

COUNTY OF SARATOGA, NEW YORK
Financial Statements and
Supplemental Information
December 31, 2012
(With Independent Auditors' Report Thereon)

COUNTY OF SARATOGA, NEW YORK

Contents

| | <u>Page</u> |
|---|-------------|
| Independent Auditors' Report | 1 - 3 |
| Management's Discussion and Analysis | 4 - 8 |
| Financial Statements: | |
| Government-Wide Financial Statements: | |
| Statement of Net Position | 9 |
| Statement of Activities | 10 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 11 |
| Reconciliation of the Total Fund Balances in the Governmental Funds to the Statement of Net Position | 12 |
| Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds | 13 |
| Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Change in Net Position in the Statement of Activities | 14 |
| Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund | 15 |
| Statement of Net Position - Proprietary Funds and Internal Service Fund | 16 |
| Statement of Revenue, Expenses, and Changes in Net Position - Proprietary Funds and Internal Service Fund | 17 |
| Statement of Cash Flows - Proprietary Funds and Internal Service Fund | 18 |
| Statement of Fiduciary Net Position - Fiduciary Funds | 19 |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds | 20 |
| Notes to Financial Statements | 21 - 60 |
| Supplemental Information: | |
| Balance Sheet - Non-Major Governmental Funds | 61 |
| Statement of Revenue, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds | 62 |
| Required Supplemental Information - Schedule of Funding Progress - Other Postemployment Benefits | 63 |

INDEPENDENT AUDITORS' REPORT

Chairman and Board of Supervisors
County of Saratoga, 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 Saratoga, New York as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the discretely presented component units.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Saratoga County Industrial Development Agency and Saratoga County Water Authority which collectively represent 100% of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Saratoga County Industrial Development Agency and Saratoga County Water Authority is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Saratoga, New York, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

As described in note 1 to the financial statements, the County of Saratoga, New York adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements," GASB Statement No. 63 - "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65 - "Items Previously Reported as Assets and Liabilities" during 2012. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other postemployment benefits - schedule of funding progress on pages 4 to 8 and 63, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Saratoga, New York's basic financial statements. The supplemental information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 16, 2013, on our consideration of the County of Saratoga's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

Torki & Co., CPAs, P.C.

Williamsville, New York
July 16, 2013

COUNTY OF SARATOGA, NEW YORK
Management's Discussion and Analysis

EXECUTIVE SUMMARY

Saratoga County faces economic pressure from increasing inflation, insufficient reimbursement of costs associated with its medical facility, Maplewood Manor, other unreimbursed social programs mandated by New York State and the federal governments.

In recent history, Saratoga County had a growing property and sales tax base, and tight fiscal management allowed it to face ever increasing costs, other expanding New York State mandates, and the ups and downs of the business cycle, without tax rate increases. Now, the short to mid-range fiscal outlook is guarded. The U.S. and the State economies are strained due to ongoing high unemployment with workers who no longer are seeking employment, as well as a deep recession bordering on fiscal depression. It is a challenge for the County to remain economically sound and continue to prosper.

The County's finances have leveled off. Real property taxable full valuation of the County has increased in 2012 by 2.5%, and since 2008 it has increased by 9.2% to \$22,678,781,112. The level of taxation in 2012 was 14.4% of the County's constitutional tax limit. Property Tax revenues for 2012 increased from 2011 by 4.4% to \$49,020,680. The 2012 sales tax revenue increased from 2011 by 5.95% to \$105,603,865. The County's government-wide net position decreased by \$32,566,680. This was caused primarily by the recognition of additional other postemployment benefit (OPEB) expenses of \$24,292,395 in 2012.

COUNTY OF SARATOGA'S ECONOMY

The County, located in the upper Hudson Valley and foothills of the Adirondack Mountains, is part of the Census Bureau's Albany-Schenectady-Troy Standard Metropolitan Statistical Area. The County's 814 square miles include the cities of Saratoga Springs and Mechanicville, the incorporated villages of Ballston Spa, Corinth, Galway, Round Lake, Schuylerville, South Glens Falls, Stillwater, Victory, and Waterford, and nineteen townships.

The 2010 census officially records the County population at 219,607. Approximately 61.27% of the population is between the ages of 20 and 65. The County-wide median age is 40.9 years. The population over 18 years of age is 77.3% of the total population, or 169,751 individuals. Of that population 48.59% are male while 51.41% are female.

The average household size is 2.44 individuals. The owner-occupied housing units contain 76.39% of the County population.

While agriculture and tourism have been the County's largest industries, manufacturing is a growing segment of its economy. Its chief manufacturers produce paper products, chemicals, electronic equipment, knit goods, and ladies' wearing apparel. General Electric Silicone Division and Quad/Graphics, Inc. are just two nationally known manufacturers located within Saratoga County. One specialized facility for energy and propulsion research is located within the County: the West Milton Atomic Project, in the Town of Milton. Opened in 2012, employing in excess of 1,300 employees, is Global Foundries, a computer chip manufacturing facility, which has been built in the Luther Forest Technology Park in the Towns of Malta and Stillwater. Global Foundries has constructed a campus with an investment of approximately \$7 billion which includes: 1.3 million

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

square foot plant within these towns that will employ 1,400 within the next few years. Also, there is site infrastructure, equipment and specialized tooling. The construction and operation of a semiconductor manufacturing campus is located in the Luther Forest Technology Campus. The Fab 8 Campus is comprised of four major building elements: (1) administrative office buildings; (2) manufacturing support buildings, including spine building and bump-test facility; (3) fabrication production building; and (4) central utility building. These buildings are approximately 2,178,745 gross square feet. They include a 300,000 square foot clean room, which will produce approximately 60,000 wafers per month.

COUNTY OF SARATOGA GOVERNMENT SERVICES

Saratoga County government services are those typically provided by New York State counties. Much of any county's operation and finances are mandated by the State, and little flexibility or discretion is left to individual counties. In the case of Saratoga, well over 75% of its general revenues are used to comply with State mandates. Those revenues are received from the State and Federal governments.

The services provided by County government are accounted for through a General Fund and five Special Purpose Funds, two of which are Enterprise Funds. Through a separate fund, the County insures itself and most municipalities in the County for workers' compensation. Other services are provided by entities related to the County: the Saratoga County Industrial Development Agency, the Saratoga County Soil and Water District, the Saratoga County Water Authority and the Saratoga Lake Improvement District.

The County is also the custodian of a wide variety of funds held for the benefit of others. To the extent that these funds are in the custody of the County Treasurer, they are accounted for in a Trust and Agency Fund and have been included in the fund-basis financial statements (but generally excluded from the entity-wide statements, as prescribed by the Governmental Accounting Standards Board).

The maintenance of the County's 99 bridges and 360 miles of highway are accounted for in two of the Special Purpose Funds at a total "modified accrual" cost. In 2012, \$20,163,602 was expended which is an increase from the previous year by \$1,523,774. \$14,477,806 was provided by Saratoga County taxpayers that also was an increase from 2011 by \$199,356. Another Special Purpose Fund accounts for the County's employment and training activities to the extent that they are paid for with Federal funds under the Work Force Investment Act. During 2012, \$710,853 was expended and reimbursed by the Federal government.

Activities of the County's Sewer District that serves the southern and eastern portions of the County are accounted for in one of the County's Enterprise Funds. The Sewer District received sewage from 64,000 "equivalent domestic units," through a 310-mile collector system and treated it at a 21.3 million-gallon/day treatment plant. The 2012 cost of the Sewer Fund was \$15,169,149 with revenues of \$15,006,905.

Maplewood Manor is operated as an enterprise fund of the County of Saratoga due to its business like model. The facility is a 277 bed, skilled nursing operation which provided rehabilitation services and skilled nursing care. For the year ended December 31, 2012, overall operating revenue

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

decreased to \$18,498,571 from \$20,022,850 at December 31, 2011. Overall expenses increased to \$32,169,455 in 2012 compared to \$31,672,529 in 2011. Inter-Governmental Transfer funding was accrued as a 2012 receivable/revenue in the amount of \$4,739,473. (The payment was received in March 2013.) In 2012 the County subsidized the nursing home at a cost of \$7,236,297. The net deficit position increased from \$16,019,352 at December 31, 2011 to \$17,713,228 at December 31, 2012. Effectively the operation is bankrupt.

The facility continues to lose substantial amounts of money due to both the cost of operations and the inability of the federal government, through its Medicaid program, to cover costs of operations. The payroll and benefits for Maplewood Manor are approximately 85% of total costs. The patients for whom the facility receives Medicaid reimbursement are 85% of the resident population. The Medicaid program covers about half of the daily costs per patient. Therefore, Maplewood Manor has been boxed into an inability to be a going concern. It would need to rely on an ever increasing subsidy from the General Fund, which is substantially funded by property tax payers in the county, a majority of whom receive no benefit from the enterprise fund.

Many changes have been implemented at Maplewood during 2012 and early 2013. The Board of Supervisors tightened the admission policy due to increasing bad debt and a need to stanch the financial losses. With this more exacting policy, the admission process was more methodical, and due to the lower admissions rate, it was decided to close a forty bed unit and consolidate the workforce to other units. The forty bed unit was closed due to low census in November 2012. The occupancy rate dropped from 98.1% in 2011 to 90.5% in 2012. Mainly due to 2012 retirements, and the reduction in residents the staffing level dropped from 315 FTE's to 294 FTE's.

Because of the financial issue at Maplewood Manor the Board of Supervisors decided, in 2012, to sell the complex. As of January 1, 2013, Maplewood Manor Local Development Corporation was created to help fund the organization through bonding for operations and facilitate the sale of the nursing home. The County can no longer continue to subsidize the nursing home at a cost of millions of dollars each year. The goal is to sell Maplewood Manor to a private entity and be out of the nursing home business by the third quarter of 2014.

The wide variety of the remaining services provided by County government are accounted for in the County's General Fund, including financial assistance to the poor and social services to the poor, the elderly, veterans, children at risk and children in general; public safety services such as a sheriff's road patrol, fire and other emergency response coordination and communications, a jail, and an animal shelter; education funding to those attending community college and to preschool children with special needs; health services to the general public in the form of public health service and mental health coordination and individual care in the form of home health care and mental health services; promotion of agriculture and tourism and other economic development activities; and services to the court system including prosecution (District Attorney), recordkeeping (County Clerk), the holding of bail and other court funds (County Treasurer), and a variety of other services. Other services to the public include the preservation and cataloging of important documents (County Clerk and Historian), motor vehicle offices, consumer protection, and environmental and forestry management. The County serves the public and other levels of local government through the Planning Board, the Board of Elections, Real Property Tax Service, and the tax collection

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

services of the County Treasurer. These services, together with the County's administrative costs and a small number of grants to community, historical, and cultural organizations, are provided at a total "modified accrual" cost. For the year ended December 31, 2012, the General Fund expended \$209,133,352 and the general tax revenue amounted to \$49,020,680.

Many of these services are mandated by New York State and in several areas the expenditures themselves are mandated, with the County having little or no control over the expenditure level. In most cases, the County receives State and/or Federal reimbursement for some, but not all, of those expenditures.

ANALYSIS OF THE COUNTY'S BUDGET AND FUND-BASIS FINANCES IN 2012

The 2012 General Fund budget included \$23,235,888 in transfers to other funds. Of the County's two Enterprise Funds, the Sewer District had an operating loss of \$162,244, while Maplewood Manor had an operating loss of \$13,670,884. This loss is primarily from the recognition of \$5,289,552 for additional OPEB expense in 2012 and Medicaid reimbursement does not reimburse more than 55% of the daily bed cost. The other budgeted funds were balanced without involving fund balance.

The County's actual expenditures in the General Fund during 2012 were \$2,992,312 under the revised budget amount. Revenue was also under the revised budget by \$6,755,848.

ANALYSIS OF THE COUNTY'S CAPITAL INVESTMENT AND BONDED INDEBTEDNESS

The County's investment, including Maplewood Manor, in capital assets at the end of 2012 is as follows:

| | <u>Cost</u> | <u>Accumulated Depreciation</u> | <u>Debt</u> | <u>Net</u> |
|-------------------------|-----------------------|-------------------------------------|-------------------|--------------------|
| Land | \$ 4,476,793 | - | - | 4,476,793 |
| Buildings | 218,950,469 | 96,650,176 | - | 122,300,293 |
| Machinery and equipment | 34,704,478 | 20,490,839 | - | 14,213,639 |
| Roads and bridges | 91,024,118 | 43,878,557 | - | 47,145,561 |
| Sewer infrastructure | 52,685,074 | 37,984,016 | 46,295,000 | (31,593,942) |
| Work-in-progress | <u>11,733,105</u> | <u>-</u> | <u>13,705,000</u> | <u>(1,971,895)</u> |
| Totals | \$ <u>413,574,037</u> | <u>199,003,588</u> | <u>60,000,000</u> | <u>154,570,449</u> |

ANALYSIS OF COUNTY'S GOVERNMENT-WIDE FINANCIAL POSITION DURING 2012

Growth is, of course, a challenge. People continue to move into Saratoga County from neighboring counties. We can expect near economic stability that others will not.

During 2012, the County's government-wide net position decreased by \$32,566,680. Governmental activities net position decreased by \$30,710,560 which was due in large part by the recognition of additional OPEB expense.

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

FUTURE PROSPECTS FOR THE COUNTY'S FINANCES

Maplewood Manor's fiscal condition will continue to drain the County's very good fiscal position.

The recognition, beginning in 2008, of other postemployment benefit liabilities has had a negative effect on the County's net assets. The County has maintained a health insurance program for its retirees and the calculation of the present value of that promise will induce some substantial reductions in net assets. In spite of the Maplewood drain, the County's financial position and its prospects for near-term revenue growth provide it with an opportunity to responsibly fund this promise over several decades.

Growth is, of course, both an opportunity and a challenge. Saratoga County will continue to seize that opportunity and meet that challenge. The development of fabrication industries in the County will bring employment opportunities along with revenue growth. People continue to move into Saratoga County from neighboring counties. We can expect near economic stability that others will not.

REQUESTS FOR INFORMATION

Additional information about the County's financial statements may be obtained from the Saratoga County Treasurer's Office, County Municipal Center, Building 1, 40 McMaster Street, Ballston Spa, New York 12020.

COUNTY OF SARATOGA, NEW YORK
Government-Wide Financial Statements
Statement of Net Position
December 31, 2012

| | Primary Government | | | Component Units | | |
|---|----------------------------|---------------------------------|---------------------|---------------------------|---------------------------------------|-------------------|
| | Governmental Activities | Business- Type Activities | Total | Saratoga County IDA | Saratoga County Water Authority | Total |
| Assets: | | | | | | |
| Cash and equivalents | \$12,841,807 | 19,982,817 | 32,824,624 | 3,392,944 | 1,147,167 | 4,540,111 |
| Receivables, net of allowance for uncollectibles | 25,208,942 | 8,066,591 | 33,275,533 | 900,016 | 843,306 | 1,743,322 |
| Due from other governments | 38,042,058 | 119,436 | 38,161,494 | - | - | - |
| Due from other activities and funds | 3,951,154 | 713,894 | 4,665,048 | - | - | - |
| Inventories | 1,089,827 | 77,811 | 1,167,638 | - | - | - |
| Prepaid expenses | 2,358,019 | 158,186 | 2,516,205 | - | 17,220 | 17,220 |
| Bond issuance cost, net of amortization | - | - | - | - | 672,266 | 672,266 |
| Long-term due from other governments | 3,142 | - | 3,142 | - | - | - |
| Restricted assets: | | | | | | |
| Cash and equivalents | 8,507,041 | - | 8,507,041 | - | 3,208,835 | 3,208,835 |
| Resident assets | - | 280,112 | 280,112 | - | - | - |
| Capital assets, net of accumulated depreciation | <u>109,738,355</u> | <u>104,832,094</u> | <u>214,570,449</u> | <u>168,138</u> | <u>74,795,820</u> | <u>74,963,958</u> |
| Total assets | <u>201,740,345</u> | <u>134,230,941</u> | <u>335,971,286</u> | <u>4,461,098</u> | <u>80,684,614</u> | <u>85,145,712</u> |
| Liabilities: | | | | | | |
| Accounts payable and other current liabilities | 9,542,536 | 2,261,473 | 11,804,009 | - | 1,393,917 | 1,393,917 |
| Due to other governments | 27,512,523 | - | 27,512,523 | - | 5,707,254 | 5,707,254 |
| Due to other activities and funds | 29,730 | 350,696 | 380,426 | - | - | - |
| Bond anticipation notes | - | 6,910,000 | 6,910,000 | - | - | - |
| Accrued compensated absences | 2,430,276 | 847,822 | 3,278,098 | - | 14,968 | 14,968 |
| Resident funds and security deposits | - | 280,112 | 280,112 | - | - | - |
| Retainage payable | - | 138,979 | 138,979 | - | - | - |
| Long-term liabilities: | | | | | | |
| Due within one year | 2,450,000 | 1,955,000 | 4,405,000 | - | 485,000 | 485,000 |
| Due in more than one year | 15,895,000 | 44,340,000 | 60,235,000 | - | 43,323,920 | 43,323,920 |
| Self insured claims payable | 14,986,932 | - | 14,986,932 | - | - | - |
| Other postemployment benefits liability | <u>98,542,686</u> | <u>33,803,132</u> | <u>132,345,818</u> | <u>-</u> | <u>38,571</u> | <u>38,571</u> |
| Total liabilities | <u>171,389,683</u> | <u>90,887,214</u> | <u>262,276,897</u> | <u>-</u> | <u>50,963,630</u> | <u>50,963,630</u> |
| Deferred inflows of resources - aggregated deferred inflows | <u>3,310,021</u> | <u>243,025</u> | <u>3,553,046</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net position: | | | | | | |
| Invested in capital assets, net of related debt | 96,033,355 | 58,537,094 | 154,570,449 | 168,138 | 25,458,566 | 25,626,704 |
| Restricted for self-insurance contributed reserve | 8,507,041 | - | 8,507,041 | - | - | - |
| Restricted | 40,840 | - | 40,840 | - | 3,208,835 | 3,208,835 |
| Unrestricted (deficit) | <u>(77,540,595)</u> | <u>(15,436,392)</u> | <u>(92,976,987)</u> | <u>4,292,960</u> | <u>1,053,583</u> | <u>5,346,543</u> |
| Total net position | <u>\$27,040,641</u> | <u>43,100,702</u> | <u>70,141,343</u> | <u>4,461,098</u> | <u>29,720,984</u> | <u>34,182,082</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
Government-Wide Financial Statements
Statement of Activities
Year Ended December 31, 2012

| Functions/Programs | Program Revenue | | | Net (Expenses) Revenue and Changes in Net Position | | | Component Units | |
|---|--------------------|------------------------------------|----------------------------------|--|---|--------------------------|--------------------|-------|
| | Expenses | Charges for Services | | Governmental Activities | Primary Government Business-type Activities | | | Total |
| | | Operating Grants and Contributions | Capital Grants and Contributions | | Governmental Activities | Business-type Activities | | |
| Governmental activities: | | | | | | | | |
| General government support | \$ 87,912,585 | 10,937,804 | 7,300,035 | (69,674,746) | - | (69,674,746) | - | |
| Education | 16,903,246 | - | 8,546,784 | (8,356,462) | - | (8,356,462) | - | |
| Public safety | 36,524,663 | 2,312,024 | 800,638 | (33,412,001) | - | (33,412,001) | - | |
| Health | 19,498,614 | 5,968,530 | 4,665,624 | (8,864,460) | - | (8,864,460) | - | |
| Transportation | 22,791,047 | 1,567,826 | 3,886,752 | (17,010,370) | - | (17,010,370) | - | |
| Economic opportunity and development | 65,013,243 | 1,292,916 | 11,515,322 | (52,205,005) | - | (52,205,005) | - | |
| Culture and recreation | 1,163,999 | 549,449 | 55,810 | (558,740) | - | (558,740) | - | |
| Home and community services | 3,302,898 | 22,500 | 294,827 | (2,985,571) | - | (2,985,571) | - | |
| Interest on long-term debt | 775,428 | - | - | (775,428) | - | (775,428) | - | |
| Total governmental activities | 253,885,723 | 22,651,049 | 37,065,792 | (193,842,783) | - | (193,842,783) | - | |
| Business-type activities: | | | | | | | | |
| Maplewood Manor | 32,169,455 | 18,498,571 | - | - | (13,670,884) | (13,670,884) | - | |
| Sewer District | 15,169,149 | 14,899,940 | 59,878 | - | (209,331) | (209,331) | - | |
| Total business-type activities | 47,338,604 | 33,398,511 | 59,878 | - | (13,880,215) | (13,880,215) | - | |
| Component unit: | | | | | | | | |
| Saratoga County Water Authority | 7,959,856 | 3,276,634 | - | - | - | - | (4,683,222) | |
| Saratoga County Industrial Development Agency | \$ 445,835 | 129,991 | - | - | - | - | (315,844) | |
| General revenue: | | | | | | | | |
| Real property tax and related tax items | | | | 55,082,428 | - | 55,082,428 | - | |
| Non-property tax items | | | | 108,804,404 | - | 108,804,404 | - | |
| Intergovernmental transfers | | | | - | 4,739,473 | 4,739,473 | - | |
| Sales of property and compensation for loss | | | | 2,872,933 | 22,500 | 2,895,433 | 26,741 | |
| Interest earnings | | | | 21,455 | 1,238 | 22,693 | 47,847 | |
| Other general revenue | | | | 3,587,300 | 24,587 | 3,611,887 | - | |
| Transfers | | | | (7,236,297) | 7,236,297 | - | - | |
| Total general revenue and transfers | | | | 163,132,223 | 12,024,095 | 175,156,318 | 74,588 | |
| Change in net position | | | | (30,710,560) | (1,856,120) | (32,566,680) | (4,924,478) | |
| Net position at beginning of year | | | | 57,751,201 | 44,956,822 | 102,708,023 | 39,106,560 | |
| Net position at end of year | | | | \$ 27,040,641 | 43,100,702 | 70,141,343 | 34,182,082 | |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
Fund Financial Statements
Balance Sheet - Governmental Funds
December 31, 2012

| | <u>General</u> | <u>Capital Projects Fund</u> | <u>Non-major Governmental Funds</u> | <u>Total</u> |
|--|---------------------|--------------------------------------|---|-------------------|
| Assets: | | | | |
| Cash and equivalents | \$ 8,760,982 | 3,674,433 | 90,135 | 12,525,550 |
| Taxes receivables, net of allowance for uncollectibles | 23,352,316 | - | - | 23,352,316 |
| Receivables from other governments | 31,241,419 | - | 286,048 | 31,527,467 |
| Other receivables, net of allowance for uncollectibles | 1,523,835 | 95,626 | 237,165 | 1,856,626 |
| Inventories | 26,849 | - | - | 26,849 |
| Due from other funds | 1,422,398 | 77,750 | 2,451,006 | 3,951,154 |
| Miscellaneous | - | - | 3,142 | 3,142 |
| Total assets | <u>\$66,327,799</u> | <u>3,847,809</u> | <u>3,067,496</u> | <u>73,243,104</u> |
| Liabilities, Deferred Inflows, and Fund Balances: | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | 7,211,009 | 9,189 | 1,952,827 | 9,173,025 |
| Other liabilities | 2,107,114 | - | 321,829 | 2,428,943 |
| Retained percentages | - | 16,516 | 3,425 | 19,941 |
| Due to other governments | <u>25,783,794</u> | - | - | <u>25,783,794</u> |
| Total liabilities | <u>35,101,917</u> | <u>25,705</u> | <u>2,278,081</u> | <u>37,405,703</u> |
| Deferred inflows of resources - aggregated deferred inflows | <u>20,879,763</u> | - | <u>11,757</u> | <u>20,891,520</u> |
| Fund balances: | | | | |
| Non-spendable | 26,849 | - | - | 26,849 |
| Restricted | - | - | 40,840 | 40,840 |
| Assigned - appropriated | 1,907,597 | - | - | 1,907,597 |
| Assigned - unappropriated | - | 3,822,104 | 736,818 | 4,558,922 |
| Unassigned | <u>8,411,673</u> | - | - | <u>8,411,673</u> |
| Total fund balances | <u>10,346,119</u> | <u>3,822,104</u> | <u>777,658</u> | <u>14,945,881</u> |
| Total liabilities, deferred inflows, and fund balances | <u>\$66,327,799</u> | <u>3,847,809</u> | <u>3,067,496</u> | <u>73,243,104</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
 Reconciliation of the Total Fund Balances in the
 Governmental Funds to the Statement of Net Position
 December 31, 2012

| | |
|---|----------------------|
| Total fund balances in the fund financial statements for the Governmental Funds | \$ 14,945,881 |
| This amount differs from the amount of net assets shown in the statement of net assets for governmental activities due to the following: | |
| Capital assets are included as assets in the government-wide statements and are added, net of accumulated depreciation. | 109,738,355 |
| Payments for retirement system contributions covering the period January 1, 2013 to March 31, 2013 are recognized as prepaid expenses, a current asset in the government-wide statements. | 2,355,464 |
| Levied but uncollected real property taxes reported as deferred inflows in the Governmental Fund financial statements and collection of prior year taxes are recognized as revenue and additions to net assets in the government-wide statements. | 9,670,055 |
| Revenue that was earned, measurable but not available is recorded as revenue in the government-wide financial statements. | 7,955,963 |
| Significant inventories of materials and supplies are included in the government-wide statements as current assets. | 1,062,978 |
| Long-term debt accrued interest | (70,370) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. | (18,345,000) |
| Assessment from a local government district is recognized as a long-term liability in the government-wide statements which will be recorded in the Governmental Fund financial statements in the year of settlement. | (1,728,729) |
| Internal service fund is reported in the governmental funds. | (297,466) |
| Other postemployment benefits liability | <u>(98,246,490)</u> |
| Total net position of the governmental activities | <u>\$ 27,040,641</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
Fund Financial Statements
Statement of Revenue, Expenditures, and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2012

| | <u>General</u> | <u>Capital Projects Fund</u> | <u>Non-major Governmental Funds</u> | <u>Total</u> |
|---|---------------------|--------------------------------------|---|--------------------|
| Revenue: | | | | |
| Real property taxes | \$49,020,680 | - | - | 49,020,680 |
| Other real property tax items | 4,910,093 | - | - | 4,910,093 |
| Non-property taxes | 108,804,404 | - | - | 108,804,404 |
| Departmental income | 14,749,322 | - | 1,451,288 | 16,200,610 |
| Intergovernmental charges | 2,646,129 | - | - | 2,646,129 |
| Use of money and property | 434,781 | - | 44 | 434,825 |
| Licenses and permits | 27,057 | - | - | 27,057 |
| Fines and forfeitures | 326,641 | - | 678 | 327,319 |
| Sale of property and compensation for loss | 2,338,683 | - | 534,250 | 2,872,933 |
| Miscellaneous | 37,011 | - | 350,622 | 387,633 |
| State aid | 21,814,304 | - | 2,510,159 | 24,324,463 |
| Federal aid | 16,388,381 | 76,501 | 2,082,120 | 18,547,002 |
| Total revenue | <u>221,497,486</u> | <u>76,501</u> | <u>6,929,161</u> | <u>228,503,148</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government support | 76,540,330 | - | - | 76,540,330 |
| Education | 16,903,246 | - | - | 16,903,246 |
| Public safety | 30,054,270 | 922,431 | 645,840 | 31,622,541 |
| Health | 17,032,346 | - | - | 17,032,346 |
| Transportation | 598,112 | - | 20,163,602 | 20,761,714 |
| Economic opportunity and development | 60,649,269 | - | 714,605 | 61,363,874 |
| Culture and recreation | 958,727 | 66,227 | - | 1,024,954 |
| Home and community service | 3,164,673 | - | - | 3,164,673 |
| Capital outlay - debt interest | 3,232,379 | - | - | 3,232,379 |
| Total expenditures | <u>209,133,352</u> | <u>988,658</u> | <u>21,524,047</u> | <u>231,646,057</u> |
| Other financing sources (uses): | | | | |
| Interfund transfers in | 5,874,292 | - | 14,477,806 | 20,352,098 |
| Interfund transfers out | (21,714,103) | (5,874,292) | - | (27,588,395) |
| Total other financing sources (uses) | <u>(15,839,811)</u> | <u>(5,874,292)</u> | <u>14,477,806</u> | <u>(7,236,297)</u> |
| Net change in fund balances | (3,475,677) | (6,786,449) | (117,080) | (10,379,206) |
| Fund balances at beginning of year | 13,821,796 | 10,608,553 | 894,738 | 25,325,087 |
| Fund balances at end of year | <u>\$10,346,119</u> | <u>3,822,104</u> | <u>777,658</u> | <u>14,945,881</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
 Reconciliation of the Statement of Revenue, Expenditures, and
 Changes in Fund Balances of the Governmental Funds to the
 Change in Net Position in the Statement of Activities
 Year Ended December 31, 2012

| | |
|--|--------------------------------|
| Net change in fund balances shown for total Governmental Funds | \$(10,379,206) |
| This amount differs from the change in net assets of governmental activities shown in the statement of activities because of the following: | |
| <p>Capital outlays for acquisition of capital assets are recorded in Governmental Funds as expenditures. However, in the statement of activities, costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This amount represents the differences between expenditures for acquisition of capital assets and depreciation expense for the period.</p> | |
| Expenditures for acquisition of capital assets | \$3,424,855 |
| Depreciation expense | <u>(6,093,908)</u> (2,669,053) |
| Revenue that was earned and measurable, but not available, is recorded as revenue in the government-wide financial statements. | (5,263,585) |
| Collections of prior year real property taxes and other revenue are shown as deferred revenue in the prior year and current year revenue in the year collected. This amount represents collections of prior year unpaid taxes and other revenue received in 2012 that are deducted from revenue in the government-wide financial statements. | 1,151,655 |
| Expenditures for inventory within certain Governmental Funds are recorded as expenditures when paid. In the statement of activities, these costs are allocated over the time periods the items are consumed. | (430,122) |
| The annual payment for retirement system contributions is billed in advance for the payroll period April 1 to March 31. In the Governmental Funds, these contributions are shown as expenditures when the payment is due, which initially is December 15. In the statement of activities, these costs are allocated over the payroll period they pertain to. The allocations for the period January 1 to March 31 of the subsequent year are shown as prepaid expenses. This is the difference between the amounts billed and allocated over the applicable periods. | 634,796 |
| Increase in other postemployment benefits liability is recorded in the statement of net position but not in the government funds. | (18,016,129) |
| Settlement with a local government district is recognized as a decrease in long-term liability in the government-wide statements. | 1,855,303 |
| Principal payments on long-term debt | 2,370,000 |
| Accrued interest on long-term debt | 86,951 |
| Internal service funds are proprietary funds that are combined with governmental activities on the government-wide statements. | <u>(51,170)</u> |
| Change in net position of governmental activities shown in the statement of activities | <u><u>\$(30,710,560)</u></u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
Fund Financial Statements
Statement of Revenue, Expenditures, and Changes in
Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2012

| | <u>Budgeted Amounts</u> | | <u>Actual Amounts</u> | <u>Variance Revised</u> |
|---|-------------------------|---------------------|---------------------------|-----------------------------|
| | <u>Adopted</u> | <u>Revised</u> | | |
| Revenue: | | | | |
| Real property taxes | \$ 50,774,998 | 50,774,998 | 49,020,680 | (1,754,318) |
| Other real property tax items | 4,073,400 | 4,073,400 | 4,910,093 | 836,693 |
| Non-property taxes | 102,697,000 | 102,697,000 | 108,804,404 | 6,107,404 |
| Departmental income | 14,568,843 | 14,528,543 | 14,749,322 | 220,779 |
| Intergovernmental charges | 2,343,074 | 2,343,074 | 2,646,129 | 303,055 |
| Use of money and property | 581,580 | 581,580 | 434,781 | (146,799) |
| Licenses and permits | 22,000 | 22,000 | 27,057 | 5,057 |
| Fines and forfeitures | 401,564 | 401,564 | 326,641 | (74,923) |
| Sale of property and compensation for loss | 2,250,500 | 2,250,500 | 2,338,683 | 88,183 |
| Miscellaneous | 6,293,334 | 6,643,334 | 37,011 | (6,606,323) |
| State aid | 24,055,308 | 25,518,152 | 21,814,304 | (3,703,848) |
| Federal aid | 18,120,939 | 18,419,189 | 16,388,381 | (2,030,808) |
| Total revenue | <u>226,182,540</u> | <u>228,253,334</u> | <u>221,497,486</u> | <u>(6,755,848)</u> |
| Expenditures: | | | | |
| General government support | 74,092,871 | 76,620,699 | 76,540,330 | 80,369 |
| Education | 18,791,446 | 17,380,840 | 16,903,246 | 477,594 |
| Public safety | 29,831,811 | 30,663,371 | 30,054,270 | 609,101 |
| Health | 19,020,316 | 17,554,925 | 17,032,346 | 522,579 |
| Transportation | 1,183,765 | 1,393,579 | 598,112 | 795,467 |
| Economic opportunity and development | 59,551,500 | 60,651,802 | 60,649,269 | 2,533 |
| Culture and recreation | 869,870 | 996,014 | 958,727 | 37,287 |
| Home and community service | 3,603,864 | 3,632,054 | 3,164,673 | 467,381 |
| Debt service | 3,232,380 | 3,232,380 | 3,232,379 | 1 |
| Total expenditures | <u>210,177,823</u> | <u>212,125,664</u> | <u>209,133,352</u> | <u>2,992,312</u> |
| Other financing uses - net interfund transfers out | <u>(23,235,888)</u> | <u>(23,260,716)</u> | <u>(15,839,811)</u> | <u>7,420,905</u> |
| Net change in appropriated fund balance (budget) and fund balance (actual) | <u>\$ (7,231,171)</u> | <u>(7,133,046)</u> | <u>(3,475,677)</u> | <u>3,657,369</u> |
| Fund balance at beginning of year | | | <u>13,821,796</u> | |
| Fund balance at end of year | | | <u>\$ 10,346,119</u> | |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
Fund Financial Statements
Statement of Net Position - Proprietary Funds and Internal Service Fund
December 31, 2012

| | Business-type Activities Enterprise Funds | | | Internal Service |
|---|--|--------------------|---------------------|------------------------|
| | Maplewood Manor | Sewer District | Total | Fund Self Insurance |
| Assets: | | | | |
| Cash and equivalents | \$ 272,439 | 19,710,378 | 19,982,817 | 316,258 |
| Receivables, net of allowance for uncollectibles | 7,351,054 | 715,537 | 8,066,591 | - |
| Due from other governments | 119,436 | - | 119,436 | 6,514,591 |
| Due from other funds | 617,370 | 96,524 | 713,894 | - |
| Inventories | 77,811 | - | 77,811 | - |
| Prepaid expenses | 28,732 | 129,454 | 158,186 | 2,555 |
| Restricted assets: | | | | |
| Cash and equivalents | 127,293 | - | 127,293 | 8,507,041 |
| Resident assets | 152,819 | - | 152,819 | - |
| Capital assets, net of accumulated depreciation | <u>3,165,013</u> | <u>101,667,081</u> | <u>104,832,094</u> | <u>-</u> |
| Total assets | <u>11,911,967</u> | <u>122,318,974</u> | <u>134,230,941</u> | <u>15,340,445</u> |
| Liabilities: | | | | |
| Accounts payable and other current liabilities | 171,999 | 2,089,474 | 2,261,473 | 279,200 |
| Due to other funds | - | 350,696 | 350,696 | 29,730 |
| Bond anticipation notes | - | 6,910,000 | 6,910,000 | - |
| Accrued compensated absences | 694,378 | 153,444 | 847,822 | 1,333 |
| Resident funds and security deposits | 280,112 | - | 280,112 | - |
| Retainage payable | - | 138,979 | 138,979 | - |
| Noncurrent liabilities: | | | | |
| Due within one year | - | 1,955,000 | 1,955,000 | - |
| Due in more than one year | - | 44,340,000 | 44,340,000 | - |
| Self insured claims payable | - | - | - | 14,986,932 |
| Other postemployment benefits liability | <u>28,465,681</u> | <u>5,337,451</u> | <u>33,803,132</u> | <u>296,196</u> |
| Total liabilities | <u>29,612,170</u> | <u>61,275,044</u> | <u>90,887,214</u> | <u>15,593,391</u> |
| Deferred inflows of resources - aggregated deferred inflows | <u>13,025</u> | <u>230,000</u> | <u>243,025</u> | <u>44,520</u> |
| Net position: | | | | |
| Invested in capital assets, net of related debt | 3,165,013 | 55,372,081 | 58,537,094 | - |
| Restricted for self insurance contributed reserve | - | - | - | 8,507,041 |
| Unrestricted (deficit) | <u>(20,878,241)</u> | <u>5,441,849</u> | <u>(15,436,392)</u> | <u>(8,804,507)</u> |
| Total net position | <u>\$(17,713,228)</u> | <u>60,813,930</u> | <u>43,100,702</u> | <u>(297,466)</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
Fund Financial Statements
Statement of Revenue, Expenses, and Changes in Net Position -
Proprietary Funds and Internal Service Fund
Year Ended December 31, 2012

| | Business-type Activities Enterprise Funds | | | Internal Service Fund Self Insurance |
|--|--|-------------------|---------------------|---|
| | Maplewood Manor | Sewer District | Total | |
| Operating revenue: | | | | |
| Rents and charges for sales and services | \$ - | 14,899,940 | 14,899,940 | - |
| Resident service revenue, net of allowances | 18,498,571 | - | 18,498,571 | - |
| Participant assessments | - | - | - | 3,879,275 |
| Sale of property and compensation for losses | - | 22,500 | 22,500 | - |
| Miscellaneous local sources | - | 24,587 | 24,587 | 264,209 |
| Other grants and revenue | - | 59,878 | 59,878 | 21,455 |
| Total operating revenue | <u>18,498,571</u> | <u>15,006,905</u> | <u>33,505,476</u> | <u>4,164,939</u> |
| Operating expenses: | | | | |
| Costs of sales and services | 26,379,380 | 6,139,103 | 32,518,483 | 4,168,940 |
| Other postemployment benefits expense | 5,289,552 | 939,544 | 6,229,096 | 47,170 |
| Interest | 7,994 | 3,775,440 | 3,783,434 | - |
| Depreciation | 492,529 | 4,315,062 | 4,807,591 | - |
| Total operating expenses | <u>32,169,455</u> | <u>15,169,149</u> | <u>47,338,604</u> | <u>4,216,110</u> |
| Operating loss | <u>(13,670,884)</u> | <u>(162,244)</u> | <u>(13,833,128)</u> | <u>(51,171)</u> |
| Nonoperating revenue - interest earnings | <u>1,238</u> | <u>-</u> | <u>1,238</u> | <u>-</u> |
| Loss before transfers | (13,669,646) | (162,244) | (13,831,890) | (51,171) |
| Intergovernmental transfer revenue (IGT) | 4,739,473 | - | 4,739,473 | - |
| Transfers from other funds | <u>7,236,297</u> | <u>-</u> | <u>7,236,297</u> | <u>-</u> |
| Change in net position | (1,693,876) | (162,244) | (1,856,120) | (51,171) |
| Net position (deficit) at beginning of year | <u>(16,019,352)</u> | <u>60,976,174</u> | <u>44,956,822</u> | <u>(246,295)</u> |
| Net position (deficit) at end of year | <u>\$ (17,713,228)</u> | <u>60,813,930</u> | <u>43,100,702</u> | <u>(297,466)</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
Fund Financial Statements
Statement of Cash Flows - Proprietary Funds and Internal Service Fund
Year Ended December 31, 2012

| | Business-type Activities Enterprise Funds | | | Internal Service Fund Self Insurance |
|---|--|-------------------|-------------------|---|
| | Maplewood Manor | Sewer District | Subtotal | |
| Cash flows from operating activities: | | | | |
| Cash received from charges to customers | \$ - | 15,242,030 | 15,242,030 | 3,130,264 |
| Cash received from residents and third-party payers | 17,994,787 | - | 17,994,787 | - |
| Cash received from grants and contributions | - | 59,878 | 59,878 | - |
| Payment to employees, payroll taxes, and benefits | (22,587,560) | (3,550,141) | (26,137,701) | (37,699) |
| Payment for interest | (7,994) | (3,880,143) | (3,888,137) | (1,387,824) |
| Payment to suppliers, vendors | (5,330,921) | 5,158,382 | (172,539) | - |
| Net cash provided by (used in) operating activities | <u>(9,931,688)</u> | <u>13,030,006</u> | <u>3,098,318</u> | <u>1,704,741</u> |
| Cash flows from non-capital financing activities: | | | | |
| Transfers from other funds | 7,236,297 | - | 7,236,297 | - |
| Increase in restricted cash and equivalents | - | - | - | (1,397,917) |
| Net cash provided by (used in) non-capital financing activities | <u>7,236,297</u> | <u>-</u> | <u>7,236,297</u> | <u>(1,397,917)</u> |
| Cash flows from capital and related financing activities: | | | | |
| Acquisition of capital assets | (17,287) | (3,052,302) | (3,069,589) | - |
| Net repayments of bond short-term financing | - | 6,910,000 | 6,910,000 | - |
| Repayments of long-term debt | (353,978) | (2,115,000) | (2,468,978) | - |
| Net cash provided by (used in) capital and related financing activities | <u>(371,265)</u> | <u>1,742,698</u> | <u>1,371,433</u> | <u>-</u> |
| Cash flows from investing activities - interest earned on cash in time deposits | <u>1,238</u> | <u>-</u> | <u>1,238</u> | <u>-</u> |
| Net increase (decrease) in cash and equivalents | (3,065,418) | 14,772,704 | 11,707,286 | 306,824 |
| Cash and equivalents at beginning of year | <u>3,337,857</u> | <u>4,937,674</u> | <u>8,275,531</u> | <u>9,434</u> |
| Cash and equivalents at end of year | <u>\$ 272,439</u> | <u>19,710,378</u> | <u>19,982,817</u> | <u>316,258</u> |
| Reconciliation of operating loss to net cash provided by (used in) operating activities: | | | | |
| Operating loss | (13,670,884) | (162,244) | (13,833,128) | (51,171) |
| Depreciation expense | 492,529 | 4,315,062 | 4,807,591 | - |
| Provision for doubtful accounts | 162,787 | - | 162,787 | - |
| Other postemployment benefits expense | 5,289,552 | 939,544 | 6,229,096 | 47,170 |
| Changes in: | | | | |
| Receivables, net of allowances | 287,757 | 65,003 | 352,760 | (26,406) |
| Inventories | (3,025) | - | (3,025) | - |
| Prepaid expenses | 11,332 | (32,000) | (20,668) | 4,001 |
| Due from Saratoga County | (617,370) | - | (617,370) | - |
| Due from other funds | - | 8,677,570 | 8,677,570 | 1,452,819 |
| Due to Saratoga County | (1,593,245) | - | (1,593,245) | - |
| Due to other funds | - | 350,696 | 350,696 | 29,730 |
| Estimated third-party payers settlements | (130,405) | - | (130,405) | - |
| Accounts payable and accrued liabilities | (56,791) | 834,552 | 777,761 | 239,731 |
| Retainage payable | - | (2,174,276) | (2,174,276) | - |
| Accrued compensated absences | (116,950) | (13,901) | (130,851) | (2,896) |
| Deferred inflows | 13,025 | 230,000 | 243,025 | 11,763 |
| Net cash provided by (used in) operating activities | <u>\$ (9,931,688)</u> | <u>13,030,006</u> | <u>3,098,318</u> | <u>1,704,741</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
 Statement of Fiduciary Net Position - Fiduciary Funds
 December 31, 2012

| | <u>Agency Funds</u> | <u>Permanent Fund</u> | <u>Private Purpose Trust Fund</u> | <u>Total Fiduciary Funds</u> |
|----------------------------|-------------------------|---------------------------|---|--------------------------------------|
| Assets | | | | |
| Cash and equivalents | \$ 21,284,456 | 118,440 | - | 21,402,896 |
| Restricted cash | - | - | 23,021 | 23,021 |
| Due from other governments | <u>366</u> | <u>-</u> | <u>-</u> | <u>366</u> |
| Total assets | <u>21,284,822</u> | <u>118,440</u> | <u>23,021</u> | <u>21,426,283</u> |
| Liabilities | | | | |
| Agency liabilities | 13,771,709 | 118,440 | 23,021 | 13,913,170 |
| Due to other funds | 4,284,622 | - | - | 4,284,622 |
| Due to other governments | <u>3,228,491</u> | <u>-</u> | <u>-</u> | <u>3,228,491</u> |
| Total liabilities | <u>21,284,822</u> | <u>118,440</u> | <u>23,021</u> | <u>21,426,283</u> |
| Net position | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> |

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK
 Statement of Changes in Fiduciary Net Position -
 Fiduciary Funds
 Year Ended December 31, 2012

| | <u>Private Purpose Trust Fund</u> |
|-----------------------------------|---|
| Additions - interest earnings | \$ 632 |
| Deductions - cemeteries | <u>(632)</u> |
| Change in net position | - |
| Net position at beginning of year | <u>-</u> |
| Net position at end of year | <u><u>\$ -</u></u> |

See accompanying notes to financial statements.