

March 20, 2019

ERRATUM NOTICE

COUNTY OF WAYNE, NEW YORK

GENERAL OBLIGATIONS

\$6,550,000 Public Improvement (Serial) Bonds, 2019

(the “Bonds”)

Dated: April 4, 2019

Due: April 1, 2020-2029

PLEASE BE ADVISED THAT THE SECTION ENTITLED “CONTINUING DISCLOSURE – HISTORICAL CONTINUING DISCLOSURE COMPLIANCE” OF THE PRELIMINARY OFFICIAL STATEMENT DATED MARCH 12, 2019 FOR THE ABOVE REFERENCED ISSUE SELLING THURSDAY, MARCH 21, 2019 AT 11:00 A.M. PREVAILING TIME IS HEREBY REVISED TO READ AS FOLLOWS:

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the County will enter into a Continuing Disclosure Undertaking, a description of which are attached hereto as “APPENDIX – C, CONTINUING DISCLOSURE UNDERTAKING”.

Historical Continuing Disclosure Compliance

Except as set forth below, during the past five years the County has complied with all previous continuing disclosure undertakings in all material respects pursuant to the Rule.

- The County did not file its audited financial report for the fiscal year ending December 31, 2013 within 60 days of the dated date of the audit. The Independent Auditors Report was dated May 27, 2014 but was not filed to the Electronic Municipal Market Access Website (“EMMA”) until October 1, 2014.
- The County did not file its audited financial report for the fiscal year ending December 31, 2014 within 60 days of the dated date of the audit. The Independent Auditors Report was dated June 30, 2015 but was not filed to EMMA until October 22, 2015.
- The County did not file its audited financial report for the fiscal year ending December 31, 2015 within 60 days of the dated date of the audit. The Independent Auditors Report was dated June 14, 2016 but was not filed to EMMA until September 22, 2016. The County also failed to provide notice of such late filing to EMMA.
- The County was 2 days late in filing its Annual Financial Information and Operating data (“AFIOD”) for fiscal year ending December 31, 2016 to EMMA. The County also failed to provide notice of such late filing to EMMA.
- In accordance with a continuing disclosure undertaking entered into by the County with respect to the issuance by Lyons Community Health Initiatives Corp. of its Facility Revenue Bonds, Series 2004 (the “2004 Bonds”), the County was obligated, commencing with its fiscal year ending December 31, 2004, to provide (i) within 120 days of the end of each fiscal year, certain AFIOD and the audited financial statements for such fiscal year, or if such audited financial statements were not then available, unaudited financial statements for such fiscal year, with such audited financial statements thereafter being provided when they became available, and (ii) within a timely manner, notices of the occurrence of certain events, as then specified in Rule 15c2-12, as it was then in effect, if material (“Material Event Notices”). During the past five years, except as specifically noted in the paragraphs immediately preceding this paragraph, while the County provided such AFIOD, audited financial statements and, if applicable, unaudited financial statements with respect to each such fiscal year, and such Material Event Notices to EMMA in compliance with the requirements of the other continuing disclosure undertakings entered into by the County, the County failed to file such information under the CUSIP numbers 552285AR9 and 552285AS7 assigned to the 2004 Bonds and also failed to provide such AFIOD, audited financial statements and, if applicable, unaudited financial statements, within the 120 days of the end of each such fiscal year. Further, the County failed to provide notices of such failures to EMMA. On March 20, 2019, the County provided notice of such late filings on EMMA. The 2004 Bonds associated with CUSIP No. 552285AR9 matured on September 1, 2014 and the 2004 Bonds associated with CUSIP No. 552285AS7 were called and fully redeemed as of July 29, 2016.

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 12, 2019

NEW ISSUE

BOND RATING: S&P Global Ratings: "AA-" (Stable outlook)

SERIAL BONDS

RATING: See "BOND RATING" herein

In the opinion of Bond Counsel, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the County with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), and the accuracy of certain representations made by the County, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes, and is not an "item of tax preference" for purposes of the Federal alternative minimum tax. Bond Counsel is also of the opinion that under existing statutes interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the Bonds. See "TAX MATTERS" herein.

The Bonds will be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.



\$6,550,000*

**COUNTY OF WAYNE, NEW YORK
GENERAL OBLIGATIONS**

**\$6,550,000* Public Improvement (Serial) Bonds, 2019
(the "Bonds")**

Dated: April 4, 2019

Due: April 1, 2020-2029

The Bonds are general obligations of the County of Wayne, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 each or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on April 1, 2020, October 1, 2020 and semi-annually thereafter on April 1 and October 1 in each year until maturity. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the beneficial owners of the Bonds, as described herein.

Proposals for the Bonds shall be for not less than \$6,550,000 and accrued interest, if any, on the total principal amount of the Bonds. A good faith deposit will be required. Proposals must be accompanied by a good faith deposit in the form of a wire transfer or certified or cashier's check, payable to the order of the County of Wayne, New York, in the amount of \$131,000.

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the approving legal opinion as to the validity of the Bonds of Harris Beach PLLC, Bond Counsel, Rochester, New York. It is anticipated that the Bonds will be available for delivery through the facilities of DTC in Jersey City, New Jersey or such other place as may be agreed upon with the Purchaser on or about April 4, 2019.

ELECTRONIC BIDS for the Bonds must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on March 21, 2019 until 11:00 A.M., Eastern Time, pursuant to the Notice of Bond Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the County, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Bond Sale.

March 12, 2019

THE COUNTY DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER, AS MORE FULLY DESCRIBED IN THE NOTICE OF BOND SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE COUNTY'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE "APPENDIX-C – CONTINUING DISCLOSURE UNDERTAKING" HEREIN.

*Preliminary, subject to change as set forth on inside cover page hereof.

This Preliminary Offering Statement and the information contained herein are subject to completion or amendment without notice. Under no circumstances shall this Preliminary Offering Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

\$6,550,000* Public Improvement (Serial) Bonds, 2019
(the "Bonds")

Dated: April 4, 2019

Due: April 1, 2020-2029

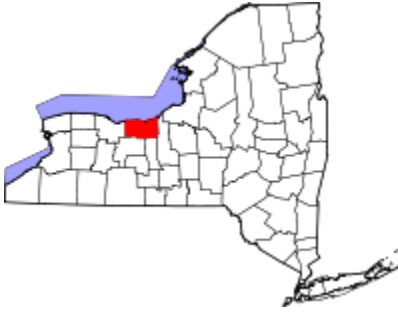
MATURITIES**

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP</u>
2020	\$ 515,000				2025	\$ 665,000			
2021	605,000				2026	685,000			
2022	620,000				2027	705,000 *			
2023	635,000				2028	725,000 *			
2024	650,000				2029	745,000 *			

* The Bonds maturing in the years 2027 and beyond are subject to redemption prior to maturity as described herein under the heading "THE BONDS - Optional Redemption".

** The aggregate principal amount of the Bonds and the principal maturities thereof are subject to adjustments following their sale pursuant to the terms of the accompanying Notice of Bond Sale in order to achieve substantially level or declining annual debt service and to comply with the applicable provisions of Federal tax law restrictions regarding over-issuance.

COUNTY OF WAYNE, NEW YORK



COUNTY LEGISLATURE

STEVE LEROY

Chairperson

CHUCK VERKEY
STEVE GROAT
JAKE EMMEL
NICK DEMING
KEN MILLER
MICHAEL KOLCZYNSKI
SUSIE JACOBS
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DAVID SPICKERMAN SR.
LAURIE CRANE
SANDY PAGANO
FRANK ROBUSTO
KENAN BALDRIDGE
STEVE LEROY
ANTHONY VERNO, JR.

* * * * *

RICHARD HOUSE

County Administrator

PATRICK SCHMITT, CFE

County Treasurer

JODY BORNHEIMER

Deputy County Treasurer

SANDRA SLOANE

Clerk of the Board

MICHAEL JANKOWSKI

County Clerk

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MUNICIPAL ADVISOR



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No person has been authorized by the County of Wayne to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County of Wayne.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
NATURE OF OBLIGATION	1	SPECIAL PROVISIONS AFFECTING REMEDIES	
THE BONDS	2	UPON DEFAULT	22
Description of the Bonds	2	MARKET AND RISK FACTORS.....	25
Optional Redemption	3	TAX MATTERS.....	26
Purpose of Issue	3	LEGAL MATTERS	27
BOOK-ENTRY-ONLY SYSTEM	3	LITIGATION	27
Certificated Bonds.....	5	CONTINUING DISCLOSURE.....	28
THE COUNTY	5	Historical Continuing Disclosure Compliance	28
General Information	5	BOND RATING	28
Recent Economic Developments.....	5	MUNICIPAL ADVISOR	28
Population Trends	5	CUSIP IDENTIFICATION NUMBERS	28
Larger Employers.....	6	MISCELLANEOUS.....	29
Unemployment Rate Statistics	6	APPENDIX - A	
Selected Wealth and Income Indicators	6	GENERAL FUND - Balance Sheets	
Form of County Government	6	APPENDIX - A1	
Financial Organization	7	GENERAL FUND – Changes in Fund Balance	
Budgetary Procedures and Recent Budget Votes	7	APPENDIX - A2	
Investment Policy.....	7	GENERAL FUND – Changes in Fund Balance – Budget	
Employees.....	8	and Actual	
State Aid.....	8	APPENDIX – A3	
Pension Payments.....	8	Changes in Fund Equity	
Other Post-Employment Benefits.....	10	APPENDIX - B	
Financial Statements	12	BONDED DEBT SERVICE	
New York State Comptroller Reports of Examination	13	APPENDIX - B1	
Fiscal Stress Monitoring System.....	13	CURRENT BONDS OUTSTANDING	
Other Information.....	14	APPENDIX – C	
TAX INFORMATION.....	14	CONTINUING DISCLOSURE UNDERTAKING	
Valuations	14	APPENDIX - D	
Tax Rate Per \$1,000 (Assessed).....	14	COMPREHENSIVE ANNUAL FINANCIAL REPORT –	
Tax Collection Procedure.....	14	Fiscal Year Ended December 31, 2017	
Tax Collection Record.....	15		
Ten Largest Taxpayers - 2019 County Tax Roll	15		
Constitutional Tax Margin	15		
Additional Tax Information	15		
County Sales Tax	16		
TAX LEVY LIMITATION LAW.....	16		
Real Property Tax Rebate.....	17		
STATUS OF INDEBTEDNESS	17		
Constitutional Requirements	17		
Statutory Procedure.....	18		
Debt Outstanding End of Fiscal Year.....	19		
Details of Outstanding Indebtedness	19		
Debt Statement Summary.....	19		
Bonded Debt Service.....	19		
Cash Flow Borrowing	19		
Authorized and Unissued Obligations.....	20		
Five Year Capital Plan	20		
Capital Leases	21		
Estimated Overlapping Indebtedness	21		
Debt Ratios.....	22		

PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
COUNTY OF WAYNE, NEW YORK
Relating To
\$6,550,000* Public Improvement (Serial) Bonds, 2019

This Official Statement, which includes the cover page and inside cover page, has been prepared by the County of Wayne, New York (the "County" and "State", respectively) in connection with the sale by the County of \$6,550,000* principal amount of Public Improvement (Serial) Bonds, 2019 (the "Bonds").

The factors affecting the County's financial condition and the Bonds are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the County tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the County contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof and all references to the Bonds and the proceedings of the County relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

NATURE OF OBLIGATION

Each of the Bonds when duly issued and paid for will constitute a contract between the County and the holder thereof.

Holders of any series of notes or bonds of the County may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Bonds will be general obligations of the County and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the County has power and statutory authorization to levy ad valorem taxes on all real property within the County subject to such taxation by the County, subject to applicable statutory limitations.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted" prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the County's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "TAX LEVY LIMITATION LAW" herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

"A pledge of the city's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the city's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts have held they mean... So, too, although the Legislature is given the duty to restrict municipalities in order to

*Preliminary, subject to change pursuant to the accompanying Notice of Bond Sale, as described on the inside cover page hereof.

prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the Flushing National Bank (1976) case held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way”. Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in Quirk, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

THE BONDS

Description of the Bonds

The Bonds are general obligations of the County, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the County is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. See “NATURE OF OBLIGATION” and “TAX LEVY LIMITATION LAW” herein.

The Bonds will be dated April 4, 2019 and will mature in the principal amounts and on the dates as set forth on the inside cover page. The Bonds are subject to redemption prior to maturity as described herein under the heading “THE BONDS - Optional Redemption”. The record date for the Bonds will be the fifteenth day of the calendar month preceding such interest payment. Interest will be calculated on a 30-day month and 360-day year basis.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on April 1, 2020, October 1, 2020 and semi-annually thereafter on April 1 and October 1 in each year until maturity. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

Optional Redemption

The Bonds maturing on or before April 1, 2026 shall not be subject to redemption prior to maturity. The Bonds maturing on or after April 1, 2027 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the County on April 1, 2026 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the County by lot in any customary manner of selection as determined by the County Treasurer. Notice of such call for redemption shall be given by mailing such notice to the registered holders not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

Purpose of Issue

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the County Law, the Local Finance Law and a bond resolution adopted on November 20, 2018 authorizing the issuance of \$6,550,000 serial bonds to finance a portion of the cost of the renovation, alteration and improvement to the County office building located at 16 Williams Street, Lyons, New York at a maximum estimated cost of \$6,976,000.

The proceeds of the Bonds will provide \$6,550,000 new monies for the abovementioned purpose.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Redemption proceeds, and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered, as applicable.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE COUNTY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE COUNTY MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in multiples of \$5,000 each thereof for any single maturity. Principal of and interest on the Bonds when due will be payable upon presentation at the office of the fiscal agent bank to be named by the County upon termination of the book-entry-only system. Interest on the Bonds will be payable semi-annually on April 1 and October 1 in each year until maturity, commencing April 1, 2020. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Certificate of the County Treasurer authorizing the sale of the Bonds and fixing the details thereof in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

THE COUNTY

General Information

The County is located in upstate New York with the County Seat situated in the Town of Lyons. The County is located just north of the New York State Thruway, approximately 20 miles east of the City of Rochester and approximately 45 miles west of the City of Syracuse. The City of Geneva is located 15 miles to the south.

With a land area of 621 square miles, the County is agricultural and residential in nature. Employment opportunities, as well as commercial and professional services are available within the County, mainly in the various incorporated villages. Such opportunities and services are also available to County residents in the Cities of Rochester and Geneva.

Agriculture in the County is primarily apple orchards and dairy. There are 22,570 acres of orchards and approximately 30,000 acres of harvested acres for corn and wheat.

Various highways serving the County include Interstate #90 and State highways #14, 31, 88 and 104. Air transportation is available through the Monroe County airport near Rochester and Syracuse Hancock International Airport. Gas and electric are provided by RG&E and NYSEG and phone services are provided by Verizon and AT&T.

Higher education opportunities are made available through various universities and colleges within an hour drive. Some of the institutions include Rochester Institute of Technology and University of Rochester in Rochester and Syracuse University and Le Moyne College in Syracuse.

Recent Economic Developments

On February 28, 2018, IEC Electronics Corp. announced it will open a new state-of-the-art Manufacturing facility in Newark, New York. The new 150,000 square foot facility, which will be located at the Silver Hill Technology Park, is projected to open in mid-2019. This business expansion is expected to create 362 new jobs.

Population Trends

	<u>County of Wayne</u>	<u>New York State</u>
1990	89,123	17,990,455
2000	93,765	18,976,457
2010	93,772	19,378,102
2017 (estimated)	91,442	19,798,228

Source: U.S. Census Bureau; 2013-2017 American Community Survey 5-Year Estimates

Larger Employers

<u>Name</u>	<u>Business</u>	<u>Approximate Number of Employees</u>
IEC Electronics	Electronics Assembly	560
Garlock Technologies	Gaskets	555
Berry Plastics	Polyethylene Bags	506
Advanced Atomization	Gas Turbine Fuel Systems	331
Dr.Pepper/Snapple Group	Food Processor	300
Baldwin/Richardson Foods	Dessert Toppings & Nance’s Condiments	285
Optimax	Precision Optical Equipment	280
Marshall Farms	Production of Animals for Pets & Research	206
Ultralife, Inc.	Lithium Batteries	176
Maco Bag Corp	Flexible Packaging	170

Source: County officials

Unemployment Rate Statistics

	<u>Annual Average</u>						
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Wayne County	8.6%	7.6%	6.2%	5.3%	5.0%	5.0%	N/A
New York State	8.5%	7.7%	6.3%	5.3%	4.9%	4.7%	4.1%

	<u>2018-19 Monthly Figures</u>											
	<u>2018</u>										<u>2019</u>	
	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Jan</u>
Wayne County	5.7%	4.9%	3.9%	4.1%	3.8%	3.7%	3.4%	3.1%	3.2%	3.9%	N/A	N/A
New York State	4.6%	4.0%	3.7%	4.1%	4.2%	4.0%	3.6%	3.6%	3.5%	3.9%	4.6%	N/A

Source: Department of Labor, State of New York. Figures not seasonally adjusted.

Selected Wealth and Income Indicators

Per capita and median family income statistics are listed below for the County and State.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2013-2017</u>	<u>2000</u>	<u>2006-2010</u>	<u>2013-2017</u>
County of:						
Wayne	\$ 19,258	\$ 24,092	\$ 27,318	\$ 51,495	\$ 60,324	\$ 64,637
State of:						
New York	23,389	30,948	31,177	51,691	67,405	70,850

Note: 2014-2018 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2013-2017 American Community Survey data.

Form of County Government

Government of the County is the responsibility of a 15-member Board of Supervisors, who are elected by the residents of each of the towns within the County. One member is selected as Chairman by the members themselves. Thirteen Supervisors are elected for two-year terms and run concurrently and two Supervisors are elected for a four-year term.

Financial Organization

The County Board of Supervisors meets at both regular and special meetings throughout the year. The County Board of Supervisors reviews and adopts the annual County budget, levies taxes, reviews and approves any modifications to the budget, and authorizes the incurrence of all indebtedness of the County. The County Treasurer is the Chief Fiscal Officer and is elected to a four-year term.

Budgetary Procedures and Recent Budget Votes

The County Administrator acts as Budget Officer and is responsible for the preparation of a proposed annual County budget and its submission to the Finance Committee of the Board of Supervisors prior to November 15th. Within fifteen days of receipt of the proposed budget, the Finance Committee reviews said budget and recommends such alterations as it deems appropriate to the Board of Supervisors. Following a public hearing on the proposed budget, including the alterations as recommended by the Finance Committee, the question of adoption of the proposed budget is placed before the Board of Supervisors for their consideration. The Board of Supervisors is required to adopt a budget no later than December 20th. Expenditure during the fiscal year may only be made pursuant to appropriations from the General Fund or other special purpose funds established by the Board of Supervisors. However, during the fiscal year, the Board of Supervisors, by resolution, may make additional appropriations from any unencumbered balance in appropriations, contingent funds or unanticipated revenues.

Recent Budget Votes

The County's 2016 budget included a 2.4% increase in the property tax levy, which was below the County's tax levy limit of 2.76%.

The County's 2017 budget included a 1.9% increase in the property tax levy, which was below the County's tax levy limit of 2.05%.

The County's 2018 budget included a 0.03% decrease in the property tax levy, which was below the County's tax levy limit of 3.07%.

The County's 2019 budget included a 4.1% increase in the property tax levy, which was above the County's tax levy limit of 2.00%.

See "TAX LEVY LIMITATION LAW" herein.

Investment Policy

Pursuant to the statutes of the State of New York, the County is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the County; (6) obligations of a New York public corporation which are made lawful investments by the County pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of County moneys held in certain reserve funds established pursuant to law, obligations issued by the County. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the County's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of New York State, (3) obligations of the United States of America, (4) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America, (5) obligations issued pursuant to Local Finance Law §24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the County of Wayne, (6) obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments, (7) Certificates of Participation issued pursuant to General Municipal Law §109-b, (8) obligations of this local government, but only with any moneys in a reserve fund established pursuant to General Municipal Law §§6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m, or 6-n or (9) repurchase

agreements which are authorized subject to the following restrictions: all repurchase agreements must be entered into subject to a Master Repurchase Agreement, trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers, obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America, no substitution of securities will be allowed and the custodian shall be a party other than the trading partner.

The governing board’s responsibility for administration of the investment program is delegated to the County Treasurer.

Employees

The County provides services through approximately 1005 full and part-time employees. The bargaining units, approximate number of members and contract expiration dates are as follows:

<u>Bargaining Unit</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
C.S.E.A. – General Unit	574	December 31, 2018 ⁽¹⁾
Corrections	61	December 31, 2019
CSEA – Supervisory Unit	56	December 31, 2018 ⁽¹⁾
IUE – Caseworkers	47	December 31, 2018 ⁽¹⁾
Lieutenants	4	December 31, 2015 ⁽¹⁾
Sheriff’s – Road Patrol and Investigations	65	December 31, 2015 ⁽¹⁾
Court Security	8	December 31, 2019

⁽¹⁾ Currently under negotiations.

Note: There is a Management group of 190 employees which does not have a contract or a bargaining unit.

Source: County officials

State Aid

The County receives financial assistance from the State. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the County, in this year or future years, the County may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the County, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the County. Accordingly, no assurance can be given that present State aid levels will be maintained in the future particularly in light of the difficulties encountered by the State in balancing its budget. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the County, requiring either a counter-balancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

Pension Payments

Substantially all employees of the County are members of the New York State and Local Employees’ Retirement System (“ERS”). The ERS is generally known as the “Common Retirement Fund” or “Retirement System”. The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute, and the benefits to employees, are governed by the New York State Retirement System and Social Security Law (the “Retirement System”). The Retirement System offers several plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System generally provides that all participating employers in the retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 must contribute 3% of gross annual salary towards the cost of retirement programs during their first ten years of service.

On December 12, 2009, a new Tier V was signed into law. The law is effective for new ERS hires on or after January 1, 2010 through March 31, 2012. Tier V ERS employees contribute 3 percent of their salaries. There is no provision for these contributions to cease after a certain period of service. Overtime pay in excess of \$15,000 will not be subject to ERS either in contribution from the County or the employee.

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier VI employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

The County’s contributions to ERS since 2014 and the 2019 budgeted amount are as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 8,641,888
2015	7,196,537
2016	6,722,740
2017	6,851,173
2018	6,466,794
2019 (budgeted)	6,964,503

The County has chosen to pay its retirement liability on December 15 and realize the benefit of paying a discounted rate.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The County does not have any early retirement incentives outstanding.

Historical Trends and Contribution Rates: Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for ERS. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS rates (2016 to 2020) is shown below:

<u>Year</u>	<u>ERS</u>
2014	20.9%
2015	20.1
2016	18.2
2017	15.5
2018	15.3
2019	14.9
2020	14.6

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to both ERS and PFRS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

Stable Rate Pension Contribution Option: The 2013-14 Adopted State Budget included a provision that authorized local governments, including the County, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and PFRS. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The County is not amortizing or smoothing any pension payments nor does it intend to do so in the foreseeable future.

The investment of monies and assumptions underlying same, of the Retirement Systems covering the County’s employees is not subject to the direction of the County’s. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the County which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

Other Post-Employment Benefits

Healthcare Benefits. It should also be noted that the County provides post-retirement healthcare benefits to various categories of former employees. These costs may rise substantially in the future. Accounting rule, GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), requires governmental entities, such as the County, to account for post-retirement healthcare benefits with respect to vested pension benefits. GASB 45 is now fully implemented for all government entities.

OPEB. Other Post-Employment Benefits (“OPEB”) refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the GASB released new accounting standards for public other postemployment benefits (OPEB) plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (“GASB 75”), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended December 31, 2018, the County implemented GASB 75. The implementation of this statement requires municipalities to report Other Post-Employment Benefits (“OPEB”) liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required municipalities to calculate and report a net other postemployment benefit obligation. However, under GASB 45 municipalities could amortize the OPEB liability over a period of years, whereas GASB 75 requires municipalities to report the entire OPEB liability on the statement of net position.

Summary of Changes from the Last Valuation. The County contracted with Armory Associates, LLC to calculate its first actuarial valuation under GASB 75 for the fiscal year ending December 31, 2018. Prior valuations performed under GASB 45 guidelines have not been restated and are not reflected in historic exhibits.

The following outlines the changes to the Total OPEB Liability during the fiscal year, by source.

Balance at December 31, 2017:	\$ 26,527,976
<u>Changes for the year:</u>	
Service cost	356,290
Interest	975,165
Differences between expected and actual experience	-
Changes of benefit terms	-
Changes in assumptions	779,942
Benefit payments (including implicit subsidy)	<u>(2,172,466)</u>
Net Changes	<u>(61,069)</u>
Balance at December 31, 2018:	<u>\$ 26,466,907</u>

Source: Other Post-Employment Benefits GASB Statement No. 75 Annual Report for fiscal year ended December 31, 2018.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

GASB 45. Prior to GASB 75, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" ("GASB 45"), required municipalities and school districts to account for OPEB liabilities much like they already accounted for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts do not set aside any funds against this liability. Unlike GASB 27, which covers accounting for pensions, GASB 45 did not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") was required to be determined for each municipality or school district. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality or school district contributed an amount less than the ARC, a net OPEB obligation would result, which was required to be recorded as a liability on its financial statements.

GASB 45 did not require that the unfunded liability actually be amortized nor that it be advance funded, only that the municipality or school district account for its unfunded accrued liability and compliance in meeting its ARC. Beginning with audited fiscal year 2007, the County has been in compliance with the requirements of GASB 45.

The County contracted with Armory Associates, LLC to prepare its post-retirement benefits valuations under GASB 45. Based on the most recent actuarial evaluations and financial data of the County, the following tables shows the components of the County's annual OPEB cost, the amount actuarially contributed to the plan, changes in the County's net OPEB obligation and funding status for the fiscal year ending December 31, 2016 and 2017:

<i>Actuarial Accrued Liability and Annual OPEB Cost:</i>	<u>2016</u>	<u>2017</u>
Annual required contribution (ARC)	\$ 2,761,151	\$ 1,906,137
Interest on net OPEB obligation	11,504	33,092
Adjustment to ARC	<u>(15,992)</u>	<u>(49,669)</u>
Annual OPEB cost (expense)	2,756,663	1,889,560
Contributions made	<u>(2,098,771)</u>	<u>(2,170,745)</u>
Increase (decrease) in net OPEB obligation	657,892	(281,185)
Net OPEB obligation - beginning of year	<u>287,591</u>	<u>945,483</u>
Net OPEB obligation - end of year	<u>\$ 945,483</u>	<u>\$ 664,298</u>
Percentage of annual OPEB cost contributed	76.1%	114.9%
 <i>Funding Status:</i>	 <u>2016</u>	 <u>2017</u>
Actuarial Accrued Liability (AAL)	\$ 38,166,401	\$ 25,430,497
Actuarial Value of Assets	<u>0</u>	<u>0</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 38,166,401</u>	<u>\$ 25,430,497</u>
Funded Ratio (Assets as a Percentage of AAL)	0%	0%

Source: 2016 and 2017 audited financial statements of the County. Table itself is not audited.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The County has reserved \$0 towards its OPEB liability. The County funds this liability on a pay-as-you-go basis.

The County's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the County's finances and could force the County to reduce services, raise taxes or both.

In April 2015, the State Comptroller announced legislation to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would allow the following:

- Authorize the creation of irrevocable OPEB trusts, not part of the New York State Common Retirement Fund, so that New York state and its local governments can, at their option, help fund their OPEB liabilities;
- Establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the state and participating eligible local governments;
- Designate the president of the Civil Service Commission as the trustee of the state’s OPEB trust and the governing boards as trustee for local governments; and
- Allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established.

Under the State Comptroller’s proposal, there are no restrictions on the amount a government can deposit into the trust. The proposed legislation was not enacted into law in the last two legislative sessions. It is not possible to predict whether the Comptroller’s proposed legislation will be reintroduced or enacted if introduced.

Financial Statements

The County retains an independent certified public accounting firm for a continuous independent audit of all financial transactions of the County. The most recent audit was for the fiscal year ended December 31, 2017 and is incorporated by reference hereto as “APPENDIX – D”. Certain summary financial information may also be found in the Appendices to this Official Statement.

The County complies with the Uniform System of Accounts as prescribed for counties in New York State by the State Comptroller. This System differs from generally accepted accounting principles (GAAP) as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, “Audits of State and Local Governmental Units”, and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB). This difference is with respect to the annual update document which is not prepared using the GAAP standards while the audit report is prepared using such standards.

Changes to the Uniform System of Accounts as prescribed for counties have been made by the State Comptroller in order to conform the Uniform System of Accounts to certain of these principles. These changes require the County to maintain a record of fixed assets to be recorded at cost or at estimated historical cost.

Beginning with the fiscal year ending December 31, 2003 the County began issuing its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management’s Discussion and Analysis. The County is in compliance with Statement No. 34.

Projected (Unaudited) Results of Operations for Fiscal Year Ending December 31, 2018

The County expects to conclude the fiscal year ending December 31, 2018 with an unappropriated unreserved fund balance of approximately \$44,960,001. Summary unaudited projected information for the General Fund for the period ending December 31, 2018 is as follows:

Projected Revenues:	\$ 138,659,453
Projected Expenditures:	145,727,600
Projected Other Sources and Uses:	<u>0</u>
Projected Excess Revenues over Expenditures:	<u>\$ 7,068,147</u>
Projected Total General Fund Balance:	\$ 49,977,286

These projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

New York State Comptroller Reports of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the County has complied with the requirements of various State and Federal statutes. These audits can be obtained from the Office of the State Comptroller website.

The State Comptroller's office released its most recent audit report of the County on April 12, 2013. The purpose of the audit was to review the County's financial condition and management for the period January 1, 2010, to August 31, 2012. Key findings and recommendations of the audit are outlined below:

Key Findings:

- County officials developed budgets containing unrealistic estimates, and maintained substantial fund balances that were not substantiated by formal and transparent plans for their use. The Board's adopted budgets for the past five years (2007 to 2011) included overestimated expenditures by approximately \$28 million and underestimated revenues by \$8.8 million, and generated operating surpluses totaling \$21 million.
- The County maintained reserves totaling \$10 million as of December 31, 2011, with no plans in place for the use of these balances.

Key Recommendations:

- Develop more accurate expenditure and revenue estimates for the general fund budget. Develop a plan to effectively use and reduce the unexpended surplus fund balance in the general fund. Adopt policies and establish procedures to govern budgeting practices, including the determination of a reasonable level of unexpended surplus funds to be maintained, as well as to address the accumulation of and use of moneys in reserve funds.
- Review all reserves annually and determine if the amounts reserved are necessary, reasonable, and in compliance with statutory requirements.

A copy of the complete report can be found on the State Comptroller's official website in the section regarding completed municipal audits.

There are no State Comptroller audits relating to the County in progress or pending release at this time.

Note: Reference to website implies no warranty of accuracy of information therein.

Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities were facing significant fiscal challenges in the wake of the 2008-09 recession. As a result, the Office of the State Comptroller had developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past five years for the County are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2017	No Designation	3.3%
2016	No Designation	15.8%
2015	No Designation	19.2%
2014	No Designation	19.2%
2013	No Designation	19.2%

The Fiscal Score for fiscal year ending December 31, 2018 has not been calculated as of the date of this Official Statement.

For additional details regarding the Fiscal Stress Monitoring System visit the State Comptroller's official website.

Source: Website of the Office of the New York State Comptroller. Reference to websites implies no warranty of accuracy of information therein.

Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose for which the Bonds are to be issued, is the County Law and the Local Finance Law.

The procedure for the validation of the Bonds provided in Title 6 of Article 2 of the Local Finance Law has been complied with.

No principal or interest upon any obligation of this County is past due.

The fiscal year of the County is the calendar year.

Except for as shown under "STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness", this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the County.

TAX INFORMATION

Valuations

<u>Year of County Tax Roll:</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Assessed Valuation	\$4,681,331,428	\$4,717,071,058	\$4,860,039,013	\$4,940,462,546	\$4,986,965,308
New York State Equalization Rate	Various	Various	Various	Various	Various
Full Valuation	\$4,709,472,875	\$4,791,565,433	\$4,927,617,879	\$5,006,719,661	\$5,113,640,998

Tax Rate Per \$1,000 (Full Valuation)

<u>Year of County Tax Roll:</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
	\$ 8.09	\$ 7.95	\$ 7.88	\$ 7.75	\$ 7.88

Tax Collection Procedure

Real property is assessed for taxation by local assessors in each Town and is placed on the respective tax rolls. There is no County Board of Assessors.

Real property taxes for County purposes are levied together with taxes for town and special district purposes on January 1, and are due within 30 days. These taxes become an enforceable lien on property on January 1. The towns and special districts receive the full amount of their levies annually. The County assures 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.

After the return of the tax rolls to the County Treasurer on April 1, the following penalties accrue with respect to delinquent taxes: 5% is added to the tax plus an interest charge of 1% per month until tax sales. The County holds its annual tax sale in June for each year's taxes.

Tax Collection Record (000's Omitted)

<u>Years Ending December 31:</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Tax Levy ⁽¹⁾	\$ 68,127	\$ 68,343	\$ 69,625	\$ 70,942	\$ 71,803
Unpaid End of Fiscal Year	N/A	4,728	4,772	4,458	4269
% Unpaid	N/A	6.7%	6.8%	6.4%	5.9%

⁽¹⁾ Includes County, Town and Special District taxes and re-levies.

Ten Largest Taxpayers - 2018 Assessment (2019 County Tax Roll)

<u>Name of Taxpayer</u>	<u>Type of Business</u>	<u>Taxable Full Valuation</u>
R.E. Ginna Nuclear	Utility	\$ 261,366,700 ⁽¹⁾
Rochester Gas & Electric	Gas Electric Utility	152,448,590
NYSEG	Gas Electric Utility	60,512,086
Empire State Pipeline	Gas Transmission	44,305,079
Fowler Farms	Farm	14,212,680
Walmart	Retail	13,600,000
Marshall Farms USA	Research	13,552,400
Madeira Associates	Game Farm	13,456,000
Newark Plaza LLC	Retail	13,154,400
Verizon	Telephone Utility	11,699,794

The larger taxpayers, listed above, have a total estimated assessed valuation of \$598,307,729 that represents approximately 10.5% of the County tax base.

⁽¹⁾ R.E. Ginna Nuclear Power Plant began a Payment in Lieu of Taxes (PILOT) program in 2005 for five (5) parcels totaling \$2,065,935. The amount paid in taxes for 2017 is \$2,058,000.

Source: County officials.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for fiscal years ending December 31:

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Five-Year Average Full Valuation.....	\$ 4,750,407,934	\$ 4,821,599,497	\$ 4,909,803,369
Tax Limit – 1.5%	71,256,119	72,323,992	73,647,051
Add: Exclusions from Limit	<u>1,139,154</u>	<u>1,137,354</u>	<u>1,140,154</u>
Total Taxing Power	72,395,273	73,461,346	74,787,205
Less Total Levy	37,462,337	38,447,369	40,206,466
Tax Margin	<u>\$ 33,793,782</u>	<u>\$ 34,876,623</u>	<u>\$ 34,580,739</u>
% Tax Power Exhausted.....	52.57%	51.78%	53.05%

Additional Tax Information

Real property subject to County taxes is assessed by the component Towns.

Veterans' and senior citizens' exemptions are offered to those who qualify.

The total assessed valuation of the County consists of approximately: residential – 57%; agricultural 6%, industrial 3%, public service 12% and other 22%.

The total property tax bill of the typical \$122,400 market value residential property located in the County is approximately \$5,508 including State, County, Town, Village and School District taxes.

County Sales Tax

Since 2009, sales tax proceeds have been distributed to the jurisdictions by the County in the following amounts:

<u>Year</u>	<u>County Share</u>	<u>Town Share</u>	<u>Village Share</u>
2009	\$ 23,347,882	\$ 4,326,898	\$ 1,442,679
2010	23,976,957	4,427,321	1,448,070
2011	26,335,693	4,837,048	1,516,090
2012	26,680,483	4,912,812	1,503,284
2013	28,123,106	5,139,166	1,565,455
2014	29,021,311	5,279,170	1,605,081
2015	28,757,005	5,239,930	1,591,471
2016	29,096,958	5,523,049	1,376,343
2017	29,563,596	5,664,328	1,328,391
2018	32,471,919	6,159,599	1,414,785
2019 (Budgeted)	32,000,000	6,905,000	1,480,000

The County shares one-sixth of its sales tax collections with the towns and villages based on population. The County also shares one-sixth of its sales tax collection (capped at \$5,400,000) with the school districts that serve residents of the County based on student enrollment figures. Once the cap is met the County retains the remainder of this one-sixth.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It expires on June 15, 2020 unless extended. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the Tax Levy Limitation Law (June 24, 2011).

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve constitutional issues raised by its adoption. Although courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenges cannot be predicted.

Real Property Tax Rebate

Chapter 59 of the Laws of 2014 (“Chapter 59”) included provisions which provides a refundable personal income tax credit to real property taxpayers in school districts and certain municipal units of government. The credit is a tax relief program that reimburses qualifying New York State homeowners for increases in local property taxes on their primary residences. The eligibility of real property taxpayers for the tax credit in each year depends on such jurisdiction’s compliance with the provisions of the Tax Cap Law. The affected jurisdictions include counties, cities (other than any city with a population of one million or more and its counties), towns, villages, school districts (other than the dependent school districts of New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are indirectly affected by applicability to their respective city) and independent special districts.

Certain additional restrictions on the amount of the personal income tax credit are set forth in Chapter 59 in order for the tax cap imposed by the Tax Cap Law to qualify as one which will provide the tax credit benefit to such real property taxpayers. The refundable personal income tax credit amount is increased in the second year if compliance occurs in both taxable years. Municipalities, school districts and independent special districts must provide certification of compliance with the requirements of the new provisions to certain State officials in order to render their real property taxpayers eligible for the real property tax rebate. The New York State Department of Taxation and Finance will determine each homeowner’s eligibility, calculate the amount of the credit and send the credit to the homeowner.

For the second taxable year of the program being 2015-16 for school districts and 2016 for other municipal units of government, the property tax rebate for real property taxpayers was additionally contingent upon adoption by the school district or municipal unit of a State approved “shared services and government efficiency plan” which demonstrates three year savings and efficiencies of at least one percent of the combined 2014 levy of participating municipalities in each of the years 2017, 2018 and 2019 from shared services, cooperation agreements and/or mergers or efficiencies. The State will also be required to consider past shared services arrangements or government efficiency programs to be deemed applicable in demonstrating the targeted savings. There is no requirement that these efficiencies are to be used to reduce future tax levies. Should the savings targeted not be met by a school district or municipal unit of government there is no authority granted for the State to withhold State aid due to each respective entity.

This tax credit will be made available in municipalities that reduce or hold steady their property tax levy. The tax credit payable will be equal to the allowable tax levy growth factor for that year, including adjustments for inflation, economic growth, pensions, PILOTS, etc. as determined by the New York State Department of Taxation and Finance.

This initiative is currently a two-year temporary initiative.

While the provisions of Chapter 59 do not directly further restrict the taxing power of the affected municipalities, school districts and special districts, they do provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Cap Law. The implications of this for future tax levies and for operations and services of the County are uncertain at this time.

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the County (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the County and its indebtedness (including the Bonds), include the following provisions:

Purpose and Pledge. Subject to certain enumerated exceptions, the County shall not give or loan any money or property to or in aid of any individual, private corporation or private undertaking or give or loan its credit to or in aid of any foreign or public corporation. The County may contract indebtedness only for a County purpose and shall pledge its faith and credit for the payment of the principal of any interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or in the alternative the weighted average maturity of the several objects or purposes for which it has contracted; unless substantially level or declining annual debt service is utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The County is required to provide an annual appropriation for the payment of

interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Debt Limit. The County has the power to contract indebtedness for any County purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real property of the County and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the County is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

Statutory Procedure

In general, the State Legislature has enacted statutes relating to the power and procedure for the County to borrow and incur indebtedness by the enactment of the Local Finance Law subject, of course, to the provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the County Law and the General Municipal Law.

Pursuant to the Local Finance Law and County Law, the County authorizes the issuance of bonds by the adoption of a bond resolution approved by at least two-thirds of the members of the Legislature, the finance board of the County. Customarily, the Legislature has delegated to the County Finance Director, as chief fiscal officer of the County, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that when a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the County is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations,

and an action contesting such validity is commenced within twenty days after the date of such publication, or,

- (3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions, the County complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel and followed by the County, but it is not an absolute legal requirement.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto. The County has authorized bonds for a variety of County objects or purposes.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such bonds outstanding, commencing no later than two years from the date of the first of such bonds and provided that such renewals, with certain limited exceptions, do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein.)

In general, the Local Finance Law contains provisions providing the County with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes, budget and deficiency notes and capital notes (see "STATUS OF INDEBTEDNESS - Details of Outstanding Indebtedness" herein).

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending December 31:</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Bonds	\$ 23,130,000	\$ 24,940,000	\$ 23,533,000	\$ 22,121,000	\$ 20,704,000
Bond Anticipation Notes	0	0	0	0	0
Capital Lease	<u>4,830,000</u>	<u>4,460,000</u>	<u>4,065,000</u>	<u>3,645,000</u>	<u>3,205,000</u>
Total Debt Outstanding	<u>\$ 27,960,000</u>	<u>\$ 29,400,000</u>	<u>\$ 27,598,000</u>	<u>\$ 25,766,000</u>	<u>\$ 23,909,000</u>

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the County evidenced by bonds and notes as of March 7, 2019:

	<u>Maturity</u>	<u>Amount Outstanding</u>
<u>Bonds</u>	2019-2034	\$ 20,704,000
<u>Bond Anticipation Notes</u>	---	<u>0</u>
	Total Indebtedness	<u>\$ 20,704,000</u>

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of March 7, 2019:

Five-Year Average Full Valuation	\$ 4,909,803,369
Debt Limit - 7% thereof.....	\$ 343,686,236
 <u>Inclusions:</u>	
Bonds.....	\$ 20,704,000
Bond Anticipation Notes	<u>0</u>
Total Inclusions.....	\$ 20,704,000
 <u>Exclusions:</u>	
Appropriations.....	\$ <u>1,427,000</u>
Total Exclusions	\$ <u>1,427,000</u>
 Total Net Indebtedness	 \$ <u>19,277,000</u>
Net Debt-Contracting Margin.....	\$ <u>324,409,236</u>
The percent of debt contracting power exhausted is.....	5.61%

Note: The issuance of the Bonds will increase the net indebtedness of the County by \$6,550,000*.

Bonded Debt Service

A schedule of the County’s bonded debt is attached here to as Appendix – B.

Cash Flow Borrowings

The County has not found it necessary to issue revenue anticipation notes or tax anticipation notes within the last five fiscal years and does not anticipate issuing either in the foreseeable future.

*Preliminary, subject to change pursuant to the accompanying Notice of Bond Sale, as described on the inside cover page hereof.

Authorized and Unissued Obligations

On February 19, 2019 the County authorized bonds in an amount not to exceed \$7,450,000 to refund the County's Series 2009 Bonds to realize budgetary and present value savings. Pending market conditions, the issuance of such refunding bonds would not take place until late this year. The County does not have any other bond authorizations adopted, but unissued, at the present time.

Five Year Capital Project Plan

A summary of the County's Five-Year Capital Plan for 2019-2023 is as follows:

COUNTY DEPARTMENT	TOTAL PROJECT COSTS	TOTAL NON-LOCAL FUNDING	TOTAL COUNTY COSTS
Buildings and Grounds	\$7,065,000	\$-	\$7,065,000
Highway (Equipment)	395,000	-	395,000
Highway (Roads)	4,405,000	4,405,000	-
Information Technology	500,000	-	500,000
Emerg Mgt Communications	739,450	466,325	273,125
Nursing Home	200,000	-	200,000
2019 TOTALS	\$13,304,450	\$4,871,325	\$8,433,125
Buildings and Grounds	1,200,000	-	1,200,000
Highway (Equipment)	425,000	-	425,000
Highway (Roads)	4,455,000	4,455,000	-
Emerg Mgt Communications	486,250	486,250	-
E911	170,000	170,000	-
Nursing Home	285,000	-	285,000
2020 TOTALS	\$7,021,250	\$5,111,250	\$1,910,000
Buildings and Grounds	2,200,000	-	2,200,000
Highway (Equipment)	410,000	-	410,000
Highway (Roads)	4,600,000	4,600,000	-
Emergency Mgt Office	299,000	299,000	-
Emerg Mgt Communications	500,000	500,000	-
E911	110,000	110,000	-
Mutual Aid	200,000	-	200,000
Nursing Home	100,000	-	100,000
2021 TOTALS	\$8,419,000	\$5,509,000	\$2,910,000
Buildings and Grounds	1,150,000	-	1,150,000
Highway (Equipment)	400,000	-	400,000
Highway (Roads)	4,800,000	4,800,000	-
Emerg Mgt Communications	374,250	374,250	-
E911	170,000	170,000	-
Mutual Aid	100,000	-	100,000
Nursing Home	200,000	-	200,000
2022 TOTALS	\$7,194,250	\$5,344,250	\$1,850,000
Buildings and Grounds	600,000	-	600,000
Highway (Equipment)	370,000	-	370,000
Highway (Roads)	4,500,000	4,500,000	-
Nursing Home	200,000	-	200,000
2023 TOTALS	\$5,670,000	\$4,500,000	\$1,170,000
Buildings and Grounds	12,215,000	-	12,215,000
Highway (Equipment)	2,000,000	-	2,000,000
Highway (Roads)	22,760,000	22,760,000	-
Information Technology	500,000	-	500,000
Emergency Mgt Office	299,000	299,000	-
Emerg Mgt Communications	2,099,950	1,826,825	273,125
E911	450,000	450,000	-
Mutual Aid	300,000	-	300,000
Nursing Home	985,000	-	985,000
County Clerk	-	-	-
Planning	-	-	-
Public Safety	-	-	-
GRAND TOTALS	\$41,608,950	\$25,335,825	\$16,273,125

Capital Leases

Through its governmental funds, the County leases a building from 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 SFAS No. 13 *Accounting for Leases*. Accordingly, the lease has been recorded as an asset in the General Fixed Assets Account Group at an amount equal to the present value of the minimum lease payments at the inception of the lease. The liability for the capital lease is recorded in the General Long-Term Liabilities Account Group.

The future minimum lease obligation and the net present value of the minimum lease payments as of December 31, 2018, were as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2019	\$ 539,880
2020	539,880
2021	539,880
2022	539,880
2023	539,880
2024	359,920

This lease will be paid in full on August 31, 2024.

Estimated Overlapping Indebtedness

In addition to the County, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the County. Bonded indebtedness, including bond anticipation notes, is estimated as of the close of the fiscal year of the respective municipalities, not adjusted to include subsequent bond issues, if any.

	<u>Indebtedness</u> ⁽¹⁾	<u>Exclusions</u> ⁽²⁾	<u>Net</u> <u>Indebtedness</u>
15 Towns	\$ 35,499,463	\$ 32,146,854 ⁽³⁾	\$ 3,352,608
8 Villages	30,686,920	23,549,827 ⁽³⁾	7,137,093
11 School Districts	153,249,984	137,450,052 ⁽⁴⁾	15,799,932
14 Fire Districts	1,694,585	0 ⁽³⁾	<u>1,694,585</u>
		Total	<u>\$ 27,984,218</u>

- (1) Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any.
- (2) Pursuant to applicable constitutional and statutory provisions, this indebtedness is deductible from gross indebtedness for debt limit purposes.
- (3) Sewer and water debt, appropriations and cash on hand for debts.
- (4) Estimated State Building aid.

Source: State Comptroller’s reports for fiscal year ending 2016 for towns and fire districts and fiscal year ending 2017 for school districts and villages.

Debt Ratios

The following table sets forth certain ratios relating to the County's indebtedness as of March 7, 2019:

	Amount of <u>Indebtedness</u>	Per <u>Capita</u> ⁽¹⁾	Percentage of Full <u>Valuation</u> ⁽²⁾
Net Direct Indebtedness ⁽³⁾	\$ 19,277,000	\$ 210.81	0.38%
Net Direct Plus Net Overlapping Indebtedness ⁽⁴⁾	47,261,218	516.84	0.92%

(1) The County's 2017 estimated population is 91,442. (See "Population Trends" herein.)

(2) The County's full valuation of taxable real estate for the 2019 County Tax Roll is \$5,113,640,998. (See "TAX INFORMATION - Valuations" herein.)

(3) See "Debt Statement Summary" herein.

(4) The County's estimated applicable share of net underlying indebtedness is \$27,984,218. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each of the Bonds, when duly issued and paid for, will constitute a contract between the County and the holder thereof. Under current law, provision is made for contract creditors of the County to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the County upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the County may not be enforced by levy and execution against property owned by the County.

Authority to File for Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as the County, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Bonds should the County be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Bonds to receive interest and principal from the County could be adversely affected by the restructuring of the County's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the County (including the Bonds) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the County under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

State Debt Moratorium Law. There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law described below enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the County.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of the governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the “FRB”), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a Statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The County has not requested FRB assistance nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision. There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: “If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness.” This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See “General Municipal Law Contract Creditors’ Provision” herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Default Litigation. In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See “Nature of Obligation” and “State Debt Moratorium Law” herein.

No Past Due Debt. No principal of or interest on County indebtedness is past due. The County has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Bonds. The following is a discussion of certain events that could affect the risk of investing in the Bonds. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential investment risk.

The financial and economic condition of the County as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the County’s control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Bonds. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the County to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds could be adversely affected.

The County is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the County, in any year, the County may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the County. In some years, the County has received delayed payments of State aid which resulted from the State’s delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also “State Aid”).

There are a number of general factors which could have a detrimental effect on the ability of the County to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the County. Unforeseen developments could also result in substantial increases in County expenditures, thus placing strain on the County’s financial condition. These factors may have an effect on the market price of the Bonds.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Bonds should elect to sell a Bond prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Bonds. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to the Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and other debt issued by the County. Any such future legislation could have an adverse effect on the market value of the Bonds (See “TAX MATTERS” herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the County and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the County and hence upon the market price of the Bonds. See “TAX LEVY LIMITATION LAW” herein.

The County, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage County digital networks and systems and the costs of remedying any such damage could be substantial.

TAX MATTERS

In the opinion of Bond Counsel, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the County with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Bonds in order that interest on the Bonds will be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Bonds and in certain circumstances, payment of amounts in respect of such proceeds to the United States. Failure to comply with the requirement of the Code may cause interest on the Bonds to be includable in gross income for purposes of federal income tax, possibly from the date of issuance of the Bonds. In the Arbitrage and Use of Proceeds Certificate of the County to be executed in connection with the issuance of the Bonds, the County will covenant to comply with certain procedures and it will make certain representations and certifications, designed to assure satisfaction of the requirements of the Code in respect to the Bonds. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certificates.

Bond Counsel is of the further opinion that interest on the Bonds is not an "item of tax preference" for purposes of federal alternative minimum tax.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds, and the accrual or receipt of interest thereon, may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences of their ownership of the Bonds and their accrual or receipt of interest thereon. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

The Bonds will be designated as "qualified tax exempt obligations" pursuant to Section 265(b)(3) of the Code.

In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance and delivery of the Bonds may affect the tax status of interest on the Bonds.

No assurance can be given that any future legislation or governmental actions, including amendments to the Code or State income tax laws, regulations, administrative rulings, or court decisions, will not, directly or indirectly, cause interest on the Bonds to be subject to federal, State or local income taxation, or otherwise prevent Noteholders from realizing the full current benefit of the tax status of such interest. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any judicial decision or action of the Internal Revenue Service or any State taxing authority, including, but not limited to, the promulgation of a regulation or ruling, or the selection of the Bonds for audit examination or the course or result of an audit examination of the Bonds or of obligations which present similar tax issues, will not affect the market price, value or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

All summaries and explanations of provisions of law do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

ALL PROSPECTIVE PURCHASERS OF THE BONDS SHOULD CONSULT THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE BONDS.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds will be covered by an approving legal opinion of Harris Beach PLLC, Bond Counsel, Rochester, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Bonds have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the County, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount; provided, however, that the enforceability (but not the validity) of the Bonds may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights; (ii) under existing statutes, regulations, administrative rulings and court decisions, interest on the Bonds is excluded from the gross income of the owners thereof for Federal income tax purposes, is not an "item of tax preference" for purposes of the Federal alternative minimum tax; (iii) interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including the City of New York); and (iv) based upon Bond Counsel's examination of law and review of the arbitrage certificate executed by the Treasurer of the County pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said arbitrage certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Bonds will not be "arbitrage bonds" within the meaning of said section, and no matters have come to Bond Counsel's attention which makes unreasonable or incorrect the representations made in said arbitrage certificate. Bond Counsel will express no opinion regarding other Federal or State income tax consequences arising with respect to the Bonds.

Such legal opinion also will state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the accuracy of the signatures appearing upon such public records, documents and proceedings and such certifications; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Bonds has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the County together with other legally available sources of revenue, if any, will be sufficient to enable the County to pay the principal of and interest on the Bonds as the same respectively become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the County, would materially affect the ability of the County to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the County, in connection with the sale of the Bonds has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

LITIGATION

The County is subject to a number of lawsuits in the ordinary conduct of its affairs. The County Attorney does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the County.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the County, threatened against or affecting the County to restrain or enjoin the issuance, sale or delivery of the Bonds or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds or any proceedings or authority of the County taken with respect to the authorization, issuance or sale of the Bonds or contesting the corporate existence or boundaries of the County.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the County will enter into a Continuing Disclosure Undertaking, a description of which are attached hereto as "APPENDIX – C, CONTINUING DISCLOSURE UNDERTAKING".

Historical Continuing Disclosure Compliance

Except as set forth below, the County has complied with all previous Undertakings in all material respects pursuant to the Rule.

- The County did not file its audited financial report for the fiscal year ending December 31, 2013 within 60 days of the dated date of the audit. The Independent Auditors Report was dated May 27, 2014 but was not filed to the Electronic Municipal Market Access Website ("EMMA") until October 1, 2014.
- The County did not file its audited financial report for the fiscal year ending December 31, 2014 within 60 days of the dated date of the audit. The Independent Auditors Report was dated June 30, 2015 but not filed to EMMA until October 22, 2015.
- The County did not file its audited financial report for the fiscal year ending December 31, 2015 within 60 days of the dated date of the audit. The Independent Auditors Report was dated June 14, 2016 but not filed to EMMA until September 22, 2016. The County also failed to provide notice of such late filing to EMMA.
- The County was 2 days late in filing its Annual Financial Information and Operating data for fiscal year ending December 31, 2016 to EMMA. The County also failed to provide notice of such late filing to EMMA.

BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned their rating of "AA-" with a Stable outlook to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. This rating reflects only the view of S&P and an explanation of the significance of such rating may be obtained from S&P Global, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a municipal advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the County on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the County and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the County or the information set forth in this Official Statement or any other information available to the County with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the County to Fiscal Advisors are partially contingent on the successful closing of the Bonds.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds will be paid for by the County provided, however; the County assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

MISCELLANEOUS

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the County management’s beliefs as well as assumptions made by, and information currently available to, the County’s management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes; changes in the economy, and other factors discussed in this and other documents that the County’s files with the repositories. When used in County documents or oral presentation, the words “anticipate”, “believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds.

Harris Beach PLLC, Rochester, New York, Bond Counsel to the County, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the County for use in connection with the offer and sale of the Bonds, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Bonds, the County will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to limitation as to information in the Official Statement obtained from sources other than the County, as to which no representation can be made.

The County hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by the Continuing Disclosure Undertaking to be entered into by the County in connection with the issuance of the Bonds, in accordance with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

The Official Statement is submitted only in connection with the sale of the Bonds by the County and may not be reproduced or used in whole or in part for any other purpose.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the County nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the County disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the County also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The County contact information is as follows: Mr. Patrick Schmitt, County Treasurer, Wayne County Treasurer's Office, 16 William St. Lyons, New York 14489, Phone: (315) 946-7441, Fax: (315) 946-5949, email: PJSchmitt@co.wayne.ny.us.

Additional information may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (315) 752-0051, or at www.fiscaladvisors.com.

COUNTY OF WAYNE

Dated: March 12, 2019

PATRICK SCHMITT, CFE
COUNTY TREASURER

GENERAL FUND

Balance Sheets

Fiscal Year Ending December 31:	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>ASSETS</u>					
Cash and Cash Equivalents & Investments	\$ 66,142,394	\$ 65,456,530	\$ 67,481,072	\$ 71,914,021	\$ 69,966,945
Receivable (net)	24,493,484	22,201,205	22,439,924	20,108,175	22,583,478
Due from Other Funds	2,535,000	5,000,000	-	-	-
Due from Other Governments	-	-	-	-	-
State and Federal Aid	-	-	-	-	-
Prepaid Expenses	2,652,811	1,709,425	2,149,385	2,166,485	2,104,772
TOTAL ASSETS	<u>\$ 95,823,689</u>	<u>\$ 94,367,160</u>	<u>\$ 92,070,381</u>	<u>\$ 94,188,681</u>	<u>\$ 94,655,195</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 1,283,055	\$ 1,178,749	\$ 1,190,910	\$ 970,582	\$ 1,396,625
Accrued Liabilities	7,328,508	7,708,792	7,967,472	7,190,013	7,250,257
Due to Other Governments	11,128,571	10,311,418	10,173,899	9,904,623	11,011,232
Due to Other Funds	-	-	-	-	-
Other Liabilities	1,713,470	2,132,186	2,538,250	-	-
Overpayments and collections in advance	-	-	-	4,480,019	5,176,234
Unearned Revenue	85,997	79,859	94,183	-	-
Deferred Revenue	4,940,122	5,344,149	5,462,394	5,030,366	4,914,200
TOTAL LIABILITIES	<u>\$ 26,479,723</u>	<u>\$ 26,755,153</u>	<u>\$ 27,427,108</u>	<u>\$ 27,575,603</u>	<u>\$ 29,748,548</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 2,652,811	\$ 1,709,425	\$ 2,149,385	\$ 2,166,485	\$ 2,104,772
Restricted	11,778,668	6,357,530	4,699,462	3,688,326	3,708,204
Assigned	1,938,697	3,605,621	5,052,109	4,960,857	6,048,238
Unassigned	52,973,790	55,939,431	52,742,316	55,797,410	53,045,433
TOTAL FUND EQUITY	<u>\$ 69,343,966</u>	<u>\$ 67,612,007</u>	<u>\$ 64,643,272</u>	<u>\$ 66,613,078</u>	<u>\$ 64,906,647</u>
TOTAL LIABILITIES and FUND EQUITY	<u>\$ 95,823,689</u>	<u>\$ 94,367,160</u>	<u>\$ 92,070,380</u>	<u>\$ 94,188,681</u>	<u>\$ 94,655,195</u>

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Year Ending December 31:	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
REVENUES					
Real Property Taxes & items	\$ 40,418,240	\$ 41,550,945	\$ 41,810,132	\$ 42,991,849	\$ 43,102,741
Non-Property Tax Items	41,521,488	41,945,115	41,959,624	42,070,544	43,730,897
Departmental Income	13,295,088	13,039,411	12,930,864	13,364,978	13,576,231
Intergovernmental Charges	2,978,742	1,519,842	1,542,084	836,165	1,053,206
Use of Money & Property	297,918	239,187	546,989	336,293	549,786
Licenses and Permits	7,971	6,094	5,738	11,041	8,978
Fines and Forfeitures	166,090	188,209	196,635	178,536	152,801
Interfund Revenues	878,599	427,991	447,624	403,023	722,825
Sale of Property and Compensation for Loss	1,476,196	1,524,984	1,433,877	2,448,780	1,317,611
Miscellaneous	1,901,942	2,064,598	2,274,729	3,086,490	2,140,654
Revenues from State Sources	13,547,424	13,284,069	16,068,886	14,679,458	15,016,541
Revenues from Federal Sources	16,650,184	13,757,507	13,886,021	15,655,100	14,734,370
Total Revenues	<u>\$ 133,139,882</u>	<u>\$ 129,547,952</u>	<u>\$ 133,103,203</u>	<u>\$ 136,062,257</u>	<u>\$ 136,106,641</u>
EXPENDITURES					
General Government Support	\$ 27,784,461	\$ 26,103,905	\$ 26,382,876	\$ 26,865,053	\$ 28,235,321
Education	4,206,903	4,072,897	4,011,850	4,249,377	4,535,015
Public Safety	25,799,600	25,114,464	25,834,019	26,076,996	26,443,054
Health	19,814,031	18,399,557	19,471,359	19,450,887	19,561,810
Transportation	28,783	38,378	38,313	38,330	38,313
Economic Assistance and Opportunity	41,972,985	45,693,777	39,210,294	43,631,984	47,909,682
Culture and Recreation	1,183,581	1,206,898	1,065,721	1,087,249	991,689
Home and Community Services	1,480,525	1,545,824	1,637,236	1,662,500	1,609,612
Employee Benefits	-	-	-	-	-
Debt Service	742,648	739,718	739,031	1,149,371	1,147,976
Total Expenditures	<u>\$ 123,013,517</u>	<u>\$ 122,915,418</u>	<u>\$ 118,390,699</u>	<u>\$ 124,211,747</u>	<u>\$ 130,472,472</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 10,126,365</u>	<u>\$ 6,632,534</u>	<u>\$ 14,712,504</u>	<u>\$ 11,850,510</u>	<u>\$ 5,634,169</u>
Other Financing Sources (Uses):					
Operating Transfers In	15,383	1,127	1,089,493	3,896	-
Operating Transfers Out	(10,030,990)	(8,365,620)	(18,770,731)	(9,884,601)	(7,340,600)
Retirement Plan Credits	-	-	-	-	-
Total Other Financing	<u>(10,015,607)</u>	<u>(8,364,493)</u>	<u>(17,681,238)</u>	<u>(9,880,705)</u>	<u>(7,340,600)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>110,758</u>	<u>(1,731,959)</u>	<u>(2,968,734)</u>	<u>1,969,805</u>	<u>(1,706,431)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	69,233,208	69,343,966	67,612,007	64,643,273	66,613,078
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 69,343,966</u>	<u>\$ 67,612,007</u>	<u>\$ 64,643,273</u>	<u>\$ 66,613,078</u>	<u>\$ 64,906,647</u>

Source: Audited financial reports for the County. This Appendix itself is not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Year Ending December 31:	2017			2018	2019
	Original Budget	Budget Amended	Audited Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes & Items	\$ 42,976,152	\$ 42,976,152	\$ 43,102,741	\$ 43,020,511	\$ 42,608,996
Non-Property Tax Items	41,487,306	41,702,306	43,730,897	42,477,000	33,820,000
Departmental Income	13,587,287	13,596,917	13,576,231	14,358,561	16,118,234
Intergovernmental Charges	395,570	395,570	1,053,206	32,000	-
Use of Money & Property	674,760	674,760	549,786	374,903	520,000
Licenses and Permits	10,000	10,000	8,978	10,000	10
Fines and Forfeitures	189,039	189,039	152,801	176,000	-
Interfund Revenues	757,495	757,495	722,825	719,688	-
Sale of Property and Compensation for Loss	1,299,718	1,299,718	1,317,611	1,237,022	-
Miscellaneous	2,803,860	2,901,906	2,140,654	2,700,687	1,780,000
Revenues from State Sources	19,553,570	16,694,901	15,016,541	19,904,338	24,396,825
Revenues from Federal Sources	11,702,548	15,010,500	14,734,370	11,311,601	11,388,200
Total Revenues	\$ 135,437,305	\$ 136,209,264	\$ 136,106,641	\$ 136,322,311	\$ 130,632,265
EXPENDITURES					
General Government Support	\$ 29,635,998	\$ 29,339,668	\$ 28,235,321	\$ 30,662,911	\$ 16,535,133
Education	4,500,000	4,600,000	4,535,015	12,661,950	5,600,000
Public Safety	28,375,145	28,964,207	26,443,054	27,219,153	30,298,354
Health	21,315,967	21,892,959	19,561,810	12,404,236	22,460,513
Transportation	38,378	38,378	38,313	38,378	37,378
Economic Assistance and Opportunity	46,290,019	54,330,358	47,909,682	43,231,698	47,300,956
Culture and Recreation	1,190,136	1,193,216	991,689	1,043,336	590,559
Home and Community Services	1,758,718	1,785,769	1,609,612	1,722,844	1,938,831
Employee Benefits	-	-	-	1,442,400	1,475,000
Debt Service	1,148,562	1,148,562	1,147,976	1,146,438	1,148,902
Total Expenditures	\$ 134,252,923	\$ 143,293,117	\$ 130,472,472	\$ 131,573,344	\$ 127,385,626
Excess of Revenues Over (Under) Expenditures	\$ 1,184,382	\$ (7,083,853)	\$ 5,634,169	\$ 4,748,967	\$ 3,246,639
Other Financing Sources (Uses):					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(6,920,000)	(7,340,600)	(7,340,600)	(8,748,967)	(8,317,924)
Retirement Plan Credits	-	-	-	-	-
Total Other Financing	(6,920,000)	(7,340,600)	(7,340,600)	(8,748,967)	(8,317,924)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(5,735,618)	(14,424,453)	(1,706,431)	(4,000,000)	(5,071,285)
FUND BALANCE					
Fund Balance - Beginning of Year	5,735,618	14,424,453	66,613,078	4,000,000	5,071,285
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 64,906,647	\$ -	\$ -

Source: 2017 Audited financial report and 2018 and 2019 adopted budgets. (unaudited) of the County. This Appendix is not itself audited.

Changes In Fund Equity

Fiscal Year Ending December 31:	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>CAPITAL PROJECTS FUND</u>					
Fund Equity - Beginning of Year	\$ 751,682	\$ (1,406,964)	\$ (4,790,120)	\$ 6,908,934	\$ 2,809,906
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	4,043,058	2,086,555	15,853,361	3,413,476	737,888
Expenditures & Other Uses	<u>6,201,704</u>	<u>5,469,711</u>	<u>4,154,307</u>	<u>7,512,504</u>	<u>1,942,360</u>
Fund Equity - End of Year	\$ (1,406,964)	\$ (4,790,120)	\$ 6,908,934	\$ 2,809,906	\$ 1,605,434
<u>ROAD MACHINERY FUND</u>					
Fund Equity - Beginning of Year	\$ 1,094,402	\$ 739,348	\$ 723,239	\$ 653,903	\$ 693,154
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	1,766,824	1,357,300	1,648,851	1,687,549	1,867,994
Expenditures & Other Uses	<u>2,121,878</u>	<u>1,373,409</u>	<u>1,718,187</u>	<u>1,648,298</u>	<u>1,684,793</u>
Fund Equity - End of Year	\$ 739,348	\$ 723,239	\$ 653,903	\$ 693,154	\$ 876,355
<u>COUNTY ROAD FUND</u>					
Fund Equity - Beginning of Year	\$ 1,768,202	\$ 1,853,929	\$ 1,942,372	\$ 2,371,403	\$ 2,497,472
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	11,027,816	4,123,437	10,531,433	9,898,623	11,334,607
Expenditures & Other Uses	<u>10,942,089</u>	<u>4,034,994</u>	<u>10,102,402</u>	<u>9,772,554</u>	<u>11,890,070</u>
Fund Equity - End of Year	\$ 1,853,929	\$ 1,942,371	\$ 2,371,403	\$ 2,497,472	\$ 1,942,009
<u>ENTERPRISE FUND - NURSING HOME</u>					
Fund Equity - Beginning of Year	\$ 3,326,480	\$ (2,793,776)	\$ 3,278,140	\$ 1,834,351	\$ 5,971,685
Prior Period Adjustments (net)	-	-	(273,956)	-	-
Revenues & Other Sources	17,758,066	28,139,825	20,319,336	26,897,295	35,975,761
Expenditures & Other Uses	<u>23,878,322</u>	<u>22,067,909</u>	<u>21,489,169</u>	<u>22,759,961</u>	<u>22,026,297</u>
Fund Equity - End of Year	\$ (2,793,776)	\$ 3,278,140	\$ 1,834,351	\$ 5,971,685	\$ 19,921,149

Source: Audited financial reports of the County. This Appendix itself is not audited.

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Excluding the current issuance of the Bonds			Principal of the Bonds*	Principal of all issues
	Principal	Interest	Total		
2019	\$ 1,427,000	\$ 944,666	\$ 2,371,666	\$ -	\$ 1,427,000
2020	1,427,000	907,214	2,334,214	515,000	1,942,000
2021	1,437,000	866,351	2,303,351	605,000	2,042,000
2022	1,447,000	818,766	2,265,766	620,000	2,067,000
2023	1,472,000	762,465	2,234,465	635,000	2,107,000
2024	1,492,000	707,016	2,199,016	650,000	2,142,000
2025	1,507,000	654,621	2,161,621	665,000	2,172,000
2026	1,235,000	486,547	1,721,547	685,000	1,920,000
2027	1,255,000	436,233	1,691,233	705,000	1,960,000
2028	1,260,000	388,891	1,648,891	725,000	1,985,000
2029	1,270,000	345,802	1,615,802	745,000	2,015,000
2030	1,385,000	294,741	1,679,741	-	1,385,000
2031	1,410,000	221,225	1,631,225	-	1,410,000
2032	1,435,000	145,961	1,580,961	-	1,435,000
2033	610,000	87,013	697,013	-	610,000
2034	635,000	44,380	679,380	-	635,000
TOTALS	\$ 20,704,000	\$ 8,111,892	\$ 28,815,892	\$ 6,550,000 *	\$ 27,254,000

Note: On June 1, 2019, the County plans to redeem \$2,550,000 outstanding principal balance of it's 2004 Series Bonds.

*Preliminary, subject to change pursuant to the accompanying Notice of Bond Sale, as described on the inside cover page of the Preliminary Official Statement.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending Dec 31st	\$23,181,503 ⁽¹⁾ Nursing Home Facility 2004 - Partially refunded by 2012 Bonds			\$9,810,000 ARRA MBBA Bond 2009			\$13,015,000 Refunding of 2004 Bonds 2012		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2019	\$ -	\$ 108,375	\$ 108,375	\$ 320,000	\$ 421,560	\$ 741,560	\$ 815,000	\$ 299,975
2020	-	108,375	108,375	330,000	408,408	738,408	805,000	275,675	1,080,675
2021	-	108,375	108,375	350,000	391,545	741,545	795,000	251,675	1,046,675
2022	-	108,375	108,375	365,000	373,660	738,660	790,000	221,975	1,011,975
2023	-	108,375	108,375	385,000	355,009	740,009	795,000	184,325	979,325
2024	-	108,375	108,375	405,000	335,335	740,335	795,000	148,550	943,550
2025	-	108,375	108,375	425,000	314,640	739,640	790,000	116,850	906,850
2026	-	108,375	108,375	445,000	292,922	737,922	790,000	85,250	875,250
2027	-	108,375	108,375	470,000	270,183	740,183	785,000	57,675	842,675
2028	-	108,375	108,375	490,000	246,166	736,166	770,000	34,350	804,350
2029	-	108,375	108,375	510,000	226,027	736,027	760,000	11,400	771,400
2030	850,000	90,313	940,313	535,000	204,428	739,428	-	-	-
2031	850,000	54,188	904,188	560,000	167,037	727,037	-	-	-
2032	850,000	18,063	868,063	585,000	127,899	712,899	-	-	-
2033	-	-	-	610,000	87,013	697,013	-	-	-
2034	-	-	-	635,000	44,380	679,380	-	-	-
TOTALS	\$ 2,550,000	\$ 1,354,688	\$ 3,904,688	\$ 7,420,000	\$ 4,266,213	\$ 11,686,213	\$ 8,690,000	\$ 1,687,700	\$ 10,377,700

⁽¹⁾ On June 1, 2019, the County plans to redeem \$2,550,000 outstanding principal balance of it's 2004 Series Bonds.

Fiscal Year Ending Dec 31st	\$2,920,000 Energy Project 2015 - QECB		
	Principal	Interest	Total
2019	\$ 292,000	\$ 114,756	\$ 406,756
2020	292,000	114,756	406,756
2021	292,000	114,756	406,756
2022	292,000	114,756	406,756
2023	292,000	114,756	406,756
2024	292,000	114,756	406,756
2025	292,000	114,756	406,756
TOTALS	\$ 2,044,000	\$ 803,292	\$ 2,847,292

CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the “Rule”), promulgated by the Securities and Exchange Commission (the “Commission”), the County has agreed to provide, or cause to be provided,

- (i) to the Electronic Municipal Market Access (“EMMA”) system of the Municipal Securities Rulemaking Board (“MSRB”) or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement dated March 21, 2019 of the County relating to the Bonds under the headings “THE COUNTY”, “TAX INFORMATION”, “STATUS OF INDEBTEDNESS”, “LITIGATION” and all Appendices (other than “APPENDIX – C” and any related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2018, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2018; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the County of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the County of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;
- (ii) within 10 business days after the occurrence of such event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:
 - (a) principal and interest payment delinquencies
 - (b) non-payment related defaults; if material
 - (c) unscheduled draws on debt service reserves reflecting financial difficulties
 - (d) unscheduled draws on credit enhancements reflecting financial difficulties
 - (e) substitution of credit or liquidity providers, or their failure to perform
 - (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (g) modifications to rights of Bondholders; if material
 - (h) bond calls, if material, and tender offers
 - (i) defeasances
 - (j) release, substitution, or sale of property securing repayment of the Bonds; if material
 - (k) rating changes
 - (l) bankruptcy, insolvency, receivership or similar event of the County;
 - (m) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - (n) appointment of a successor or additional trustee or the change of name of a trustee, if material

- (o) incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Bonds.

With respect to event (d) the County does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

For the purposes of the event identified in (l) of this section, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

With respect to events (o) and (p), the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The County may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, if the County determines that any such other event is material with respect to the Bonds; but the County does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

- (iii) in a timely manner, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

The County reserves the right to terminate its obligations to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the County no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The County acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the County's obligations under its continuing disclosure undertaking and any failure by the County to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds to recover monetary damages.

The County reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County, provided that, the County agrees that any such modification will be done in a manner consistent with the Rule.

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the purchaser at closing.

The County may amend the Continuing Disclosure Undertaking Certificate without the consent of the holders of the Bonds, provided that (a) the Continuing Disclosure Undertaking Certificate, as amended, would have complied with the requirements of the Rule at the time of the offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (b) that no such amendment shall adversely affect the interests of the holders of the Bonds (including holders of beneficial interests in the Bonds) in any material respect. In making such determinations, the County shall rely upon an opinion of nationally recognized bond counsel.

**COUNTY OF WAYNE
NEW YORK**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED DECEMBER 31, 2017**

Such Audited Financial Statement and opinion were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

Raymond F. Wager, CPA, P.C., the County's independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Raymond F. Wager, CPA, P.C. also has not performed any procedures relating to this Official Statement.

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
Table of Contents

	<u>Page Numbers</u>
1 <u>Introductory Section:</u>	
Letter of Transmittal	6 - 10
List of the Governing Board	11
Organizational Chart	12
List of County Departments	13 - 14
Certificate of Achievement for Excellence in Financial Reporting	15
2 <u>Financial Section:</u>	
Independent Auditors' Report	18 - 19
Management's Discussion and Analysis	20 - 31
Basic Financial Statements	
Statement of Net Position	34
Statement of Activities	35
Balance Sheet - Governmental Funds	36
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	37
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	38
Statement of Net Position - Proprietary Funds	39
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	40
Statement of Cash Flows - Proprietary Funds	41
Statement of Fiduciary Net Position - Fiduciary Funds	42
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	43
Notes to the Basic Financial Statements	44 - 80
Required Supplementary Information (Unaudited)	
Budgetary Comparison Schedule - General Fund	82 - 83
Schedule of Funding Progress Other Post Employment Benefit Plan	84
Schedule of the County's Proportionate Share of the Net Position Liability	85
Schedule of County Contributions	86
Note to Required Supplementary Information	87
Combining and Individual Fund Statements and Schedules	
Notes To Nonmajor Governmental Funds - Special Revenue Funds	90
Combining Balance Sheet - Nonmajor Governmental Funds	91
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	92
Budgetary Comparison Schedule - Road Machinery Special Revenue Fund	93
Budgetary Comparison Schedule - County Road Special Revenue Fund	94
County Infrastructure Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Nonmajor Capital Projects	95
Note To Agency Funds	96
Statement of Changes in Agency Fund Assets and Liabilities	97

	<u>Page Numbers</u>
3 <u>Statistical Section:</u>	
Net Position by Component - Last Ten Years	101
Changes in Net Position - Last Ten Years	102 - 103
Fund Balances, Governmental Funds - Last Ten Years	104
Changes in Fund Balances, Governmental Funds - Last Ten Years	105
Assessed Value of Taxable Property - Last Ten Years	106
County Property Tax Rates by Towns - Last Ten Years	107
Principal Taxpayers - Current Year and Nine Years Ago	108
Property Tax Rates - Direct and Overlapping Governments	109
Property Tax Levies and Collections - Last Ten Years	110
Property Value and Bank Deposits - Last Ten Years	111
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita - Last Ten Years	112
Ratio of Outstanding Debt by Type and Activity - Last Ten Years	113
Computation of Legal Debt Margin - Last Ten Years	114
Total Direct Underlying Indebtedness	115
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures - Last Ten Years	116
Demographic Statistics - Last Ten Years	117
Principle Employers - Current Year and Nine Years Ago	118
Constitutional Tax Limit - Last Ten Years	119
Resident Employment Status - Last Ten Years	120
Full-Time Equivalent County Government Employees by Function/Program - Last Ten Years	121
Operating Indicators by Function/Program - Last Ten Years	122
Capital Assets Statistics by Function/Program - Last Ten Years	123
Direct and Overlapping Sales Tax Rates - Last Ten Years	124
Annual State Tax Base Industry Totals - Last Ten Years	125

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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
WWW.CO.WAYNE.NY.US

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".

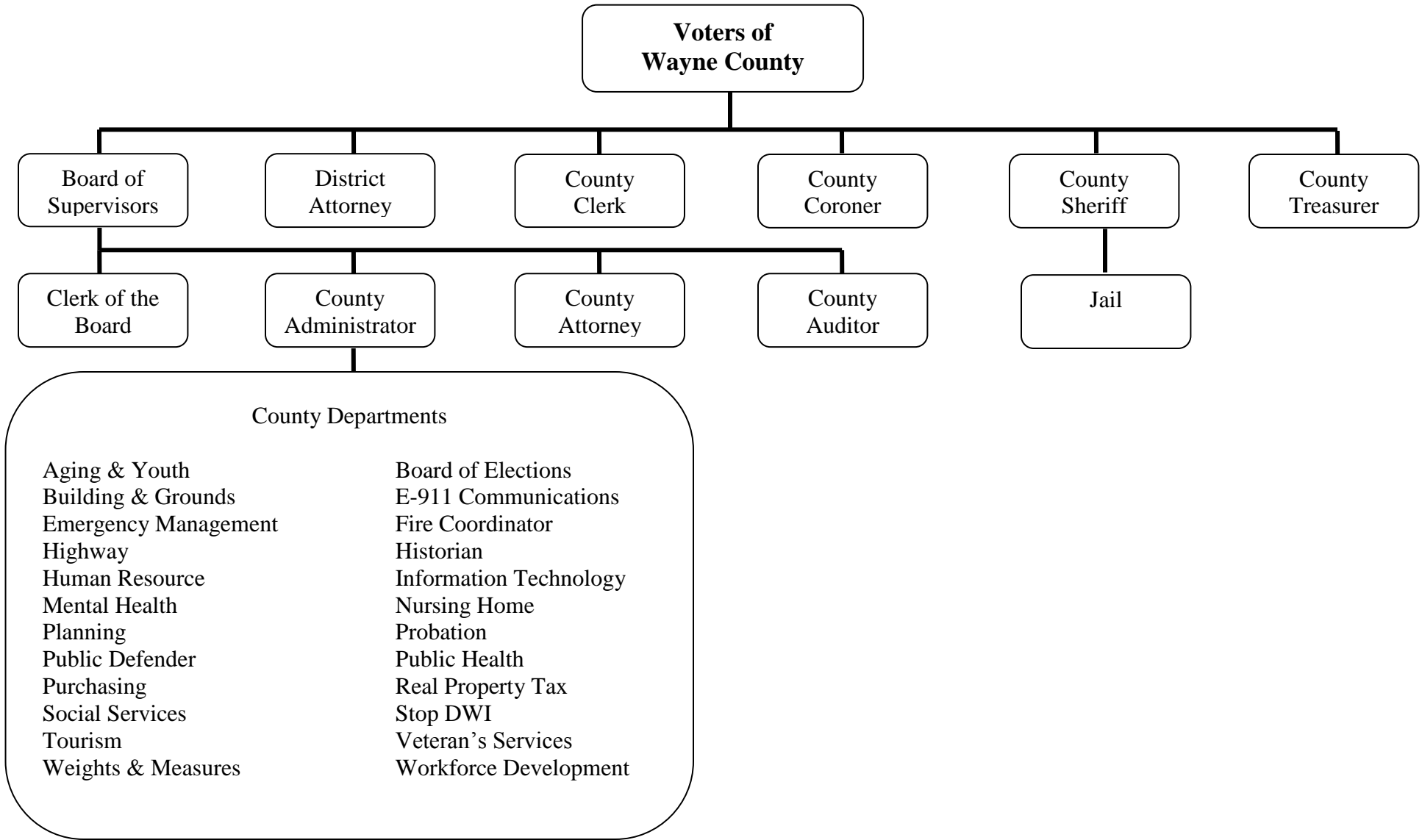
Jody Bornheimer
Wayne County Deputy Treasurer

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.

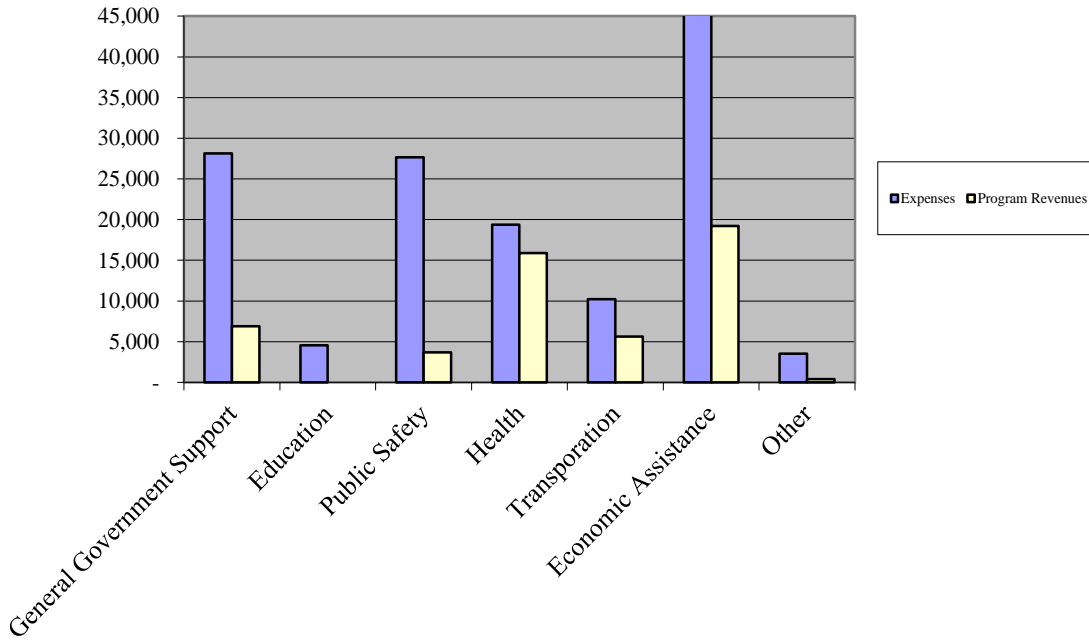
COUNTY OF WAYNE'S CHANGE IN NET POSITION

Amounts shown in thousands

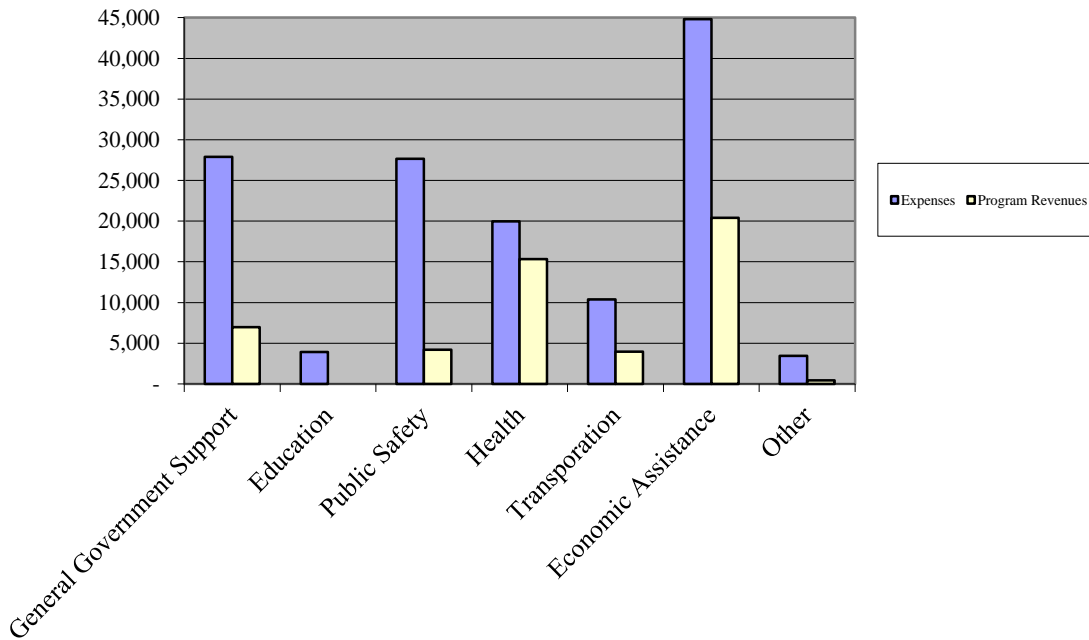
	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
<u>REVENUES:</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Program Revenues -</u>						
Charges for Services	\$ 17,047	\$ 16,922	\$ 20,226	\$ 19,951	\$ 37,273	\$ 36,873
Operating 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.

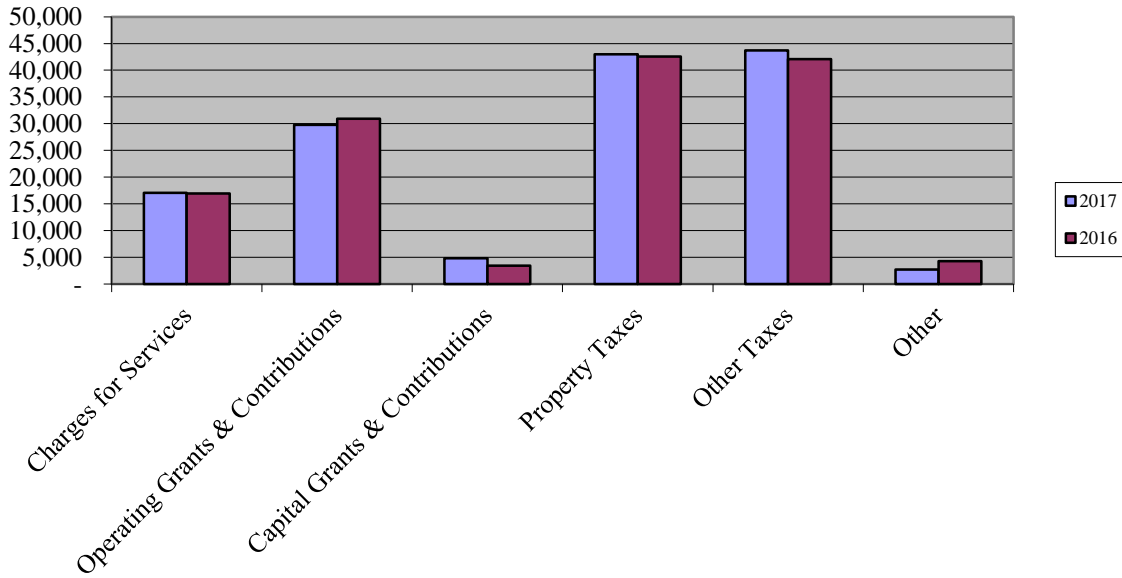
**EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL
ACTIVITIES - 2017**



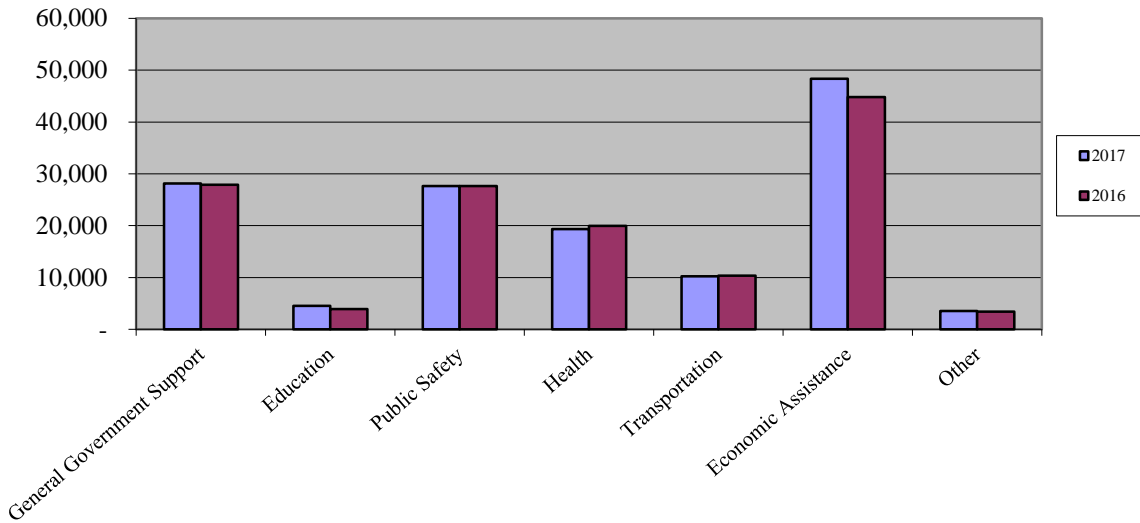
**EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL
ACTIVITIES - 2016**



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

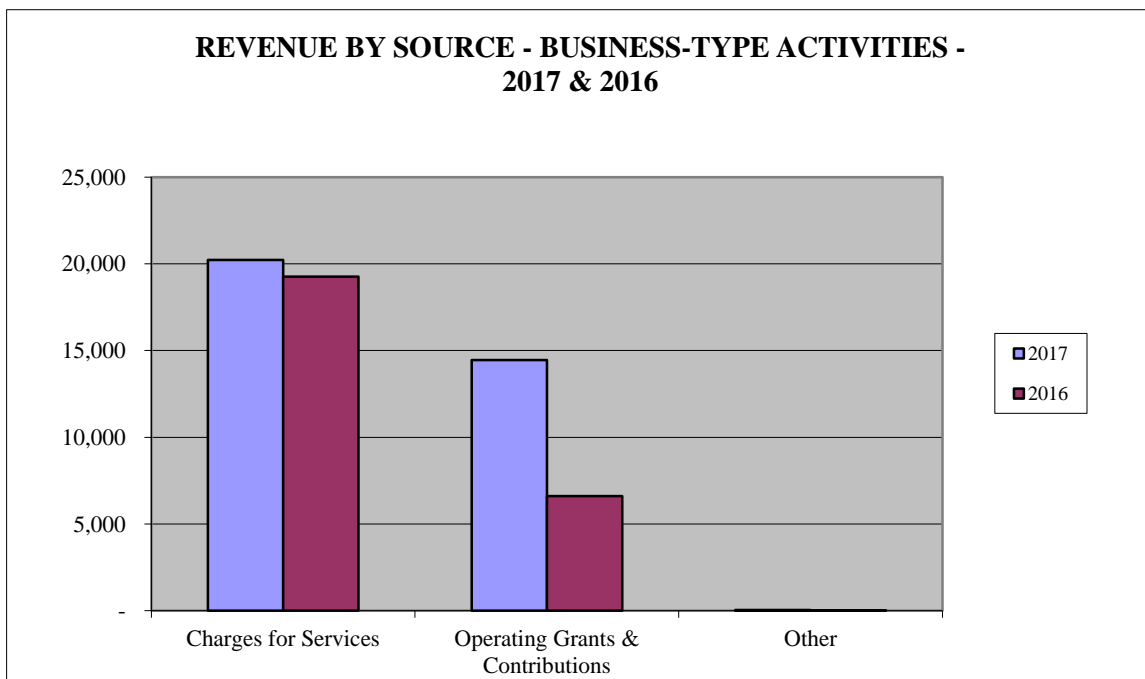
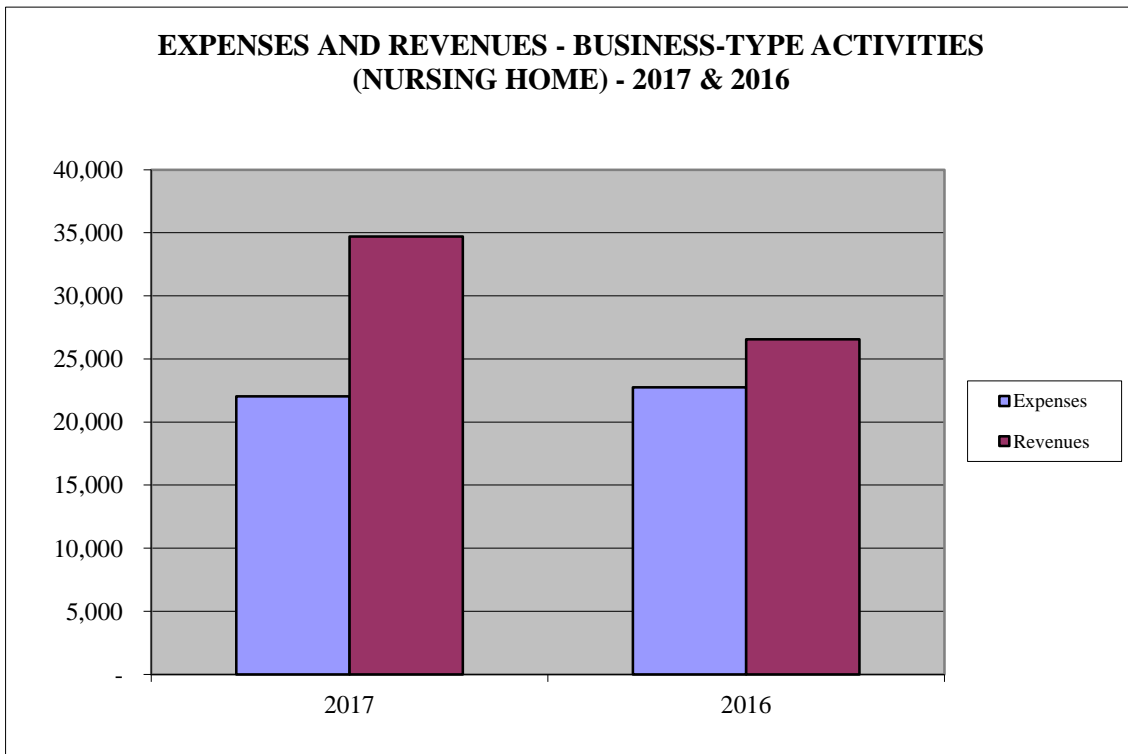


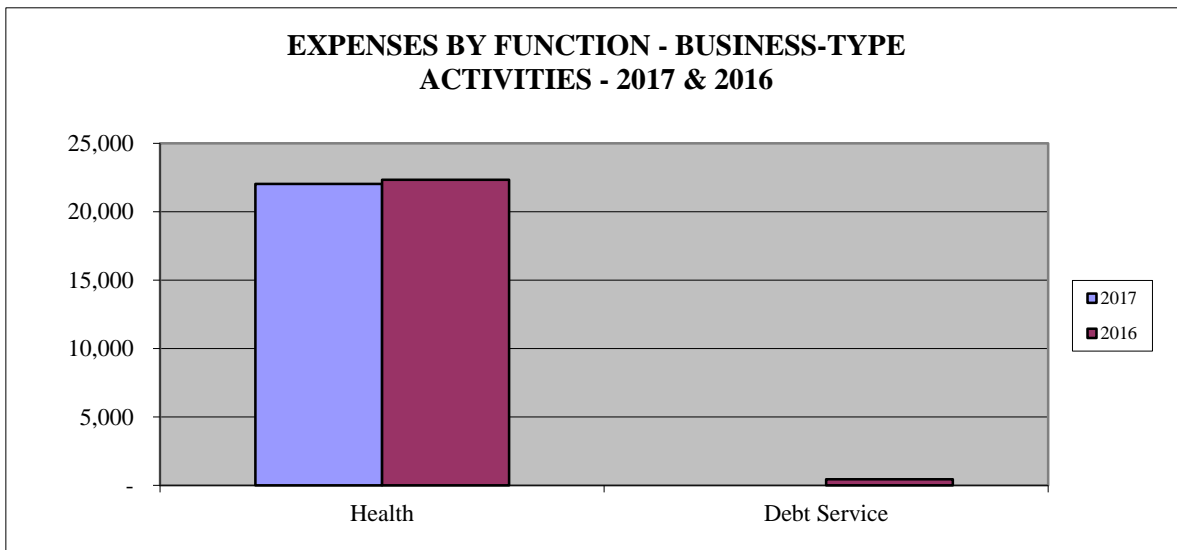
**EXPENSES BY FUNCTION - GOVERNMENTAL ACTIVITIES -
2017 & 2016**



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	\$ 107,117	\$ 105,438	\$ 5,442	\$ 6,389	\$ 112,559	\$ 111,827

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)	
	<u>1,678,477</u>	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	
	<u>1,624,454</u>	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	<hr/> \$ 20,226,559 <hr/>
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	<hr/> \$ 21,611,800 <hr/>
OPERATING INCOME OR (LOSS)	<hr/> \$ (1,385,241) <hr/>
NONOPERATING REVENUES (EXPENSES):	
Interest	\$ 37,933
Interest expense	(414,497)
Intergovernmental transfer	14,446,696
TOTAL NONOPERATING REVENUES (EXPENSES)	<hr/> \$ 14,070,132 <hr/>
INCOME (LOSS) BEFORE CONTRIBUTIONS	<hr/> \$ 12,684,891 <hr/>
NON-CAPITAL CONTRIBUTION:	
County subsidy	\$ 1,264,573
TOTAL NON-CAPITAL CONTRIBUTION	<hr/> \$ 1,264,573 <hr/>
CHANGE IN NET POSITION	<hr/> \$ 13,949,464 <hr/>
TOTAL NET POSITION, BEGINNING	<hr/> 5,971,685 <hr/>
TOTAL NET POSITION, ENDING	<hr/> \$ 19,921,149 <hr/>

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>\$ 1,270,178</u>
 LIABILITIES		
Other liabilities	\$ 301	\$ 1,270,178
TOTAL LIABILITIES	<u>\$ 301</u>	<u>\$ 1,270,178</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>10,601,086</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	\$ 22,984,619	\$ 199,252	\$ 27,378	\$ 313,071	\$ 4,629,439	\$ 28,153,759
Less: Allowance for uncollectibles	(401,141)	-	-	-	(302,755)	(703,896)
Net Total Receivables	\$ 22,583,478	\$ 199,252	\$ 27,378	\$ 313,071	\$ 4,326,684	\$ 27,449,863

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 1/1/2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 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
Assets	
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	\$ <u>-</u>
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>

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)	(2)	(3)	(4)	(5)	(6)
December, 31	Actuarial Value of Assets	Actuarial Liability (AAL) Entry-Age Normal	Funded Ratio (1)/(2)	Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	Active Members Covered Payroll	UAAL As a Percentage of Covered Payroll (4) / (5)
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>Total Nonmajor Governmental Funds</u>
	<u>Road Machinery Fund</u>	<u>Community Development Fund</u>	<u>County Road Fund</u>	<u>Capital Projects 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

	Special Revenue Funds				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	\$ 1,147,994	\$ 5	\$ 4,984,607	\$ 467,288	\$ 6,599,894
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	\$ 1,684,793	\$ 21,773	\$ 11,890,070	\$ 1,942,360	\$ 15,538,996
Excess (deficiency) of revenue over expenditures	\$ (536,799)	\$ (21,768)	\$ (6,905,463)	\$ (1,475,072)	\$ (8,939,102)
Other Financing Sources and Uses:					
Transfers - in	\$ 720,000	\$ -	\$ 6,350,000	\$ 270,600	\$ 7,340,600
Total Other Financing Sources and Uses	\$ 720,000	\$ -	\$ 6,350,000	\$ 270,600	\$ 7,340,600
Net change in fund balances	\$ 183,201	\$ (21,768)	\$ (555,463)	\$ (1,204,472)	\$ (1,598,502)
Fund Balance - Beginning	693,154	21,768	2,497,472	2,809,906	6,022,300
Fund Balance - Ending	\$ 876,355	\$ -	\$ 1,942,009	\$ 1,605,434	\$ 4,423,798

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

	Original Budget (Incl. Carryover Encumbrances)	Budget (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:					
<u>Current:</u>					
<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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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</u> <u>Property</u>	<u>Commercial</u> <u>Property</u>	<u>Industrial</u> <u>Property</u>	<u>(1)</u> <u>Other</u> <u>Property</u>	<u>Tax Exempt</u> <u>Property</u>	<u>Assessed Value</u> <u>of Taxable</u> <u>Property</u>	<u>(2)</u> <u>Full Value</u> <u>of Taxable</u> <u>Property</u>	<u>Total Direct</u> <u>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>Rank</u>	<u>Percentage</u>	<u>Taxable</u>	<u>Rank</u>	<u>Percentage</u>
	<u>Assessed</u>		<u>of Total</u>	<u>Assessed</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	\$ 581,276,833		10.43%	\$ 542,432,284		10.20%

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> Percentage of Full Value on Property <u>Value</u>	<u>Total Debt</u> <u>Outstanding</u> as a % of Personal <u>Income</u> Per <u>Capita</u>	
	<u>(1)</u> General Obligation <u>Bonds</u>	<u>(1)</u> Energy Performance <u>Contract</u>	<u>(1)</u> Capital <u>Leases</u>	<u>(1)</u> General Obligation <u>Bonds</u>	<u>Total</u> Primary <u>Government</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 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 Service</u>	<u>Total General Government Expenditures</u>	<u>Ratio of Debt Service to General Governmental 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	<u>(1)</u> <u>Population</u>	<u>(1)</u> <u>Per</u> <u>Capita</u> <u>Income</u>	<u>(2)</u> <u>School</u> <u>Enrollment</u>	<u>(2)</u> <u>Unemployment</u> <u>Rate</u>	<u>(3)</u> <u>Total</u> <u>Personal</u> <u>Income</u>
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</u> <u>Employees</u>	<u>Rank</u>	<u>Percent of</u> <u>Population</u>	<u>Number of</u> <u>Employees</u>	<u>Rank</u>	<u>Percent of</u> <u>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