

**COUNTY OF ONONDAGA, NEW YORK  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
EFFECTIVE JANUARY 1, 2009**

**PREPARED BY THE COMPTROLLER'S OFFICE**

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**COUNTY OF ONONDAGA, NEW YORK  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FISCAL YEAR ENDED DECEMBER 31, 2008  
 TABLE OF CONTENTS**

---

PAGE

***INTRODUCTORY SECTION (UNAUDITED)***

List of Principal Officials .....	i
Organization Chart .....	ii
Letter of Transmittal.....	iii

***FINANCIAL SECTION***

<b>Independent Auditors' Report.....</b>	<b>viii</b>
--	-------------

<b>Management's Discussion and Analysis.....</b>	<b>x</b>
--	----------

**Basic Financial Statements:**

Government-wide Financial Statements:

Statement of Net Assets .....	1
Statement of Activities.....	3

Fund Financial Statements:

Balance Sheet - Governmental Funds.....	5
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds .....	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	9
Statement of Net Assets - Internal Service Fund.....	10
Statement of Revenues, Expenses, and Changes in Net Assets - Internal Service Fund .....	11
Statement of Cash Flows - Internal Service Fund.....	12
Statement of Net Assets - Fiduciary Funds.....	13
Statement of Changes in Net Assets - Fiduciary Funds.....	13
Combining Statement of Net Assets - Component Units.....	14
Combining Statement of Revenues, Expenditures and Changes in Net Assets - Component Units.....	16
Notes to the Financial Statements .....	18

Required Supplementary Information:

Budgetary Comparison Schedule	
Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund .....	42
Water Environment Protection .....	44
Other Postemployment Benefits Plan Schedule of Funding Progress.....	44
Notes to the Required Supplementary Information .....	45

**COUNTY OF ONONDAGA, NEW YORK  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FISCAL YEAR ENDED DECEMBER 31, 2008  
 TABLE OF CONTENTS (Continued)**

---

PAGE

***SUPPLEMENTAL FINANCIAL INFORMATION***

**Combining Financial Statements and Budgetary Comparison Schedules:**

Combining Balance Sheet - Nonmajor Governmental Funds.....	46
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds .....	48
Budgetary Comparison Schedule	
Budget and Actual (Non-GAAP Budgetary Basis)	
General Grants Fund .....	50
County Road Fund.....	53
Road Machinery Fund .....	54
Water Fund .....	55
Van Duyn Extended Care Fund .....	56
Library Fund .....	57
Library Grants Fund.....	58
Community Development Fund.....	59
Debt Service Fund .....	60

***STATISTICAL SECTION (UNAUDITED)***

Net Assets by Component-Last Six Fiscal Years.....	61
Changes in Net Assets-Last Six Fiscal Years.....	62
Fund Balances, Governmental Funds-Last Six Fiscal Years.....	64
Changes in Fund Balances, Governmental Funds-Last Six Fiscal Years .....	65
Assessed Value and Actual Value of Taxable Property-Last Ten Fiscal Years .....	67
Principal Property Taxpayers- Current Year and Nine Years Ago .....	68
Property Tax Levies and Collections-Last Ten Fiscal Years .....	69
Overlapping and Underlying Governmental Activities Debt .....	70
Legal Debt Margin Information- Last Ten Fiscal Years .....	71
Ratios of Outstanding Debt by Type- Last Ten Fiscal Years .....	72
Demographic and Economic Statistics- Last Ten Calendar Years .....	73
Principal Employers- Current Year and Nine Years Ago.....	74
Full-time Equivalent County Government Employees by Function/Program- Last Ten Fiscal Years .....	75
Capital Asset Statistics by Function/Program- Last Ten Fiscal Years .....	77

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**INTRODUCTORY  
SECTION  
(UNAUDITED)**

**COUNTY OF ONONDAGA, NEW YORK**

**LIST OF PRINCIPAL OFFICIALS**

**COUNTY LEGISLATURE**

EFFECTIVE JANUARY 1, 2010

CHAIRMAN: WILLIAM H. MEYER, JR.

THOMAS C. BUCKEL, JR.	WILLIAM T. KINNE	JAMES M. RHINEHART **
JAMES A. CORBETT	BERNARD F. KRAFT	MARK A. STANCZYK *
ROBERT S. DeMORE	SAM LAGUZZA	DAVID M. STOTT
KEVIN A. HOLMQUIST	RICHARD M. LESNIAK	ROBERT D. WARNER
CASEY E. JORDAN	MARTIN D. MASTERPOLE	MONICA WILLIAMS
PATRICK M. KILMARTIN	KATHLEEN A. RAPP *	LOVIE L. WINSLOW

\* FLOOR LEADERS

\*\* CHAIR, WAYS & MEANS COMMITTEE

**COUNTY COMPTROLLER**  
ROBERT E. ANTONACCI II, CPA

**COUNTY EXECUTIVE**  
JOANNE M. MAHONEY

**CHIEF FISCAL OFFICER**  
JAMES ROWLEY

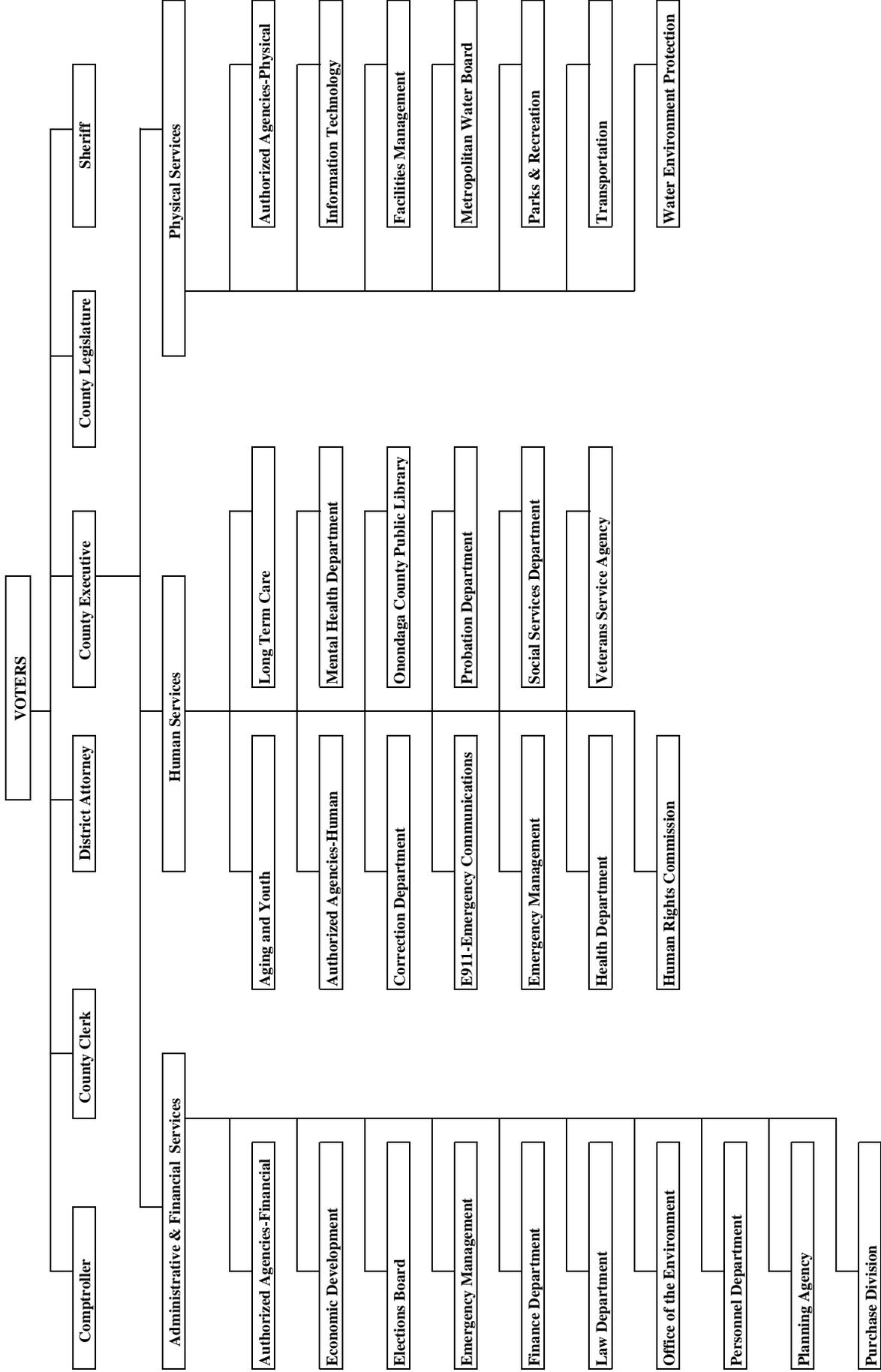
**COUNTY SHERIFF**  
KEVIN E. WALSH

**DISTRICT ATTORNEY**  
WILLIAM J. FITZPATRICK

**COUNTY CLERK**  
M. ANN CIARPELLI

COUNTY OF ONONDAGA

ORGANIZATION CHART





Robert E. Antonacci II, CPA  
Comptroller

COUNTY OF ONONDAGA

Office of the  
*County Comptroller*

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James V. Maturro  
Deputy Comptroller

Thomas G. Squires  
Deputy Comptroller

April 6, 2009

To the Citizens of Onondaga County,  
Honorable Joanne M. Mahoney, and  
Honorable Members of the Onondaga County Legislature

I am pleased to submit the Comprehensive Annual Financial Report of Onondaga County for the year ended December 31, 2008. Responsibility for accuracy of the data as well as the completeness and fairness of its presentation, including all disclosures, rests with the management of this government. To provide a reasonable basis for making these representations, the County has established a comprehensive set of internal controls that is designed to protect the government's assets from loss, theft, or misuse. These controls also allow the County reliable information for the preparation of these financial statements. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of financial operations of the County in accordance with accounting policies generally accepted in the United States of America. All disclosures considered necessary for the reader to gain an understanding of the County's financial activities have been included.

The County has engaged independent auditors who have audited the basic financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County 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 auditors have concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's basic financial statements for the fiscal year ended December 31, 2008, are fairly presented in conformity with U.S. generally accepted accounting policies. The report of the independent auditors can be found on page viii of the financial section of this report.

The independent audit of the financial statements was part of a broader, federally mandated "Single Audit". The County is required to undergo an annual audit in conformity with the provision of the Single Audit Act and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The Single Audit Report includes the schedule of federal financial assistance, the independent auditors' report on the internal control structure and compliance with applicable laws and regulations, and findings and recommendations. The single audit report is not included in this CAFR, however, when available, it is a public record and available to all interested parties upon request.

Generally accepted accounting principles require management to 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 on transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

## Government Profile

Onondaga County is located in close proximity to the geographic center of upstate New York approximately midway between Albany and Buffalo. Onondaga County has a land area of 793.5 square miles and a 2000 U.S. Census population of 458,336. The most significant municipal entity within the County is the City of Syracuse, which has a 2000 U.S. Census population of 147,306 and which also serves as the County seat. The County's population is concentrated along two interstate highway corridors that intersect in the middle of the County. The County's industrial, and to a lesser extent its commercial establishments, are similarly concentrated within the same corridors.

Onondaga County was established in 1794 by an act of the New York State Legislature. The current county executive form of government was adopted by voter referendum in 1961. The County Executive is elected by direct vote for a term of four years. The County Executive is the chief executive officer of the County with, among other powers, authority to appoint heads of County departments conditional to legislative confirmation, to appoint other executive officers as provided by law, to supervise the administration of every department except as otherwise provided, to propose the annual operating budget plan, to approve or disapprove every local law or ordinance adopted by the County Legislature, to authorize all contracts on behalf of the County, and shall be the chief budget officer of the County. The County Legislature is the policy making, appropriating and governing body of Onondaga County. The County Legislature is comprised of members elected from nineteen legislative districts for two-year terms. The County Legislature is vested with the power to enact local laws, ordinances and resolutions, to adopt budgets and levy taxes, to override by a two-thirds vote any veto by the County Executive of any legalized act, to fix compensation for all County officers and employees, and to authorize the issuance of capital debt obligations where a two-thirds majority so approves. The offices of County Comptroller, Sheriff, District Attorney and County Clerk are elected by general direct vote, and each serves a four-year term. The Comptroller is the chief accounting and auditing officer for the County and, as such, has major responsibility for the internal financial controls and financial reporting. The County Clerk is the custodian of all legal, real property and court documents. The Sheriff is the chief law enforcement officer for the County. In addition to the above officials, the Chief Fiscal Officer has responsibility for the collection and custody of County monies, administration of real property and sales taxes, and the sale of County indebtedness. The Chief Fiscal Officer is appointed by the County Executive, subject to County Legislature ratification.

Onondaga County provides a full range of public services to its residents including public safety, health, transportation, education, economic assistance, home and community, culture and recreation, and general administrative support. This report includes all funds and account groups over which Onondaga County exerts substantial control, significant influence and accountability as defined in the Governmental Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity* and Statement 39, *Determining Whether Certain Organizations are Component Units*. Based on these Statements, the Onondaga County Resource Recovery Agency, the Onondaga County Water Authority, and the Central New York Regional Planning Board do not meet the criteria to be units of the reporting entity, and accordingly are excluded from this report. Predicated on the criteria of these Statements, the Onondaga County Convention Center/War Memorial Management Corporation, Onondaga Community College, Onondaga County Industrial Development Agency, Friends of Rosamond Gifford Zoo, and the Housing Development Fund Company meet the requirements for recognition as component units and accordingly their financial information is presented in a discrete format in the Financial Section of this report. The Onondaga Tobacco Asset Securitization Corporation (OTASC) meets these requirements for recognition as a component unit and their financial information is blended as a Nonmajor Debt Service Fund in the Financial Section of this report.

The County maintains a budgetary control system to ensure compliance with the annual adopted budget and with other applicable laws. Budgetary control is achieved by use of a pre-encumbrance system that reserves available appropriations prior to the initiation of the contract process. This system has the advantage of centrally accounting for a County department's expenditure plans prior to actual development of contracts. Upon finalization of contracts, the pre-encumbrance is replaced by an encumbrance. Encumbered amounts do not lapse at year-end, but are re-appropriated into the ensuing year's budget as prescribed by Onondaga County Law. The County Comptroller submits to the Legislature a monthly report of revenues and expenses compared to budget. Additionally, the Executive Department's Division of Management and Budget submits to the Legislature a quarterly report of budgetary projections.

Onondaga County employs an internal audit staff that reports to the County Comptroller. This internal audit staff conducts periodic financial, operational and compliance audits of County departments and other related entities. The internal control structure is subject to evaluation during these internal audits.

### **Factors Affecting Financial Condition**

**Local Economy:** The County budget is affected by the condition of the local economy. Expenditures such as public assistance, Medicaid, and other human service costs vary directly with the condition of the local economy, as do some major County revenues such as sales tax.

The local economy supporting County government began to deteriorate in the last quarter of 2008, although at a slower pace than other areas of the national economy. The December decline was most significant as unemployment rose to 6.3%, sales tax collection declined year over year in December by 6.8% and applications for public assistance began to rise during the final month of the year. These factors impinged upon the budget performance of the County for 2008, but not at the expense of exceeding appropriated fund balance. The County's diverse economic base played a key role in lessening the impact. Our regional banks are not experiencing the issues currently facing large multinational financial institutions. The local real estate market has been stable since 2005 in the commercial, industrial and residential sectors. Onondaga County is the hub of a regional medical sector that is a major economic driver, and is also part of a larger educational region with more than 30 colleges and universities, 130,000 students and approximately \$1.2 billion in annual R&D expenditures at the largest institutions. The nearly complete Phase I of the Destiny project, and completion of New York State's Center of Excellence in Energy and Environmental Systems, will bring hard assets to the County that will help buffer the region from the recession.

The decline in the local economy, coupled with the early release of the Governor's budget that contained cuts to County state aid, has adversely affected the 2009 adopted County budget. A significant portion of sales tax estimates built into the 2009 budget were based on lifting the sales tax cap on gasoline sales and assumed the per gallon price would average \$4 per gallon during 2009. The average price of gasoline on December 31 in the Syracuse area was \$1.789.

In response to these budget pressures, the County Executive imposed an austerity plan essentially cutting the gross budget by approximately \$10 million, as well as instituting a hiring freeze and other measures designed to help mitigate the impacts noted above. The County is awaiting final passage of the State budget to determine what, if any, additional measures may be needed to balance the 2009 budget. In addition, the American Recovery and Reinvestment Act became law in February of 2009 and provides an estimated \$20 million in direct aid to the County in 2009, which can be utilized to offset budget shortfalls.

**Long Term Financial Planning:** Each year the County prepares a six-year Capital Improvement Plan (CIP). The CIP process is both a programmatic and fiscal tool, providing an opportunity for decision-makers to regularly evaluate infrastructure needs and competing capital investments within a fiscal framework that includes debt service projections and future operating costs. The current capital plan outlines \$757 million in projects with most of the resources targeted to new facilities associated with the court-mandated clean up of Onondaga Lake.

The County has established debt policies that form the fiscal parameters for the capital planning process. The policies are included in the County's annual operating budget document and authorized annually by the County Legislature as part of the budget review process. The debt policies call for General Fund debt service to remain below 5% of General Fund revenue; for overall net direct indebtedness to remain below \$500 per capita, or 1% of the full value of taxable property; and to maintain a debt payment schedule in which 65% or more of the outstanding debt will be retired within ten years.

In addition the County Legislature has established a General Fund balance policy that establishes a fund balance goal of 10% of revenues and calls for amounts in excess of 10% to be applied to avoid future debt or for tax relief. With a new requirement from the State Comptroller to record sales tax revenue passed through to municipalities and school districts as General Fund revenue, the 10% computation will be based on total General Fund revenue less pass-through sales tax revenue.

To aid the financial planning process, the County's Division of Management and Budget prepares and presents quarterly budget forecasts to the Executive and Legislature, and maintains and updates a mid-term (two year) and long-term (five year) budget forecast.

**Onondaga Lake.** Onondaga County entered into an Amended Consent Judgment (ACJ) in 1998 that established a 15-year plan to reduce sewage outflows into Onondaga Lake through specific improvements to the Metropolitan Wastewater Treatment Plant and abatement of combined sewer overflows. Total project costs are currently estimated at \$559 million. The project is being supported through a combination of state and federal grants and debt covered by local user fees. The State has appropriated \$74.9 million of the Clean Water/Clean Air Environmental Bond Act funds for projects covered under the ACJ. In addition to aid through the Environmental Bond Act, based on pledges by State officials, the County also anticipates receiving approximately \$85 million in supplemental funding over the fifteen-year life of the project. To date, of the \$85 million in pledged funding, \$50 million has been appropriated from other New York State sources, an additional \$10 million is being processed through the 2007-08 budget, and another \$10 million is in the State's 2008-09 budget. The federal government has already appropriated \$118.5 million in federal funds (inclusive of assistance from the U.S. Army Corps of Engineers). Local costs that are not eligible for financing through the Environmental Facilities Corporation will be supported through County General Obligation debt. Both EFC repayments and General Obligation County debt service associated with this project are paid by property owners within the Sanitary District through user fees.

In the event that the ACJ projects do not bring the County in compliance with applicable water quality standards, the County will be required to undertake additional measures. It is anticipated that once the ACJ CSO projects have been completed, discharges from County facilities will not cause or contribute to alleged bacteria exceedences in Onondaga Lake unless applicable standards have been made more restrictive. Therefore, the potential for additional County financial obligations with respect to ACJ is, at this point, speculative. Additional information regarding this commitment can be found in Note 15 to the financial statements.

**Cash management.** New York State Law directs which type of investments its counties may use to invest idle cash. Those types of investments are more fully described in Note 4 to the financial statements. Income as a result of these investments was \$7,859,241 in 2008.

**Risk management.** Onondaga County is self-insured for general liability, employee health benefits, unemployment, workers' compensation, and vehicle related losses. The County utilizes an internal service fund to account for its self-insurance activities. The County purchases insurance for property losses. The County employs loss control and safety specialists and also conducts a variety of worker safety programs. Additional information on the County's risk management activities can be found in Note 13 to the financial statements.

**Retirement and other postemployment benefits.** The County participates in the New York State and Local Employees' Retirement System (ERS). The ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the ERS. The ERS is noncontributory except for employees who joined the ERS after July 27, 1976, who contribute 3% of their salary. After ten years of service, the ERS becomes noncontributory for those employees as well. Under the authority of the NYSRSSL, the State Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

In addition to providing pension benefits, the County provides certain health insurance benefits to retired employees and survivors under its self-insured health program. Substantially all of the County's employees may become eligible for these benefits if they reach normal retirement age while working for the County. As of the end of the year, there were 2,644 retirees receiving these benefits. In 2007, the County adopted Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, on a prospective basis. This statement requires municipalities to begin amortizing the long-term, actuarially determined, liability for providing benefits to retirees. The County will recognize this liability over a thirty-year period.

Additional information on the County's retirement and post employment benefits can be found in Note 10 to the financial statements.

### Acknowledgments

This Comprehensive Annual Financial Report could not have been completed without the dedication and teamwork of my entire staff. I would like to express my appreciation to my staff and thank them for a job well done.

I also wish to thank the County Executive, the Chief Fiscal Officer, and the County Legislature for their leadership and support of efforts to improve the financial operations of Onondaga County.

Sincerely,



Robert E. Antonacci II, CPA

**FINANCIAL**  
**SECTION**



TESTONE  
MARSHALL  
DISCENZA  
CPAS

HELPING OUR CLIENTS'  
VISIONS ADD UP

## INDEPENDENT AUDITOR'S REPORT

The Honorable County Executive, Joanne M. Mahoney  
and Honorable Members of the County Legislature  
County of Onondaga, New York

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Onondaga, New York (the County) as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Onondaga County Community College, Onondaga County Industrial Development Agency, and Friends of the Rosamond Gifford Zoo, which together represent 95% and 89%, respectively, of the assets and revenues of the aggregate discretely presented component units. In addition, we did not audit the financial statements of the Onondaga Tobacco Asset Securitization Corporation, which represents .6% of the assets and 1% of the revenues of the governmental activities and 38% and 12%, respectively, of the assets and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Onondaga County Community College, Onondaga County Industrial Development Agency, Friends of the Rosamond Gifford Zoo and the Onondaga Tobacco Asset Securitization Corporation is based solely upon the reports of the other auditors.

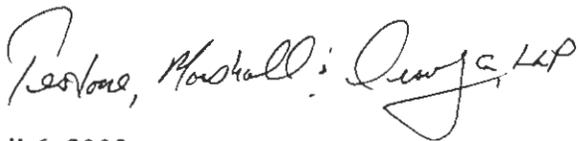
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. However, the financial statements of Friends of the Rosamond Gifford Zoo were not audited in accordance with *Government Auditing Standards* and, accordingly, are not covered by our report in accordance with *Government Auditing Standards*. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Onondaga, New York as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 6, 2009 on our consideration of the County'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages x through xx and the Budgetary Comparison Schedules on pages 42 through 45 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Financial Statements and Budgetary Comparison Schedules on pages 42 through 60 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Combining Financial Statements and Budgetary Comparison Schedule have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory and Statistical sections listed in the accompanying table of contents have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Reshona, Marshall; CPA". The signature is written in dark ink and is positioned above the typed name and date.

April 6, 2009  
Syracuse, New York

As management of Onondaga County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found beginning on page iii of this report.

### Financial Highlights

- The assets of Onondaga County exceeded its liabilities at the close of the most recent fiscal year by \$778,463,028 (*net assets*).
- The government's total net assets decreased by \$35,777,355, mainly due to postemployment benefits.
- As of the close of the current fiscal year, Onondaga County's governmental funds reported combined ending fund balances of \$183,065,387, a decrease of \$40,401,224 in comparison with the prior year. The decrease is attributed mainly to planned use of fund balance in the General Fund and management's decision to delay borrowing for Capital Project purposes until 2009.
- At the end of the current fiscal year, total fund balance for the general fund was \$70,712,601, or 9.4% of total budgetary basis general fund revenues.
- Onondaga County's governmental activities long-term liabilities increased by \$31,711,503, or 5.9%, during the current fiscal year.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County'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's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets 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 compensated absences.

The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, home and community services, and culture and recreation.

The government-wide financial statements include the County as the primary government, and Onondaga Community College, ONCENTER Management Corporation, Onondaga County Housing Development Fund Company, Friends of Rosamond Gifford Zoo, and Onondaga County Industrial Development Agency as component units for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Onondaga Tobacco Asset Securitization Corporation (OTASC), although also legally separate, functions for all practical purposes as a department of the County, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 1-4 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, internal service 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 short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements.

Onondaga County maintains thirteen 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, the debt service fund, water environment protection and the capital projects fund, all of which are considered to be major funds. Data from the other nine 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 adopts an annual appropriated budget for its governmental funds, with the exception of the Capital Projects Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 5-9 of this report.

**Internal Service funds.** Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its risk management activities. Because these services predominantly benefit

governmental rather than business-type functions, the internal service fund has been included within governmental activities in the government-wide financial statements.

The basic internal service fund financial statements can be found on pages 10-12 of this report.

Prior to 2008, Van Duyn Home and Hospital was accounted for and reported as an enterprise fund. It was the County's intention to fund the Home's total cost of operations through patient fees. Fee revenue is predominately received from Medicaid and Medicare. Over the last several years the Home's cost increased at a rate higher than the Medicaid and Medicare reimbursement rate. As a result the Home's retained earnings decreased \$19.2 million from 2001 to 2005 and required approximately \$6.9 million in operating transfers. Since the Home cannot adjust the reimbursement rate for its main revenue source, it no longer had the ability to be self-sufficient. For 2008, Van Duyn has been reclassified as a non-major special revenue fund, and fund balance and net assets have been restated. For additional information see Note 2.

***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 statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for governmental funds.

The basic fiduciary fund financial statements can be found on page 13 of this report.

***Component Units.*** As discussed above, component units are legally separate entities for which the County is financially accountable. The component units addressed above, excluding OTASC, are reported in aggregate in the government-wide financial statements.

The combining statements for the component units can be found on pages 14-17.

**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. The notes to the financial statements can be found beginning on page 18 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the budget and actual schedules for the major governmental funds and funding progress for postemployment benefits. These required schedules and notes to the schedules can be found on pages 42-45.

Combining statements for nonmajor governmental funds are presented immediately following the required supplementary information on pages 46-49 of this report.

## **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$778,463,028 at the close of the 2008 fiscal year.

The portion of the County’s net assets represented by its investment in capital assets, e.g., land, buildings, and equipment, less any related debt used to acquire those assets that is still outstanding is \$852,007,509. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the County’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, as the capital assets themselves cannot be used to liquidate these liabilities.

The portion of the County’s net assets that represents resources that are subject to external restrictions on how they may be used is \$19,823,048. The remaining (\$93,367,529) is unrestricted net deficit.

**County of Onondaga’s Net Assets**

	<b>Governmental activities</b>	
	<b>2007</b>	<b>2008</b>
Current and other assets	\$ 1,086,104,895	\$ 1,046,572,422
Capital assets	1,109,380,060	1,140,398,327
<b>Total assets</b>	<b>2,195,484,955</b>	<b>2,186,970,749</b>
Long-term liabilities	1,204,293,259	1,236,108,517
Other liabilities	176,951,313	172,399,204
<b>Total liabilities</b>	<b>1,381,244,572</b>	<b>1,408,507,721</b>
<b>Net assets:</b>		
Invested in capital assets, net of related debt	821,371,909	852,007,509
Restricted	17,043,588	19,823,048
Unrestricted	(24,175,114)	(93,367,529)
<b>Total net assets</b>	<b>\$ 814,240,383</b>	<b>\$ 778,463,028</b>

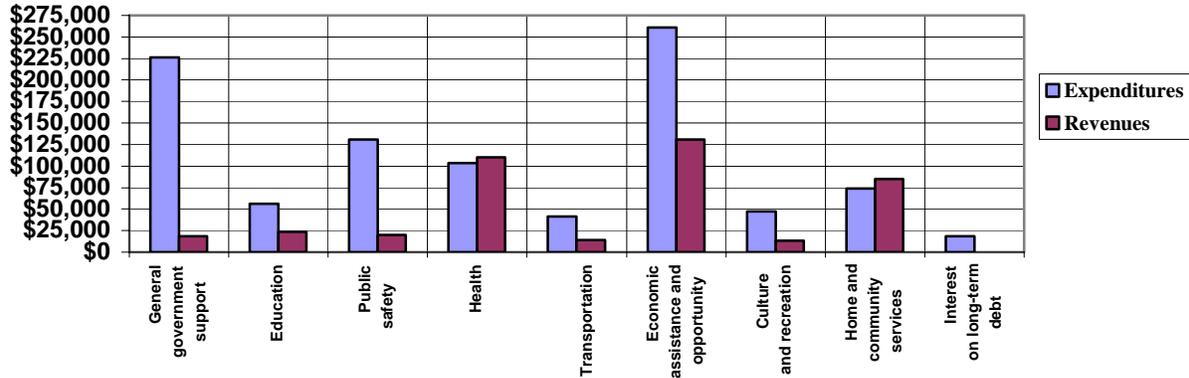
The County’s net assets decreased by \$35,777,355. In 2007, the County adopted Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB). This statement requires municipalities to begin recognizing an actuarial determined liability for benefits provided to retirees. The liability will be amortized into the County’s entitywide operations over a period of 30 years. The amount recorded in 2008 is \$38,169,100. Additional information on the OPEB liability can be found in Note 10.

## County of Onondaga's Changes in Net Assets

	Governmental activities	
	2007	2008
Revenues:		
Program revenues:		
Charges for services	\$ 182,390,547	\$ 197,066,748
Operating grants and contributions	197,321,749	199,017,801
Capital grants and contributions	32,851,548	19,934,877
General revenues:		
Property taxes	193,684,291	189,794,554
Other taxes	293,999,988	300,164,040
Other	20,071,792	16,406,496
Total revenues	<u>920,319,915</u>	<u>922,384,516</u>
Expenses:		
General government support	251,103,957	218,159,741
Education	59,975,854	56,115,210
Public safety	122,441,889	131,896,522
Health	97,311,113	105,762,977
Transportation	41,085,095	42,074,051
Economic assistance and opportunity	251,291,208	262,786,203
Culture and recreation	34,274,567	47,748,717
Home and community services	73,941,627	75,444,171
Interest on long-term debt	18,020,424	18,174,279
Total expenses	<u>949,445,734</u>	<u>958,161,871</u>
Increase (decrease) in net assets	(29,125,819)	(35,777,355)
Net assets - Beginning	<u>843,366,202</u>	<u>814,240,383</u>
Net assets - Ending	<u>\$ 814,240,383</u>	<u>\$ 778,463,028</u>

**Governmental activities.** Governmental activities decreased the County's net assets by \$35,777,355, thereby accounting for a 4.4% decrease in the net assets. The key element of this decrease was the accrual of \$38.2 million in postemployment retirement benefits.

**Expenses and Program Revenues  
Governmental Activities  
(OOO's)Omitted**



**Financial Analysis of the Government's Funds**

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

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

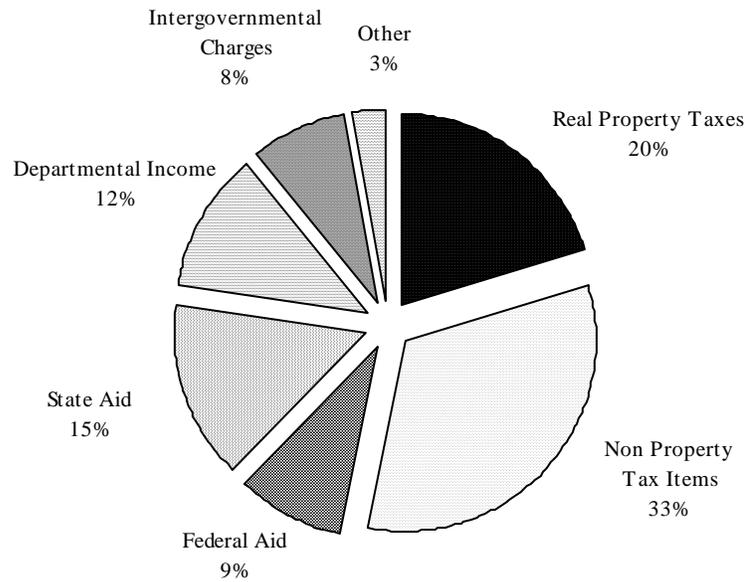
The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$65,874,512 while total fund balance reached \$70,712,601. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 8.6% of total budgetary basis general fund expenditures, while total fund balance represents 9.2% of that same amount.

The general fund's fund balance decreased by \$9,636,551 during the current fiscal year, slightly under the \$9.7 million planned deficit.

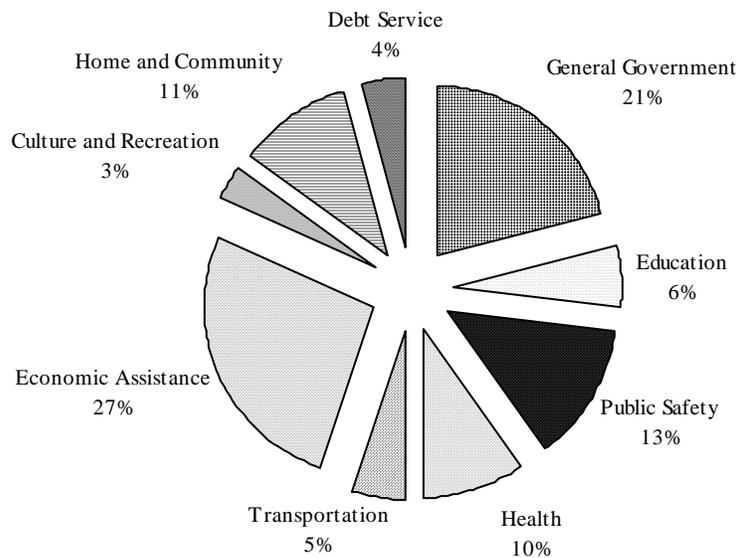
Water Environment Protection appropriated approximately \$5.2 million in prior years fund balance into 2008 operations. Expenditures finished \$5.4 million under budget offsetting approximately \$2.2 million of appropriated fund balance resulting in an operating deficit of \$3,029,286.

The County's 2008 Debt Service Fund budget authorized an appropriation of \$2.4 million from reserve for bonded debt. Due to unbudgeted revenue of \$1.7 million and \$3.1 million from interest and unused project balances, respectively, the County offset that appropriation and reported a \$2,597,223 operating surplus.

### County Revenues Governmental Funds



### County Expenditures Governmental Funds



**Internal Service Funds.** Unrestricted net assets of the Internal Service Fund increased by \$1,936,108 increasing net assets to \$9,032,357. This surplus can be attributed to lower than expected health costs. This surplus will be credited back to County departments in 2009. As stated earlier, the activity of the Internal Service Fund predominantly benefits the primary government. It has been included within governmental activities in the government-wide financial statements.

**General Fund Budgetary Highlights**

Differences between the original budget and final amended budget were significant. The majority of the \$13.3 million increase in the revenue budget can be summarized as follows:

- \$6.9 million increase in the appropriation from prior year surplus that was generated from a fund equity transfer of Van Duyn’s surplus due to IGT payments in prior years used to generate additional matching IGT Federal Funds for Van Duyn in 2008.
- \$2.1 million increase in state aid for Mental Health contracts
- \$1.4 million increase in the appropriation from prior year surplus to fund the 2006-07 costs of the OCSPA arbitration award.
- \$1.0 million increase in federal and state aid and other reimbursements due to increased costs of the Special Children’s Program

The major reasons behind the \$15.8 million increase in appropriations can be summarized as follows:

- \$6.9 million increase in DSS Program appropriations for Medicaid/IGT payments.
- \$2.6 million increase is the carryover of encumbrances from 2007 to 2008.
- \$2.1 million increase in state aid pass through for Mental Health contracts.
- \$1.4 million in increased salary costs from 2006-07 due to the OCSPA salary arbitration award in the Sheriff’s department.
- \$1.6 million in increased costs for the Special Children’s Program

**Capital Asset and Debt Administration**

**Capital assets.** The County’s investment in capital assets for its governmental activities as of December 31, 2008 amounts to \$1,140,398,327 (net of accumulated depreciation). This investment in capital assets includes construction in progress, land, buildings, improvements, equipment, park facilities, roads, highways, drainage and sewage treatment, and bridges.

**County of Onondaga's Capital Assets  
(net of depreciation)**

	Governmental activities	
	2007	2008
	Land	\$ 13,846,324
Land Improvements	4,795,336	6,777,934
Building and Improvements	207,804,674	213,142,611
Equipment	29,492,939	39,249,135
Infrastructure	559,432,717	610,614,598
Construction in progress	294,008,070	252,686,332
Total	\$ 1,109,380,060	\$ 1,140,398,327

Major capital asset events during the current fiscal year included the following:

A number of capital projects were completed during the year. These include \$61.7 million in projects associated with ACJ for Onondaga Lake and \$16.7 million for energy conservation improvements to County facilities reducing the construction in progress account and increasing infrastructure. In addition, the County added over \$52.9 million to the construction in progress account including \$15 million in highway improvements and \$28.7 million associated with Water Environment Protection and ACJ Projects. Additional information on the County's capital assets can be found in Note 7 to the financial statements.

**Long-term debt.** At the end of the current fiscal year, the County had total bonded debt outstanding of \$964,392,335 and loans payable of \$148,745,130. This debt decreased by \$15,663,173 during the current fiscal year.

	Activities	
	2007	2008
Serial bonds	\$ 181,057,700	\$ 164,447,335
OTASC Tobacco settlement bonds	802,205,000	799,945,000
Loans	145,537,938	148,745,130
<b>Total</b>	<b>\$ 1,128,800,638</b>	<b>\$ 1,113,137,465</b>

Additional information on the County's debt can be found in Note 8 to the financial statements.

The County maintains a "AA+" rating from Standard & Poor's and Fitch and a "Aa2" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7% of its five-year average full valuation of taxable real property. The County has utilized 8.97% of its statutory debt limit at December 31, 2008.

**Economic Factors and Next Year's Budgets and Rates**

According to the New York State Department of Labor, Onondaga County's unemployment rate in 2008 averaged 5.3%, slightly lower than the statewide average of 5.4%. The yearly average is skewed by late year activity in which the December unemployment rate rose to 6.3% for the County and 6.8% Statewide, reflective of the deepening global recession.

Onondaga County has historically been sheltered from the volatile highs and lows of the national economy through a diverse economic base not dependent on financial sectors. Regional banks are not experiencing the issues currently facing large multinational financial institutions. The County's banking sector is stable with good liquidity and prudent lending practices. The County's housing market did not experience the volatility witnessed in other parts of the country. According to the National Association of Realtors, the local real estate market has been stable since 2005 in commercial, industrial and residential sectors. Onondaga County is the hub of a regional medical sector, which is a major economic driver and is also part of a larger educational region with more than 30 colleges and universities, 130,000 students and approximately \$1.2 billion in annual R&D expenditures at the largest institutions.

Three strong economic sectors that position the region for the future include:

Bio, Medical Devices and Life Sciences – As the baby boomer generation continues to age, this sector will continue to be robust. Companies in this sector include: Acrolite, Bristol-Myers Squibb, Design Prototyping Technologies, InfiMed, Seneca Data, Tessa Plastics and Welch Allyn. Regionally this sector is supported by the Cornell Center for Advanced Technology for Life Sciences, which is the largest R&D initiative in the history of that university.

Radar, Sensor, Wireless and other Electronic Devices – This sector has high economic impact with supply chains of very high value. Companies in this sector include: Anaren Microwave, Eagle Comtronics, Lockheed Martin, Sensis Corporation and Syracuse Research Corporation. The CASE Center at Syracuse University helps support this sector.

Renewable Energy and Environmental Systems – The cultural and economic shifts to renewable energy and sustainability will continue to enhance the region's status as a leader in this sector. There is ample R&D capacity in this sector and colleges and universities with core competencies including SUNY ESF, Morrisville State College, Syracuse University, Cornell University and Clarkson University are helping to develop technologies in areas such as: cellulosic ethanol, biodiesel from oilseed and biomass, energy efficient services, green construction contracting, LEED buildings, solar PV and solar thermal insulation, fuel cells, small wind turbines, tidal turbines, anaerobic digesters, geothermal energy, co-generation and combined heat/power generation using alternative energy sources and alternate fuel sources from hydrogen, butanol and algae. Companies in this sector include: Carrier Corporation, C&S Companies, O'Brien and Gere, and Pall Trinity Micro. Regional assets such as the Syracuse Center of Excellence support this sector.

The County's 2009 general fund spending plan was influenced by stable and/or slightly declining human service caseloads, a rising full value tax base and a projected increase in sales tax revenue resulting primarily from the lifting of the sales tax cap on gasoline (tax was previously limited to the first \$2 of retail gasoline sales) in 2008. The lifting of the sales tax cap on gasoline was projected to produce \$7.7 million in additional County revenue. These assumptions were the basis of a budget that increased spending by 1.4% excluding interdepartmental charges, produced a flat property tax levy and a 3.5% reduction in the countywide full value property tax rate. The application of \$3.7 million of general fund reserves to balance the budget maintained the County's policy goal of a general fund balance of 10% net revenues.

In the weeks leading up to the adoption of the 2009 budget on October 14, 2008, economic conditions began to deteriorate rapidly leading to the collapse of some major Wall Street firms and significantly impacting State finances. The Governor proposed his fiscal year budget on December 16, 2008, which included revenue reductions to the adopted County budget. These reductions, coupled with declining sales tax revenue and reduced interest earnings revenue as a result of the recession, gave rise to an estimated budget shortfall of approximately \$20 million for 2009. In response to the estimated shortfall, management enacted austerity measures effectively cutting the 2009 gross budget by approximately \$10 million, instituted a hiring freeze, and is formulating additional plans to close the projected shortfall. On February 17, 2009, the American Recovery and Reinvestment Act became law. The County stands to receive substantial aid as a result of this federal legislation. Management believes that revenue from this Act, together with austerity and other measures already in place or being formulated, will enable a balanced budget for 2009 without the need to appropriate additional fund balance reserves.

Consumption based user fees were increased 2.2% in the Water Environment Protection Department (Sanitary District Fund) in 2009. Wholesale water rates charged by the Metropolitan Water Board (Water Fund) increased by 2.7% in 2009.

### **Other Potentially Significant Matters**

The County owns and operates Van Duyn Home and Hospital, a 513-bed nursing home.

In November 2006, the State's Commission on Health Care Facilities for the 21st Century recommended that Van Duyn be privatized and merged with neighboring Community General Hospital (CGH). Van Duyn and CGH proposed a plan (Scenario A) to New York State Department of Health to satisfy the Berger Commission recommendations in July 2007, which included formation of a joint planning organization, reduction of 63 nursing home beds and required that funds be made available to facilitate these changes. The New York State Department of Health awarded \$12.8 million in HEAL NY 4 grant funds to CGH and Van Duyn, of which \$3.2 million is to be spent on improvements to Van Duyn. Van Duyn and CGH have embarked upon operational and infrastructure studies as outlined in Scenario A. Van Duyn has further committed to spending the remaining grant funds on capital improvements, including a boiler replacement project.

Van Duyn is seeking authorization from the Onondaga County Legislature to move forward with other needed capital improvements, including elevator modernization, fire alarm replacement, nurse call system replacement, and telephone system replacement projects.

For the past 5 years the facility has experienced operating deficits approximating \$5 million per year. In 2006 the New York State Legislature enacted a new Medicaid reimbursement methodology to be fully implemented by January 1, 2009 and the Public Facilities Grant program that would return Van Duyn to break-even by 2010. The Public Facilities Grant program lasted only two years and was completely eliminated in 2008. The Governor's proposed 2009-2010 State budget includes eliminating implementation of the new Medicaid reimbursement methodology and replacing it with a regional rate of reimbursement. The budget proposed by the Governor would cause the loss of approximately \$8 million in Medicaid reimbursement to Van Duyn in the County's 2009 fiscal year.

During 2008 the County was allowed to apply retroactively to 2006 for Intergovernmental Transfer Revenue, which resulted in approximately \$9.3 million additional aid to Van Duyn. This infusion of funds will allow Van Duyn to operate in the black for 2009 should the Governor's budget proposal pass and may provide some additional margin for 2010. Management is viewing 2009 as a planning year to determine the best course of action to maintain the nursing home beds Van Duyn provides for the community.

### **Requests for Information**

This financial report is designed to provide a general overview of the County of Onondaga's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Comptroller's Office, 14<sup>th</sup> Floor Civic Center, 421 Montgomery Street, Syracuse, New York, 13202.

# **BASIC FINANCIAL STATEMENTS**

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Net Assets**  
**December 31, 2008**

	<u>Governmental Activities</u>	<u>Component Units</u>
<b>ASSETS</b>		
Cash and investments	\$ 173,478,476	\$ 13,957,959
Deposits by contractors	2,280,000	-
Receivables:		
Property taxes (net of \$15,820,690 reserve)	35,543,011	-
Accounts receivable (net of \$3,887,352 reserve)	61,426,520	15,140,475
Due from state and federal governments	87,651,428	2,241,188
Due from other governments	3,547,107	8,189
Inventories	6,212,781	1,611,520
Prepaid items and other assets	3,873,487	275,538
Deferred charges	672,559,612	-
Notes receivable	-	123,758
Lease receivable	-	47,314
Endowment assets:		
Investments	-	1,872,223
Promises to give	-	254,892
Capital assets net of accumulated depreciation	<u>1,140,398,327</u>	<u>76,182,862</u>
Total assets	<u>2,186,970,749</u>	<u>111,715,918</u>

*See notes to financial statements.*

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Net Assets**  
**December 31, 2008**

	<b>Governmental Activities</b>	<b>Component Units</b>
<b>LIABILITIES</b>		
Accounts payable	15,676,908	5,553,403
Accrued liabilities	69,248,767	2,408,009
Contracts payable - retainage	6,028,670	-
Other liabilities	304,215	1,527,069
Due to other governments	68,008,439	581,010
Due to Onondaga County	-	2,471,894
Other deferred revenue	13,132,205	18,547,651
Long term obligations and unpaid liabilities:		
Due within one year	42,707,636	3,254,179
Due in more than one year	1,193,400,881	42,287,859
Total liabilities	1,408,507,721	76,631,074
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	852,007,509	34,772,902
Restricted for:		
Capital projects	3,912,633	2,220,357
Debt service	15,910,415	-
Endowments	-	2,072,223
Loans	-	16,718
Unrestricted	(93,367,529)	(3,997,356)
Total net assets	\$ 778,463,028	\$ 35,084,844

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Activities**  
**Year Ended December 31, 2008**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Indirect Expenses Allocation</u>	<u>Program Revenues  Charges for Services</u>
<b>Primary government:</b>			
Governmental activities:			
General government support	\$ 226,158,341	\$ (7,998,600)	\$ 14,420,659
Education	56,115,210	-	1,576,113
Public safety	130,331,423	1,565,099	13,967,969
Health	103,797,162	1,965,815	70,082,192
Transportation	41,637,370	436,681	2,325,961
Economic assistance and opportunity	261,086,746	1,699,457	15,170,359
Culture and recreation	46,856,565	892,152	9,856,037
Home and community services	74,004,775	1,439,396	69,667,458
Interest on long-term debt	18,174,279	-	-
Total primary government	<u>\$ 958,161,871</u>	<u>\$ -</u>	<u>\$ 197,066,748</u>
<b>Component units:</b>			
Community College	\$ 85,457,407		\$ 20,745,395
ONCENTER	10,314,911		8,305,850
Housing Development Fund Company	1,007,630		657,181
Friends of Rosamond Gifford Zoo	1,941,120		1,666,086
OCIDA	7,714,884		7,806,847
Total component units	<u>\$ 106,435,952</u>		<u>\$ 39,181,359</u>

See notes to financial statements.

<b>Program Revenues</b>		<b>Net (Expense) Revenue and Changes in Net Assets</b>	
<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Governmental Activities</b>	<b>Component Units</b>
\$ 2,703,348	\$ 1,076,106	\$ (215,956,828)	\$ -
19,876,654	2,487,764	(32,174,679)	-
5,541,569	540,094	(108,716,692)	-
40,253,558	-	8,504,403	-
4,838,284	6,999,863	(27,036,581)	-
116,021,030	-	(128,195,900)	-
3,082,312	188,772	(32,837,292)	-
6,701,046	8,642,278	12,445,403	-
-	-	(18,174,279)	-
<u>\$ 199,017,801</u>	<u>\$ 19,934,877</u>	<u>(542,142,445)</u>	<u>-</u>
\$ 25,182,385	\$ 708,002	-	(38,821,625)
-	-	-	(2,009,061)
300,000	-	-	(50,449)
435,803	-	-	160,769
-	-	-	91,963
<u>\$ 25,918,188</u>	<u>\$ 708,002</u>	<u>-</u>	<u>(40,628,403)</u>
General revenues:			
Real property taxes and tax items		189,794,554	-
Sales tax and use tax		300,164,040	-
Investment earnings		7,859,241	3,109,114
Tobacco settlement proceeds		8,358,345	-
Participation in debt service-external sources		188,910	-
Contributions other		-	20,288,742
Other revenue		-	3,500
Transfers and County contributions		-	10,319,000
Total general revenues and transfers		<u>506,365,090</u>	<u>33,720,356</u>
Change in net assets		(35,777,355)	(6,908,047)
Net assets-beginning, as restated (see Note 2)		<u>814,240,383</u>	<u>41,992,891</u>
Net assets-ending		<u>\$ 778,463,028</u>	<u>\$ 35,084,844</u>

**COUNTY OF ONONDAGA, NEW YORK**

**Balance Sheet  
Governmental Funds  
December 31, 2008**

	<u>General</u>	<u>Water Environment Protection</u>
<b>ASSETS</b>		
Cash and investments	\$ 48,643,683	\$ 38,461,492
Deposits by contractors	-	-
Receivables:		
Property taxes (net of \$15,820,690 reserve)	35,543,011	-
Accounts receivable (net of \$3,887,352 reserve)	41,630,113	7,501,428
Due from state and federal governments	61,622,270	-
Due from other funds	4,204,064	-
Due from other governments	1,759,393	2,100
Inventories	-	-
Prepaid items	2,870,769	311,819
Restricted assets	-	-
Total assets	<u>\$ 196,273,303</u>	<u>\$ 46,276,839</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 4,692,619	\$ 1,557,817
Accrued liabilities	34,548,335	1,276,737
Due to third party payors	-	-
Contracts payable-retainage	11,134	1,110
Other liabilities	61,211	-
Due to other funds	1,800,000	-
Due to other governments	66,806,199	-
Deferred property tax revenues	13,732,074	-
Other deferred revenues	3,909,130	3,001,931
Total liabilities	<u>125,560,702</u>	<u>5,837,595</u>
Fund balances:		
Reserved for:		
Prepays	2,870,769	311,819
Debt service	-	-
Encumbrances	1,967,320	1,789,274
Capital improvements	-	-
Unreserved:		
Designated	6,011,553	35,577,672
Undesignated	59,862,959	2,760,479
Undesignated, reported in nonmajor:		
Special revenue funds	-	-
Debt service funds	-	-
Total fund balances	<u>70,712,601</u>	<u>40,439,244</u>
Total liabilities and fund balances	<u>\$ 196,273,303</u>	<u>\$ 46,276,839</u>

See notes to financial statements.

	<b>Debt Service</b>	<b>Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$	36,095,101	\$ 4,442,399	\$ 25,021,646	\$ 152,664,321
	-	2,280,000	-	2,280,000
	-	-	-	35,543,011
	13,017	111,095	9,572,756	58,828,409
	-	15,414,788	10,614,370	87,651,428
	-	-	1,800,000	6,004,064
	-	277	1,369,903	3,131,673
	-	-	151,030	151,030
	-	-	690,899	3,873,487
	-	-	325,660	325,660
\$	<u>36,108,118</u>	<u>\$ 22,248,559</u>	<u>\$ 49,546,264</u>	<u>\$ 350,453,083</u>

\$	-	\$ 2,924,349	\$ 4,686,401	\$ 13,861,186
	-	5,453,330	5,077,727	46,356,129
	-	-	276,185	276,185
	-	6,005,674	10,752	6,028,670
	-	103,374	139,630	304,215
	-	2,999,883	1,204,181	6,004,064
	-	-	926,055	67,732,254
	-	-	-	13,732,074
	-	4,448,750	1,733,108	13,092,919
	-	<u>21,935,360</u>	<u>14,054,039</u>	<u>167,387,696</u>

	-	-	690,899	3,873,487
	36,108,118	-	12,065,124	48,173,242
	-	36,739,330	5,645,498	46,141,422
	-	193,328	-	193,328
	-	-	2,690,102	44,279,327
	-	(36,619,459)	-	26,003,979
	-	-	14,317,193	14,317,193
	-	-	83,409	83,409
	<u>36,108,118</u>	<u>313,199</u>	<u>35,492,225</u>	<u>183,065,387</u>
\$	<u>36,108,118</u>	<u>\$ 22,248,559</u>	<u>\$ 49,546,264</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.	1,140,398,327
Long-term receivables not reported in the funds	415,434
Inventories of automotive parts and road materials expensed as acquired in the funds.	6,061,751
Internal service fund used by management to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	9,032,357
Deferred revenue including property taxes not available to pay for current-period expenditures and are therefore, deferred in the funds.	16,813,981
Deferred gain on defeased debt not reported in the funds.	(789,866)
Debt issuance costs expensed as incurred in the funds.	2,374,469
Accrued interest not reported in the funds.	(10,669,993)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(568,238,819)
Net assets of governmental activities	<u>\$ 778,463,028</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2008**

	<b>General</b>	<b>Water Environment Protection</b>
<b>REVENUES</b>		
Taxes:		
Real property taxes and tax items	\$ 183,730,470	\$ 1,840,013
Sales tax and use tax	299,044,343	-
Federal aid	60,877,055	-
State aid	99,982,910	-
Departmental	25,566,932	58,149,897
Service for other governments	17,174,952	1,721,320
Tobacco settlement proceeds	-	-
Interest on investments	3,111,826	1,604,532
Miscellaneous	5,644,925	568,200
Total revenues	695,133,413	63,883,962
 <b>EXPENDITURES</b>		
Current:		
General government support	196,276,069	-
Education	51,383,514	-
Public safety	111,338,806	-
Health	42,775,449	-
Transportation	3,427,670	-
Economic assistance and opportunity	241,435,326	-
Culture and recreation	17,405,487	-
Home and community services	2,806,402	49,369,838
Debt service:		
Principal	-	-
Interest	-	-
Total expenditures	666,848,723	49,369,838
Excess (deficiency) of revenues over (under) expenditures	28,284,690	14,514,124
 <b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	8,714,565	28,085
Transfers out	(46,635,806)	(17,571,495)
Participation in debt service-external sources	-	-
Total other financing sources and (uses)	(37,921,241)	(17,543,410)
Net change in fund balance	(9,636,551)	(3,029,286)
Fund balances- beginning	80,349,152	43,468,530
Fund balances- ending	\$ 70,712,601	\$ 40,439,244

*See notes to financial statements.*

<u>Debt Service</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 185,570,483
-	770,110	349,587	300,164,040
-	4,874,299	17,942,867	83,694,221
-	15,060,578	20,214,969	135,258,457
-	266,402	26,247,615	110,230,846
-	1,431,298	52,933,846	73,261,416
-	-	8,358,345	8,358,345
1,737,544	139,892	856,403	7,450,197
-	1,753,900	1,940,088	9,907,113
<u>1,737,544</u>	<u>24,296,479</u>	<u>128,843,720</u>	<u>913,895,118</u>
381,928	6,111,310	1,750,251	204,519,558
-	4,733,356	-	56,116,870
-	13,616,518	3,649,537	128,604,861
-	-	51,656,846	94,432,295
-	21,132,608	22,935,501	47,495,779
-	3,559,377	13,720,741	258,715,444
-	2,872,239	12,539,280	32,817,006
-	35,572,951	15,926,088	103,675,279
22,878,438	-	2,260,000	25,138,438
10,502,518	-	5,653,256	16,155,774
<u>33,762,884</u>	<u>87,598,359</u>	<u>130,091,500</u>	<u>967,671,304</u>
<u>(32,025,340)</u>	<u>(63,301,880)</u>	<u>(1,247,780)</u>	<u>(53,776,186)</u>
34,433,653	14,458,917	31,391,170	89,026,390
-	(4,839,938)	(19,979,151)	(89,026,390)
188,910	13,186,052	-	13,374,962
<u>34,622,563</u>	<u>22,805,031</u>	<u>11,412,019</u>	<u>13,374,962</u>
2,597,223	(40,496,849)	10,164,239	(40,401,224)
33,510,895	40,810,048	25,327,986	223,466,611
<u>\$ 36,108,118</u>	<u>\$ 313,199</u>	<u>\$ 35,492,225</u>	<u>\$ 183,065,387</u>

**County of Onondaga, 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, 2008**

Amounts reported for governmental activities in the statement of activities (page 4) are different because:

Net change in fund balances-total governmental funds (page 8)	\$ (40,401,224)
Governmental funds report capital outlays 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 exceeded depreciation in the current period.	31,018,267
Revenues reported in the statement of activities that are not reported as revenue in the governmental funds.	5,203,419
The issuance of long-term obligations (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.	15,813,391
Expenses reported in the statement of activities that are not reported as expenditures in the governmental funds.	(49,347,316)
The net revenue of certain activities of the internal service funds is reported with governmental activities.	<u>1,936,108</u>
Change in net assets of governmental activities (page 4)	<u><u>\$ (35,777,355)</u></u>

*See notes to financial statements*

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**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Net Assets**  
**Internal Service Fund**  
**December 31, 2008**

**ASSETS**

Current assets:

Cash and investments	\$ 20,488,495
Receivables	<u>19,760</u>
Total current assets	<u>20,508,255</u>

Noncurrent assets:

Unfunded claims receivable	<u>33,960,560</u>
Total assets	<u>54,468,815</u>

**LIABILITIES**

Current liabilities:

Accounts payable	1,815,722
Accrued liabilities	83,001
Deferred revenues	<u>15,882</u>
Total current liabilities	<u>1,914,605</u>

Noncurrent liabilities:

Unpaid claim liabilities	<u>43,521,853</u>
Total liabilities	<u>45,436,458</u>

**NET ASSETS**

Unrestricted	<u>9,032,357</u>
Total net assets	<u>\$ 9,032,357</u>

*See notes to financial statements.*

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Revenues, Expenses, and Changes in Net Assets**  
**Internal Service Fund**  
**For the Year Ended December 31, 2008**

**OPERATING REVENUES**

Interdepartmental charges	\$ 69,061,948
Other charges	13,372,478
Total operating revenues	<u>82,434,426</u>

**OPERATING EXPENSES**

Insurance premiums and benefits	76,616,908
Supplies	5,486
Contractual services	1,062,151
General and administrative	3,222,817
Total operating expenses	<u>80,907,362</u>

Operating income 1,527,064

Nonoperating revenue

Interest income	409,044
Total nonoperating revenue	<u>409,044</u>

Change in net assets 1,936,108

Total net assets-beginning	7,096,249
Total net assets-end	<u>\$ 9,032,357</u>

*See notes to financial statements.*

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Cash Flows**  
**Internal Service Fund**  
**Year Ended December 31, 2008**

**Cash Flows From Operating Activities**

Receipts from interfund services provided	\$ 73,213,824
Payments for employee benefits	(66,052,556)
Payments for supplies and services	(3,497,133)
Payments for interdepartmental charges	<u>(812,669)</u>
Net cash provided by operating activities	<u>2,851,466</u>

**Cash Flows From Investing Activities**

Interest and earnings	<u>409,044</u>
Net increase in cash and cash equivalents	3,260,510
Cash and cash equivalent -beginning	<u>17,227,985</u>
Cash and cash equivalent -ending	<u>\$ 20,488,495</u>

**Reconciliation of Operating Income to Net Cash Provided  
by Operating Activities:**

Operating income	\$ 1,527,064
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
Increase in accounts receivable	(13,006,586)
Decrease in due from other funds	3,785,984
Decrease in accounts payable	(144,035)
Decrease in accrued liabilities	(140,677)
Increase in deferred revenues	15,882
Increase in in unpaid claim liabilities	<u>10,813,834</u>
Net cash provided by operating activities	<u>\$ 2,851,466</u>

*See notes to financial statements.*

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Net Assets**  
**Fiduciary Funds**  
**December 31, 2008**

	<b>Cemetery Private Purpose Trust Fund</b>	<b>Agency</b>
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash and investments	\$ 1,083,630	\$ 13,129,227
	<u>                    </u>	<u>                    </u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities -Agency fund liabilities	\$ -	\$ 13,129,227
	<u>                    </u>	<u>                    </u>
Net assets	<u>                    </u> 1,083,630	<u>                    </u> -
	<u>                    </u>	<u>                    </u>
Total liabilities and net assets	\$ <u>                    </u> 1,083,630	\$ <u>                    </u> 13,129,227

**COUNTY OF ONONDAGA, NEW YORK**  
**Statement of Changes in Net Assets**  
**Fiduciary Funds**  
**Year Ended December 31, 2008**

	<b>Cemetery Private Purpose Trust Fund</b>
	<u>                    </u>
<b>ADDITIONS</b>	
Departmental	\$ 116,275
Interest on investments	23,604
<b>Total additions</b>	<u>                    </u> 139,879
	<u>                    </u>
<b>DEDUCTIONS</b>	<u>                    </u> 120,950
	<u>                    </u>
Change in net assets	18,929
Net assets - beginning	<u>                    </u> 1,064,701
	<u>                    </u>
Net assets - ending	\$ <u>                    </u> 1,083,630

*See notes to financial statements*

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Statement of Net Assets**  
**Component Units**  
**December 31, 2008**

	<b>OCC</b>	<b>ONCENTER</b>
<b>ASSETS</b>		
Cash and investments	\$ 5,455,421	\$ 2,067,502
Accounts receivable (net of \$1,018,000 reserve)	12,492,087	301,651
Due from state and federal governments	2,241,188	-
Due from other governments	-	-
Inventories	-	148,964
Prepaid items and other assets	89,136	148,213
Notes receivable	-	-
Lease receivable	-	-
Endowment assets :		
Investments	-	-
Promises to give	-	-
Capital assets net of accumulated depreciation	73,890,220	934,010
Total assets	\$ 94,168,052	\$ 3,600,340
<b>LIABILITIES</b>		
Accounts payable	\$ 3,102,744	\$ 538,142
Accrued liabilities	2,193,362	155,739
Other liabilities	1,301,547	225,522
Due to other governments	581,010	-
Due to Onondaga County	-	528,814
Other deferred revenues	17,430,778	1,086,816
Long term obligations and unpaid liabilities:		
Due within one year	847,701	87,054
Due in more than one year	41,193,934	650,475
Total liabilities	66,651,076	3,272,562
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	34,576,421	196,481
Restricted for:		
Capital projects	2,174,316	46,041
Endowments	-	-
Loans	16,718	-
Unrestricted	(9,250,479)	85,256
Total net assets	\$ 27,516,976	\$ 327,778

*See notes to financial statements.*

<u>Fund Company</u>	<u>Friends of Rosamond Gifford Zoo</u>	<u>OCIDA</u>	<u>Total Component Units</u>
\$ 242	\$ 2,456,723	\$ 3,978,071	\$ 13,957,959
-	26,330	2,320,407	15,140,475
-	-	-	2,241,188
-	8,189	-	8,189
1,365,736	96,820	-	1,611,520
-	38,189	-	275,538
-	-	123,758	123,758
-	-	47,314	47,314
-	1,872,223	-	1,872,223
-	254,892	-	254,892
-	73,749	1,284,883	76,182,862
<u>\$ 1,365,978</u>	<u>\$ 4,827,115</u>	<u>\$ 7,754,433</u>	<u>\$ 111,715,918</u>
\$ 46,248	\$ 74,574	\$ 1,791,695	\$ 5,553,403
-	58,908	-	2,408,009
-	-	-	1,527,069
-	-	-	581,010
1,319,730	487,030	136,320	2,471,894
-	30,057	-	18,547,651
-	1,159,712	1,159,712	3,254,179
-	-	443,450	42,287,859
<u>1,365,978</u>	<u>1,810,281</u>	<u>3,531,177</u>	<u>76,631,074</u>
-	-	-	34,772,902
-	-	-	2,220,357
-	2,072,223	-	2,072,223
-	-	-	16,718
-	944,611	4,223,256	(3,997,356)
<u>\$ -</u>	<u>\$ 3,016,834</u>	<u>\$ 4,223,256</u>	<u>\$ 35,084,844</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Statement of Revenues, Expenditures, and Changes in Net Assets**  
**Component Units**  
**Year Ended December 31, 2008**

	<u>OCC</u>	<u>ONCENTER</u>
<b>Expenses:</b>		
Program operations	\$ 79,506,825	\$ 10,261,984
Interest on indebtedness	1,889,421	-
Depreciation	4,061,161	52,927
Total expenses	<u>85,457,407</u>	<u>10,314,911</u>
<b>Program revenues:</b>		
Charges for services	20,745,395	8,305,850
Operating grants and contributions	25,182,385	-
Capital grants and contributions	708,002	-
Total program revenues	<u>46,635,782</u>	<u>8,305,850</u>
Net program (expenses) revenues	<u>(38,821,625)</u>	<u>(2,009,061)</u>
<b>General revenues:</b>		
Contribution from Onondaga County	8,489,000	1,830,000
Interest and investment income	2,639,323	78,235
Contributions from other governments	20,238,293	-
Other revenue	-	-
Total general revenues	<u>31,366,616</u>	<u>1,908,235</u>
Change in net assets	(7,455,009)	(100,826)
Net assets -beginning of year	<u>34,971,985</u>	<u>428,604</u>
Net assets -end of year	<u>\$ 27,516,976</u>	<u>\$ 327,778</u>

*See notes to financial statements.*

<b>Fund Company</b>	<b>Friends of Rosamond Gifford Zoo</b>	<b>OCIDA</b>	<b>Total Component Units</b>
\$ 1,007,630	\$ 1,897,994	\$ 7,625,203	\$ 100,299,636
-	-	49,478	1,938,899
-	43,126	40,203	4,197,417
<u>1,007,630</u>	<u>1,941,120</u>	<u>7,714,884</u>	<u>106,435,952</u>
657,181	1,666,086	7,806,847	39,181,359
300,000	435,803	-	25,918,188
-	-	-	708,002
<u>957,181</u>	<u>2,101,889</u>	<u>7,806,847</u>	<u>65,807,549</u>
<u>(50,449)</u>	<u>160,769</u>	<u>91,963</u>	<u>(40,628,403)</u>
-	-	-	10,319,000
-	223,390	168,166	3,109,114
50,449	-	-	20,288,742
-	-	3,500	3,500
<u>50,449</u>	<u>223,390</u>	<u>171,666</u>	<u>33,720,356</u>
-	384,159	263,629	(6,908,047)
-	2,632,675	3,959,627	41,992,891
<u>\$ -</u>	<u>\$ 3,016,834</u>	<u>\$ 4,223,256</u>	<u>\$ 35,084,844</u>

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Background

The County of Onondaga, New York (the "County") established in 1794, is a municipal corporation which performs local governmental functions within its jurisdiction, including police and law enforcement services, economic assistance, health and nursing services, maintenance of county roads, parks, waste water and clean waters, and among others, operations of Onondaga Community College and ONCENTER Management Corporation. The County is governed by an elected County Executive and nineteen elected members of the County Legislature.

### Financial Reporting Entity

In accordance with GASB Statement No. 14, *The Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the basic financial statements of the County include the primary government and component units that are defined as legally separate organizations for which the primary government is financially accountable. Based upon the criteria for defining the financial reporting entity in Statements No. 14 and 39, financial accountability of the primary government is determined on the basis of the component unit's fiscal dependency, appointment of a voting majority of the component unit's governing board, ability to impose its will or potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Based on the application of the foregoing criteria, the following is a brief discussion of entities that are included within the County's reporting entity:

#### **Onondaga Community College (Community College)**

The majority of the College's Board of Trustees are appointed by the County Executive and confirmed by the County Legislature. Substantial funding is provided by the County for the operation of the Community College, and from general obligation bonds of the County. The Community College has a fiscal year which ends August 31. The Community College is presented discretely as a component unit of the County.

#### **Onondaga County Convention Center/War Memorial Complex Management Corporation (ONCENTER Management Corporation)**

The ONCENTER Management Corporation is a separate not-for-profit corporation, which manages and operates the Onondaga County Convention Center/War Memorial Complex (the Complex) and other public and civic facilities owned by the County. The ONCENTER Management Corporation and the County operate under a Management Agreement (the Agreement), which defines each party's duties and responsibilities in regard to the Complex. Under the Agreement, the ONCENTER Management Corporation is responsible for the management, operation and maintenance of the Complex, so as to maximize economic opportunities and social benefits to the residents of the County and New York State. The County will appropriate each year from its annual budget, principally from room occupancy tax revenues, funds sufficient to cover the expected excess of costs and expenses over receipts and revenues incurred by the ONCENTER Management Corporation in the performance of its obligations. The County is also responsible for funding a capital reserve for future repairs and replacements to the Complex, which are beyond annual preventative maintenance costs. The County subsidizes a substantial portion of the ONCENTER Management Corporation's operations. The Corporation is presented discretely as a component unit of the County. Unlike prior years, the Corporation's current year-end 2008 financial statements were not available for incorporation into these financial statements. As a result, their 2007 year-end financial information is presented.

#### **Onondaga County Housing Development Fund Company (Fund Company)**

The Fund Company accounts for the Onondaga County Homeownership Program consisting of construction or acquisition and rehabilitation of housing for sale to first time homebuyers of low and moderate income in

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

the County. Under the Homeownership Program, the Fund Company will complete the rehabilitation or construction of houses for sale to qualifying homebuyers. The Fund Company participates in the Federal Community Development Block Grant Program administered by the County. The funding is reflected as government contributions and enables the Fund Company to partially subsidize the cost of housing to eligible participants. The majority of the Fund Company's governing body is appointed by the County. The entity provides specific financial benefits to the primary government. However, the County is not able to impose its will on the entity nor is the County financially accountable for the entity. The Fund Company is presented discretely as a component unit of the County.

**Friends of Rosamond Gifford Zoo (The Friends)**

The Friends organization was established in 1970 to stimulate the interest of the public in the expansion and improvement of the County's Rosamond Gifford Zoo. Membership fees and contributions are solicited to aid in Zoo operations and support additions and upgrades to exhibits. The Friends also recruit, train and coordinate zoo volunteers, operate a gift shop, and sponsor special events. The Friends are presented discretely as a component unit of the County. The Friends have a fiscal year that ends December 31, however their 2008 financial statements were not available for incorporation into these financial statements. As a result, their 2007 year-end financial information is presented.

**Onondaga County Industrial Development Agency (OCIDA)**

OCIDA was created under the New York State Industrial Development Agency Act of 1969 as a legally separate corporate governmental agency constituting a public benefit corporation. OCIDA was formed to promote and develop the economic growth of Onondaga County and to assist in attracting industry to the County through bond and sale/leaseback financing programs and other activities. The County Legislature appoints the entire governing board and is therefore able to impose its will over the agency. OCIDA has a fiscal year that ends June 30. OCIDA is presented discretely as a component unit of the County.

**Onondaga Tobacco Asset Securitization Corporation (OTASC)**

OTASC is a special purpose local development corporation and is considered by legal counsel to be bankruptcy-remote from the County. However, the majority of OTASC's board of directors is comprised of elected or appointed officials of the County and one independent director. Although legally separate, for financial reporting purposes, OTASC is presented as a Nonmajor Debt Service Fund due to the fact that its purpose is to exclusively serve the County.

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices.

Onondaga Community College  
Onondaga Hill, Syracuse, New York 13215

ONCENTER  
800 South State Street,  
Syracuse, New York 13202

Fund Company  
John H. Mulroy Civic Center  
421 Montgomery Street, 11<sup>th</sup> Floor  
Syracuse, New York 13202

OCIDA  
John H. Mulroy Civic Center  
421 Montgomery Street, 14<sup>th</sup> Floor  
Syracuse, New York 13202

The Friends  
One Conservation Place  
Syracuse, New York 13204

OTASC  
John H. Mulroy Civic Center  
421 Montgomery Street, 14<sup>th</sup> Floor

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Based on the foregoing criteria described in the first paragraph, the following organizations are not part of the County's reporting entity: Onondaga County Resource Recovery Agency, Onondaga County Water Authority and Central New York Regional Planning Board.

**Government-wide and Fund Financial Statements**

The government-wide financial statements, i.e., the statement of net assets and the statement of activities, report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions including State and Federal aid, 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.

As a general rule, administrative overhead is included in the functional expenses on the governmental financial statements, and has been eliminated, for the most part, from the general government support category. The effect of interfund activity has been eliminated from the government-wide financial statements.

Separate fund financial statements are provided for governmental funds, internal service funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the internal service funds are reported separately in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the internal service funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues and related receivables are recorded in the accounting period that they become measurable and available. Available means collectible within the current period or soon enough thereafter, 60 days for real property taxes and 365 days for most other revenue, to be used to pay liabilities of the current period. Revenues not considered available are recorded as deferred revenues. Expenditures are recorded when a fund liability is incurred and is due and payable. Liabilities expected to be paid after twelve months are considered long-term liabilities.

Intergovernmental revenues (Federal and State aid) are accounted for on a modified accrual basis with consideration given to the legal and contractual requirements of the numerous individual programs involved. These intergovernmental revenues are of essentially two types. In one, County moneys must be expended on the specific purpose or project before any amounts will be reimbursed to the County; therefore, revenues are recognized when the expenditures are incurred. In the other, moneys are virtually unrestricted as to purpose of expenditure and nearly irrevocable (i.e., revocable only for failure to comply with prescribed compliance

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

requirements). Advances received for state and federal programs are offset against outstanding receivables for those programs. These resources are reflected as revenues at the time of receipt or earlier if the measurable and available criteria are met.

Uncollected property taxes at year end are either reserved for or deferred.

Sales tax revenues are recorded on an accrual basis to include the portion of sales tax revenues attributable to the current year that is remitted to New York State and ultimately paid to the County in the subsequent year.

Investment earnings are recorded on a modified accrual basis since they are measurable and available.

Licenses and permits, charges for services, fines and forfeitures, gain contingencies, and miscellaneous revenues are generally recorded on the cash basis because they are generally not measurable until actually received.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first and then unrestricted resources, as they are needed.

The discretely presented component units are presented on the accrual basis of accounting. In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, these entities have elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. These entities have also elected not to apply accounting standards issued after November 30, 1989 by FASB and APB.

Internal Service 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 an internal service fund's principal ongoing operations. Operating expenses for internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Governmental Fund Types:** Governmental funds are those through which most governmental functions of the County are financed. The County's major governmental funds are as follows:

**General Fund**

The General Fund is the County's primary operating fund. It is used to account for all financial resources, except those required to be accounted for in another fund.

**Water Environment Protection**

Water Environment Protection is a special revenue fund used to account for the County's drainage and sanitation operations.

**Debt Service Fund**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. This includes payments of serial bond and bond anticipation notes for debt issued by the County for capital asset acquisitions for the Community College.

**Capital Projects Fund**

The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of capital assets (other than those financed by the enterprise fund). Expenditures are transferred on an annual basis to the construction-in-progress account and the Community College.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The County's Nonmajor governmental funds are as follows:

**Nonmajor Special Revenue Funds**

The Nonmajor Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes including the general grants, county road and road machinery, water, Van Duyn Extended Care Facility, library and library grants, and community development funds.

**Internal Service Fund Types:** Internal Service fund types are used to account for the County's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. Revenues are recognized in the accounting period in which they are earned; expenses are recognized in the period incurred, if measurable.

**Internal Service Fund**

The Internal Service Fund is used to account principally for the County's risk management activities. The County is self-insured for certain risks including workers' compensation risks, general liability risks (judgments and claims), and medical benefits.

**Fiduciary Fund Types:** The fiduciary fund type is used to account for assets held by the County in a trustee or safekeeping capacity, or as an agent for individuals, private organizations or other governmental units, and/or other funds or component units.

**Trust and Agency Funds**

The Agency Fund is used to account for money and property received and held by the County acting as an agent with only custodial responsibility in which an asset and liability are recorded in equal amounts. Private purpose trust funds are used to account for expendable trust funds in which the trust principal and earnings thereon may be expended for the purposes of the trust. Private purpose trust funds are accounted for in essentially the same manner as the governmental funds. The County's private purpose trust fund relates to the activities of a veteran's cemetery.

**Inventories**

Inventories recorded in the governmental activities section of the government-wide financial statements represent automotive parts and road materials stated at average cost, and drugs and supplies that are stated at lower of cost or market.

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The County has historical treasures, works of art, and several collections including library books and zoo animals. Acquisitions of these assets are expensed at the time of purchase. These assets are not held for financial gain. They are kept protected, unencumbered, and preserved. Any proceeds from the sales of these assets will be used to acquire other items for the collections. Most animals at the zoo are a part of a successful breeding program. The County's historical treasures, works of art and collections are recorded as an expense at the time of acquisition.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Major outlays for capital assets and improvements are capitalized as projects are completed.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-40
Building improvements	20-30
Land improvements	10-20
Equipment	3-15
Infrastructure	10-50

Capital assets of the Community College are recorded at cost, or if donated, at fair market value at the date of donation. Depreciation is recorded on a straight-line basis over the estimated useful lives (5 to 30 years).

**Compensated Absences**

Under the terms of the County's personnel policies and its union agreements, regular permanent employees earn varying amounts of vacation leave, personal time-off and sick leave benefits on the basis of past service. Employees may also earn compensatory time-off in lieu of overtime pay. Accumulated vacation, personal time-off and compensatory time-off may be paid upon termination up to a combined maximum of twenty-one days. Compensated absence liabilities relating to the governmental funds are considered long-term liabilities, except those due and payable. Accrued liability amounts are based on wage rates prevailing as of the balance sheet date and include additional estimates for the employer's salary-related costs. Accumulated non-vested sick leave benefits are only payable on the basis of the future event of employee illness, the occurrence of which is indeterminable.

**Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, (if material) are deferred and amortized over the life of the bonds. Bond issuance costs in excess of \$100,000 are reported as deferred charges and amortized over the term of the related debt. Bond issuance costs are reported in the functional categories of expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures in the functional categories of expense.

**Patient Service Revenues – Van Duyn**

The Facility has agreements with third-party payors that provide for payments to the Facility at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Retroactive adjustments are accrued as a long-term liability on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

**Participation in Debt Service - External Sources**

Included in other financing sources in the Debt Service Fund and Capital Projects Fund are proceeds pertaining to the participation in the County's debt service by local corporations and other governments. For the year ended December 31, 2008, such amounts were comprised of the following:

The Debt Service Fund amount of \$188,910 consists of funds received from the New York State Energy Research and Development Agency and New York State Office of Court Administration to defray capital costs associated with energy conservation projects and improvements to the County's court facilities respectively.

The amount of \$13,186,052 in the Capital Projects Fund relates to funding received from the NYS Environmental Facilities Corporation (EFC) to help fund the clean-up of Onondaga Lake.

**Interfund Transactions**

Short-term advances between funds are accounted for in the appropriate due from (to) other fund accounts. Transactions between funds that would be treated as revenues or expenditures if they involved organizations external to the governmental unit are accounted for as revenues or expenditures in the funds involved. Transactions that constitute reimbursements of a fund for expenditures initially made from that fund which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of the expenditure in the fund that is reimbursed. All other legally authorized transfers are treated as operating transfers and are included in the results of operations of both governmental and internal service funds.

**Designated Fund Balance**

Designations of Governmental Fund Type balances are not legally required segregations, but are designated for a specific purpose. The designations in the General Fund are made up of \$3,684,844 appropriated in the 2009 budget, and \$2,326,709 for future debt avoidance and property tax relief. Water Environment Protection designations are made up of \$4,985,000 appropriated in the 2009 budget, and \$30,592,672 for infrastructure improvements related to future commitments associated with Onondaga Lake (Note 15). Designations in the Other Governmental Funds are made up of \$2,690,102 appropriated in the 2009 budget.

**Use of Estimates**

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. Significant estimates made by the County in determination of recorded assets and liabilities include, but are not limited to, allowances for uncollectible property taxes and other receivables, reserves for self-insurance claim liabilities, and accruals for environmental, litigation and pending tax certiorari claims.

**2. RESTATEMENT**

Prior to 2008, Van Duyn Home and Hospital was accounted for and reported as an enterprise fund. It was the County’s intention to fund the Home’s total cost of operations through patient fees. Fee revenue is predominately received from Medicaid and Medicare. Over the last several years the Home’s cost increased at a rate higher than the Medicaid and Medicare reimbursement rate. As a result the Home’s retained earnings decreased \$19.2 million from 2001 to 2005 and required approximately \$6.9 million in operating transfers from the General Fund in years 2006 and 2007. Since the Home cannot adjust the reimbursement rate for its main revenue source, it no longer had the ability to be self-sufficient. For 2008, Van Duyn has been reclassified as a non-major special revenue fund and fund balance, and net assets have been restated.

	<b>Fund Balance Previously Reported January 1, 2008</b>	<b>Effect of Fund Reclassification</b>	<b>Fund Balance Restated at January 1, 2008</b>
Nonmajor Governmental Funds	\$ 20,964,359	\$ 4,363,627	\$ 25,327,986

	<b>Net Assets Previously Reported January 1, 2008</b>	<b>Effect of Fund Reclassification</b>	<b>Net Assets Restated at January 1, 2008</b>
Governmental Activities	\$ 812,159,813	\$ 2,080,570	\$ 814,240,383
Business-type Activities	\$ 2,080,570	\$ (2,080,570)	\$ -

**3. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Governmental fund balance sheet and the government-wide statement of net assets**

The governmental fund balance sheet includes a reconciliation between total governmental funds fund balance and net assets—governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.” The details of this \$1,140,398,327 difference can be found in the Summary of Changes in Capital assets on page 28. Another element of that reconciliation explains that “Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$568,238,819 difference can be found in the Changes in Long-term Liabilities section of these notes on page 34.

**Governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances—total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays 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.” The details of this \$31,018,267 difference are as follows:

Net capital outlay	\$ 83,252,419
Depreciation expense	(52,234,152)
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 31,018,267</u>

**3. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)**

Another element of that reconciliation states “The issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this (\$15,813,391) difference are as follows:

Debt issued or incurred:	
Additional loans	\$ 9,368,130
Principal repayments:	
General obligation debt	(18,870,365)
Loan payments	(6,160,938)
Amortization of gain on defeased debt	(46,463)
Amortization of premium (amortized against interest expense)	(149,340)
Amortization of issuance discounts (amortized as interest expense)	45,585
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (15,813,391)</u></u>

Another element of that reconciliation states that “Expenses reported in the statement of activities that are not reported as expenditures in the governmental funds.”

The details of this \$49,347,316 difference are as follows:

Tax certiorari	\$ 50,000
Compensated absences	185,103
Judgments and claims	1,843,817
Postemployment benefits	38,169,100
Workers' compensation	6,866,211
Due to agencies	364,200
Accrued interest	2,168,723
Amortization of issuance costs	73,234
Inventory adjustment	(373,072)
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 49,347,316</u></u>

**4. CASH AND INVESTMENTS**

New York State statutes authorize the County to invest in obligations of the State of New York, the United States Government and its agencies, certificates of deposit, and repurchase agreements collateralized by U.S. obligations.

**Cash and Equity in Pooled Cash and Investments**

The County maintains a cash and investment pool that is available for use by all governmental and proprietary fund types. Earnings are allocated monthly to each participating fund based on a formula that takes into consideration each fund's average balance in the pool.

The carrying amount of the County’s deposits with financial institutions was \$187,691,333 and the bank balance was \$187,369,835. Of these amounts, \$11,477,876 represents cash and investments of OTASC.

**4. CASH AND INVESTMENTS (continued)**

The bank balance is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the County or its agent in the County's name	\$ 2,500,000
Amount collateralized with securities held by the pledging financial institution's trust department or its agent in the County's name	<u>184,869,835</u>
Total bank balance	<u><u>\$ 187,369,835</u></u>

**Investments**

Investments made by the County are summarized below. The investments that are represented by specific identifiable investment securities are classified as to custodial credit risk by the three categories described as follows:

- Category 1- Insured or registered, or securities held by the County or its agent in the County's name
- Category 2- Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name
- Category 3- Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the County's name

All County investments are category 1.

U.S. Government Securities	\$ 13,158,413
Commercial Paper-OTASC	8,347,055
Federal National Mortgage Association Discount Notes - OTASC	2,564,060
Money Market Funds-OTASC	483,352
Total Investments	<u><u>\$ 24,552,880</u></u>

At December 31, 2008 the carrying amount of the County's short-term investments approximates fair value (based on quoted market prices).

**5. PROPERTY TAXES AND COLLECTION**

The County levies taxes on real property located within the County. Collections are the responsibility of either the city tax collectors of the City of Syracuse or the town receiver or collectors for the towns in the County. As of April 1, the towns retain the full amount of their related town levy and remit the balance of collected taxes to the County. After April 1, uncollected taxes receivable of the towns are turned over to the County for collection. The City of Syracuse remits to the County only the amount of the County tax levy actually collected. The City of Syracuse retains responsibility for collecting County delinquent taxes on property within the City.

The County's property tax calendar is as follows:

Assessment date.....	July 1, 2007
Levy date.....	December 31, 2007
Lien date.....	July 1, 2008
Due date.....	January 1, 2008
Penalties and interest are added.....	February 1, 2007 1.0%
	March 1, 2007 1.5%
Tax sale-2008 delinquent taxes.....	October 1, 2008
Tax auction-2004 prior delinquent taxes.....	November 15, 2008

**5. PROPERTY TAXES AND COLLECTION (continued)**

Uncollected school taxes assumed by the County as a result of settlement proceedings are reported as receivables in the General Fund to maintain central control and provide for tax settlement and enforcement proceedings. The portion of the receivable that represents taxes relieved for schools in the amount of \$19,029,717 is included in the liability due to other governments at December 31, 2008. The County has the authority to levy taxes up to the New York State Constitutional tax limit which is: (a) up to 1.5% of the five-year average full assessed valuation of taxable real property, for general governmental services other than the payment of principal and interest on long-term debt, (b) in unlimited amounts for the payment of principal and interest on long-term debt, and (c) in unlimited amounts for capital appropriations. The combined tax rate to finance general governmental services other than the payment of principal and interest on long-term debt and capital appropriations for the year ended December 31, 2008 was .46% of the five-year average full assessed valuation of taxable real property.

**6. FEDERAL AND STATE FUNDED PROGRAMS**

The County participates in a number of Federal and New York State grant and assistance programs. The principal operating programs relate to temporary and medical assistance, foster care, community development, and local public works 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. In addition to the operating programs, the County also receives Federal and State assistance for approved capital projects. These capital projects are also subject to audit prior to a final settlement on amounts originally claimed by the County.

**7. CAPITAL ASSETS**

A summary of changes in the capital assets is as follows:

<b>Governmental activities:</b>	<b>Balance January 1, 2008</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance December 31, 2008</b>
Capital assets, not being depreciated:				
Land	\$ 13,846,324	\$ 4,081,393	\$ -	\$ 17,927,717
Construction in progress	294,008,070	52,949,831	(94,271,569)	252,686,332
Total capital assets, not being depreciated	<u>307,854,394</u>	<u>57,031,224</u>	<u>(94,271,569)</u>	<u>270,614,049</u>
Capital assets, being depreciated:				
Land improvements	11,330,857	4,483,371	-	15,814,228
Buildings	324,174,670	2,162,567	-	326,337,237
Building improvements	105,664,077	17,934,729	-	123,598,806
Equipment	75,997,228	15,763,057	(239,547)	91,520,738
Infrastructure	1,023,672,685	80,166,626	-	1,103,839,311
Total capital assets, being depreciated	<u>1,540,839,517</u>	<u>120,510,350</u>	<u>(239,547)</u>	<u>1,661,110,320</u>
Less accumulated depreciation for:				
Land improvements	(6,535,521)	(2,500,773)	-	(9,036,294)
Buildings	(161,069,063)	(9,761,547)	-	(170,830,610)
Building improvements	(60,965,010)	(4,997,812)	-	(65,962,822)
Equipment	(46,504,289)	(5,989,275)	221,961	(52,271,603)
Infrastructure	(464,239,968)	(28,984,745)	-	(493,224,713)
Total accumulated depreciation	<u>(739,313,851)</u>	<u>(52,234,152)</u>	<u>221,961</u>	<u>(791,326,042)</u>
Total capital assets, being depreciated, net	<u>801,525,666</u>	<u>68,276,198</u>	<u>(17,586)</u>	<u>869,784,278</u>
Net capital assets-Governmental activities	<u>\$ 1,109,380,060</u>	<u>\$ 125,307,422</u>	<u>\$ (94,289,155)</u>	<u>\$ 1,140,398,327</u>

**7. CAPITAL ASSETS (continued)**

A summary of changes in the capital assets of the Community College at August 31, 2008 is as follows:

	<u>Balance September 1, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance August 31, 2008</u>
Capital assets, not being depreciated:				
Construction in progress	\$ 22,960,579	\$ 8,154,291	\$ (15,381,899)	\$ 15,732,971
Total capital assets, not being depreciated	<u>22,960,579</u>	<u>8,154,291</u>	<u>(15,381,899)</u>	<u>15,732,971</u>
Capital assets, being depreciated:				
Land and building improvements	26,732,612	15,142,964		41,875,576
Buildings	72,382,223	228,004		72,610,227
Equipment	16,746,890	1,314,470	(796,425)	17,264,935
Library books	494,506	52,002	(47,316)	499,192
Total capital assets, being depreciated	<u>116,356,231</u>	<u>16,737,440</u>	<u>(843,741)</u>	<u>132,249,930</u>
Less accumulated depreciation:				
Improvements	(15,194,487)	(1,379,023)		(16,573,510)
Buildings	(43,514,908)	(1,305,200)		(44,820,108)
Equipment	(11,912,601)	(1,327,253)	785,863	(12,453,991)
Library books	(242,703)	(49,685)	47,316	(245,072)
Total accumulated depreciation	<u>(70,864,699)</u>	<u>(4,061,161)</u>	<u>833,179</u>	<u>(74,092,681)</u>
Total capital assets, being depreciated, net	<u>45,491,532</u>	<u>12,676,279</u>	<u>(10,562)</u>	<u>58,157,249</u>
Net capital assets-Community College	<u>\$ 68,452,111</u>	<u>\$ 20,830,570</u>	<u>\$ (15,392,461)</u>	<u>\$ 73,890,220</u>

Depreciation expense was charged to function/programs of the primary government as follows:

**Governmental activities:**

General government	\$ 8,898,442
Public safety	5,084,108
Health	1,301,777
Transportation	15,749,391
Economic assistance and opportunity	113,260
Culture and recreation	4,819,893
Home and community services	16,267,281
Total depreciation expense-governmental activities	<u>\$ 52,234,152</u>

**8. GENERAL LONG-TERM OBLIGATIONS**

The County generally borrows funds on a long-term basis for the purpose of financing the acquisition of land, equipment, construction of buildings and improvements, and infrastructure. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized by the County Legislature to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. Interest associated with long-term debt is recorded as an expenditure when such amounts are paid.

A portion of the Public Improvement Bonds, 1994 included zero coupon interest bonds. Accretion of the annual interest was \$107,135 in 2008.

At December 31, 2008, the County had utilized 8.97% of its statutory debt limit.

Details relating to bonds payable at December 31, 2008 are summarized as follows:

<u>Description of Issue</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Total</u>
<u>General Obligation Bonds:</u>			
Public Improvement, 1992	2012	5.85-5.875%	\$ 3,140,000
General Improvement, 1992	2012	5.40-5.75%	3,110,000
Public Improvement Bonds, 1994	2014	3.75-5.85%	896,335
General Obligation, 1996	2015	4.40-5.00%	2,201,000
General Obligation, 1998	2017	4.25-5.125%	5,950,000
General Obligation, 1999	2019	3.90-6.00%	5,965,000
General Obligation, 2001	2021	4.375-5.25%	6,475,000
General Obligation, 2002	2023	4.00-5.00%	24,525,000
General Obligation, 2003	2024	3.25-5.00%	21,150,000
General Obligation, 2003	2013	2.50-4.35%	500,000
General Obligation, 2003	2014	2.00-5.85%	7,795,000
General Obligation, 2004	2025	2.00-4.50%	9,700,000
Pension Bonds, 2004	2009	3.50-4.25%	1,500,000
General Obligation, 2005	2026	3.625-4.25%	13,115,000
General Obligation, 2006	2026	3.50-5.00%	32,825,000
General Obligation, 2007	2027	3.75-5.00%	25,600,000
OTASC:			164,447,335
Tobacco Settlement Pass-Through Bonds, Series 2001	2043	5.00-6.00%	99,315,000
Tobacco Settlement Pass-Through Bonds, Series 2005	2033	6.00-7.15%	700,630,000
			<u>964,392,335</u>

**8. GENERAL LONG-TERM OBLIGATIONS (continued)**

The annual requirements and sources to amortize debt on outstanding bonds as of December 31, 2008 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 18,996,835	\$ 12,982,107	\$ 31,978,942
2010	17,295,500	11,626,657	28,922,157
2011	17,648,000	10,851,734	28,499,734
2012	17,688,000	10,046,587	27,734,587
2013	15,888,000	9,264,720	25,152,720
2014-2018	85,856,000	37,968,198	123,824,198
2019-2023	132,195,000	32,472,639	164,667,639
2024-2028	230,885,000	33,416,490	264,301,490
2029-2033	427,940,000	49,834,556	477,774,556
	<u>\$ 964,392,335</u>	<u>\$208,463,688</u>	<u>\$ 1,172,856,023</u>

**Obligations Authorized Unissued**

At December 31, 2008, the County has obligations authorized and unissued of \$255,383,411, the proceeds of which are to be used for sewer, road and general capital purposes.

**Prior Year Defeasance of Debt**

In prior years, the County defeased certain general obligation bonds by placing the proceeds of new bonds and the proceeds for the sale of its future tobacco settlement revenue rights into an irrevocable trust to provide for all future debt service payments on the old debt.

A breakdown of the balance of the principal defeased as of December 31, 2008 by issue is shown below:

<u>Issue</u>	<u>Balance</u>
Public Improvement 1992	\$ 12,150,000
Public Improvement 1993	3,500,000
Public Improvement 1994	4,890,000
General Obligation Bonds 1996	3,699,000
General Obligation Bonds 1998	14,450,000
General Obligation Bonds 1999	4,585,000
General Obligation Bonds 2001	10,900,000
General Obligation Bonds 2002	6,225,000
General Obligation Bonds 2005	11,585,000
	<u>\$ 71,984,000</u>

**8. GENERAL LONG-TERM OBLIGATIONS (continued)**

**Other Loans Payable**

The State has made available to the County loans from the State Pollution Control Revolving Fund in the amount of \$397,037,863, of which \$148,745,130 is outstanding at December 31, 2008. The notes mature serially in varying annual amounts through 2036, with interest ranging from .721% to 6.55%, payable annually.

The County has recorded the full amount of loans made available less any repayments remitted. Proceeds from these loans are recognized as participation in debt-external sources in the Capital Projects Fund when eligible expenditures are reimbursed by the State Pollution Control Revolving Fund. The County received \$9,368,130 in proceeds in 2008.

At December 31, 2008 principal payments required on other loans payable are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 14,079,757	\$ 6,163,070	\$ 20,242,827
2010	6,485,373	5,927,122	12,412,495
2011	6,595,000	5,678,657	12,273,657
2012	6,725,000	5,418,894	12,143,894
2013	6,420,000	5,157,102	11,577,102
2014-2018	33,795,000	21,680,353	55,475,353
2019-2023	32,305,000	14,088,191	46,393,191
2024-2028	21,360,000	7,651,703	29,011,703
2029-2033	12,885,000	3,860,180	16,745,180
2034-2036	8,095,000	656,998	8,751,998
	<u>\$ 148,745,130</u>	<u>\$ 76,282,270</u>	<u>\$ 225,027,400</u>

**Community College**

The Community College has entered into financing agreements with the Dormitory Authority of the State of New York (DASNY) to finance most of its educational facilities. The DASNY bonds for these facilities will be repaid from the appropriations received from the State of New York. As of August 31, 2008, principal requirements relating to these obligations are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 847,701	\$ 1,431,830	\$ 2,279,531
2010	892,658	1,394,487	2,287,145
2011	947,548	1,349,057	2,296,605
2012	832,093	1,300,453	2,132,546
2013	947,431	1,259,935	2,207,366
2014-2018	5,171,188	5,580,881	10,752,069
2019-2023	7,238,646	4,109,088	11,347,734
2024-2028	6,897,446	2,273,442	9,170,888
2029-2033	4,360,008	990,528	5,350,536
2034-2036	1,536,927	115,409	1,652,336
	<u>\$ 29,671,646</u>	<u>\$ 19,805,110</u>	<u>\$ 49,476,756</u>

**8. GENERAL LONG-TERM OBLIGATIONS (continued)**

**OCIDA**

OCIDA has two loans payable to Onondaga County totaling \$1,603,162 with \$443,450 at 5% interest maturing on June 30, 2011 and \$1,159,712 at 3% interest in 2008. At June 30, 2008 principal payments required on these loans payable are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 1,159,712	\$ 11,177	\$ 1,170,889
2009	-	22,173	22,173
2010	-	22,173	22,173
2011	443,450	10,995	454,445
	<u>\$ 1,603,162</u>	<u>\$ 66,518</u>	<u>\$ 1,669,680</u>

Through June 30, 2008, OCIDA has issued approximately \$2.57 billion of industrial development and pollution control financing on behalf of county businesses. The total amount outstanding at June 30, 2008 is \$419,089,600. These amounts represent conduit debt and do not appear as assets or liabilities of OCIDA. OCIDA has no obligations for the debt beyond the resources provided by related leases or loans.

**The Friends**

In 2001, the County agreed to loan The Friends, through the Onondaga County Industrial Development Agency, up to \$2,000,000 to be used for the purpose of completing the development and construction of the Education Conservation Center. The total amount loaned was \$1,449,640. The Friends agreed to pay back the loan at 5% interest over a twelve-year period. In 2006, the agreement was amended to make interest only payments at a rate of 3% on the outstanding principal balance for the period 2006-2010. In 2007 an agreement was made for the Friends to repay the balance of \$1,159,712 in its entirety in 2008. Repayment in full was made in September 2008.

**Fund Company**

The Fund Company participates in a revolving loan payable facilitated by Onondaga County, a portion of which is payable upon the sale of each property in the Homeownership Program without interest. The balance at January 1, 2008 was \$673,625. There were additions of \$957,181 and reductions of \$311,076 during 2008 resulting in an ending balance as of December 31, 2008 of \$1,319,730.

**8. GENERAL LONG-TERM OBLIGATIONS (continued)**

**Changes in Long-Term Obligations**

Long-Term obligation activity at December 31, 2008, is as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental activities:</b>					
Serial Bonds	\$ 181,057,700	\$ -	\$ (16,610,365)	\$ 164,447,335	\$ 16,516,835
OTASC Tobacco settlement bonds	802,205,000	-	(2,260,000)	799,945,000	2,480,000
Plus premium on serial bonds	2,464,785	-	(149,340)	2,315,445	-
Less issuance discounts-OTASC	(670,230,728)	-	45,585	(670,185,143)	-
Net bonds payable	315,496,757	-	(18,974,120)	296,522,637	18,996,835
Tax certiorari	1,150,000	268,414	(218,414)	1,200,000	205,000
Compensated absences	13,411,660	16,675,981	(16,490,878)	13,596,763	9,365,829
Judgments and claims	12,574,216	2,885,788	(1,041,971)	14,418,033	60,215
Loans	145,537,938	9,368,130	(6,160,938)	148,745,130	14,079,757
Postemployment benefits	35,198,000	38,169,100	-	73,367,100	-
Due to agencies	3,060,780	364,200	-	3,424,980	-
Workers compensation	10,097,965	6,866,211	-	16,964,176	-
Total Governmental activities	<u>536,527,316</u>	<u>74,597,824</u>	<u>(42,886,321)</u>	<u>568,238,819</u>	<u>42,707,636</u>
<b>Component Units:</b>					
Community College:					
Dormitory Authority Bonds	30,442,816	-	(771,170)	29,671,646	847,701
Postemployment benefits	6,208,499	6,037,367	-	12,245,866	-
Compensated Absences	128,120	-	(3,997)	124,123	-
OCIDA:					
Loans Payable	1,818,332	-	(215,170)	1,603,162	1,159,712
The Friends:					
Loans Payable	1,159,712	-	-	1,159,712	1,159,712
Total Component Units	<u>\$ 39,757,479</u>	<u>\$ 6,037,367</u>	<u>\$ (990,337)</u>	<u>\$ 44,804,509</u>	<u>\$ 3,167,125</u>

**9. CAPITAL PROJECTS**

A summary of the County’s capital projects in excess of \$5,000,000 that have at least 10% of their total authorization still unexpended at December 31, 2008 is as follows:

<b><u>Project</u></b>	<b><u>Total Authorization</u></b>	<b><u>Amount Expended</u></b>
Midland Avenue Conveyances	\$ 145,368,853	\$ 76,213,601
Consent Judgement - Clinton Street Conveyances	111,442,042	25,671,921
Interoperable Communication System	34,700,000	12,135,079
Sewer Separation	14,179,647	11,097,949
Taft Road ROW & Construction	9,140,000	66,050
Highway Design and Right of Way	8,358,524	6,637,774
Repaving 2008	7,952,835	6,739,790
Henry Clay Blvd at Buckley Road	7,804,250	5,391,704
Onondaga County Convention Center Complex-Hotel Phase	7,334,000	6,047,076
Maintenance Reconstruction - Roads	6,814,870	4,935,611
2006 Trunk Sewer Force Main Project	6,794,750	4,158,468
Metro Screen Evaluation	5,386,000	3,800,468

**9. CAPITAL PROJECTS (continued)**

Based on the latest estimates of costs to complete these capital projects, the County does not anticipate the necessity of increasing related authorizations. Commitments for all construction in progress at December 31, 2008 have been reflected as reserves for encumbrances in the Capital Projects Fund.

**10. RETIREMENT BENEFITS**

The County participates in the New York State and Local Employees' Retirement System (ERS), a defined benefit, cost sharing multiple-employer retirement plan. The ERS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the ERS. The Comptroller shall adopt and may amend rules and regulations for the control of the funds. The ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244. The ERS is noncontributory except for employees who joined the ERS after July 27, 1976 who contribute 3% of their salary. After ten years of service, the ERS becomes non-contributory for those employees as well. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The County is required to contribute an actuarially determined rate. The required contributions at December 15 for the years 2008, 2007, and 2006 were \$16,405,925, \$20,187,445, and \$19,624,050, respectively. The County's contributions made to the ERS were equal to 100% of the contributions required for each year.

**Community College**

The Community College provides retirement benefits to all full time employees (part-time employees may elect to become participants) through their participation in one of three retirement plans: the New York State Employees Retirement System (defined benefit plan), New York State Teachers Retirement System (defined benefit plan) or the optional defined contribution retirement plan (TIAA-CREF). New York State law provides that employees who were participants prior to July 1, 1976 are noncontributory and those who became participants on or after July 1, 1976 must contribute 3% of their total earnings. After ten years of service, the ERS becomes non-contributory for those employees as well. The Community College's policy is to accrue pension expense which amounted to \$2,758,885, \$2,424,582, and \$2,080,645, for the years ended August 31, 2008, 2007, and 2006, respectively.

All three of these plans are multi-employer plans. The actuarial present value of accumulated plan benefits for vested and nonvested participants and net assets available for benefits and unfunded prior service costs, if any, for the Community College's participants in these plans are not separately determinable.

**Retiree Benefits**

In addition to providing pension benefits, the County provides certain health insurance benefits to approximately 2,640 retired employees and survivors under its self-insured health program (Note 13).

Substantially all of the County's employees may become eligible for these benefits if they reach normal retirement age while working for the County. Total cost to the County, of providing health insurance benefits to retirees during 2008, was approximately \$17.8 million. Retirees' obligation to contribute to these benefits is dependent upon the plan options offered by the County. Total retiree contributions were \$2,621,475 during 2008.

**10. RETIREMENT BENEFITS (continued)**

**Other Postemployment Benefits**

In 2007, the County adopted Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB), on a prospective basis. In the past, the County reported the cost of retiree benefits on a pay-as-you-go basis.

*Plan Description.* The County provides OPEB to its employees under a single-employer, self-insured, benefit plan. The plan provides medical and prescription drug coverage to retirees and their covered dependents, although there is no formal obligation to do so. The financial information for the County’s plan is contained solely within these financial statements.

*Funding Policy.* The contribution requirements of plan members and the County is established on an annual premium equivalent rate calculated by a third-party administrator based on projected pay-as-you-go financing requirements. For fiscal year 2008, the County contributed \$14.8 million to the plan. Plan members receiving benefits contributed \$2.6 million.

*Annual OPEB Cost.* The County's annual OPEB cost 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 the amortized amount of any unfunded actuarial accrued liabilities (UAAL) over a period of 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.

Annual required contribution	\$ 55,401,800
Interest on net OPEB obligation	1,523,300
Adjustment to annual required contribution	<u>(1,319,800)</u>
Annual OPEB cost (expense)	\$ 55,605,300
Contributions made	<u>(17,436,200)</u>
Increase in net OPEB obligation	\$ 38,169,100
Net OPEB obligation--beginning of year	<u>35,198,000</u>
Net OPEB obligation--end of year	<u><u>\$ 73,367,100</u></u>

*Two-year Trend Information.*

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension Cost</u>	<u>Percentage</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
12/31/2007	\$ 51,575,000	31.8%	\$ 35,198,000
12/31/2008	\$ 55,605,300	31.4%	\$ 73,367,100

*Funded Status and Funding Progress.* As of January 1, 2008, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$700.9 million, and there were no plan assets. The covered payroll (annual payroll of active employees covered by the plan) was \$180.3 million, and the ratio of the liability to the covered payroll was 389%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of 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,

**10. RETIREMENT BENEFITS (continued)**

presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*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 include 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 January 1, 2008 actuarial valuation the projected unit credit cost method was used. The actuarial assumptions included a 4.25% investment rate of return, which is based on the portfolio of the County’s general assets used to pay these benefits and an annual medical and prescription cost trend of 9% initially, decreasing to 5% for all benefits after 7 years. The UAAL is being amortized based on a level percentage of payroll. The remaining amortization period at December 31, 2008, is twenty-eight years.

**11. OPERATING TRANSFERS**

Operating transfers among funds are provided as part of the annual budget. The General Fund provides operating support from the property tax levy and other resources to certain special revenue funds, capital projects, and to the Debt Service Fund in support of the funds’ specified purpose. Water Environment Protection and the County Road Fund provide support to capital projects and the Debt Service Fund for capital acquisition and debt retirement.

The following is a summary of operating transfers for the year ended December 31, 2008:

**Operating Transfers From:**

Operating Transfers To:	Major Governmental Funds			Nonmajor Governmental Funds						Totals
	General Fund	Water Environment Protection	Capital Projects Fund	General Grants Fund	County Road Fund	Water Fund	Van Duyn	Library Fund		
<b>Major Governmental Funds:</b>										
General Fund	\$ -	\$ -	\$ 1,763,316	\$ 63,229	\$ -	\$ -	\$ 6,888,020	\$ -	\$ 8,714,565	
Water Environment Protection	-	-	28,085	-	-	-	-	-	28,085	
Debt Service Fund	14,437,636	13,521,495	3,048,537	-	2,704,047	695,287	-	26,651	34,433,653	
Capital Projects Fund	807,000	4,050,000	-	-	8,576,917	500,000	180,000	345,000	14,458,917	
<b>Nonmajor Governmental Funds:</b>										
General Grants Fund	1,010,241	-	-	-	-	-	-	-	1,010,241	
County Road Fund	22,998,682	-	-	-	-	-	-	-	22,998,682	
Road Machinery Fund	2,693,995	-	-	-	-	-	-	-	2,693,995	
Library Fund	4,648,736	-	-	-	-	-	-	-	4,648,736	
Community Development	39,516	-	-	-	-	-	-	-	39,516	
<b>Total</b>	<b>\$ 46,635,806</b>	<b>\$ 17,571,495</b>	<b>\$ 4,839,938</b>	<b>\$ 63,229</b>	<b>\$ 11,280,964</b>	<b>\$ 1,195,287</b>	<b>\$ 7,068,020</b>	<b>\$ 371,651</b>	<b>\$ 89,026,390</b>	

**12. DUE TO/DUE FROM OTHER FUNDS**

As discussed in Note 4, the County maintains a cash and investment pool. Due to/due from other funds exist for cash flow and interest income maximization purposes. These are short-term in nature and are repaid within the next fiscal year.

Due to/due from other funds at December 31, 2008 are summarized as follows:

<b><u>DUE TO:</u></b>	<b><u>Major Funds</u></b>		<b><u>Nonmajor Funds</u></b>		<b><u>Total</u></b>
	<b><u>General Fund</u></b>	<b><u>Capital Projects</u></b>	<b><u>General Grants</u></b>	<b><u>Community Development</u></b>	
	Major Fund - General Fund	\$ -	\$ 2,999,883	\$ 565,871	
Nonmajor Fund - Library Fund	1,800,000	-	-	-	1,800,000
<b>Total</b>	<b>\$ 1,800,000</b>	<b>\$ 2,999,883</b>	<b>\$ 565,871</b>	<b>\$ 638,310</b>	<b>\$ 6,004,064</b>

**13. RISK MANAGEMENT**

The County is self-insured for workers' compensation, health, all general liability and certain physical damage risks. The internal service fund is used to account for the County's self-insurance activities, including general liability claims. The fund is supported by annual budget appropriations that are recorded as revenues in the Internal Service Fund and allocated pro-rata to the various governmental and enterprise funds within the County.

The claims liability of \$43,521,853 reported at December 31, 2008 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the reported liabilities during fiscal year 2007 and 2008 were as follows:

	<b><u>Balance January 1, 2007</u></b>	<b><u>Claims and Changes in Estimates</u></b>	<b><u>Claim Payments</u></b>	<b><u>Balance December 31, 2007</u></b>
Workers' Compensation	\$ 15,090,000	\$ 7,696,467	\$ (6,046,467)	\$ 16,740,000
Judgments and Claims	8,257,615	5,644,861	(1,328,260)	12,574,216
Medical	4,204,748	50,168,521	(50,979,466)	3,393,803
	<b>\$ 27,552,363</b>	<b>\$ 63,509,849</b>	<b>\$ (58,354,193)</b>	<b>\$ 32,708,019</b>

	<b><u>Balance January 1, 2008</u></b>	<b><u>Claims and Changes in Estimates</u></b>	<b><u>Claim Payments</u></b>	<b><u>Balance December 31, 2008</u></b>
Workers' Compensation	\$ 16,740,000	\$ 14,785,101	\$ (6,549,027)	\$ 24,976,074
Judgments and Claims	12,574,216	2,885,788	(1,041,971)	14,418,033
Medical	3,393,803	55,225,692	(54,491,749)	4,127,746
	<b>\$ 32,708,019</b>	<b>\$ 72,896,581</b>	<b>\$ (62,082,747)</b>	<b>\$ 43,521,853</b>

**13. RISK MANAGEMENT (continued)**

**Workers' Compensation**

The County is self-insured for workers' compensation claims for all County employees as follows:

Claims incurred prior to 1991	-Fully self-insured
Claims incurred in 1991 and after:	
Type B Coverage	-Self-insured individual claims up to \$100,000, and amounts greater than \$1,000,000
Other than Type B Coverage	-Fully self-insured

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The County also participates in a Second Injury Fund, which is a New York State fund established to reimburse carriers or self-insured employers for a portion of expenses on certain claims made by employees with pre-existing impairments.

**Judgments and Claims**

The County is a defendant in a number of lawsuits in the ordinary conduct of its affairs. The County is self-insured for individual claims up to \$2,000,000 and amounts greater than \$20,000,000 for all liability (including environmental liability) and certain physical damage risks. The County has excess liability insurance that covers all other claim amounts. In the opinion of County management, after considering all relevant facts, such judgments and claims will not individually or in the aggregate, have a material effect on the financial condition of the County. Such estimate is based upon individual cases reported at December 31, 2008 and available information at the time of this report.

**Medical Benefits**

The County has contracted with a third-party administrator to manage its self-insurance program which provides certain medical benefits to all active and retired employees (Note 10). The carrying amount of the liability includes estimates of reported and unreported claims as of December 31, 2008.

**14. TAX CERTIORARI CLAIMS**

The County has accrued \$1,200,000 for pending certiorari claims as a long-term liability in the Governmental Activities column on the Statement of Net Assets. Management believes that these estimated provisions are adequate to cover the County's liability for claims based on current available information but that these estimates may be more or less than the amount ultimately paid when the claims are settled.

Outstanding claims are not, in the opinion of management, expected to have a material effect on the County's financial position.

**15. COMMITMENTS - ONONDAGA LAKE**

On January 20, 1998, Onondaga County entered into an Amended Consent Judgment (“ACJ”) with the New York State Department of Environmental Conservation (“DEC”) and the Atlantic States Legal Foundation (“ASLF”) as settlement of litigation commenced in 1988 which alleged violations of the Clean Water Act in the discharge of wastewater into Onondaga Lake from the Metropolitan Sewage Treatment Plant (“METRO”) and combined sewer overflow (“CSO”) outfalls. The ACJ was filed in the U.S. District Court for the Northern District of New York.

**15. COMMITMENTS - ONONDAGA LAKE (continued)**

Under the ACJ, the County is required to undertake a number of capital projects and related monitoring activities intended to meet the effluent limits specified therein. As explained in more detail below, the deadline for completion of the CSO projects has been extended to January 1, 2013. These projects have focused on abatement of overflow from combined sewers in portions of the consolidated sanitary district and the reduction of effluents primarily from METRO. Construction of the first of the ACJ projects commenced in 1998. To date, twenty-seven of the over thirty ACJ projects have been completed. Construction on the Phase Two Midland Avenue Regional Treatment Facility and Conveyances Project (“Midland Project”) - to date, the largest of the projects - began in fall 2004 and construction is now complete.

In today’s dollars, the estimated cost of these improvements is \$559 million, excluding interest expenses and the cost of any possible upgrades that might eventually be required to meet the currently mandated Stage III phosphorus limit at METRO, or to divert all or a portion of the effluent from METRO to the Seneca River.

The State has appropriated \$74.9 million of the Clean Water/Clean Air Environmental Bond Act funds for projects covered under the ACJ. In addition to aid through the Environmental Bond Act, based on pledges by State officials, the County also anticipates receiving approximately \$85 million in supplemental funding over the fifteen-year life of the project. To date, of the \$85 million in pledged funding, \$50 million has been appropriated from other New York State sources, an additional \$10 million is being processed through the 2007-08 budget, and another \$10 million is in the State’s 2008-09 budget. The federal government has already appropriated \$118.5 million in federal funds (inclusive of assistance from the U.S. Army Corps of Engineers).

Although it was not possible to secure a binding commitment of federal and State aid within the context of the litigation, the 1998 settlement contains a pledge by the State to provide assistance consistent with its statutory authority. The County will be seeking continuation of this commitment in any revised settlement.

Recognizing the environmental significance that the ACJ-related projects have within the State, the New York State Environmental Facilities Corporation (“EFC”) has, pursuant to a commitment letter dated September 1, 1998 (“the Commitment”), assured the County of a funding source from the Clean Water State Revolving Fund for all eligible ACJ projects. This includes pre-funding of State and federal aid and consists of both zero-interest short-term loans and below market rate long-term financing. Under the terms of the Commitment, EFC has also agreed to expedite the application approval and loan closing process for each eligible ACJ project and waive fees payable to EFC for qualifying short-term loans. To date, the County has closed on \$98 million EFC long-term loans to fund Lake projects. The eventual repayment of said loans is anticipated from local funds.

The County has included \$222 million in local funding for the gross capital costs associated with the ACJ in its 2009-2014 Capital Improvement Plan. The County has earmarked \$38.2 million of its Water Environment Protection fund balance for principal and interest costs to cover the County’s local share of future debt costs not recoverable through State and federal grants and associated with the ACJ project. As of December 31, 2007, the Consolidated Sanitary District also has an additional \$26.9 million in bonded debt reserves available to apply against future debt costs not recoverable through State and federal grants and associated with the ACJ project.

Construction on ACJ projects commenced in 1998 and numerous projects were completed. The entire ACJ program was expected to be completed within the final ACJ milestone date of January 1, 2012. However, in 2008, the ACJ Parties agreed to extend the final major milestone dates for the Clinton and Harbor Brook CSO projects from January 1, 2012 to January 1, 2013 and to complete a review process on these and related CSO projects remaining to be completed under the ACJ. The review includes extensive analysis of the use of green infrastructure technologies as alternatives to the current ACJ planned projects and the impacts of the use of

**15. COMMITMENTS - ONONDAGA LAKE (continued)**

these green technologies on the need for and sizing of collection, treatment and storage “gray” facilities when they are installed upstream of CSO discharges. During 2009 the County will be seeking an agreement by the parties to further amendments to the ACJ to incorporate a combination of the use of both green and gray infrastructure alternatives for remaining projects with commensurate revised milestones.

In the event that the ACJ projects do not bring the County in compliance with applicable water quality standards, the County will be required to undertake additional measures. It is anticipated that once the ACJ CSO projects have been completed, discharges from County facilities will not cause or contribute to alleged bacteria exceedences in Onondaga Lake unless applicable standards have been made more restrictive.

With regard to Metro effluent limits, the County is meeting the ACJ Stage II Phosphorus effluent limits. However, the County has completed a pilot study that questions whether cost effective technology exists to meet the ACJ Stage III Phosphorus limits. At the same time, sampling data collected through the ACJ mandated Ambient Monitoring Program has shown significant improvements in lake water quality following completion of the ammonia and stage II phosphorus facilities. These significant improvements may support arguments against the need for further phosphorus upgrades. Whether these arguments, if advanced, will result in relief from the Stage III phosphorus limits or permit the use of other less costly technology cannot be determined with reasonable certainty at this time.

As a result of data collected by DWEP through the ACJ-mandated Ambient Monitoring Program for 2007 and 2008, the County is studying the possibility of attainment of the ACJ effluent goals without implementing further upgrades at METRO or diverting the METRO effluent to the Seneca River. Based on this data, the County has proposed to the other ACJ parties to extend the February 1, 2009 deadline by which date the State of New York must determine whether the County must construct additional facilities at METRO to achieve compliance with the Stage III phosphorus limit or divert all or a portion of the METRO effluent to the Seneca River. As of the writing of this document, the State has made no determination, but has proposed extension of the currently applicable deadline, subject to agreement of the parties and approval by the Court.

**16. SUBSEQUENT EVENT**

As part of the recently passed economic stimulus package, New York State will receive an increase in Federal Medical Assistance Percentage (FMAP) over a nine quarter period dating back to October of 2008 and running through December 2010. Currently, Medicaid is funded using a formula that determines how much the federal government contributes and how much the State is obligated to pay for Medicaid services. In New York, the federal government covers just 50 percent of Medicaid costs. The remaining bill is divided between the State and the County. The County will receive a lump sum payment of \$4.5 million related to the period of October through December of 2008. The stimulus package was adopted after year-end and there was no knowledge or anticipation of these funds becoming available at the balance sheet date. In accordance with U.S. generally accepted accounting principles, this revenue was not recorded in the year ended December 31, 2008.

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**REQUIRED**

**SUPPLEMENTARY INFORMATION**

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<b>Non-GAAP</b>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	<b>Favorable</b>
	\$	\$	\$	\$
	<u>Amounts</u>	<u>Amounts</u>	<u>Amounts</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	8,000,000	16,566,522	16,566,522	-
Resources (inflows):				
Real property taxes County wide	178,608,930	178,608,930	175,448,796	(3,160,134)
Other real property tax items	7,997,567	7,997,567	8,281,674	284,107
Sales tax and use tax	299,961,097	299,961,097	299,044,343	(916,754)
Federal aid	62,457,444	62,970,993	60,877,055	(2,093,938)
State aid	97,429,459	100,740,119	99,982,910	(757,209)
Charges for services	98,475,838	99,292,459	96,126,460	(3,165,999)
Miscellaneous	5,593,439	5,643,439	5,644,925	1,486
Interest on Investments	4,753,632	4,753,632	3,111,826	(1,641,806)
Amounts available for appropriation	<u>763,277,406</u>	<u>776,534,758</u>	<u>765,084,511</u>	<u>(11,450,247)</u>
Charges to appropriations (outflows):				
General government support:				
Center for forensic science	5,955,526	6,075,293	5,618,820	456,473
County clerk	3,133,577	3,168,748	3,137,759	30,989
County comptroller	2,772,734	2,871,951	2,738,939	133,012
County executive	1,233,412	1,307,234	1,264,315	42,919
County legislature	2,132,338	2,157,978	2,004,759	153,219
County provision for wage adjustments	4,182,198	370,975	-	370,975
County special expense	3,490,000	3,488,300	3,060,175	428,125
District attorney	8,660,298	8,656,680	8,530,967	125,713
Elections board	3,157,694	3,405,151	2,949,721	455,430
Facilities management	18,139,744	18,841,147	17,466,282	1,374,865
Finance, county wide allocations	151,873,093	152,101,879	151,992,168	109,711
Finance, management and budget	3,668,339	3,319,791	3,108,738	211,053
Information technology	11,700,586	11,847,505	11,292,963	554,542
Law department	4,170,568	4,304,999	4,018,492	286,507
Personnel department	1,916,358	2,024,513	2,004,662	19,851
Public defender	7,039,078	7,039,078	6,944,249	94,829
Purchasing department	1,302,993	1,388,766	1,316,544	72,222
	<u>234,528,536</u>	<u>232,369,988</u>	<u>227,449,553</u>	<u>4,920,435</u>
Education:				
Authorized agencies	550,440	550,440	547,652	2,788
Community college chargebacks	8,489,000	8,489,000	8,489,000	-
Education of handicapped children	40,731,061	42,346,862	42,346,862	-
	<u>49,770,501</u>	<u>51,386,302</u>	<u>51,383,514</u>	<u>2,788</u>

*See notes to required supplementary information  
See independent auditors' report*

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Fund**  
**Year Ended December 31, 2008**

	<b>Budgeted Amounts</b>		<b>Non-GAAP Actual Amounts</b>	<i>continued</i> <b>Variance</b>
	<b>Original</b>	<b>Final</b>		<b>Favorable</b>
				<b>(Unfavorable)</b>
Public Safety:				
Corrections	18,499,616	19,063,585	18,956,669	106,916
Emergency communications	14,012,121	14,275,845	14,232,171	43,674
Emergency management	885,564	926,046	914,741	11,305
Probation	14,564,765	14,682,128	14,038,010	644,118
Sheriff- civil division	29,651,749	34,654,353	34,496,713	157,640
Sheriff- custody division	33,089,821	32,772,857	32,744,516	28,341
STOP DWI	983,500	984,677	858,908	125,769
	<u>111,687,136</u>	<u>117,359,491</u>	<u>116,241,728</u>	<u>1,117,763</u>
Health:				
Health	21,924,649	22,354,990	20,791,870	1,563,120
LTC community services	1,684,018	1,689,654	1,587,454	102,200
Mental health	24,712,825	26,914,261	26,286,992	627,269
	<u>48,321,492</u>	<u>50,958,905</u>	<u>48,666,316</u>	<u>2,292,589</u>
Transportation	<u>3,765,376</u>	<u>4,040,065</u>	<u>3,427,670</u>	<u>612,395</u>
Economic Assistance and Opportunity:				
Economic development	694,549	668,769	649,110	19,659
Job training administration	561,616	569,197	542,218	26,979
Social services - administration	73,966,535	72,983,277	71,857,772	1,125,505
Social services - programs	170,345,198	180,042,175	178,971,841	1,070,334
Veterans service	376,777	380,346	338,805	41,541
	<u>245,944,675</u>	<u>254,643,764</u>	<u>252,359,746</u>	<u>2,284,018</u>
Culture and Recreation:				
Aging and youth programs	1,501,927	1,513,504	1,380,588	132,916
Authorized agencies financial	2,926,206	2,936,206	2,928,856	7,350
Authorized agencies human	329,580	329,580	329,489	91
Parks and recreation	12,428,259	12,854,569	12,766,554	88,015
	<u>17,185,972</u>	<u>17,633,859</u>	<u>17,405,487</u>	<u>228,372</u>
Home and Community Services:				
Authorized agencies financial	1,373,500	1,373,500	1,373,500	-
Authorized agencies physical	62,356	62,356	62,356	-
Human rights	376,935	381,952	329,206	52,746
Office of environment	155,213	157,308	143,838	13,470
Onondaga planning agency	1,674,545	1,702,821	1,390,385	312,436
	<u>3,642,549</u>	<u>3,677,937</u>	<u>3,299,285</u>	<u>378,652</u>
Nondepartmental:				
Transfer to other funds	48,431,169	47,036,595	46,627,009	409,586
Total charges to appropriations	<u>763,277,406</u>	<u>779,106,906</u>	<u>766,860,308</u>	<u>12,246,598</u>
Budgetary fund balance, December 31	\$ <u>-</u>	\$ <u>(2,572,148)</u>	(1,775,797)	\$ <u>796,351</u>

Budgetary fund balance is not a current year revenue for financial purposes	(16,566,522)
Unused project balances treated as revenue for financial reporting purposes	1,826,545
Transfer of operating support from Van Duyn for IGT purposes	6,888,020
Unused project balances treated as expenditures for financial reporting purposes	(8,797)
Net change in fund balance-GAAP basis	\$ <u>(9,636,551)</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Water Environment Protection**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u>
			<u>Amounts</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	\$ 4,687,740	\$ 5,187,740	\$ 3,057,371	\$ (2,130,369)
Resources (inflows):				
Real property taxes County wide	1,840,013	1,840,013	1,840,013	-
Charges for services	61,472,821	61,472,821	60,759,925	(712,896)
Miscellaneous	631,348	631,348	568,200	(63,148)
Interest on investments	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,604,532</u>	<u>(395,468)</u>
Amounts available for appropriation	<u>70,631,922</u>	<u>71,131,922</u>	<u>67,830,041</u>	<u>(3,301,881)</u>
Charges to appropriations (outflows):				
Home and Community Services:				
Bear Trap Ley Creek	364,229	364,229	340,153	24,076
Bloody Brook	112,119	112,119	104,523	7,596
Consolidated Sanitary District	50,762,295	53,332,136	48,648,565	4,683,571
Flood Control	882,450	887,658	803,658	84,000
Harbor Brook	215,613	215,613	200,914	14,699
Meadow Brook	172,990	172,990	160,733	12,257
Nondepartmental:				
Transfers to other funds	<u>18,122,226</u>	<u>18,122,226</u>	<u>17,571,495</u>	<u>550,731</u>
Total charges to appropriations	<u>70,631,922</u>	<u>73,206,971</u>	<u>67,830,041</u>	<u>5,376,930</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (2,075,049)</u>	-	<u>\$ 2,075,049</u>

Budgetary fund balance is not a current year revenue for financial purposes	(3,057,371)
Unused project balances treated as revenue for financial reporting purposes	<u>28,085</u>
Net change in fund balance-GAAP basis	<u>\$ (3,029,286)</u>

**Other Postemployment Benefits Plan**  
**Schedule of Funding Progress**  
**(in millions)**

Actuarial	Actuarial	Actuarial	Unfunded	Funded	Covered	UAAL as a
Valuation	Value of	(AAL)	AAL	Ratio	Payroll	Percentage
Date	Assets	Entry	(UAAL)			of Covered
		Age				Payroll
01/01/07	-	\$666.2	\$666.2	0.0%	\$167.5	398.0%
01/01/08	-	\$700.9	\$700.9	0.0%	\$180.3	389.0%

See notes to required supplementary information  
See independent auditors' report

## 1. BUDGET PROCEDURES

The General Fund, Special Revenue Funds and Debt Service Fund each have legally adopted annual budgets. OTASC, a blended component unit does not have a legally adopted budget.

The Capital Project Fund contains the various capital programs in process. A capital project's budget is a financial plan for a period longer than one fiscal year. Comparisons of budget to actual for a fiscal year do not present a meaningful comparison and are, therefore, not presented.

The following is a summary of annual procedures used for establishing the budgetary data reflected in the financial statements:

Prior to September 20, the County Executive submits to the County Legislature a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments.

Prior to October 25, the budget is legally enacted through passage of legislative resolution or by provisions in the County Charter.

Budgets for general, special revenue and debt service funds are adopted and controlled at the department and object of expense level.

The County Executive is authorized to transfer appropriations within payroll and fringe benefit accounts, and up to \$7,500 within non-payroll related accounts. The County Legislature maintains legal responsibility for all remaining budget amendments and transfers.

Appropriations in the governmental funds lapse at the end of the fiscal year except that outstanding encumbrances are reappropriated in the succeeding year by law. Budgeted amounts are as originally adopted, or as amended by the County Legislature. Individual amendments for the current year were not material in relation to the original appropriations.

## 2. BUDGETARY BASIS REPORTS

The "actual" column on the Budgetary Comparison Schedules Budget and Actual (Non-GAAP Budgetary Basis) for the major governmental funds, differs from the amounts reported on the Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds because certain items are reported differently for GAAP than they are treated in the budget. These differences do not have an effect on fund balance and represent elimination of revenues and expenditures. They include interdepartmental reimbursements and refunds of prior years expenditures that are recognized as revenues in the General and Water Environment Protection Funds for budgetary purposes but are recorded as an offset to such current year expenditures for GAAP purposes.

**COMBINING FINANCIAL STATEMENTS**  
**AND**  
**BUDGETARY COMPARISON SCHEDULES**

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*NON-MAJOR FUNDS*

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*SPECIAL REVENUE FUNDS*

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Special Revenue Funds are established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain defined purposes. The Special Revenue Funds of the County are:

**General Grants Fund**

The General Grants Fund accounts for resources associated with multi-year grant funded projects.

**County Road Fund**

The County Road Fund is used to account for the maintenance and repair of County roads and bridges and snow removal costs, as defined by New York State Highway Law.

**Road Machinery Fund**

The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the construction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment.

**Water Fund**

The Water Fund is used to account for the supply, distribution and transmission of the County's available water resources.

**Van Duyn Extended Care Fund**

The Van Duyn Extended Care Fund is used to account for the County's nursing home facility.

**Library and Library Grants Funds**

The Library Fund and the Library Grants Fund are used to account for the operation of the County's public library.

**Community Development Fund**

The Community Development Fund is used to account for various projects financed by entitlements from the U.S. Department of Housing and Urban Development.

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*DEBT SERVICE FUND*

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**OTASC**

OTASC is a blended component unit used to account for the accumulation of resources for, and the payments of, Tobacco Settlement Pass-Through Bonds issued in 2001 and 2005.

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2008**

	<b>Special Revenue Funds</b>			
	<b>General Grants</b>	<b>County Road</b>	<b>Road Machinery</b>	<b>Water Fund</b>
<b>ASSETS</b>				
Cash and investments	\$ 10,900	\$ 720,337	\$ 1,270,445	\$ 1,046,183
Accounts receivable (net of \$759,831 reserve)	644,344	196,374	40,481	1,262,143
Due from state and federal governments	8,823,060	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	4,167
Inventories	-	-	-	-
Prepaid items	42,936	138,245	-	28,473
Restricted assets	-	-	-	-
<b>Total assets</b>	\$ 9,521,240	\$ 1,054,956	\$ 1,310,926	\$ 2,340,966
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,392,280	\$ 327,728	\$ 260,761	\$ 509,566
Accrued liabilities	1,860,895	704,758	559,361	132,930
Due to third party payors	-	-	-	-
Contracts payable-retainage	10,752	-	-	-
Other liabilities	-	-	-	-
Due to other funds	565,871	-	-	-
Due to other governments	-	-	-	-
Other deferred revenues	1,358,594	-	-	79,976
<b>Total liabilities</b>	5,188,392	1,032,486	820,122	722,472
<b>Fund balances:</b>				
Reserved for:				
Prepays	42,936	138,245	-	28,473
Debt service	-	-	-	-
Encumbrances	3,085,612	2,660	499,952	262,826
Unreserved:				
Designated	-	-	-	321,046
Undesignated	1,204,300	(118,435)	(9,148)	1,006,149
<b>Total fund balances</b>	4,332,848	22,470	490,804	1,618,494
<b>Total liabilities and fund balances</b>	\$ 9,521,240	\$ 1,054,956	\$ 1,310,926	\$ 2,340,966

See independent auditors' report

<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Van Duyn Fund</b>	<b>Library Fund</b>	<b>Library Grants Fund</b>	<b>Community Development</b>	<b>OTASC</b>	
\$ 10,253,991	\$ 6,955	\$ 234,659	\$ 300	\$ 11,477,876	\$ 25,021,646
6,590,747	168,010	-	-	670,657	9,572,756
-	59,081	100,376	1,631,853	-	10,614,370
-	1,800,000	-	-	-	1,800,000
-	-	-	1,365,736	-	1,369,903
151,030	-	-	-	-	151,030
329,632	138,614	1,270	11,729	-	690,899
325,660	-	-	-	-	325,660
<u>\$ 17,651,060</u>	<u>\$ 2,172,660</u>	<u>\$ 336,305</u>	<u>\$ 3,009,618</u>	<u>\$ 12,148,533</u>	<u>\$ 49,546,264</u>
\$ 1,434,844	\$ 252,682	\$ 11,685	\$ 496,855	\$ -	\$ 4,686,401
972,829	437,583	46,088	363,283	-	5,077,727
276,185	-	-	-	-	276,185
-	-	-	-	-	10,752
139,630	-	-	-	-	139,630
-	-	-	638,310	-	1,204,181
-	-	-	926,055	-	926,055
9,530	-	259,489	25,519	-	1,733,108
<u>2,833,018</u>	<u>690,265</u>	<u>317,262</u>	<u>2,450,022</u>	<u>-</u>	<u>14,054,039</u>
329,632	138,614	1,270	11,729	-	690,899
-	-	-	-	12,065,124	12,065,124
747,287	66,555	35,093	945,513	-	5,645,498
1,859,705	509,351	-	-	-	2,690,102
11,881,418	767,875	(17,320)	(397,646)	83,409	14,400,602
<u>14,818,042</u>	<u>1,482,395</u>	<u>19,043</u>	<u>559,596</u>	<u>12,148,533</u>	<u>35,492,225</u>
<u>\$ 17,651,060</u>	<u>\$ 2,172,660</u>	<u>\$ 336,305</u>	<u>\$ 3,009,618</u>	<u>\$ 12,148,533</u>	<u>\$ 49,546,264</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2008**

	<b>Special Revenue Funds</b>			
	<b>General Grants</b>	<b>County Road</b>	<b>Road Machinery</b>	<b>Water Fund</b>
<b>REVENUES</b>				
Sales tax and use tax	\$ 349,587	\$ -	\$ -	\$ -
Federal aid	11,473,978	-	-	-
State aid	12,892,026	4,747,636	-	-
Departmental	583,238	21,601	1,508,931	9,415,285
Service for other governments	960,072	1,887,324	-	50,000
Tobacco settlement proceeds	-	-	-	-
Interest on investments	34,000	-	-	26,037
Miscellaneous	1,356,818	31,115	349,411	7,709
Total revenues	<u>27,649,719</u>	<u>6,687,676</u>	<u>1,858,342</u>	<u>9,499,031</u>
<b>EXPENDITURES</b>				
Current:				
General government support	1,655,079	-	-	-
Public safety	3,649,537	-	-	-
Health	10,300,064	-	-	-
Transportation	142,956	18,564,434	4,228,111	-
Economic assistance and opportunity	13,720,741	-	-	-
Culture and recreation	854,221	-	-	-
Home and community services	54,526	-	-	8,355,595
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>30,377,124</u>	<u>18,564,434</u>	<u>4,228,111</u>	<u>8,355,595</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,727,405)</u>	<u>(11,876,758)</u>	<u>(2,369,769)</u>	<u>1,143,436</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,010,241	22,998,682	2,693,995	-
Transfers out	(63,229)	(11,280,964)	-	(1,195,287)
Total other financing sources and (uses)	<u>947,012</u>	<u>11,717,718</u>	<u>2,693,995</u>	<u>(1,195,287)</u>
Net change in fund balance	(1,780,393)	(159,040)	324,226	(51,851)
Fund balances- beginning, as restated (see Note 2)	6,113,241	181,510	166,578	1,670,345
Fund balances- ending	<u>\$ 4,332,848</u>	<u>\$ 22,470</u>	<u>\$ 490,804</u>	<u>\$ 1,618,494</u>

*See independent auditors' report*

<b>Special Revenue Funds</b>				<b>Debt Service Fund</b>	<b>Total Nonmajor Governmental Funds</b>	
<b>Van Duyn Fund</b>	<b>Library Fund</b>	<b>Library Grants</b>	<b>Community Development</b>	<b>OTASC</b>	<b>Eliminations</b>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,587
-	-	1,174	6,467,715	-	-	17,942,867
-	1,142,916	526,632	905,759	-	-	20,214,969
14,570,509	135,477	-	12,574	-	-	26,247,615
44,261,420	5,775,030	-	-	-	-	52,933,846
-	-	-	-	8,358,345	-	8,358,345
-	-	-	-	796,366	-	856,403
47,288	142,747	5,000	-	-	-	1,940,088
<u>58,879,217</u>	<u>7,196,170</u>	<u>532,806</u>	<u>7,386,048</u>	<u>9,154,711</u>	<u>-</u>	<u>128,843,720</u>
-	-	-	-	95,172	-	1,750,251
-	-	-	-	-	-	3,649,537
41,356,782	-	-	-	-	-	51,656,846
-	-	-	-	-	-	22,935,501
-	-	-	-	-	-	13,720,741
-	11,075,357	609,702	-	-	-	12,539,280
-	-	-	7,515,967	-	-	15,926,088
-	-	-	-	2,260,000	-	2,260,000
-	-	-	-	5,653,256	-	5,653,256
<u>41,356,782</u>	<u>11,075,357</u>	<u>609,702</u>	<u>7,515,967</u>	<u>8,008,428</u>	<u>-</u>	<u>130,091,500</u>
<u>17,522,435</u>	<u>(3,879,187)</u>	<u>(76,896)</u>	<u>(129,919)</u>	<u>1,146,283</u>	<u>-</u>	<u>(1,247,780)</u>
-	4,649,241	134	39,516	-	(639)	31,391,170
<u>(7,068,020)</u>	<u>(371,785)</u>	<u>(505)</u>	<u>-</u>	<u>-</u>	<u>639</u>	<u>(19,979,151)</u>
<u>(7,068,020)</u>	<u>4,277,456</u>	<u>(371)</u>	<u>39,516</u>	<u>-</u>	<u>-</u>	<u>11,412,019</u>
10,454,415	398,269	(77,267)	(90,403)	1,146,283	-	10,164,239
4,363,627	1,084,126	96,310	649,999	11,002,250	-	25,327,986
<u>\$ 14,818,042</u>	<u>\$ 1,482,395</u>	<u>\$ 19,043</u>	<u>\$ 559,596</u>	<u>\$ 12,148,533</u>	<u>\$ -</u>	<u>\$ 35,492,225</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Grants Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u>
			<u>Amounts</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Sales tax and use tax	96,075	(823,953)	349,587	1,173,540
Federal Aid				
Education	396,080	454,886	387,945	(66,941)
Public safety	105,000	2,509,676	302,364	(2,207,312)
Health	5,075,333	7,652,435	4,618,234	(3,034,201)
Transportation	48,868	1,254,337	90,064	(1,164,273)
Social services	4,526,073	5,844,001	4,044,009	(1,799,992)
Other economic assistance	2,360,913	2,504,347	1,983,991	(520,356)
Home and community services	-	165,865	47,371	(118,494)
Total federal aid	<u>12,512,267</u>	<u>20,385,547</u>	<u>11,473,978</u>	<u>(8,911,569)</u>
State Aid				
General government support	15,500	771,805	157,729	(614,076)
Public safety	2,117,868	6,050,758	2,493,460	(3,557,298)
Health	4,826,092	12,025,325	5,293,208	(6,732,117)
Transportation	-	350,121	584	(349,537)
Social services	1,973,326	4,550,963	2,269,921	(2,281,042)
Other economic assistance	2,467,224	2,744,683	2,410,533	(334,150)
Culture and recreation	-	339,868	209,849	(130,019)
Home and community services	125,555	3,945,283	56,742	(3,888,541)
Total state aid	<u>11,525,565</u>	<u>30,778,806</u>	<u>12,892,026</u>	<u>(17,886,780)</u>
Departmental				
General government support	65,000	(103,547)	68,951	172,498
Public safety	99,676	93,526	94,015	489
Health	429,418	477,751	468,692	(9,059)
Culture and recreation	40,000	355,283	420,272	64,989
Total departmental	<u>634,094</u>	<u>823,013</u>	<u>1,051,930</u>	<u>228,917</u>
Service for Other Governments				
Public safety	50,667	903,982	925,319	21,337
Health	48,000	19,253	9,753	(9,500)
Other economic assistance	25,000	25,000	25,000	-
Total service for other governments	<u>123,667</u>	<u>948,235</u>	<u>960,072</u>	<u>11,837</u>

See independent auditors' report

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Grants Fund**  
**Year Ended December 31, 2008**

*continued*

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u>
			<u>Amounts</u>	<u>(Unfavorable)</u>
Interest earnings	-	34,000	34,000	-
Miscellaneous	1,101,845	1,524,300	1,356,818	(167,482)
Transfers from other funds	771,182	947,015	1,001,444	54,429
Amounts available for appropriations	<u>26,764,695</u>	<u>54,616,963</u>	<u>29,119,855</u>	<u>(25,497,108)</u>
Charges to appropriations (outflows):				
General Government Support				
Board of elections	-	450,740	30,368	420,372
County clerk	15,000	197,630	88,687	108,943
County comptroller	-	70,894	-	70,894
County legislature	-	175,744	50,470	125,274
District attorney	1,377,097	1,902,031	1,306,181	595,850
Finance, management and budget	15,500	302,631	86,609	216,022
Information technology	-	100,000	33,500	66,500
Law	-	19,917	8,103	11,814
Purchasing	-	7,500	5,962	1,538
Personnel department	50,000	105,633	45,199	60,434
Total general government support	<u>1,457,597</u>	<u>3,332,720</u>	<u>1,655,079</u>	<u>1,677,641</u>
Public Safety				
Corrections	240,000	483,208	232,769	250,439
Emergency communications - E911	-	54	13	41
Emergency management	785,000	2,717,973	679,572	2,038,401
Probation	-	1,301,059	379,448	921,611
Sheriff	551,003	5,935,888	2,324,773	3,611,115
Special traffic programs	-	113,589	32,962	80,627
Total public safety	<u>1,576,003</u>	<u>10,551,771</u>	<u>3,649,537</u>	<u>6,902,234</u>

*continued*

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**General Grants Fund**  
**Year Ended December 31, 2008**

*continued*

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u>
			<u>Amounts</u>	<u>(Unfavorable)</u>
Health				
Center for forensic sciences	1,105,000	938,827	910,614	28,213
Health	9,751,678	16,489,051	9,772,113	6,716,938
Long term services	-	3,300,000	85,288	3,214,712
Mental health	-	5,898	741	5,157
Total health	<u>10,856,678</u>	<u>20,733,776</u>	<u>10,768,756</u>	<u>9,965,020</u>
Transportation	-	1,819,691	142,956	1,676,735
Economic Assistance and Opportunity				
Aging and youth	5,578,447	6,533,502	5,493,223	1,040,279
Economic development	33,500	1,017,003	653,070	363,933
Social services	7,199,895	11,751,281	7,574,448	4,176,833
Total economic assistance and opportunity	<u>12,811,842</u>	<u>19,301,786</u>	<u>13,720,741</u>	<u>5,581,045</u>
Culture and Recreation	62,575	953,633	854,221	99,412
Home and Community Services				
Planning agency	-	3,927,875	50,590	3,877,285
Water environment protection	-	108,952	3,936	105,016
Total home and community service	-	4,036,827	54,526	3,982,301
Total charges to appropriations	<u>26,764,695</u>	<u>60,730,204</u>	<u>30,845,816</u>	<u>29,884,388</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (6,113,241)</u>	<u>(1,725,961)</u>	<u>\$ 4,387,280</u>
Unused project balances treated as revenues for financial reporting purposes			8,797	
Unused project balances treated as expenditures for financial reporting purposes			<u>(63,229)</u>	
Net change in fund balance-GAAP basis			<u>\$ (1,780,393)</u>	

*See independent auditors' report*

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**County Road Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u>
			<u>Amounts</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
State Aid				
Transportation	4,172,096	4,747,636	4,747,636	-
Total state aid	<u>4,172,096</u>	<u>4,747,636</u>	<u>4,747,636</u>	<u>-</u>
Departmental	3,352,349	3,495,073	3,505,102	10,029
Services for Other Governments	1,503,246	1,887,594	1,887,324	(270)
Miscellaneous	37,918	37,918	31,115	(6,803)
Transfers from other funds	<u>21,765,959</u>	<u>22,998,682</u>	<u>22,998,682</u>	<u>-</u>
Amounts available for appropriations	<u>30,831,568</u>	<u>33,166,903</u>	<u>33,169,859</u>	<u>2,956</u>
Charges to appropriations (outflows):				
Transportation	<u>20,074,302</u>	<u>22,109,386</u>	<u>22,047,935</u>	<u>61,451</u>
Total charges to appropriations	<u>20,074,302</u>	<u>22,109,386</u>	<u>22,047,935</u>	<u>61,451</u>
Other Financing Uses				
Transfer to other funds	<u>10,757,266</u>	<u>11,067,883</u>	<u>11,067,882</u>	<u>1</u>
Total financing sources and uses	<u>10,757,266</u>	<u>11,067,883</u>	<u>11,067,882</u>	<u>1</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (10,366)</u>	54,042	<u>\$ 64,408</u>
Unused project balances treated as expenditures for financial reporting purposes			<u>(213,082)</u>	
Net change in fund balance-GAAP basis			<u>\$ (159,040)</u>	

See independent auditors' report

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Road Machinery Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<b>Non-GAAP</b>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	<b>Favorable</b>
			<b>Amounts</b>	<b>(Unfavorable)</b>
Budgetary fund balance, January 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Departmental	3,836,646	5,306,676	5,373,382	66,706
Miscellaneous	316,294	435,066	349,411	(85,655)
Transfers from other funds	3,454,604	2,693,995	2,693,995	-
Amounts available for appropriations	<u>7,607,544</u>	<u>8,435,737</u>	<u>8,416,788</u>	<u>(18,949)</u>
Charges to appropriations (outflows):				
Transportation	<u>7,607,544</u>	<u>8,598,000</u>	<u>8,092,562</u>	<u>505,438</u>
Total charges to appropriations	<u>7,607,544</u>	<u>8,598,000</u>	<u>8,092,562</u>	<u>505,438</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (162,263)</u>	<u>\$ 324,226</u>	<u>\$ 486,489</u>

*See independent auditors' report*

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Water Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<b>Non-GAAP</b>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	<b>Favorable</b>
			<b>Amounts</b>	<b>(Unfavorable)</b>
Budgetary fund balance, January 1	\$ 92,862	\$ 92,862	\$ 51,851	\$ (41,011)
Resources (inflows):				
Departmental	9,925,784	9,925,784	9,415,285	(510,499)
Service for Other Governments	50,000	50,000	50,000	-
Interest on Investments	30,000	30,000	26,037	(3,963)
Miscellaneous	<u>-</u>	<u>-</u>	<u>7,709</u>	<u>7,709</u>
Amounts available for appropriation	<u>10,098,646</u>	<u>10,098,646</u>	<u>9,550,882</u>	<u>(547,764)</u>
Charges to appropriations (outflows):				
Home and Community Services	8,903,359	9,162,994	8,355,595	807,399
Nondepartmental:				
Transfer to other funds	<u>1,195,287</u>	<u>1,195,287</u>	<u>1,195,287</u>	<u>-</u>
Total charges to appropriations	<u>10,098,646</u>	<u>10,358,281</u>	<u>9,550,882</u>	<u>807,399</u>
Budgetary fund balance, December 31	<u><u>\$ -</u></u>	<u><u>\$ (259,635)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 259,635</u></u>
Budgetary fund balance is not a current year revenue for budgetary purposes			<u>(51,851)</u>	
Net change in fund balance-GAAP basis			<u><u>\$ (51,851)</u></u>	

See independent auditors' report

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Van Duyn Extended Care Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<u>Non-GAAP</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Favorable</u>
			<u>Amounts</u>	<u>(Unfavorable)</u>
Budgetary fund balance, January 1	\$ 2,076,795	\$ 722,762	\$ -	\$ (722,762)
Resources (inflows):				
Departmental				
General government support	13,500	13,500	3,594	(9,906)
Health	<u>15,019,000</u>	<u>15,019,000</u>	<u>14,566,915</u>	<u>(452,085)</u>
Total departmental	<u>15,032,500</u>	<u>15,032,500</u>	<u>14,570,509</u>	<u>(461,991)</u>
Service for Other Governments				
Health	<u>24,823,686</u>	<u>43,496,217</u>	<u>44,261,420</u>	<u>765,203</u>
Miscellaneous	<u>51,347</u>	<u>51,347</u>	<u>47,288</u>	<u>(4,059)</u>
Transfer from other funds	<u>2,087,534</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts available for appropriation	<u>44,071,862</u>	<u>59,302,826</u>	<u>58,879,217</u>	<u>(423,609)</u>
Charges to appropriations (outflows):				
Health	44,071,862	59,243,966	41,356,782	17,887,184
Nondepartmental:				
Transfer to other funds	<u>-</u>	<u>356,546</u>	<u>180,000</u>	<u>176,546</u>
Total charges to appropriations	<u>44,071,862</u>	<u>59,600,512</u>	<u>41,536,782</u>	<u>18,063,730</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (297,686)</u>	17,342,435	<u>\$ 17,640,121</u>
Transfer of operating support to the General Fund for IGT purposes			<u>(6,888,020)</u>	
Net change in fund balance-GAAP basis			<u>\$ 10,454,415</u>	

*See independent auditors' report*

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Library Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<u>Non-GAAP Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary fund balance, January 1	\$ 301,826	\$ 301,826	\$ -	\$ (301,826)
Resources (inflows):				
State Aid	1,185,933	1,185,933	1,142,916	(43,017)
Departmental	685,340	685,340	640,584	(44,756)
Service for Other Governments	5,799,496	5,799,496	5,775,030	(24,466)
Miscellaneous	89,390	89,390	142,747	53,357
Transfers from other funds	4,591,395	4,648,736	4,648,736	-
Amounts available for appropriation	<u>12,653,380</u>	<u>12,710,721</u>	<u>12,350,013</u>	<u>(360,708)</u>
Charges to appropriations (outflows):				
Culture and Recreation	<u>12,275,980</u>	<u>12,412,267</u>	<u>11,580,464</u>	<u>831,803</u>
Total charges to appropriations	<u>12,275,980</u>	<u>12,412,267</u>	<u>11,580,464</u>	<u>831,803</u>
Other Financing Uses				
Transfer to other funds	<u>377,400</u>	<u>377,400</u>	<u>371,651</u>	<u>5,749</u>
Total financing sources and uses	<u>377,400</u>	<u>377,400</u>	<u>371,651</u>	<u>5,749</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (78,946)</u>	397,898	<u>\$ 476,844</u>
Unused project balances treated as revenues for financial reporting purposes			505	
Unused project balances treated as expenditures for financial reporting purposes			<u>(134)</u>	
Net change in fund balance-GAAP basis			<u>\$ 398,269</u>	

See independent auditors' report

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Library Grants Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<b>Non-GAAP</b>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	<b>Favorable</b>
			<b>Amounts</b>	<b>(Unfavorable)</b>
Budgetary fund balance, January 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Federal Aid	-	238,755	1,174	(237,581)
State Aid	408,373	861,354	526,632	(334,722)
Miscellaneous	-	43,022	5,000	(38,022)
Amounts available for appropriation	<u>408,373</u>	<u>1,143,131</u>	<u>532,806</u>	<u>(610,325)</u>
Charges to appropriations (outflows):				
Culture and Recreation	<u>408,373</u>	<u>1,239,441</u>	<u>609,702</u>	<u>629,739</u>
Total charges to appropriations	<u>408,373</u>	<u>1,239,441</u>	<u>609,702</u>	<u>629,739</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (96,310)</u>	<u>(76,896)</u>	<u>\$ 19,414</u>
Unused project balances treated as revenues for financial reporting purposes			134	
Unused project balances treated as expenditures for financial reporting purposes			<u>(505)</u>	
Net change in fund balance-GAAP basis			<u>\$ (77,267)</u>	

*See independent auditors' report*

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Community Development Fund**  
**Year Ended December 31, 2008**

	<u>Budgeted Amounts</u>		<b>Non-GAAP</b>	<b>Variance</b>
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	<b>Favorable</b>
			<b>Amounts</b>	<b>(Unfavorable)</b>
Budgetary fund balance, January 1	\$ -	\$ -	\$ -	\$ -
Resources (inflows):				
Federal Aid				
Health	-	8,950,688	1,685,158	(7,265,530)
Home and community services	3,462,840	10,794,583	4,782,557	(6,012,026)
Total federal aid	<u>3,462,840</u>	<u>19,745,271</u>	<u>6,467,715</u>	<u>(13,277,556)</u>
State Aid				
Home and community services	-	2,010,591	905,759	(1,104,832)
Departmental	700	93,595	12,574	(81,021)
Miscellaneous	-	(313,189)	-	313,189
Transfers from other funds	<u>168,910</u>	<u>208,405</u>	<u>39,516</u>	<u>(168,889)</u>
Amounts available for appropriation	<u>3,632,450</u>	<u>21,744,673</u>	<u>7,425,564</u>	<u>(14,319,109)</u>
Charges to appropriations (outflows):				
Home and Community Services	<u>3,632,450</u>	<u>22,394,672</u>	<u>7,515,967</u>	<u>14,878,705</u>
Total charges to appropriations	<u>3,632,450</u>	<u>22,394,672</u>	<u>7,515,967</u>	<u>14,878,705</u>
Budgetary fund balance, December 31	<u>\$ -</u>	<u>\$ (649,999)</u>	<u>\$ (90,403)</u>	<u>\$ 559,596</u>

See independent auditors' report

**COUNTY OF ONONDAGA, NEW YORK**  
**Budgetary Comparison Schedule**  
**Budget and Actual (Non-GAAP Budgetary Basis)**  
**Debt Service Fund**  
**Year Ended December 31, 2008**

	Budgeted Amounts		Non-GAAP	Variance
	Original	Final	Actual	Favorable (Unfavorable)
Budgetary fund balance, January 1	\$ 1,700,000	\$ 2,413,699	\$ 2,377,768	\$ (35,931)
Resources (inflows):				
Transfers from other funds	33,002,519	32,288,820	31,385,116	(903,704)
Amounts available for appropriation	34,702,519	34,702,519	33,762,884	(939,635)
Charges to appropriations (outflows):				
General government support	9,414,177	9,414,177	9,333,662	80,515
Education	739,991	739,991	839,550	(99,559)
Public safety	4,068,698	4,068,698	4,050,795	17,903
Transportation	4,682,670	4,682,670	4,329,315	353,355
Culture and recreation	829,470	829,470	828,710	760
Home and community services:				
Bear trap/Ley creek	125,700	125,700	125,700	-
Bloody brook	161,392	161,392	161,393	(1)
Central sanitary districts	13,250,044	13,250,044	12,728,793	521,251
Harbor brook	187,195	187,195	187,195	-
Meadow brook	547,895	547,895	482,484	65,411
Water fund	695,287	695,287	695,287	-
Total home and community services	14,967,513	14,967,513	14,380,852	586,661
Total charges to appropriations	34,702,519	34,702,519	33,762,884	939,635
Budgetary fund balance, December 31	\$ -	\$ -	-	\$ -
Interest revenue not considered for budgetary purposes			1,737,544	
Budgetary fund balance is not a current year revenue for financial purposes			(2,377,768)	
Unused project balances treated as revenue for financial reporting purposes			3,048,537	
Other financing sources not considered for budgetary purposes:				
Participation in debt service external sources			188,910	
Net change in fund balance- GAAP basis			\$ 2,597,223	

*See independent auditors' report*

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**STATISTICAL SECTION**

**(UNAUDITED)**

**County of Onondaga, New York**  
**Net Assets by Component**  
**Last Six Fiscal Years**  
*(accrual basis of accounting)*  
**Schedule 1**

	<b>Fiscal Year</b>					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Governmental activities</b>						
Invested in capital assets, net of related debt	\$ 695,813,404	\$ 700,264,987	\$ 746,413,156	\$ 816,829,338	\$ 811,788,098	\$ 852,007,509
Restricted	32,953,903	34,648,679	34,221,507	16,657,808	17,043,588	19,823,048
Unrestricted	(14,701,510)	8,287,249	(18,747,419)	3,693,628	(16,671,873)	(93,367,529)
<b>Total governmental activities net assets</b>	<u>\$ 714,065,797</u>	<u>\$ 743,200,915</u>	<u>\$ 761,887,244</u>	<u>\$ 837,180,774</u>	<u>\$ 812,159,813</u>	<u>\$ 778,463,028</u>
<b>Business-type activities</b>						
Invested in capital assets, net of related debt	\$ 12,796,490	\$ 11,975,368	\$ 11,073,722	\$ 10,115,911	\$ 9,583,811	\$ -
Unrestricted	8,590,554	3,123,440	(3,449,148)	(3,930,483)	(7,503,241)	-
<b>Total business-type activities net assets</b>	<u>\$ 21,387,044</u>	<u>\$ 15,098,808</u>	<u>\$ 7,624,574</u>	<u>\$ 6,185,428</u>	<u>\$ 2,080,570</u>	<u>\$ -</u>
<b>Primary government</b>						
Invested in capital assets, net of related debt	\$ 708,609,894	\$ 712,240,355	\$ 757,486,878	\$ 826,945,249	\$ 821,371,909	\$ 852,007,509
Restricted	32,953,903	34,648,679	34,221,507	16,657,808	17,043,588	19,823,048
Unrestricted	(6,110,956)	11,410,689	(22,196,567)	(236,855)	(24,175,114)	(93,367,529)
<b>Total primary government net assets</b>	<u>\$ 735,452,841</u>	<u>\$ 758,299,723</u>	<u>\$ 769,511,818</u>	<u>\$ 843,366,202</u>	<u>\$ 814,240,383</u>	<u>\$ 778,463,028</u>

*Note: In 2008 Van Dusen Fund was converted from an Enterprise Fund to a Special Revenue Fund*

**County of Onondaga, New York**  
**Changes in Net Assets**  
**Last Six Fiscal Years**  
*(accrual basis of accounting)*  
**Schedule 2**

	<b>Fiscal Year</b>					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Expenses</b>						
Governmental activities:						
General government support	\$ 53,706,355	\$ 55,124,689	\$ 53,209,794	\$ 198,049,372	\$ 258,077,035	\$ 218,159,741
Education	40,147,705	45,882,384	55,538,478	52,893,841	59,975,854	56,115,210
Public safety	92,301,423	100,069,769	104,806,261	102,098,062	120,830,256	131,896,522
Health	48,561,044	48,966,452	47,092,053	47,862,668	50,465,103	105,762,977
Transportation	34,412,727	42,822,711	48,375,886	40,492,055	40,683,043	42,074,051
Economic assistance and opportunity	251,390,162	262,894,485	245,813,867	251,375,443	249,502,570	262,786,203
Culture and recreation	28,034,518	19,536,764	29,754,915	32,317,242	33,395,710	47,748,717
Home and community services	66,499,994	68,966,456	74,894,347	40,866,396	72,756,451	75,444,171
Interest on long-term debt	13,990,110	13,236,295	13,980,373	17,135,664	18,020,424	18,174,279
Total governmental activities expenses	<u>629,044,038</u>	<u>657,500,005</u>	<u>673,465,974</u>	<u>783,090,743</u>	<u>903,706,446</u>	<u>958,161,871</u>
Business-type activities:						
Long term care	37,319,214	40,033,404	40,414,138	40,835,455	45,739,288	-
Total business-type activities expenses	<u>37,319,214</u>	<u>40,033,404</u>	<u>40,414,138</u>	<u>40,835,455</u>	<u>45,739,288</u>	<u>-</u>
Total primary government expenses	<u>\$ 666,363,252</u>	<u>\$ 697,533,409</u>	<u>\$ 713,880,112</u>	<u>\$ 823,926,198</u>	<u>\$ 949,445,734</u>	<u>\$ 958,161,871</u>
<b>Program Revenues</b>						
Governmental activities:						
Charges for services	\$ 139,764,555	\$ 138,961,942	\$ 125,788,836	\$ 131,892,315	\$ 146,275,075	\$ 197,066,748
Operating grants and contributions	207,902,176	200,501,906	198,907,888	201,629,887	196,985,978	199,017,801
Capital grants and contributions	21,078,301	55,674,881	32,626,718	25,946,323	32,851,548	19,934,877
Total governmental activities program revenues	<u>368,745,032</u>	<u>395,138,729</u>	<u>357,323,442</u>	<u>359,468,525</u>	<u>376,112,601</u>	<u>416,019,426</u>
Business-type activities:						
Charges for services	34,004,898	33,445,229	32,515,528	36,136,604	36,115,472	-
Operating grants and contributions	-	-	-	710,941	335,771	-
Capital grants and contributions	83,199	3,434	6,705	300	-	-
Total business-type activities program revenues	<u>34,088,097</u>	<u>33,448,663</u>	<u>32,522,233</u>	<u>36,847,845</u>	<u>36,451,243</u>	<u>-</u>
Total primary government program revenues	<u>\$ 402,833,129</u>	<u>\$ 428,587,392</u>	<u>\$ 389,845,675</u>	<u>\$ 396,316,370</u>	<u>\$ 412,563,844</u>	<u>\$ 416,019,426</u>

**County of Onondaga, New York**  
**Changes in Net Assets**  
**Last Six Fiscal Years**  
*(accrual basis of accounting)*  
**Schedule 2**

	<b>Fiscal Year</b>					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Net (Expense)/Revenue</b>						
Governmental activities	\$ (260,299,006)	\$ (262,361,276)	\$ (316,142,532)	\$ (423,622,218)	\$ (527,593,845)	\$ (542,142,445)
Business-type activities	(3,231,117)	(6,584,741)	(7,891,905)	(3,987,610)	(9,288,045)	-
Total primary government net expense	<u>\$ (263,530,123)</u>	<u>\$ (268,946,017)</u>	<u>\$ (324,034,437)</u>	<u>\$ (427,609,828)</u>	<u>\$ (536,881,890)</u>	<u>\$ (542,142,445)</u>
<b>General Revenues and Other Changes in Net Assets</b>						
Governmental activities:						
Real property taxes	\$ 168,211,878	\$ 182,136,568	\$ 187,830,049	\$ 190,835,482	\$ 193,684,291	\$ 189,794,554
Sales tax and use tax	83,309,067	97,649,876	131,500,537	291,775,749	293,999,988	300,164,040
Investment earnings	3,939,688	3,891,986	7,282,751	10,821,336	11,901,336	7,859,241
Tobacco settlement proceeds	8,177,745	7,797,964	7,908,009	7,243,015	7,529,850	8,358,345
Participation in debt service-external sources	96,540	20,000	307,515	128,186	457,419	188,910
Transfers and County contributions	-	-	-	(1,888,020)	(5,000,000)	-
Total governmental activities	<u>263,734,918</u>	<u>291,496,394</u>	<u>334,828,861</u>	<u>498,915,748</u>	<u>502,572,884</u>	<u>506,365,090</u>
Business-type activities:						
Investment earnings	141,809	135,093	131,648	97,762	11,761	-
Other revenue	159,411	158,963	288,472	562,682	171,426	-
Transfers and County contributions	-	-	-	1,888,020	5,000,000	-
Total business-type activities	<u>301,220</u>	<u>294,056</u>	<u>420,120</u>	<u>2,548,464</u>	<u>5,183,187</u>	<u>-</u>
Total primary government	<u>\$ 264,036,138</u>	<u>\$ 291,790,450</u>	<u>\$ 335,248,981</u>	<u>\$ 501,464,212</u>	<u>\$ 507,756,071</u>	<u>\$ 506,365,090</u>
<b>Change in Net Assets</b>						
Governmental activities	\$ 3,435,912	\$ 29,135,118	\$ 18,686,329	\$ 75,293,530	\$ (25,020,961)	\$ (35,777,355)
Business-type activities	(2,929,897)	(6,290,685)	(7,471,785)	(1,439,146)	(4,104,858)	-
Total primary government	<u>\$ 506,015</u>	<u>\$ 22,844,433</u>	<u>\$ 11,214,544</u>	<u>\$ 73,854,384</u>	<u>\$ (29,125,819)</u>	<u>\$ (35,777,355)</u>

Note: In 2008 Van Dayn Fund was converted from an Enterprise Fund to a Special Revenue Fund

**County of Onondaga, New York**  
**Fund Balances, Governmental Funds**  
**Last Six Fiscal Years**  
*(modified accrual basis of accounting)*  
**Schedule 3**

	<b>Fiscal Year</b>					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund						
Reserved	\$ 3,926,031	\$ 6,166,145	\$ 5,445,826	\$ 6,015,265	\$ 6,086,167	\$ 4,838,089
Unreserved	54,454,438	45,691,399	60,027,419	78,340,121	74,262,985	65,874,512
Total general fund	<u>\$ 58,380,469</u>	<u>\$ 51,857,544</u>	<u>\$ 65,473,245</u>	<u>\$ 84,355,386</u>	<u>\$ 80,349,152</u>	<u>\$ 70,712,601</u>
Water Environment Protection Fund						
Reserved	\$ 2,364,169	\$ 2,716,507	\$ 2,838,910	\$ 2,761,504	\$ 2,486,295	\$ 2,101,093
Unreserved	35,617,011	38,298,915	39,122,352	40,619,873	40,982,235	38,338,151
Total water environment protection fund	<u>\$ 37,981,180</u>	<u>\$ 41,015,422</u>	<u>\$ 41,961,262</u>	<u>\$ 43,381,377</u>	<u>\$ 43,468,530</u>	<u>\$ 40,439,244</u>
Debt Service Fund						
Reserved	\$ 33,902,624	\$ 30,965,495	\$ 29,970,705	\$ 31,225,328	\$ 33,510,895	\$ 36,108,118
Total debt service fund	<u>\$ 33,902,624</u>	<u>\$ 30,965,495</u>	<u>\$ 29,970,705</u>	<u>\$ 31,225,328</u>	<u>\$ 33,510,895</u>	<u>\$ 36,108,118</u>
Capital Projects Fund						
Reserved	\$ 32,362,479	\$ 76,336,401	\$ 102,343,879	\$ 57,862,062	\$ 41,885,429	\$ 36,932,658
Unreserved	(10,836,488)	(52,160,014)	(62,115,042)	(36,866,958)	(1,075,381)	(36,619,459)
Total capital projects fund	<u>\$ 21,525,991</u>	<u>\$ 24,176,387</u>	<u>\$ 40,228,837</u>	<u>\$ 20,995,104</u>	<u>\$ 40,810,048</u>	<u>\$ 313,199</u>
All Other Governmental Funds						
Reserved	\$ 14,525,872	\$ 14,454,429	\$ 15,447,379	\$ 15,304,947	\$ 16,369,235	\$ 18,401,521
Unreserved, reported in:						
Special revenue funds	6,153,997	5,486,117	5,380,328	3,187,362	4,517,444	17,007,295
Debt service funds	52,524	70,832	69,421	77,680	77,680	83,409
Total all other governmental funds	<u>\$ 20,732,393</u>	<u>\$ 20,011,378</u>	<u>\$ 20,897,128</u>	<u>\$ 18,569,989</u>	<u>\$ 20,964,359</u>	<u>\$ 35,492,225</u>

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**County of Onondaga, New York**  
**Changes in Fund Balances, Governmental Funds**  
**Last Six Fiscal Years**  
*(modified accrual basis of accounting)*  
**Schedule 4**

	<b>Fiscal Year</b>					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Revenues</b>						
Real property taxes and tax items	\$ 171,826,241	\$ 181,500,811	\$ 187,399,916	\$ 192,479,527	\$ 193,113,915	\$ 185,570,483
Sales tax and use tax	83,309,067	97,649,876	131,500,537	291,775,749	293,999,988	300,164,040
Federal aid	113,396,967	107,883,672	103,029,145	105,419,994	97,933,889	83,694,221
State aid	115,583,510	148,293,115	128,505,461	122,156,216	131,903,637	135,258,457
Departmental	84,648,161	85,623,412	85,193,745	89,680,125	94,014,080	110,230,846
Services for other governments	24,441,877	27,518,666	26,927,638	28,046,479	28,552,339	73,261,416
Tobacco settlement proceeds	8,177,745	7,797,964	7,908,009	7,243,015	7,529,850	8,358,345
Interest on investments	3,848,358	3,772,237	7,056,003	10,538,549	11,435,825	7,450,197
Miscellaneous	19,158,819	17,591,642	7,329,185	7,812,217	9,790,569	9,907,113
<b>Total revenues</b>	<u>624,390,745</u>	<u>677,631,395</u>	<u>684,849,639</u>	<u>855,151,871</u>	<u>868,274,092</u>	<u>913,895,118</u>
<b>Expenditures</b>						
General government	35,314,694	38,991,724	42,658,045	190,675,941	193,104,467	198,408,248
Education	39,336,174	43,609,654	43,533,866	44,514,055	48,253,633	51,383,514
Public safety	91,746,434	97,717,297	104,074,314	107,715,803	108,693,796	114,988,343
Health	48,607,625	49,532,695	47,082,258	48,097,289	50,496,551	94,432,295
Transportation	22,149,278	22,493,795	22,687,412	23,275,885	25,849,968	26,363,171
Economic assistance and opportunity	254,134,521	260,357,398	245,747,262	251,385,306	247,184,758	255,156,067
Culture and recreation	25,882,844	26,223,679	27,277,029	28,470,612	29,028,545	29,944,767
Home and community services	57,337,081	57,214,807	62,181,444	63,843,619	66,133,298	68,102,328
Capital outlay	86,161,445	69,071,826	92,462,293	113,674,114	98,433,440	87,598,359
Debt service:						
Principal	14,364,297	16,989,705	18,412,632	21,543,166	21,888,221	25,138,438
Interest	13,932,017	13,145,112	13,690,254	14,687,096	15,338,992	16,155,774
<b>Total expenditures</b>	<u>688,966,410</u>	<u>695,347,692</u>	<u>719,806,809</u>	<u>907,882,886</u>	<u>904,405,669</u>	<u>967,671,304</u>



**COUNTY OF ONONDAGA, NEW YORK**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
*(in thousands of dollars)*  
**Schedule 5**

<b>Fiscal Year Ended</b>	<b><u>REAL PROPERTY</u></b>		<b><u>EXEMPTIONS</u></b>		<b><u>TAXABLE</u></b>		<b>Taxable Assessed Value To Full Value</b>	<b>Per \$1,000 Full Value Tax Rate</b>
	<b>Assessed Value</b>	<b>Full Value</b>	<b>Assessed Value</b>	<b>Full Value</b>	<b>Assessed Value</b>	<b>Full Value</b>		
1999	\$ 18,552,123	\$ 21,983,428	\$ 5,665,013	\$ 6,233,553	\$ 12,887,110	\$ 15,749,875	81.82%	\$ 9.69
2000	19,170,571	22,694,104	5,767,506	6,315,060	13,403,065	16,379,044	81.83%	9.18
2001	19,399,126	23,325,037	5,827,026	6,450,436	13,572,100	16,874,601	80.43%	8.78
2002	19,929,630	23,878,433	5,849,593	6,489,425	14,080,037	17,389,008	80.97%	8.35
2003	18,687,257	22,865,750	5,805,631	6,429,360	12,881,626	16,436,390	78.37%	8.68
2004	21,304,036	25,815,758	6,154,750	6,810,315	15,149,286	19,005,443	79.71%	9.06
2005	22,024,988	26,705,334	6,252,097	6,973,119	15,772,891	19,732,215	79.93%	8.86
2006	23,689,104	28,626,155	6,474,734	7,171,432	17,214,370	21,454,723	80.24%	8.52
2007	24,454,054	30,020,864	6,600,481	7,341,042	17,853,573	22,679,822	78.72%	7.91
2008	25,152,667	31,140,839	6,685,505	7,494,265	18,467,162	23,646,574	78.10%	7.28

**COUNTY OF ONONDAGA, NEW YORK**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**  
**Schedule 6**

<u><b>TAXPAYER</b></u>	<b>2008</b>			<b>1999</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage Of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage Of Total Taxable Assessed Value</b>
National Grid / Niagara Mohawk	\$ 718,746,708	1	2.82%	\$ 630,294,122	1	2.84%
VERIZON / NY Telephone Co.	210,993,400	2	0.83%	134,874,320	2	0.61%
HUB Properties Trust	67,915,400	3	0.27%	21,777,000	8	0.10%
Shoppingtown Mall LP	53,621,400	4	0.21%	48,249,900	3	0.22%
Wegmans Food Markets	48,034,800	5	0.19%	36,739,300	4	0.17%
Bristol Myers Squibb	44,698,600	6	0.18%	31,829,800	5	0.14%
New Process Gear, Inc.	32,000,000	7	0.13%	18,827,500	10	0.08%
Syracuse University	22,472,117	8	0.09%	-		-
Nob Hill of Syracuse Apartments	20,459,438	9	0.08%	-		-
Carrier Corporation	20,459,438	9	0.08%	27,151,600	6	0.12%
Home Properties	-		-	23,003,400	7	0.10%
Crucible Materials	-		-	20,347,200	9	0.09%
<b>Total</b>	<b>\$ 1,239,401,301</b>		<b>4.86%</b>	<b>\$ 993,094,142</b>		<b>4.47%</b>

**COUNTY OF ONONDAGA, NEW YORK**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**Schedule 7**

<b><u>Fiscal Year Ended</u></b>	<b><u>Taxes Levied for the Fiscal Year</u></b>	<b><u>Collected within the Fiscal Year of the Levy</u></b>			<b><u>Total Collections to Date</u></b>	
		<b><u>Amount</u></b>	<b><u>Percentage of Levy</u></b>	<b><u>Collections in Subsequent Years</u></b>	<b><u>Amount</u></b>	<b><u>Percentage of Levy</u></b>
1999	\$ 275,446,819	\$ 264,360,829	95.98%	\$ 9,302,791	\$ 273,663,620	99.35%
2000	265,135,439	254,696,348	96.06%	8,893,390	263,589,738	99.42%
2001	250,443,805	239,419,725	95.60%	9,892,089	249,311,814	99.55%
2002	254,946,556	244,562,293	95.93%	9,207,677	253,769,970	99.54%
2003	274,649,355	264,694,937	96.38%	7,958,235	272,653,172	99.27%
2004	297,421,392	287,764,386	96.75%	7,694,898	295,459,284	99.34%
2005	300,860,868	291,355,908	96.84%	7,353,311	298,709,219	99.28%
2006	311,639,215	301,888,439	96.87%	6,656,641	308,545,080	99.01%
2007	327,022,143	316,589,528	96.81%	3,228,187	319,817,715	97.80%
2008	334,648,785	321,878,456	96.18%	-	321,878,456	96.18%

**COUNTY OF ONONDAGA, NEW YORK**  
**Overlapping and Underlying Governmental Activities Debt**  
**As of December 31, 2008**  
*(dollars in thousands)*  
**Schedule 8**

<b><u>GOVERNMENTAL UNIT</u></b>	<b><u>Debt Outstanding</u></b>	<b><u>Estimated Percentage Applicable</u></b>
County of Onondaga	\$ 313,192	25.21%
Total Overlapping Debt	<u>\$ 313,192</u>	<u>25.21%</u>
<b>Political subdivisions within Onondaga County:</b>		
Towns (as of 12/31/07)	52,652	4.24%
Villages (as of 5/31/08)	35,515	2.86%
School districts (as of 6/30/08)	516,358	41.56%
City of Syracuse and city schools (as of 5/14/08)	319,728	25.73%
Fire districts (as of 12/31/07)	5,124	0.41%
Total Underlying Debt	<u>\$ 929,377</u>	<u>74.79%</u>
<b>Total Overlapping and Underlying Debt</b>	<b>\$ 1,242,569</b>	<b>100.00%</b>

**COUNTY OF ONONDAGA, NEW YORK**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
*(dollars in thousands)*  
**Schedule 9**

	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	
Debt limit	\$ 1,130,543	\$ 1,132,134	\$ 1,137,222	\$ 1,140,803	\$ 1,160,205	\$ 1,187,041	\$ 1,229,383	\$ 1,283,825	\$ 1,331,236	
Total net debt applicable to limit	166,313	150,084	104,085	125,313	131,326	122,381	138,124	146,085	119,427	
Legal debt margin	\$ 973,174	\$ 980,459	\$ 1,033,137	\$ 1,015,490	\$ 1,028,879	\$ 1,064,660	\$ 1,091,259	\$ 1,137,740	\$ 1,211,809	
Total net debt applicable to the limit as a percentage of debt limit	14.60%	13.28%	9.15%	10.98%	11.32%	10.31%	11.24%	11.38%	8.97%	

**Legal Debt Margin Calculation for Fiscal Year 2008**

Assessed value - 5 year average	<u>\$19,017,651</u>
<b>Legal debt margin:</b>	
Debt limit (7% of total assessed value)	1,331,236
Debt applicable to limit:	
General obligation bonds	313,192
Less: Excludable debt	(180,679)
Amount set aside for repayment of general obligation debt	<u>(13,086)</u>
Total net debt applicable to limit	<u>119,427</u>
Legal debt margin	<u><u>\$1,211,809</u></u>

**COUNTY OF ONONDAGA, NEW YORK**

**Ratios of Outstanding Debt by Type**

**Last Ten Fiscal Years**

*(dollars in thousands, except per capita)*

**Schedule 10**

<u>General Bonded Debt Outstanding</u>				<u>Business-Type Activities</u>			
<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>BANs Payable</u>	<u>Percentage of</u>	<u>Per Capita</u>	<u>Enterprise Fund</u>		
			<u>Actual Taxable Value of Property</u>				
1999	\$ 212,891	\$ 2,912	1.37%	\$ 473	\$ 1,325		
2000	177,783	13,425	1.17%	417	450		
2001	100,470	-	0.60%	219	-		
2002	127,685	-	0.73%	279	-		
2003	150,426	-	0.92%	328	-		
2004	155,385	-	0.82%	339	-		
2005	150,167	-	0.76%	329	-		
2006	169,840	-	0.79%	373	-		
2007	181,058	-	0.80%	399	-		
2008	164,447	-	0.70%	359	-		

<u>Other Governmental Activities Debt</u>							
<u>Fiscal Year</u>	<u>OTASC Bonds</u>	<u>E-911 Loans</u>	<u>EFC Loans</u>	<u>Total Other Bonds and Loans</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
1999	\$ -	\$ 991	\$ 27,362	\$ 28,353	\$ 245,481	0.90%	\$ 538
2000	-	748	40,628	41,376	233,034	0.81%	508
2001	111,470	654	56,120	168,244	268,714	0.92%	587
2002	110,785	561	59,753	171,099	298,784	1.00%	653
2003	108,380	421	78,102	186,903	337,329	1.09%	736
2004	106,865	280	71,832	178,977	334,362	1.04%	731
2005	805,895	140	94,520	900,555	1,050,722	3.11%	2,303
2006	804,105	-	124,295	928,400	1,098,240	3.07%	2,413
2007	802,205	-	145,538	947,743	1,128,801	3.09%	2,486
2008	799,945	-	148,745	948,690	1,113,137	3.00%	2,432

**COUNTY OF ONONDAGA, NEW YORK**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**  
**Schedule 11**

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
1999	456,215	27,299	75,108	3.5%
2000	458,336	28,737	75,106	3.5%
2001	457,948	29,068	74,917	4.0%
2002	457,893	29,746	74,363	4.9%
2003	458,140	30,860	73,563	5.1%
2004	457,695	32,146	73,055	5.1%
2005	456,229	33,751	73,367	4.5%
2006	455,138	35,751	71,871	4.3%
2007	454,010	36,473	72,564	4.0%
2008	457,714	37,068	71,375	5.3%

**COUNTY OF ONONDAGA, NEW YORK**

**Principal Employers  
Current Year and Nine Years Ago  
Schedule 12**

<u>Employer</u>	<u>2008</u>			<u>1999</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of County Employment</u>
SUNY Upstate Medical University	6,717	1	3.06%	4,850	1	2.13%
Syracuse University	6,504	2	2.96%	3,950	3	1.73%
Wegmans Food Markets	4,100	3	1.87%	3,893	4	1.71%
St. Joseph's Hospital Health Center	3,046	4	1.39%	2,800	6	1.23%
Crouse Hospital	2,700	5	1.23%	2,250	8	0.99%
Loretto	2,427	6	1.10%	-	-	-
Lockheed Martin Corporation	2,350	7	1.07%	2,100	9	0.92%
National Grid/Niagara Mohawk	1,856	8	0.84%	2,800	6	1.23%
P & C Food Markets	1,750	9	0.80%	1,665	10	0.73%
Magna Drivetrain-New Process Gear Inc.	1,400	10	0.64%	3,525	5	1.55%
Raymour and Flannigan	1,400	10	0.64%	-	-	-
Syracuse V.A. Medical Center	1,400	10	0.64%	-	-	-
Carrier Corporation	-	-	-	4,125	2	1.81%
<b>Total</b>	<u>35,650</u>		<u>16.22%</u>	<u>31,958</u>		<u>14.03%</u>

**COUNTY OF ONONDAGA, NEW YORK**  
**Full-time Equivalent County Government Employees by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 13**

**Full -time Employees as of January 10**

<b><u>Function/Program</u></b>	<b><u>1999</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>	<b><u>2002</u></b>	<b><u>2003</u></b>
County clerk	37	38	38	38	35
County comptroller	38	34	36	37	36
County executive	11	11	11	11	11
County legislature	31	29	31	26	24
District attorney	99	99	96	96	93
Elections board	16	15	16	16	15
Facilities management	111	113	115	116	108
Finance, management and budget	34	33	34	35	36
Information technology	73	75	76	76	63
Law department	42	43	44	44	44
Personnel department	26	28	28	31	30
Purchasing department	19	19	19	19	18
<b>General Government Support</b>	<b>537</b>	<b>537</b>	<b>544</b>	<b>545</b>	<b>513</b>
Corrections	219	208	209	204	199
Emergency communications	143	136	134	140	130
Emergency management	6	6	6	6	5
Probation	150	155	153	159	136
Sheriff civil	302	308	315	331	330
Sheriff custody	274	278	277	276	280
STOP DWI	2	2	2	1	1
<b>Public Safety</b>	<b>1,096</b>	<b>1,093</b>	<b>1,096</b>	<b>1,117</b>	<b>1,081</b>
Health	342	352	354	386	378
LTC community services	20	18	15	15	14
LTC Van Duyn	552	555	537	543	551
Mental health department	96	101	101	102	91
<b>Health</b>	<b>1,010</b>	<b>1,026</b>	<b>1,007</b>	<b>1,046</b>	<b>1,034</b>
Transportation	222	227	222	228	206
<b>Transportation</b>	<b>222</b>	<b>227</b>	<b>222</b>	<b>228</b>	<b>206</b>
Economic development	5	4	4	5	3
Job training administration	12	10	10	9	9
Social services department	862	865	842	874	801
Veterans service agency	3	3	3	3	3
<b>Economic Assistance</b>	<b>882</b>	<b>882</b>	<b>859</b>	<b>891</b>	<b>816</b>
Aging and youth	16	18	20	22	19
Onondaga public libraries	67	74	70	70	64
Syracuse branch libraries	59	58	63	62	57
Parks and recreation	130	123	129	127	114
<b>Culture &amp; Recreation</b>	<b>272</b>	<b>273</b>	<b>282</b>	<b>281</b>	<b>254</b>
Community development	12	11	12	12	12
Human rights commission	6	6	5	5	5
Office of the environment	1	1	1	1	1
Onondaga planning agency	15	16	16	15	14
Water board	37	38	36	37	36
Water environment protection	360	366	374	373	367
<b>Home &amp; Community Services</b>	<b>431</b>	<b>438</b>	<b>444</b>	<b>443</b>	<b>435</b>
<b>Total</b>	<b>4,450</b>	<b>4,476</b>	<b>4,454</b>	<b>4,551</b>	<b>4,339</b>

Source: Management and Budget

**COUNTY OF ONONDAGA, NEW YORK**  
**Full-time Equivalent County Government Employees by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 13**

**Full -time Employees as of January 10**

<b>Function/Program</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
County clerk	38	38	38	36	39
County comptroller	38	36	35	36	36
County executive	11	11	10	11	9
County legislature	26	26	26	26	27
District attorney	99	94	95	95	100
Elections board	16	16	17	17	17
Facilities management	108	115	112	115	107
Finance, management and budget	34	30	32	32	31
Information technology	74	73	72	74	76
Law department	44	43	42	42	38
Personnel department	26	29	25	26	25
Purchasing department	18	15	14	14	12
<b>General Government Support</b>	<b>532</b>	<b>526</b>	<b>518</b>	<b>524</b>	<b>517</b>
Corrections	196	187	188	188	189
Emergency communications	137	139	141	144	145
Emergency management	6	7	7	7	7
Probation	137	134	135	136	140
Sheriff civil	331	321	326	327	285
Sheriff custody	282	278	274	279	276
STOP DWI	1	1	0	0	0
<b>Public Safety</b>	<b>1,090</b>	<b>1,067</b>	<b>1,071</b>	<b>1,081</b>	<b>1,042</b>
Health	383	370	363	355	364
LTC community services	12	13	11	11	14
LTC Van Duyn	570	545	545	531	559
Mental health department	92	85	86	85	80
<b>Health</b>	<b>1,057</b>	<b>1,013</b>	<b>1,005</b>	<b>982</b>	<b>1,017</b>
Transportation	204	199	190	189	197
<b>Transportation</b>	<b>204</b>	<b>199</b>	<b>190</b>	<b>189</b>	<b>197</b>
Economic development	3	6	6	6	7
Job training administration	8	8	7	7	6
Social services department	749	728	730	727	733
Veterans service agency	3	2	2	3	2
<b>Economic Assistance</b>	<b>763</b>	<b>744</b>	<b>745</b>	<b>743</b>	<b>748</b>
Aging and youth	18	18	17	17	18
Onondaga public libraries	60	58	59	59	56
Syracuse branch libraries	60	59	61	57	54
Parks and recreation	116	111	117	117	119
<b>Culture &amp; Recreation</b>	<b>254</b>	<b>246</b>	<b>254</b>	<b>250</b>	<b>247</b>
Community development	12	13	13	12	13
Human rights commission	4	4	4	4	4
Office of the environment	1	1	1	1	1
Onondaga planning agency	17	16	15	16	16
Water board	36	38	38	38	35
Water environment protection	371	383	387	386	387
<b>Home &amp; Community Services</b>	<b>441</b>	<b>455</b>	<b>458</b>	<b>457</b>	<b>456</b>
<b>Total</b>	<b>4,341</b>	<b>4,250</b>	<b>4,241</b>	<b>4,226</b>	<b>4,224</b>

Source: Management and Budget

**COUNTY OF ONONDAGA, NEW YORK**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 14**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Police protection										
Number of police personnel and officers	538	595	595	585	585	585	585	540	530	538
Number of police vehicles	170	174	174	174	174	174	199	199	199	206
Number of stations	8	8	8	8	8	8	8	7	7	8
Highways										
Miles of streets maintained	802	801	802	802	802	802	802	857	857	792
Road signs installed	1,187	1,106	1,305	1,050	1,100	794	854	957	1,025	853
Signal lights	85	84	84	87	88	89	90	93	93	98
Parks and recreation										
Athletic fields	14	14	14	14	14	14	14	14	14	14
Miles of hiking trails	56	56	56	56	56	56	56	56	56	56
Park acreage	6,300	6,510	6,510	6,510	6,580	6,580	6,580	6,580	6,580	6,580
Parks and museums	13	13	13	13	13	13	13	13	13	13
Water environment protection										
Average design capacity of treatment plants in gallons ( in thousands)	113,082	113,082	112,215	112,215	112,000	112,000	112,000	117,000	116,200	116,200
Miles of sanitary sewers	3,006	3,015	3,028	3,028	3,028	3,028	3,028	3,037	3,047	3,060
Number of pumping stations	116	119	120	120	120	120	120	140	150	148
Number of sewer units	177,758	177,876	180,129	183,466	181,248	181,248	181,248	181,500	180,901	180,938
Number of wastewater treatment facilities	8	8	8	8	6	6	6	6	6	6
Water operations										
Maximum daily capacity of plants in gallons (in thousands)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Miles of water mains	81	81	81	81	81	81	81	81	92	92
Number of service connections	48	49	49	48	48	48	48	48	51	51