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Deficit grows in draft audit

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The first draft of the Sullivan County fiscal year 2008 audit, obtained by the *Eagle Times*, shows that the county amassed a deficit of \$891,266 for **Newport** the period ending June 30, 2008.

The figure of \$891,266 is before depreciation, which would cut the shortfall to \$655,631.

The reason for the deficit was Sullivan County Healthcare, which went about \$1.5 million over budget, according to the draft audit report.

The revenues for the nursing home were budgeted at \$13.8 million, but failed to meet that projection by \$1.5 million.

The governmental activities, which include the jail, the county attorney's office and the sheriff's department had a surplus of \$638,612, which, when added to the deficit from the nursing home, brought the deficit to just under \$900,000.

The deficit for the county had been in the range of \$2.5 million before fiscal year 2008.

When the county delegation met on Aug. 7 to pass a budget, the amount to be put towards erasing the deficit was raised \$165,000 to \$1 million.

In June, there was speculation that the deficit for fiscal year 2008 would be no more than \$500,000.

Depreciation of the assets of the county, namely in the nursing home, would qualify as a write-off, and would decrease the deficit.

Because the county budget for fiscal year 2009 was not finalized until August, the audit was delayed. Budgets are usually passed in June, because a fiscal year begins

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July 1.

Normally, an audit would be finalized and delivered in August.

All figures are from the first draft of the audit, and are subject to change.

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