

COUNTY OF WAYNE, NEW YORK
Comprehensive Annual Financial Report
For the Year Ended December 31, 2017

Prepared by:

**Treasurer's Office
Jody Bornheimer,
Treasurer**

County of Wayne, New York
Comprehensive Annual Financial Report
December 31, 2017
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1. INTRODUCTORY SECTION



County of Wayne
Office of the County Treasurer
Post Office Box 8
Lyons, New York 14489-0008

Thomas A. Warnick
COUNTY TREASURER

315-946-7443
FAX 315-946-5949
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June 30, 2018

To the Citizens of the County of Wayne, New York:

The Comprehensive Annual Financial Report of the COUNTY OF WAYNE,
New York (County) for the fiscal year ended December 31, 2017, is hereby submitted.

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

The COUNTY OF WAYNE'S financial statements have been audited by Raymond Wager, CPA, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the COUNTY OF WAYNE for the fiscal year ended December 31, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the COUNTY OF WAYNE'S financial statements for the fiscal year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the COUNTY OF WAYNE was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited governments internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the COUNTY OF WAYNE’S separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. The COUNTY OF WAYNE’S MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The COUNTY OF WAYNE, incorporated in 1883, is located between Rochester (to the West) and Syracuse (to the East) in upstate New York. The area consists of 621 square miles and serves a population of 92,962. The Northern boundary is Lake Ontario and the Southern boundary is the Finger Lakes Region. This geographical location provides the COUNTY OF WAYNE with a diverse and stable economy.

The County is part of the agricultural belt on the southern shore of Lake Ontario, widely known for the production of fresh fruit, name brand canned and frozen fruits and vegetables. Lake Ontario also provides an abundance of fresh water for business and recreation. Other nonagricultural products manufactured in the County of Wayne include polyethylene products, lithium batteries, pallets, furniture, digital equipment, mechanical packing equipment, aerospace, copper tubing and electronic assembly.

The close proximity of Rochester and Syracuse has provided continued growth in the towns that border their areas as expansion has trended outwards from the cities. The COUNTY OF WAYNE’S economic situation is stable.

The COUNTY OF WAYNE is empowered to levy a real property tax on properties located within its borders. It is also empowered to levy a local sales tax, administered by the State of New York. The COUNTY OF WAYNE operates under a Board of Supervisors form of Government. Each of the 15 Town Supervisors make up the membership of the County Board. The Board of Supervisors is responsible, among other things, for passing resolutions, adopting the budget, appointing committees, and appointing certain management positions of the County. The County Treasurer, County Clerk, County Sheriff, County Coroner, and District Attorney, are County-wide elected officials.

The County provides a full range of services. The services include police and law enforcement; educational assistance; the construction and maintenance of highways; public health; public transportation; recreational facilities and programs; economic assistance; economic opportunity and development; and community development.

The annual budget serves as the foundation for the COUNTY OF WAYNE'S financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's governing body. Budgets are adopted on a basis consistent with generally accepted accounting principles. Activities of the general fund (with the exception of self-insurance activities), special revenue funds, and enterprise fund are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects fund. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and activity within an individual fund. (see Notes to General Purpose Financial Statements, Background and Summary of Significant Accounting Policies- Budgetary Data.)

As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps better understood when it is considered from the broader perspective of the specific environment within which the COUNTY OF WAYNE operates.

Local economy. The COUNTY OF WAYNE currently enjoys a stable economy and local indicators point to many challenges ahead. Its rural location somewhat shields the local economy from the boom and bust cycles experienced by major economic centers. As the economic landscape continues to evolve, this isolation will dissipate. The agricultural sector along with the manufacturing and service sector will be competing in broader markets than is currently the case.

Major manufacturing facilities are located just outside the government's boundaries, which employ a significant number of County residents. These manufacturers continue to restructure themselves to remain competitive. The COUNTY OF WAYNE continues to encourage and assist the local economy through its Economic Development Corporation. Two manufacturers have been successful in obtaining significant contracts which will increase employment within the County.

The COUNTY OF WAYNE has an employed labor force of 43,200. The unemployed numbering 3,000 equates to an unemployment rate of 6.5 percent. Growth in employment continues in the western portion of the County where many residents commute to the greater Rochester area, while the eastern more agriculture sector continues to lose population and employment.

The COUNTY OF WAYNE has established a New York State Empire Zone which will encourage employment and business growth by providing State tax incentives to business locating within the Zone.

Long-term financial planning. The governing board continues to encourage and support the development and protection of our natural resources. The County has made significant investments in establishing The Wayne County Water and Sewer Authority. It is expected that over time, a unified water supply and sewer treatment facilities will have a positive effect on the County.

Relevant financial policies. The COUNTY OF WAYNE continues its conservative approach to financial policies. The choice of capping Medicaid at a 3% growth rate continues to keep the budget growth lower than it could be. The choice of not financing the tobacco settlement income stream keeps revenue coming in each year.

The COUNTY OF WAYNE continues its policy to maintain a minimum fund balance of \$25 million. The current fund balance provides flexibility to deal with the uncertainties of the current economic climate and the State of New York's budget difficulties.

The COUNTY OF WAYNE has completed a project to upgrade all County owned facilities to become more environmentally friendly and efficient as well. New fixtures, controls and HVAC Systems will pay for themselves with a decrease in energy cost.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Wayne for its comprehensive annual financial report for the fiscal year ended December 31, 2016. The government has received this prestigious award for fourteen of the last fifteen years. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Treasurer's office. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation. Finally, we would like to thank all members of the Board of Supervisors for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Sincerely,

A handwritten signature in cursive script that reads "Jody Bornheimer".

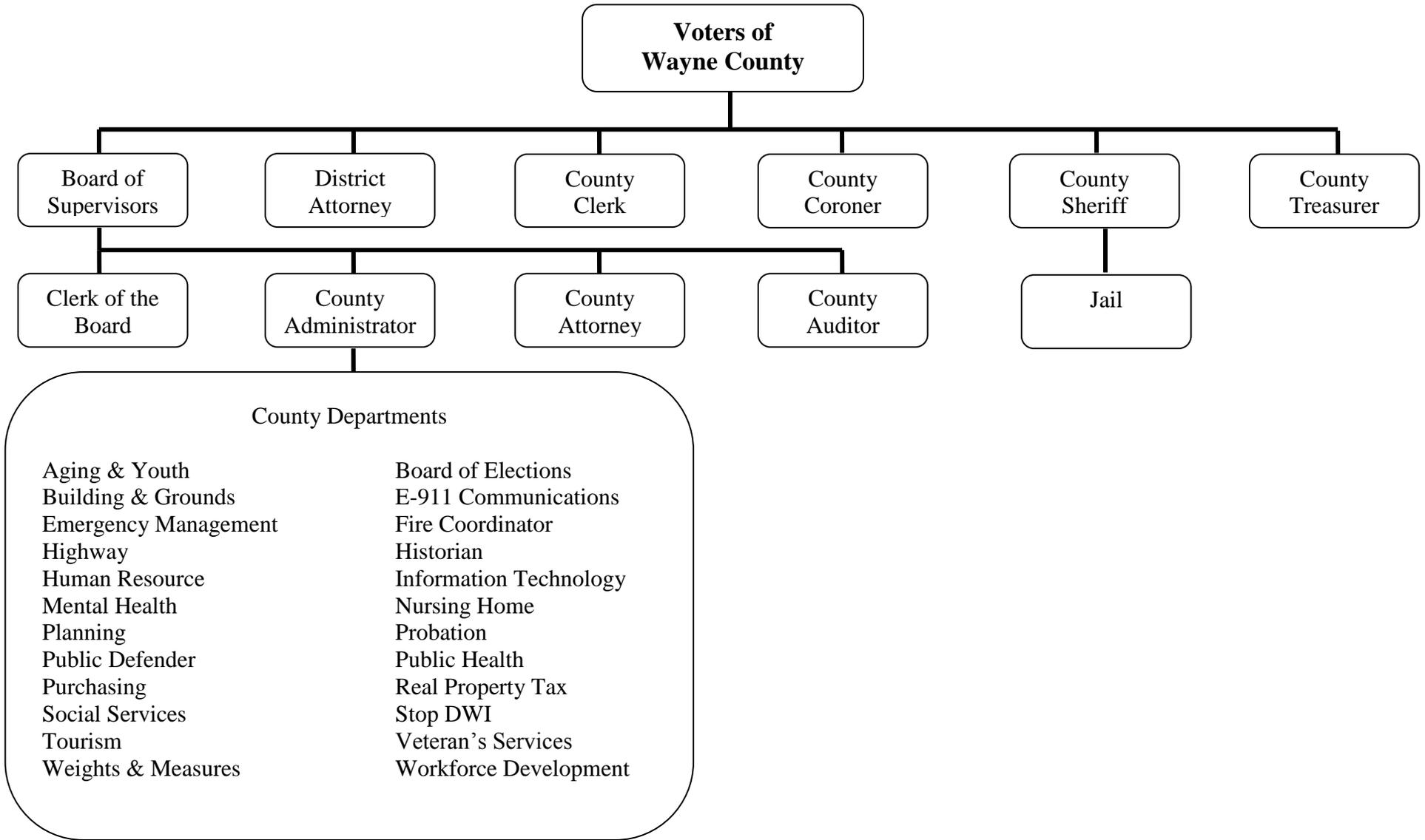
Jody Bornheimer
Wayne County Deputy Treasurer

COUNTY OF WAYNE

List of the Governing Board

Chairman of the Board.....	Steve LeRoy
Clerk of the Board.....	Sandra Sloane
Town of Arcadia.....	Chuck Verkey
Town of Butler.....	David Spickerman, Sr.
Town of Galen.....	Steven Groat
Town of Huron.....	Laurie Crane
Town of Lyons.....	Brian Manklelow
Town of Macedon.....	Sandy Pagano
Town of Marion.....	Nick Deming
Town of Ontario.....	Frank Robusto
Town of Palmyra.....	Ken Miller
Town of Rose.....	Kenan Balridge
Town of Savannah.....	Michael Kolczynski
Town of Sodus.....	Steve LeRoy
Town of Walworth.....	Susie Jacobs
Town of Williamson.....	Anthony Verno
Town of Wolcott.....	Lynn Chatfield

Organizational Chart Wayne County Government



COUNTY OF WAYNE
List of County Departments

Aging & Youth.....	Penny Shockley
Board of Supervisors.....	Steve LeRoy
Buildings and Grounds/Parks.....	Kevin Rooney
Central Garage.....	Dan McKinney
Coroner.....	Dr. Danial Koretz
County Administrator.....	Rick House
County Attorney.....	Daniel Connors
County Auditor.....	Patrick Schmitt, CFE
County Clerk.....	Michael Jankowski
District Attorney.....	Michael Calarco
E911 Director.....	Greg DeWolf
Economic Development/Planning.....	Brian Pincelli
Elections.....	Mark H. Alquist
Elections.....	Marjorie M. Bridson
Emergency Management.....	George Bastedo
EMS Coordinator.....	William Liddle
Fire Coordinator.....	Rick Bond
Highway.....	Kevin Rooney
Historian.....	Peter Evans
Human Resources.....	Charles Dye
Information Technology.....	Matthew Ury
Motor Vehicle.....	Michael Jankowski

COUNTY OF WAYNE

List of County Departments (Continued)

Nursing Home.....	Denis Vinnik
Probation.....	Mark Ameele
Public Health.....	Diane Devlin
Real Property Tax.....	Karen Ambroz
Records Center.....	Michael Jankowski
Sheriff's Office.....	Barry Virts
Social Service.....	M. Josh McCrossen
Stop – DWI.....	Barry Virts
Tourism & Promotion.....	Christine Worth
Deputy Treasurer.....	Jody Borheimer
Veterans Service Agency.....	Jason Eldridge
Weights and Measures.....	Rich Molisani
Workforce Development.....	Shelly Bentley



Government Finance Officers Association

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

Presented to

**County of Wayne
New York**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO

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2. FINANCIAL SECTION

Independent Auditors' Report

To the Chairman and Members
Of the Board of Supervisors
County of Wayne, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Wayne, New York, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County'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 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Wayne, New York, as of December 31, 2017, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Budgetary Comparison Information-General Fund, Schedule of Funding Progress Postemployment Benefit Plan, Schedule of the County's Proportionate Share of the Net Position Liability, Schedule of County Contributions, and Note to Required Supplementary Information on pages 20–31 and 82–87 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Wayne, New York's basic financial statements. The accompanying combining and individual fund statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining and individual fund statements and schedules as listed in the table of contents on pages 90-97 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual fund statements and schedules as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The statistical section as listed in the table of contents on pages 102-126 has 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 it.

June 21, 2018

Raymond F. Wager, CPA, PC

COUNTY OF WAYNE, NEW YORK

Management's Discussion and Analysis

December 31, 2017

As management of the County of Wayne, New York we offer readers of the County of Wayne's financial statements this narrative overview and analysis of the financial activities of the County of Wayne, New York for the year ended December 31, 2017. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- The assets of the County of Wayne, New York exceeded its liabilities at the close of the most recent year by \$180,387 (net position) which is an increase of \$11,965 from the prior year. Of this amount, \$89,616 (unrestricted net position) may be used by the government's ongoing obligations to citizens and creditors.
- As of the close of the current year, the County of Wayne's governmental funds reported combined ending fund balances of \$69,330, a decrease of \$3,305 in comparison with the prior year. Approximately 76.5% of that amount, \$53,045, is *available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of the current year, unassigned fund balance for the general fund was \$53,045 or 41% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the County of Wayne, New York's basic financial statements. The County of Wayne's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to 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 of Wayne's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the County of Wayne's assets and liabilities, with the difference between the two 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 of Wayne, New York is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent 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 in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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 of Wayne, 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 of Wayne 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 year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *government 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 of Wayne, New York maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County of Wayne, New York adopts an annual appropriated budget for the general fund, county road fund, and road machinery fund. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with these budgets.

Proprietary Fund. The County of Wayne, New York maintains a proprietary fund for the Wayne County Nursing Home, (Enterprise Fund), which is presented as a business-type activity in the entity wide financial statements and financed primarily through user charges.

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

Notes to the financial statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County of Wayne, New York, assets exceeded liabilities by \$180,387 at the close of the most recent year.

The largest portion of the County of Wayne's net position (47.8%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The County of Wayne uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County of Wayne's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

COUNTY OF WAYNE'S NET POSITION

Amounts shown in thousands

	Governmental Activities		Business-Type Activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>ASSETS:</u>						
Current and Other Assets	\$ 100,649	\$ 101,609	\$ 30,567	\$ 16,101	\$ 131,216	\$ 117,710
Noncurrent Assets	-	-	76	62	76	62
Capital Assets	107,117	105,438	5,442	6,390	112,559	111,828
Total Assets	<u>\$ 207,766</u>	<u>\$ 207,047</u>	<u>\$ 36,085</u>	<u>\$ 22,553</u>	<u>\$ 243,851</u>	<u>\$ 229,600</u>
<u>DEFERRED OUTFLOWS:</u>	<u>\$ 13,033</u>	<u>\$ 25,366</u>	<u>\$ 3,074</u>	<u>\$ 6,066</u>	<u>\$ 16,107</u>	<u>\$ 31,432</u>
<u>LIABILITIES:</u>						
Current Liabilities	\$ 20,848	\$ 19,680	\$ 3,546	\$ 3,535	\$ 24,394	\$ 23,215
Noncurrent Liabilities	35,437	45,875	14,915	18,144	50,352	64,019
Total Liabilities	<u>\$ 56,285</u>	<u>\$ 65,555</u>	<u>\$ 18,461</u>	<u>\$ 21,679</u>	<u>\$ 74,746</u>	<u>\$ 87,234</u>
<u>DEFERRED INFLOWS:</u>	<u>\$ 4,048</u>	<u>\$ 4,408</u>	<u>\$ 777</u>	<u>\$ 968</u>	<u>\$ 4,825</u>	<u>\$ 5,376</u>
<u>NET POSITION:</u>						
Net Investment in Capital						
Assets	\$ 93,411	\$ 90,725	\$ (7,190)	\$ (7,200)	\$ 86,221	\$ 83,525
Restricted	4,550	4,566	-	-	4,550	4,566
Unrestricted	62,505	67,159	27,111	13,172	89,616	80,331
Total Net Position	<u>\$ 160,466</u>	<u>\$ 162,450</u>	<u>\$ 19,921</u>	<u>\$ 5,972</u>	<u>\$ 180,387</u>	<u>\$ 168,422</u>

The *unrestricted net position* of \$80,331 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current year, the County of Wayne, New York is able to report positive balances in all three categories of net position, both for the governmental fund statements and the government wide statements.

There was a decrease of \$4,654 in unrestricted net position reported in connection with the County of Wayne, New York's governmental activities. This decrease was primarily a result of an intergovernmental transfer made in 2017.

There was an increase of \$13,939 in unrestricted net position reported in connection with the County of Wayne, New York's business activities. This increase is a result of an intergovernmental transfer made in 2017.

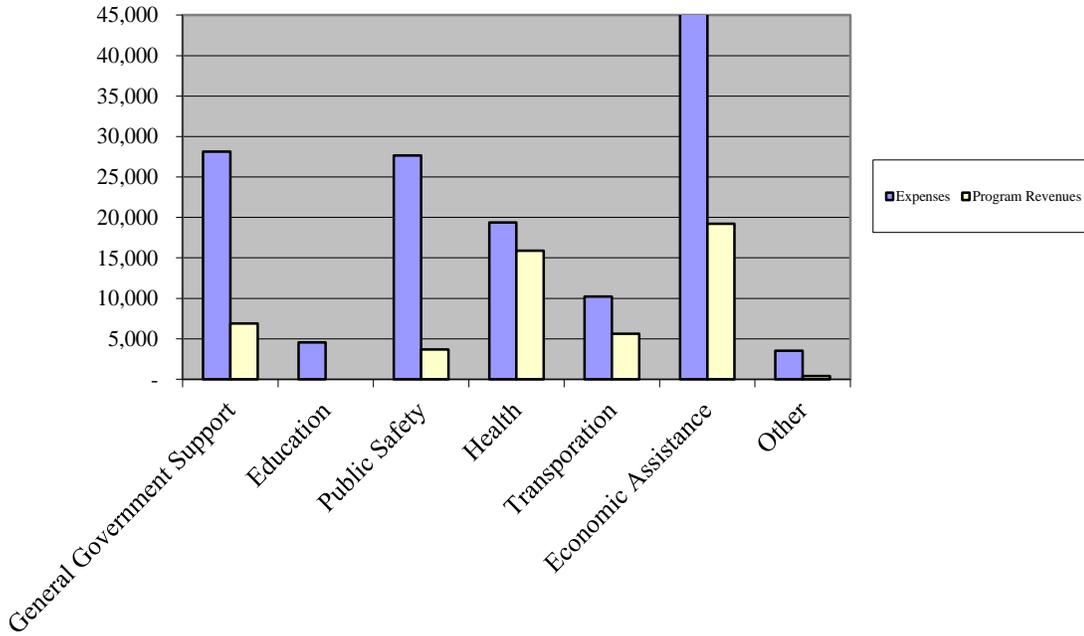
COUNTY OF WAYNE'S CHANGE IN NET POSITION

Amounts shown in thousands

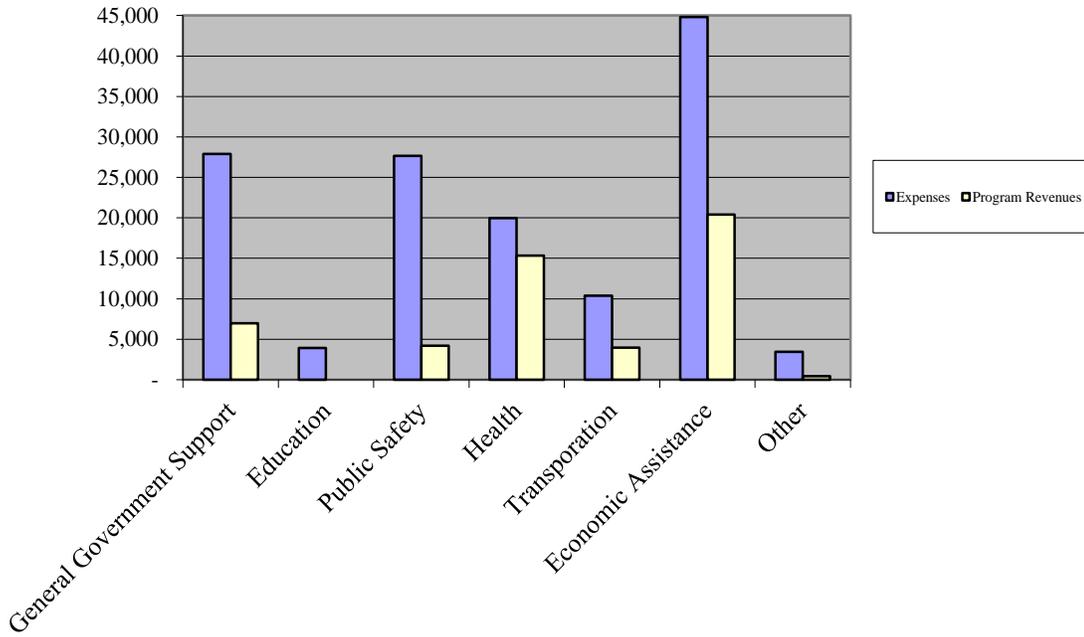
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
<u>REVENUES:</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Program Revenues -</u>						
Charges for Services	\$ 17,047	\$ 16,922	\$ 20,226	\$ 19,951	\$ 37,273	\$ 36,873
Operating Grants and Contributions	29,776	30,928	14,446	6,614	44,222	37,542
Capital Grants and Contributions	4,860	3,418	-	-	4,860	3,418
<u>General Revenues -</u>						
Property Taxes	42,987	42,560	-	-	42,987	42,560
Other Taxes	43,731	42,071	-	-	43,731	42,071
Other	2,694	4,304	38	2	2,732	4,306
Total Revenues	<u>\$ 141,095</u>	<u>\$ 140,203</u>	<u>\$ 34,710</u>	<u>\$ 26,567</u>	<u>\$ 175,805</u>	<u>\$ 166,770</u>
<u>EXPENSES:</u>						
General Government Support	\$ 28,151	\$ 27,902	\$ -	\$ -	\$ 28,151	\$ 27,902
Education	4,535	3,919	-	-	4,535	3,919
Public Safety	27,644	27,671	-	-	27,644	27,671
Health	19,366	19,968	22,026	22,328	41,392	42,296
Transportation	10,236	10,360	-	-	10,236	10,360
Economic Assistance	48,360	44,807	-	-	48,360	44,807
Culture and Recreation	1,098	1,172	-	-	1,098	1,172
Home and Community Services	1,646	1,702	-	-	1,646	1,702
Debt Service	778	563	-	432	778	995
Total Expenses	<u>\$ 141,814</u>	<u>\$ 138,064</u>	<u>\$ 22,026</u>	<u>\$ 22,760</u>	<u>\$ 163,840</u>	<u>\$ 160,824</u>
<u>TRANSFERS:</u>						
County Subsidy	<u>\$ (1,265)</u>	<u>\$ (331)</u>	<u>\$ 1,265</u>	<u>\$ 331</u>	<u>\$ -</u>	<u>\$ -</u>
INCREASE (DECREASE) IN NET POSITION	\$ (1,984)	\$ 1,808	\$ 13,949	\$ 4,138	\$ 11,965	\$ 5,946
NET POSITION - BEGINNING	162,450	160,642	5,972	1,834	168,422	162,476
NET POSITION - ENDING	<u>\$ 160,466</u>	<u>\$ 162,450</u>	<u>\$ 19,921</u>	<u>\$ 5,972</u>	<u>\$ 180,387</u>	<u>\$ 168,422</u>

Governmental activities - Governmental activities decreased the County of Wayne's net position by \$1,984 was primarily due to underspending the general fund budget.

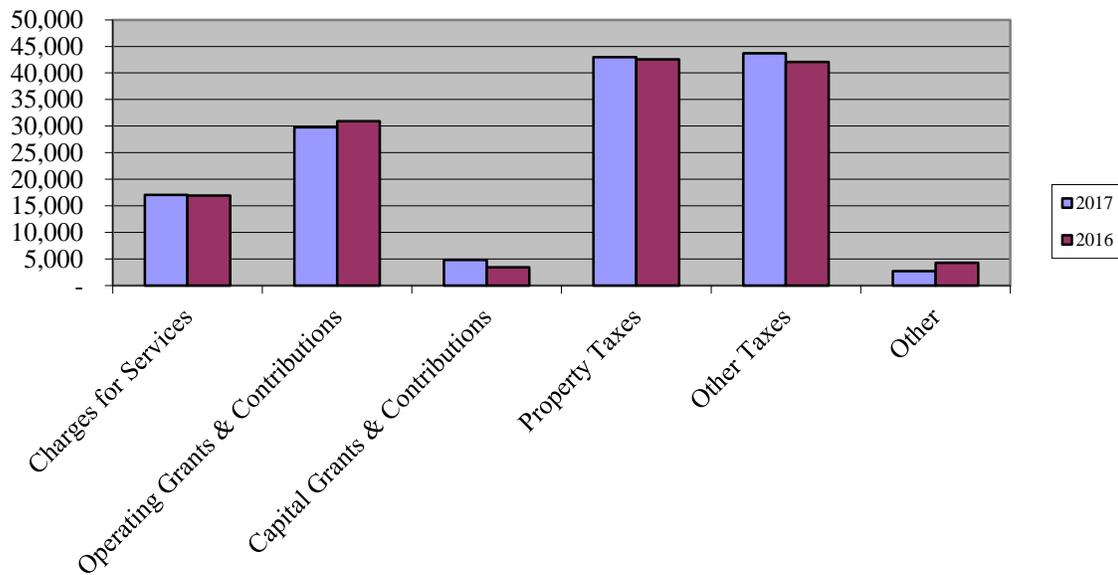
**EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL
ACTIVITIES - 2017**



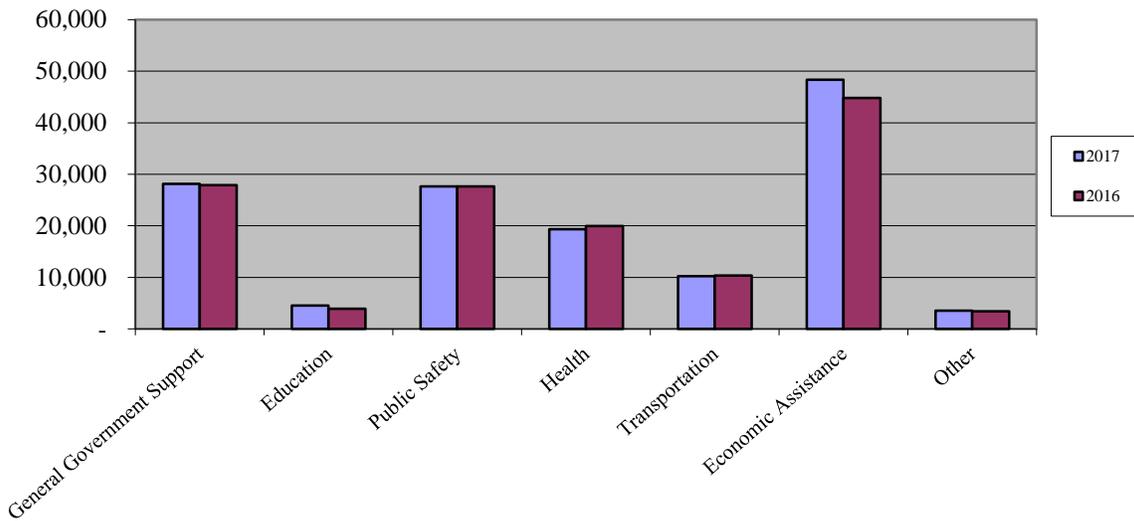
**EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL
ACTIVITIES - 2016**



**REVENUE BY SOURCE - GOVERNMENTAL
ACTIVITIES - 2017 & 2016**

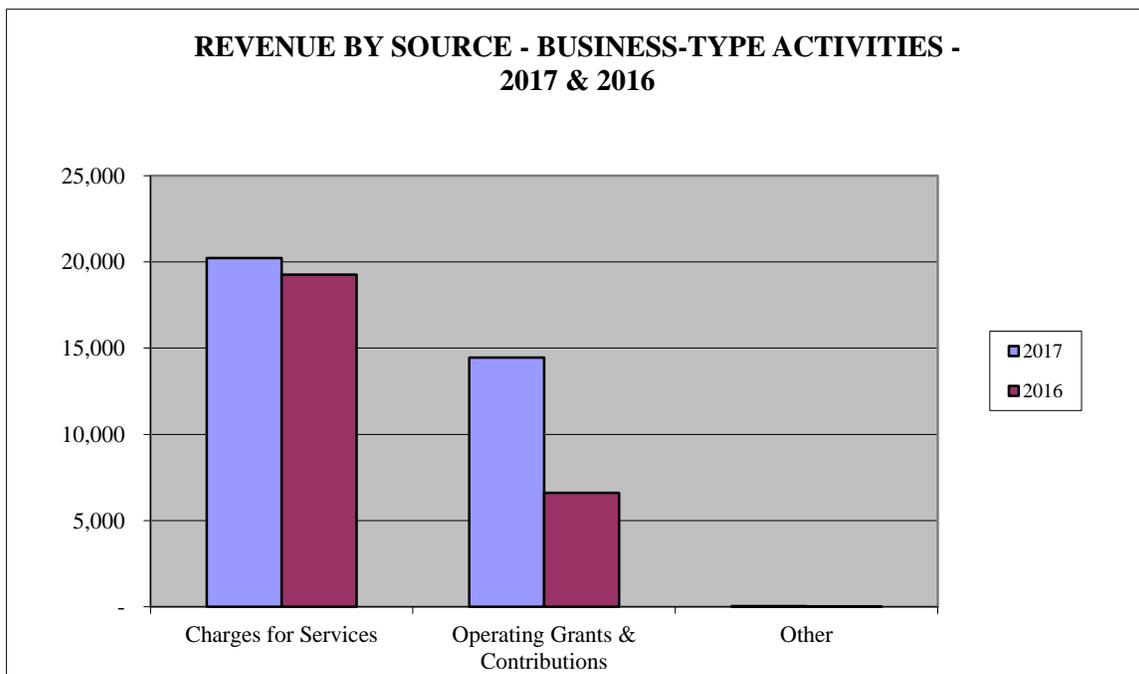
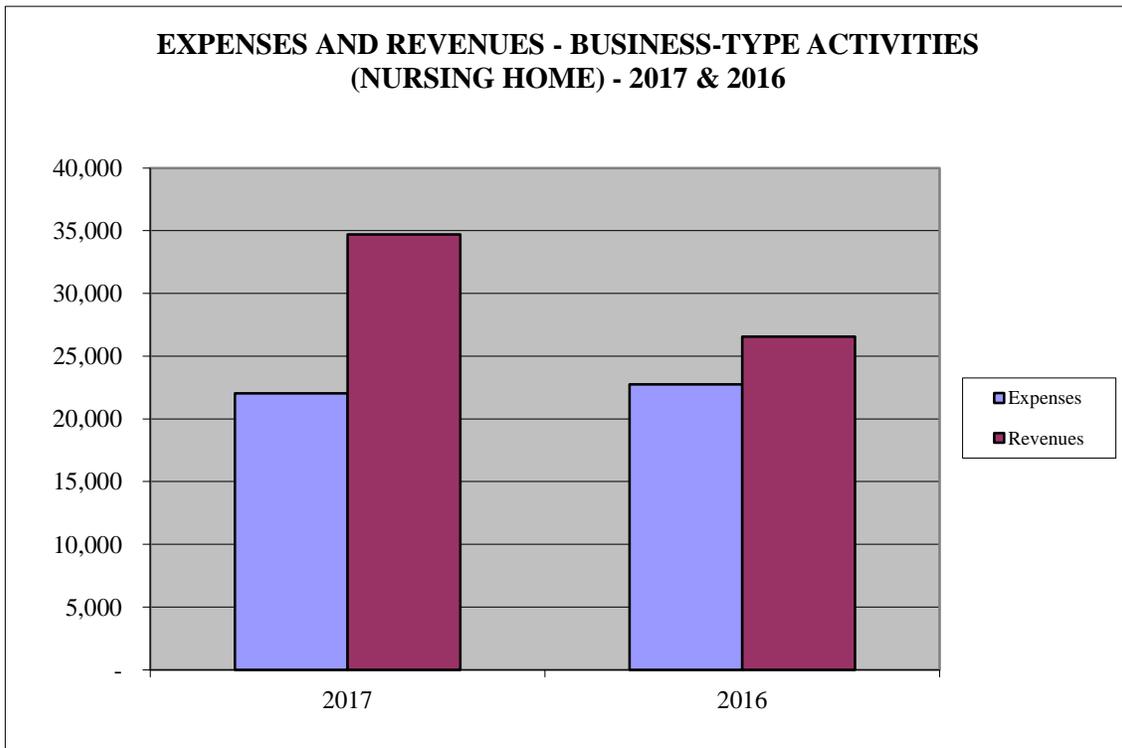


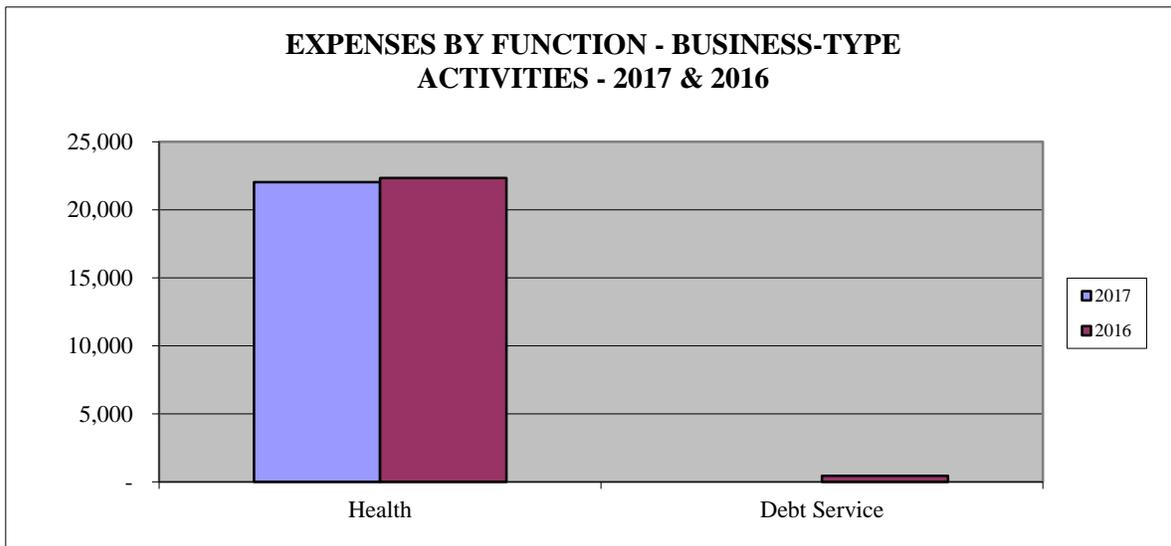
**EXPENSES BY FUNCTION - GOVERNMENTAL ACTIVITIES -
2017 & 2016**



For the most part, increases in expenses closely paralleled inflation and growth in demand for services.

Business-type activities - Business-type activities increased the County of Wayne’s net position by \$13,949. This increase was primarily caused by an increase in unanticipated intergovernmental transfers.





FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

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

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

As of the end of the current year, the County of Wayne, New York’s governmental funds reported combined ending fund balances of \$69,330, a decrease of \$3,305 in comparison with the prior year. Approximately, 77% of this total amount \$53,045 constitutes *unassigned fund balance*, which is available for spending at the government’s discretion. The remainder of fund balance is *nonspendable, restricted or assigned* to indicate that it is not available for new spending because it has already been committed.

The general fund is the chief operating fund of the County of Wayne, New York. At the end of the current year, unassigned fund balance of the general fund was \$53,045, while total fund balance reached \$64,907. As a measure of the general funds liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 41% of total general fund expenditures, while total fund balance represents 50% of that same amount.

The fund balance of the County of Wayne’s general fund decreased by \$1,706 during the current year.

Proprietary fund The County of Wayne, New York’s proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Nursing Home at the end of the year amounted to \$27,111. The increase in net position was \$13,949.

GENERAL FUND BUDGETARY HIGHLIGHTS

- Tax levy increase of 1.9%.
- Tax rate decrease of .9%.
- These amounts are within New York State tax cap statutes.

BUDGETARY VARIANCES

The key factors for budget variances in the general fund are listed below along with explanations for each.

Revenue Items:	Budget Variance Original Vs. Amended	Explanation for Budget Variance
State and County Aid	\$2,859	Reclassification of budgeted revenues to reflect proper source.
Federal Aid	\$3,308	Reclassification of budgeted revenues to reflect proper source.
Expenditure Items:	Budget Variance Original Vs. Amended	Explanation for Budget Variance
Economic Assistance & Opportunity	\$8,040	Funding for intergovernmental transfer.

Revenue Items:	Budget Variance Amended Vs. Actual	Explanation for Budget Variance
Non-Property Taxes	\$2,029	An increase in investment income and fees collected.
State and County Aid	(\$1,678)	Additional anticipated aid was not received.

Expenditure Items:	Budget Variance Amended Vs. Actual	Explanation for Budget Variance
Public Safety	\$2,330	Higher than expected vacancies and capital purchases not made.
Health	\$2,331	Children with special needs costs were less than anticipated.
Economic Opportunity and Development	\$4,805	Administration costs were lower than anticipated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets The County of Wayne, New York's capital assets for its governmental and business type activities as of December 31, 2017, amounts to \$112,559 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges. There were no major capital events during the current year. (Additional information can be found in Note V of the Notes to the Basic Financial Statements).

COUNTY OF WAYNE'S CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$ 1,637	\$ 1,637	\$ 37	\$ 37	\$ 1,674	\$ 1,674
Buildings	40,899	41,249	4,739	5,616	45,638	46,865
Machinery and Equipment	5,459	5,476	666	736	6,125	6,212
Infrastructure	44,138	41,604	-	-	44,138	41,604
Construction in Progress	14,984	15,472	-	-	14,984	15,472
Total Capital Assets	<u>\$ 107,117</u>	<u>\$ 105,438</u>	<u>\$ 5,442</u>	<u>\$ 6,389</u>	<u>\$ 112,559</u>	<u>\$ 111,827</u>

Long-term debt At the end of the current year, the County of Wayne, New York had total bonded debt outstanding of \$57,888. The entire amount of debt is backed by the full faith and credit of the government. (Additional information can be found in Note VIII of the Notes to the Basic Financial Statements).

COUNTY OF WAYNE’S OUTSTANDING DEBT
General Obligations

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Serial Bonds	\$ 10,061	\$ 10,648	\$ 12,060	\$ 12,885	\$ 22,121	\$ 23,533
Capital Lease	3,645	4,065	-	-	3,645	4,065
Unamortized Bond Premium	-	-	572	671	572	671
OPEB Liability	572	945	93	-	665	945
Pension Liability	15,287	24,378	2,934	5,351	18,221	29,729
Compensated Absences	4,016	3,980	228	238	4,244	4,218
Resident funds held in Trust	-	-	76	62	76	62
Workers' Compensation Liability	7,027	6,983	1,317	1,167	8,344	8,150
Total	\$ 40,608	\$ 50,999	\$ 17,280	\$ 20,374	\$ 57,888	\$ 71,373

The County of Wayne’s total debt decreased by \$13,485 during the current year. This represents annual debt service on the general obligations of the County.

The County of Wayne, New York maintains an A+ rating from Standard & Poor’s for its general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7 percent of the last five year average of total assessed value. The current debt limit for the County of Wayne is \$323,050 million which is significantly in excess of the County of Wayne’s outstanding general obligation debt.

ECONOMIC FACTORS AND NEXT YEARS BUDGETS AND RATES

- Increase in health insurance costs and contractually obligated wage increase combined with the tax cap were the main economic factors.
- The 2018 tax rate per thousand is \$7.75, which is down from \$7.88 in 2017, and \$7.95 in 2016.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County of Wayne’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Treasurer, 16 William Street, Lyons, New York, 14489.

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Basic Financial Statements

COUNTY OF WAYNE, NEW YORK

Statement of Net Position

December 31, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets -			
Cash and cash equivalents	\$ 26,565,366	\$ 25,765,481	\$ 52,330,847
Investments	48,694,774	-	48,694,774
Receivables, net	23,123,179	4,326,684	27,449,863
Prepaid items	2,265,300	441,945	2,707,245
Inventories	-	32,456	32,456
Total Current Assets	\$ 100,648,619	\$ 30,566,566	\$ 131,215,185
Noncurrent assets -			
Custodial accounts	\$ -	\$ 76,036	\$ 76,036
Total Noncurrent Assets	\$ -	\$ 76,036	\$ 76,036
Capital assets, net of accumulated depreciation -			
Land	\$ 1,636,650	\$ 37,328	\$ 1,673,978
Land improvements	49,144	59,097	108,241
Buildings	40,850,103	4,680,150	45,530,253
Equipment	5,458,756	665,441	6,124,197
Infrastructure	44,138,182	-	44,138,182
Work in progress	14,983,846	-	14,983,846
Total Capital Assets, Net	\$ 107,116,681	\$ 5,442,016	\$ 112,558,697
TOTAL ASSETS	\$ 207,765,300	\$ 36,084,618	\$ 243,849,918
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts for pension	\$ 13,033,392	\$ 2,501,665	\$ 15,535,057
Deferred amounts on refunding bonds	-	572,456	572,456
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 13,033,392	\$ 3,074,121	\$ 16,107,513
TOTAL ASSETS & DEFERRED OUTFLOWS	\$ 220,798,692	\$ 39,158,739	\$ 259,957,431
LIABILITIES			
Current liabilities -			
Accounts payable	\$ 2,378,530	\$ 520,162	\$ 2,898,692
Accrued liabilities	2,193,759	655,591	2,849,350
Due to other governments	11,011,232	-	11,011,232
Unearned revenues	93,606	5,070	98,676
Due in one year	5,171,282	2,365,170	7,536,452
Total Current Liabilities	\$ 20,848,409	\$ 3,545,993	\$ 24,394,402
Noncurrent liabilities -			
Patient funds held in trust	\$ -	\$ 76,036	\$ 76,036
Due in more than one year	35,436,574	14,838,580	50,275,154
Total Noncurrent Liabilities	\$ 35,436,574	\$ 14,914,616	\$ 50,351,190
TOTAL LIABILITIES	\$ 56,284,983	\$ 18,460,609	\$ 74,745,592
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources, pensions	\$ 4,047,981	\$ 776,981	\$ 4,824,962
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 4,047,981	\$ 776,981	\$ 4,824,962
TOTAL LIABILITIES & DEFERRED INFLOWS	\$ 60,332,964	\$ 19,237,590	\$ 79,570,554
NET POSITION			
Net investment in capital assets	\$ 93,410,681	\$ (7,189,848)	\$ 86,220,833
Restricted for -			
Capital reserves	842,081	-	842,081
Liability reserve	3,204,616	-	3,204,616
Other purposes	503,588	-	503,588
Unrestricted	62,504,762	27,110,997	89,615,759
TOTAL NET POSITION	\$ 160,465,728	\$ 19,921,149	\$ 180,386,877

COUNTY OF WAYNE, NEW YORK
Statement of Activities
For the Year Ended December 31, 2017

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		
					<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary Government:							
Governmental Activities -							
General government support	\$ 28,151,275	\$ 5,730,760	\$ 898,854	\$ 275,170	\$ (21,246,491)	\$ -	\$ (21,246,491)
Education	4,535,015	-	-	-	(4,535,015)	-	(4,535,015)
Public safety	27,644,088	1,747,541	1,778,452	166,349	(23,951,746)	-	(23,951,746)
Health	19,365,757	5,709,311	10,166,846	-	(3,489,600)	-	(3,489,600)
Transportation	10,235,548	1,202,022	-	4,418,082	(4,615,444)	-	(4,615,444)
Economic assistance and opportunity	48,359,709	2,445,395	16,767,331	-	(29,146,983)	-	(29,146,983)
Culture and recreation	1,098,333	167,833	164,728	-	(765,772)	-	(765,772)
Home and community services	1,646,224	44,177	-	-	(1,602,047)	-	(1,602,047)
Interest on long-term debt	778,126	-	-	-	(778,126)	-	(778,126)
Total Governmental Activities	\$ 141,814,075	\$ 17,047,039	\$ 29,776,211	\$ 4,859,601	\$ (90,131,224)	\$ -	\$ (90,131,224)
Business-Type Activities -							
Nursing home	\$ 22,026,297	\$ 20,226,559	\$ 14,446,696	\$ -	\$ -	\$ 12,646,958	\$ 12,646,958
Total Business-Type Activities	\$ 22,026,297	\$ 20,226,559	\$ 14,446,696	\$ -	\$ -	\$ 12,646,958	\$ 12,646,958
Total Primary Government	\$ 163,840,372	\$ 37,273,598	\$ 44,222,907	\$ 4,859,601	\$ (90,131,224)	\$ 12,646,958	\$ (77,484,266)
General Revenues:							
Property taxes					\$ 42,986,575	\$ -	\$ 42,986,575
Sales tax					43,730,897	-	43,730,897
Compensation for loss					2,008,576	-	2,008,576
Investment earnings					430,178	37,933	468,111
Miscellaneous					255,301	-	255,301
Total General Revenues					\$ 89,411,527	\$ 37,933	\$ 89,449,460
Transfers							
County subsidy					\$ (1,264,573)	\$ 1,264,573	\$ -
Total General Revenues and Transfers					\$ 88,146,954	\$ 1,302,506	\$ 89,449,460
Change in Net Position					\$ (1,984,270)	\$ 13,949,464	\$ 11,965,194
Net Position - Beginning					162,449,998	5,971,685	168,421,683
Net Position - Ending					\$ 160,465,728	\$ 19,921,149	\$ 180,386,877

COUNTY OF WAYNE, NEW YORK

Balance Sheet

Governmental Funds

December 31, 2017

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 21,272,171	\$ 5,293,195	\$ 26,565,366
Investments	48,694,774	-	48,694,774
Receivables, net	22,583,478	539,701	23,123,179
Prepaid items	2,104,772	160,528	2,265,300
Total Assets	<u>\$ 94,655,195</u>	<u>\$ 5,993,424</u>	<u>\$ 100,648,619</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities -			
Accounts payable	\$ 1,396,625	\$ 981,905	\$ 2,378,530
Accrued liabilities	7,250,257	587,721	7,837,978
Due to other governments	11,011,232	-	11,011,232
Overpayments and collections in advance	5,176,234	-	5,176,234
Total Liabilities	<u>\$ 24,834,348</u>	<u>\$ 1,569,626</u>	<u>\$ 26,403,974</u>
Deferred Inflows of Resources -			
Deferred property taxes	\$ 4,914,200	\$ -	\$ 4,914,200
Total Deferred Inflows of Resources	<u>\$ 4,914,200</u>	<u>\$ -</u>	<u>\$ 4,914,200</u>
Fund Balances -			
Nonspendable	\$ 2,104,772	\$ 160,528	\$ 2,265,300
Restricted	3,708,204	842,081	4,550,285
Assigned	6,048,238	3,421,189	9,469,427
Unassigned	53,045,433	-	53,045,433
Total Fund Balances	<u>\$ 64,906,647</u>	<u>\$ 4,423,798</u>	<u>\$ 69,330,445</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 94,655,195</u>	<u>\$ 5,993,424</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	107,116,681
Deferred tax revenue reported in governmental funds is reported as revenue in the entity-wide statement of activities.	4,914,200
Interest is accrued on outstanding bonds in the statement of net position but not in the funds.	(98,954)
Deferred inflows and outflows of resources amortized over multiple years are not reported in the funds. Those items included in the governmental activities in the statement of net position consist of:	
Deferred outflow - pension	13,033,392
Deferred inflow - pension	(4,047,981)
The following long-term obligations are not due and payable in the current period, therefore are not reported in the governmental funds:	
Workers' compensation liability	(217,135)
OPEB liability	(571,828)
Bonds payable	(10,061,000)
Capital lease	(3,645,000)
Pension liability	(15,287,092)
Net Position of Governmental Activities	<u>\$ 160,465,728</u>

COUNTY OF WAYNE, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Real property and tax items	\$ 43,102,741	\$ -	\$ 43,102,741
Non-property taxes	43,730,897	-	43,730,897
Departmental income	13,576,231	-	13,576,231
Intergovernmental charges	1,053,206	850,383	1,903,589
Use of money and property	549,786	22,390	572,176
Licenses and permits	8,978	-	8,978
Fines and forfeitures	152,801	-	152,801
Sale of property and compensation for loss	1,317,611	56,916	1,374,527
Miscellaneous	2,140,654	12,138	2,152,792
Interfund revenues	722,825	773,166	1,495,991
State and county aid	15,016,541	4,859,601	19,876,142
Federal aid	14,734,370	25,300	14,759,670
Total Revenues	\$ 136,106,641	\$ 6,599,894	\$ 142,706,535
Expenditures:			
Current -			
General government support	\$ 28,235,321	\$ -	\$ 28,235,321
Education	4,535,015	-	4,535,015
Public safety	26,443,054	-	26,443,054
Health	19,561,810	-	19,561,810
Transportation	38,313	13,574,863	13,613,176
Economic assistance and opportunity	47,909,682	21,773	47,931,455
Culture and recreation	991,689	-	991,689
Home and community services	1,609,612	-	1,609,612
Debt Service -			
Debt service - principal	587,000	-	587,000
Debt service - interest and other charges	560,976	-	560,976
Capital outlay -	-	1,942,360	1,942,360
Total Expenditures	\$ 130,472,472	\$ 15,538,996	\$ 146,011,468
Excess (deficiency) of revenue over expenditures	\$ 5,634,169	\$ (8,939,102)	\$ (3,304,933)
Other Financing Sources and Uses:			
Transfers - in	\$ -	\$ 7,340,600	\$ 7,340,600
Transfers - out	(7,340,600)	-	(7,340,600)
Total Other Financing Sources and Uses	\$ (7,340,600)	\$ 7,340,600	\$ -
Net change in fund balances	\$ (1,706,431)	\$ (1,598,502)	\$ (3,304,933)
Fund Balance - Beginning	66,613,078	6,022,300	72,635,378
Fund Balance - Ending	\$ 64,906,647	\$ 4,423,798	\$ 69,330,445

The notes to the financial statements are an integral part of this statement.

COUNTY OF WAYNE, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds \$ (3,304,933)

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

Governmental funds report capital outlay and the addition of assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays and the addition of assets exceeded depreciation in the current period.

Addition of Assets	\$ 5,980,055	
Depreciation	(4,301,578)	
		1,678,477

Bond and capital lease debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the statement of net position. The following details these items as they effect the governmental activities:

Debt Repayment		1,007,000
----------------	--	-----------

Deferred tax revenue reported in governmental funds is recorded in the entity-wide statement of activities. (116,166)

In the statement of activities, the health plan and OPEB liabilities are measured by the amount accrued during the year. In the governmental funds, expenditures for those items are measured by the amount actually paid. The following provides the difference of these items as presented in the governmental activities:

OPEB Liability	\$ 373,655	
Workers' Compensation Liability	1,250,799	
		1,624,454

(Increase) decrease in proportionate share of net pension asset/liability reported in the statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues and expenditures in the governmental funds

Employees' Retirement System		(2,881,560)
------------------------------	--	-------------

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 8,458

Change in Net Position of Governmental Activities \$ (1,984,270)

The notes to the financial statements are an integral part of this statement.

COUNTY OF WAYNE, NEW YORK

Statement of Net Position

Proprietary Funds

December 31, 2017

	Business - Type	
	Activity	
	<u>Enterprise Fund</u>	
	Nursing	
	<u>Home</u>	
ASSETS:		
Current Assets -		
Cash and cash equivalents	\$	25,765,481
Receivables, net		4,326,684
Prepaid items		441,945
Inventories		32,456
Total Current Assets	\$	30,566,566
Noncurrent Assets -		
Custodial accounts	\$	76,036
Capital Assets (Net of Accumulated Depreciation) -		
Land	\$	37,328
Land improvements		59,097
Buildings		4,680,150
Equipment		665,441
Total Capital Assets, Net	\$	5,442,016
TOTAL ASSETS	\$	36,084,618
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred amounts for pension	\$	572,456
Deferred amounts on refunding bonds		2,501,665
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$	3,074,121
TOTAL ASSETS & DEFERRED OUTFLOWS	\$	39,158,739
LIABILITIES:		
Current Liabilities -		
Accounts payable	\$	520,162
Accrued liabilities		655,591
Unearned revenue		5,070
Due in one year		2,365,170
Total Current Liabilities	\$	3,545,993
Noncurrent Liabilities -		
Patient funds held in trust	\$	76,036
Due in more than one year		14,838,580
Total Noncurrent Liabilities	\$	14,914,616
TOTAL LIABILITIES	\$	18,460,609
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows of resources, pensions		776,981
TOTAL DEFERRED INFLOWS OF RESOURCES	\$	776,981
TOTAL LIABILITIES & DEFERRED INFLOWS	\$	19,237,590
NET POSITION:		
Net investment in capital assets	\$	(7,189,848)
Unrestricted		27,110,997
TOTAL NET POSITION	\$	19,921,149

The notes to the financial statements are an integral part of this statement.

COUNTY OF WAYNE, NEW YORK
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Business - Type Activity <hr/> Enterprise Fund Nursing Home
OPERATING REVENUES:	
Charges for services, net	\$ 19,638,594
Adjustment of prior years' revenue, net	429,815
Other operating revenue	158,150
TOTAL OPERATING REVENUES	\$ 20,226,559
OPERATING EXPENSES:	
Personal services	\$ 7,944,131
Fringe benefits	4,214,664
Depreciation and amortization	2,036,724
NYS assessments	913,465
Contractual expenses	6,502,816
TOTAL OPERATING EXPENSES	\$ 21,611,800
OPERATING INCOME OR (LOSS)	\$ (1,385,241)
NONOPERATING REVENUES (EXPENSES):	
Interest	\$ 37,933
Interest expense	(414,497)
Intergovernmental transfer	14,446,696
TOTAL NONOPERATING REVENUES (EXPENSES)	\$ 14,070,132
INCOME (LOSS) BEFORE CONTRIBUTIONS	\$ 12,684,891
NON-CAPITAL CONTRIBUTION:	
County subsidy	\$ 1,264,573
TOTAL NON-CAPITAL CONTRIBUTION	\$ 1,264,573
CHANGE IN NET POSITION	\$ 13,949,464
TOTAL NET POSITION, BEGINNING	5,971,685
TOTAL NET POSITION, ENDING	\$ 19,921,149

The notes to the financial statements are an integral part of this statement.

COUNTY OF WAYNE, NEW YORK
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	<u>Business - Type Activity</u>
	<u>Enterprise Fund</u>
	<u>Nursing</u>
	<u>Home</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Resident service revenue	\$ 19,322,852
Cash received from other operating revenue	399,739
Cash payments to suppliers	(7,685,331)
Cash payments to employees	(11,566,799)
NET CASH (USED) BY OPERATING ACTIVITIES	<u>\$ 470,461</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</u>	
County subsidy	\$ 359,534
Intergovernmental transfer for public nursing homes	14,446,696
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>\$ 14,806,230</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>	
Purchases of property, plant and equipment	\$ (184,269)
Retirement of serial debt	(825,000)
Interest on serial debt	(465,750)
NET CASH (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (1,475,019)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>	
Investment income	\$ 37,933
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>\$ 37,933</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 13,839,605
CASH AND CASH EQUIVALENTS - BEGINNING	<u>11,925,876</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 25,765,481</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>	
OPERATING INCOME (LOSS)	\$ (1,385,241)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Cash flows reported in other categories:	
Depreciation and amortization	2,036,724
Bad debt expense	124,886
Change in assets and liabilities:	
Current assets	(764,299)
Deferred outflows of resources - pensions	2,941,494
Current Liabilities	32,031
Non-current liabilities	(190,659)
Deferred inflows of resources - pensions	(2,324,475)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 470,461</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF WAYNE, NEW YORK
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2017

	Private Purpose Trust Fund	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 332,200	\$ 1,270,178
TOTAL ASSETS	<u>\$ 332,200</u>	<u><u>\$ 1,270,178</u></u>
 LIABILITIES		
Other liabilities	\$ 301	\$ 1,270,178
TOTAL LIABILITIES	<u>\$ 301</u>	<u><u>\$ 1,270,178</u></u>
 NET POSITION		
Held for private purposes	\$ 331,899	
TOTAL NET POSITION	<u>\$ 331,899</u>	

The notes to the financial statements are an integral part of this statement.

COUNTY OF WAYNE, NEW YORK
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2017

	Private Purpose Trust Fund
Additions	
Contributions	\$ 112,633
Total Additions	\$ 112,633
 Deductions	
Other home and community	\$ 40,667
Total Deductions	\$ 40,667
Change in net position	\$ 71,966
Net Position - Beginning	259,933
Net Position - Ending	\$ 331,899

The notes to the financial statements are an integral part of this statement.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

I. Summary of Significant Accounting Policies:

The basic financial statements of the County of Wayne, New York (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below:

A. Financial Reporting Entity

The County is governed by County law, general laws of the State of New York and various local laws and ordinances. The Board of Supervisors, which is the legislative body responsible for the overall operation of the County, consists of the fifteen supervisors representing the towns in the County with each members vote weighted on the basis of population in the district represented. The Chairman serves as chief executive officer and the Treasurer serves as chief financial officer of the County.

The County provides the following basic services: educational assistance, police and law enforcement, public health, highway maintenance, public transportation, economic assistance, economic opportunity and development, recreation facilities and programs, and library and community development.

The accompanying basic financial statements include only operations of the County, since management has determined that there are no other organizations that meet the criteria for inclusion in the reporting entity of the County.

B. Basis of Presentation

1. Countywide Financial Statements

The County's basic financial statements include both countywide (reporting the County as a whole) and fund financial statements (reporting the County's major and nonmajor funds). All of the County's services are classified as governmental activities.

In the countywide Statement of Net Position, the governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts – invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The County first uses restricted resources to finance qualifying activities.

The countywide Statement of Activities reports both the gross and net cost of each of the County's functions, i.e., public safety, transportation, and economic assistance and opportunity. The functions are also supported by general government revenues (real property taxes and sales tax). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and grants and contributions. Program revenues must be directly associated with the function. Grants include operating-specific and discretionary (either operating or capital) grants.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

The net costs by function are normally covered by general revenue (real property taxes and sales taxes).

In addition, as a general rule, interfund activity has been eliminated from the countywide financial statements, however, interfund services provided and used have not been eliminated in the process of consolidation.

This countywide focus is more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

The County's fiduciary funds are presented in the fiduciary fund financial statements by type (restricted purposes, and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the countywide financial statements.

2. Fund Financial Statements

The fund statements provide information about the County's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

Nonmajor funds are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

3. Fund Categories

a. Governmental Funds

Are those through which most governmental functions of the County are financed. The acquisition, use and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of current financial resources. The following are the County's governmental fund types:

General Fund - is the principal fund of the County and includes all operations not required to be recorded in other funds.

Special Revenue Funds - are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

The special revenue funds of the County include the Community Development, County Road, and Road Machinery Funds.

Capital Projects Fund - account for financial resources to be used for the acquisition, construction, and/or reconstruction of capital facilities not being financed by proprietary funds.

Major funds include – The General Fund.

Nonmajor funds include – The Road Machinery Fund, the Community Development Fund, the County Road Fund and the Capital Projects Fund.

b. Proprietary Fund Types

Are used to account for ongoing organizations or activities which are similar to those often found in the private sector. The measurement focus is upon determination of the flow of economic resources. The following proprietary fund is utilized.

Enterprise Funds – are used to account for those operations of the Wayne County Nursing Home (Enterprise Fund), where the governing board has determined that cost of operations are to be financed through user charges.

The Wayne County Nursing Home’s statement of revenues, expenses, and changes in net position distinguish between operating and non-operating revenues and expenses. Operating revenues and expenses generally result from providing services in connection with principal ongoing operations. Operating expenses include the cost of services provided, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

c. Fiduciary Funds

Fiduciary funds are used to account for assets held by the local government in a trustee or custodial capacity.

Agency Fund - is custodial in nature and does not present results of operations or have measurement focus. The Agency Fund is accounted for using the accrual basis of accounting. This fund is used to account for assets such as, payroll withholdings, bail deposits, mortgage tax and sales tax that the government holds for others in an agency capacity awaiting distribution to other governmental agencies.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

Private Purpose Trust Funds - are used to report resources legally held in trust for Public Health, Office of the Aging and D.A.R.E. Program donations received by the County. In addition, memorials and awards, such as the Dan Kane memorial and the Wayne County History Award are accounted for in the Private Purpose Trust Funds. Resources of these funds may be used to support these activities.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. **Basis of Accounting/Measurement Focus**

1. **Accrual**

The countywide fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the County gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes, grants, and donations is recognized in the year in which all eligibility requirements have been satisfied.

2. **Modified Accrual**

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Material revenues that are accrued include real property taxes to be collected within 60 days of the reporting period and sales tax. Where expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made, and anticipated to be received within the next fiscal reporting period.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

Expenditures are recorded when the related fund liability is incurred except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

D. Assets, Liabilities, and Net Position or Equity

1. Cash and Cash Equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

Cash equivalents are stated at cost, which approximates fair value. Investments are reported at fair value based on quoted market prices. Investment income, including changes in the fair value of investments, is reported in operations.

2. Cash Flows

For the purpose of the statement of cash flows of proprietary funds prepared under the direct method, all highly liquid investments with an original maturity of three months or less are considered cash equivalents. Custodial accounts and restricted assets, if any, are not considered to be cash equivalents.

3. Accounts Receivable

a. General

Accounts receivable are stated net of an allowance for uncollectibles. The accounts receivable allowance for uncollectibles is based on historical collection experience. All amounts due from other governments are deemed fully collectible.

b. Enterprise Funds

Accounts receivable are stated net of an allowance for uncollectibles. Accounts for which no payments have been received for several months are considered delinquent, and when customary collection efforts are exhausted the account is written-off. The nursing home records an allowance for uncollectibles in anticipation of future write-offs. The allowance for uncollectibles is based on the nursing home's historical collection experience and review of outstanding accounts.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

4. Inventories and Prepaid Items

Inventory at the Wayne County Nursing Home is stated at the lower of cost or market; principally on the first-in, first-out basis; and consists of general housekeeping, medical, and dietary supplies. Inventory purchases in all other funds are recorded as expenditures at the time of purchase and year-end balances are not maintained.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. The County currently accounts for prepaid items based on the consumption method.

5. Capital Assets – Property, Plant and Equipment

a. General

Capital assets which include buildings, machinery and equipment, and infrastructure (i.e., roads, bridges, and similar items), purchased or acquired with an original cost of \$25,000 or more are reported at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. All infrastructure acquired prior to the implementation of GASB #34 has been included in Capital Assets. Depreciation on all assets is provided on the straight-line basis over the following useful lives:

	<u>Class</u>	<u>Life in Years</u>
	Buildings	15-50 Years
	Machinery and Equipment	5-25 Years
	Infrastructure	20-50 Years

b. Enterprise Funds

Property, plant and equipment acquired by the enterprise funds is stated at cost (or estimated historical cost), including interest capitalized during construction, where applicable. Contributed capital assets are recorded at fair market value at the date received. Depreciation has been provided using the straight-line method over the following estimated useful lives.

<u>Description</u>	<u>Estimated Lives</u>
<u>Health Facility -</u>	
Land Improvements	Varies 8-20 Years
Buildings and Improvements	Varies 5-40 Years
Machinery and Equipment	Varies 3-20 Years

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

When enterprise fund assets are retired, or otherwise disposed of, the cost and related accumulated depreciation is removed from the accounts, and any resulting gain or loss is reflected in income for the period. Maintenance and repairs are charged to expense as incurred; significant renewals and improvements are capitalized.

7. Unearned Revenue

The County reports unearned revenues in its basic financial statements. Unearned revenue arises when resources are received by the County before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the County has legal claim to resources, the liability for deferred revenue is removed and revenue is recognized.

8. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The government may have three items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the County-wide Statement of Net Position. This represents the effect of the net change in the County's proportion of the collective net pension asset or liability and difference during the measurement period between the County's contributions and its proportion share of total contributions to the pension system not included in pension expense. Lastly is the County's contributions to the pension system (ERS System) subsequent to the measurement date.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County may have two items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue-property taxes. The second item is related to pensions reported in the County-wide Statement of Net Position. This represents the effect of the net change in the County's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the County's contributions and its proportion share of total contributions to the pension systems not included in pension expense.

9. Unexpended Balances

Unexpended balances of appropriations lapse at the end of each year, except for capital projects. Project length financial plans are developed for each project.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

10. Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities and long-term obligations are reported in the county-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, and compensated absences that will be paid from governmental funds are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the County's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

a. Compensatory Absences

Pursuant to a resolution of the Board of Supervisors and contractual agreements, County employees are entitled to accrue a maximum of 180 days of sick leave, 30 days of vacation leave, and one day personal leave. An individual who leaves employment of the County is entitled to be paid for unused vacation leave. No payments are made for unused sick leave and personal leave.

The County accrues for compensated absences when incurred. The estimated liability for compensated absences is recorded as part of accrued liabilities in both the enterprise fund and the governmental fund types. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

b. Other Benefits

County employees participate in the New York State Employees' Retirement System.

In addition to providing pension benefits, the County provides post-employment health coverage to retired employees in accordance with the provision of various employment contracts in effect at the time of retirement. The County recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

11. Encumbrances

For financial reporting purposes encumbrances have been reclassified to assigned fund balance in the governmental funds for general fund and assigned or restricted fund balance in the capital fund. Encumbrance accounting, under which purchase orders, contracts or other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the general, county-wide capital improvement project and nonmajor funds.

12. Interfund Transfers

The operations of the County include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The County typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

13. Equity Classifications

a. Government-Wide Statements

Equity is classified as net position and displayed in three components:

- 1. Net Investment in Capital Assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- 2. Restricted Net Position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- 3. Unrestricted Net Position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

b. Financial Statements – Fund Balance

The County implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined 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.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

1. **Nonspendable fund balance** – Amounts that are not in a spendable form (i.e. inventory or prepaids) or are legally or contractually required to be maintained intact.
2. **Restricted fund balance** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
3. **Assigned fund balance** – Amounts a government intends to use for a specific purpose; as indicated in the County’s operating policies, intent can be expressed by the governing body (County Legislature) or by an official (County Treasurer) to which the governing body delegates the authority. This category of fund balance also represents the residual amounts not otherwise reported as unspendable, or restricted in governmental funds outside of the General Fund.
4. **Unassigned fund balance** – Amounts that are available for County purposes pursuant to any Law restrictions. Any positive amounts are reported only in the general fund. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the County’s practice to use the most restrictive funds first in the following order: restricted, assigned and unassigned as they are needed.

E. New Accounting Standards

The GASB has issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 57, and Amendments to Certain Provisions of GASB Statements 67 and 68*, which will be effective for the year ended December 31, 2017.

The GASB has issued Statement No. 80, *Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14*, which will be effective for the year ended December 31, 2017.

The GASB has issued Statement 81, *Irrevocable Split-Interest Agreements*, which will be effective for the year ended December 31, 2017.

The GASB has issued Statement No. 82, *Pension Issues-an Amendment of GASB Statements No. 67, No. 68, and No. 73*, which will be effective for the year ended December 31, 2017.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(I) (Continued)

F. Future Changes in Accounting Standards

The GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which will be effective for the year ended December 31, 2018.

The GASB has issued Statement No. 83, *Certain Asset Retirement Obligations*, which will be effective for the year ended December 31, 2019.

The GASB has issued Statement No. 84, *Fiduciary Activities*, which will be effective for the year ended December 31, 2018.

The GASB has issued Statement No. 85, *Omnibus 2017*, which will be effective for the year ended December 31, 2018.

The GASB has issued Statement No. 86, *Certain Debt Extinguishment Issues*, which will be effective for the year ended December 31, 2018.

The GASB has issued Statement No. 87, *Leases*, which will be effective for the year ended December 31, 2019.

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

II. Cash and Cash Equivalents:

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. While the County does not have a specific policy for custodial credit risk, New York State statutes govern the County's investment policies, as discussed previously in these notes.

The County's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year end, collateralized as follows:

Uncollateralized	\$	-
Collateralized with securities held by the pledging financial institution,		19,267,150
Collateralized within trust department or agent		42,809,426
Total	\$	<u>62,076,576</u>

Restricted cash represents cash, cash equivalents, and investments where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash and investments as of year-end included \$4,550,285 in the governmental funds and \$332,200 in the fiduciary funds.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

III. Investments:

The County's investments are recorded at fair value and have been categorized based upon a fair market value.

The following table presents information about the County's investments measured at fair market value as of December 31, 2017:

	<u>2017</u>	
	<u>Cost</u>	<u>Market Value</u>
US Treasury Bills	\$ 9,995,992	\$ 9,995,992
US Treasury Notes	38,546,173	38,512,184
Accrued interest	186,598	186,598
Total	<u>\$ 48,728,763</u>	<u>\$ 48,694,774</u>

Credit risk: In compliance with the State Law, County investments are limited to obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and obligations issued by other municipalities and authorities within the State.

Concentration of Credit risk: To promote competition in rates and service cost, and to limit the risk of institutional failure, County deposits and investments are placed with multiple institutions. The County's investment policy limits the amounts that may be deposited with any one financial institution at \$50 Million.

Interest rate risk: The County has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates. While the County carries investments with a maximum maturity of two years, maturity dates are staggered so that a portion of the investments mature every 90 days.

IV. Real Property Taxes Receivable:

Real property taxes for the County are levied together with taxes for town and special district purposes on January 1, and are due within 30 days. In 2017, these taxes attached as an enforceable lien on property on October 10. The towns and special districts receive the full amount of their levies annually. The County assumes enforcement responsibility for all unpaid taxes in the towns and special districts. Unpaid village and school district taxes are turned over to the County for collection; any such taxes remaining unpaid at year end are relieved as County taxes in the subsequent year.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(III.) (Continued)

The balance of the taxes receivable, net at December 31, 2017 consists of the following:

Taxes receivable, overdue	\$	2,755,289
Taxes receivable, current		2,922,541
Returned school taxes		4,302,663
Delinquent village		620,593
Total		<u><u>\$ 10,601,086</u></u>

At December 31, 2017, uncollected real property taxes of \$10,601,086 which includes land held for resale of \$0. Current year returned village and school taxes of \$4,923,256 are offset by liabilities to the villages and school districts which will be paid no later than April 15, 2018. The remaining portion of tax assets is offset by deferred tax revenue of \$4,914,200 (and represents an estimate of the tax liens which will not be collected within the first sixty days of the subsequent year).

The County is permitted by the New York State Constitution to levy taxes up to 1.5% of the most recent five-year average full valuation of taxable real property. In 2017, the County has a legal limit of \$72,324,113.

V. Accounts Receivable:

Receivables as of year end for the government's individual major funds, and non-major funds in the aggregate and enterprise type funds including applicable allowances for uncollectible accounts are as follows:

<u>Receivables</u>	<u>General</u>	<u>Road Machinery</u>	<u>County Road</u>	<u>Capital Fund</u>	<u>Nursing Home</u>	<u>Total</u>
Accounts	\$ 2,091,058	\$ 9,567	\$ 27,378	\$ -	\$ 4,629,439	\$ 6,757,442
Taxes	5,677,830	-	-	-	-	5,677,830
State & Federal	7,533,009	189,685	-	313,071	-	8,035,765
Returned School and Village Taxes	4,923,256	-	-	-	-	4,923,256
Other governments	2,759,466	-	-	-	-	2,759,466
Gross Receivables	<u>\$ 22,984,619</u>	<u>\$ 199,252</u>	<u>\$ 27,378</u>	<u>\$ 313,071</u>	<u>\$ 4,629,439</u>	<u>\$ 28,153,759</u>
Less: Allowance for uncollectibles	(401,141)	-	-	-	(302,755)	(703,896)
Net Total Receivables	<u><u>\$ 22,583,478</u></u>	<u><u>\$ 199,252</u></u>	<u><u>\$ 27,378</u></u>	<u><u>\$ 313,071</u></u>	<u><u>\$ 4,326,684</u></u>	<u><u>\$ 27,449,863</u></u>

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

VI. Change in Capital Assets:

A. Governmental Activities

A summary of changes in capital assets follows:

<u>Type</u>	<u>Balance</u> <u>1/1/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2017</u>
<u>Capital assets not being depreciated:</u>				
Land	\$ 1,636,650	\$ -	\$ -	\$ 1,636,650
Work in progress	15,472,069	1,744,112	(2,232,335)	14,983,846
<i>Total capital assets not being depreciated</i>	<u>\$ 17,108,719</u>	<u>\$ 1,744,112</u>	<u>\$ (2,232,335)</u>	<u>\$ 16,620,496</u>
<u>Other capital assets:</u>				
Buildings and improvements	\$ 62,351,311	\$ 1,373,840	\$ -	\$ 63,725,151
Machinery and equipment	12,442,812	725,188	(232,712)	12,935,288
Infrastructure	149,913,641	4,378,830	(1,761,832)	152,530,639
Land improvements	704,411	-	-	704,411
<i>Total other capital assets</i>	<u>\$ 225,412,175</u>	<u>\$ 6,477,858</u>	<u>\$ (1,994,544)</u>	<u>\$ 229,895,489</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements	\$ 21,157,604	\$ 1,717,444	\$ -	\$ 22,875,048
Machinery and equipment	6,966,263	733,401	(223,132)	7,476,532
Infrastructure	108,310,007	1,844,282	(1,761,832)	108,392,457
Land improvements	648,816	6,451	-	655,267
<i>Total accumulated depreciation</i>	<u>\$ 137,082,690</u>	<u>\$ 4,301,578</u>	<u>\$ (1,984,964)</u>	<u>\$ 139,399,304</u>
<i>Other capital assets, net</i>	<u>\$ 88,329,485</u>	<u>\$ 2,176,280</u>	<u>\$ (9,580)</u>	<u>\$ 90,496,185</u>
Total	<u>\$ 105,438,204</u>	<u>\$ 3,920,392</u>	<u>\$ (2,241,915)</u>	<u>\$ 107,116,681</u>

Depreciation expense for the period was charged to functions/programs as follows:

Governmental Activities:

General government support	\$ 384,644
Public safety	836,723
Transportation	2,164,996
Health	671,211
Economic assistance and opportunity	130,466
Culture and recreation	91,794
Home and community service	21,744
Total Depreciation Expense	<u>\$ 4,301,578</u>

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(VI.) (Continued)

B. Business-Type Activities

A summary of changes in capital assets follows:

<u>Type</u>	<u>Balance 1/1/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2017</u>
<u>Capital assets not being dereciated:</u>				
Land	\$ 37,328	\$ -	\$ -	\$ 37,328
<i>Total capital assets not being depreciated</i>	<u>\$ 37,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,328</u>
<u>Other capital assets:</u>				
Buildings and improvements	\$ 26,146,142	\$ 955,925	\$ -	\$ 27,102,067
Machinery and equipment	2,589,161	71,280	-	2,660,441
Land improvements	33,719	62,103	-	95,822
<i>Total other capital assets</i>	<u>\$ 28,769,022</u>	<u>\$ 1,089,308</u>	<u>\$ -</u>	<u>\$ 29,858,330</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements	\$ 20,530,566	\$ 1,891,351	\$ -	\$ 22,421,917
Machinery and equipment	1,852,633	142,367	-	1,995,000
Land improvements	33,719	3,006	-	36,725
<i>Total accumulated depreciation</i>	<u>\$ 22,416,918</u>	<u>\$ 2,036,724</u>	<u>\$ -</u>	<u>\$ 24,453,642</u>
<i>Other capital assets, net</i>	<u>\$ 6,352,104</u>	<u>\$ (947,416)</u>	<u>\$ -</u>	<u>\$ 5,404,688</u>
<i>Total</i>	<u><u>\$ 6,389,432</u></u>	<u><u>\$ (947,416)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,442,016</u></u>

Proprietary Fund Net Investment in Capital Assets – Deficit

The component of net position consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. At December 31, 2017, the net investment in capital assets was a deficit balance of \$7,189,848.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

VII. Interfund Revenues and Expenditures:

The composition of Interfund balances as of December 31, 2017, is as follows:

	<u>Interfund Revenues</u>	<u>Interfund Expenditures</u>
General Fund	\$ -	\$ 7,340,600
County Road Fund	6,350,000	-
Capital Fund	270,600	-
Road Machinery Fund	720,000	-
Total government activities	<u>\$ 7,340,600</u>	<u>\$ 7,340,600</u>

Transfers among funds are provided as part of the annual budget process. They facilitate annual contributions to the County Road, Road Machinery, Nursing Home, and Capital Projects Fund as the County does not routinely allocate a portion of the tax levy for the operation of these funds.

VIII. Long-Term Obligations:

The Board of Supervisors adopted a Debt Management Policy providing for the types of debt which may be issued, the maximum amount of debt allowed, the purpose for which the County may issue debt and other financial objectives.

- A. At December 31, 2017 the total outstanding noncurrent obligations of the County aggregated \$57,887,642.
- B. **Serial Bonds** - The County borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the County have been issued for both governmental and business-type activities. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. Enterprise Fund debt is liquidated with Enterprise Fund income.

Total long-term interest expense amounted to \$1,201,081 for the 2017 year.

- C. **Other Long-Term Obligations** - In addition to the above long-term debt, the County has the following noncurrent obligations:

Energy Performance Contract, Capital Leases, Compensated Absences, Net Pension Liability, Unamortized Bond Premiums, Resident Funds Held in Trust, OPEB Liability, and Workers' Compensation Liability

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(VIII) (Continued)

D. Changes in Noncurrent Liabilities - The following is a summary of long-term obligations outstanding at December 31, 2017:

	Balance			Balance <u>12/31/17</u>	Classified As	
	<u>01/01/17</u>	<u>Additions</u>	<u>Deletions</u>		<u>Current</u>	<u>Non-Current</u>
<u>Governmental Activities:</u>						
Serial Bonds	\$ 8,020,000	\$ -	\$ 295,000	\$ 7,725,000	\$ 305,000	\$ 7,420,000
Energy Performance Contract	2,628,000	-	292,000	2,336,000	292,000	2,044,000
Capital Lease	4,065,000	-	420,000	3,645,000	440,000	3,205,000
Compensated Absences	3,979,489	36,204	-	4,015,693	2,406,802	1,608,891
OPEB Liability	945,483	-	373,655	571,828	-	571,828
Net Pension Liability	24,377,648	-	9,090,556	15,287,092	-	15,287,092
Workers' Compensation Liability	6,983,601	43,642	-	7,027,243	1,727,480	5,299,763
Total Governmental Activities Long- Term Obligations	\$ 50,999,221	\$ 79,846	\$ 10,471,211	\$ 40,607,856	\$ 5,171,282	\$ 35,436,574
<u>Business-Type Activities:</u>						
Serial Bonds	\$ 12,885,000	\$ -	\$ 825,000	\$ 12,060,000	\$ 820,000	\$ 11,240,000
Unamortized Bond Premium	671,209	-	99,345	571,864	-	571,864
Compensated Absences	237,431	-	9,367	228,064	228,064	-
Net Pension Liability	5,351,191	-	2,416,945	2,934,246	-	2,934,246
Workers' Compensation	1,167,028	150,078	-	1,317,106	1,317,106	-
Resident Funds Held in Trust	62,239	13,797	-	76,036	-	76,036
OPEB Liability	-	92,470	-	92,470	-	92,470
Total Business-Type Activities Long- Term Obligations	\$ 20,374,098	\$ 256,345	\$ 3,350,657	\$ 17,279,786	\$ 2,365,170	\$ 14,914,616

Liquidation of the net pension obligation and the liability for claims and judgments occurs through the governmental fund budget process and will be financed by the real property tax levy, general County revenues or in the case of business-type activities through patient charges. The net pension obligation and the liability for judgments and claims are liquidated in the fund where the liability was incurred. Thus, the General Fund satisfies most liabilities for the governmental activities. In regard to business-type activities, the corresponding liability is allocated to the proprietary fund.

E. Serial Bonds Payable - The County issues general obligation bonds in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The amount to be provided for payment of long-term liabilities represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(VIII) (Continued)

Serial bonds due in varying amounts to the date of maturity, outstanding at December 31, 2017 are as follows:

<u>Purpose</u>	<u>Original Issue Amount</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Amount Outstanding 12/31/2017</u>
<u>Governmental Activities:</u>				
<u>Serial Bonds</u>				
Public Improvement - ARRA	\$ 9,810,000	6.127%-7.207%	12/10/2034	<u>\$ 7,725,000</u>
<u>Energy Performance Contract</u>				
Energy Upgrades	\$ 2,920,000	3.93%	12/10/2025	<u>\$ 2,336,000</u>
<u>Business-Type Activities:</u>				
<u>Serial Bonds</u>				
Public Improvement	\$ 23,181,503	4.125%-4.250%	6/1/2032	\$ 2,550,000
Public Improvement	\$ 13,015,000	2.00%-5.00%	6/1/2029	9,510,000
Total Business-Type Activities				<u><u>\$ 12,060,000</u></u>

Annual debt service requirements to maturity for the general government obligation bonds are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>			<u>Business-Type Activities</u>	
	<u>Bonds Principal</u>	<u>Energy Performance Contracts Principal</u>	<u>Total Interest</u>	<u>Bonds Principal</u>	<u>Total Interest</u>
2018	\$ 305,000	\$ 292,000	\$ 548,852	\$ 820,000	\$ 436,975
2019	320,000	292,000	536,316	815,000	408,350
2020	330,000	292,000	523,164	805,000	384,050
2021	350,000	292,000	506,301	795,000	360,050
2022	365,000	292,000	488,416	790,000	33,350
2023-27	2,130,000	876,000	1,912,357	3,955,000	1,134,525
2028-32	2,680,000	-	971,557	4,080,000	425,063
2033-34	1,245,000	-	131,393	-	-
Total	<u><u>\$ 7,725,000</u></u>	<u><u>\$ 2,336,000</u></u>	<u><u>\$ 5,618,356</u></u>	<u><u>\$ 12,060,000</u></u>	<u><u>\$ 3,182,363</u></u>

At December 31, 2017, \$21,121,000 was subject to the constitutional debt limit and represented approximately 6.44% of the debt limit. In the opinion of management, the County has complied with all significant debt covenants at December 31, 2017.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(VIII) (Continued)

Interest on long-term debt for December 31, 2017 was composed of:

	Governmental Activities	Business-Type Activities
Interest paid	\$ 560,976	\$ 414,497
<u>Less:</u> interest accrued in the prior year	(107,412)	-
<u>Plus:</u> interest accrued in the current year	324,562	-
Total interest expense	\$ 778,126	\$ 414,497

- F. Capital Leases** - Through its governmental funds, the County leases a building from the Lyons Community Health Initiatives Corporation for various County departments. The lease agreement has been determined to be a capital lease for accounting purposes under the criteria established by GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Accordingly, the lease has been recorded at the present value of its future minimum lease payments as of the inception date.

Capital assets acquired through capital leases are as follows:

	Governmental Activities
<u>Assets</u>	
Buildings	\$ 9,155,000
<u>Less:</u> Accumulated Depreciation	(4,394,400)
Total	\$ 4,760,600

The future minimum lease obligation and the net present value of the minimum lease payments as of December 31, 2017, were as follows:

Year Ending December 31	Amount
2018	\$ 642,297
2019	642,877
2020	642,070
2021	639,875
2022	641,262
2023-24	1,289,900
Total Minimum Lease Payments	\$ 4,498,281
Less: Amount Representing Interest	(853,281)
Present Value of Minimum Lease Payments	\$ 3,645,000

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

IX. Fund Balances/Net Position:

A. Fund Balances

1. Nonspendable

The County has the following nonspendable funds:

Nonspendable Prepaid Items - The County has prepaid various items and the cash is no longer available, therefore, those funds are nonspendable.

2. Restricted

Currently, New York State laws still use the terminology reserves. The County currently utilizes the following reserves which are classified as restricted funds:

Liability Reserve - created to set aside money for the payment of liability and property claims.

Unemployment Reserve - created to set aside money for the payment of unemployment expenses.

Repair Reserve - to be used for emergency repair and replacement of major mechanical systems and roofs in and on major County assets.

Capital Reserve – to be used for future funding of capital construction costs.

STOP DWI Reserve - contains accumulated excess of STOP DWI fines less STOP DWI expenses.

Retirement Contribution Reserve - to be used to finance retirement contributions.

3. Assigned

The County has the following assigned funds:

General Fund –	1. Appropriated for taxes
	2. Encumbrances
Road Machinery Fund -	1. Year End Equity
	2. Encumbrances
County Road Fund -	1. Year End Equity
	2. Encumbrances
Capital Projects Fund –	1. Year End Equity

Encumbrances represent purchase commitments made by the County’s purchasing agent through their authorization of a purchase order prior to year end. The County assignment is based on the functional level of expenditures.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(IX) (Continued)

The specific purposes for the most significant amounts of open outstanding encumbrances at December 31, 2017 are as follows:

	<u>Total</u>
<u>General Fund</u>	
Juvenile Delinquent Care	\$ 345,300
State Training School	1,106,561
Total General Fund	<u><u>\$ 1,451,861</u></u>
<u>County Road Fund</u>	
Street Administration	<u><u>\$ 418,227</u></u>

The remaining funds do not have encumbrances that are considered to be significant.

4. Unassigned

Unassigned funds include the residual classification for the County's general fund and all spendable amounts not contained in other classifications. The County's general fund is the only fund that reports a positive fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The following table summarizes the County's governmental fund balances:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Special Revenue Funds</u>	<u>Total</u>
<u>FUND BALANCE:</u>				
<u>Nonspendable -</u>				
Prepaid items	\$ 2,104,772	\$ -	\$ 160,528	\$ 2,265,300
<u>Restricted -</u>				
Liability	\$ 3,204,616	\$ -	\$ -	\$ 3,204,616
Unemployment	47,216	-	-	47,216
Repair	285,543	-	-	285,543
Capital improvements	-	-	842,081	842,081
Stop DWI	170,829	-	-	170,829
Total Restricted	<u><u>\$ 3,708,204</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 842,081</u></u>	<u><u>\$ 4,550,285</u></u>
<u>Assigned -</u>				
Appropriated for taxes	\$ 4,000,000	\$ -	\$ -	\$ 4,000,000
Transportation	-	6	1,815,755	1,815,761
Economic Opportunity and Development	1,615,279	-	-	1,615,279
Public Safety	191,638	-	-	191,638
Health Services	470	-	-	470
General Support	225,064	1,605,428	-	1,830,492
Home and Community	15,479	-	-	15,479
Other	308	-	-	308
Total Assigned	<u><u>\$ 6,048,238</u></u>	<u><u>\$ 1,605,434</u></u>	<u><u>\$ 1,815,755</u></u>	<u><u>\$ 9,469,427</u></u>
<u>Unassigned</u>	<u><u>\$ 53,045,433</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 53,045,433</u></u>
TOTAL FUND BALANCE	<u><u>\$ 64,906,647</u></u>	<u><u>\$ 1,605,434</u></u>	<u><u>\$ 2,818,364</u></u>	<u><u>\$ 69,330,445</u></u>

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(IX) (Continued)

B. Net Position - Restricted for Other Purposes

Represents those amounts which have been restricted by enabling legislation or Board Resolutions.

	<u>Total</u>
Unemployment Reserve	\$ 47,216
Repair Reserve	285,543
Stop DWI Reserve	170,829
Total Net Position - Restricted for Other Purposes	<u>\$ 503,588</u>

X. Tax Abatement:

The County of Wayne Industrial Development Agency enters into various property tax and sales tax abatement programs for the purpose of Economic Development. As a result the County's property tax revenue was reduced \$602,822. The County received payment in lieu of tax (PILOT) payments totaling \$389,132 to help offset the property tax reduction.

The County of Wayne Industrial Development Agency also provided sales tax abatement which totaled \$11,620. The County's proportionate share of that exemption reduced sales tax revenue.

The County of Wayne enters into various property tax programs for the purpose of Economic Development. As a result the County's property tax revenue was reduced \$2,059,570. The County received payment in lieu of tax (PILOT) payments totaling \$2,058,000 to help offset the property tax reduction.

The Town of Walworth enters into various property tax programs for the purpose of Economic Development. As a result the County's property tax revenue was reduced \$33,353. The County received payment in lieu of tax (PILOT) payments totaling \$6,982 to help offset the property tax reduction.

The Town of Savannah enters into various property tax programs for the purpose of Economic Development. As a result the County's property tax revenue was reduced \$6,263. The County received payment in lieu of tax (PILOT) payments totaling \$2,405 to help offset the property tax reduction.

The Town of Galen enters into various property tax programs for the purpose of Economic Development. As a result the County's property tax revenue was reduced \$4,041. The County received payment in lieu of tax (PILOT) payments totaling \$5,492 to help offset the property tax reduction.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

XI. General Information and Pension Plans:

A. General Information About Pension Plan

1. Plan Description

The County participates in the New York State Local Employees' Retirement System (ERS) which is collectively referred to as New York State and Local Retirement Systems (the System). This is a cost sharing multiple employer defined benefit retirement system. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The County also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

2. Benefits Provided

The System provides retirement benefits as well as death and disability benefits.

Tier 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XI) (Continued)

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

Tier 3, 4, 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4, and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent 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 percent 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 percent 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.

Final average salary is the average of wages earned in the three highest consecutive years. For Tier 3, 4, and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age of Tier 6 is 63 for ERS members.

Benefit Calculation: Generally, the benefit is 1.67 percent 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 percent 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 percent 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 55 with reduced benefits.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XI) (Continued)

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

Special Plans

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to sheriffs, and correction officers.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 ERS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5, and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XI) (Continued)

3. Contributions

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly, used in computing the employers' contributions based on salaries paid during the Systems' financial year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

Prepayment Due	
<u>Date</u>	<u>ERS</u>
December 15, 2017	\$ 6,509,723
December 15, 2016	\$ 6,722,740
December 15, 2015	\$ 7,008,281

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At December 31, 2017, the County reported a liability of \$18,221,338 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2017, the County's proportion was 0.193922 percent.

For the year ended December 31, 2017 the County recognized pension expense of \$9,777,069. At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XI) (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 456,610	\$ 2,767,013
Changes of assumptions	6,225,077	-
Net difference between projected and actual earnings on pension plan investments	3,639,540	-
Changes in proportion and differences between the County's contributions and proportionate share of contributions	290,071	2,057,949
Subtotal	\$ 10,611,298	\$ 4,824,962
County's contributions subsequent to the measurement date	4,923,759	-
Grand Total	<u>\$ 15,535,057</u>	<u>\$ 4,824,962</u>

\$4,923,759 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 2,788,402
2019	2,788,402
2020	2,772,649
2021	(2,563,117)
Total	<u>\$ 5,786,336</u>

1. Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	<u>ERS</u>
Measurement date	March 31, 2017
Actuarial valuation date	April 1, 2016
Interest rate	7.00%
Salary scale	3.80%
Decrement tables	April 1, 2010- March 31, 2015 System's Experience
Inflation rate	2.50%
COLA's	1.30%

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XI) (Continued)

For ERS, annuitant mortality rates are based on Society of Actuaries Scale MP-2014 System's experience with adjustments for mortality improvements based on MP-2017.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

Long Term Expected Rate of Return	
	<u>ERS</u>
Measurement date	March 31, 2017
<u>Asset Type -</u>	
Cash	-0.25%
Inflation-index bonds	1.50%
Domestic equity	4.55%
International equity	6.35%
Real estate	5.80%
Alternative investments	0.00%
Domestic fixed income securities	0.00%
Global fixed income securities	0.00%
Bonds/mortgages	1.31%
Short-term	0.00%
Private equity	7.75%
Absolute return strategies	4.00%
Opportunistic portfolios	5.89%
Real assets	5.54%

2. Discount Rate

The discount rate used to calculate the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XI) (Continued)

3. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentagepoint lower (6%) or 1-percentagepoint higher (8%) than the current rate :

	1% Decrease <u>(6%)</u>	Current Assumption <u>(7%)</u>	1% Increase <u>(8%)</u>
Employer's proportionate share of the net pension asset (liability)	\$ (58,195,344)	\$ (18,221,338)	\$ 15,576,608

4. Pension Plan Fiduciary Net Position

The components of the current year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows:

	<u>(In Thousands)</u>
	<u>ERS</u>
Measurement date	March 31, 2017
Employers' total pension liability	\$ 177,400,586
Plan net position	168,004,363
Employers' net pension asset/(liability)	<u>\$ (9,396,223)</u>
Ration of plan net position to the employers' total pension asset/(liability)	94.70%

XII. Other Postemployment Benefits

Plan Description. In addition to providing pension benefits described in Note XI, the County provides post-employment medical and prescription drug benefits (OPEB) for retirees, spouses, and their covered dependents through the Wayne County Postretirement Health Care Benefits Program (Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its personnel manual and union contracts. Wayne County, New York provides four plan options to all eligible employees and dependents. The Blue Choice HMO is the only community rated plan offered whereas the Traditional, Point of Service and PIP plans are self insured, as such the majority of the activity of the plan is reported in the Wayne County Health Care Plan Trust. The Health Plan Trust is described further in Note XIV. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XII) (Continued)

Funding Policy. The County currently pays for postemployment health care benefits on a pay-as-you-go basis. Once New York State Law allows for the establishment of a trust to fund and invest assets necessary to pay for the accumulated liability, the County will study the establishment of such a trust. These financial statements assume that pay-as-you-go funding will continue.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. 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 by governmental activities and business-type activities:

	Governmental Activities	Business-type Activities	Primary Government
Annual required contribution	\$ 1,640,803	\$ 265,334	\$ 1,906,137
Interest on net OPEB obligation	28,486	4,606	33,092
Adjustment to annual required contribution	(42,756)	(6,913)	(49,669)
Annual OPEB cost (expense)	\$ 1,626,533	\$ 263,027	\$ 1,889,560
Contributions made	(2,000,188)	(170,557)	(2,170,745)
Increase (Decrease) in net OPEB obligation	\$ (373,655)	\$ 92,470	\$ (281,185)
Net OPEB obligation - beginning of year	945,483	-	945,483
Net OPEB obligation - end of year	\$ 571,828	\$ 92,470	\$ 664,298

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the two preceding years was as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2017	\$ 1,889,560	114.88%	\$ 664,298
12/31/2016	\$ 2,756,663	76.14%	\$ 945,483
12/31/2015	\$ 2,731,176	109.08%	\$ 287,591

Funded Status and Funding Progress. As of December 31, 2017, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$34,184,383, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$34,184,383. The covered payroll (annual payroll of active employees covered by the plan) was \$45,541,238, and the ratio of the UAAL to the covered payroll was 75%.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XII) (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of the occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress is presented as required supplementary information following the notes to the financial statements.

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

In the December 31, 2017, actuarial valuation, the projected unit credit actuarial cost method was used. The discount rate used was four percent. Because the plan is unfunded, reference to the general assets, which are short-term in nature, was considered in the selections of the four percent inflation rate. The valuation assumes a 6% medical cost trend, reduced by decrements to a rate of 3.84% after sixty years. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2017, was nineteen years.

XIII. Deferred Compensation Plan

The County maintains a deferred compensation plan in accordance with Section 457 of the Internal Revenue Code for which County employees have the option to participate.

XIV. Risk Management:

A. Health Plan

Wayne County, New York participates in a Health Plan Trust which was established between the Wayne County Board of Supervisors and the Board of Trustees of the Wayne County Health Care Plan Trust on January 1, 2000 and shall continue in existence from year to year.

The purpose of the Trust, and the general nature of its business is established and maintained, pursuant to Article 44 of the Insurance Law of the State of New York, and employee welfare (Plan), self-funding in whole or in part, or insuring in whole or in part, health benefit coverage for eligible employees. The Trust's goal is to improve health benefits at a reduced cost to the taxpayers of the employers, pursuant to the provisions of Section 119-0 of the New York State General Municipal Law and Section 501(c)(9) of the Internal Revenue Code.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XIV) (Continued)

A new employer who seeks membership in the Plan shall be accepted upon majority vote of the Board of Trustees and subject to the terms and conditions established by the Board of Trustees. The current participants in the plan include seven Towns, one Authority, and the County. Participants in the Plan can withdraw upon mutual consent of the Plan and employer after three years of participation in the Plan. Written notice must be given that acknowledges mutual agreement of withdrawal. In addition, an employer may unilaterally withdraw from the Plan after three years if the employer's contributions exceed the billed rate of the New York State licensed commercial insurer providing equivalent coverage. If withdrawal occurs before three years, the employer shall remain liable to pay the balance of its share of contributions. If surplus funds exist at termination, the balance will be paid over to a successor health plan or an insurance company to provide benefits for eligible employers and employees. The Plan is a risk sharing pool and all monies paid into the Plan shall be pooled and administered as a common fund. If surplus funds exist at the end of any year, the distribution of such funds shall be determined by the Board of Trustees.

The Plan purchases, on an annual basis, stop-loss insurance policies to limit its exposure for claims paid within any one year.

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. During the year ended December 31, 2017, the County incurred premiums or contribution expenditures totaling \$9,413,760.

The Plan was audited for the year ended December 31, 2017 and the audit report is available at the Wayne County Administrative Offices.

B. Workers' Compensation

The County, along with all the towns and villages within the County, participated in a self-insured workers' compensation fund which is accounted for within the General Fund of the County since the County is the major participant.

Current membership of the Plan includes 35 participants from various municipal entities. The Plan is administered by Wayne County and utilizes a third party administrator who is responsible for processing claims, estimating liabilities and providing actuarial services. The Plan participants are charged an annual assessment which is allocated in light of comparative experience and relative exposure based on the estimated total liability of the participating members actuarially computed each year.

The Plan purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XIV) (Continued)

This program establishes a liability for both reported and unreported self-insured events, which includes estimates of both future payments of losses and related claim adjustment expense. The following represents changes in those aggregate liabilities for both Governmental and Proprietary activities ended December 31:

	<u>Governmental</u>	<u>Proprietary</u>
Unpaid claims and claim adjustment liabilities at beginning of year	\$ 6,983,601	\$ 1,167,028
Incurred claim and claim adjustment expenditures:		
Provision for insured events of the current year	\$ 212,568	\$ 43,538
Increases/(decreases) in provision for insured events of prior years	1,794,331	508,653
Total incurred claim and claim adjustment expenditures	<u>\$ 2,006,899</u>	<u>\$ 552,191</u>
Less payments:		
Claim and claim adjustment expenditures attributable to insure events of the current year	\$ 212,568	\$ 43,538
Claim and claim adjustment expenditures attributable to insure events of prior years	1,750,689	358,575
Total payments	<u>\$ 1,963,257</u>	<u>\$ 402,113</u>
Total Unpaid Claims and Claim Adjustments		
Liabilities at the End of the Year	<u><u>\$ 7,027,243</u></u>	<u><u>\$ 1,317,106</u></u>

C. Other

The County has elected to be partially self-insured for unemployment, general liability, malpractice, and automobile insurance. The County has several commercially purchased third party insurance policies in place for certain of these risks as well. Maximum coverage under the policies ranges from \$50,000 to \$5,000,000 and there has been no change in coverage under such policies during the past year. In 2017, the County paid \$16,640 in claims relating to these self-insurance programs. In addition, as of December 31, 2017, no loss contingencies existed or were considered probable or estimable for incurred but not reported claims payable. Settlements have not exceeded coverage under the policies during the past three years. Self-insurance activity is recorded in the General Fund.

All claims are evaluated under the criteria established in GASB No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. The following represents changes in the aggregate liabilities for the partially self-insured programs referred to above for year ended December 31:

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XIV) (Continued)

	<u>2017</u>
Unpaid claims and claim adjustment liabilities at beginning of year	\$ -
Incurred claim and claim adjustment expenditures:	
Provision for insured events of the current year	<u>\$ 16,640</u>
Less payments:	
Claim and claim adjustment expenditures attributable to insure events of the current year	<u>\$ 16,640</u>
Total unpaid claims and claim adjustments liabilities at the end of the year	<u><u>\$ -</u></u>

XV. Contingent Liabilities:

A. Economic Assistance and Opportunity Programs

The Department of Social Services of the County provides for the operation and administration of economic assistance and opportunity programs. The financial statements of the General Fund contain expenditures for the costs of operating these programs including estimates of costs incurred, but unpaid at the end of the year. The County's share of costs applicable to the operation of the Medicaid program are recognized as expenditures in the period that such amounts are charged to the State by third-party providers.

Program and administrative costs are subject to audit and adjustment by various State and Federal agencies. Differences between ultimate settlements and estimated costs included in the financial statements are recorded in the year of settlement. County management believes that it is in substantial compliance with all program requirements.

B. Federal and State Funded Programs

The County participates in a number of Federal and New York State grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial. Expenditures disallowed by completed audits have generally been immaterial in nature and, accordingly, have been reflected as adjustments to revenues in the year the expenditure was determined to be unallowable.

C. Litigation

The County is subject to lawsuits in the ordinary conduct of its affairs. As of the end of the year the County does not believe that the pending suits, individually or in the aggregate, are likely to have a material adverse effect on the financial conditions of the County.

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

XVI. Related Organizations:

A. Wayne County Industrial Development Agency (IDA)

The IDA is a Public Benefit Corporation created by state legislation to promote the economic welfare, opportunities, and prosperity of the County's inhabitants. The IDA was established to promote and assist in acquiring or constructing various business and recreational facilities in Wayne County, New York. Members of the IDA are appointed by the Wayne County Board of Supervisors, however, the Board of Supervisors exercise no oversight responsibility for management of the IDA or accountability for fiscal matters. The County is not liable for any IDA indebtedness.

An audit of the IDA's financial statements for the year ended December 31, 2017 has been performed by EFP Rotenberg, LLP. The auditor's report was unmodified, that is, the financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America. Pertinent financial data related to the IDA for the year ended December 31, 2017 is as follows:

Total Assets	\$ 4,831,039
Total Deferred Outflows	\$ 58,349
Total Liabilities	\$ 171,385
Total Deferred Inflows	\$ 4,690
Total Net Position	\$ 4,713,313
Total Revenues-2017	\$ 601,772
Total Expenditures-2017	\$ 562,250

Complete financial statements for the IDA may be obtained at the entity's administrative office located at 16 William Street, Lyons, New York 14489.

B. Wayne County Economic Development Corporation (EDC)

The EDC is a Public Benefit Corporation created by state legislation to promote the economic welfare, opportunities, and prosperity of the County's inhabitants. The EDC was established to promote and assist in acquiring or constructing various business and recreational facilities in Wayne County, New York. Members of the EDC are appointed by the Wayne County Board of Supervisors, however, the Board of Supervisors exercise no oversight responsibility for management of the EDC or accountability for fiscal matters. The County is not liable for any EDC indebtedness.

An audit of the EDC's financial statements for the year ended December 31, 2017 has been performed by EFP Rotenberg, LLP. The auditor's report was unmodified, that is, the financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America. Pertinent financial data related to the EDC for the year ended December 31, 2017 is as follows:

Total Assets	\$ 4,441,139
Total Liabilities	\$ 638,672
Total Net Position	\$ 3,802,467
Total Revenues-2017	\$ 3,289,304
Total Expenditures-2017	\$ 876,282

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

Complete financial statements for the EDC may be obtained at the entity's administrative office located at 16 William Street, Lyons, New York 14489.

C. Wayne County Civic Facility Development Corporation

The Wayne County Civic Facility Development Corporation (CFDC) is a Nonprofit Local Development Corporation created by state legislation to promote the economic welfare, opportunities, and prosperity of the County's inhabitants. The CFDC was established to promote and assist in acquiring or constructing various business and recreational facilities in Wayne County, New York. Members of the CFDC are appointed by the Wayne County Board of Supervisors, however, the Board of Supervisors exercise no oversight responsibility for management of the CFDC or accountability for fiscal matters. The County is not liable for any CFDC indebtedness.

An audit of the CFDC's financial statements for the year ended December 31, 2017 has been performed by EFP Rotenberg, LLP. The auditor's report was unmodified, that is, the financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America. Pertinent financial data related to the CFDC for the year ended December 31, 2017 is as follows:

Total Assets	\$	144,257
Total Net Position	\$	144,257
Total Revenues-2017	\$	-
Total Expenditures-2017	\$	4,431

Complete financial statements for the CFDC may be obtained at the entity's administrative office located at 16 William Street, Lyons, New York 14489.

D. Wayne Industrial Sustainability Development Corporation

The Wayne Industrial Sustainability Development Corporation (ISDC) is a Nonprofit Local Development Corporation created by state legislation to promote the economic welfare, opportunities, and prosperity of the County's inhabitants. The ISDC was established to promote and assist in acquiring or constructing various business and recreational facilities in Wayne County, New York. Members of the ISDC are appointed by the Wayne County Board of Supervisors, however, the Board of Supervisors exercise no oversight responsibility for management of the ISDC or accountability for fiscal matters. The County is not liable for any ISDC indebtedness.

An audit of the ISDC's financial statements for the year ended December 31, 2017 has been performed by EFP Rotenberg, LLP. The auditor's report was unmodified, that is, the financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America. Pertinent financial data related to the ISDC for the year ended December 31, 2017 is as follows:

Total Assets	\$	-
Total Liabilities	\$	-
Total Net Position	\$	-
Total Revenues-2017	\$	20,016
Total Expenditures-2017	\$	2,607,193

COUNTY OF WAYNE, NEW YORK

Notes to the Basic Financial Statements

December 31, 2017

(XVI) (Continued)

Complete financial statements for the ISDC may be obtained at the entity's administrative office located at 16 William Street, Lyons, New York 14489.

E. Wayne County Water and Sewer Authority

The Wayne County Water and Sewer Authority (the Authority), a public benefit corporation, was created by special legislation, Chapter 685 of the Laws of 1987 (NYS Public Authorities Laws 199-aa et seq.). Members of the Authority's Board of Directors are appointed by the Board of Supervisors. The Directors of the Authority have sole responsibility for management of the Authority and full accountability for fiscal matters. The Authority has the powers necessary to plan, finance, operate, and manage water systems in the County. The Authority provides a structure for planning and implementing improvements in the availability, reliability, and quality of public water supplies in the County.

An audit of the Authority's financial statements for the year ended December 31, 2017 has been performed by Raymond F. Wager, CPA, P.C., a division of Mengel Metzger Barr and Co., LLP. The auditor's report was unmodified, that is, the financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America. Pertinent financial data related to the Authority for the year ended December 31, 2017 is as follows:

Total Assets	\$	19,237,603
Total Deferred Outflows	\$	532,469
Total Liabilities	\$	3,324,413
Total Deferred Inflows	\$	107,231
Total Net Position	\$	16,338,428
Total Revenues-2017	\$	8,206,294
Total Expenses-2017	\$	7,933,598

Complete financial statements for the Authority may be obtained at the entity's administrative office located at 3377 Daansen Road, Walworth, New York 14568.

XVII. Subsequent Events:

County management has evaluated subsequent events through June 21, 2018, which is the date these financial statements were available to be issued.

Required Supplementary Information
(Unaudited)

COUNTY OF WAYNE, NEW YORK
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
General Fund
For The Year Ended December 31, 2017

	Original Budget (Incl. Carryover Encumbrances)	Budget (Amended)	Actual	Encumbrances	Variance
Revenues:					
Real property and tax items	\$ 42,976,152	\$ 42,976,152	\$ 43,102,741	\$ -	\$ 126,589
Non-property taxes	41,487,306	41,702,306	43,730,897	-	2,028,591
Departmental income	13,587,287	13,596,917	13,576,231	-	(20,686)
Intergovernmental charges	395,570	395,570	1,053,206	-	657,636
Use of money and property	674,760	674,760	549,786	-	(124,974)
Licenses and permits	10,000	10,000	8,978	-	(1,022)
Fines and forfeitures	189,039	189,039	152,801	-	(36,238)
Sale of property and compensation for loss	1,299,718	1,299,718	1,317,611	-	17,893
Miscellaneous	2,803,860	2,901,906	2,140,654	-	(761,252)
Interfund revenues	757,495	757,495	722,825	-	(34,670)
State and county aid	19,553,570	16,694,901	15,016,541	-	(1,678,360)
Federal aid	11,702,548	15,010,500	14,734,370	-	(276,130)
Total Revenues	\$ 135,437,305	\$ 136,209,264	\$ 136,106,641	\$ -	\$ (102,623)
Expenditures:					
<u>Current:</u>					
<u>General government support -</u>					
Legislative	\$ 1,086,624	\$ 1,107,229	\$ 1,049,284	\$ 3,917	\$ 54,028
Judicial	3,900,142	4,008,324	3,476,799	55,059	476,466
Finance and taxation	1,874,444	1,883,244	1,598,401	2,000	282,843
Staff	3,159,534	2,940,647	2,822,958	51,743	65,946
Shared services	5,315,210	5,047,075	4,934,730	112,345	-
Special items	13,875,630	13,928,735	13,928,735	-	-
Miscellaneous	424,414	424,414	424,414	-	-
Total general government support	\$ 29,635,998	\$ 29,339,668	\$ 28,235,321	\$ 225,064	\$ 879,283
<u>Education -</u>					
Community college	\$ 4,500,000	\$ 4,600,000	\$ 4,535,015	\$ -	\$ 64,985
<u>Public safety -</u>					
Law enforcement	\$ 21,926,345	\$ 22,259,758	\$ 20,427,772	\$ 116,607	\$ 1,715,379
Traffic control	188,613	189,574	156,979	-	32,595
Fire prevention	203,761	209,619	153,307	3,262	53,050
Public safety	5,071,555	5,320,385	4,720,125	71,769	528,491
Miscellaneous	984,871	984,871	984,871	-	-
Total public safety	\$ 28,375,145	\$ 28,964,207	\$ 26,443,054	\$ 191,638	\$ 2,329,515
<u>Health -</u>					
Public health	\$ 10,033,936	\$ 10,053,909	\$ 8,854,560	\$ -	\$ 1,199,349
Mental health	10,951,648	11,508,667	10,376,867	470	1,131,330
Miscellaneous	330,383	330,383	330,383	-	-
Total health	\$ 21,315,967	\$ 21,892,959	\$ 19,561,810	\$ 470	\$ 2,330,679

COUNTY OF WAYNE, NEW YORK
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2017

	Original Budget (Incl. Carryover Encumbrances)	Budget (Amended)	Actual	Encumbrances	Variance
Expenditures:					
<u>Current:</u>					
<u>Transportation -</u>					
Bus operations	\$ 38,378	\$ 38,378	\$ 38,313	\$ -	\$ 65
<u>Economic assistance and opportunity -</u>					
Social services	\$ 41,153,362	\$ 48,327,682	\$ 43,273,631	\$ 1,608,944	\$ 3,445,107
Economic opportunity	1,754,706	2,541,050	1,341,889	2,444	1,196,717
Economic development	-	-	-	-	-
Publicity and tourism	432,421	429,744	407,772	-	21,972
Veteran services	281,815	285,186	247,156	-	38,030
Consumer affairs	95,751	97,857	93,850	-	4,007
Program for the aging	2,003,039	2,079,914	1,976,459	3,891	99,564
Miscellaneous	568,925	568,925	568,925	-	-
Total economic assistance and opportunity	\$ 46,290,019	\$ 54,330,358	\$ 47,909,682	\$ 1,615,279	\$ 4,805,397
<u>Culture and recreation -</u>					
Parks	\$ 488,255	\$ 488,071	\$ 380,394	\$ -	\$ 107,677
Recreation and culture	673,511	676,775	582,925	308	93,542
Miscellaneous	28,370	28,370	28,370	-	-
Total culture and recreation	\$ 1,190,136	\$ 1,193,216	\$ 991,689	\$ 308	\$ 201,219
<u>Home and community services -</u>					
General environment	\$ 870,589	\$ 897,640	\$ 736,962	\$ -	\$ 160,678
Natural resources	859,722	859,722	844,243	15,479	-
Miscellaneous	28,407	28,407	28,407	-	-
Total home and community services	\$ 1,758,718	\$ 1,785,769	\$ 1,609,612	\$ 15,479	\$ 160,678
<u>Debt Service:</u>					
Debt service - principal	\$ 587,000	\$ 587,000	\$ 587,000	\$ -	\$ -
Debt service - interest and other charges	561,562	561,562	560,976	-	586
Total debt service	\$ 1,148,562	\$ 1,148,562	\$ 1,147,976	\$ -	\$ 586
Total Expenditures	\$ 134,252,923	\$ 143,293,117	\$ 130,472,472	\$ 2,048,238	\$ 10,772,407
Excess (deficiency) of revenue over expenditures	\$ 1,184,382	\$ (7,083,853)	\$ 5,634,169		
Other Financing Sources and Uses:					
Transfers - out	\$ (6,920,000)	\$ (7,340,600)	\$ (7,340,600)		
Total Other Financing Sources and Uses	\$ (6,920,000)	\$ (7,340,600)	\$ (7,340,600)		
Net change in fund balances	\$ (5,735,618)	\$ (14,424,453)	\$ (1,706,431)		
Fund Balance - Beginning	66,613,078	66,613,078	66,613,078		
Fund Balance - Ending	\$ 60,877,460	\$ 52,188,625	\$ 64,906,647		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

COUNTY OF WAYNE, NEW YORK
Required Supplementary Information (Unaudited)
Schedule of Funding Progress
Other Post Employment Benefit Plan
For the Year Ended December 31, 2017

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1)/(2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	(5) Active Members Covered Payroll	(6) UAAL As a Percentage of Covered Payroll (4) / (5)
December, 31						
2017	\$ -	\$ 34,184,383	0.00%	\$ 34,184,383	\$ 45,541,238	75%
2016	\$ -	\$ 44,742,514	0.00%	\$ 44,742,514	\$ 45,252,380	99%
2015	\$ -	\$ 44,996,427	0.00%	\$ 44,996,427	\$ 44,381,407	101%
2014	\$ -	\$ 43,255,239	0.00%	\$ 43,255,239	\$ 43,560,537	99%
2013	\$ -	\$ 44,658,564	0.00%	\$ 44,658,564	\$ 44,071,506	101%
2012	\$ -	\$ 49,528,739	0.00%	\$ 49,528,739	\$ 45,490,444	109%
2011	\$ -	\$ 50,286,868	0.00%	\$ 50,286,868	\$ 44,529,034	113%
2010	\$ -	\$ 66,695,116	0.00%	\$ 66,695,116	\$ 43,020,854	155%
2009	\$ -	\$ 69,698,249	0.00%	\$ 69,698,249	\$ 41,189,835	169%
2008	\$ -	\$ 48,456,450	0.00%	\$ 48,456,450	\$ 39,899,861	121%

COUNTY OF WAYNE, NEW YORK
Required Supplementary Information (Unaudited)
Schedule of the County's Proportionate Share of the Net Pension Liability
For the Year Ended December 31, 2017

NYSERS Pension Plan			
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (assets)	0.1939%	0.1852%	0.1848%
Proportionate share of the net pension liability (assets)	\$ 18,221,338	\$ 29,728,839	\$ 6,242,887
Covered-employee payroll	\$ 45,541,238	\$ 45,252,380	\$ 44,381,407
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	40.011%	65.696%	14.066%
Plan fiduciary net position as a percentage of the total pension liability	94.70%	90.70%	97.90%

This schedule is intended to show information for ten years, information will be displayed as it becomes available.

COUNTY OF WAYNE, NEW YORK
Required Supplementary Information (Unaudited)
Schedule of County Contributions
For the Year Ended December 31, 2017

NYSERS Pension Plan			
	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 6,722,740	\$ 7,008,281	\$ 7,436,155
Contributions in relation to the contractually required contribution	<u>(6,722,740)</u>	<u>(7,008,281)</u>	<u>(7,436,155)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 45,541,238	\$ 45,252,380	\$ 44,381,407
Contributions as a percentage of covered-employee payroll	14.76%	15.49%	16.76%

This schedule is intended to show information for ten years, information will be displayed as it becomes available.

COUNTY OF WAYNE, NEW YORK

Note to Required Supplementary Information

December 31, 2017

I. Stewardship – Note to Required Supplementary Information:

A. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles and the budgetary comparison schedules presented as required supplementary information are prepared on this basis. Budgets are adopted annually for the general fund, special revenue funds, and the enterprise fund. The general fund is the only major fund with a legally adopted budget. The only legally adopted budgets for the nonmajor funds are the Road Machinery Fund and the County Road Fund.

1. No later than November 15, the budget officer submits a tentative budget to the finance and budget review committee for the year commencing the following January 1. The tentative budget includes appropriations and the proposed means of financing them.
2. After public hearings are conducted to obtain taxpayer comments, no later than December 20, the Board of Supervisors adopts the County budget. The original budget is a balanced budget.

Activities of the general fund, special revenue funds, and the enterprise fund are included in the annual appropriated budget.

3. Certain expenditures may not legally exceed budgeted appropriations for program expenditures within an administrative unit or department. Individual governmental fund comparisons of budgetary and actual data are presented at the legal level of control established by the Board of Supervisors (i.e., the department level).

All revisions that alter total appropriations in any department must be approved by certain committees of the Board of Supervisors or in some instances the entire Board of Supervisors. Management has the ability to amend or transfer the budgeted amounts between “objects” without the approval of the Board of Supervisors. Supplementary appropriations made during the year include additional grant program increases in mandated expenditures and/or the reallocation of resources.

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Combining and Individual Fund Statements and Schedules

COUNTY OF WAYNE, NEW YORK

Notes to Nonmajor Governmental Funds

Special Revenue Funds

December 31, 2017

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The **Special Revenue Funds** of the County include the community development, county road, and road machinery funds. The special revenue funds use the modified accrual basis of accounting.

ROAD MACHINERY FUND

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

COMMUNITY DEVELOPMENT FUND

The **Community Development Fund** is used to account for work force investment monies. A budgetary comparison has not been presented as the Community Development Fund does not have a legally adopted budget.

COUNTY ROAD FUND

The **County Road Fund** is used to account for maintenance of County roads and bridges, snow removal and construction and reconstruction of County roads.

CAPITAL PROJECTS FUND

The **Capital Projects Fund** is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The assigned fund balance at December 31, 2017 totaled \$1,605,434.

COUNTY OF WAYNE, NEW YORK

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2017

	<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Road Machinery Fund</u>	<u>Community Development Fund</u>	<u>County Road Fund</u>		
Assets					
Cash and cash equivalents	\$ 923,899	\$ -	\$ 2,793,642	\$ 1,575,654	\$ 5,293,195
Receivables, net	27,378	-	199,252	313,071	539,701
Prepaid items	18,571	-	141,957	-	160,528
Total Assets	<u>\$ 969,848</u>	<u>\$ -</u>	<u>\$ 3,134,851</u>	<u>\$ 1,888,725</u>	<u>\$ 5,993,424</u>
Liabilities and Fund Balance					
Liabilities -					
Accounts payable	\$ 20,173	\$ -	\$ 678,441	\$ 283,291	\$ 981,905
Accrued liabilities	73,320	-	514,401	-	587,721
Total Liabilities	<u>\$ 93,493</u>	<u>\$ -</u>	<u>\$ 1,192,842</u>	<u>\$ 283,291</u>	<u>\$ 1,569,626</u>
Fund Balances -					
Nonspendable	\$ 18,571	\$ -	\$ 141,957	\$ -	\$ 160,528
Restricted	-	-	842,081	-	842,081
Assigned	857,784	-	957,971	1,605,434	3,421,189
Total Fund Balances	<u>\$ 876,355</u>	<u>\$ -</u>	<u>\$ 1,942,009</u>	<u>\$ 1,605,434</u>	<u>\$ 4,423,798</u>
Total Liabilities and Fund Balances	<u>\$ 969,848</u>	<u>\$ -</u>	<u>\$ 3,134,851</u>	<u>\$ 1,888,725</u>	<u>\$ 5,993,424</u>

COUNTY OF WAYNE, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2017

	<u>Special Revenue Funds</u>				Total Nonmajor Governmental Funds
	Road Machinery Fund	Community Development Fund	County Road Fund	Capital Projects Fund	
Revenues:					
Intergovernmental charges	\$ 335,617	\$ -	\$ 514,766	\$ -	\$ 850,383
Use of money and property	226	5	21,690	469	22,390
Sale of property and compensation for loss	38,985	-	17,931	-	56,916
Miscellaneous	-	-	12,138	-	12,138
Interfund revenues	773,166	-	-	-	773,166
State and county aid	-	-	4,418,082	441,519	4,859,601
Federal aid	-	-	-	25,300	25,300
Total Revenues	<u>\$ 1,147,994</u>	<u>\$ 5</u>	<u>\$ 4,984,607</u>	<u>\$ 467,288</u>	<u>\$ 6,599,894</u>
Expenditures:					
Current -					
Transportation	\$ 1,684,793	\$ -	\$ 11,890,070	\$ -	\$ 13,574,863
Economic assistance and opportunity	-	21,773	-	-	21,773
Capital outlay	-	-	-	1,942,360	1,942,360
Total Expenditures	<u>\$ 1,684,793</u>	<u>\$ 21,773</u>	<u>\$ 11,890,070</u>	<u>\$ 1,942,360</u>	<u>\$ 15,538,996</u>
Excess (deficiency) of revenue over expenditures	<u>\$ (536,799)</u>	<u>\$ (21,768)</u>	<u>\$ (6,905,463)</u>	<u>\$ (1,475,072)</u>	<u>\$ (8,939,102)</u>
Other Financing Sources and Uses:					
Transfers - in	<u>\$ 720,000</u>	<u>\$ -</u>	<u>\$ 6,350,000</u>	<u>\$ 270,600</u>	<u>\$ 7,340,600</u>
Total Other Financing Sources and Uses	<u>\$ 720,000</u>	<u>\$ -</u>	<u>\$ 6,350,000</u>	<u>\$ 270,600</u>	<u>\$ 7,340,600</u>
Net change in fund balances	\$ 183,201	\$ (21,768)	\$ (555,463)	\$ (1,204,472)	\$ (1,598,502)
Fund Balance - Beginning	<u>693,154</u>	<u>21,768</u>	<u>2,497,472</u>	<u>2,809,906</u>	<u>6,022,300</u>
Fund Balance - Ending	<u><u>\$ 876,355</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,942,009</u></u>	<u><u>\$ 1,605,434</u></u>	<u><u>\$ 4,423,798</u></u>

COUNTY OF WAYNE, NEW YORK
Budgetary Comparison Schedule
County Road Fund
For the Year Ended December 31, 2017

	Original Budget				
	(Incl. Carryover	Budget			
	Encumbrances)	(Amended)	Actual	Encumbrances	Variance
Revenues:					
Intergovernmental charges	\$ 547,000	\$ 547,000	\$ 514,766	\$ -	\$ (32,234)
Use of money and property	35,110	35,110	21,690	-	(13,420)
Sale of property and compensation for loss	20,050	20,050	17,931	-	(2,119)
Miscellaneous	7,300	7,300	12,138	-	4,838
State and county aid	3,200,000	3,820,768	4,418,082	-	597,314
Federal aid	-	117,503	-	-	(117,503)
Total Revenues	\$ 3,809,460	\$ 4,547,731	\$ 4,984,607	\$ -	\$ 436,876
Expenditures:					
Current:					
<u>Transportation -</u>					
Highway maintenance	\$ 10,565,184	\$ 13,678,230	\$ 11,890,070	\$ 535,410	\$ 1,252,750
Total Expenditures	\$ 10,565,184	\$ 13,678,230	\$ 11,890,070	\$ 535,410	\$ 1,252,750
Excess (deficiency) of revenue over expenditures	\$ (6,755,724)	\$ (9,130,499)	\$ (6,905,463)		
Other Financing Sources and Uses:					
Transfers - in	\$ 6,200,000	\$ 6,350,000	\$ 6,350,000		
Total Other Financing Sources and Uses	\$ 6,200,000	\$ 6,350,000	\$ 6,350,000		
Net change in fund balances	\$ (555,724)	\$ (2,780,499)	\$ (555,463)		
Fund Balance - Beginning	2,497,472	2,497,472	2,497,472		
Fund Balance - Ending	\$ 1,941,748	\$ (283,027)	\$ 1,942,009		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

COUNTY OF WAYNE, NEW YORK
Budgetary Comparison Schedule
Road Machinery Fund
For the Year Ended December 31, 2017

	Original Budget				
	(Incl. Carryover	Budget			
	Encumbrances)	(Amended)	Actual	Encumbrances	Variance
Revenues:					
Intergovernmental charges	\$ 228,500	\$ 228,500	\$ 335,617	\$ -	\$ 107,117
Use of money and property	160	160	226	-	66
Sale of property and compensation for loss	46,000	46,000	38,985	-	(7,015)
Interfund revenues	750,000	750,000	773,166	-	23,166
Total Revenues	\$ 1,024,660	\$ 1,024,660	\$ 1,147,994	\$ -	\$ 123,334
Expenditures:					
<u>Current:</u>					
<u>Transportation -</u>					
Road machinery	\$ 1,812,936	\$ 1,812,936	\$ 1,684,793	\$ 1,020	\$ 127,123
Total Expenditures	\$ 1,812,936	\$ 1,812,936	\$ 1,684,793	\$ 1,020	\$ 127,123
Excess (deficiency) of revenue over expenditures	\$ (788,276)	\$ (788,276)	\$ (536,799)		
Other Financing Sources and Uses:					
Transfers - in	\$ 720,000	\$ 720,000	\$ 720,000		
Total Other Financing Sources and Uses	\$ 720,000	\$ 720,000	\$ 720,000		
Net change in fund balances	\$ (68,276)	\$ (68,276)	\$ 183,201		
Fund Balance - Beginning	693,154	693,154	693,154		
Fund Balance - Ending	\$ 624,878	\$ 624,878	\$ 876,355		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

COUNTY OF WAYNE, NEW YORK
COUNTY INFRASTRUCTURE CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Nonmajor Capital Projects
From Inception and for the Year Ended December 31, 2017

	<u>Prior</u> <u>Years</u>	<u>Current</u> <u>Year</u>	<u>Total to</u> <u>Date</u>	<u>Project</u> <u>Authorization</u>
Revenues:				
Use of money and property/ miscellaneous	\$ 23,490	\$ 469	\$ 23,959	\$ 22,678
State sources	2,873,504	441,519	3,315,023	4,425,647
Federal sources	207,046	25,300	232,346	307,533
Total Revenues	<u>\$ 3,104,040</u>	<u>\$ 467,288</u>	<u>\$ 3,571,328</u>	<u>\$ 4,755,858</u>
Expenditures:				
Capital outlay	<u>\$ 15,034,783</u>	<u>\$ 1,942,360</u>	<u>\$ 16,977,143</u>	<u>\$ 19,767,107</u>
Total Expenditures	<u>\$ 15,034,783</u>	<u>\$ 1,942,360</u>	<u>\$ 16,977,143</u>	<u>\$ 19,767,107</u>
Excess (deficiency) of revenue over expenditures	<u>\$ (11,930,743)</u>	<u>\$ (1,475,072)</u>	<u>\$ (13,405,815)</u>	<u>\$ (15,011,249)</u>
Other Financing Sources and Uses:				
Transfers - in	\$ 14,957,408	\$ 270,600	\$ 15,228,008	\$ 15,228,008
Transfers - out	(216,759)	-	(216,759)	(216,759)
Total Other Financing Sources and Uses	<u>\$ 14,740,649</u>	<u>\$ 270,600</u>	<u>\$ 15,011,249</u>	<u>\$ 15,011,249</u>
Net change in fund balance	<u>\$ 2,809,906</u>	<u>\$ (1,204,472)</u>	<u>\$ 1,605,434</u>	<u>\$ -</u>
Fund Balance, Beginning		<u>2,809,906</u>		
Fund Balance, Ending		<u>\$ 1,605,434</u>		

COUNTY OF WAYNE, NEW YORK

Notes to Agency Funds

December 31, 2017

Agency Funds are used to account for assets held by Wayne County, New York as an agent for individuals, private organizations, other governments and/or other funds.

COUNTY OF WAYNE, NEW YORK
Statement of Changes in Agency Fund Assets and Liabilities
For the Year Ended December 31, 2017

	Beginning Balance <u>1/1/17</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>12/31/17</u>
ASSETS				
Cash and cash equivalents	<u>\$ 1,389,621</u>	<u>\$ 20,647,015</u>	<u>\$ 20,766,458</u>	<u>\$ 1,270,178</u>
TOTAL ASSETS	<u><u>\$ 1,389,621</u></u>	<u><u>\$ 20,647,015</u></u>	<u><u>\$ 20,766,458</u></u>	<u><u>\$ 1,270,178</u></u>
LIABILITIES				
Other liabilities	<u>\$ 1,389,621</u>	<u>\$ 20,647,015</u>	<u>\$ 20,766,458</u>	<u>\$ 1,270,178</u>
TOTAL LIABILITIES	<u><u>\$ 1,389,621</u></u>	<u><u>\$ 20,647,015</u></u>	<u><u>\$ 20,766,458</u></u>	<u><u>\$ 1,270,178</u></u>

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3. STATISTICAL SECTION
(Unaudited)

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STATISTICAL SECTION

Table of Contents

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

	<u>Pages</u>
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	102 - 106
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	107 - 112
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	113 - 117
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	118 - 122
Operating Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	123 - 126

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

FINANCIAL TRENDS
COUNTY OF WAYNE, NEW YORK
Net Position by Component
Last Ten Years
(Accrual Basis of Accounting)
(Unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
GOVERNMENTAL ACTIVITIES:										
Net investment in capital assets	\$ 93,410,681	\$ 90,725,204	\$ 84,664,846	\$ 83,446,154	\$ 74,976,375	\$ 68,383,352	\$ 65,404,573	\$ 70,047,743	\$ 75,645,561	\$ 69,021,852
Restricted	4,550,285	4,566,349	5,647,832	7,227,352	12,638,939	14,696,106	10,855,541	-	-	-
Unrestricted	<u>62,504,762</u>	<u>67,158,445</u>	<u>70,329,643</u>	<u>60,654,755</u>	<u>61,054,344</u>	<u>62,277,747</u>	<u>65,642,139</u>	<u>79,796,244</u>	<u>73,068,788</u>	<u>76,715,487</u>
TOTAL GOVERNMENTAL										
ACTIVITIES NET POSITION	<u>\$ 160,465,728</u>	<u>\$ 162,449,998</u>	<u>\$ 160,642,321</u>	<u>\$ 151,328,261</u>	<u>\$ 148,669,658</u>	<u>\$ 145,357,205</u>	<u>\$ 141,902,253</u>	<u>\$ 149,843,987</u>	<u>\$ 148,714,349</u>	<u>\$ 145,737,339</u>
BUSINESS-TYPE ACTIVITIES:										
Net investment in capital assets	\$ (7,189,848)	\$ (7,200,496)	\$ (5,551,021)	\$ (5,407,054)	\$ (4,625,779)	\$ (3,736,143)	\$ (2,009,010)	\$ (1,083,222)	\$ (45,574)	\$ 956,287
Unrestricted	<u>27,110,997</u>	<u>13,172,181</u>	<u>7,385,372</u>	<u>8,685,194</u>	<u>1,832,003</u>	<u>7,209,562</u>	<u>5,852,383</u>	<u>4,052,022</u>	<u>8,800,797</u>	<u>10,584,296</u>
TOTAL BUSINESS-TYPE										
ACTIVITIES NET POSITION	<u>\$ 19,921,149</u>	<u>\$ 5,971,685</u>	<u>\$ 1,834,351</u>	<u>\$ 3,278,140</u>	<u>\$ (2,793,776)</u>	<u>\$ 3,473,419</u>	<u>\$ 3,843,373</u>	<u>\$ 2,968,800</u>	<u>\$ 8,755,223</u>	<u>\$ 11,540,583</u>
PRIMARY GOVERNMENT:										
Net investment in capital assets	\$ 86,220,833	\$ 83,524,708	\$ 79,113,825	\$ 78,039,100	\$ 70,350,596	\$ 64,647,209	\$ 63,395,563	\$ 68,964,521	\$ 75,599,987	\$ 69,978,139
Restricted	4,550,285	4,566,349	5,647,832	7,227,352	12,638,939	14,696,106	10,855,541	-	-	-
Unrestricted	<u>89,615,759</u>	<u>80,330,626</u>	<u>77,715,015</u>	<u>69,339,949</u>	<u>62,886,347</u>	<u>69,487,309</u>	<u>71,494,522</u>	<u>83,848,266</u>	<u>81,869,585</u>	<u>87,299,783</u>
TOTAL PRIMARY										
GOVERNMENT NET										
POSITION	<u><u>\$ 180,386,877</u></u>	<u><u>\$ 168,421,683</u></u>	<u><u>\$ 162,476,672</u></u>	<u><u>\$ 154,606,401</u></u>	<u><u>\$ 145,875,882</u></u>	<u><u>\$ 148,830,624</u></u>	<u><u>\$ 145,745,626</u></u>	<u><u>\$ 152,812,787</u></u>	<u><u>\$ 157,469,572</u></u>	<u><u>\$ 157,277,922</u></u>

FINANCIAL TRENDS
COUNTY OF WAYNE, NEW YORK
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)
(Unaudited)

EXPENSES:	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities -										
General government support	\$ 28,151,275	\$ 27,902,697	\$ 25,873,702	\$ 26,851,356	\$ 27,947,384	\$ 29,597,985	\$ 30,887,686	\$ 27,982,560	\$ 27,479,536	\$ 25,455,815
Education	4,535,015	3,918,730	4,011,850	4,072,897	4,206,903	3,675,079	2,718,286	2,994,769	3,112,478	3,403,506
Public safety	27,644,088	27,671,333	25,398,664	25,306,384	25,913,803	23,151,356	23,492,230	21,364,450	20,053,259	20,953,612
Health	19,365,757	19,967,637	19,023,151	18,440,140	19,817,425	22,745,377	19,825,452	20,769,344	19,467,869	20,392,136
Transportation	10,235,548	10,359,861	9,544,925	9,539,670	12,012,301	9,338,625	20,360,196	14,837,414	13,993,730	14,407,604
Economic assistance and opportunity	48,359,709	44,806,910	39,158,795	45,870,807	41,266,958	40,456,016	40,523,765	35,911,019	36,105,004	40,434,377
Culture and recreation	1,098,333	1,172,357	967,019	1,266,624	1,238,624	1,227,703	1,148,273	755,142	829,333	890,065
Home and community services	1,646,224	1,701,754	1,662,324	1,570,211	1,501,357	1,420,745	1,931,676	2,461,167	2,297,709	2,276,870
Interest on long-term debt	778,126	563,270	737,444	760,193	768,067	812,571	495,574	865,664	366,607	386,040
Total Governmental Activities Expenses	\$ 141,814,075	\$ 138,064,549	\$ 126,377,874	\$ 133,678,282	\$ 134,672,822	\$ 132,425,457	\$ 141,383,138	\$ 127,941,529	\$ 123,705,525	\$ 128,600,025
Business-Type Activities -										
Nursing home	\$ 22,026,297	\$ 22,759,961	\$ 21,538,555	\$ 22,069,059	\$ 23,878,322	\$ 24,097,193	\$ 23,297,386	\$ 22,773,406	\$ 20,688,009	\$ 20,198,649
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 163,840,372	\$ 160,824,510	\$ 147,916,429	\$ 155,747,341	\$ 158,551,144	\$ 156,522,650	\$ 164,680,524	\$ 150,714,935	\$ 144,393,534	\$ 148,798,674
PROGRAM REVENUES:										
Governmental Activities -										
Charges for services:										
General government support	\$ 5,730,760	\$ 6,035,422	\$ 6,291,047	\$ 6,144,068	\$ 8,030,871	\$ 7,790,082	\$ 6,520,905	\$ 6,529,955	\$ 6,005,511	\$ 4,838,157
Public safety	1,747,541	1,848,335	1,521,472	925,912	1,404,838	1,615,007	696,647	908,459	928,263	893,356
Health	5,709,311	5,311,600	5,124,974	5,407,810	5,040,544	4,385,082	5,425,253	4,051,132	4,070,501	3,727,091
Transportation	1,202,022	1,090,659	1,138,305	1,370,245	2,009,493	995,792	873,370	555,217	473,234	858,966
Economic assistance and opportunity	2,445,395	2,376,964	2,522,766	1,722,608	2,788,352	2,800,316	2,533,022	2,783,860	3,280,310	2,189,720
Culture and recreation	167,833	243,684	109,214	247,862	242,069	232,632	25,815	18,133	38,674	91,270
Home and community services	44,177	15,000	15,000	535,744	28,161	233,138	-	179,969	185,157	198,309
Operating grants and contributions	29,776,211	30,928,376	30,106,390	30,563,715	33,968,808	26,481,757	28,636,223	33,959,403	33,211,757	35,023,808
Capital grants and contributions	4,859,601	3,418,333	4,292,711	2,081,553	1,114,055	3,520,189	6,057,146	2,824,411	4,455,594	8,591,977
Total Governmental Activities Program Revenues	\$ 51,682,851	\$ 51,268,373	\$ 51,121,879	\$ 48,999,517	\$ 54,627,191	\$ 48,053,995	\$ 50,768,381	\$ 51,810,539	\$ 52,649,001	\$ 56,412,654
Business-Type Activities -										
Charges for services:										
Nursing home	\$ 20,226,559	\$ 19,950,771	\$ 19,263,044	\$ 27,802,115	\$ 17,433,817	\$ 23,725,413	\$ 24,168,111	\$ 16,974,439	\$ 17,614,137	\$ 25,156,283
Operating grants and contributions	14,446,696	6,614,096	-	-	-	-	-	-	250,000	250,000
Capital grants and contributions	-	-	-	337,710	323,193	-	-	-	-	-
Total Business-Type Activities Program Revenues	\$ 34,673,255	\$ 26,564,867	\$ 19,263,044	\$ 28,139,825	\$ 17,757,010	\$ 23,725,413	\$ 24,168,111	\$ 16,974,439	\$ 17,864,137	\$ 25,406,283
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 86,356,106	\$ 77,833,240	\$ 70,384,923	\$ 77,139,342	\$ 72,384,201	\$ 71,779,408	\$ 74,936,492	\$ 68,784,978	\$ 70,513,138	\$ 81,818,937

FINANCIAL TRENDS
COUNTY OF WAYNE, NEW YORK
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)
(Unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
NET (EXPENSES) REVENUES:										
Governmental activities	\$ (90,131,224)	\$ (86,796,176)	\$ (75,255,995)	\$ (84,678,765)	\$ (80,045,631)	\$ (84,371,462)	\$ (90,614,757)	\$ (76,130,990)	\$ (71,056,524)	\$ (72,187,371)
Business-type activities	12,646,958	3,804,906	(2,275,511)	6,070,766	(6,121,312)	(371,780)	870,725	(5,798,967)	(2,823,872)	5,207,634
TOTAL PRIMARY GOVERNMENT NET (EXPENSES) REVENUES	<u>\$ (77,484,266)</u>	<u>\$ (82,991,270)</u>	<u>\$ (77,531,506)</u>	<u>\$ (78,607,999)</u>	<u>\$ (86,166,943)</u>	<u>\$ (84,743,242)</u>	<u>\$ (89,744,032)</u>	<u>\$ (81,929,957)</u>	<u>\$ (73,880,396)</u>	<u>\$ (66,979,737)</u>
GENERAL REVENUES:										
Governmental Activities -										
Property taxes	\$ 42,986,575	\$ 42,559,821	\$ 41,928,377	\$ 41,954,972	\$ 39,625,556	\$ 45,893,658	\$ 39,102,455	\$ 38,207,945	\$ 35,189,003	\$ 40,805,994
Sales taxes	43,730,897	42,070,544	41,959,624	41,945,115	41,521,488	39,710,639	39,104,033	36,581,140	35,753,996	36,649,330
Compensation for loss	2,008,576	2,926,710	-	-	-	-	-	-	-	-
Investment earnings	430,178	262,238	506,455	267,732	329,418	454,389	494,753	637,789	977,878	1,907,844
Miscellaneous	255,301	1,115,187	2,807,708	3,169,549	1,881,622	1,767,728	3,971,782	1,833,754	2,112,657	1,879,324
Total Governmental Activities General Revenues	<u>\$ 89,411,527</u>	<u>\$ 88,934,500</u>	<u>\$ 87,202,164</u>	<u>\$ 87,337,368</u>	<u>\$ 83,358,084</u>	<u>\$ 87,826,414</u>	<u>\$ 82,673,023</u>	<u>\$ 77,260,628</u>	<u>\$ 74,033,534</u>	<u>\$ 81,242,492</u>
Business-Type Activities -										
Investment earnings	\$ 37,933	\$ 1,781	\$ 1,754	\$ 1,150	\$ 1,056	\$ 1,826	\$ 3,848	\$ 12,544	\$ 38,512	\$ 37,029
Miscellaneous	-	-	770,968	-	-	-	-	-	-	-
Total Business-Type Activities General Revenues	<u>\$ 37,933</u>	<u>\$ 1,781</u>	<u>\$ 772,722</u>	<u>\$ 1,150</u>	<u>\$ 1,056</u>	<u>\$ 1,826</u>	<u>\$ 3,848</u>	<u>\$ 12,544</u>	<u>\$ 38,512</u>	<u>\$ 37,029</u>
TOTAL PRIMARY GOVERNMENT GENERAL REVENUES	<u>\$ 89,449,460</u>	<u>\$ 88,936,281</u>	<u>\$ 87,974,886</u>	<u>\$ 87,338,518</u>	<u>\$ 83,359,140</u>	<u>\$ 87,828,240</u>	<u>\$ 82,676,871</u>	<u>\$ 77,273,172</u>	<u>\$ 74,072,046</u>	<u>\$ 81,279,521</u>
TRANSFERS:										
Governmental activities	\$ (1,264,573)	\$ (330,647)	\$ (332,956)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business-type activities	1,264,573	330,647	332,956	-	-	-	-	-	-	-
TOTAL TRANSFERS	<u>\$ -</u>									
CHANGE IN NET POSITION:										
Governmental Activities	\$ (1,984,270)	\$ 1,807,677	\$ 11,613,213	\$ 2,658,603	\$ 3,312,453	\$ 3,454,952	\$ (7,941,734)	\$ 1,129,638	\$ 2,977,010	\$ 9,055,121
Business-Type Activities	13,949,464	4,137,334	(1,169,833)	6,071,916	(6,120,256)	(369,954)	874,573	(5,786,423)	(2,785,360)	5,244,663
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	<u>\$ 11,965,194</u>	<u>\$ 5,945,011</u>	<u>\$ 10,443,380</u>	<u>\$ 8,730,519</u>	<u>\$ (2,807,803)</u>	<u>\$ 3,084,998</u>	<u>\$ (7,067,161)</u>	<u>\$ (4,656,785)</u>	<u>\$ 191,650</u>	<u>\$ 14,299,784</u>

FINANCIAL TRENDS
COUNTY OF WAYNE, NEW YORK
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)
(Unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
GENERAL FUND:										
Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,053,846	\$ 2,132,804	\$ 781,193
Reserved for other	-	-	-	-	-	-	-	10,377,966	10,940,507	11,607,082
Ensuing fiscal year	-	-	-	-	-	-	-	3,650,000	2,709,000	2,709,000
Undesignated	-	-	-	-	-	-	-	61,547,722	57,060,051	55,244,053
Nonspendable	2,104,772	2,166,485	2,149,385	1,709,425	2,652,811	2,319,127	1,974,824	-	-	-
Restricted	3,708,204	3,688,326	4,699,462	6,357,530	11,778,668	13,912,583	10,073,190	-	-	-
Assigned	6,048,238	4,960,857	5,052,110	3,605,621	1,938,697	5,851,721	5,667,760	-	-	-
Unassigned	53,045,433	55,797,410	52,742,316	55,939,431	52,973,790	47,149,777	59,176,623	-	-	-
TOTAL GENERAL FUND	<u>\$ 64,906,647</u>	<u>\$ 66,613,078</u>	<u>\$ 64,643,273</u>	<u>\$ 67,612,007</u>	<u>\$ 69,343,966</u>	<u>\$ 69,233,208</u>	<u>\$ 76,892,397</u>	<u>\$ 76,629,534</u>	<u>\$ 72,842,362</u>	<u>\$ 70,341,328</u>
ALL OTHER GOVERNMENTAL FUNDS:										
Reserved for:										
Designated - special revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,062,792	\$ 1,242,728	\$ 966,347
Encumbrances	-	-	-	-	-	-	-	4,162	7,177	-
Unreserved for:										
Special revenue funds	-	-	-	-	-	-	-	1,484,211	1,234,473	990,990
Capital projects funds	-	-	-	-	-	-	-	1,903,987	18,036,449	4,010,714
Nonspendable	160,528	169,940	175,460	128,286	181,129	181,201	151,421	-	-	-
Restricted	842,081	878,023	948,370	869,822	860,271	783,523	782,351	-	-	-
Assigned:										
Special revenue funds	1,815,755	2,164,431	2,001,353	1,697,753	1,580,893	1,925,525	1,648,164	-	-	-
Capital projects funds	1,605,434	2,809,906	6,908,934	3,350,183	-	3,661,803	4,029,577	-	-	-
Unassigned:										
Capital projects funds	-	-	-	(8,140,303)	(1,406,964)	(2,910,121)	(2,698,932)	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	<u>\$ 4,423,798</u>	<u>\$ 6,022,300</u>	<u>\$ 10,034,117</u>	<u>\$ (2,094,259)</u>	<u>\$ 1,215,329</u>	<u>\$ 3,641,931</u>	<u>\$ 3,912,581</u>	<u>\$ 4,455,152</u>	<u>\$ 20,520,827</u>	<u>\$ 5,968,051</u>

Balances for reporting periods 2010 and earlier are presented following guidance available prior to the County's implementation of standards outlined in GASB statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as described in the footnotes.

FINANCIAL TRENDS
COUNTY OF WAYNE, NEW YORK
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
REVENUES:										
Real property and tax items	\$ 43,102,741	\$ 42,991,849	\$ 41,810,132	\$ 41,550,945	\$ 40,418,240	\$ 39,134,352	\$ 39,023,319	\$ 38,625,531	\$ 38,749,334	\$ 40,283,588
Non-property taxes	43,730,897	42,070,544	41,959,624	41,945,115	41,521,488	39,710,639	39,104,033	36,581,140	35,753,996	36,649,330
Departmental income	13,576,231	13,364,978	12,930,864	13,039,411	13,295,088	13,366,939	14,295,462	12,944,389	13,286,107	11,334,150
Intergovernmental charges	1,903,589	1,680,178	2,377,601	2,611,871	4,163,183	2,054,053	1,779,550	1,862,465	1,478,665	1,265,907
Use of money and property	572,176	369,502	612,555	267,732	329,418	454,389	494,753	637,789	977,878	1,907,844
Licenses and permits	8,978	11,041	5,738	6,094	7,971	5,433	4,329	4,047	7,107	6,276
Fines and forfeitures	152,801	178,536	196,635	188,209	166,090	201,103	230,206	215,824	209,771	190,536
Sale of property and compensation for loss	1,374,527	2,513,991	1,526,463	1,563,412	1,536,910	1,848,761	1,411,186	1,995,207	2,130,228	1,806,967
Miscellaneous	2,152,792	3,107,573	2,387,085	2,114,801	1,962,801	2,343,488	2,326,061	1,570,325	1,757,022	1,243,184
Interfund revenues	1,495,991	1,136,247	1,097,560	1,211,024	1,512,412	1,084,307	1,222,254	1,163,436	1,287,068	937,351
State sources	19,876,142	17,706,346	19,277,196	18,291,089	16,401,025	17,895,084	20,359,276	22,094,005	24,601,990	24,720,125
Federal sources	14,759,670	16,640,363	15,121,905	14,354,179	18,660,755	12,106,862	14,334,093	12,694,602	10,951,898	17,088,693
TOTAL REVENUES	\$ 142,706,535	\$ 141,771,148	\$ 139,303,358	\$137,143,882	\$139,975,381	\$130,205,410	\$134,584,522	\$130,388,760	\$131,191,064	\$137,433,951
EXPENDITURES:										
Current:										
General government support	\$ 28,235,321	\$ 26,865,053	\$ 26,382,876	\$ 26,103,905	\$ 27,784,461	\$ 29,595,392	\$ 28,362,121	\$ 28,611,158	\$ 27,152,381	\$ 24,398,898
Education	4,535,015	4,249,377	4,011,850	4,072,897	4,206,903	3,675,079	2,718,286	2,994,769	3,112,478	3,403,506
Public safety	26,443,054	26,076,996	25,834,019	25,114,464	25,799,600	24,052,147	23,212,892	21,585,528	20,125,373	19,235,731
Health	19,561,810	19,450,887	19,471,359	18,399,557	19,814,031	22,358,568	20,403,560	20,860,353	19,346,513	19,379,957
Transportation	13,613,176	11,459,182	11,858,902	12,772,416	13,092,750	11,316,058	13,596,032	12,213,452	12,808,668	17,739,124
Economic assistance and opportunity	47,931,455	44,303,937	39,389,090	45,721,181	42,000,405	40,826,046	40,353,773	36,278,266	36,263,147	40,068,571
Culture and recreation	991,689	1,087,249	1,065,721	1,206,898	1,183,581	1,191,714	1,122,498	931,909	798,758	842,485
Home and community services	1,609,612	1,662,500	1,637,236	1,545,824	1,480,525	1,410,356	1,865,498	2,448,229	2,275,572	2,264,921
Capital outlay	1,942,360	7,508,608	2,673,632	6,508,569	6,186,321	1,416,082	2,488,039	15,376,877	1,172,624	1,224,890
Debt Service:										
Debt service - principle payments	587,000	577,000	270,000	260,000	255,000	245,000	240,000	525,000	280,000	260,000
Debt service - interest payments	560,976	572,371	469,031	479,718	487,648	495,267	501,531	841,725	371,740	386,040
TOTAL EXPENDITURES	\$ 146,011,468	\$ 143,813,160	\$ 133,063,716	\$142,185,429	\$142,291,225	\$136,581,709	\$134,864,230	\$142,667,266	\$123,707,254	\$129,204,123
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (3,304,933)	\$ (2,042,012)	\$ 6,239,642	\$ (5,041,547)	\$ (2,315,844)	\$ (6,376,299)	\$ (279,708)	\$ (12,278,506)	\$ 7,483,810	\$ 8,229,828
OTHER FINANCING SOURCES (USES):										
Transfers - in	\$ 7,340,600	\$ 9,888,497	\$ 19,860,224	\$ 8,366,747	\$ 10,046,373	\$ 7,290,338	\$ 8,423,161	\$ 10,971,789	\$ 14,246,829	\$ 12,163,019
Transfers - out	(7,340,600)	(9,888,497)	(19,860,224)	(8,366,747)	(10,046,373)	(8,843,878)	(8,423,161)	(10,971,789)	(14,496,829)	(12,413,019)
Serial bonds	-	-	2,920,000	-	-	-	-	-	9,810,000	-
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ 2,920,000	\$ -	\$ -	\$ (1,553,540)	\$ -	\$ -	\$ 9,560,000	\$ (250,000)
NET CHANGE IN FUND BALANCE	\$ (3,304,933)	\$ (2,042,012)	\$ 9,159,642	\$ (5,041,547)	\$ (2,315,844)	\$ (7,929,839)	\$ (279,708)	\$ (12,278,506)	\$ 17,043,810	\$ 7,979,828
FUND BALANCE, BEGINNING	72,635,378	74,677,390	65,517,748	70,559,295	72,875,139	80,804,978	81,084,686	93,363,189	76,309,379	68,329,551
FUND BALANCE, ENDING	\$ 69,330,445	\$ 72,635,378	\$ 74,677,390	\$ 65,517,748	\$ 70,559,295	\$ 72,875,139	\$ 80,804,978	\$ 81,084,683	\$ 93,353,189	\$ 76,309,379
Debt Service as a percentage of non-capital expenditures	0.76%	0.86%	0.59%	0.57%	0.57%	0.58%	0.57%	1.12%	0.56%	0.54%

**REVENUE CAPACITY
COUNTY OF WAYNE, NEW YORK
Assessed Value of Taxable Property
Last Ten Years
(Unaudited)**

<u>Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>(1) Other Property</u>	<u>Tax Exempt Property</u>	<u>Assessed Value of Taxable Property</u>	<u>(2)</u> <u>Full Value of Taxable Property</u>	<u>Total Direct Tax Rate</u>
2008	3,382,200,021	498,404,614	118,480,060		924,922,684	4,356,435,371	4,413,308,089	7.95
2009	3,429,055,310	497,859,918	121,005,840	474,044,300	927,047,224	4,436,161,010	4,487,967,609	7.81
2010	3,524,220,877	552,325,355	115,041,653	615,881,830	920,316,635	4,532,870,446	4,583,140,584	7.65
2011	3,558,840,926	606,396,618	119,162,529	585,455,143	953,311,104	4,625,964,538	4,635,121,907	7.54
2012	3,489,479,682	460,229,275	76,945,912	600,902,296	944,940,898	4,630,101,494	4,651,112,583	7.52
2013	3,047,479,160	555,233,522	121,584,231	1,086,138,119	948,242,228	4,661,055,088	4,672,661,814	7.97
2014	3,056,649,831	553,130,712	128,951,731	1,077,312,930	944,812,198	4,681,331,428	4,709,472,876	7.90
2015	3,069,127,794	554,425,801	130,061,431	1,060,262,183	916,150,976	4,717,071,058	4,791,565,433	7.95
2016	3,010,238,489	570,305,185	127,721,339	1,085,098,662	895,578,330	4,860,039,013	5,927,617,879	7.88
2017	3,045,246,267	582,503,364	131,553,439	1,102,294,970	910,580,668	4,940,462,546	5,006,719,661	7.75

Source: Wayne County Real Property Tax Office

(1) "Other Property" includes Agricultural, Amusement, Community Service, Forest, Public Service, and Vacant Land.

(2) Tax Rate is per \$1,000 of full value

REVENUE CAPACITY
COUNTY OF WAYNE, NEW YORK
County Property Tax Rates by Town
(Per \$1,000 of Assessed Valuation)
Last Ten Years
(Unaudited)

<u>Town</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Arcadia	7.89	7.96	7.75	7.73	7.52
Butler	7.88	8.2	7.91	7.97	7.76
Galen	8.86	8.83	8.5	7.97	7.52
Huron	7.82	7.89	7.84	7.90	7.70
Lyons	7.63	7.84	7.63	7.69	7.48
Macedon	7.88	8.03	7.91	7.97	7.76
Marion	8.21	7.95	7.91	8.13	7.92
Ontario	7.88	8.19	7.91	7.97	7.76
Palmyra	7.67	7.74	7.69	7.75	7.78
Rose	7.85	7.75	7.71	7.76	7.55
Savannah	7.88	7.95	9.41	8.95	8.47
Sodus	7.97	7.95	7.74	7.80	7.60
Walworth	7.88	7.95	7.91	7.97	7.76
Williamson	8.04	7.95	7.91	7.97	7.76
Wolcott	7.7	7.76	7.72	7.78	7.57

<u>Town</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Arcadia	7.31	7.4	7.56	7.69	8.19
Butler	7.54	7.41	8.5	8.55	9.10
Galen	7.3	7.39	7.55	9.17	8.79
Huron	7.48	8.15	8.06	8.12	8.37
Lyons	7.26	7.37	7.53	7.67	9.06
Macedon	7.54	7.65	7.81	7.95	8.45
Marion	7.7	7.8	7.81	7.95	9.18
Ontario	7.54	7.65	7.81	7.95	8.45
Palmyra	7.32	7.43	7.6	7.73	8.84
Rose	7.33	7.57	7.57	7.70	8.20
Savannah	7.94	8.23	8.22	8.36	8.34
Sodus	7.38	7.47	7.64	7.77	8.26
Walworth	7.54	7.65	7.81	7.95	8.45
Williamson	7.54	8.05	8.14	8.11	8.45
Wolcott	7.35	7.45	8.16	7.95	8.21

**REVENUE CAPACITY
COUNTY OF WAYNE, NEW YORK
Principal Taxpayers
Current Year and Nine Years Ago
(Unaudited)**

<u>Taxpayer</u>	<u>2017</u>			<u>2008</u>		
	<u>Taxable</u>		<u>Percentage</u>	<u>Taxable</u>		<u>Percentage</u>
	<u>Assessed</u>	<u>Rank</u>	<u>of Total</u>	<u>Assessed</u>	<u>Rank</u>	<u>of Total</u>
	<u>Value</u>		<u>Assessed</u>	<u>Value</u>		<u>Assessed</u>
			<u>Valuation</u>			<u>Valuation</u>
RE Ginna Nuclear	\$ 261,366,700	1	4.69%	-	-	-
RG&E	151,376,569	2	2.72%	\$ 367,469,038	1	6.88%
NYSEG	60,496,193	3	1.09%	51,233,824	2	0.96%
EMPIRE STATE PIPELINE	28,578,012	4	0.51%	-	-	-
WAL-MART	13,600,000	5	0.24%	-	-	-
FOWLER FARMS	13,370,280	6	0.24%	-	-	-
VERIZON	13,299,379	7	0.24%	-	-	-
MADEIRA ASSOC.	13,209,800	8	0.24%	-	-	-
NEWARK PLAZA LLC	13,153,200	9	0.23%	-	-	-
MARSHALL FARMS USA	12,826,700	10	0.23%	-	-	-
VERIZON	-	-	-	28,998,854	3	0.55%
EMPIRE PIPELINE	-	-	-	25,013,548	4	0.47%
WALMART	-	-	-	16,705,300	5	0.32%
MARSHALL FARMS	-	-	-	14,137,600	6	0.27%
MADEIRA	-	-	-	11,911,670	7	0.23%
WAYNE COUNTY EGGS	-	-	-	9,980,800	8	0.19%
ORCHARD GROVE PARK	-	-	-	8,724,350	9	0.17%
WHISPERING WOODS	-	-	-	8,257,300	10	0.16%
TOTAL ASSESSED VALUE	<u>\$ 581,276,833</u>		<u>10.43%</u>	<u>\$ 542,432,284</u>		<u>10.20%</u>

REVENUE CAPACITY
COUNTY OF WAYNE, NEW YORK
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
December 31, 2017
(Unaudited)

					Total County Direct and Overlapping Rates
<u>Town</u>	<u>County</u>	<u>Town</u>	<u>Village</u>	<u>School</u>	
Arcadia	7.89	5.80	13.42	23.46	50.57
Butler	7.88	4.70	11.12	20.73	44.43
Galen	8.86	3.59	16.75	23.29	52.49
Huron	7.82	4.03	-	14.86	26.71
Lyons	7.63	5.81	-	22.76	36.20
Macedon	7.88	3.64	1.51	30.57	43.60
Marion	8.21	5.15	-	27.77	41.13
Ontario	7.88	3.10	-	24.06	35.04
Palmyra	7.67	4.49	12.37	25.81	50.34
Rose	7.85	6.52	-	21.15	35.52
Savannah	7.88	5.80	-	20.73	34.41
Sodus	7.97	3.87	10.40	24.80	47.04
Walworth	7.88	4.11	-	30.57	42.56
Williamson	8.04	3.37	-	24.55	35.96
Wolcott	7.7	3.21	11.11	14.86	36.88

REVENUE CAPACITY
COUNTY OF WAYNE, NEW YORK
Property Tax Levies and Collections
Last Ten Years
(Dollars Expressed in Thousands)
(Unaudited)

<u>Year</u>	<u>Total Tax Levy For Year</u>	<u>Collected Within The Year of the Levy</u>			<u>Total Collections to Date</u>		
		<u>Amount</u>	<u>Percentage of Total Levy</u>	<u>Collections in Subsequent Years</u>	<u>Amount</u>	<u>Percent of Levy Collected</u>	
2008	\$ 65,642	\$ 60,053	91.4%	\$ 5,589	\$ 65,642	100%	
2009	\$ 64,334	\$ 59,707	92.8%	\$ 4,625	\$ 64,332	100%	
2010	\$ 65,397	\$ 60,312	92.2%	\$ 5,078	\$ 65,390	100%	
2011	\$ 66,198	\$ 61,275	92.5%	\$ 4,923	\$ 66,198	100%	
2012	\$ 67,051	\$ 62,070	92.5%	\$ 4,938	\$ 67,008	100%	
2013	\$ 68,127	\$ 63,177	92.7%	\$ 4,950	\$ 68,127	100%	
2014	\$ 70,125	\$ 65,397	93.0%	\$ 4,705	\$ 70,102	100%	
2015	\$ 70,473	\$ 65,701	93.0%	\$ 4,708	\$ 70,409	100%	
2016	\$ 71,594	\$ 67,136	94.0%	\$ 3,121	\$ 70,257	98%	
2017	\$ 72,667	\$ 68,398	94.1%	\$ (79)	\$ 68,319	94%	

REVENUE CAPACITY
COUNTY OF WAYNE, NEW YORK
Property Value and Bank Deposits
Last Ten Years
(Dollars Expressed in Thousands)
(Unaudited)

<u>Year</u>	(1) <u>Assessed Value</u>	(2) <u>Bank Deposits</u>
2008	4,356,436	740,629
2009	4,436,161	800,828
2010	4,532,870	801,781
2011	4,625,965	790,343
2012	4,629,708	724,116
2013	4,661,055	735,754
2014	4,681,331	780,669
2015	4,717,071	800,875
2016	4,860,039	844,431
2017	4,940,462	877,363

Source: (1) Wayne County real property tax office
(2) Federal Deposit Insurance Corporation

DEBT CAPACITY
COUNTY OF WAYNE, NEW YORK
Ratio of Net General Obligation Bonded Debt To Assessed Value
and Net General Obligation Bonded Debt Per Capita
Last Ten Years
(Dollars Expressed in Thousands, except per capita)
(Unaudited)

<u>Year</u>	<u>(1)</u> <u>Population</u>	<u>(1)</u> <u>Assessed</u> <u>Value</u>	<u>(2)</u> <u>Net Bonded</u> <u>Debt</u>	<u>Ratio of Net</u> <u>Bonded Debt</u> <u>to Assessed</u> <u>Value</u>	<u>Net Bonded</u> <u>Debt per</u> <u>Capita</u>	<u>Total Debt</u> <u>Outstanding as</u> <u>a % of Personal</u> <u>Income</u>
2008	94	4,356,435	19,875	.46	21.14	1.15%
2009	91	4,436,161	28,860	.65	31.71	1.64%
2010	94	4,532,870	27,800	.74	29.58	1.02%
2011	91	4,625,965	26,735	.71	29.38	1.29%
2012	93	4,630,102	25,350	.55	27.26	1.16%
2013	93	4,661,055	24,240	.52	26.06	1.57%
2014	94	4,681,331	23,130	.49	24.60	1.70%
2015	92	4,717,071	22,020	.47	27.10	1.56%
2016	91	4,860,039	20,905	.43	25.58	1.76%
2017	91	4,940,462	19,785	.40	217.90	0.68%

Source: (1) Center for Government Research United States Bureau of Census

(2) Wayne County annual financial reports

DEBT CAPACITY
COUNTY OF WAYNE, NEW YORK
Ratio of Outstanding Debt by Type and Activity
Last Ten Years
(Dollars Expressed in Thousands, except per capita)
(Unaudited)

<u>Year</u>	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		<u>(2)</u> <u>Percentage of</u> <u>Full Value on</u> <u>Property</u> <u>Value</u>	<u>Total Debt</u> <u>Outstanding</u> <u>as a % of</u> <u>Personal</u> <u>Income</u> <u>Per</u> <u>Capita</u>	
	<u>(1)</u> <u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>(1)</u> <u>Energy</u> <u>Performance</u> <u>Contract</u>	<u>(1)</u> <u>Capital</u> <u>Leases</u>	<u>(1)</u> <u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Total</u> <u>Primary</u> <u>Government</u>		<u>Percentage of</u> <u>Full Value on</u> <u>Property</u> <u>Value</u>	<u>Personal</u> <u>Income</u>
2008	\$ -	\$ -	\$ 6,715	\$ 19,875	\$ 26,590	0.46%	1.15%	\$ 281.98
2009	\$ 9,810	\$ -	\$ 6,435	\$ 19,050	\$ 35,295	0.79%	0.55%	\$ 386.62
2010	\$ 9,575	\$ -	\$ 5,980	\$ 18,225	\$ 33,780	0.74%	1.02%	\$ 360.24
2011	\$ 9,335	\$ -	\$ 5,835	\$ 17,400	\$ 32,570	0.70%	1.29%	\$ 356.78
2012	\$ 9,090	\$ -	\$ 5,515	\$ 16,260	\$ 30,865	0.66%	1.16%	\$ 329.14
2013	\$ 8,835	\$ -	\$ 5,185	\$ 15,405	\$ 29,425	0.64%	1.57%	\$ 316.58
2014	\$ 8,575	\$ -	\$ 4,830	\$ 15,450	\$ 27,960	0.60%	2.94%	\$ 298.17
2015	\$ 11,225	\$ 2,920	\$ 4,460	\$ 13,715	\$ 30,179	0.62%	1.52%	\$ 321.83
2016	\$ 10,648	\$ 2,628	\$ 4,065	\$ 13,556	\$ 28,269	0.58%	0.74%	\$ 307.27
2017	\$ 7,725	\$ 2,336	\$ 3,645	\$ 12,060	\$ 25,766	0.54%	0.68%	\$ 283.77

Source: (1) Center for Government Research United States Bureau of Census

(2) County Real Property Tax Office

DEBT CAPACITY
COUNTY OF WAYNE, NEW YORK
Computation of Legal Debt Margin
Last Ten Years
(Dollars Expressed in Thousands)
(Unaudited)

Year Ended	Assessed	Full Valuation
<u>Dec 31</u>	<u>Value</u>	<u>of Real Property</u>
2008	4,356,435	\$ 4,413,308
2009	4,436,161	4,487,968
2010	4,532,870	4,583,141
2011	4,625,965	4,635,122
2012	4,630,101	4,651,113
2013	4,661,055	4,672,662
2014	4,681,331	4,709,473
2015	4,717,071	4,791,565
2016	4,860,039	4,927,618
2017	49,040,462	<u>5,006,719</u>
Total		<u><u>\$ 46,878,689</u></u>
Average full valuation of taxable real property		<u><u>\$ 4,614,993</u></u>
Debt Limit - 7% thereof		323,050
Percentage of debt - contracting power exhausted		6.84%

Note: New York State imposes a limit on a municipality's authority to incur debt. This limit is derived by taking the average full valuation of taxable real property multiplied by 7% for the last ten years.

Source: Wayne County real property tax office

DEBT CAPACITY
COUNTY OF WAYNE, NEW YORK
Total Direct Underlying Indebtedness
December 31, 2017
(Dollars Expressed in Thousands)
(Unaudited)

<u>Governmental Unit</u>	<u>Total</u> <u>Indebtedness</u>
Towns	\$ 35,500
Villages	28,841
School Districts	153,250
Fire Districts	<u>1,695</u>
Total Underlying	\$ 219,286
County	<u>13,706</u>
Total Underlying and Direct	<u><u>\$ 232,992</u></u>

Source: Special Report on Municipal Affairs New York State Comptroller

DEBT CAPACITY
COUNTY OF WAYNE, NEW YORK
Ratio of Annual Debt Service Expenditures for General Obligation
Bonded Debt to Total General Governmental Expenditures
Last Ten Years
(Dollars Expressed in Thousands)
(Unaudited)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Service</u>	<u>Total General</u> <u>Government</u> <u>Expenditures</u>	<u>Ratio of</u> <u>Debt Service</u> <u>to General</u> <u>Governmental</u> <u>Expenditures</u>
2008	825	842	1,667	128,600	1.30
2009	825	808	1,633	123,705	1.32
2010	825	774	1,599	126,199	1.27
2011	825	740	1,565	138,692	1.13
2012	825	706	1,531	143,269	1.07
2013	825	672	1,497	145,581	1.03
2014	850	543	1,393	134,937	1.03
2015	840	517	1,358	129,651	1.05
2016	830	492	1,322	135,155	0.98
2017	825	466	1,290	142,921	0.90

DEMOGRAPHIC AND ECONOMIC INFORMATION
COUNTY OF WAYNE, NEW YORK
Demographic Statistics
Last Ten Years
(Unaudited)

Year	(1) Population	(1) Per Capita Income	(2) School Enrollment	(2) Unemployment Rate	(3) Total Personal Income
2008	94,300	24,525	16,193	6.7%	2,312,707
2009	91,291	19,258	15,901	5.8%	1,758,082
2010	93,772	34,353	15,397	8.5%	3,221,350
2011	91,291	34,632	15,028	9.8%	3,161,590
2012	93,772	35,832	14,774	8.8%	3,360,038
2013	92,962	38,043	14,496	6.5%	3,536,553
2014	93,772	39,372	14,288	6.9%	3,640,846
2015	93,772	37,944	14,136	6.9%	3,558,085
2016	91,446	41,524	14,019	5.9%	3,797,196
2017	90,798	41,722	14,018	5.9%	3,788,274

Data Sources: (1) Center for Government Research United States Bureau of the Census
(2) New York State Department of Labor
(3) United States Bureau of Economic Analysis

DEMOGRAPHIC AND ECONOMIC INFORMATION
COUNTY OF WAYNE, NEW YORK
Principle Employers
Current Year and Nine Years Ago
(Unaudited)

<u>Employer</u>	<u>2017</u>			<u>2008</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percent of Population</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percent of Population</u>
IEC Electronics	560	1	0.62%	270	6	0.29%
Garlock Technologies	508	2	0.56%	615	1	0.65%
Berry Plastics	506	3	0.56%	-	-	-
Advanced Atomization	335	4	0.37%	-	-	-
Dr. Pepper/Snapple Group	300	5	0.33%	-	-	-
Optimax	300	6	0.33%	-	-	-
Baldwin Richardson	217	7	0.24%	200	7	0.21%
Marshall Farms	209	8	0.23%	-	-	-
Ultralife, Inc.	176	9	0.19%	478	3	0.52%
Maco Bag Corp	170	10	0.19%	167	8	0.18%
Parker Hannifan Corp	-	-	-	455	4	0.48%
Seneca Foods	-	-	-	350	6	0.37%
Spinco Metal Products	-	-	-	155	10	0.16%
IEC	-	-	-	260	8	0.27%
EXXon Mobil Chemical Co.	-	-	-	163	9	0.17%
Pliant Corporation	-	-	-	518	2	0.55%
Motts North America	-	-	-	353	5	0.38%
Total	<u>3,281</u>		<u>3.62%</u>	<u>3,984</u>		<u>4.23%</u>

Source: Wayne County Industrial Development Corporation Employment Statistics

DEMOGRAPHIC AND ECONOMIC INFORMATION
COUNTY OF WAYNE, NEW YORK
Constitutional Tax Limit
Last Ten Years
(Unaudited)

<u>Year</u>	<u>Tax Limit</u>	<u>Tax Levy</u> *	<u>Legal Margin</u>
2008	60,715,969	35,066,207	25,649,762
2009	63,117,453	35,049,084	28,068,369
2010	65,348,499	35,043,598	30,304,901
2011	67,183,707	34,738,272	34,639,798
2012	68,305,530	35,831,922	34,634,373
2013	69,084,366	36,783,359	33,040,724
2014	69,750,646	37,890,542	32,599,135
2015	70,377,296	38,109,259	33,231,421
2016	71,256,119	38,838,050	33,793,782
2017	72,323,992	38,825,342	34,876,623

Note: New York State law limits the property taxing authority of the County. The annual levy for current purposes cannot exceed 1.5% of the average five-year full valuation assessment.

* Estimated County levy subject to tax limit prior to budget adoption.

Source: Annual Constitutional Tax Limit Report

DEMOGRAPHIC AND ECONOMIC INFORMATION
COUNTY OF WAYNE, NEW YORK
Resident Employment Status
Last Ten Years
(Amounts Expressed in Thousands)
(Unaudited)

<u>Year</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Total</u>	Unemployment Rate (expressed as a percentage)
2008	44.4	4.9	49.30	6.7%
2009	45.5	4.0	49.50	5.8%
2010	43.3	4.0	47.30	8.5%
2011	42.9	4.6	47.50	9.8%
2012	43.6	4.2	47.80	8.8%
2013	43.2	3.0	46.20	6.5%
2014	42.4	2.8	45.20	6.2%
2015	42.8	2.2	45.00	5.0%
2016	41	2.6	43.60	5.9%
2017	42	2.6	44.60	5.9%

DEMOGRAPHIC AND ECONOMIC INFORMATION
COUNTY OF WAYNE, NEW YORK
Full - Time Equivalent County Government
Employees by Function/Program
Last Ten Years
(Unaudited)

<u>Function/Program</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General government support	152	148	144	150	153	165	166	173	169	174
Public safety	262	256	253	260	262	257	257	251	246	255
Health	304	302	292	288	361	385	398	383	379	379
Transportation	64	60	72	60	62	67	64	63	66	68
Economic assistance and opportunity	251	243	192	204	214	222	216	197	209	195
Culture and recreation	22	29	15	20	20	28	36	16	13	15
Home and community services	<u>6</u>	<u>5</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>9</u>
Total Function/Program	<u>1,061</u>	<u>1,043</u>	<u>974</u>	<u>988</u>	<u>1,077</u>	<u>1,128</u>	<u>1,142</u>	<u>1,088</u>	<u>1,087</u>	<u>1,095</u>

OPERATING INFORMATION
COUNTY OF WAYNE, NEW YORK
Operating Indicators by Function/Program
Last Ten Years
(Unaudited)

<u>Function/Program</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Public Safety -										
Number of sheriff's patrol	64	61	89	45	47	64	66	60	60	62
Number of jailers	80	63	56	64	62	65	70	70	72	73
Number of calls for service	42,406	46,797	35,617	29,935	31,122	32,490	33,549	29,161	25,660	21,130
Health Services -										
Mental health number of employees	71	68	70	73	74	92	97	86	72	83
Public health number of employees	22	22	20	19	20	29	34	36	36	36
Nursing home										
Number of employees	211	212	202	196	267	264	267	261	263	260
Number of beds	192	192	192	192	192	192	192	192	192	192
Economic Assistance -										
Department of social services										
Number of employees	147	146	192	204	214	222	212	197	209	195
Public assistance case load	527	597	549	577	574	562	553	529	501	476
Culture and Recreation -										
Parks	12	12	12	12	12	12	12	12	12	12

OPERATING INFORMATION
COUNTY OF WAYNE, NEW YORK
Capital Asset Statistics by Function/Program
Last Ten Years
(Unaudited)

Function/Program	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Culture and Recreation -										
Number of County parks	12	12	12	12	12	12	12	12	12	12
Transportation -										
Miles of County roads	406	406	406	406	406	406	406	406	406	406
Miles of County railroad lines	49	49	49	49	49	49	49	49	49	49
Public Safety -										
Jail facility capacity	190	190	190	190	190	190	190	190	190	190
Cost of housing per day	\$221.99	\$210.00	\$184.00	\$187.00	\$184.71	\$181.37	\$163.80	\$151.13	\$141.49	\$135.72

OPERATING INFORMATION
COUNTY OF WAYNE, NEW YORK
Direct and Overlapping Sales Tax Rates
Last Ten Years
(Unaudited)

<u>Year</u>	<u>County</u> <u>Rate</u>	<u>New York</u> <u>State</u> <u>Rate</u>	<u>Total</u> <u>Tax</u> <u>Rate</u>
2008	4.00%	4.00%	8.00%
2009	4.00%	4.00%	8.00%
2010	4.00%	4.00%	8.00%
2011	4.00%	4.00%	8.00%
2012	4.00%	4.00%	8.00%
2013	4.00%	4.00%	8.00%
2014	4.00%	4.00%	8.00%
2015	4.00%	4.00%	8.00%
2016	4.00%	4.00%	8.00%
2017	4.00%	4.00%	8.00%

Source: New York State Department of Taxation and Finance

OPERATING INFORMATION
COUNTY OF WAYNE, NEW YORK
Annual State Tax Base Industry Totals
Last Ten Years
(Amounts Expressed in Thousands)
(Unaudited)

<u>Industry</u>	<u>Fiscal Year</u>									
	<u>3/12-2/13</u>	<u>3/11-2/12</u>	<u>3/10-2/11</u>	<u>3/09-2/10</u>	<u>3/08 - 2/09</u>	<u>3/07 - 2/08</u>	<u>3/06 - 2/07</u>	<u>3/05 - 2/06</u>	<u>3/04 - 2/05</u>	<u>3/03 - 2/04</u>
Utilities (excluding residential energy)	\$ 37,494	\$ 37,294	\$ 33,596	\$ 29,029	\$ 31,663	\$ 30,642	\$ 28,549	\$ 32,963	\$ 30,201	\$ 28,762
Construction	13,984	16,080	12,115	13,176	12,470	14,302	12,841	13,897	12,752	13,919
Manufacturing	32,899	28,233	22,514	19,799	20,708	24,263	22,161	22,125	24,490	23,819
Wholesale Trade	44,490	47,619	61,069	55,015	56,561	58,394	58,068	56,664	54,709	51,482
Retail Trade Total	457,568	445,487	413,443	410,077	411,889	404,668	384,615	457,371	463,125	460,029
Motor Vehicles and Parts	171,488	163,711	157,700	143,491	147,787	160,117	157,868	167,001	174,325	181,714
Furniture and Home Furnishings	10,554	10,085	9,552	10,644	11,469	12,456	11,564	10,902	8,986	8,990
Electronics and Appliances	4,743	5,098	6,785	6,724	7,114	7,935	7,047	7,272	6,836	7,283
Building Materials and Garden Equipment	64,782	63,651	58,858	60,335	63,542	55,781	44,522	44,259	47,006	46,111
Food and Beverage	40,837	42,659	35,726	37,352	40,805	40,364	44,255	58,197	56,811	54,454
Health and Personal Care	10,002	10,091	10,637	10,834	11,629	11,686	11,561	11,152	10,574	10,651
Gasoline Stations	29,169	27,113	26,056	31,263	27,411	26,309	41,289	82,208	80,690	69,892
Clothing (excluding local sales)	1,781	2,333	2,496	1,813	1,468	1,516	1,665	4,352	4,424	3,788
Sporting Goods, Hobby, Book and Music Stores	3,588	3,515	3,429	3,442	3,051	2,996	2,899	3,659	4,018	4,523
General Merchandise	75,260	73,365	76,027	79,103	72,746	63,899	41,650	44,612	44,544	43,873
Miscellaneous Retail	24,809	25,154	8,651	7,697	7,820	8,339	8,264	7,988	8,631	8,977
Nonstore Retail	20,555	18,712	17,526	17,378	17,050	13,271	12,033	15,768	16,280	19,775
Information	47,878	47,788	53,771	52,764	53,881	54,423	50,471	46,769	44,341	39,618
Professional, Scientific, and Technical	6,532	7,190	6,056	5,540	6,284	5,496	6,008	7,679	5,172	5,119
Administrative/Support Services	22,603	22,554	18,999	18,738	19,312	18,644	16,794	16,072	16,069	14,738
Health Care	672	556	808	722	487	480	574	727	653	584
Arts, Entertainment, and Recreation	4,749	4,443	4,011	4,845	5,266	5,471	6,268	8,044	8,178	7,602
Accommodation and Food Services	64,783	63,310	60,531	57,587	54,357	51,710	48,269	46,321	45,575	46,106
Food Services	62,109	60,558	57,934	54,970	51,522	48,716	45,727	44,289	43,697	43,858
Accommodation	2,675	2,752	2,598	2,617	2,835	2,994	2,542	2,033	1,878	2,248
Other Services Total	40,978	43,420	35,146	33,391	33,552	30,898	25,498	27,164	28,011	29,913
Repair and Maintenance	37,275	39,976	31,907	30,182	29,839	27,236	22,045	24,189	25,020	26,869
Personal and Laundry Services	2,714	2,537	2,063	1,988	2,263	2,033	1,722	1,295	1,408	1,444
All Other Services	988	906	1,177	1,221	1,450	1,629	1,730	1,680	1,582	1,600
Ag., Mining, Trans., FIRE, Educ., Govt.	29,221	29,439	32,396	29,402	35,310	33,872	31,554	30,880	30,023	27,714
Unclassified by Industry	420	177	1,570	1,054	3,000	3,752	9,399	7,649	6,197	5,000
Grand Total	\$ 804,271	\$ 793,590	\$ 756,025	\$ 731,139	\$ 744,740	\$ 737,015	\$ 701,069	\$ 774,325	\$ 769,496	\$ 754,405