,994	230,000	3,300,000	1,735,059	1,564,941

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

<u>Bond</u>	<u>Original Amount</u>	<u>Interest Payments</u>	<u>Principal Payments</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Public Improvement Bonds, 9/15/09. These bonds have staggered maturities from 2010-2024. Interest rates range from 3.25% to 4.00%. The interest rate was 3.50% for the current year. Interest payments are made semi-annually. The bonding covers capital projects and purchases for various general fund, airport and nursing facility projects.	4,489,619	148,188	245,000	3,780,000	1,811,600	1,968,400
Public Improvement Bonds, 12/1/10. These bonds have staggered maturities from 2011-2023. Interest rates range from 3.25% to 4.00%. The interest rate was 3.25% for the current year. Interest payments are made semi-annually. The bonding covers capital projects and purchases for various general fund and nursing facility projects.	2,536,765	82,150	160,000	2,210,000	2,009,646	200,354
Public Improvement Refunding Bonds, 08/01/11. These bonds have staggered maturities from 2011-2021. Interest rates range from 2.00% to 5.00%. The interest rate was 2.50% for the current year. Interest payments are made semi-annually. The bonding covers the refunding of Public Improvement Bonds, 08/15/01 and 08/15/03. The bonding also covers the costs of issuance. Debt issuance costs and deferred refunding proceeds relating to this refunding are recorded on the statement of net position as of December 31, 2012 for \$83,508 and \$244,232, net of amortization, respectively.	5,740,000	191,481	445,000	4,775,000	4,201,444	573,556
Public Improvement Bonds, 10/20/11. These bonds have staggered maturities from 2012-2026. Interest rates range from 2.00% to 4.00%. The interest rate was 2.00% for the current year. Interest payments are made semi-annually. The bonding covers capital projects and purchases for various general fund projects. Debt issuance costs relating to these bonds are recorded on the statement of net position as of December 31, 2012 for \$13,059, net of amortization.	7,907,131	246,117	422,129	7,485,000	7,485,000	-

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

<u>Bond</u>	<u>Original Amount</u>	<u>Interest Payments</u>	<u>Principal Payments</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Public Improvement Bonds, 10/15/12. These bonds have staggered maturities from 2013-2027. Interest rates range from 1.00% to 2.125%. The interest rate was 1.00% for the current year. Interest payments are made semi-annually. The bonding covers capital projects and purchases for various general fund and nursing facility projects.	<u>3,159,522</u>	<u>-</u>	<u>-</u>	<u>3,159,522</u>	<u>2,472,795</u>	<u>686,727</u>
Total general obligation bonds	<u>68,239,778</u>	<u>1,617,877</u>	<u>4,091,880</u>	<u>42,538,041</u>	<u>34,382,435</u>	<u>8,155,606</u>
Tobacco Trust/Tobacco Settlement Pass-Through Bonds, 12/07/00. Interest rates range from 5.00% to 6.625%. The interest rate was 5.70% for the current year. Interest payments are made semi-annually. The face value of the bonds were \$8,090,000 and were sold at a discount of \$116,695. The discount is being amortized over the lives of the bonds. These bonds have staggered maturities from 2000-2025. Debt issuance costs relating to these bonds are recorded on the statement of net position as of December 31, 2012 for \$138,898, net of amortization.	<u>8,090,000</u>	<u>389,132</u>	<u>155,000</u>	<u>5,920,000</u>	<u>-</u>	<u>5,920,000</u>
Total principal and interest	<u>\$ 76,329,778</u>	<u>\$ 2,007,009</u>	<u>\$ 4,246,880</u>			
Total bonds payable				48,458,041	34,382,435	14,075,606
Less - unamortized bond premiums (discounts)				236,020	265,628	(29,608)
Less - current portion general obligation bonds - net				<u>(4,603,053)</u>	<u>(3,297,171)</u>	<u>(1,305,882)</u>
Total bonds payable - net of current portion and premium				<u>\$ 44,091,008</u>	<u>\$ 31,350,892</u>	<u>\$ 12,740,116</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

The annual aggregate maturities for general obligation bonds are as follows:

	<u>Total</u>		<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 3,977,916	\$ 1,517,077	\$ 3,247,521	\$ 1,215,185	\$ 730,395	\$ 301,892
2014	4,044,752	1,386,126	3,288,433	1,110,635	756,319	275,491
2015	4,189,748	1,242,290	3,405,376	994,763	784,372	247,527
2016	3,764,751	1,087,070	2,963,277	869,296	801,474	217,774
2017	3,514,753	944,236	2,699,936	756,992	814,817	187,244
2018 - 2022	15,368,746	2,902,709	12,135,390	2,373,987	3,233,356	528,722
2023 - 2027	7,350,114	679,454	6,315,241	606,019	1,034,873	73,435
2028 - 2032	148,755	-	148,755	-	-	-
2033 - 2037	148,755	-	148,755	-	-	-
2038	29,751	-	29,751	-	-	-
	<u>\$ 42,538,041</u>	<u>\$ 9,758,962</u>	<u>\$ 34,382,435</u>	<u>\$ 7,926,877</u>	<u>\$ 8,155,606</u>	<u>\$ 1,832,085</u>

The annual aggregate maturities for the bonds held by the Chemung County Tobacco Asset Securitization Corporation are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 570,000	\$ 366,709	\$ 936,709
2014	315,000	338,971	653,971
2015	325,000	318,624	643,624
2016	355,000	296,849	651,849
2017	370,000	273,466	643,466
2018 - 2022	2,640,000	900,290	3,540,290
2023 - 2025	1,345,000	95,897	1,440,897
Total interest expense	<u>\$ 5,920,000</u>	<u>\$ 2,590,806</u>	<u>\$ 8,510,806</u>

The Chemung County Tobacco Asset Securitization Corporation bond is not debt of the County and the County is not liable thereon, nor shall it be payable out of any funds other than those of the Chemung County Tobacco Asset Securitization Corporation.

Prior Year Defeasance of Debt

Public Improvement Refunding Bonds 08/01/2011 - In prior years, the government defeased general obligation public improvement bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At December 31, 2012, the balance of the defeased debt outstanding amounted to \$5,285,000.

Interest Expense - For the year ended December 31, 2012, the components of interest expense include the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Primary Government</u>
Interest paid	\$ 1,298,684	\$ 708,325	\$ 2,007,009
Add: Current year accrued interest	362,588	51,286	413,874
Add: Amortization of deferred refunding proceeds	43,643	4,824	48,467
Add: Amortization of issuance costs	26,892	15,204	42,096
Add: Amortization of discount	-	3,919	3,919
Less: Prior year accrued interest	(385,570)	(55,529)	(441,099)
Less: Amortization of bond premiums	(52,712)	(5,826)	(58,538)
	<u>\$ 1,293,525</u>	<u>\$ 722,203</u>	<u>\$ 2,015,728</u>

Note 12. Chemung County Nursing Facility - Enterprise Fund

Summary of Significant Accounting Policies

Basis of Reporting - The Facility is a 200 bed skilled nursing facility funded primarily through Medicaid, Medicare and private fees. The County has proprietary interest in all assets and the responsibility for all obligations of the Facility. The Facility's accounts are segregated into a separate enterprise fund.

The financial statements of the Facility have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The Facility receives certain administrative and other support services from the County. Costs for these services that are not billed and paid directly to the County are reflected in the indirect cost allocation included in the accompanying financial statements.

The Facility is required to operate within certain budget constraints dictated by the County. Certain costs such as retiree benefit costs, depreciation, and the indirect cost allocation, which are reflected in the accompanying financial statements, are not budgeted costs which are funded by the County. Therefore, the changes in net position reflected in these financial statements are not comparable to the Facility's net operating results included in the County's operating budget.

Cash and Cash Equivalents - For the purposes of cash flow reporting, cash and cash equivalents include all temporary investments purchased with an original maturity of three months or less.

Collateral is required for cash balances not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies. At December 31, 2012 the Facilities cash balances were FDIC insured or collateralized with securities held by the pledging financial institution.

Charges for Services and Accounts Receivable - Charges for services represent the estimated net realizable amounts from patients, third-party payors, and others for services rendered and are recognized as operating revenues as services are performed. Patient accounts receivable are recorded net of contractual allowances. Revenue under third-party payor agreements is subject to audit and retroactive adjustment. Provisions for third-party payor settlements are provided in the period when the settlements are determinable.

Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Facility analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, the Facility analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with private-pay patients (which includes patients without insurance, patients with deductible and copayment balances due for which third-party coverage exists for part of the bill, and patients awaiting Medicaid approval), the Facility records a significant provision for bad debts in the period of service on the basis of its past experience. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable accounts receivable. The allowance for doubtful accounts at December 31, 2012 was \$905,000. The Facility's allowance for doubtful accounts increase of \$130,000 is the result of specific reserves for private-pay patients. The Facility does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Revenue from Medicaid and Medicare accounted for approximately 68% of the Facility's total revenue, excluding inter-governmental transfer, for the year ended December 31, 2012. Laws and regulations governing Medicaid and Medicare are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

Inventories - Inventories, consisting of supplies for various departments, are stated at the lower of cost (first-in, first-out method) or market.

Capital Assets - Capital assets are stated on the basis of cost. Depreciation and amortization are computed using the straight-line method on a basis considered adequate to depreciate the assets over their estimated useful lives, which range from five to forty years.

Expenditures for renewals and betterments are capitalized while expenditures for repairs and maintenance are charged to operations as incurred. Upon sale or retirement, the related cost and allowances for depreciation or amortization are removed from the accounts and the related gain or loss is reflected in operations.

Use of Estimates - The preparation of financial statements in conformity with accounting principals 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recent Accounting Pronouncements - In July 2011, the FASB issued guidance which amends the current presentation and disclosure requirements for health care entities that recognize significant amounts of patient service revenue at the time the services are rendered without assessing the patient's ability to pay. This guidance requires health care entities to present the provision for bad debts as a deduction from patient service revenues. In addition, the guidance requires more disclosure on the policies for recognizing revenue, assessing bad debts, as well as quantitative and qualitative information regarding changes in the allowance for doubtful accounts. This guidance is applied retrospectively to all prior periods presented and is effective during interim and annual periods beginning after December 15, 2011. The adoption of this guidance is not expected to have a material impact on the Facility's financial position, changes in net position, or cash flows.

Third-Party Reimbursement

The Medicaid program provides for reimbursement to nursing homes on a prospective basis with no provision for retroactive adjustments other than those resulting from audit by the third-party agency, which involve either errors in the original cost reports used by such agencies to develop the prospective rates or changes in regulations promulgated by the Courts. New York State rebasing legislation was enacted in 2006 and authorized an update of the Medicaid rates from a cost base year of 1983 to a 2002 cost base. As of December 31, 2012, the rebasing rates authorized in 2006 has not been implemented. The New York State Health/Mental Health Article VII Budget Bill (S.2809-D) was passed in 2011 and included rebasing funding for the period April 1, 2009 through March 31, 2011. During 2011, the Facility received approximately \$333,000 as a result of rebasing and trend recoupment. Adjustments resulting from third-party audits are generally made by withholding amounts from current remittances or adjusting future reimbursement rates. Under the Medicare program, nursing homes are reimbursed for defined costs of services rendered to patients. During the year, the Medicare intermediary makes interim payments which are tentatively adjusted upon filing various cost reports and are subject to final adjustment upon audit.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Prior year rate, audit and other adjustments - Medicaid retroactive adjustments, which amounted to \$280,000 for the period 2009 to 2010, were recorded as an increase in operating revenues for the year ended December 31, 2012.

Inter-Governmental Transfer (IGT) - The New York State Public Health Law has provided for payments to non-state operated public residential healthcare facilities, such as the Chemung County Nursing Facility, based on Medicaid days. This funding, which is an "Inter-Governmental Transfer (IGT)", has historically been received through the County. IGT revenues of \$3,538,813 were recorded by the Facility in 2012, which represented payments for the New York State 2011/2012 fiscal years. As of December 31, 2012, the \$3,538,813 IGT revenues is included in other receivables.

Reimbursement Rate Audit - The effect of the above-mentioned rate adjustments and audits on rate years subsequent to those mentioned is not presently determinable and, accordingly, has not been reflected in the accompanying financial statements.

Note 13. Internal Balances

The County reports internal balances between many of its funds. The sum of all balances presented in the table agrees with the sum of interfund balances presented in the balance sheet for governmental funds, the statement of net position for proprietary funds, and statement of net position for the fiduciary fund.

All internal balances are considered to be short-term. Internal balances at December 31, 2012 consisted of the following:

	Amount Receivable	Amount Payable
General fund	\$ 11,306,691	\$ 4,542,896
Capital projects fund	1,503,452	4,078,749
County road fund	146,616	93
Road machinery fund	240,555	-
Sewer funds	132,086	256,938
Solid waste fund	527,826	-
Internal service funds	3,375,960	819,910
Nursing facility	-	6,409,520
Elmira-Corning Regional Airport	144,511	1,269,591
Total	\$ 17,377,697	\$ 17,377,697

Internal balances are used to:

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

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 14. Interfund Transfers

The County reports interfund transfers between many of its funds. The sum of all transfers presented in the table below agrees with the sum of interfund transfers presented in the balance sheet for governmental funds, the statement of net position for proprietary funds, and statement of net position for the fiduciary fund.

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ 185,469	\$ 5,180,555
Capital projects fund	1,184,315	3,916,090
County road fund	4,262,568	180,600
Sewer funds	13,117	-
Solid waste fund	478,151	-
Elmira-Corning Regional Airport	<u>3,166,742</u>	<u>13,117</u>
Total	<u>\$ 9,290,362</u>	<u>\$ 9,290,362</u>

Interfund transfers are used to:

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

Note 15. Joint Ventures

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

Southern Tier Central Regional Planning and Development Board - The Counties of Chemung, Steuben, and Schuyler are participants in the joint Southern Tier Central Regional Planning and Development Board. The municipal agreement provides that the participants' share of the cost shall be prorated as agreed upon by the member Counties. In 2012, there were no contributions from the County. As of December 31, 2012, there was no outstanding indebtedness. Audited financial statements may be obtained from the Administrative Offices of the Southern Tier Central Regional Planning Board located at 8 Denison Parkway, Corning, New York 14830.

Corning Community College - Corning Community College is operated jointly by the Counties of Chemung, Steuben and Schuyler. The County of Chemung included approximately \$4.8 million in its 2012 real property tax levy to help finance the College's expenditures. In 2012, the County expended \$4,284,409 in residential tuition, which was based on capital and operating costs.

The following is a summary of audited financial information included in the financial statements issued for the college for the year ended August 31, 2012:

	<u>All Funds</u>
Total assets	\$ 55,891,911
Total liabilities	\$ 15,459,490
Net assets	\$ 40,432,421
Total revenues	\$ 38,933,143
Total expenses	\$ 40,943,406

Separate financial statements may be obtained by contacting the administrative office of Corning Community College, 1 Academic Drive, Corning, New York 14830-3297.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 16. Chemung Tobacco Asset Securitization Corporation

Nature of the Organization - In January 1997, the State of New York filed a lawsuit against the tobacco industry, seeking to recover the costs that the State and local governments had incurred in treating smoking related illnesses. Chemung Tobacco Asset Securitization Corporation (the "Corporation") was established to acquire from Chemung County all or a portion of the rights, title and interest under the Master Settlement Agreement (the "MSA") and the Consent Decree and Final Judgment (the "Decree") as described herein.

The MSA includes New York and 45 other states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the U.S. Virgin Islands, American Samoa and the Territory of the Northern Marianas, and four of the largest United States tobacco product manufacturers: Philip Morris Incorporated, R.J. Reynolds Tobacco Company, Brown and Williamson Tobacco Company (B&W), and Lorillard Tobacco Company (collectively, the "Original Participating Manufacturers" or "OPMs"). On January 5, 2004, Reynolds American Inc. was incorporated as a holding company to facilitate the combination of the U.S. assets, liabilities, and operations of B&W with those of Reynolds Tobacco. The agreement was entered into in settlement of certain smoking-related litigation and the Decree entered in New York Supreme Court, including the County's right to receive certain initial and annual payments to be made by the OPMs under the MSA.

The Corporation was formed to raise funds by issuing bonds, use those funds to acquire the rights to future proceeds from a settlement agreement with various tobacco companies payable to the County, and remain in existence during the term of the bonds to collect the tobacco settlement proceeds and service the debt.

The Corporation is dependent on future proceeds from the settlement agreement. Proceeds received in excess of the Corporation's operational expenses, debt service and required reserves are transferred to the County, as the beneficial owner of the residual certificate, subject to restrictions imposed by certain trapping events.

During 2003, the Corporation adopted its first amendment to the indenture, dated as of December 1, 2000, between the Corporation and Manufacturers and Traders Trust Company (M&T), as Trustee. The amendment effectively modifies the indenture to be consistent with the official statement concerning downgrade trapping events as being immediate, in the year in which the event occurred.

The Corporation is a local development corporation created in October 2000 under Section 1411 of the New York State Not-for-Profit Corporation Law. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and Technical Bulletin 2004-1, *Tobacco Settlement Recognition and Financial Reporting Entity Issues*, the Corporation is required to be included in the basic financial statements of Chemung County, New York. Accordingly, the Corporation is presented as a blended component unit of the County.

Method of Accounting - The Corporation maintains its books and prepares its financial statements on the accrual basis of accounting.

Estimates - The preparation of financial statements in conformity 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Tobacco Settlement Proceeds Receivable - This asset represents estimated annual payments to be received from the MSA between various tobacco manufacturers and state and local governments. The MSA resolved cigarette smoking-related litigation between the manufacturers and the states. The right to receive the payments was acquired by the Corporation through a purchase from the County. As of December 31, 2012 the tobacco settlement proceeds receivable amounted to \$737,591.

Restricted Cash - Liquidity Reserve - The Corporation is required to place a portion of the bond proceeds in trust as a reserve to partially secure payments to the bond holders. The restriction on these funds will be released as the bonds mature and are paid. The restricted cash - liquidity reserve amounted to \$648,254 as of December 31, 2012.

COUNTY OF CHEMUNG - STATE OF NEW YORK
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Residual Receivable/Payable to Chemung County - The Corporation receives 100% of the County's tobacco settlement proceeds, although only 40% are applicable to the Corporation. The residual 60% is refundable to the County. As of December 31, 2012, none of the residual assets due to the County were held by the Corporation.

Related Party - The Corporation is a special purpose local development corporation, and is considered by legal counsel to be bankruptcy-remote from the County. However, the Corporation's Board of Directors is comprised of four elected or appointed officials of the County, and one independent director. For financial statement purposes, the Corporation is considered to be a blended component unit of the County.

Net Deficit - The net deficit is due to various expenses associated with the bonds. The future cash receipts from the Master Settlement Agreement (MSA) are expected to offset this deficit. The largest payments provided for in the MSA are called initial payments and annual payments. Both are subject to certain adjustments, reductions and offsets, which are described in the following paragraphs.

Initial payments to New York State were made in the first five years of the agreement, starting with \$2.4 billion in 1999; the last four of these were subject to the volume adjustments, the non-settling states reduction, and the offset for miscalculated or disputed payments.

Annual payments to the State commenced on April 15, 2000, starting at \$2.5 billion in 2000 and continuing into perpetuity at a cap of \$9 billion to be reached in 2018. The annual payments are subject to inflation adjustment, the volume adjustment, the previously settled states reduction, the non-settling states reduction, the non-participating manufacturers adjustment, the offset for miscalculated or disputed payments, the federal tobacco legislation offset, the litigating parties offset, and the offsets for claims. The Corporation started receiving the County's portion of the annual payments on April 15, 2001.

Note 17. Restricted Net Assets

Restricted for FAA Cash

The County, with the approval of the Federal Aviation Administration (FAA), began collecting passenger facility fees ("PFC") from all passengers departing from the Elmira-Corning Regional Airport. These fees may only be used to fund projects approved by the FAA. In addition, any funds derived from the sales of minerals or mineral rights on airport land can only be used for airport purposes in accordance with FAA regulations. Accordingly, funds received from PFC collections and from the sale of gravel and natural gas rights have been recorded as restricted in these financial statements. The amount of FAA cash restricted at year end December 31, 2012 amounted to \$234,012.

Restricted for Health Insurance Cash

Cash related to the reserve for health insurance amounted to \$1,356,163 for the year ended December 31, 2012.

Restricted for Liquidity Reserves

Chemung Tobacco Asset Securitization Corporation is required to place a portion of the bond proceeds in trust as a reserve to partially secure payments to the bond holders. The restriction will be released as the bonds mature and are paid. The amount of liquidity reserve restricted at year end December 31, 2012 amounted to \$658,254.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

Note 18. Post Employment Healthcare Plan ("OPEB" Liability)

Plan Description - The County contributes to the Chemung County Employee Health Care Plan ("the Plan"), a cost sharing single-employer defined benefit healthcare plan administered by Excellus Blue Cross and Blue Shield. The Plan provides medical benefits to active and retired employees of the County. Currently, the costs of these benefits are expensed as claims are incurred and are recorded as health and insurance expense. The retired employees reimburse the County for a portion of these expenses and the reimbursed amount is allocated against this expense.

Funding Policy - The County and the retiree each pay 50% of the premium cost until the retiree becomes eligible for Medicare. When the employee becomes eligible for Medicare, the coverage converts to a Medicare PPO plan if the employee continues to live in New York State and remains the same for retirees out of state. The County pays \$108.14 of the Medicare PPO cost and 50% of the non-PPO coverage plus a Medicare off-set.

Actuarial Methods and Assumptions - 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 actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress presented immediately following the financial statements as required supplementary information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial calculations of the Plan reflect a long-term perspective. Consistent with this perspective, actuarial valuations will use actuarial methods and assumptions that include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The ARC for the Plan was determined as a part of the January 1, 2011 actuarial valuation using the following methods and assumptions:

Actuarial cost method	Projected Unit Credit
Amortization method	Level Dollar Open
Remaining amortization period	30 years
Inflation rate	2.9%
Investment return	4%
Projected salary increases	1.7%
Healthcare cost trend rate	SOA Long-Run Medical Cost Trend Model

The actuarial value of the the Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments. The period used to determine amortization costs for the initial Unfunded Actuarial Accrued Liability is a level period of thirty years. As of January 1, 2011, the most recent actuarial valuation date, the Other Post Employment Benefits ("OPEB") plan was unfunded, resulting in an unfunded accrued liability of \$32,610,379 for the County and Airport, and \$5,632,167 for the Nursing Facility.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the Plan:

	County	Nursing Facility	Airport Fund
Annual required contribution	\$ 3,351,200	\$ 512,859	\$ 77,646
Interest on net OPEB obligation	419,070	40,766	9,710
Adjustment to annual required contribution	<u>(582,569)</u>	<u>(56,670)</u>	<u>(13,498)</u>
Annual OPEB cost (expense)	3,187,701	496,955	73,858
Contributions made	<u>(1,331,690)</u>	<u>(258,174)</u>	<u>(30,855)</u>
Increase in OPEB obligation - net	<u>1,856,011</u>	<u>238,781</u>	<u>43,003</u>
Net OPEB obligation - beginning, as previously stated	8,606,326	1,019,139	-
Restatement	<u>(194,890)</u>	<u>-</u>	<u>194,890</u>
Net OPEB obligation - beginning, as restated	<u>8,411,436</u>	<u>1,019,139</u>	<u>194,890</u>
Net OPEB obligation - ending	<u>\$ 10,267,447</u>	<u>\$ 1,257,920</u>	<u>\$ 237,893</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Basic Financial Statements

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and preceding two years is as follows:

	Fiscal Year Ended	Restated Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Restated Net OPEB Obligation
County	12/31/2012	\$ 3,187,701	41.8%	\$ 10,267,447
Nursing Facility	12/31/2012	\$ 496,955	52.0%	\$ 1,257,920
Elmira-Corning Regional Airport	12/31/2012	\$ 73,858	41.8%	\$ 237,893
County	12/31/2011	\$ 3,077,305	35.8%	\$ 8,411,436
Nursing Facility	12/31/2011	\$ 484,862	51.9%	\$ 1,019,139
Elmira-Corning Regional Airport	12/31/2011	\$ 71,300	35.8%	\$ 194,890
County	12/31/2010	\$ 3,968,620	60.1%	\$ 6,899,836
Nursing Facility	12/31/2010	\$ 578,926	57.2%	\$ 786,100
Elmira-Corning Regional Airport	12/31/2010	\$ 91,952	60.1%	\$ 159,867

Note 19. Future Implementations of GASB Pronouncements

The GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 65 - *Items Previously Reported as Assets and Liabilities*. Effective for periods beginning after December 15, 2012.

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

Note 20. Restatement

The County restated its previous year financial statements in order to properly record the Elmira-Corning Regional Airport as an enterprise fund rather than as a component of the general fund. The effect of this restatement was a decrease to the beginning general fund balance in the amount of \$543,316 and an increase to the beginning enterprise funds net position and government-wide business-type net position in the amount of \$39,441,659. Accordingly, the restatement decreased the government-wide governmental activities net position in the amount of \$39,441,659.

The Chemung County Industrial Development Agency restated its financial statements for early implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The effect of the restatement was to reduce beginning net position by \$134,429.

Note 21. Subsequent Event

The County issued \$6,710,000 of 2013 series serial bonds on March 27, 2013. The purpose of these bonds was to refund \$1,300,000 of outstanding principal of the Public Improvement Serial Bonds, Series 2004 dated June 15, 2004 originally issued by the County in the aggregate principal amount of \$3,492,372, to refund \$1,590,000 of outstanding principal of the Public Improvement Serial Bonds, Series 2005 dated August 15, 2005 originally issued by the County in the aggregate principal amount of \$6,586,712 and to refund \$2,870,000 of outstanding principal of the Public Improvement Serial Bonds, Series 2006 dated November 1, 2006 originally issued by the County in the aggregate principal amount of \$4,278,620. Interest rates on the bond range from 2.00% to 3.00%. The following is a summary of the estimate repayment of the Series 2013 bonds:

	Principal	Interest
2013	\$ 60,000	\$ 99,886
2014	360,000	147,838
2015	840,000	135,838
2016	1,165,000	115,787
2017	1,200,000	86,137
2018-2021	<u>3,085,000</u>	<u>124,069</u>
	<u>\$ 6,710,000</u>	<u>\$ 709,555</u>

FINANCIAL SECTION
Required Supplementary Information

COUNTY OF CHEMUNG
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2012

	<u>Original Adopted Budget</u>	<u>Final Amended Budget</u>	<u>Actual Results</u>	<u>Variance with Final Budget</u>
Revenues				
Real property taxes	\$ 26,099,029	\$ 26,099,029	\$ 26,746,775	\$ 647,746
Real property tax items	3,379,388	3,379,388	3,966,215	586,827
Non property tax items	65,750,697	65,750,697	60,678,716	(5,071,981)
Department income	15,561,533	12,385,068	11,464,532	(920,536)
Intergovernmental charges	5,561,883	5,561,883	4,907,570	(654,313)
Use of money and property	181,100	181,100	176,564	(4,536)
Licenses and permits	15,000	15,000	20,413	5,413
Fines and forfeitures	315,718	315,718	277,060	(38,658)
Sale of property and compensation for loss	1,101,200	1,170,678	1,192,077	21,399
Miscellaneous local sources	1,146,114	6,433,470	3,886,846	(2,546,624)
State aid	21,030,991	20,845,274	21,946,998	1,101,724
Federal aid	22,841,937	24,072,181	23,502,794	(569,387)
Total revenues	<u>162,984,590</u>	<u>166,209,486</u>	<u>158,766,560</u>	<u>(7,442,926)</u>
Expenditures				
Executive - payroll	186,074	185,321	185,321	-
Executive - other	81,976	81,976	91,597	(9,621)
Legislature - payroll	344,138	337,585	337,585	-
Legislature - other	340,649	353,023	379,618	(26,595)
Courts	565,000	565,000	459,140	105,860
District attorney - payroll	764,650	789,761	789,761	-
District attorney - other	417,593	434,641	501,227	(66,586)
Public defender - payroll	754,135	763,681	763,681	-
Public defender - other	470,967	470,967	495,505	(24,538)
Treasurer - payroll	446,017	439,266	439,266	-
Treasurer - other	363,446	363,446	404,917	(41,471)
Budget - payroll	109,407	108,974	108,974	-
Budget - other	48,006	48,006	49,723	(1,717)
Purchasing - payroll	305,986	317,009	277,009	40,000
Purchasing - other	231,740	231,740	271,105	(39,365)
Real property tax - payroll	148,006	151,939	151,939	-
Real property tax - other	1,658,861	1,658,861	1,510,029	148,832
Tax advertising	75,000	75,000	74,968	32
County clerk - payroll	661,483	658,703	658,703	-
County clerk - other	405,092	405,092	438,618	(33,526)
Law department - payroll	133,732	173,166	173,166	-
Law department - other	67,106	67,106	87,557	(20,451)
Personnel department - payroll	308,494	296,411	296,411	-
Personnel department - other	197,967	197,967	187,513	10,454
Board of elections - payroll	211,021	192,995	192,995	-
Board of elections - other	462,430	462,430	424,430	38,000
Records and information - payroll	130,563	129,337	129,337	-
Records and information - other	112,967	98,387	114,231	(15,844)
Central services - payroll	51,111	50,909	50,909	-
Central services - other	24,303	24,303	27,077	(2,774)
Building and grounds - payroll	957,748	925,857	925,857	-
Building and grounds - other	2,035,767	2,319,449	2,178,062	141,387
Insurance	181,000	181,000	307,301	(126,301)
Information technology - payroll	565,879	531,690	531,690	-
Information technology - other	719,167	772,502	695,924	76,578
Municipal association dues	11,545	11,545	11,461	84
Tax assessment	32,000	32,000	50,683	(18,683)
Contingency	60,345	502,572	-	502,572
Distribution of sales tax	24,189,941	24,189,941	22,197,000	1,992,941
Community college chargeback	4,800,000	4,800,000	4,284,409	515,591
911 emergency - payroll	1,129,939	1,224,762	1,224,762	-
911 emergency - other	868,864	868,864	925,476	(56,612)
Law enforcement - payroll	7,771,097	7,331,810	7,331,810	-
Law enforcement - other	5,790,548	6,241,668	6,023,669	217,999
Probation - payroll	1,634,711	1,611,299	1,611,299	-
Probation - other	1,114,658	1,114,658	1,144,220	(29,562)
Animal control	55,512	55,512	55,512	-
Emergency management - payroll	237,349	236,455	236,455	-
Emergency management - other	242,784	746,380	500,100	246,280
Weights and measures - payroll	4,000	4,422	4,422	-
Weights and measures - other	50,383	50,383	50,412	(29)

See accompanying notes to required supplementary information.

COUNTY OF CHEMUNG
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2012

	<u>Original Adopted Budget</u>	<u>Final Amended Budget</u>	<u>Actual Results</u>	<u>Variance with Final Budget</u>
Expenditures - Continued				
Health department - payroll	3,406,005	3,410,464	3,401,546	8,918
Health department - other	3,606,501	3,606,501	3,442,380	164,121
Mental hygiene - payroll	1,075,764	1,075,764	1,017,178	58,586
Mental hygiene - other	4,869,656	4,675,015	4,540,010	135,005
Bus operations	2,540,000	2,540,000	2,764,865	(224,865)
Department of social services - payroll	7,883,178	7,616,618	7,616,618	-
Department of social services - other	59,561,989	61,382,639	57,487,373	3,895,266
Promotion of industry	85,000	85,000	85,000	-
Veterans services - payroll	196,321	195,833	195,833	-
Veterans services - other	179,319	179,319	113,730	65,589
Private social service agencies	3,500	3,500	3,500	-
Office for aging - payroll	1,154,291	1,141,478	1,141,478	-
Office for aging - other	1,408,059	1,408,059	1,478,104	(70,045)
Parks and recreation - payroll	340,937	324,776	324,776	-
Parks and recreation - other	233,461	241,039	244,680	(3,641)
Youth bureau - payroll	591,061	539,839	539,839	-
Youth bureau - other	335,038	451,073	457,764	(6,691)
Museums and art gallery	849,188	849,188	781,857	67,331
Planning board - payroll	370,279	373,288	373,288	-
Planning board - other	373,218	447,478	436,933	10,545
Joint planning board	85,650	94,659	100,119	(5,460)
Home and community	75,000	75,000	62,805	12,195
Human relations	40,000	40,000	40,000	-
Conservation	366,500	541,794	477,505	64,289
Watershed protection - payroll	9,962	10,000	9,962	38
Watershed protection - other	851,823	851,823	866,559	(14,736)
Employee benefits - payroll	47,562	47,752	47,564	188
Employee benefits - other	152,380	152,380	167,492	(15,112)
Debt principal	3,047,995	3,047,955	3,035,264	12,691
Debt interest	1,073,209	1,073,209	1,079,599	(6,390)
Total expenditures	<u>157,344,003</u>	<u>160,367,214</u>	<u>152,696,457</u>	<u>7,670,757</u>
Excess of Revenues Over Expenditures	<u>5,640,587</u>	<u>5,842,272</u>	<u>6,070,103</u>	<u>227,831</u>
Other Financing Sources (Uses)				
Interfund transfers - in	-	-	185,469	185,469
Interfund transfers - out	<u>(5,640,587)</u>	<u>(5,842,272)</u>	<u>(5,180,555)</u>	<u>661,717</u>
Total other financing sources (uses)	<u>(5,640,587)</u>	<u>(5,842,272)</u>	<u>(4,995,086)</u>	<u>847,186</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,075,017</u>	<u>\$ 1,075,017</u>
Fund Balance - Beginning, As Previously Stated			29,576,112	
Restatement			<u>(543,316)</u>	
Fund Balance - Beginning, As Restated			<u>29,032,796</u>	
Fund Balance - Ending			<u>\$ 30,107,813</u>	

See accompanying notes to required supplementary information.

COUNTY OF CHEMUNG
Schedule of Funding Progress for Other Postemployment Benefits Obligation
For the Year Ended December 31, 2012

Actuarial Valuation Date	Actuarial Valuation of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2011	\$	- \$ 38,242,545	\$ 38,242,545	-%	\$ 41,449,391	92.3%
1/1/2010	\$	- \$ 37,127,050	\$ 37,127,050	-%	\$ 40,199,001	92.4%
1/1/2009	\$	- \$ 35,620,736	\$ 35,620,736	-%	\$ 39,469,769	90.2%
1/1/2007	\$	- \$ 36,179,614	\$ 36,179,614	-%	\$ 41,742,772	86.7%

See accompanying notes to required supplementary information.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Notes to Required Supplementary Information
For the Year Ended December 31, 2012

Note 1. Budgetary Comparison Schedule and Budgetary Basis Reporting

New York State Municipal Law requires the County to adopt a balanced budget. Under the County Charter, the County Executive is required to submit a budget for all funds to the County Legislature on or before November 10. The County Legislature must then act on the budget and return it to the County Executive for signature by December 7. Any changes must be reconciled and a final budget approved on or before December 15. After the budget is adopted the County Executive may make transfers between operational accounts within the same department for all appropriations except personnel. Budget modifications between those accounts and between departments require a majority vote of the legislature. The budgetary comparison schedule has been prepared on the legal level of budgetary control. Therefore, the County's budgetary comparison schedule presents expenditures by department, with separate identification of personnel object codes, where applicable. The general fund is the only major fund with a legally-adopted budget.

The Chemung County Office of Budget and Research assists the County Executive in the preparation of the annual operating budget. In addition, the office monitors the County's departmental expenses and revenues and assists departments with their financial questions and concerns. The Budget Director also assists with the preparation of the annual financial report, claims and other financial reports. Additionally, the County Budget Director reviews and enforces County policy and procedures and forecasts into the future to estimate the impact of economic events, requirements and trends.

Note 2. Schedule of Funding Progress for Other Postemployment Benefit Obligations

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information for the other postemployment benefit obligation, latest actuarial valuation and actuarial assumptions and methods can be found in Note 18 to the financial statements.

FINANCIAL SECTION
Other Supplementary Information

COUNTY OF CHEMUNG - STATE OF NEW YORK
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012

	<u>Solid Waste Fund</u>	<u>County Road Fund</u>	<u>Road Machinery Fund</u>	<u>Sewer Funds</u>	<u>Total Nonmajor Funds</u>
ASSETS					
Assets					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 1,915,832	\$ 1,915,832
Other receivables - net	694,343	37,869	-	927,484	1,659,696
Due from other funds	527,826	146,616	240,555	132,086	1,047,083
State and federal aid receivables	<u>-</u>	<u>191</u>	<u>-</u>	<u>-</u>	<u>191</u>
Total Assets	<u>\$ 1,222,169</u>	<u>\$ 184,676</u>	<u>\$ 240,555</u>	<u>\$ 2,975,402</u>	<u>\$ 4,622,802</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 38,385	\$ 115,298	\$ 145,166	\$ 124,690	\$ 423,539
Accrued liabilities	24,305	66,889	10,109	44,436	145,739
Due to other funds	-	93	-	256,938	257,031
Due to other governments	<u>-</u>	<u>2,396</u>	<u>-</u>	<u>-</u>	<u>2,396</u>
Total liabilities	<u>62,690</u>	<u>184,676</u>	<u>155,275</u>	<u>426,064</u>	<u>828,705</u>
Fund Balances					
Assigned - reserve for encumbrances	-	-	-	11,400	11,400
Assigned	<u>1,159,479</u>	<u>-</u>	<u>85,280</u>	<u>2,537,938</u>	<u>3,782,697</u>
Total fund balances	<u>1,159,479</u>	<u>-</u>	<u>85,280</u>	<u>2,549,338</u>	<u>3,794,097</u>
Total Liabilities and Fund Balances	<u>\$ 1,222,169</u>	<u>\$ 184,676</u>	<u>\$ 240,555</u>	<u>\$ 2,975,402</u>	<u>\$ 4,622,802</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2012

	<u>Solid Waste Fund</u>	<u>County Road Fund</u>	<u>Road Machinery Fund</u>	<u>Sewer Funds</u>	<u>Total Nonmajor Funds</u>
Revenues					
Real property taxes	\$ -	\$ -	\$ -	\$ 1,975,059	\$ 1,975,059
Department income	1,689,737	-	-	3,122,380	4,812,117
Use of money and property	-	-	1,311,748	-	1,311,748
Licenses and permits	-	-	-	5,700	5,700
Sale of property and compensation for loss	-	22,382	-	310	22,692
Miscellaneous local sources	-	35,143	-	52,455	87,598
State aid	-	105,550	-	-	105,550
Federal aid	-	121,800	-	-	121,800
Total revenues	<u>1,689,737</u>	<u>284,875</u>	<u>1,311,748</u>	<u>5,155,904</u>	<u>8,442,264</u>
Expenditures					
Transportation	-	3,575,119	1,164,409	-	4,739,528
Home and community services	1,177,175	-	-	3,211,250	4,388,425
Employee benefits	628,070	791,724	147,339	1,087,035	2,654,168
Debt principal	30,000	-	-	345,025	375,025
Debt interest	8,873	-	-	210,212	219,085
Total expenditures	<u>1,844,118</u>	<u>4,366,843</u>	<u>1,311,748</u>	<u>4,853,522</u>	<u>12,376,231</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(154,381)</u>	<u>(4,081,968)</u>	<u>-</u>	<u>302,382</u>	<u>(3,933,967)</u>
Other Financing Sources (Uses)					
Interfund transfers - in	478,151	4,262,568	-	13,117	4,753,836
Interfund transfers - out	-	(180,600)	-	-	(180,600)
Total other financing sources (uses)	<u>478,151</u>	<u>4,081,968</u>	<u>-</u>	<u>13,117</u>	<u>4,573,236</u>
Net Change in Fund Balances	323,770	-	-	315,499	639,269
Fund Balances - Beginning	<u>835,709</u>	<u>-</u>	<u>85,280</u>	<u>2,233,839</u>	<u>3,154,828</u>
Fund Balances - Ending	<u>\$ 1,159,479</u>	<u>\$ -</u>	<u>\$ 85,280</u>	<u>\$ 2,549,338</u>	<u>\$ 3,794,097</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Combining Statement of Net Position
Internal Service Funds
December 31, 2012

	<u>Workers'</u> <u>Compensation</u> <u>Fund</u>	<u>Self</u> <u>Insurance</u> <u>Fund</u>	<u>Total</u>
ASSETS			
Current Assets			
Accounts receivable - net	\$ 2,200,391	\$ 188,296	\$ 2,388,687
Due from other funds	2,158,873	1,217,087	3,375,960
State and federal aid receivables	-	649	649
Prepaid expenses	<u>-</u>	<u>710,100</u>	<u>710,100</u>
Total Assets	<u>\$ 4,359,264</u>	<u>\$ 2,116,132</u>	<u>\$ 6,475,396</u>
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts payable	\$ 1,232	\$ 28,561	\$ 29,793
Accrued liabilities	1,322,199	1,058,114	2,380,313
Due to other funds	-	819,910	819,910
Deferred revenues	<u>-</u>	<u>51,490</u>	<u>51,490</u>
Total Liabilities	<u>1,323,431</u>	<u>1,958,075</u>	<u>3,281,506</u>
Net Position			
Unrestricted	<u>3,035,833</u>	<u>158,057</u>	<u>3,193,890</u>
Total Liabilities and Net Position	<u>\$ 4,359,264</u>	<u>\$ 2,116,132</u>	<u>\$ 6,475,396</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2012

	<u>Workers'</u> <u>Compensation</u> <u>Fund</u>	<u>Self</u> <u>Insurance</u> <u>Fund</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 1,571,771	\$ 21,437,516	\$ 23,009,287
Other revenue	<u>278,200</u>	<u>30</u>	<u>278,230</u>
Total operating revenues	<u>1,849,971</u>	<u>21,437,546</u>	<u>23,287,517</u>
Operating Expenses			
Employee benefits	<u>1,420,811</u>	<u>21,437,546</u>	<u>22,858,357</u>
Changes in Net Position	429,160	-	429,160
Net Position - Beginning	<u>2,606,673</u>	<u>158,057</u>	<u>2,764,730</u>
Net Position - Ending	<u>\$ 3,035,833</u>	<u>\$ 158,057</u>	<u>\$ 3,193,890</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2012

	<u>Workers' Compensation Fund</u>	<u>Self Insurance Fund</u>	<u>Total</u>
Cash Flows from Operating Activities			
Receipts from services	\$ 1,358,358	\$ 21,998,821	\$ 23,357,179
Payments for benefits	(1,636,558)	(21,998,851)	(23,635,409)
Payments to employees for benefits and claims	-	-	-
Other receipts	<u>278,200</u>	<u>30</u>	<u>278,230</u>
Net cash flows from operating activities	<u>-</u>	<u>-</u>	<u>-</u>
Changes in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Flows from Operating Activities			
Operating income	\$ 429,160	\$ -	\$ 429,160
Changes in assets and liabilities			
Accounts receivable - net	(4,040)	73,858	69,818
Due from other funds	1,657,416	8,711,301	10,368,717
State and federal aid receivables	-	(325)	(325)
Prepaid expenses	-	(710,100)	(710,100)
Accounts payable	671	14,284	14,955
Accrued liabilities	(216,418)	83,021	(133,397)
Due to other funds	(1,866,789)	(8,223,529)	(10,090,318)
Deferred revenues	<u>-</u>	<u>51,490</u>	<u>51,490</u>
Net Cash Flows from Operating Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FINANCIAL SECTION

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Members of the County Legislature
County of Chemung - State of New York
Elmira, New York

We have audited, in accordance with the 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, the 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 Chemung - State of New York, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County of Chemung - State of New York's basic financial statements, and have issued our report thereon dated June 26, 2013. Our report includes a reference to other auditors who audited the financial statements of the Chemung County Nursing Facility, as described in our report on the County of Chemung - State of New York financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Chemung - State of New York's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Chemung - State of New York's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Chemung - State of New York's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EFP Rotenberg, LLP

EFP Rotenberg, LLP
Corning, New York
June 26, 2013

STATISTICAL SECTION

(Unaudited)

INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES – These schedules contain ten years of fund financial statements for each of the County's funds.

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

REVENUE CAPACITY – These schedules contain information to help the reader assess the County's most significant local revenue sources, property and sales taxes.

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 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 – This schedule contains service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Balance Sheets
General Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ 11,912,378	\$ 13,534,806	\$ 537,168	\$ 1,329,103	\$ 46,963	\$ 4,674,496	\$ 1,142,287	\$ 1,008,721	\$ 22,148,389	\$ 9,142,775
Taxes receivable - net	7,403,874	8,179,217	8,241,119	9,668,333	8,692,859	6,995,379	7,255,365	7,673,168	6,806,454	7,035,625
Other receivable - net	6,066,502	7,766,960	8,101,104	5,148,599	6,422,652	6,256,006	4,554,956	2,702,588	2,501,584	2,662,937
Due from other funds	11,306,691	14,134,941	13,664,809	-	-	-	19,046,091	9,358,843	646,251	5,999,701
State and federal receivables	12,435,672	10,614,097	11,089,492	14,731,632	15,178,930	12,682,263	11,333,419	12,694,110	13,272,201	12,803,887
Due from other governments	-	-	-	-	-	344,513	14,285,985	1,179,165	811,507	-
Restricted cash	1,356,163	1,716,260	-	-	-	-	-	-	-	-
Other assets	-	8,650	-	-	-	-	-	-	-	-
Total Assets	\$ 50,481,280	\$ 55,954,931	\$ 41,633,692	\$ 30,877,667	\$ 30,341,404	\$ 30,952,657	\$ 57,618,103	\$ 34,616,595	\$ 46,186,386	\$ 37,644,925
LIABILITIES AND FUND BALANCE (DEFICIT)										
Liabilities										
Accounts payable	\$ 2,619,944	\$ 4,151,342	\$ 4,746,207	\$ 5,353,928	\$ 6,609,709	\$ 7,562,734	\$ 2,642,912	\$ 2,792,890	\$ 2,272,096	\$ 1,754,400
Accrued liabilities	2,862,506	1,666,528	1,392,875	862,169	1,126,532	6,030,999	2,061,798	1,344,290	5,806,199	3,599,469
Due to other funds	4,542,896	11,301,072	4,769,169	471,353	6,624,521	3,662,248	20,766,434	11,625,572	13,287,742	9,284,166
Due to other governments	5,602,845	5,037,183	3,864,450	4,567,668	4,046,311	3,408,412	2,138,948	2,348,873	2,081,302	2,073,915
Bond anticipation notes payable	-	-	-	3,000,000	-	-	-	-	18,000,000	18,000,000
Other liabilities	4,745,276	4,766,010	4,326,539	5,529,294	2,373,737	2,611,801	22,791,093	10,551,872	4,059,020	4,074,449
Total liabilities	20,373,467	26,922,135	19,099,240	19,784,412	20,780,810	23,276,194	50,401,185	28,663,497	45,506,359	38,786,399
Fund Balance (Deficit)	30,107,813	29,032,796	22,534,452	11,093,255	9,560,594	7,676,463	7,216,918	5,953,098	680,027	(1,141,474)
Total Liabilities and Fund Balance (Deficit)	\$ 50,481,280	\$ 55,954,931	\$ 41,633,692	\$ 30,877,667	\$ 30,341,404	\$ 30,952,657	\$ 57,618,103	\$ 34,616,595	\$ 46,186,386	\$ 37,644,925

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
General Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Real property taxes	\$ 26,746,775	\$ 26,761,906	\$ 26,161,386	\$ 24,270,502	\$ 22,953,542	\$ 22,605,293	\$ 22,901,827	\$ 24,849,518	\$ 22,011,245	\$ 19,101,697
Real property tax items	3,966,215	3,727,593	3,306,632	1,865,722	1,460,023	1,808,181	1,337,505	1,819,697	1,644,191	1,505,568
Non property tax items	60,678,716	61,800,320	58,928,866	52,066,632	55,539,662	52,382,557	49,685,754	48,240,699	47,718,217	44,962,968
Department income	11,464,532	15,411,151	19,362,061	13,671,531	13,170,359	15,720,153	13,379,855	15,694,647	12,303,751	10,901,022
Intergovernmental charges	4,907,570	5,449,365	5,962,423	5,067,358	10,696,973	4,254,636	4,459,105	4,509,201	4,074,156	4,007,876
State aid	21,946,998	21,242,186	22,180,916	24,813,619	29,384,022	24,836,728	26,981,194	23,853,231	24,051,111	21,132,431
Federal aid	23,502,794	24,759,843	23,233,625	25,491,745	19,272,284	23,383,451	20,911,709	21,000,906	21,636,081	22,681,319
Other revenue	5,552,960	5,643,084	5,324,110	4,616,867	-	6,050,782	5,539,748	3,709,797	7,485,917	6,887,662
Interfund transfers	185,469	331,645	-	381,883	4,773,445	203,145	-	911,746	164,200	166,140
Proceeds of refunding	-	4,680,882	-	-	-	-	-	-	-	-
Total revenues and other financing sources	<u>158,952,029</u>	<u>169,807,975</u>	<u>164,460,019</u>	<u>152,245,859</u>	<u>157,250,310</u>	<u>151,244,926</u>	<u>145,196,697</u>	<u>144,589,442</u>	<u>141,088,869</u>	<u>131,346,683</u>
Expenditures and Other Financing Uses										
General government support	11,585,536	11,531,929	11,627,572	9,496,633	10,023,856	8,941,034	8,486,431	9,380,429	7,857,873	6,788,581
Public safety	13,766,631	12,978,132	12,658,895	12,556,839	12,408,927	11,850,362	12,639,400	11,061,892	10,480,739	10,220,119
Transportation	2,764,865	4,689,714	4,705,061	5,101,673	4,782,314	4,703,774	4,533,344	3,961,480	4,189,595	4,192,860
Health	10,070,062	10,407,140	10,588,925	10,332,092	10,793,542	10,430,123	9,763,072	8,609,269	8,034,649	8,191,461
Economic assistance	62,976,228	63,330,901	59,545,122	63,891,662	68,780,193	66,523,428	63,511,630	62,101,523	65,452,834	63,666,984
Culture and recreation	2,107,911	2,027,982	1,941,323	2,349,946	2,783,156	2,696,298	1,494,748	1,668,964	1,443,297	1,475,168
Education	4,284,409	4,661,422	5,192,606	4,412,651	4,026,737	3,771,725	3,790,932	3,827,360	3,371,903	3,422,510
Home and community services	1,319,931	1,211,619	1,802,120	2,154,840	1,126,284	1,846,622	1,603,164	583,615	596,716	785,171
Employee benefits	17,509,021	14,720,629	13,570,850	11,786,661	10,520,121	10,773,211	11,408,711	10,718,066	10,021,159	8,054,807
Debt service	4,114,863	4,996,484	4,849,934	4,689,271	4,999,358	4,890,184	4,608,567	4,667,270	5,273,161	497,701
Interfund transfers	5,180,555	5,455,767	4,945,185	4,866,832	4,868,864	5,123,670	4,029,606	5,120,741	5,037,983	9,121,092
Distribution of sales tax	22,197,000	22,617,030	21,591,229	19,074,098	20,252,827	19,234,950	18,063,272	17,615,762	17,507,459	16,493,388
Payment to refunded bond escrow agent	-	4,601,803	-	-	-	-	-	-	-	-
Refunding bond issuance costs	-	79,079	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	<u>157,877,012</u>	<u>163,309,631</u>	<u>153,018,822</u>	<u>150,713,198</u>	<u>155,366,179</u>	<u>150,785,381</u>	<u>143,932,877</u>	<u>139,316,371</u>	<u>139,267,368</u>	<u>132,909,842</u>
Changes in Fund Balance (Deficit)	1,075,017	6,498,344	11,441,197	1,532,661	1,884,131	459,545	1,263,820	5,273,071	1,821,501	(1,563,159)
Fund Balance - Beginning (Deficit)	29,032,796	22,534,452	11,093,255	9,560,594	7,676,463	7,216,918	5,953,098	680,027	(1,141,474)	421,685
Fund Balance - Ending (Deficit)	\$ 30,107,813	\$ 29,032,796	\$ 22,534,452	\$ 11,093,255	\$ 9,560,594	\$ 7,676,463	\$ 7,216,918	\$ 5,953,098	\$ 680,027	\$ (1,141,474)

Note: For 2003 through 2006, sales tax revenue was recorded net of the amounts distributed to other municipal governments in the original audited financial statements. For purposes of this comparative schedule the gross amount of sales tax is shown as revenue and amounts distributed to other municipalities is recorded as a distribution of sales tax.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Balance Sheets
Capital Projects Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ 3,088,274	\$ 2,863,480	\$ 1,203,144	\$ 2,346,400	\$ -	\$ 1,378,234	\$ 5,512,472	\$ 3,819,887	\$ 3,850,049	\$ 4,604,261
Other receivables - net	154,422	311,962	361,420	-	7,239	469,479	96,497	110,802	-	-
Due from other funds	1,503,452	147,016	1,190,453	1,098,323	2,723,768	1,636,308	1,377,320	1,324,759	-	421,077
State and federal receivables	1,503,565	3,005,074	2,153,194	166,455	589,920	243,490	1,399,392	844,809	544,008	155,890
Due from other governments	-	-	20,663	-	172,668	-	-	-	-	-
Restricted cash	508,003	3,300,608	-	-	-	-	-	-	-	-
Other assets	-	-	519,097	519,093	508,003	508,003	-	-	-	-
Total Assets	\$ 6,757,716	\$ 9,628,140	\$ 5,447,971	\$ 4,130,271	\$ 4,001,598	\$ 4,235,514	\$ 8,385,681	\$ 6,100,257	\$ 4,394,057	\$ 5,181,228
LIABILITIES AND FUND BALANCE (DEFICIT)										
Liabilities										
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ 655,849	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	1,315,754	2,496,121	390,740	1,251,654	569,479	1,093,192	677,175	467,958	533,265	134,888
Accrued liabilities	93,906	203,906	-	-	225,906	-	262,635	141,031	23,525	23,525
Due to other funds	4,078,749	2,940,835	2,913,800	-	-	-	2,616,793	998,055	896,081	1,206,108
Bond anticipation notes payable	1,474,113	1,652,400	903,000	226,000	239,019	239,019	1,253,673	164,622	328,523	181,678
Other liabilities	68,459	83,864	259,706	231,236	142,437	345,347	165,622	-	54,567	88,119
Total liabilities	7,030,981	7,377,126	4,467,246	1,708,890	1,832,690	1,677,558	4,975,898	1,771,666	1,835,961	1,634,318
Fund Balance (Deficit)	(273,265)	2,251,014	980,725	2,421,381	2,168,908	2,557,956	3,409,783	4,328,591	2,558,096	3,546,910
Total Liabilities and Fund Balance (Deficit)	\$ 6,757,716	\$ 9,628,140	\$ 5,447,971	\$ 4,130,271	\$ 4,001,598	\$ 4,235,514	\$ 8,385,681	\$ 6,100,257	\$ 4,394,057	\$ 5,181,228

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
Capital Projects Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Intergovernmental charges	\$ 49,420	\$ 123,576	\$ 1,290,617	\$ 74,325	\$ 875,132	\$ 450,499	\$ 2,239	\$ 110,801	\$ -	\$ -
State aid	1,629,979	1,380,105	1,899,790	639,757	846,212	849,216	829,659	548,153	941,960	388,315
Federal aid	4,946,973	8,588,719	4,958,681	1,669,034	2,615,810	6,427,532	7,359,069	3,357,322	5,159,364	1,185,764
Other revenue	17,463	397,903	395,734	638,365	7,354	1,354,283	54,156	7,004	467,948	63,466
Proceeds from long-term obligations	2,472,795	7,907,131	2,306,786	3,442,849	4,321,011	6,098,574	4,043,724	5,234,718	3,254,481	4,869,155
Interfund transfers	1,184,315	1,287,082	476,564	740,376	466,576	27,321	-	37,370	155,000	-
Total revenues and other financing sources	<u>10,300,945</u>	<u>19,684,516</u>	<u>11,328,172</u>	<u>7,204,706</u>	<u>9,132,095</u>	<u>15,207,425</u>	<u>12,288,847</u>	<u>9,295,368</u>	<u>9,978,753</u>	<u>6,506,700</u>
Expenditures and Other Financing Uses										
General government support	2,814,628	2,845,829	1,083,090	636,775	1,226,291	-	1,028,437	935,957	211,933	22,512
Public safety	51,972	232,162	-	169,301	308,100	694,029	1,145,129	603,168	232,463	164,236
Transportation	5,959,770	14,830,927	10,202,077	3,749,632	5,863,286	10,992,080	10,890,646	5,831,912	9,085,392	3,283,890
Health	82,764	41,597	-	360,127	-	949,896	-	-	573,023	50,234
Home and community services	-	107,291	1,479,521	1,343,198	1,649,482	3,423,247	143,443	767	700,556	357,274
Debt service	-	10,385	4,140	6,054	8,652	-	-	-	-	-
Interfund transfers	3,916,090	346,036	-	687,146	465,332	-	-	153,069	164,200	166,140
Total expenditures and other financing uses	<u>12,825,224</u>	<u>18,414,227</u>	<u>12,768,828</u>	<u>6,952,233</u>	<u>9,521,143</u>	<u>16,059,252</u>	<u>13,207,655</u>	<u>7,524,873</u>	<u>10,967,567</u>	<u>4,044,286</u>
Changes in Fund Balance	(2,524,279)	1,270,289	(1,440,656)	252,473	(389,048)	(851,827)	(918,808)	1,770,495	(988,814)	2,462,414
Fund Balance - Beginning	<u>2,251,014</u>	<u>980,725</u>	<u>2,421,381</u>	<u>2,168,908</u>	<u>2,557,956</u>	<u>3,409,783</u>	<u>4,328,591</u>	<u>2,558,096</u>	<u>3,546,910</u>	<u>1,084,496</u>
Fund Balance - Ending (Deficit)	<u>\$ (273,265)</u>	<u>\$ 2,251,014</u>	<u>\$ 980,725</u>	<u>\$ 2,421,381</u>	<u>\$ 2,168,908</u>	<u>\$ 2,557,956</u>	<u>\$ 3,409,783</u>	<u>\$ 4,328,591</u>	<u>\$ 2,558,096</u>	<u>\$ 3,546,910</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Balance Sheets
Solid Waste Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ -	\$ 1,049	\$ -	\$ -	\$ 1,700	\$ 8,713	\$ 330,226	\$ 8,875	\$ -	\$ 449,948
Other receivables - net	694,343	764,537	585,996	312,793	225,100	384,971	117,699	604,991	498,853	463,382
Due from other funds	527,826	371,145	330,190	906,692	1,002,720	394,500	231,323	-	989,495	-
State and federal receivables	-	-	-	108,466	88,466	30,966	-	-	-	47,639
Other assets	-	-	-	-	-	490,000	1,550,881	2,160,556	-	-
Total Assets	\$ 1,222,169	\$ 1,136,731	\$ 916,186	\$ 1,327,951	\$ 1,317,986	\$ 1,309,150	\$ 2,230,129	\$ 2,774,422	\$ 1,488,348	\$ 960,969
LIABILITIES AND FUND BALANCE										
Liabilities										
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 321,056	\$ -
Accounts payable	38,385	15,070	25,986	9,290	70,622	32,108	30,963	18,869	311,488	130,369
Accrued liabilities	24,305	26,938	24,297	20,651	35,701	65,570	89,013	65,577	62,389	47,244
Due to other funds	-	259,014	-	-	-	-	-	658,740	-	81,881
Total liabilities	62,690	301,022	50,283	29,941	106,323	97,678	119,976	743,186	694,933	259,494
Fund Balance	1,159,479	835,709	865,903	1,298,010	1,211,663	1,211,472	2,110,153	2,031,236	793,415	701,475
Total Liabilities and Fund Balance	\$ 1,222,169	\$ 1,136,731	\$ 916,186	\$ 1,327,951	\$ 1,317,986	\$ 1,309,150	\$ 2,230,129	\$ 2,774,422	\$ 1,488,348	\$ 960,969

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
Solid Waste Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Real property tax	\$ -	\$ -	\$ -	\$ 523,629	\$ 950,109	\$ 991,369	\$ 1,053,766	\$ 1,855,070	\$ 1,212,214	\$ 1,206,509
Department income	1,689,737	1,780,707	1,556,799	1,456,858	1,733,011	2,124,008	2,290,818	3,791,639	3,835,366	3,732,089
State aid	-	-	-	20,000	57,500	37,500	-	6,588	-	6,588
Federal aid	-	-	-	-	-	-	-	41,051	-	41,051
Other revenue	-	-	-	-	-	9,976	49,677	23,339	38,911	43,369
Interfund transfers	478,151	-	-	-	-	-	-	-	-	-
Proceeds of refunding	-	612,076	-	-	-	-	-	-	-	-
Total revenues and other financing sources	<u>2,167,888</u>	<u>2,392,783</u>	<u>1,556,799</u>	<u>2,000,487</u>	<u>2,740,620</u>	<u>3,162,853</u>	<u>3,394,261</u>	<u>5,717,687</u>	<u>5,086,491</u>	<u>5,029,606</u>
Expenditures and Other Financing Uses										
Home and community services	1,177,175	1,196,111	1,988,906	1,914,140	2,740,429	4,061,534	3,315,344	4,479,866	4,994,551	4,841,063
Employee benefits	628,070	572,273	-	-	-	-	-	-	-	-
Debt service	38,873	42,517	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	601,736	-	-	-	-	-	-	-	-
Refunding bond issuance costs	-	10,340	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	<u>1,844,118</u>	<u>2,422,977</u>	<u>1,988,906</u>	<u>1,914,140</u>	<u>2,740,429</u>	<u>4,061,534</u>	<u>3,315,344</u>	<u>4,479,866</u>	<u>4,994,551</u>	<u>4,841,063</u>
Changes in Fund Balance	323,770	(30,194)	(432,107)	86,347	191	(898,681)	78,917	1,237,821	91,940	188,543
Fund Balance - Beginning	835,709	865,903	1,298,010	1,211,663	1,211,472	2,110,153	2,031,236	793,415	701,475	512,932
Fund Balance - Ending	<u>\$ 1,159,479</u>	<u>\$ 835,709</u>	<u>\$ 865,903</u>	<u>\$ 1,298,010</u>	<u>\$ 1,211,663</u>	<u>\$ 1,211,472</u>	<u>\$ 2,110,153</u>	<u>\$ 2,031,236</u>	<u>\$ 793,415</u>	<u>\$ 701,475</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Balance Sheets
County Road Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ -	\$ -	\$ 258,205	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other receivables - net	37,869	1,771	3,481	788	967	-	6,086	-	21	213
Due from other funds	146,616	3,455,598	-	-	-	-	171,997	-	4,289,933	895,744
State and federal receivables	191	191	-	230,261	349,685	364,600	-	153,822	105,394	231,730
Total Assets	\$ 184,676	\$ 3,457,560	\$ 261,686	\$ 231,199	\$ 350,652	\$ 364,600	\$ 178,083	\$ 153,822	\$ 4,395,348	\$ 1,127,687
LIABILITIES AND FUND BALANCE (DEFICIT)										
Liabilities										
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,215,973	\$ 792,811
Accounts payable	115,298	56,406	81,080	51,577	84,923	148,498	120,570	78,735	96,346	176,004
Accrued liabilities	66,889	48,853	108,501	77,636	62,239	117,909	97,890	114,725	117,172	115,118
Due to other funds	93	3,349,905	69,709	99,590	254,867	138,570	-	739	-	-
Due to other governments	2,396	2,396	2,396	2,396	2,396	2,396	2,396	2,396	2,396	2,395
Total liabilities	184,676	3,457,560	261,686	231,199	404,425	407,373	220,856	196,595	4,431,887	1,086,328
Fund Balance (Deficit)	-	-	-	-	(53,773)	(42,773)	(42,773)	(42,773)	(36,539)	41,359
Total Liabilities and Fund Balance (Deficit)	\$ 184,676	\$ 3,457,560	\$ 261,686	\$ 231,199	\$ 350,652	\$ 364,600	\$ 178,083	\$ 153,822	\$ 4,395,348	\$ 1,127,687

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
County Road Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Department income	\$ 22,382	\$ 23,176	\$ 25,927	\$ 4,737	\$ 8,136	\$ 2,718	\$ 9,340	\$ 2,399	\$ 1,161	\$ 5,363
State aid	105,550	566,521	745,923	1,144,850	1,349,050	871,755	1,226,175	1,148,300	1,181,926	1,189,025
Federal aid	121,800	-	-	-	-	81,428	106,231	385,199	302,982	305,168
Other revenue	35,143	9	593	4,084	1,199	162	886	-	-	95,485
Interfund transfers	4,262,568	4,530,849	3,922,600	4,614,490	4,519,288	4,163,349	3,725,606	3,577,864	3,609,895	3,441,753
Total revenues and other financing sources	<u>4,547,443</u>	<u>5,120,555</u>	<u>4,695,043</u>	<u>5,768,161</u>	<u>5,877,673</u>	<u>5,119,412</u>	<u>5,068,238</u>	<u>5,113,762</u>	<u>5,095,964</u>	<u>5,036,794</u>
Expenditures and Other Financing Uses										
Transportation	3,575,119	4,227,035	4,695,043	5,714,388	5,888,673	5,119,412	5,068,238	5,119,996	5,173,862	5,021,980
Employee benefits	791,724	568,421	-	-	-	-	-	-	-	-
Interfund transfers	180,600	325,099	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	<u>4,547,443</u>	<u>5,120,555</u>	<u>4,695,043</u>	<u>5,714,388</u>	<u>5,888,673</u>	<u>5,119,412</u>	<u>5,068,238</u>	<u>5,119,996</u>	<u>5,173,862</u>	<u>5,021,980</u>
Changes in Fund Balance (Deficit)	-	-	-	53,773	(11,000)	-	-	(6,234)	(77,898)	14,814
Fund Balance - Beginning (Deficit)	-	-	-	(53,773)	(42,773)	(42,773)	(42,773)	(36,539)	41,359	26,545
Fund Balance - Ending (Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,773)</u>	<u>\$ (42,773)</u>	<u>\$ (42,773)</u>	<u>\$ (42,773)</u>	<u>\$ (36,539)</u>	<u>\$ 41,359</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Balance Sheets
Road Machinery Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ -	\$ -	\$ 73,176	\$ -	\$ 79,822	\$ -	\$ 420,085	\$ 256,830	\$ 375,607	\$ 168,091
Other receivables - net	-	8,592	1,350	2,076	-	-	458	125	-	-
Due from other funds	240,555	547,765	125,843	154,794	41,322	151,722	-	-	-	-
Total Assets	\$ 240,555	\$ 556,357	\$ 200,369	\$ 156,870	\$ 121,144	\$ 151,722	\$ 420,543	\$ 256,955	\$ 375,607	\$ 168,091
LIABILITIES AND FUND BALANCE										
Liabilities										
Accounts payable	\$ 145,166	\$ 106,730	\$ 108,025	\$ 64,692	\$ 30,622	\$ 49,046	\$ 20,504	\$ 19,410	\$ 17,830	\$ 39,088
Accrued liabilities	10,109	7,467	7,064	6,898	5,242	17,396	15,264	15,119	15,527	14,184
Due to other funds	-	356,880	-	-	-	-	299,495	137,146	102,149	70,448
Total liabilities	155,275	471,077	115,089	71,590	35,864	66,442	335,263	171,675	135,506	123,720
Fund Balance	85,280	240,101	44,371							
Total Liabilities and Fund Balance	\$ 240,555	\$ 556,357	\$ 200,369	\$ 156,870	\$ 121,144	\$ 151,722	\$ 420,543	\$ 256,955	\$ 375,607	\$ 168,091

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
Road Machinery Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Use of money and property	\$ 1,311,748	\$ 1,245,435	\$ 1,076,703	\$ 1,047,566	\$ 1,133,736	\$ 978,684	\$ 904,921	\$ 712,582	\$ 957,907	\$ 755,417
Other revenue	-	13,290	12,359	5,987	27,808	5,550	5,347	5,255	2,825	106
Total revenues and other financing sources	<u>1,311,748</u>	<u>1,258,725</u>	<u>1,089,062</u>	<u>1,053,553</u>	<u>1,161,544</u>	<u>984,234</u>	<u>910,268</u>	<u>717,837</u>	<u>960,732</u>	<u>755,523</u>
Expenditures and Other Financing Uses										
Transportation	1,164,409	1,155,673	1,089,062	1,053,553	1,161,544	984,234	910,268	872,658	765,002	848,355
Employee benefits	147,339	103,052	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	<u>1,311,748</u>	<u>1,258,725</u>	<u>1,089,062</u>	<u>1,053,553</u>	<u>1,161,544</u>	<u>984,234</u>	<u>910,268</u>	<u>872,658</u>	<u>765,002</u>	<u>848,355</u>
Changes in Fund Balance	-	-	-	-	-	-	-	(154,821)	195,730	(92,832)
Fund Balance - Beginning	<u>85,280</u>	<u>240,101</u>	<u>44,371</u>	<u>137,203</u>						
Fund Balance - Ending	<u>\$ 85,280</u>	<u>\$ 240,101</u>	<u>\$ 44,371</u>							

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Balance Sheets
Sewer Funds

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ 1,915,832	\$ 500	\$ 137,653	\$ 91,373	\$ 500	\$ 6,687	\$ 500	\$ 11,530	\$ -	\$ 1,820,858
Other receivables - net	927,484	654,474	651,469	649,254	701,046	641,508	523,291	524,917	554,254	610,560
Due from other funds	132,086	2,130,181	1,630,872	1,252,719	843,751	1,161,210	1,575,834	1,620,267	1,631,648	-
Total Assets	\$ 2,975,402	\$ 2,785,155	\$ 2,419,994	\$ 1,993,346	\$ 1,545,297	\$ 1,809,405	\$ 2,099,625	\$ 2,156,714	\$ 2,185,902	\$ 2,431,418
LIABILITIES AND FUND BALANCE										
Liabilities										
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283,371	\$ -
Accounts payable	124,690	96,792	219,111	121,015	115,403	151,317	72,820	170,182	101,186	74,633
Accrued liabilities	44,436	42,972	41,977	37,302	28,130	87,398	73,952	73,556	71,629	59,117
Due to other funds	256,938	411,552	-	-	-	-	-	-	-	577,861
Total liabilities	426,064	551,316	261,088	158,317	143,533	238,715	146,772	243,738	456,186	711,611
Fund Balance	2,549,338	2,233,839	2,158,906	1,835,029	1,401,764	1,570,690	1,952,853	1,912,976	1,729,716	1,719,807
Total Liabilities and Fund Balance	\$ 2,975,402	\$ 2,785,155	\$ 2,419,994	\$ 1,993,346	\$ 1,545,297	\$ 1,809,405	\$ 2,099,625	\$ 2,156,714	\$ 2,185,902	\$ 2,431,418

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance
Sewer Funds

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Real property tax	\$ 1,975,059	\$ 1,975,058	\$ 1,975,061	\$ 2,028,675	\$ 2,028,758	\$ 1,935,586	\$ 1,898,490	\$ 2,028,077	\$ 1,927,044	\$ 1,774,046
Department income	3,122,380	2,905,766	2,889,454	2,940,524	2,947,712	2,761,977	2,797,084	2,808,022	2,933,353	3,023,567
Other revenue	58,465	57,577	41,486	336,158	92,680	55,697	71,671	102,840	-	103,044
Interfund transfers	13,117	14,390	-	-	-	-	-	-	-	-
Proceeds of refunding	-	685,632	-	-	-	-	-	-	-	-
Total revenues and other financing sources	<u>5,169,021</u>	<u>5,638,423</u>	<u>4,906,001</u>	<u>5,305,357</u>	<u>5,069,150</u>	<u>4,753,260</u>	<u>4,767,245</u>	<u>4,938,939</u>	<u>4,860,397</u>	<u>4,900,657</u>
Expenditures and Other Financing Uses										
Home and community services	3,211,250	3,192,744	4,582,124	4,872,092	5,238,076	5,135,423	4,727,368	4,755,679	4,850,488	4,580,152
Employee benefits	1,087,035	1,086,328	-	-	-	-	-	-	-	-
Debt service	555,237	561,722	-	-	-	-	-	-	-	-
Interfund transfers	-	37,064	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	674,049	-	-	-	-	-	-	-	-
Refunding bond issuance costs	-	11,583	-	-	-	-	-	-	-	-
Total expenditures and other financing uses	<u>4,853,522</u>	<u>5,563,490</u>	<u>4,582,124</u>	<u>4,872,092</u>	<u>5,238,076</u>	<u>5,135,423</u>	<u>4,727,368</u>	<u>4,755,679</u>	<u>4,850,488</u>	<u>4,580,152</u>
Changes in Fund Balance	315,499	74,933	323,877	433,265	(168,926)	(382,163)	39,877	183,260	9,909	320,505
Fund Balance - Beginning	<u>2,233,839</u>	<u>2,158,906</u>	<u>1,835,029</u>	<u>1,401,764</u>	<u>1,570,690</u>	<u>1,952,853</u>	<u>1,912,976</u>	<u>1,729,716</u>	<u>1,719,807</u>	<u>1,399,302</u>
Fund Balance - Ending	<u>\$ 2,549,338</u>	<u>\$ 2,233,839</u>	<u>\$ 2,158,906</u>	<u>\$ 1,835,029</u>	<u>\$ 1,401,764</u>	<u>\$ 1,570,690</u>	<u>\$ 1,952,853</u>	<u>\$ 1,912,976</u>	<u>\$ 1,729,716</u>	<u>\$ 1,719,807</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Net Position
Chemung County Nursing Facility - Enterprise Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ 558,666	\$ 312,439	\$ 580,123	\$ 813,839	\$ 517,583	\$ 90,190	\$ 10,900	\$ 10,900	\$ 575,793	\$ 10,900
Other receivables - net	5,680,807	2,310,412	1,783,550	1,811,602	2,425,625	3,315,344	4,101,476	3,145,355	2,154,327	3,523,452
Prepaid expenses	-	-	-	-	-	-	-	-	64,759	65,766
Due from other funds	-	6,176,488	-	-	-	-	-	-	266,166	5,659
Due from external parties	-	-	-	-	-	-	99,920	-	-	-
Inventories	280,246	268,708	235,567	207,194	117,059	92,325	90,302	76,950	62,635	75,211
Capital assets - net	4,302,692	3,882,168	3,901,293	3,144,365	3,473,233	3,438,929	2,869,073	2,853,192	1,729,616	1,709,172
Total Assets	\$ 10,822,411	\$ 12,950,215	\$ 6,500,533	\$ 5,977,000	\$ 6,533,500	\$ 6,936,788	\$ 7,171,671	\$ 6,086,397	\$ 4,853,296	\$ 5,390,160
LIABILITIES AND NET POSITION										
Liabilities										
Accounts payable	\$ 281,264	\$ 380,276	\$ 341,301	\$ 315,980	\$ 330,292	\$ 259,047	\$ 256,236	\$ 393,022	\$ 589,153	\$ 301,515
Accrued liabilities	1,048,215	976,434	1,067,113	756,778	695,524	938,386	822,598	807,349	790,615	719,460
Due to other funds	6,409,520	9,438,440	4,983,050	1,100,665	704,667	3,267,781	2,232,260	1,338,108	-	-
Other liabilities	-	-	103,693	-	178,603	240,661	-	312,441	68,514	-
Bonds payable - current portion	317,199	262,828	300,022	275,023	212,177	167,628	151,490	135,758	58,277	46,429
Other long-term liabilities	3,307,422	3,068,355	3,209,607	3,061,763	2,742,172	1,614,751	1,396,880	1,000,653	873,882	815,252
Bonds payable - net of current portion	3,506,351	3,136,823	3,401,487	3,471,531	2,699,784	2,169,210	2,033,113	1,949,707	733,471	554,005
Total liabilities	14,869,971	17,263,156	13,406,273	8,981,740	7,563,219	8,657,464	6,892,577	5,937,038	3,113,912	2,436,661
Net Position	(4,047,560)	(4,312,941)	(6,905,740)	(3,004,740)	(1,029,719)	(1,720,676)	279,094	149,359	1,739,384	2,953,499
Total Liabilities and Net Position	\$ 10,822,411	\$ 12,950,215	\$ 6,500,533	\$ 5,977,000	\$ 6,533,500	\$ 6,936,788	\$ 7,171,671	\$ 6,086,397	\$ 4,853,296	\$ 5,390,160

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position
Chemung County Nursing Facility - Enterprise Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues										
Charges for services	\$ 16,501,635	\$ 16,056,977	\$ 15,095,294	\$ 15,213,935	\$ 15,229,017	\$ 14,174,106	\$ 14,894,600	\$ 13,279,155	\$ 12,582,996	\$ 12,945,487
Other revenue	3,588,329	6,668,863	50,170	1,033,398	7,499,814	808,745	1,357,987	877,878	746,703	1,293,214
Total revenues	<u>20,089,964</u>	<u>22,725,840</u>	<u>15,145,464</u>	<u>16,247,333</u>	<u>22,728,831</u>	<u>14,982,851</u>	<u>16,252,587</u>	<u>14,157,033</u>	<u>13,329,699</u>	<u>14,238,701</u>
Expenses										
Personal services	8,646,586	8,701,513	8,406,548	8,095,913	8,265,388	8,107,221	7,689,733	6,906,782	6,662,854	6,594,693
Employee benefits	5,049,614	5,441,450	4,823,106	4,161,960	4,169,782	4,254,064	3,176,644	3,009,154	3,143,418	2,695,604
Contractual expenses	5,388,673	5,449,184	5,056,537	4,876,362	4,831,106	4,632,862	4,530,413	4,648,880	4,300,691	4,245,890
Depreciation expense	339,204	356,064	395,538	385,488	388,216	358,818	233,252	237,171	232,608	233,051
Interest expense	269,087	228,783	226,150	242,000	250,000	196,530	304,000	229,000	202,000	217,000
Other expenses	-	(182,343)	354,551	329,507	1,129,141	272,662	409,050	128,804	61,613	126,492
Total expenses	<u>19,693,164</u>	<u>19,994,651</u>	<u>19,262,430</u>	<u>18,091,230</u>	<u>19,033,633</u>	<u>17,822,157</u>	<u>16,343,092</u>	<u>15,159,791</u>	<u>14,603,184</u>	<u>14,112,730</u>
Operating Income (Loss)	396,800	2,731,189	(4,116,966)	(1,843,897)	3,695,198	(2,839,306)	(90,505)	(1,002,758)	(1,273,485)	125,971
Non-operating revenues	-	-	361,901	-	-	932,000	304,000	-	93,726	967,681
Non-operating expenses	(131,419)	(138,390)	(145,935)	(131,124)	(3,004,241)	(92,464)	(83,760)	(587,267)	(34,356)	(29,408)
Change in Net Position	265,381	2,592,799	(3,901,000)	(1,975,021)	690,957	(1,999,770)	129,735	(1,590,025)	(1,214,115)	1,064,244
Net Position - Beginning	(4,312,941)	(6,905,740)	(3,004,740)	(1,029,719)	(1,720,676)	279,094	149,359	1,739,384	2,953,499	1,889,255
Net Position - Ending	<u>\$ (4,047,560)</u>	<u>\$ (4,312,941)</u>	<u>\$ (6,905,740)</u>	<u>\$ (3,004,740)</u>	<u>\$ (1,029,719)</u>	<u>\$ (1,720,676)</u>	<u>\$ 279,094</u>	<u>\$ 149,359</u>	<u>\$ 1,739,384</u>	<u>\$ 2,953,499</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Net Position
Elmira-Corning Regional Airport - Enterprise Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents - restricted	\$ 234,012	\$ 363,344	\$ 455,819	\$ 291,386	\$ 229,299	\$ 26,849	\$ 408,282	\$ 196,718	\$ -	\$ -
Other receivables - net	599,677	335,682	283,082	220,318	186,839	269,695	291,377	303,393	280,016	264,791
Due from other funds	144,511	-	-	-	-	-	-	-	-	-
Bond issuance costs - net	20,923	26,776	-	-	-	-	-	-	-	-
Deferred refunding proceeds - net	24,307	29,130	-	-	-	-	-	-	-	-
Capital assets - net	48,199,198	43,961,614	40,888,369	36,021,179	36,154,671	34,859,594	30,217,664	23,330,145	21,684,717	19,517,871
Total Assets	\$ 49,222,628	\$ 44,716,546	\$ 41,627,270	\$ 36,532,883	\$ 36,570,809	\$ 35,156,138	\$ 30,917,323	\$ 23,830,256	\$ 21,964,733	\$ 19,782,662
LIABILITIES AND NET POSITION										
Liabilities										
Accounts payable	\$ 236,103	\$ 121,058	\$ 61,518	\$ 81,300	\$ 59,471	\$ 38,114	\$ 164,522	\$ 72,845	\$ 82,613	\$ 52,188
Accrued liabilities	86,476	34,652	32,409	30,801	29,643	43,019	31,853	29,494	30,575	24,877
Due to other funds	1,269,591	-	-	-	-	-	-	-	-	-
Accrued interest payable	51,286	57,035	74,117	85,268	80,592	77,094	84,476	89,293	84,557	79,156
Bond anticipation note payable	2,084,555	-	-	-	-	-	-	-	-	-
Other long-term liabilities	321,538	276,623	250,909	191,652	159,500	116,967	60,434	56,550	61,524	63,505
Bonds payable	4,361,420	4,785,519	6,238,160	7,186,524	6,788,806	6,491,362	7,119,175	7,528,791	7,126,017	6,666,723
Total liabilities	8,410,969	5,274,887	6,657,113	7,575,545	7,118,012	6,766,556	7,460,460	7,776,973	7,385,286	6,886,449
Net Position	40,811,659	39,441,659	34,970,157	28,957,338	29,452,797	28,389,582	23,456,863	16,053,283	14,579,447	12,896,213
Total Liabilities and Net Position	\$ 49,222,628	\$ 44,716,546	\$ 41,627,270	\$ 36,532,883	\$ 36,570,809	\$ 35,156,138	\$ 30,917,323	\$ 23,830,256	\$ 21,964,733	\$ 19,782,662

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expense and Changes in Fund Net Position
Elmira-Corning Regional Airport - Enterprise Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues										
Charges for services	\$ 3,526,316	\$ 3,418,472	\$ 2,894,465	\$ 2,511,588	\$ 2,335,560	\$ 2,274,551	\$ 2,025,608	\$ 2,116,479	\$ 1,775,866	\$ 1,725,685
Other revenue	137,677	7,433	1,411	33,480	8,245	99,280	61,116	-	1,553	1,500
Total revenues	<u>3,663,993</u>	<u>3,425,905</u>	<u>2,895,876</u>	<u>2,545,068</u>	<u>2,343,805</u>	<u>2,373,831</u>	<u>2,086,724</u>	<u>2,116,479</u>	<u>1,777,419</u>	<u>1,727,185</u>
Expenses										
Personal services	830,115	819,148	810,281	800,225	796,882	799,576	684,991	677,842	682,607	663,304
Employee benefits	500,480	363,884	362,020	315,550	285,745	332,653	256,344	303,816	301,253	208,780
Contractual expenses	1,160,621	1,115,533	1,061,781	1,102,627	1,182,788	1,057,234	997,798	793,334	737,755	772,401
Depreciation expense	2,768,020	2,624,424	2,469,308	2,222,591	2,096,982	1,959,095	1,096,893	1,027,794	711,919	509,802
Total expenses	<u>5,259,236</u>	<u>4,922,989</u>	<u>4,703,390</u>	<u>4,440,993</u>	<u>4,362,397</u>	<u>4,148,558</u>	<u>3,036,026</u>	<u>2,802,786</u>	<u>2,433,534</u>	<u>2,154,287</u>
Operating Loss	(1,595,243)	(1,497,084)	(1,807,514)	(1,895,925)	(2,018,592)	(1,774,727)	(949,302)	(686,307)	(656,115)	(427,102)
Interfund transfers - net	3,153,625	6,229,077	8,123,452	1,697,274	3,375,213	7,007,678	8,649,815	2,454,714	2,575,904	264,791
Non-operating expenses	<u>(188,382)</u>	<u>(260,491)</u>	<u>(303,119)</u>	<u>(296,808)</u>	<u>(293,406)</u>	<u>(300,232)</u>	<u>(296,933)</u>	<u>(294,571)</u>	<u>(236,555)</u>	<u>(237,841)</u>
Change in Net Position	1,370,000	4,471,502	6,012,819	(495,459)	1,063,215	4,932,719	7,403,580	1,473,836	1,683,234	(400,152)
Net Position - Beginning	<u>39,441,659</u>	<u>34,970,157</u>	<u>28,957,338</u>	<u>29,452,797</u>	<u>28,389,582</u>	<u>23,456,863</u>	<u>16,053,283</u>	<u>14,579,447</u>	<u>12,896,213</u>	<u>13,296,365</u>
Net Position - Ending	<u>\$ 40,811,659</u>	<u>\$ 39,441,659</u>	<u>\$ 34,970,157</u>	<u>\$ 28,957,338</u>	<u>\$ 29,452,797</u>	<u>\$ 28,389,582</u>	<u>\$ 23,456,863</u>	<u>\$ 16,053,283</u>	<u>\$ 14,579,447</u>	<u>\$ 12,896,213</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Net Position
Chemung Tobacco Asset Securitization Corporation - Enterprise Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ 132,828	\$ 103,254	\$ 80,991	\$ 54,273	\$ 36,791	\$ 13,174	\$ 26,404	\$ 47,833	\$ 62,468	\$ 51,515
Other receivables - net	737,591	728,841	719,497	710,142	701,666	692,602	669,787	661,877	689,917	794,016
Restricted cash	648,254	648,254	648,254	1,026,503	996,437	980,886	915,395	861,953	760,297	695,710
Prepaid expenses	-	-	-	-	-	-	2,750	-	-	-
Unamortized bond issuance costs - net	138,898	148,249	158,425	168,601	179,602	192,253	206,004	220,030	235,706	252,482
Total Assets	\$ 1,657,571	\$ 1,628,598	\$ 1,607,167	\$ 1,959,519	\$ 1,914,496	\$ 1,878,915	\$ 1,820,340	\$ 1,791,693	\$ 1,748,388	\$ 1,793,723
LIABILITIES AND NET POSITION										
Liabilities										
Accounts payable	\$ -	\$ -	\$ -	\$ 80	\$ -	\$ -	\$ -	\$ -	\$ 4,208	\$ 9,208
Bonds payable - current portion	570,000	425,000	270,000	265,000	-	-	-	-	-	-
Bonds payable - net of current portion, net of discount	5,291,028	5,587,109	5,867,759	6,133,438	6,628,750	6,838,392	7,022,527	7,181,633	7,330,022	7,462,867
Total liabilities	5,861,028	6,012,109	6,137,759	6,398,518	6,628,750	6,838,392	7,022,527	7,181,633	7,334,230	7,472,075
Net Position	(4,203,457)	(4,383,511)	(4,530,592)	(4,438,999)	(4,714,254)	(4,959,477)	(5,202,187)	(5,389,940)	(5,585,842)	(5,678,352)
Total Liabilities and Net Position	\$ 1,657,571	\$ 1,628,598	\$ 1,607,167	\$ 1,959,519	\$ 1,914,496	\$ 1,878,915	\$ 1,820,340	\$ 1,791,693	\$ 1,748,388	\$ 1,793,723

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position
Chemung Tobacco Asset Securitization Corporation - Enterprise Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues										
Other revenue	\$ 603,866	\$ 592,896	\$ 735,207	\$ 748,090	\$ 679,758	\$ 742,676	\$ 698,339	\$ 712,439	\$ 619,758	\$ 655,715
Investment income	108	105	138	261	46,607	-	2,374	(2,400)	2,374	-
Total revenues	<u>603,974</u>	<u>593,001</u>	<u>735,345</u>	<u>748,351</u>	<u>726,365</u>	<u>742,676</u>	<u>700,713</u>	<u>710,039</u>	<u>622,132</u>	<u>655,715</u>
Expenses										
Contractual expense	21,518	33,660	24,433	32,304	24,227	29,042	31,151	20,712	26,095	22,712
Interest expense	402,402	412,260	424,256	440,792	456,915	470,924	481,809	493,425	503,527	502,713
Trapping payment to County	-	-	378,249	-	-	-	-	-	-	199,154
Total expenses	<u>423,920</u>	<u>445,920</u>	<u>826,938</u>	<u>473,096</u>	<u>481,142</u>	<u>499,966</u>	<u>512,960</u>	<u>514,137</u>	<u>529,622</u>	<u>724,579</u>
Operating Income (Loss)	180,054	147,081	(91,593)	275,255	245,223	242,710	187,753	195,902	92,510	(68,864)
Net Position - Beginning	<u>(4,383,511)</u>	<u>(4,530,592)</u>	<u>(4,438,999)</u>	<u>(4,714,254)</u>	<u>(4,959,477)</u>	<u>(5,202,187)</u>	<u>(5,389,940)</u>	<u>(5,585,842)</u>	<u>(5,678,352)</u>	<u>(5,609,488)</u>
Net Position - Ending	<u>\$ (4,203,457)</u>	<u>\$ (4,383,511)</u>	<u>\$ (4,530,592)</u>	<u>\$ (4,438,999)</u>	<u>\$ (4,714,254)</u>	<u>\$ (4,959,477)</u>	<u>\$ (5,202,187)</u>	<u>\$ (5,389,940)</u>	<u>\$ (5,585,842)</u>	<u>\$ (5,678,352)</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Net Position
Workers' Compensation Fund - Internal Service Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ -	\$ -	\$ 403	\$ 1,124	\$ -	\$ -	\$ 85	\$ 1,128	\$ 172,683	\$ 107,657
Accounts receivable - net	2,200,391	2,196,351	2,194,674	2,260,000	2,172,191	2,201,407	1,870,304	1,841,850	1,882,620	2,068,432
Due from other funds	2,158,873	3,816,289	3,141,289	709,213	639,016	415,712	2,060,310	1,035,661	576,155	576,155
Total Assets	\$ 4,359,264	\$ 6,012,640	\$ 5,336,366	\$ 2,970,337	\$ 2,811,207	\$ 2,617,119	\$ 3,930,699	\$ 2,878,639	\$ 2,631,458	\$ 2,752,244
LIABILITIES AND NET POSITION										
Liabilities										
Cash overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42	\$ -	\$ -	\$ -	\$ -
Accounts payable	1,232	561	1,137	412	3,308	366	463	-	-	33
Accrued liabilities	1,322,199	1,538,617	2,105,859	2,075,754	2,001,674	2,031,269	1,718,820	1,686,092	1,729,577	2,068,432
Due to other funds	-	1,866,789	1,864,940	-	-	-	1,220,436	245,271	30,000	30,000
Total liabilities	1,323,431	3,405,967	3,971,936	2,076,166	2,004,982	2,031,677	2,939,719	1,931,363	1,759,577	2,098,465
Net Position	3,035,833	2,606,673	1,364,430	894,171	806,225	585,442	990,980	947,276	871,881	653,779
Total Liabilities and Net Position	\$ 4,359,264	\$ 6,012,640	\$ 5,336,366	\$ 2,970,337	\$ 2,811,207	\$ 2,617,119	\$ 3,930,699	\$ 2,878,639	\$ 2,631,458	\$ 2,752,244

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position
Workers' Compensation Fund - Internal Service Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Charges for services	\$ 1,571,771	\$ 1,900,233	\$ 2,029,307	\$ 1,483,037	\$ 1,364,737	\$ 1,029,270	\$ 1,298,353	\$ 1,038,374	\$ 1,130,004	\$ 551,950
Other revenue	278,200	387,422	157,635	216,861	93,953	133,597	147,156	199,577	-	425,000
Total revenues and other financing sources	<u>1,849,971</u>	<u>2,287,655</u>	<u>2,186,942</u>	<u>1,699,898</u>	<u>1,458,690</u>	<u>1,162,867</u>	<u>1,445,509</u>	<u>1,237,951</u>	<u>1,130,004</u>	<u>976,950</u>
Operating Expenses										
Employee benefits	<u>1,420,811</u>	<u>1,045,412</u>	<u>1,716,683</u>	<u>1,611,952</u>	<u>1,237,907</u>	<u>1,568,405</u>	<u>1,401,805</u>	<u>1,162,556</u>	<u>997,862</u>	<u>895,808</u>
Operating Income (Loss)	429,160	1,242,243	470,259	87,946	220,783	(405,538)	43,704	75,395	132,142	81,142
Non-Operating Revenues										
Investment income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,960</u>	<u>58,012</u>
Changes in Net Position	429,160	1,242,243	470,259	87,946	220,783	(405,538)	43,704	75,395	218,102	139,154
Net Position - Beginning	<u>2,606,673</u>	<u>1,364,430</u>	<u>894,171</u>	<u>806,225</u>	<u>585,442</u>	<u>990,980</u>	<u>947,276</u>	<u>871,881</u>	<u>653,779</u>	<u>514,625</u>
Net Position - Ending	<u>\$ 3,035,833</u>	<u>\$ 2,606,673</u>	<u>\$ 1,364,430</u>	<u>\$ 894,171</u>	<u>\$ 806,225</u>	<u>\$ 585,442</u>	<u>\$ 990,980</u>	<u>\$ 947,276</u>	<u>\$ 871,881</u>	<u>\$ 653,779</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Net Position
Self Insurance Fund - Internal Service Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Assets										
Cash and cash equivalents	\$ -	\$ -	\$ 17,722	\$ 107,405	\$ -	\$ -	\$ 5,164	\$ 4,664	\$ -	\$ 718,055
Accounts receivable - net	188,296	262,154	33,972	193,958	118,530	51,451	143,154	51,945	54,218	90,134
Due from other funds	1,217,087	9,928,388	6,663,123	579,700	763,353	730,270	10,041,777	7,942,822	3,319,341	3,319,341
State and federal receivables	649	324	1,109	873	740	854	3,749	3,586	6,233	6,791
Other assets	710,100	-	-	-	-	-	-	-	-	-
Total Assets	\$ 2,116,132	\$ 10,190,866	\$ 6,715,926	\$ 881,936	\$ 882,623	\$ 782,575	\$ 10,193,844	\$ 8,003,017	\$ 3,379,792	\$ 4,134,321
LIABILITIES AND NET POSITION										
Liabilities										
Accounts payable	\$ 28,561	\$ -	\$ -	\$ -	\$ 687	\$ 281	\$ 5,637	\$ 4,500	\$ 2,684,459	\$ 3,430,127
Accrued liabilities	1,058,114	989,370	1,001,802	878,500	878,500	778,858	1,724,544	471,696	557,399	576,648
Due to other funds	819,910	9,043,439	5,710,688	-	-	-	8,429,922	7,312,887	-	-
Due to external parties	-	-	-	-	-	-	30,305	-	-	-
Other liabilities	51,490	-	-	-	-	-	-	-	-	-
Total liabilities	1,958,075	10,032,809	6,712,490	878,500	879,187	779,139	10,190,408	7,789,083	3,241,858	4,006,775
Net Position	158,057	158,057	3,436	3,436	3,436	3,436	3,436	213,934	137,934	127,546
Total Liabilities and Net Position	\$ 2,116,132	\$ 10,190,866	\$ 6,715,926	\$ 881,936	\$ 882,623	\$ 782,575	\$ 10,193,844	\$ 8,003,017	\$ 3,379,792	\$ 4,134,321

COUNTY OF CHEMUNG - STATE OF NEW YORK
Comparative Statements of Revenues, Expenses and Changes in Fund Net Position
Self Insurance Fund - Internal Service Fund

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues and Other Financing Sources										
Charges for services	\$ 21,437,516	\$ 19,732,690	\$ 15,598,827	\$ 14,759,221	\$ 13,425,575	\$ 13,566,732	\$ 12,915,717	\$ 12,272,730	\$ 10,860,663	\$ 11,391,471
Other revenue	30	240	600	903	206	-	-	-	-	-
Interfund transfers	-	-	230,700	-	-	-	-	-	-	-
Total revenues and other financing sources	<u>21,437,546</u>	<u>19,732,930</u>	<u>15,830,127</u>	<u>14,760,124</u>	<u>13,425,781</u>	<u>13,566,732</u>	<u>12,915,717</u>	<u>12,272,730</u>	<u>10,860,663</u>	<u>11,391,471</u>
Operating Expenses										
Employee benefits	<u>21,437,546</u>	<u>19,578,309</u>	<u>15,830,127</u>	<u>14,760,124</u>	<u>13,425,781</u>	<u>13,566,732</u>	<u>13,126,215</u>	<u>12,196,730</u>	<u>10,850,275</u>	<u>11,198,079</u>
Changes in Net Position	-	154,621	-	-	-	-	(210,498)	76,000	10,388	193,392
Net Position - Beginning	<u>158,057</u>	<u>3,436</u>	<u>3,436</u>	<u>3,436</u>	<u>3,436</u>	<u>3,436</u>	<u>213,934</u>	<u>137,934</u>	<u>127,546</u>	<u>(65,846)</u>
Net Position - Ending	<u>\$ 158,057</u>	<u>\$ 158,057</u>	<u>\$ 3,436</u>	<u>\$ 213,934</u>	<u>\$ 137,934</u>	<u>\$ 127,546</u>				

COUNTY OF CHEMUNG - STATE OF NEW YORK

Financial Trends

Net Position by Component

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental Activities										
Net investment in capital assets	\$ 72,480,166	\$ 72,008,186	\$ 68,198,883	\$ 68,897,436	\$ 68,082,156	\$ 65,372,255	\$ 61,187,431	\$ 52,901,161	\$ 61,525,083	\$ 53,905,693
Restricted	1,356,163	1,352,916	1,247,870	2,129,996	1,939,609	3,924,219	1,137,970	787,644	508,003	3,572,574
Unrestricted	22,458,369	22,963,216	17,792,248	8,146,008	7,125,071	6,333,957	12,048,224	19,675,765	2,856,733	(9,244,451)
Total Governmental Activities	<u>\$ 96,294,698</u>	<u>\$ 96,324,318</u>	<u>\$ 87,239,001</u>	<u>\$ 79,173,440</u>	<u>\$ 77,146,836</u>	<u>\$ 75,630,431</u>	<u>\$ 74,373,625</u>	<u>\$ 73,364,570</u>	<u>\$ 64,889,819</u>	<u>\$ 48,233,816</u>
Business-Type Activities										
Net investment in capital assets	\$ 42,261,722	\$ 39,983,156	\$ 35,453,336	\$ 29,779,008	\$ 29,927,137	\$ 29,470,323	\$ 23,782,959	\$ 16,569,081	\$ 15,496,568	\$ 13,959,886
Restricted	882,266	1,011,598	1,114,073	949,640	887,553	685,103	1,066,536	854,972	919,816	658,254
Unrestricted	(10,583,346)	(10,249,547)	(13,033,584)	(9,215,049)	(7,105,866)	(8,445,997)	(6,315,725)	(6,611,351)	(5,683,395)	(4,446,780)
Total Business-Type Activities	<u>\$ 32,560,642</u>	<u>\$ 30,745,207</u>	<u>\$ 23,533,825</u>	<u>\$ 21,513,599</u>	<u>\$ 23,708,824</u>	<u>\$ 21,709,429</u>	<u>\$ 18,533,770</u>	<u>\$ 10,812,702</u>	<u>\$ 10,732,989</u>	<u>\$ 10,171,360</u>
Primary Government										
Net investment in capital assets	\$ 114,741,888	\$ 111,991,342	\$ 103,652,219	\$ 98,676,444	\$ 98,009,293	\$ 94,842,578	\$ 84,970,390	\$ 69,470,242	\$ 77,021,651	\$ 67,865,579
Restricted	2,238,429	2,364,514	2,361,943	3,079,636	2,827,162	4,609,322	2,204,506	1,642,616	1,427,819	4,230,828
Unrestricted	11,875,023	12,713,669	4,758,664	(1,069,041)	19,205	(2,112,040)	5,732,499	13,064,414	(2,826,662)	(13,691,231)
Total Primary Government	<u>\$ 128,855,340</u>	<u>\$ 127,069,525</u>	<u>\$ 110,772,826</u>	<u>\$ 100,687,039</u>	<u>\$ 100,855,660</u>	<u>\$ 97,339,860</u>	<u>\$ 92,907,395</u>	<u>\$ 84,177,272</u>	<u>\$ 75,622,808</u>	<u>\$ 58,405,176</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Financial Trends
Primary Government Changes in Net Position

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues										
Governmental activities										
Program revenues										
General government	\$ 14,446,973	\$ 15,458,283	\$ 16,399,931	\$ 10,264,157	\$ 11,294,570	\$ 16,335,541	\$ 14,794,214	\$ 14,502,039	\$ 11,881,705	\$ 10,718,932
Education	4,041,618	4,658,803	5,192,602	4,412,470	4,026,737	-	-	-	-	-
Public safety	2,487,423	2,327,890	2,168,517	2,463,137	2,678,232	2,699,637	2,811,918	2,687,088	2,709,743	2,046,905
Health	7,701,463	9,094,234	8,834,543	9,970,511	11,687,301	10,874,606	7,804,024	8,012,118	8,139,981	8,906,168
Transportation	7,762,625	11,939,757	8,294,942	5,569,268	5,329,747	8,691,023	12,411,664	7,669,351	10,686,073	5,462,544
Economic opportunity and development	38,354,383	38,305,445	37,720,843	40,640,966	38,556,306	38,469,902	38,135,297	39,243,713	38,625,475	36,478,103
Culture and recreation	973,728	787,201	772,558	1,340,497	1,820,156	1,809,240	1,673,263	1,705,010	1,139,283	928,360
Home and community services	6,890,044	6,469,441	7,491,552	5,558,533	5,052,761	5,998,884	6,192,180	5,584,004	6,474,716	6,630,303
General revenues										
Real property taxes	28,721,834	28,736,964	28,136,446	26,822,806	25,932,409	25,532,248	25,854,083	28,130,560	25,150,503	22,082,255
Real property tax items	3,966,215	3,727,593	3,306,632	1,865,722	1,460,023	1,808,181	1,337,505	1,819,697	1,644,191	1,505,568
Non-property tax items	60,678,716	61,800,320	58,928,866	52,066,632	55,539,662	52,382,557	31,622,482	30,624,937	30,210,758	28,469,580
Use of money and property	1,488,312	1,397,066	1,233,646	1,265,326	1,517,656	1,858,926	730,245	649,703	424,079	426,501
Rental of real property, equipment and books	-	-	-	-	-	-	-	-	160,782	924,275
Sale of property and compensation for loss	1,062,654	1,019,861	929,473	966,512	1,186,330	2,449,832	1,165,590	3,228,641	1,202,530	1,407,887
Miscellaneous local sources	4,264,413	4,985,443	3,933,562	3,979,324	7,189,823	3,065,649	3,910,139	2,507,603	6,238,977	5,805,127
Interfund transfers - net	(3,153,625)	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>179,686,776</u>	<u>190,708,301</u>	<u>183,344,113</u>	<u>167,185,861</u>	<u>173,271,713</u>	<u>171,976,226</u>	<u>148,442,604</u>	<u>146,364,464</u>	<u>144,688,796</u>	<u>131,792,508</u>
Business-type activities										
Chemung County Nursing facility	16,501,635	16,056,977	15,095,294	15,213,935	15,229,017	14,174,106	16,252,587	14,157,033	13,329,699	13,981,650
Elmira-Corning Regional Airport	3,526,316	3,425,905	2,895,876	2,545,068	2,343,805	2,373,831	2,086,724	2,116,479	1,777,419	1,727,185
Chemung Tobacco Asset Securitization Corporation	603,866	592,896	735,207	748,090	679,758	742,676	698,339	712,439	619,758	967,681
General revenues										
Use of money and property	108	105	138	261	46,607	-	-	-	-	-
Miscellaneous local sources	3,726,006	6,668,863	50,170	-	7,499,814	808,745	2,374	(2,400)	2,374	257,051
Interfund transfers - net	3,153,625	-	361,901	1,033,398	(2,907,218)	932,000	304,000	(529,677)	93,726	-
Total business-type activities	<u>27,511,556</u>	<u>26,744,746</u>	<u>19,138,586</u>	<u>19,540,752</u>	<u>22,891,783</u>	<u>19,031,358</u>	<u>19,344,024</u>	<u>16,453,874</u>	<u>15,822,976</u>	<u>16,933,567</u>
Total Primary Government Revenues	207,198,332	217,453,047	202,482,699	186,726,613	196,163,496	191,007,584	167,786,628	162,818,338	160,511,772	148,726,075
Expenses										
Governmental activities										
General government	42,791,187	40,431,955	39,208,172	34,128,058	34,749,527	32,799,326	13,689,179	13,189,627	11,752,130	9,493,875
Education	4,284,409	4,661,422	5,192,602	4,412,651	4,026,737	3,771,725	3,790,932	3,827,360	3,371,903	3,422,510
Public safety	22,888,662	20,765,379	19,612,371	18,170,354	17,555,289	18,377,635	17,672,300	15,482,594	15,056,364	13,028,185
Health	14,024,615	13,938,498	17,017,668	13,193,916	13,149,190	11,970,580	11,606,317	10,285,616	9,046,409	9,238,478
Transportation	13,518,783	13,646,520	8,573,440	12,542,063	12,600,099	11,932,070	11,337,476	9,062,637	10,997,269	
Economic opportunity and development	70,766,316	70,329,152	65,267,320	67,957,398	73,535,551	71,197,410	66,950,064	66,363,525	69,103,150	66,766,617
Culture and recreation	1,642,147	2,736,251	2,509,775	2,992,074	3,372,341	3,296,487	2,182,062	3,533,294	3,557,031	3,543,294
Home and community services	8,506,752	7,762,376	8,524,790	8,712,217	8,081,366	9,437,614	8,928,963	9,447,941	1,722,388	10,130,413
Interest	1,293,525	1,382,845	1,552,081	1,650,060	1,603,401	1,229,127	2,268,422	2,262,137	3,021,432	2,455,625
Total governmental activities	<u>179,716,396</u>	<u>175,654,398</u>	<u>167,458,219</u>	<u>163,758,791</u>	<u>168,673,501</u>	<u>164,011,974</u>	<u>139,080,667</u>	<u>135,729,570</u>	<u>125,693,444</u>	<u>129,076,266</u>
Business-type activities										
Chemung County Nursing facility	19,824,583	20,133,041	19,408,365	18,222,354	19,130,656	17,914,621	16,426,852	15,217,381	14,637,540	14,142,138
Elmira-Corning Regional Airport	5,447,618	4,922,989	4,703,390	4,440,993	4,362,397	4,148,558	3,036,026	2,802,786	2,433,534	2,154,287
Chemung Tobacco Asset Securitization Corporation	423,920	445,920	826,938	473,096	481,142	499,966	512,960	514,137	529,622	-
Total business-type activities	<u>25,696,121</u>	<u>25,501,950</u>	<u>24,938,693</u>	<u>23,136,443</u>	<u>23,974,195</u>	<u>22,563,145</u>	<u>19,975,838</u>	<u>18,534,304</u>	<u>17,600,696</u>	<u>16,296,425</u>
Total Primary Government Expenses	205,412,517	201,156,348	192,396,912	186,895,234	192,647,696	186,575,119	159,056,505	154,263,874	143,294,140	145,372,691
Net Income Governmental Activities	(29,620)	15,053,903	15,885,894	3,427,070	4,598,212	7,964,252	9,361,937	10,634,894	18,995,352	2,716,242
Net Income (Loss) Business-Type Activities	1,815,435	1,242,796	(5,800,107)	(3,595,691)	(1,082,412)	(3,531,787)	(631,814)	(2,080,430)	(1,777,720)	637,142
Net Income (Loss) Total Primary Government	\$ 1,785,815	\$ 16,296,699	\$ 10,085,787	\$ (168,621)	\$ 3,515,800	\$ 4,432,465	\$ 8,730,123	\$ 8,554,464	\$ 17,217,632	\$ 3,353,384

COUNTY OF CHEMUNG - STATE OF NEW YORK
Financial Trends
Fund Balances of Governmental Funds

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund										
Nonspendable	\$ -	\$ 8,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted - health insurance cash	1,356,163	1,352,916	1,348,203	1,342,831	1,226,591	1,202,225	1,645,109	-	-	-
Restricted - unspent bond proceeds	-	-	-	-	-	-	-	-	-	-
Committed - DWI funds	282,179	275,455	234,925	274,046	236,457	107,830	107,830	-	-	-
Committed - senior games	10,059	-	-	-	-	-	-	-	-	-
Assigned - repurchase agreement funds	-	-	-	-	-	-	-	-	-	-
Assigned - special revenue funds	-	-	-	-	-	-	-	-	-	-
Assigned - reserve for encumbrances	218,520	-	-	-	-	-	-	-	-	-
Unassigned	28,240,892	27,395,775	20,951,324	9,476,378	8,097,546	6,366,408	5,463,979	5,953,098	680,027	(1,141,474)
Total General Fund	\$ 30,107,813	\$ 29,032,796	\$ 22,534,452	\$ 11,093,255	\$ 9,560,594	\$ 7,676,463	\$ 7,216,918	\$ 5,953,098	\$ 680,027	\$ (1,141,474)
Capital Projects Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted - health insurance cash	-	-	-	-	-	-	-	-	-	-
Restricted - unspent bond proceeds	1,273,990	3,300,608	-	-	-	-	-	-	-	-
Committed - DWI funds	-	-	-	-	-	-	-	-	-	-
Committed - senior games	-	-	-	-	-	-	-	-	-	-
Assigned - repurchase agreement funds	508,003	508,003	508,003	508,003	508,003	508,003	508,003	508,003	508,003	508,003
Assigned - capital projects	-	-	472,722	1,913,378	1,660,905	2,049,953	2,901,780	3,820,588	2,050,093	3,038,907
Assigned - encumbrances	-	-	-	-	-	-	-	-	-	-
Unassigned	(2,055,258)	(1,557,597)	-	-	-	-	-	-	-	-
Total Capital Projects Fund	\$ (273,265)	\$ 2,251,014	\$ 980,725	\$ 2,421,381	\$ 2,168,908	\$ 2,557,956	\$ 3,409,783	\$ 4,328,591	\$ 2,558,096	\$ 3,546,910
County Road Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted - health insurance cash	-	-	-	-	-	-	-	-	-	-
Restricted - unspent bond proceeds	-	-	-	-	-	-	-	-	-	-
Committed - DWI funds	-	-	-	-	-	-	-	-	-	-
Committed - senior games	-	-	-	-	-	-	-	-	-	-
Assigned - repurchase agreement funds	-	-	-	-	-	-	-	-	-	-
Assigned - special revenue funds	-	-	-	-	(53,773)	(42,773)	(42,773)	(42,773)	(36,539)	41,359
Assigned - encumbrances	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total County Road Fund	\$ -	\$ -	\$ -	\$ -	\$ (53,773)	\$ (42,773)	\$ (42,773)	\$ (42,773)	\$ (36,539)	\$ 41,359
Road Machinery Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted - health insurance cash	-	-	-	-	-	-	-	-	-	-
Restricted - unspent bond proceeds	-	-	-	-	-	-	-	-	-	-
Committed - DWI funds	-	-	-	-	-	-	-	-	-	-
Committed - senior games	-	-	-	-	-	-	-	-	-	-
Assigned - repurchase agreement funds	-	-	-	-	-	-	-	-	-	-
Assigned - special revenue funds	85,280	85,280	85,280	85,280	85,280	85,280	85,280	85,280	240,101	44,371
Assigned - encumbrances	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Road Machinery Fund	\$ 85,280	\$ 85,280	\$ 85,280	\$ 85,280	\$ 85,280	\$ 85,280	\$ 85,280	\$ 85,280	\$ 240,101	\$ 44,371
Solid Waste Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted - health insurance cash	-	-	-	-	-	-	-	-	-	-
Restricted - unspent bond proceeds	-	-	-	-	-	-	-	-	-	-
Committed - DWI funds	-	-	-	-	-	-	-	-	-	-
Committed - senior games	-	-	-	-	-	-	-	-	-	-
Assigned - repurchase agreement funds	-	-	-	-	-	-	-	-	-	-
Assigned - special revenue funds	1,159,479	835,709	865,903	1,298,010	1,211,663	1,211,472	2,110,153	2,031,236	793,415	701,475
Assigned - encumbrances	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Solid Waste Fund	\$ 1,159,479	\$ 835,709	\$ 865,903	\$ 1,298,010	\$ 1,211,663	\$ 1,211,472	\$ 2,110,153	\$ 2,031,236	\$ 793,415	\$ 701,475
Sewer Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted - health insurance cash	-	-	-	-	-	-	-	-	-	-
Restricted - unspent bond proceeds	-	-	-	-	-	-	-	-	-	-
Committed - DWI funds	-	-	-	-	-	-	-	-	-	-
Committed - senior games	-	-	-	-	-	-	-	-	-	-
Assigned - repurchase agreement funds	-	-	-	-	-	-	-	-	-	-
Assigned - special revenue funds	2,537,938	2,233,839	2,158,906	1,835,029	1,401,764	1,570,690	1,952,853	1,912,976	1,729,716	1,719,807
Assigned - encumbrances	11,400	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Sewer Funds	\$ 2,549,338	\$ 2,233,839	\$ 2,158,906	\$ 1,835,029	\$ 1,401,764	\$ 1,570,690	\$ 1,952,853	\$ 1,912,976	\$ 1,729,716	\$ 1,719,807

COUNTY OF CHEMUNG - STATE OF NEW YORK
Financial Trends
Changes in Fund Balances of Governmental Funds

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues										
Real property taxes	\$ 28,721,834	\$ 28,736,964	\$ 28,136,446	\$ 26,822,806	\$ 25,932,409	\$ 25,532,248	\$ 25,854,083	\$ 28,130,561	\$ 25,150,503	\$ 22,082,255
Real property tax items	3,966,215	3,727,593	3,306,632	1,865,722	1,460,023	1,808,181	1,337,505	1,819,697	1,644,191	1,505,568
Nonproperty tax items	60,678,716	61,800,320	58,928,866	52,066,632	55,539,662	52,382,557	31,622,482	30,624,937	30,210,758	28,469,580
Department income	16,276,649	16,671,719	21,015,210	15,517,196	15,505,257	18,232,306	16,381,033	20,065,007	16,479,848	15,625,557
Intergovernmental charges	4,956,990	5,572,941	7,009,236	5,141,683	5,624,660	4,705,135	4,461,344	4,906,804	4,198,338	4,120,254
Uses of money and property	1,488,312	1,397,066	1,233,646	1,265,326	1,517,656	1,858,927	1,781,796	1,362,285	1,542,768	1,292,764
Licenses and permits	26,113	39,723	18,819	17,469	19,329	11,093	13,174	13,293	10,959	16,043
Fines and forfeitures	277,060	319,042	266,627	326,971	301,583	277,917	333,651	300,299	314,803	237,430
Sale of property and compensation for loss	1,220,432	1,026,772	1,226,285	983,826	1,201,147	2,466,082	1,189,582	2,428,543	1,479,618	1,415,757
Miscellaneous local source	3,986,244	4,597,871	4,137,226	3,761,558	4,188,446	3,997,648	3,403,120	1,778,348	6,157,541	5,380,127
State aid	23,682,527	23,188,812	24,718,163	26,618,226	31,636,784	26,595,199	29,037,028	25,645,684	26,270,996	22,774,657
Federal aid	28,571,567	33,348,562	28,192,306	27,160,779	21,888,094	29,892,411	28,377,009	24,743,427	27,098,427	24,260,041
Total revenues	<u>173,852,659</u>	<u>180,427,385</u>	<u>178,189,462</u>	<u>161,548,194</u>	<u>164,815,050</u>	<u>167,759,704</u>	<u>143,791,807</u>	<u>141,818,885</u>	<u>140,558,750</u>	<u>127,180,033</u>
Expenditures										
General government support	36,597,164	37,096,446	34,056,524	29,134,927	31,391,361	28,463,858	12,335,137	11,579,925	10,090,964	8,966,789
Education	4,284,409	4,661,422	5,192,602	4,412,651	4,026,737	3,771,725	3,790,932	3,827,360	3,371,903	3,422,510
Public safety	13,818,603	13,210,294	12,658,895	12,726,140	12,717,027	12,544,391	17,245,174	15,402,265	13,976,440	12,577,872
Health	10,152,826	10,448,737	10,345,121	10,692,219	10,793,542	11,380,019	11,173,936	9,993,260	9,745,951	9,073,510
Transportation	13,464,163	19,719,869	15,124,536	10,107,046	12,593,199	16,874,133	18,326,814	12,992,746	16,881,444	11,161,949
Economic assistance	62,976,228	63,330,901	59,545,122	63,891,662	68,780,193	66,523,428	66,192,646	65,564,112	68,412,533	66,055,309
Culture and recreation	2,107,911	2,027,982	1,941,323	2,349,946	2,783,156	2,696,298	2,047,105	3,588,205	3,317,764	3,369,842
Home and community services	5,708,356	5,707,765	7,609,184	7,943,445	7,626,097	10,328,923	8,205,632	8,227,877	9,275,223	8,884,587
Employee benefits	20,163,189	17,050,703	15,473,956	13,550,761	12,288,557	13,131,952	-	-	-	-
Debt principal	3,410,289	4,302,889	4,205,744	4,062,117	5,219,990	4,843,881	4,616,328	4,191,449	4,414,155	4,274,734
Debt interest	1,298,684	1,308,219	1,502,328	1,496,297	1,477,572	1,604,226	2,151,555	2,173,093	2,754,676	2,201,060
Total expenditures	<u>173,981,822</u>	<u>178,865,227</u>	<u>167,655,335</u>	<u>160,367,211</u>	<u>169,697,431</u>	<u>172,162,834</u>	<u>146,085,259</u>	<u>137,540,292</u>	<u>142,241,053</u>	<u>129,988,162</u>
Other Financing Sources (Uses)										
Proceeds of refunding bonds	-	5,978,590	-	-	-	-	-	-	-	-
Proceeds from long-term obligations	2,472,795	7,907,131	2,306,786	3,442,849	4,321,011	6,098,574	4,043,724	5,234,718	3,254,481	4,813,155
Interfund transfers - in	6,123,620	6,163,966	4,399,164	6,042,012	9,759,309	4,394,815	3,725,606	5,840,857	5,357,183	11,128,193
Interfund transfers - out	(9,277,245)	(12,393,043)	(13,115,217)	(7,739,286)	(10,227,304)	(12,334,493)	(12,679,421)	(7,765,894)	(7,933,087)	(11,392,984)
Payment to refunded bond escrow agent	-	(5,877,588)	-	-	-	-	-	-	-	-
Refunding bond issuance costs	-	(101,002)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(680,830)</u>	<u>1,678,054</u>	<u>(6,409,267)</u>	<u>1,745,575</u>	<u>3,853,016</u>	<u>(1,841,104)</u>	<u>(4,910,091)</u>	<u>3,309,681</u>	<u>678,577</u>	<u>4,548,364</u>
Changes in Fund Balance	<u>\$ (809,993)</u>	<u>\$ 3,240,212</u>	<u>\$ 4,124,860</u>	<u>\$ 2,926,558</u>	<u>\$ (1,029,365)</u>	<u>\$ (6,244,234)</u>	<u>\$ (7,203,543)</u>	<u>\$ 7,588,274</u>	<u>\$ (1,003,726)</u>	<u>\$ 1,740,235</u>
Ratio of total debt service to noncapital expenditures	<u>2.71%</u>	<u>3.14%</u>	<u>3.40%</u>	<u>3.47%</u>	<u>3.95%</u>	<u>3.75%</u>	<u>4.63%</u>	<u>4.63%</u>	<u>5.04%</u>	<u>4.98%</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Revenue Capacity
Property Tax Levies and Full Value Assessment

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Residential Property	\$ 2,916,572,123	\$ 2,841,923,452	\$ 2,813,189,384	\$ 2,762,162,333	\$ 2,654,675,006	\$ 2,516,722,428	INA	INA	INA	INA
Commercial Property	2,146,593,087	2,113,349,287	2,151,742,006	2,023,462,097	1,961,899,248	1,867,952,397	INA	INA	INA	INA
Less: Tax Exempt Property	(1,203,599,289)	(1,086,530,672)	(1,197,783,656)	(1,131,437,444)	(1,149,184,343)	(1,118,083,486)	INA	INA	INA	INA
Full Value Assessment	\$ 3,859,565,921	\$ 3,868,742,067	\$ 3,767,147,734	\$ 3,654,186,986	\$ 3,467,389,911	\$ 3,266,591,339	\$ 3,093,242,764	\$ 3,014,899,674	\$ 2,944,953,736	\$ 2,824,731,332
Total Direct County Tax Rate Per \$1,000	\$ 8.75	\$ 8.87	\$ 8.91	\$ 8.78	\$ 8.93	\$ 9.06	\$ 9.58	\$ 10.49	\$ 10.21	\$ 9.45
COUNTY										
County	27,005,000	27,005,000	26,322,145	25,529,490	24,200,030	22,924,483	22,924,483	24,985,495	22,974,653	20,153,204
Community College	4,800,000	5,320,969	5,282,674	4,005,904	3,768,309	3,781,784	3,822,480	3,350,211	3,935,316	3,537,414
Elmira Sewer District	868,842	868,841	868,842	893,842	893,842	839,655	824,724	1,016,156	964,290	872,462
Sewer District #1	1,106,218	1,106,218	1,106,218	1,134,916	1,134,916	1,050,848	1,020,000	1,020,000	970,780	909,000
Solid Waste	-	-	-	523,629	950,109	991,369	1,053,766	1,257,000	1,216,249	1,210,545
Total county	<u>33,780,060</u>	<u>34,301,028</u>	<u>33,579,879</u>	<u>32,087,781</u>	<u>30,947,206</u>	<u>29,588,139</u>	<u>29,645,453</u>	<u>31,628,862</u>	<u>30,061,288</u>	<u>26,682,625</u>
TOWNS										
Ashland	340,233	257,561	249,522	230,706	177,726	109,933	122,877	117,064	111,740	83,567
Baldwin	194,666	217,201	223,196	192,443	138,943	118,117	104,312	91,339	80,096	79,022
Big Flats	2,067,429	2,064,782	1,985,122	1,938,765	1,821,550	1,835,171	1,697,565	1,665,985	1,487,884	1,360,739
Catlin	509,235	501,236	482,776	467,028	459,531	418,105	418,824	421,879	438,623	392,829
Chemung	122,876	111,500	112,500	112,500	100,500	106,160	151,000	199,500	196,050	200,196
Elmira (Town)	1,096,949	1,091,197	1,357,898	1,284,673	1,341,635	1,322,928	1,587,979	1,538,640	1,385,393	1,333,525
Erin	210,906	210,906	195,433	159,998	159,998	159,998	130,917	125,580	122,379	121,634
Horseheads	591,661	605,389	627,698	558,698	527,443	545,302	550,104	523,591	471,212	512,121
Southport	949,989	947,650	950,000	995,000	1,063,436	1,102,000	1,148,090	1,190,000	1,212,000	1,192,500
Van Etten	659,757	710,603	694,117	668,221	529,977	391,978	381,977	379,077	367,577	353,760
Veteran	358,306	356,412	325,185	338,944	314,454	260,386	256,139	208,045	196,376	144,096
Total towns	<u>7,102,007</u>	<u>7,074,437</u>	<u>7,203,447</u>	<u>6,946,976</u>	<u>6,635,193</u>	<u>6,370,078</u>	<u>6,549,784</u>	<u>6,460,700</u>	<u>6,069,330</u>	<u>5,773,989</u>
CITY										
City of Elmira	<u>10,396,290</u>	<u>10,442,544</u>	<u>10,237,252</u>	<u>9,269,810</u>	<u>10,259,337</u>	<u>9,533,684</u>	<u>9,004,736</u>	<u>9,278,740</u>	<u>8,221,793</u>	<u>7,912,761</u>
VILLAGES										
Village of Wellsburg	93,719	85,487	67,514	57,899	40,901	41,944	46,166	42,544	52,466	65,046
Village of Elmira Heights	1,523,180	1,493,314	1,442,288	1,401,927	1,378,790	1,374,438	1,272,628	1,249,910	1,193,433	1,093,782
Village of Horseheads	1,512,853	1,495,454	1,384,954	1,283,297	1,240,770	1,172,131	1,126,528	1,034,250	998,703	993,202
Village of Van Etten	40,320	40,320	40,670	40,189	23,790	95,000	83,130	34,519	32,859	33,643
Village of Millport	43,792	43,792	37,771	37,100	37,031	34,175	31,655	30,350	29,186	28,905
Total villages	<u>3,213,864</u>	<u>3,158,367</u>	<u>2,973,197</u>	<u>2,820,412</u>	<u>2,721,282</u>	<u>2,717,688</u>	<u>2,560,107</u>	<u>2,391,573</u>	<u>2,306,647</u>	<u>2,214,578</u>
SPECIAL DISTRICTS										
Library District	2,528,242	2,481,966	2,437,502	2,336,605	2,336,605	2,140,001	1,963,969	-	-	-
Baldwin No. 1 Fire District	67,320	66,000	62,714	60,886	57,412	56,844	55,728	54,105	52,530	51,000
Big Flats No. 1 Fire District	606,321	593,150	575,850	488,850	482,400	454,010	414,148	369,000	337,388	325,970
Big Flats No. 2 Fire District	172,972	169,580	100,160	98,710	87,080	82,820	69,050	69,050	65,850	65,850
Chemung No. 1 Fire District	223,270	200,860	158,870	150,133	142,758	143,058	129,245	140,400	140,400	140,400
Elmira No. 1 Fire District	699,002	655,706	627,578	577,700	517,650	488,571	474,341	462,772	450,144	401,520
West Hill No. 3 Fire District	58,575	59,474	57,229	55,601	52,050	48,500	48,500	45,780	45,267	44,467
Erin No. 1 Fire District	145,000	132,500	132,500	132,500	132,500	99,900	99,900	99,600	98,000	-
Horseheads No. 1 Fire District	53,669	52,616	52,840	51,992	45,500	45,500	44,100	44,100	44,100	41,100
Pine City Fire District	144,056	135,981	131,000	120,500	119,000	116,500	113,500	105,500	102,500	101,000
Webbs Mills No. 4 Fire District	146,463	143,562	144,000	140,400	133,500	132,975	114,450	119,102	113,102	87,152
Total special districts	<u>4,844,890</u>	<u>4,691,395</u>	<u>4,480,243</u>	<u>4,213,877</u>	<u>4,106,455</u>	<u>3,808,679</u>	<u>3,526,931</u>	<u>1,509,409</u>	<u>1,449,281</u>	<u>1,258,459</u>
SCHOOL DISTRICTS										
Elmira Heights School District	6,736,138	5,068,549	5,004,202	4,915,510	4,809,226	4,675,719	4,688,196	4,210,916	3,841,274	3,494,122
Elmira School District	30,022,059	20,830,337	20,559,757	20,518,107	20,204,933	20,133,269	18,776,398	17,972,504	16,266,179	15,447,183
Horseheads School District	32,441,675	25,777,857	25,023,908	24,826,865	23,860,078	23,179,385	21,749,932	20,681,379	19,208,758	16,788,713
Total schools districts	<u>69,199,872</u>	<u>51,676,743</u>	<u>50,587,867</u>	<u>50,260,482</u>	<u>48,874,237</u>	<u>47,988,373</u>	<u>45,214,526</u>	<u>42,864,799</u>	<u>39,316,211</u>	<u>35,730,018</u>
Total County-Wide Tax Levy	\$ 128,536,983	\$ 111,344,514	\$ 109,061,885	\$ 105,599,338	\$ 103,543,710	\$ 100,006,641	\$ 96,501,537	\$ 94,134,083	\$ 87,424,550	\$ 79,572,430
Total Direct Overlapping Tax Rate Per \$1,000	\$ 33.30	\$ 28.78	\$ 28.95	\$ 28.90	\$ 29.86	\$ 30.61	\$ 31.20	\$ 31.22	\$ 29.69	\$ 28.17

INA-Information not available

COUNTY OF CHEMUNG - STATE OF NEW YORK
Revenue Capacity
Top Ten Taxpayers

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Largest Taxpayers										
Assessed Value										
New York State Electric & Gas	\$ 141,859,368	\$ 143,425,387	\$ 125,281,966	\$ 118,800,086	\$ 116,789,539	\$ 132,763,773	\$ 125,903,336	\$ 171,016,507	\$ 112,966,375	\$ 100,458,723
Talisman Energy USA	78,046,130	120,173,813	135,237,384	168,383,353	93,909,787	125,347,751	65,989,616	36,541,852	36,541,852	36,541,852
Arnot Realty Corp	56,709,911	58,461,811	58,476,097	64,582,760	66,533,595	66,331,367	65,934,675	71,379,861	71,379,861	70,461,329
CVS	54,305,300	54,305,300	36,961,800	787,700	632,700	-	-	-	-	-
Big Flats I, II, III, IV, LLC	33,835,500	35,845,600	35,844,400	35,872,200	35,378,700	35,376,500	35,376,500	34,372,300	35,244,384	37,081,912
Verizon Communications	18,189,646	20,225,711	22,254,787	23,862,411	26,699,881	21,737,597	20,075,238	22,334,459	17,825,925	26,754,157
Vulcraft	17,710,833	17,710,833	17,784,833	17,784,833	18,143,033	18,143,033	18,143,033	19,228,639	19,228,639	-
Greenridge Apartments LLC	16,320,200	15,507,800	15,309,975	14,811,291	14,460,974	10,353,164	11,997,179	10,535,567	10,535,567	10,535,567
DDR Horseheads, LLC	15,700,000	15,700,000	15,700,000	15,700,000	15,700,000	9,400,508	9,500,000	8,000,000	8,000,000	-
Pennsylvania Lines, LLC	12,774,115	12,393,394	11,773,709	12,080,101	14,039,731	12,029,673	14,595,365	16,824,990	16,657,271	16,651,960
Total assessed value	\$ 445,451,003	\$ 493,749,649	\$ 474,624,951	\$ 472,664,735	\$ 402,287,940	\$ 431,483,366	\$ 367,514,942	\$ 390,234,175	\$ 328,379,874	\$ 298,485,500
Tax Paid										
New York State Electric & Gas	\$ 1,580,361	\$ 1,629,187	\$ 1,406,879	\$ 1,294,044	\$ 1,275,795	\$ 1,485,718	\$ 1,427,748	\$ 1,408,828	\$ 1,388,960	\$ 1,303,426
Talisman Energy USA	1,303,944	1,513,375	1,738,760	1,894,487	1,543,056	1,564,594	818,845	467,242	467,242	467,242
Arnot Realty Corp	702,999	718,783	737,007	815,705	815,225	842,323	831,773	868,485	868,485	868,485
Big Flats I, II, III, IV, LLC	436,992	457,950	473,760	475,929	480,482	478,247	476,677	480,748	480,748	480,748
Verizon Communications	240,958	272,486	339,033	315,092	293,245	250,247	233,838	273,542	301,075	273,720
Vulcraft	210,643	215,617	220,658	221,663	227,270	309,483	305,789	327,045	327,045	327,045
Greenridge Associates	177,568	169,934	170,297	164,030	163,621	118,977	136,389	128,663	128,663	128,663
DDR Horseheads, LLC	131,626	131,382	138,307	97,953	98,347	98,824	98,547	86,323	83,168	-
Pennsylvania Lines, LLC	97,679	94,308	85,075	87,789	90,837	81,566	102,595	105,106	119,429	226,449
CVS	67,648	46,740	2,707	1,930	2,105	-	-	-	-	-
Total taxes paid	\$ 4,950,418	\$ 5,249,762	\$ 5,312,483	\$ 5,368,622	\$ 4,989,983	\$ 5,229,979	\$ 4,432,201	\$ 4,145,982	\$ 4,164,815	\$ 4,075,778

COUNTY OF CHEMUNG - STATE OF NEW YORK

Revenue Capacity

Property Tax Levies and Collections

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
County	\$ 33,780,060	\$ 34,301,028	\$ 33,579,879	\$ 32,087,781	\$ 30,947,206	\$ 29,588,139	\$ 29,645,453	\$ 31,628,862	\$ 30,061,288	\$ 26,682,625
Local Special Districts	4,844,890	4,691,395	4,480,243	4,213,877	4,106,455	3,808,679	3,526,931	1,509,409	1,449,281	1,258,459
Relieved School and Village Taxes	3,201,960	2,561,966	2,798,516	5,864,869	6,240,783	24,315	2,474,665	2,044,526	2,055,386	2,674,147
Towns	<u>7,102,007</u>	<u>7,074,437</u>	<u>7,203,447</u>	<u>6,946,976</u>	<u>6,635,193</u>	<u>6,370,078</u>	<u>6,549,784</u>	<u>6,460,700</u>	<u>6,069,330</u>	<u>5,773,989</u>
Total Levy	\$ 48,928,917	\$ 48,628,826	\$ 48,062,085	\$ 49,113,503	\$ 47,929,637	\$ 39,791,211	\$ 42,196,833	\$ 41,643,497	\$ 39,635,285	\$ 36,389,220
Amount Collected by December 31	\$ 46,865,233	\$ 46,011,597	\$ 43,646,862	\$ 44,832,854	\$ 41,606,765	\$ 33,468,339	\$ 40,636,939	\$ 39,747,735	\$ 37,739,523	\$ 35,270,884
Percentage Collected	95.78%	94.62%	90.81%	91.28%	86.81%	84.11%	96.30%	95.45%	95.22%	96.93%
Amount Collected in Subsequent Years	\$ 48,655,509	\$ 48,383,116	\$ 47,796,304	\$ 48,841,854	\$ 47,728,117	\$ 39,638,362	\$ 41,986,537	\$ 41,528,019	\$ 39,428,456	\$ 36,074,111
Percentage Collected	99.44%	99.49%	99.45%	99.45%	99.58%	99.62%	99.50%	99.72%	99.48%	99.13%

COUNTY OF CHEMUNG - STATE OF NEW YORK
Revenue Capacity
Sales Tax Receipts and Quarterly Sales by Type

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003					
Sales Tax Receipts															
County share	\$ 36,999,626	\$ 37,695,050	\$ 35,985,388	\$ 31,790,213	\$ 33,754,711	\$ 32,039,814	\$ 30,805,106	\$ 29,359,604	\$ 29,179,099	\$ 27,488,979					
City, towns and villages share	22,199,775	22,617,030	21,591,233	19,074,128	20,252,827	19,223,888	18,483,063	17,615,762	17,507,459	16,493,388					
Total Receipts	\$ 59,199,401	\$ 60,312,080	\$ 57,576,621	\$ 50,864,341	\$ 54,007,538	\$ 51,263,702	\$ 49,288,169	\$ 46,975,366	\$ 46,686,558	\$ 43,982,367					
	SEPTEMBER 2004 TO NOVEMBER 2004	DECEMBER 2004 TO FEBRUARY 2005	MARCH 2005 TO MAY 2005	JUNE 2005 TO AUGUST 2005	SEPTEMBER 2005 TO NOVEMBER 2005	DECEMBER 2005 TO FEBRUARY 2006	MARCH 2006 TO MAY 2006	JUNE 2006 TO AUGUST 2006	SEPTEMBER 2006 TO NOVEMBER 2006	DECEMBER 2006 TO FEBRUARY 2007	MARCH 2007 TO MAY 2007	JUNE 2007 TO AUGUST 2007	SEPTEMBER 2007 TO NOVEMBER 2007	DECEMBER 2007 TO FEBRUARY 2008	MARCH 2008 TO MAY 2008
Agriculture, Forestry, Fishing and Hunting	\$ -	\$ 12,184	\$ 74,100	\$ 39,290	\$ 8,208	\$ 12,845	\$ 77,957	\$ 62,183	\$ 17,816	\$ 58,668	\$ 72,807	\$ 2,383	\$ 2,796	\$ 100,802	\$ 98,577
Mining, Quarrying, and Oil and Gas Extraction	113,035	113,478	550,811	471,980	618,275	398,407	574,236	582,782	856,191	311,080	440,506	693,961	826,976	439,064	409,821
Utilities	11,106,304	19,609,871	30,716,175	50,326,045	11,458,875	21,067,459	15,837,795	11,844,338	12,219,441	17,891,429	15,973,900	11,852,155	11,882,947	14,623,001	12,297,641
Construction	533,522	1,647,145	1,705,542	1,544,740	1,494,475	1,758,687	1,829,304	1,778,720	1,638,602	1,772,817	1,477,066	1,768,686	1,754,180	2,222,643	2,521,044
Manufacturing	5,199,341	9,538,383	9,327,224	8,766,229	9,377,858	11,359,591	9,597,951	9,998,130	9,947,415	10,001,010	9,161,564	10,787,485	9,508,115	6,682,150	5,153,845
Wholesale Trade	6,385,916	9,579,524	9,847,300	10,432,698	11,312,716	9,770,800	10,835,683	11,556,952	10,019,548	9,524,342	10,989,945	12,497,468	10,759,719	5,346,362	5,287,809
Retail Trade	60,337,604	84,415,546	77,906,335	84,574,582	79,591,239	84,340,287	80,383,807	85,114,482	86,249,002	91,765,253	84,357,286	86,321,132	88,650,231	106,369,053	101,368,113
Transportation and Warehousing	743,513	938,610	1,207,769	1,120,963	1,169,747	1,031,396	971,044	1,135,890	1,092,975	1,521,621	1,060,424	1,374,942	1,031,360	3,077,660	2,796,169
Information	2,435,008	4,199,856	4,173,147	4,331,754	4,749,908	5,062,198	4,394,606	4,465,351	4,459,649	4,368,537	5,376,984	5,329,081	5,309,763	6,122,544	6,291,040
Finance and Insurance	335,691	648,620	576,732	667,653	597,959	487,799	624,079	591,455	497,445	593,994	537,634	556,837	475,190	701,307	666,474
Real Estate and Rental and Leasing	404,091	740,250	641,844	790,772	835,178	1,006,484	796,097	1,107,148	1,132,389	1,282,787	1,002,411	1,079,652	1,331,854	1,581,805	1,542,459
Professional, Scientific, and Technical Services	157,499	777,190	413,962	540,243	471,793	353,277	353,277	371,819	453,395	592,060	388,807	412,292	488,951	451,378	157,445
Management of Companies and Enterprises	8,445	14,909	10,286	11,456	7,380	10,928	2,032	3,591	4,136	6,503	4,304	5,342	7,509	7,693	8,582
Administrative and Support and Waste Management and Remediation Services	141,789	712,928	669,754	702,366	633,552	726,843	671,620	634,493	834,667	707,349	613,945	640,895	684,548	701,378	782,445
Educational Services	45,272	310,796	155,564	123,193	180,588	292,269	152,722	130,731	174,948	292,792	159,266	138,855	200,145	205,065	228,767
Health Care and Social Assistance	2,114	25,022	4,390	3,058	3,215	27,391	1,838	1,545	4,733	26,968	3,211	5,957	7,334	7,719	7,383
Arts, Entertainment, and Recreation	-	-	777,064	820,828	686,710	704,498	752,124	794,845	740,562	733,531	776,464	821,591	751,672	791,108	756,723
Accommodation and Food Services	4,393,660	8,965,116	9,446,071	10,158,049	9,457,653	9,516,402	9,985,047	10,655,433	9,866,093	9,823,959	9,866,469	10,956,597	10,464,985	11,014,024	10,535,311
Other Services (except Public Administration)	461,784	1,023,796	606,963	352,789	680,387	788,998	695,097	892,697	691,178	724,359	830,494	947,425	822,641	992,830	1,021,779
Public Administration	292	25,309	81,485	168,561	99,395	33,243	79,107	126,603	47,765	35,933	64,351	214,518	104,559	36,521	65,980
Total Sales	\$ 92,804,880	\$ 144,031,871	\$ 148,892,518	\$ 175,947,249	\$ 133,435,111	\$ 148,810,476	\$ 138,615,423	\$ 141,849,188	\$ 140,947,950	\$ 151,984,988	\$ 143,157,838	\$ 146,410,254	\$ 145,035,475	\$ 161,474,107	\$ 151,997,407
	JUNE 2008 TO AUGUST 2008	SEPTEMBER 2008 TO NOVEMBER 2008	DECEMBER 2008 TO FEBRUARY 2009	MARCH 2009 TO MAY 2009	JUNE 2009 TO AUGUST 2009	SEPTEMBER 2009 TO NOVEMBER 2009	DECEMBER 2009 TO FEBRUARY 2010	MARCH 2010 TO MAY 2010	JUNE 2010 TO AUGUST 2010	SEPTEMBER 2010 TO NOVEMBER 2010	MARCH 2011 TO MAY 2011	JUNE 2011 TO AUGUST 2011	SEPTEMBER 2011 TO NOVEMBER 2011	DECEMBER 2011 TO FEBRUARY 2012	MARCH 2012 TO MAY 2012
Agriculture, Forestry, Fishing and Hunting	\$ 38,212	\$ 36,161	\$ 59,496	\$ 5,856	\$ 10	\$ 30,051	\$ 127,728	\$ 56,098	\$ 37,540	\$ 38,026	\$ 48,135	\$ 41,934	\$ 32,609	\$ 179,005	\$ 82,933
Mining, Quarrying, and Oil and Gas Extraction	502,970	441,728	438,771	9,094	169,527	1,278,826	3,281,627	2,217,238	2,312,340	7,498,933	11,097,838	4,594,237	4,676,078	2,678,283	827,993
Utilities	9,414,025	8,895,206	15,578,123	10,826,100	6,592,980	8,860,179	13,500,663	10,096,624	8,686,226	9,398,944	10,754,573	7,559,349	10,408,884	9,950,821	8,392,047
Construction	3,628,618	4,024,533	2,027,122	257,551	419,048	1,916,747	2,031,073	1,748,866	1,834,691	1,499,713	1,934,418	2,528,445	2,260,843	1,977,059	1,751,748
Manufacturing	6,393,549	6,910,970	4,073,691	21,525,376	2,851,715	6,494,883	27,218,599	6,482,839	7,714,401	7,703,787	8,361,622	8,820,664	9,019,742	11,206,863	8,658,666
Wholesale Trade	5,485,044	5,309,503	5,225,505	2,468,444	2,338,510	6,145,246	5,902,599	6,128,244	6,693,956	7,288,742	7,677,738	8,340,953	8,852,710	8,109,303	8,091,658
Retail Trade	105,085,231	99,078,123	100,914,498	58,160,615	63,816,067	95,165,945	103,559,072	98,060,538	101,062,123	103,359,842	105,986,873	109,110,440	109,389,680	119,030,402	108,257,826
Transportation and Warehousing	3,195,777	3,084,808	3,205,835	545,221	601,906	305,640	263,943	332,058	493,544	369,374	522,923	936,838	676,018	496,289	397,482
Information	6,730,647	6,245,050	5,801,339	5,451,772	5,734,367	5,968,319	6,416,660	5,859,166	5,996,124	5,939,324	5,951,457	6,098,487	5,948,846	6,427,119	6,107,907
Finance and Insurance	750,464	622,434	520,301	117,157	92,485	328,763	290,267	391,289	459,275	513,957	329,647	520,141	659,713	1,001,800	815,440
Real Estate and Rental and Leasing	1,176,781	1,036,046	1,930,552	1,493,591	2,059,912	2,579,642	2,558,954	3,151,019	4,528,365	3,581,627	3,498,129	4,160,274	4,149,179	3,798,530	3,878,882
Professional, Scientific, and Technical Services	307,420	655,452	499,482	638,581	581,134	1,124,917	1,678,657	1,447,568	1,360,331	1,851,250	1,702,739	1,229,599	1,350,371	1,510,695	1,197,304
Management of Companies and Enterprises	8,856	7,189	10,963	24,373	3,393	3,404	18,323	29,505	129,490	147,480	141,677	156,733	190,586	240,517	182,866
Administrative and Support and Waste Management and Remediation Services	807,420	655,452	999,482	882,055	1,092,511	2,356,363	2,090,521	2,306,761	2,481,936	2,237,683	2,536,081	2,725,137	2,787,261	2,759,458	2,708,556
Educational Services	236,069	191,638	292,223	8,955	4,081	136,843	147,779	90,020	119,255	126,494	84,800	105,055	160,769	136,389	74,820
Health Care and Social Assistance	8,844	7,587	7,242	400	9,010	211,955	293,412	233,123	183,912	202,260	201,036	207,983	245,790	285,807	251,221
Arts, Entertainment, and Recreation	906,391	777,645	742,244	298,416	15,617	568,311	635,724	623,262	937,957	581,117	530,476	881,712	526,228	522,604	573,209
Accommodation and Food Services	12,619,027	10,826,599	10,333,734	5,076,824	6,060,025	14,777,704	15,198,305	16,108,316	17,568,724	16,062,287	16,976,317	18,877,216	17,857,350	17,666,702	17,916,843
Other Services (except Public Administration)	902,601	1,000,283	1,246,883	914,372	895,747	3,535,727	3,830,826	3,455,423	3,855,809	3,808,594	4,074,188	4,195,899	4,206,405	4,596,382	4,499,255
Public Administration	113,436	54,975	31,516	-	2,094	783	1,802	970	1,447	1,369	164	2,643	109	14,597	-
Total Sales	\$ 158,311,382	\$ 149,861,382	\$ 153,939,002	\$ 108,704,753	\$ 93,340,139	\$ 151,790,248	\$ 189,061,634	\$ 158,818,927	\$ 166,457,356	\$ 172,210,808	\$ 182,410,831	\$ 181,093,739	\$ 183,399,171	\$ 192,588,625	\$ 174,646,656

COUNTY OF CHEMUNG - STATE OF NEW YORK
Debt Capacity
Ratio of Outstanding Debt by Type

Fiscal Year	Governmental Activities				Business Type Activities			Total Primary Government	* Percentage of Personal Income	** Per Capita
	General Obligation Bonds	Refunding Bonds	Bond Anticipation Notes	Revenue Anticipation Notes	General Obligation Bonds	Refunding Bonds	Bond Anticipation Notes			
2003	\$ 38,564,542	\$ -	\$ 181,678	\$ 18,000,000	\$ 600,434	\$ -	\$ -	\$ 57,346,654	2.56%	629.70
2004	\$ 37,595,522	\$ -	\$ 328,523	\$ 18,000,000	\$ 8,121,770	\$ -	\$ -	\$ 64,045,815	2.73%	703.26
2005	\$ 38,822,852	\$ -	\$ 164,622	\$ -	\$ 9,267,098	\$ -	\$ -	\$ 48,254,572	1.95%	529.86
2006	\$ 38,409,354	\$ -	\$ 1,253,673	\$ -	\$ 9,207,130	\$ -	\$ -	\$ 48,870,157	1.89%	536.62
2007	\$ 39,312,266	\$ -	\$ 239,019	\$ -	\$ 9,175,230	\$ -	\$ -	\$ 48,726,515	1.78%	535.04
2008	\$ 38,691,131	\$ -	\$ 239,019	\$ -	\$ 9,540,711	\$ -	\$ -	\$ 48,470,861	1.63%	532.24
2009	\$ 38,196,379	\$ -	\$ 226,000	\$ 3,000,000	\$ 10,144,992	\$ -	\$ -	\$ 51,567,371	1.80%	566.24
2010	\$ 36,382,901	\$ -	\$ 903,000	\$ -	\$ 9,839,268	\$ -	\$ -	\$ 47,125,169	1.56%	530.55
2011	\$ 34,958,256	\$ 5,112,502	\$ 1,652,400	\$ -	\$ 9,367,153	\$ 107,498	\$ -	\$ 51,197,809	1.61%	576.40
2012	\$ 28,613,709	\$ 5,768,726	\$ 1,474,113	\$ -	\$ 13,464,332	\$ 611,274	\$ 2,084,555	\$ 52,016,709	1.63%	585.04

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Full value assessment from the New York State Office of Real Property Tax Service.

* The personal income is from the US Department of Commerce Bureau of Economic Analysis.

** The County's population per the 2000 Census was 91,070. This population was used for years 2003-2009 per capita calculation. The County's population per the 2010 Census was 88,824. This population was used for the 2010-2011 per capita calculation. The County's population per the 2012 Census was 88,911.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Debt Capacity
Ratio of General Bonded Debt Outstanding

General Bonded Debt Outstanding

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Refunding Bonds</u>	<u>Total Primary Government</u>	<u>Percentage of Full Value Assessment</u>	<u>* Per Capita</u>
2003	\$ 39,164,976	\$ -	\$ 39,164,976	1.39%	430.05
2004	\$ 45,717,292	\$ -	\$ 45,717,292	1.55%	502.00
2005	\$ 48,089,950	\$ -	\$ 48,089,950	1.60%	528.05
2006	\$ 47,616,484	\$ -	\$ 47,616,484	1.54%	522.86
2007	\$ 48,487,496	\$ -	\$ 48,487,496	1.48%	532.42
2008	\$ 48,231,842	\$ -	\$ 48,231,842	1.39%	529.61
2009	\$ 48,341,371	\$ -	\$ 48,341,371	1.32%	530.82
2010	\$ 46,222,169	\$ -	\$ 46,222,169	1.23%	520.38
2011	\$ 44,325,409	\$ 5,220,000	\$ 49,545,409	1.28%	557.79
2012	\$ 42,078,041	\$ 6,380,000	\$ 48,458,041	1.26%	545.02

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Full value assessment from the New York State Office of Real Property Tax Service.

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COUNTY OF CHEMUNG - STATE OF NEW YORK
Debt Capacity
Direct and Overlapping Governmental Activities Debt

	<u>Reporting Year End</u>	<u>Total Debt Outstanding</u>	<u>Exempt Debt</u>	<u>Applicable Overlapping Debt</u>
City of Elmira	12/31/2010	\$ 36,299,000	\$ 23,724,000	\$ 12,575,000
Town of Big Flats	12/31/2010	4,308,900	1,083,900	3,225,000
Town of Elmira	12/31/2010	27,500	-	27,500
Town of Erin	12/31/2010	226,876	-	226,876
Town of Horseheads	12/31/2010	97,000	97,000	-
Town of Van Etten	12/31/2010	255,050	-	255,050
Town of Veteran	12/31/2010	117,000	-	117,000
Elmira Heights Central School District	6/30/2011	15,343,979	-	15,343,979
Elmira City School District	6/30/2011	136,435,000	10,000,000	126,435,000
Horseheads Central School District	6/30/2011	19,855,000	-	19,855,000
		-		
Village of Elmira Heights	5/31/2011	886,738	46,738	840,000
Village of Wellsburg	5/31/2011	1,468,535	1,468,535	-
Big Flats No. 1 Fire District	12/31/2010	450,000	-	450,000
Chemung No. 1 Fire District	12/31/2010	150,516	-	150,516
Erin No. 1 Fire District	12/31/2010	362,597	-	362,597
Horseheads No. 1 Fire District	12/31/2010	20,000	-	20,000
Webb Mills No. 4 Fire District	12/31/2010	60,111	60,111	-
Subtotal other governmental overlapping debt		<u>216,363,802</u>	<u>36,480,284</u>	<u>179,883,518</u>
County direct debt	12/31/2012	35,856,548	3,315,795	32,540,753
Total direct and overlapping debt		<u>\$ 252,220,350</u>	<u>\$ 39,796,079</u>	<u>\$ 212,424,271</u>

COUNTY OF CHEMUNG - STATE OF NEW YORK
Debt Capacity
Legal Debt Margin Information

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Five year average full valuation	\$ 3,723,406,524	\$ 3,470,024,754	\$ 3,299,262,135	\$ 3,299,928,761	\$ 3,028,818,092	\$ 2,917,130,939	\$ 2,826,315,793	\$ 2,708,714,736	\$ 2,613,231,113	\$ 2,446,007,647
Debt limit (7% of average full valuation)	260,638,457	242,901,733	230,948,349	230,995,013	212,017,266	204,199,166	197,842,106	189,610,032	182,926,178	171,220,535
Total debt	52,016,709	51,197,809	47,125,169	51,567,371	48,470,861	48,726,515	48,870,157	48,254,572	64,045,815	57,346,654
Less - exempt debt										
TASC	5,861,028	6,075,000	6,137,759	6,398,438	6,628,750	6,838,392	7,022,527	7,181,633	7,330,022	-
BANS	3,558,668	1,652,400	903,000	226,000	239,019	239,019	1,253,673	164,622	328,523	181,678
Sewer Extensions SD#1	549,091	598,090	644,695	689,685	732,282	773,263	813,049	851,219	886,996	922,702
Sewer Extensions ESD	1,292,591	1,377,635	1,458,480	1,538,789	1,617,217	580,164	613,377	647,929	486,730	510,068
	11,261,378	9,703,125	9,143,934	8,852,912	9,217,268	8,430,838	9,702,626	8,845,403	9,032,271	1,614,448
Total net debt subject to limit	40,755,331	41,494,684	37,981,235	42,714,459	39,253,593	40,295,677	39,167,531	39,409,169	55,013,544	55,732,206
Legal Debt Margin	\$ 219,883,126	\$ 201,407,049	\$ 192,967,114	\$ 188,280,554	\$ 172,763,673	\$ 163,903,489	\$ 158,674,575	\$ 150,200,863	\$ 127,912,634	\$ 115,488,329
Percentage of Debt Limit Used	15.64%	17.08%	16.45%	18.49%	18.51%	19.73%	19.80%	20.78%	30.07%	32.55%

COUNTY OF CHEMUNG - STATE OF NEW YORK
Demographic and Economic Information

Fiscal Year		Population	Personal Income	Total Personal Income	Full Value Assessment	Unemployment		
						County	NYS	US
2003	*	91,070	\$ 24,751	\$ 2,254,073,570	\$ 2,824,731,332	6.60%	6.30%	5.40%
2004	*	91,070	\$ 26,043	\$ 2,371,736,010	\$ 2,944,953,736	6.10%	5.80%	5.30%
2005	*	91,070	\$ 27,787	\$ 2,530,562,090	\$ 3,014,899,674	5.00%	4.90%	4.96%
2006	*	91,070	\$ 29,195	\$ 2,658,788,650	\$ 3,093,242,764	4.90%	4.50%	4.31%
2007	*	91,070	\$ 31,064	\$ 2,828,998,480	\$ 3,266,591,339	4.60%	4.50%	4.80%
2008	*	91,070	\$ 33,385	\$ 3,040,371,950	\$ 3,467,389,911	5.70%	5.40%	7.10%
2009	*	91,070	\$ 32,467	\$ 2,956,769,690	\$ 3,654,186,986	8.90%	8.40%	9.70%
2010	*	88,824	\$ 34,104	\$ 3,029,253,696	\$ 3,767,147,734	8.80%	8.60%	8.50%
2011	*	88,824	\$ 35,752	\$ 3,175,635,648	\$ 3,868,742,067	8.80%	8.80%	8.20%
2012	*	88,911	\$ 36,860	\$ 3,277,259,460	\$ 3,859,565,921	9.30%	8.20%	7.80%

*The County's population per the 2000 Census was 91,070. This population was used for years 2003-2009 per capita calculation. The County's population per the 2010 Census was 88,824. This population was used for the 2010-2011 per capita calculation. The County's population per the 2012 Census was 88,911.

COUNTY OF CHEMUNG - STATE OF NEW YORK
Operating Information
County Government Full Time Equivalents and Other Information

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
FULL TIME EQUIVALENT POSITIONS										
General government	124	120	122	115	120	120	115	120	111	120
Public safety	193	196	195	194	193	197	194	187	187	192
Transportation	51	55	57	58	57	61	62	63	63	71
Health	84	82	87	92	93	88	76	71	66	70
Economic opportunity and development	427	423	429	428	421	407	399	381	375	388
Culture and recreation	8	7	8	10	10	9	9	8	8	12
Home and community services	61	63	65	69	73	80	84	86	88	87
Total Full Time Equivalent Positions	948	946	963	966	967	962	939	916	898	940
GENERAL GOVERNMENT										
Number of registered voters	50,392	54,624	56,268	50,796	52,361	54,503	52,361	56,190	57,957	54,530
PUBLIC SAFETY										
DWI arrests	463	436	467	592	508	538	511	556	563	468
Average daily jail population	196	495	570	775	921	847	887	841	694	457
Yearly jail admissions	2,528	2,032	2,025	1,658	1,996	2,454	2,571	3,028	3,228	2,764
TRANSPORTATION										
Airport enplanements	144,775	152,666	125,716	113,748	103,952	99,422	83,026	91,015	103,408	90,554
Bus ridership	700,978	688,315	686,555	695,135	723,498	696,031	648,622	600,057	570,916	627,511
ECONOMIC OPPORTUNITY AND DEVELOPMENT										
Persons on Medical Assistance	20,012	19,698	19,625	18,702	17,053	16,463	16,573	16,707	16,876	16,043
Persons on temporary assistance	966	986	1,167	1,332	1,270	1,622	1,824	2,026	2,392	2,200
Persons on safety net	420	494	634	687	673	790	910	909	874	728
Persons receiving Food Stamps	14,386	14,591	14,187	13,466	11,076	9,947	9,681	9,815	9,419	8,450
CULTURE AND RECREATION										
Rooms tax revenue	817,734	844,188	767,735	565,855	604,571	492,000	443,526	427,138	391,562	368,215
Tobacco revenue	892,674	948,696	1,194,748	963,149	1,152,316	994,099	938,126	1,039,876	1,020,474	940,126
Summer temporary employees	164	263	263	338	283	293	245	210	257	239