

**AMSTERDAM URBAN RENEWAL AGENCY  
REGULATORY BASIS FINANCIAL STATEMENTS  
and  
INDEPENDENT AUDITOR'S REPORT**

**For the Year Ended June 30, 2015**

**Richard H. Dinolfo  
Certified Public Accountant  
Queensbury, New York**

**AMSTERDAM URBAN RENEWAL AGENCY**  
**REGULATORY BASIS FINANCIAL STATEMENTS**  
**and**  
**INDEPENDENT AUDITOR'S REPORT**

**For the Year Ended June 30, 2015**

**C O N T E N T S**

	<b>Page</b>
<b>REPORT ON THE FINANCIAL STATEMENTS</b>	1-2
<b>REGULATORY BASIS FINANCIAL STATEMENTS</b>	
Balance Sheet	3
Statement of Revenues, Expenses, and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Regulatory Basis Financial Statements	6-8
<b>OTHER INFORMATION</b>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	9-10

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## **REPORT ON THE FINANCIAL STATEMENTS**

### **Independent Auditor's Report**

Chairman and Members of the Board of Directors  
Amsterdam Urban Renewal Agency  
Amsterdam, New York

#### **Report on the Financial Statements**

We have audited the accompanying regulatory basis financial statements of the Amsterdam Urban Renewal Agency (Agency) as of and for the year ended June 30, 2015 which collectively comprise the Agency's regulatory basis financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

The Board of Directors and other management of the Agency are responsible for the preparation and fair presentation of these financial statements in accordance with the regulatory basis of accounting and reporting prescribed by the Office of the State Comptroller of the State of New York: this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

As more fully described in Note A to the Regulatory Basis Financial Statements, the Agency prepared these financial statements using the regulatory basis of accounting and reporting prescribed by the Office of the State Comptroller of the State of New York (OSC) for submitting annual financial reports to that office and to the Authorities Budget Office of the State of New York (ABO). This regulatory basis of accounting and reporting is a special framework other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and reporting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### **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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the regulatory basis financial statements reported are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency'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 Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant 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.

### **Auditor's Opinion**

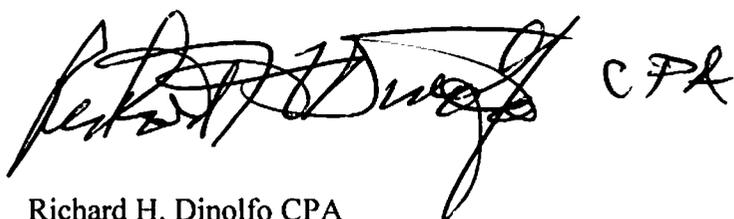
In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the financial position of the Amsterdam Urban Renewal Agency as of June 30, 2015, and the results of its operations for the year then ended, in accordance with the regulatory basis of accounting and reporting described in Note A.

### **Report on Government Auditing Standards**

In accordance with *Government Auditing Standards* issued by the Comptroller General, we have also issued our report dated September 24, 2015 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion of internal control over financial reporting and on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

### **Intended Use of This Report**

As there are differences between financial statements prepared in accordance with accounting principles generally accepted in the United States of America and financial statements prepared in accordance with the regulatory basis of accounting and reporting prescribed by the Office of the State Comptroller of the State of New York (OSC) for reporting to that office and the Authorities Budget Office of the State of New York (ABO), this report is not intended to be used by anyone not understanding those differences. Accordingly, this report is intended solely for the information and use of the Board of Directors and other management of the Amsterdam Urban Renewal Agency and for filing with OSC and ABO, and is not intended for any other purpose.

A handwritten signature in black ink, appearing to read "Richard H. Dinolfo", followed by the letters "CPA" written in a similar style.

Richard H. Dinolfo CPA  
Queensbury, New York

September 24, 2015

**AMSTERDAM URBAN RENEWAL AGENCY**

**BALANCE SHEET**  
**June 30, 2015**

<b>ASSETS</b>	
Cash and cash equivalents	\$ 118
<b>Total assets</b>	<u>118</u>
<b>LIABILITIES</b>	
Accounts payable	\$ -
<b>NET ASSETS</b>	
Unrestricted	<u>118</u>
<b>Total net assets</b>	<u>118</u>
<b>Total liabilities and net assets</b>	<u>\$ 118</u>

The accompanying Notes to Regulatory Basis Financial Statements are an integral part of these statements.

**AMSTERDAM URBAN RENEWAL AGENCY**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**Year Ended June 30, 2015**

<b>OPERATING REVENUES</b>	
Contributions from the City of Amsterdam, New York	<u>\$ 10,575</u>
Total operating revenues	10,575
<b>OPERATING EXPENSES</b>	
Administrative costs	<u>10,967</u>
Total operating expenses	<u>10,967</u>
<b>Operating income</b>	<u>(392)</u>
<b>CHANGE IN NET ASSETS</b>	(392)
<b>NET ASSETS, <i>beginning of year</i></b>	<u>510</u>
<b>NET ASSETS, <i>end of year</i></b>	<u><u>\$ 118</u></u>

The accompanying Notes to Regulatory Basis Financial Statements are an integral part of these statements.

**AMSTERDAM URBAN RENEWAL AGENCY**

**STATEMENT OF CASH FLOWS**  
**Year Ended June 30, 2015**

<b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Contributions from the City of Amsterdam, New York	\$ 10,575
Administrative costs	<u>(10,967)</u>
Net cash flows provided (used) by operating activities	<u>(392)</u>
 <b>CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>	
	<u>-</u>
	<u>-</u>
 <b>CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES</b>	
Interest earned	<u>-</u>
	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(392)
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	<u>510</u>
CASH AND CASH EQUIVALENTS, <i>end of year</i>	<u>\$ 118</u>
 <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating income	<u>\$ (392)</u>
Net cash provided (used) by operating activities	<u>\$ (392)</u>

The accompanying Notes to Regulatory Basis Financial Statements are an integral part of these statements.

# AMSTERDAM URBAN RENEWAL AGENCY

## NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS

Year Ended June 30, 2013

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Amsterdam Urban Renewal Agency (Agency) was established as a governmental agency by Chapter 66 of the Laws of 1965 and Section 610 of the General Municipal Law of the State of New York

The Office of the State Comptroller of the State of New York (OSC) has the basic responsibility to provide oversight to local governments and other applicable governmental agencies in accordance with provisions of the State Constitution and other applicable laws of the State of New York. OSC and the Authorities Budget Office of the State of New York (ABO) have developed a comprehensive on-line reporting system, known as the Public Authorities Reporting Information System (PARIS), for organizations subject to the provisions of applicable laws of the State of New York to report their financial statements and other required information. Accordingly, the Agency is required to prepare its financial statements on this regulatory basis of accounting and reporting prescribed by OSC for submitting PARIS Reports to OSC and ABO.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles that are generally accepted in the United States of America. The regulatory basis of accounting and reporting referred to above varies from accounting principles generally accepted in the United States of America primarily because it requires the use of only one fund to report both governmental and business-type activities and does not require the implementation of GASB Statement Nos. 34 and other applicable statements, and does not require reporting the government-wide financial statements of net position and activities in the PARIS report..

In preparing the regulatory basis financial statements in conformity with the regulatory basis of accounting and reporting described above, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the regulatory basis financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying regulatory basis financial statements follows.

#### *1. Financial Reporting Entity*

In evaluating how to define the Agency for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria in the regulatory basis of financial reporting prescribed by the OSC. This criteria generally includes determinations about the Board of Directors' ability to exercise oversight responsibility, the scope of public service provided by the entity, and the existence of special financing relationships. Based upon the application of these criteria, the Agency is no longer considered a component unit of the City of Amsterdam, New York and no other entities are considered to be component units of the Agency.

# AMSTERDAM URBAN RENEWAL AGENCY

## NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS

Year Ended June 30, 2013

### 2. *Basis of Presentation, Fund Accounting*

In accordance with the regulatory basis of accounting referred to above, the Agency uses a single fund to report its financial position and the results of its operations for both governmental and business-type activities. A fund is a separate accounting entity with a self-balancing set of accounts.

### 3. *Measurement Focus and Basis of Accounting*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. Under the regulatory basis of accounting referred to above, the Agency's single fund is required to be accounted for using the measurement focus and basis of accounting as appropriate for proprietary funds. Similar to business enterprises, the Agency is required to utilize a measurement focus based on the flow of economic resources for both its governmental and business-type activities. This would include the capitalization of capital assets, if any, charging depreciation expense, and recording long-term debt, if any, within the single fund, if applicable.

### 4. *Budgetary Data*

The Agency does not adopt an annual budget for operational purposes. Most operating services are provided by Agency personnel on an as needed basis.

### 5. *Cash and Cash Equivalents*

Cash and cash equivalents includes the amount on deposit in the Agency's demand deposit account. The Agency did not have any investments as of June 30, 2015.

## **NOTE B - CASH**

The Agency's cash assets consisted of amounts on deposit in the Agency's demand deposit account. The Agency's cash assets at June 30, 2015 were fully covered by the Federal Deposit Insurance Agency (FDIC) limit of \$250,000 per depositor, per bank for demand deposits.

## **NOTE C - RECEIVABLES**

The Agency reports no receivables as of June 30, 2015.

## **NOTE D - CAPITAL ASSETS**

Through the year ended June 30, 2015, the Agency had not acquired any capital assets for use in its governmental or business-type activities. Office space, minor equipment items, and certain other resources were provided to the Agency by the City of Amsterdam, New York. Accordingly, no capital assets are shown in the financial statements.

# **AMSTERDAM URBAN RENEWAL AGENCY**

## **NOTES TO REGULATORY BASIS FINANCIAL STATEMENTS Year Ended June 30, 2013**

### **NOTE E - DEBT**

As of June 30, 2015, the Agency had no outstanding debt.

### **NOTE F - COMMITMENTS AND CONTINGENCIES**

The Agency has entered into various arrangements with the City of Amsterdam, New York to provide administrative services for some of the City's programs that are funded with various federal and state grants. The Agency serves in a contractual capacity for these arrangements and is not considered a sub-recipient for any of the City's grants.

**Richard H. Dinolfo**  
Certified Public Accountant

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

Independent Auditor's Report

Chairman and Members of the Board of Directors  
Amsterdam Urban Renewal Agency  
Amsterdam, New York

We have audited, 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, the regulatory basis financial statements of Amsterdam Urban Renewal Agency (Agency), as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated September 24, 2015.

**Internal Control over Financial Reporting**

The Board of Directors and other management of the Agency are responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the regulatory basis financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

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

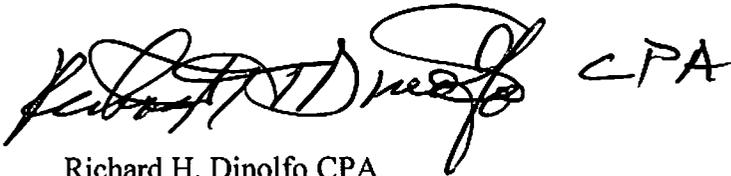
not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

A handwritten signature in black ink, appearing to read "Richard H. Dinolfo CPA", with the letters "CPA" written in a larger, more distinct font to the right of the signature.

Richard H. Dinolfo CPA

Queensbury, New York  
September 24, 2015

Roads	6,719,824	493,704	312,479	6,901,049
Bridges	9,853,685	75,044	28,084	9,900,645
Work in Progress	0	309,238		309,238
<b>Total</b>	<b>32,046,823</b>	<b>1,732,633</b>	<b>668,593</b>	<b>33,110,864</b>

**B. Liabilities**

**1. Pension Plans**

In addition to providing pension benefits, the County provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the County's full-time employees may become eligible for these benefits.

Pension Plan Description and Participation-Retirement Plan-The County participates in the New York State and Local Employees Retirement System (ERS). This is a cost sharing multiple public employee retirement system. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York I (Comptroller) serves as sole trustee and administrative head of the System. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of their funds. The system issues a publicly available financial report that includes financial statements, required supplementary information and various disclosures regarding the funded status of the pension plan, actuarial methods and significant assumptions used in actuarial valuations. The NYSLRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or may be obtained by writing to the New York State and Local Retirement System, Governor Alfred E. Smith State Office Building, Albany, New York 12244.

**Funding Policy**-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% of their salary for specific time periods. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund. The County is required to contribute at an actuarially determined rate. The required contribution for the current year and two preceding years were:

December 15, 2014	972,776
December 15, 2013	1,054,953
December 15, 2012	882,998

The County's contributions made to the System were equal to 100 percent of the contributions required for each year.

Chapter 49 of the Laws of 2003 of the State of New York was enacted which made the following changes to the System:

-Requires minimum contributions by employers of 4.5 percent of covered payroll every year, including years in which the investment performance of the pension fund would make a lower contribution possible.

-Changed the cycle of annual billing such that the contribution for a given plan fiscal year ending March 31 will be based on the value of the pension fund on the prior April 1.

Chapter 260 of the Laws of 2004 of the State of New York was enacted that allows local employers to bond or amortize a portion of their retirement billings for prior plan fiscal years ending March 31, 2005 through 2009 for up to ten years. The County chose not to bond or amortize applicable retirement billings, but to pay all required contributions on a current basis.

#### **Post-Employment Benefits-**

1. **Plan Description-**In addition to providing pension benefits, the County provides health insurance coverage benefits for retired employees in accordance with the County's Employee Handbook and various policies adopted by the Board of Supervisors over the years. Substantially all of the County's full-time employees and elected officials who were hired before January 1, 2010, may become eligible for these benefits if they provide at least 10 years of continuous service to the County and retire from the applicable New York State Retirement System. County employees that were hired after January 1, 2010, may become eligible for these benefits if they provide at least 20 years of continuous service to the County, and retire from the applicable New York State Retirement System.

**Indebtedness-**The County has no bonds or other instruments of long-term debt for capital purposes outstanding as of December 31, 2014.

1. **Short Term-Debt-**For Fiscal Year ending December 31, 2014, the County of Hamilton had no short term debt.

2. **Long Term-Debt-**For Fiscal Year ending December 31, 2014, the County of Hamilton had no long term debt, except for the liability that was reported in our K Fund for Compensated Absences

C. **Interfund Receivables and Payables-**During the course of operations, the County processes several transactions between the various funds. Interfund services provided and used are accounted for as revenues in the provider funds and expenditures in the user funds. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Advances or loans from one fund to another are recorded as receivables in the remitting fund and payables in the receiving fund. Other interfund transactions generally represent transfers of resources from one fund to be utilized in another fund, and are reported as transfers. Interfund transactions that are unpaid between funds are recorded in the financial statements as due from other funds (receivables), and due to other funds (payables). Interfund receivables and payables at December 31, 2014, arising from these transactions are reported in the fund financial statements as follows:

A391= \$137,900.07	A630= \$71,582.53
DM391=\$ 20,893.94	DM630= \$ 4,769.75
D391= \$ 0	D630= \$32,441.73
	T630= \$ 4,020.00
<u>CD391= \$4,020.00</u>	<u>CD630= \$50,000.00</u>
Total= \$162,814.01	Total= \$162,814.01

**D. Fund Equity-**

**1. Allocation of Fund Balance**

Certain funds of the County of Hamilton apply to areas less than the entire County. The fund equity at balance sheet date is allocated as follows:

	806	878	914	915	917	Total
General Fund	184,889	126,004	1,300,000	48,412	3,767,488	5,426,793
Community Dev				70,265		70,265
County Road Fund	50,201		250,000.00	0	(5,184)	295,017
Machinery Fund	8,105	10,260		604,970		623,335
Capital Projects				913,067		913,067
<b>Total</b>	<b>243,195</b>	<b>136,264</b>	<b>1,550,000</b>	<b>1,636,714</b>	<b>3,762,304</b>	<b>7,328,477</b>

**2. Reserves-**The County records reserves in the fund financial statements to indicate the portion of the fund balance that is legally segregated for a specific future use or not available for current appropriation. The following are the County's reserves at December 31, 2014:

Building Capital Reserve (A878)	\$ 56,665.40
Solid Waste Reserve (A878)	\$ 69,338.40
Highway Equipment Reserve (DM878)	\$ 10,260.13
General Fund Encumbrances (A915)	\$ 0
County Road Fund Encumbrances (D915)	\$ 0
Law Enforcement Activities-DWI (A915)	\$ 27,679.58

**E. Deferred Compensation Plan-**The Governmental Accounting Standards Board issued Statement No. 32, Accounting and Financial reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. This statement established accounting and financial reporting standards for Internal Revenue Code Section 457 deferred compensation plans of state and local governments.

As a result, Statement No. 32 became effective for the New York State Deferred Compensation Plan as of October 1, 1997. Since the plan no longer meets the criteria for inclusion in New York State's financial statements, municipalities which participate in New York State's Deferred Compensation Plan are no longer required to report the value of the plan assets.

**Commitments, Contingencies and Subsequent Events-**

**Grants-**The County has received various grants that are subject to audit by certain agencies of the State of New York and the United States Government. Such audits could result

in disallowances and a request for return of funds. The County administration believes disallowances, if any, will be immaterial. The County has been approved for the Broadband Grant Project, which will strengthen Broadband Services in the County; and The Statewide Interoperable Communications Grant, which will improve Interoperable Communications within the County. These projects will continue on into 2015, and into the future.

**Sub-recipient Agreements**-The County is the recipient of a New York State Homes and Community Renewal Community Development Block Grant (CDBG) economic development program grant award of \$200,000.00 to implement a micro-enterprise assistance program in April, 2012. The IDA will assist the County in administering the Grant, and the IDA will provide comprehensive grant administrative services for the utilization of grant funds and the implementation of the project. The County received additional NYS Affordable Housing Corporation funding through the Homes and Jobs Preservation Program in 2014.

**Lawsuits and Claims**-The County is involved in certain suits and claims arising from a variety of sources. Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in insurance coverage. It is the opinion of the administration and its legal counsel that the liabilities which may arise from such actions would not result in losses that would materially affect the financial position of the County.

**F. Lease Commitments and Leased Assets**

The County of Hamilton renewed its lease with Lisa Burgess, Attorney at Law, and authorized a two year lease for January 1, 2014 through December 31, 2015 for a monthly rent of \$370 per month in exchange for the use of office space in a county owned building per Resolution #310-13 dated December 5, 2013.

The County of Hamilton renewed its lease with Home Health Care of Hamilton County, Inc. DBA Helping Hands Caregivers for \$464 per month for January 1, 2014 through December 31, 2015 in exchange for the use of excess office space in a county owned building per Resolution #311-13 dated December 5, 2013. The County received its last rent payment of \$464 from them in January, 2014, as they are no longer in business.

**G. Self-Insurance**-The County did not participate in any federal insurance programs or self- insurance programs during the year ended December 31, 2014.

**IV. Summary Disclosure of Significant Contingencies and Effects of Subsequent Events**

1. **Grants**-The County has received various grants that are subject to audit by certain agencies of the State of New York and the United States Government. Such audits could result in disallowances and a request for return of funds. The County administration believes disallowances, if any, will be immaterial.
  - a. **Tourism-Matching Funds**-The County has decided through resolution in 2014,

to separate our Tourism Department from our Economic Development Department. It awarded a four (4) year contract of \$275,000.00 with the Regional Office of Sustainable Tourism (ROOST) for Tourism marketing and administration services. In 2014, ROOST claimed to NYS and directly received our County's share of the Tourism Matching Funds Grant. The County paid ROOST the difference between the amount of the expense and the amount of the matching funds grant, therefore the County did not book revenue for 2014 for Matching Funds, and did not book a full expense for ROOST. It booked the net between the two, as an expense.

End of Illustrative Notes for Fiscal Year Ending December 31, 2014 for Hamilton  
County

6. **Insurance**-The County assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.
7. **Compensated Absences**- Pursuant to resolution of the Board, County employees are entitled to accrue a maximum of 90 days sick leave, 40 days of vacation leave and 5 days personal leave. An individual who leaves county employment is entitled to be paid for unused vacation to a maximum of 30 days. The expenditure for this fringe benefit is recorded at the time the benefit is paid. The estimated value of earned and used leave credits is recorded in the General Long Term debt account group and is computed at current salary rates plus the portion of social security and Medicare tax which would be due from the county.

## **II. Stewardship, Compliance and Accountability**

### **Budgetary**

#### A. **Budget Policies** - budget policies are as follows:

- a. No later than November 15<sup>th</sup>, the budget officer submits a tentative budget to the Board of Supervisors for the fiscal year commencing the following January 1<sup>st</sup>. The tentative budget includes proposed expenditures and the proposed means of financing for General, County Road, Road Machinery, and Special Grant Funds.
- b. After public hearings are conducted to obtain taxpayer comments, no later than December 20<sup>th</sup>, the governing board adopts the county budget.
- c. All modifications of the budget must be approved by the Board of Supervisors.
- d. Budgetary controls are established for the capital projects fund through resolutions authorizing individual projects which remain in effect for the life of the project.

**General Budget Process**- The County adopts an annual budget for its main operating funds in accordance with the County Law and other laws of the State of New York. These budgets are adopted on a basis consistent with the regulatory basis of accounting and reporting prescribed by OSC.

#### B. **Property Taxes**

Real property taxes are levied annually no later than December 15<sup>th</sup> and become a lien on January 1st. Taxes for county purposes are levied together with taxes for the towns and special districts in the county as a single bill. The town and special

districts receive the full amount of their levies annually out of the first amounts collected on the combined bill. The Town tax collecting officials are responsible for collection of taxes until the warrant for collection expires on March 31. After that time, settlement proceedings take place wherein the County becomes the collection and enforcement agent for tax liens on all County real property.

Unpaid school district taxes and village taxes are turned over to the County for enforcement. The amount of returned school district taxes are offset by liabilities to the county's school districts and the Village of Speculator. Any such taxes remaining unpaid in December are relieved as County taxes.

The amount of school district taxes and village taxes returned to the County must be paid to the school districts and the Village Treasurer by April 1 of the subsequent year.

In the year, 2011, the Hamilton County Board of Supervisors and the Lake Pleasant Central School Board had agreed to contract for School Tax Collection for an annual amount of \$10,500.00. In 2014, The Hamilton County Treasurer, agreed to be the tax collecting officer for the 2014-2015 School Year for the Lake Pleasant Central School District for the same annual amount.

Since the year 2011, the Village of Speculator had transmitted to the Hamilton County Treasurer the amounts of unpaid Village Taxes, together with an additional 7% subject to be a relieved item on the Yearly Town and County Tax Rolls (with 5% penalty being retained by the County Treasurer).

The total real property tax assets are reduced by an allowance for uncollectible taxes. Current year returned school tax are offset by liabilities to the school district which will be paid no later than April 1<sup>st</sup> of each year. Current year returned villages taxes are offset by liabilities to the village which will be paid no later than April 1<sup>st</sup> of each year. The remaining portion of tax assets is offset by deferred tax revenue. Therefore, deferred tax revenues on the general fund balance sheet at December 31<sup>st</sup> represent total taxes receivable "owned" by the County as of that date.

Included in the allowance for uncollectible taxes for the year 2014, is an amount due and owing for the Peter's Oil Company and Tax Parcels that are now in the County's Name due to foreclosure, but not yet approved for public auction by the County Judge. The total amount owing as of 12/31/14 was \$11,581.72. This balance is made up of outstanding 1995-2014 Taxes for Peter's Oil Company for \$10,859.71 and a 1994 Tax Sale Certificate for Peter's Oil Company for \$722.01. Peter's Oil Company was not foreclosed on by the County because of possible oil contamination liability issues.