

County of Lycoming, Pennsylvania

Comprehensive Annual Financial Report
For the Year Ended December 31, 2012



Prepared by the Office of Fiscal Services

Comprehensive Annual Financial Report

For the Year Ended December 31, 2012



Prepared by the Office of Fiscal Services

COUNTY OF LYCOMING, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
 For the year ended December 31, 2012

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INTRODUCTORY SECTION

COUNTY OF LYCOMING, PENNSYLVANIA

Executive Plaza Building
48 West Third Street
Williamsport, PA 17701
www.lyco.org

COMMISSIONERS

Jeff C. Wheeland
Chairman

Ernest P. Larson
Vice-Chairman

Tony R. Mussare
Secretary



Beth A. Johnston
Director Fiscal Services
Telephone 570-320-2104
Fax 570-320-2111

June 29, 2012

To the Citizens of the County of Lycoming, Pennsylvania:

We are pleased to present the 2012 Comprehensive Annual Financial Report (CAFR) for the County of Lycoming, Pennsylvania. The Comprehensive Annual Financial Report was prepared by Department of Fiscal Services in conjunction with the independent certified public accounting firm of ParenteBeard LLC, whose opinion accompanies the basic financial statements contained in the Financial Section of this report.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our 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 the results of operations on the various funds of the County in conformity with generally accepted accounting principles (GAAP).

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes the transmittal letter, a list of the County's principal officials, the County's organizational chart and the GFOA Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2011. The financial section includes the independent auditor's report, the Management Discussion and Analysis, the basic financial statements (county-wide and fund financial statements), required notes to the financial statements, as well as certain required and other supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

It is recommended that readers of the financial report, in addition to reviewing the basic financial statements, also review the County's Management Discussion and Analysis, which is intended to provide a narrative overview and analysis of the financial activities of the County for the year ended December 31, 2012.

This report includes all funds and activities of the County and reflects all services provided to the taxpayers of Lycoming County ranging from but not limited to general

administration, judicial, public safety, public works, human services and cultural and recreational activities. This report also contains limited information on the various component units of the County.

County of Lycoming, Pennsylvania

Founded in 1795, the County of Lycoming operates under the County Code of Pennsylvania, a compilation of pertinent constitutional and statutory laws passed by the General Assembly of Pennsylvania. It is a fifth class county under the classification set forth in that code. The County's estimated 2012 population of 117,168 reflects a slight increase from the 2010 census count of 116,111. Geographically, Lycoming County is the largest county in the state covering 1,244 square miles.

The County of Lycoming operates under the elected Board of Commissioners form of government. Three commissioners are elected to serve a four-year term with no term limitations. The commissioners serve as managers and administrators of county government awarding contracts, setting salaries, preparing an annual budget and appointing individuals to various boards, commissions and authorities. They also appoint a county administrator (Chief Clerk) to assist them with administrative duties. Also assisting them in carrying out the various functions of county government are a number of elected officials (row offices) and numerous appointed deputies and directors.

Economic Condition and Outlook

Lycoming County was formed from Northumberland County on April 13, 1795. At the time it was formed the County was much larger than it is today. It took up most of the land that is now north central Pennsylvania. The following counties have been formed from land that was once part of Lycoming County: Armstrong, Bradford, Centre, Clearfield, Clinton, Indiana, Jefferson, McKean, Potter, Sullivan, Tioga, Venango, Warren, Forest, Elk and Cameron. Lycoming County was originally named Jefferson County in honor of Thomas Jefferson. This name proved to be unsatisfactory. The name change went through several steps. First a change to Lycoming County was rejected, next the name Susquehanna County was struck down as was Muncy County, before the legislature revisited and settled on Lycoming County for Lycoming Creek, the stream that was the center of the pre-revolutionary border dispute.

As of 2012, Lycoming County's population was 117,168 people. Since 2010, it has had a small population increase of 0.9%. The median age of a county resident is 38.4 years according to the U.S. Census Bureau.

Lycoming County's local economy is supported by the approximately 2,595 establishments that employ over 38,000 individuals.

The unemployment rate for the County as of December 2012 was 8.2%, compared to the state rate of 7.9% and the national rate of 7.6%.

The median sale price of a single-family home in Lycoming County is \$125,400. The median age of Lycoming County real estate is 62 years. Renters make up 28.48% of the population. 11.40% of houses and apartments in Lycoming County are unoccupied.

The income per capita is \$22,301, which includes all adults and children. The median household income is \$43,788.

Compared to the rest of the country, Lycoming County's cost of living is 5.20% lower than the U.S. average.

Lycoming County public schools spend \$13,207 per student. The average school expenditure in the U.S. is \$11,467. There are, on average, about 14 students per teacher in Lycoming County.

With our rich history and culture of Lycoming County's lumber heritage, we have evolved into a vibrant city with three unique colleges. Lycoming College dates back to 1812 and is one of the oldest colleges in the Commonwealth. Pennsylvania College of Technology enjoys an excellent reputation as one of the finest technical schools in the state and is an affiliate of the Pennsylvania State University. Newport Business Institute prepares students with industry specific specialized training to help them meet the career demands of the 21st century.

Employment levels are supported by the presence of major employers in the government sector, healthcare services, education, retail and manufacturing industries. The County's ten largest employers include:

- Susquehanna Health Care Regional Alliance
- Pennsylvania College of Technology
- Williamsport Area School District
- Weis Markets, Inc.
- Halliburton Energy Services, Inc.
- County of Lycoming
- Shop-Vac Corporation
- West Pharmaceutical Services, Inc.
- Primus Technologies Corp.
- CS Group Payroll Services, LLC

The Lycoming County area, located in the heart of Pennsylvania's forest playground, offers a wide range of year-round recreational opportunities. As part of the Pennsylvania Wilds, Lycoming County has every resource available for hikers, bikers or any type of outdoor enthusiast.

- More than 300,000 acres of public interest
- Pennsylvania's Fish Commission stocks three major county streams (totaling 158 miles) with trout and smallmouth bass
- Over 2,000,000 acres in north central Pennsylvania are open to hunters of deer, bear, and small game
- Cross-country skiing is available throughout the region
 - Downhill skiing at Ski Sawmill is 45 minutes away
 - Crystal Lake Ski Center and Lodge is 45 minutes away
 - Pocono Resort area is within 1 to 1 ½ hours
- Golf
 - White Deer Golf Course (Public Course) 36-hole course plus an 18-hole course
 - Williamsport Country Club
- West Branch of the Susquehanna River
 - 14-mile stretch of navigable water for motor boating and water skiing
 - Home to an old-fashioned paddle wheeler the Hiawatha
- USA Today has ranked the Pine Creek Rail Trail as one of the best hiking trails in the world
- Little League
 - Williamsport is the birthplace of Little League Baseball
 - 7 leagues with approximately 84 teams
 - Hosts International headquarters for 7,000 leagues throughout the United States and in 41 countries
 - Peter J. McGovern Little League Museum
 - Howard J. Lamade Memorial Field
 - Hosts the Little League World series during the third week of August

Long Term Financial Capital Financing

The County has developed a five-year capital improvement plan which is reviewed and updated annually. This allows the County the ability to develop a long range financial plan to finance major capital improvements.

Major Initiatives

The County continues to undertake major initiatives to provide a wide range of services to the citizens of Lycoming County.

For the Year 2012

INFORMATION SERVICES

#1: High Speed Wireless Connection

The County implemented a high speed wireless network between the Courthouse, Department of Public Safety, Prison, Resource Management Services, and the Armstrong communications tower. This will greatly enhance the replication of the CAD system and provide a key component for a continuity of operations plan.

#2: Upgrade PCs

The County continued to upgrade all County PCs to Windows 7 and Office 2010.

#3: Back Scanning of Register & Recorder Documents

Deeds and mortgages from 2006 back to the 1950's were scanned in preparation for having them available for public view on the internet.

#4: Migrate the Assessment Office Software

Information Services completed the migration from Govern/Paragon software to DevNet's assessment software system.

PLANNING & COMMUNITY DEVELOPMENT

#1: Pathway to Health

The design of Phase II of the project was completed.

#2: Muncy – Montoursville Regional Water System

Construction was completed on a water tower in Fairfield Township.

#3: Marcellus Shale Impact Studies

Two of four impact studies were completed in 2012. The two additional studies were started.

#4: PHARE Funds

PHARE funds were secured to further advance the Williamsport Housing Initiative 2012 project.

#5: Timber Run Water Line

The water line to Resource Management Services was nearly completed in 2012.

PUBLIC SAFETY

#1: Gas Well Exploration Committee

The County continued to play an active role on the Gas Exploration Committee and in emergency responder training. The Department of Public Safety provided multiple training programs for emergency response personnel concerning the Marcellus Shale exploration and drilling activities, and played a role in the development and implementation of the Well Site Emergency Responder training type programs. The Department of Public Safety was also a key player in the Commonwealth's Act 9 relating to Marcellus Shale site 911 addressing.

#2: Emergency Operation Center/911 Center Expansion

Planning was completed for the construction of the alternate 911 center and Emergency Operations center in the Third Street Plaza complex to include layout, equipment, and technology needs.

#3: Exercises

The Department of Public Safety actively participated in several all hazards training exercises in 2012. The Department of Public Safety continues to promote realistic training programs and exercises to include a live fire exercise at Penn College, Severe Weather Scenarios, Continuity of Operations tabletop exercises and Mass Casualty/Triage system exercises among others.

#4: New Tower Site Construction

The County completed the acceptance testing of the two new 911 emergency communications tower sites in Lycoming County at the Armstrong and Long Ridge sites. Deconstruction of the old towers and equipment shelters was also completed. The preparation for the replacement of two aging tower site communications shelters at Shriver's Ridge and Bald Eagle was also initiated with completion planned for early 2013.

#5: Fire Frequency VHF Narrow Band Transition

The Department of Public Safety obtained licenses from the FCC and completed the required transition to the narrow band width frequencies by December 31, 2012, for the County's UHF Medical Radio System.

RESOURCE MANAGEMENT SERVICES

#1: Cogeneration Plant Expansion

The County issued a request for proposals for the expansion of the Cogeneration Plant and received the bids on December 28, 2010. PPLRE was awarded the Cogeneration Plant Expansion and the plant was completed and put into operation in August 2012.

The landfill sells methane gas to PPLRE who in turn uses the gas to generate electricity for 98% of the Federal Bureau of Prison's electricity needs in Lycoming County. The remaining power generated is sold by PPLRE to the grid.

#2: Regional Solid Waste Plan Development

The county joined forces with Columbia, Montour, Snyder, and Union counties to plan for the next 10 years of waste disposal and recycling. The plan was written and edited in 2011 and is being prepared for the final phase of municipal acceptance and approval.

For the Future

INFORMATION SERVICES

#1: Enhance the Jury Selection Software & Procedures

Completely rewrite the Jury Selection programs and procedures which will streamline the process and cut costs, time and labor.

#2: Install New Tape Back-Up System

A new tape back-up system has been purchased which will decrease the time required and number of tapes involved in a complete system back-up.

#3: Implement Document Imaging and Records Management Systems in the Prothonotary's Office

Implement software systems that would allow for the scanning of documents into a records management system. Once scanned the documents would be available to County employees as well as the public to view online. The document scanning also contributes to a continuity of operations and disaster recovery plan.

#4: Install a Digital Printing Press in the Print Shop

Purchase and install a new digital printing press in the County Print Shop.

PLANNING & COMMUNITY DEVELOPMENT

#1: Marcellus Shale Gas Exploration

Complete a Marcellus Shale impact study to assist the County Commissioners with decision making concerning Act 13 funds. Two studies on transportation and social justice to be completed in 2013.

#2: Susquehanna Health Expansion

Pathway to Health – phase 2 of construction to begin in 2013.

#3: Timber Run Water Line

Complete construction of the water line in 2013 to serve as fire suppression for RMS.

#4: Risk Map Project

Continue to work on the risk mapping project to improve flood mapping in Lycoming County.

#5: Water Tower at Fairfield Interchange of I-180

Work to secure funding for a water tower in 2013.

#6: Flood Buy Outs

Complete all flood buy outs in 2013.

#7: 2013 Williamsport Housing Initiative

Provide technical support and assistance to the City of Williamsport with regards to the demolition of the former Brodart warehouse site and the building of a new housing development. This includes communications, attendance at meetings, reviewing and preparing documents and agreements with involved parties, as needed.

PUBLIC SAFETY

#1: Gas Well Exploration Committee

Continue playing an active role on the Gas Exploration Committee and in emergency responder training. Pipeline systems and compressor station awareness programs will be initiated.

#2: Emergency Operation Center/911 Center Expansion

The County plans to place into operation the alternate/back-up 911 center and Emergency Operations Center at Third Street Plaza in late 2013 or early 2014.

#3: Microwave System Needs Assessment

The Department of Public Safety is planning to conduct a needs assessment of the existing microwave system as a part of the County's emergency communications/911 network. It will assess current capabilities, vulnerabilities, and future needs/expansion based upon new technologies and industry best practices.

#4: Exercises and Work Force Development

The Department of Public Safety will participate in exercises to test our response capabilities and resource allocation plans. These will include exercises on energy development, power plant/infrastructure protection, and severe weather.

RESOURCE MANAGEMENT SERVICES

#1: Landfill Expansion

Construction of the leachate storage tank and landfill gas skid and flares will continue and possibly finish construction in 2013. Field 12 clearing and grubbing began in 2012 and the storm water and access roadway infrastructure will be bid and constructed in 2013.

#2: Leachate Force Main

The County has submitted the Act 537 Sewage Facilities Plan Update for Montgomery Borough, Clinton Township, Muncy Borough, and Muncy Creek Township to the Department of Environmental Protection for approval. Upon approval, the 17,000 feet Leachate Force Main application for permit will be submitted to the Water Quality Bureau and approval is expected in 2013. Bid documents will be prepared and construction will most likely start in 2013 and be completed in 2014.

#3: Single Stream Recycling

The County is currently seeking bids in 2013 for modifications to the recycling center to incorporate the acceptance of single stream recycling materials in addition to the source separated materials it currently accepts. The equipment modifications are anticipated to be completed late 2013 or early 2014.

Office of the Controller

Under provisions of the Fifth Class County Code, the Controller is an elected official and is independent of the executive or legislative branches of County government. The Controller's office serves in the capacity of the internal auditor for the County. During the year, the staff conducts financial and compliance audits on various departments and offices.

Internal Control

Management of the County of Lycoming is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of the costs and benefits require estimates and judgments by management.

Single Audit

As a recipient of Federal and State financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluations by management and internal and external audits performed on the County.

Budgeting Controls

The County maintains budgetary controls whose objectives are to ensure compliance with the legal provisions embodied in the annual appropriated budgets approved by the County Commissioners. Activities of all funds are included in the annual appropriated budget. As indicated in the financial section of this report, the County has complied with such budgetary controls for the year ended December 31, 2012.

Pension and other Postemployment Benefits

The County maintains a single employer contributory defined benefit pension plan with mandatory membership for all full-time County employees. Participants in the plan contribute from 6 to 8 percent of their gross pay, with an optional contribution of an additional 10 percent. Additional information on the County's pension arrangements and post-employment benefits can be found under Notes 17 and 18 in the notes to the financial statements.

Cash Management

Cash temporarily idle during the year was held in an interest-bearing demand deposit or invested in certificates of deposit, repurchasing agreements and government fund accounts. The County investment policy is to minimize credit and market risk while maintaining a competitive yield. Accordingly, deposits were either insured by the Federal Deposit Insurance Corporation or assignment of assets pursuant to Act 72 of the General Assembly of the Commonwealth of Pennsylvania.

Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, error and omissions, injuries to employees and natural disasters which in the past have been covered by a combination of private carriers and County self-insurance. In 1998, the County became a member of PCoRP (Pennsylvania Counties Risk Pool) which was created in the mid-1980s by the County Commissioners Association of Pennsylvania. Under this coverage, each member of PCoRP has its own maintenance deductibles; PCoRP self-insures the first \$100,000 before the specific excess coverages are utilized. The purpose is to self-insure the usual and expected losses while implementing strong risk management controls to contain those losses.

Each year member counties make their payment to PCoRP in June. The two major components of the payment are the insurance cost relating to provisions of the coverage through PCoRP, and a Loss Fund contribution. Loss Fund monies stay with PCoRP and are invested and used to pay claims up to the self-insured retention (SIR) limit of the loss fund which is currently \$100,000. Each member share of the Loss Fund is determined based on their past year's claims history. Payments for amounts of claims above the \$100,000 layer are made by PCoRP's reinsurer. Also, the entire Loss Fund for each policy is reinsured for \$1,000,000. As of the latest PCoRP audited financial statement dated May 31, 2012, the County has had no additional assessments to the Loss Fund.

The County has had no environmental claims applied against the landfill.

The County has had no major insurance claims filed as of December 31, 2012.

Independent Audit

The accounting firm of ParenteBeard LLC was selected to perform an annual audit of the County's basic financial statements and determine the County's compliance with requirements of the Federal Single Audit Act Amendments of 1996, and related OMB Circular A-133. The goal of the audit was to provide reasonable assurance about whether the financial statements of the County for the year ended December 31, 2012, are free of material misstatement. The independent audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements; and evaluating the overall financial presentation. The auditor concluded there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the year ended December 31, 2012, are fairly presented in conformity with GAAP. The independent auditors' report is presented in the Financial Section of this report. The independent auditors' reports relating specifically to the Single Audit are presented in a separate report.

Director of Fiscal Services Closing Remarks

This report is intended to provide the reader an all-inclusive picture of the financial position of the County. To continue to remain in a strong financial position during the past twelve months, County officials have undertaken a unified effort to improve management, organizational effectiveness, administrative systems, operating systems, and productivity. The County continues to follow prudent fiscal policies and management programs in order to provide vital governmental services to its citizens.

Certificate of Achievement for Excellence in Financial Reporting Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lyscoming County for its comprehensive annual financial report for the fiscal year ended December 31, 2011. This was the twenty-first consecutive year that the County has

achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

I want to express my sincere appreciation and thanks to the Department of Fiscal Services, and the County's independent auditors, ParenteBeard LLC, for all of their dedicated hard work in preparing and presenting this report. Additionally, I would like to thank all county departments and organizations who have provided information to compile the report.

Beth A. Johnston
Director Fiscal Services



Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

County of Lycoming
Pennsylvania

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



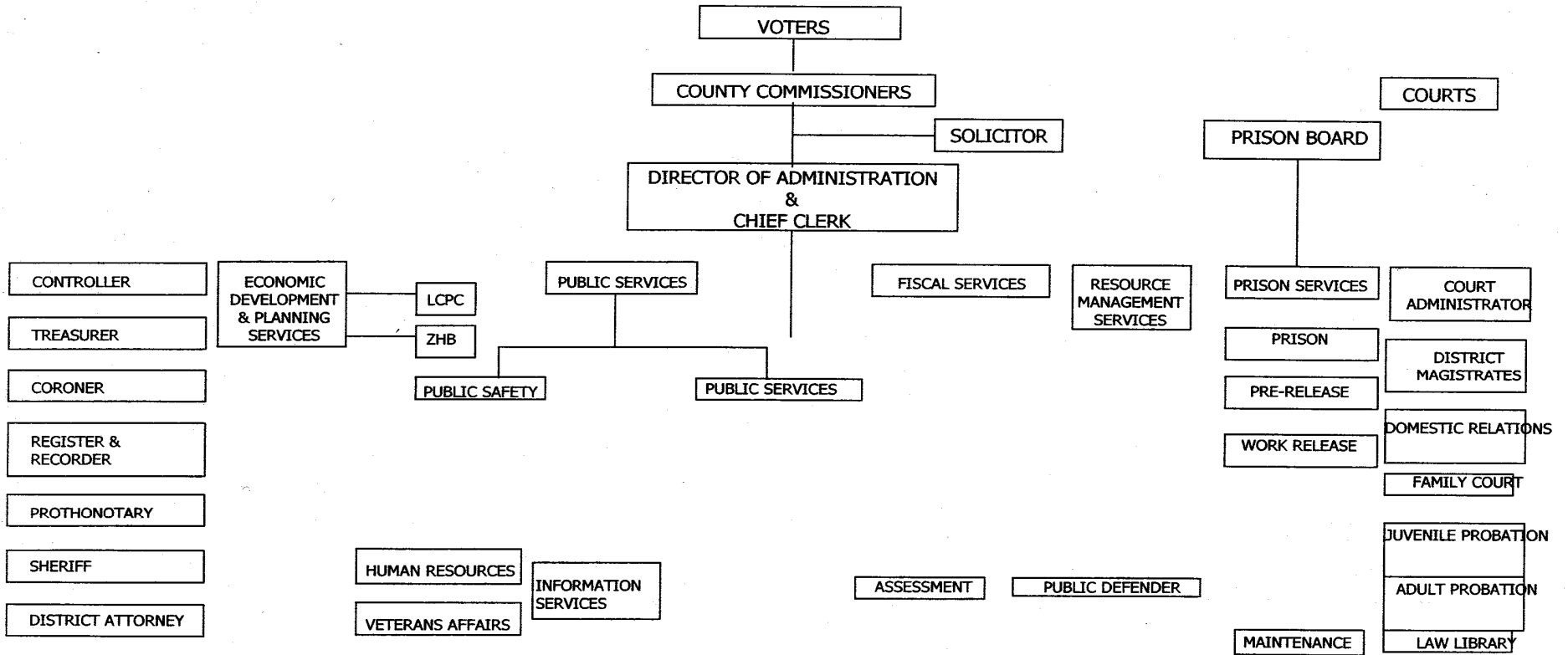
Christopher P. Morille

President

Jeffrey R. Emor

Executive Director

LYCOMING COUNTY ORGANIZATION CHART



LEGEND
 Support Lines
 Coordination

COUNTY OF LYCOMING, PENNSYLVANIA PRINCIPAL OFFICIALS

COMMISSIONERS

Jeff C. Wheeland, Chair
Ernest P. Larson
Tony R. Mussare

ROW OFFICES

Eric R. Linhardt, District Attorney
Connie L. Rupert, Treasurer
Krista B. Rogers, Controller
Annabel R. Miller, Register & Recorder
Suzanne M. Fedele, Prothonotary
Mark R. Lusk, Sheriff
Charles Kiessling Jr., Coroner

JUDICIARY

Court of Common Pleas
Honorable Nancy L. Butts, President Judge
Honorable Dudley N. Anderson, Judge
Honorable Richard A. Gray, Judge
Honorable Marc F. Lovecchio, Judge
Honorable Joy Reynolds McCoy, Judge

JURY COMMISSIONERS

Jessie Bloom
Frank P. Lupacchino

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FINANCIAL SECTION



Independent Auditors' Report

Board of County Commissioners
County of Lycoming, Pennsylvania:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Lycoming, Pennsylvania (the "County"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Lycoming County Industrial Development Authority, Lycoming County Recreation Authority, Williamsport Municipal Airport Authority, and Lycoming County Conservation District, which collectively represent 36%, 55%, and 58%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Lycoming County Industrial Development Authority, Lycoming County Recreation Authority, Williamsport Municipal Airport Authority, and Lycoming County Conservation District, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on pages 22 through 37, the schedules of funding progress on page 113, and the budgetary comparison information on pages 114 and 115 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section on pages 2 through 16, the combining and individual nonmajor fund financial statements and schedules of revenues, expenditures and changes in fund balances – budget to actual, on pages 117 through 171, the combining statement of changes in assets and liabilities on pages 172 through 175, the schedule of changes in capital assets by function on page 176, and the statistical section on pages 177 through 201 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, schedules of revenues, expenditures and changes in fund balances – budget to actual, the combining statement of changes in assets and liabilities and the schedule of changes in capital assets by function are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the combining and individual nonmajor fund financial statements, schedule of revenues, expenditures and changes in fund balances – budget and actual, combining statement of changes in assets and liabilities and schedule of changes in capital assets by function are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2013 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Williamsport, Pennsylvania
June 26, 2013

County of Lycoming, Pennsylvania
Management Discussion and Analysis

The Management Discussion and Analysis (MD&A) as presented by the County of Lycoming is intended to provide a narrative overview and analysis of the financial activities of the County for the year ended December 31, 2012. It is recommended that readers consider the information presented here in conjunction with the accompanying basic financial reports, notes to financial statements and the letter of transmittal to obtain a thorough understanding of the County's financial position at December 31, 2012. Unless otherwise noted, component units are not included in this discussion.

Financial Highlights

The overall assets of the County of Lycoming exceeded its liabilities at the close of the most recent fiscal year by \$104.8 million (*net position*). Of this amount, \$33.8 million (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.

Assets of the governmental activities for the current year exceeded its liabilities by \$43.1 million while providing \$31.3 million in unrestricted net position. The total net position decreased by \$5.2 million from the previous year.

Assets of the business type activity for the current year also exceeded its liabilities by \$61.6 million while providing \$2.5 million in unrestricted net position. The total net position decreased by \$2.0 million from the previous year.

At the close of the current fiscal year the County of Lycoming's governmental funds reported a combined ending fund balance of \$54.4 million, an increase of \$2.4 million from the previous year balance of \$52.0 million with unassigned fund balances of \$17.1 million. The general fund ended the year with a fund balance of \$46.1 million, a decrease of \$1.7 million from the previous year's balance of \$47.8 million with an unassigned fund balance of \$17.1 million.

Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to the County of Lycoming'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 position* presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the net position may serve as an indicator of whether the financial position of the County is improving or deteriorating.

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, human services, culture and recreation and conservation and development. The business-type activity of the County is a solid waste disposal and resource recovery facility.

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate 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 government-wide financial statements can be found on pages 40-42 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, proprietary funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-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 near-term financial requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it's useful to compare the information presented for the governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues and expenditures, and changes in fund balances, provides a reconciliation to facilitate this comparison between governmental funds and governmental activities.

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

The County maintains 26 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues and expenditures and changes in fund balance. For 2012, major funds include the general fund, and the special revenue county pass-thru grant fund. Data from the other 24 governmental funds are combined into a single, aggregated presentation captioned "Other Governmental Funds". Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all funds of the County. A budgetary comparison statement has been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 43-46 of this report.

Proprietary fund

The County maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The County uses the enterprise fund to account for its solid waste and resource recovery operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 47-51 of this report.

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 basic fiduciary fund financial statements can be found on pages 52-53 of this report.

Budgetary Highlights-General Fund

The 2012 adopted general fund budget of \$53.2 million reflects a decrease of \$1.3 million from the 2011 budget of \$54.5 million. The largest decrease in 2012 of \$1.9 million was for capital outlay.

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

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 on pages 57-111 of this report.

Other information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information and certain other information which is designed to further enhance the reader's understanding of the financial report. Required and other supplementary information can be found on pages 112-176 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceed liabilities by \$104.8 million at the close of the most recent fiscal year.

The total net position of the County decreased by \$7.2 million (about 6.5%), from \$112.0 million to \$104.8 million, in 2012. The decrease in net position was a result of a decrease of \$5.2 million in net position of governmental activities and a decrease of \$2.0 million in net position related to its business-type activity; these decreases are addressed in the analysis that follows.

A large portion of the County's net position (43.7 percent) reflects its net investment in capital assets (i.e., land, buildings and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to the 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 resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (24.0 percent) represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the unrestricted net position (32.3 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

The following table presents the County's changes in net position for the fiscal years ended December 31, 2012, and 2011.

COUNTY OF LYCOMING - Net Position
(amounts in thousands)

	Governmental activities		Business-type activity		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Current and other assets	\$65,039	\$60,457	\$94,069	\$84,945	\$159,108	\$145,402
Capital assets	37,406	38,894	47,951	44,174	85,357	83,068
Total Assets	<u>102,445</u>	<u>99,351</u>	<u>142,020</u>	<u>129,119</u>	<u>244,465</u>	<u>228,470</u>
Long term liabilities outstanding	52,229	46,074	78,795	63,597	131,024	109,671
Other liabilities	7,070	4,944	1,598	1,857	8,668	6,801
Total Liabilities	<u>59,299</u>	<u>51,018</u>	<u>80,393</u>	<u>65,454</u>	<u>139,692</u>	<u>116,472</u>
Net position:						
Net investment in capital assets	7,731	10,380	38,104	38,232	45,835	48,612
Restricted	4,144	4,129	20,983	23,983	25,127	28,112
Unrestricted	31,271	33,824	2,540	1,450	33,811	35,274
Total net position	<u>\$43,146</u>	<u>\$48,333</u>	<u>\$61,627</u>	<u>\$63,665</u>	<u>\$104,773</u>	<u>\$111,998</u>

At the end of the current fiscal year the County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activity.

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

The following table presents the County's changes in net position for the fiscal years ended December 31, 2012 and 2011.

COUNTY OF LYCOMING - Change in Net Position
(amounts in thousands)

	Governmental activities		Business-type activity		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenues:						
Program revenues:						
Charge for services	\$ 11,424	\$ 10,226	\$ 15,493	\$ 16,184	\$ 26,917	\$ 26,410
Operating grants and contributions	32,580	22,335	213	431	32,793	22,766
Capital grants and contributions	48	1,294	-	-	48	1,294
General revenues:						
Taxes	27,236	27,188	-	-	27,236	27,188
Unrestricted investment income	425	-	2,997	2,516	3,422	2,516
Grants and contributions not restricted to specific programs	408	410	-	-	408	410
Total revenues	<u>72,121</u>	<u>61,453</u>	<u>18,703</u>	<u>19,131</u>	<u>90,824</u>	<u>80,584</u>
Expenses:						
General governmental	14,592	11,840	-	-	14,592	11,840
Judicial	11,506	10,568	-	-	11,506	10,568
Public safety	22,409	20,410	-	-	22,409	20,410
Public works	3,959	2,778	18,114	17,082	22,073	19,860
Human services	22,071	17,240	-	-	22,071	17,240
Culture & recreation	1,373	1,326	-	-	1,373	1,326
Conservation & development	2,279	1,622	-	-	2,279	1,622
Interest on long term debt	1,746	1,729	-	-	1,746	1,729
Total expenses	<u>79,935</u>	<u>67,513</u>	<u>18,114</u>	<u>17,082</u>	<u>98,049</u>	<u>84,595</u>
Increase (decrease) in net position before transfers	(7,814)	(6,060)	589	2,049	(7,225)	(4,011)
Transfers	2,627	2,531	(2,627)	(2,531)	-	-
Increase (decrease) in net position	<u>(5,187)</u>	<u>(3,529)</u>	<u>(2,038)</u>	<u>(482)</u>	<u>(7,225)</u>	<u>(4,011)</u>
Net position - beginning	48,333	51,862	63,665	64,147	111,998	116,009
Net position - ending	<u>\$ 43,146</u>	<u>\$ 48,333</u>	<u>\$ 61,627</u>	<u>\$ 63,665</u>	<u>\$ 104,773</u>	<u>\$ 111,998</u>

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

Governmental Activities Net Assets: In 2012, net position decreased \$5.2 million compared to a \$3.5 million decrease in 2011, resulting in a year to year decrease in net position of \$1.7 million.

The increases (\$10.7 million) in revenues include but are not limited to the following major changes in revenues.

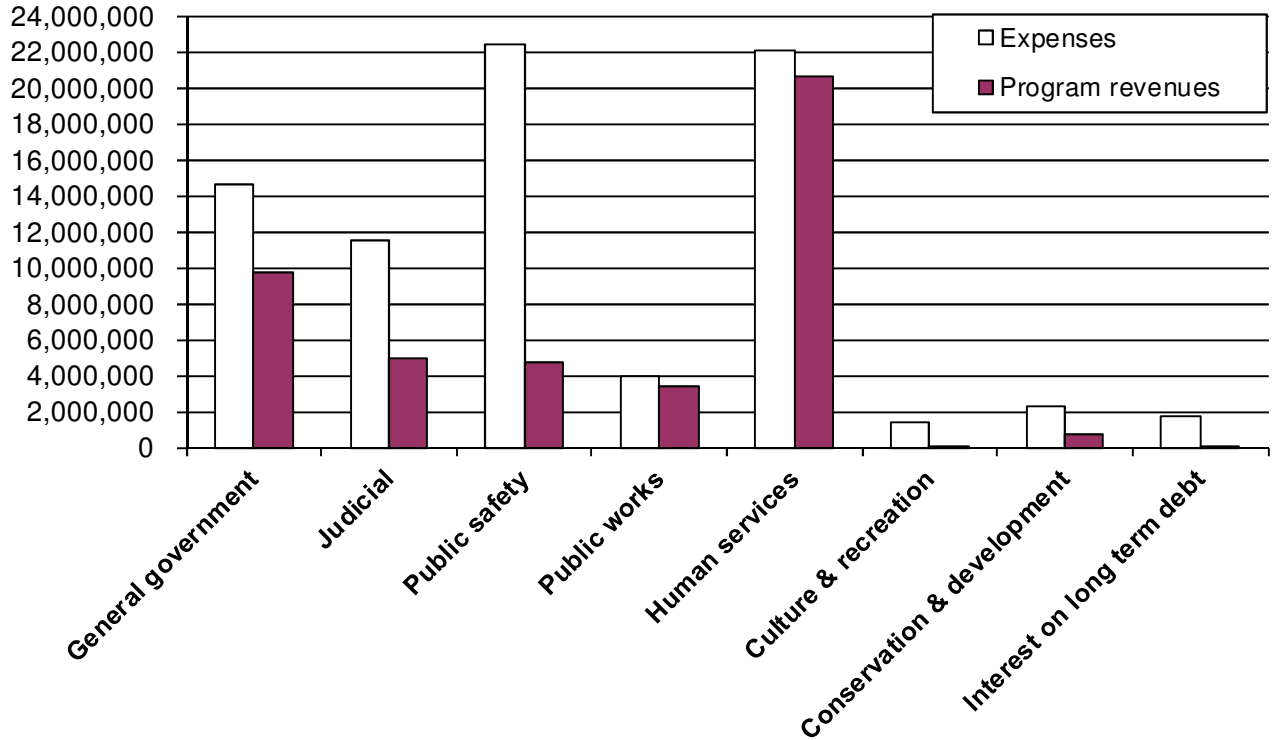
1. Charge for services revenues increased by \$1.2 million, mostly due to the Wells Fargo Third Street Plaza lease buyout, increased activity in the Collections office, and more activity within the National Fish and Wildlife Foundation grant.
2. Operating Grants and contributions increased \$10.2 million
 - A. The addition of Act 13 natural gas impact fees of \$4.2 million.
 - B. A pass thru state RACP grant of \$5.4 million for the Susquehanna Health System.
3. Capital Grants decreased by \$1.2 million.

The increases (\$12.4 million) in expenses include but are not limited to the following major changes.

1. General Government increased by \$2.8 million, mostly due to the forgiveness of some debt owed by the Lycoming County Water & Sewer Authority.
2. Public Safety increased by \$2.0 million.
 - A. Prison and Pre-Release expenditures increased by \$761 thousand due to prison overcrowding and the outsourcing of inmates.
 - B. Juvenile Probation expenditures increased by \$243 thousand.
 - C. 911 Wireless Phone Tariff expenditures increased by \$100 thousand.
 - D. Fringe benefit expenses increased by \$443 thousand for Public Safety departments.
3. Public Works increased by \$1.2 million.
 - A. Expenses related to the Timber Run Industrial project were up \$945 thousand.
 - B. Flood Mitigation projects increased by \$252 thousand.
4. Human Services increased \$4.8 million.
 - A. A pass thru state RACP grant of \$5.4 million for the Susquehanna Health System.

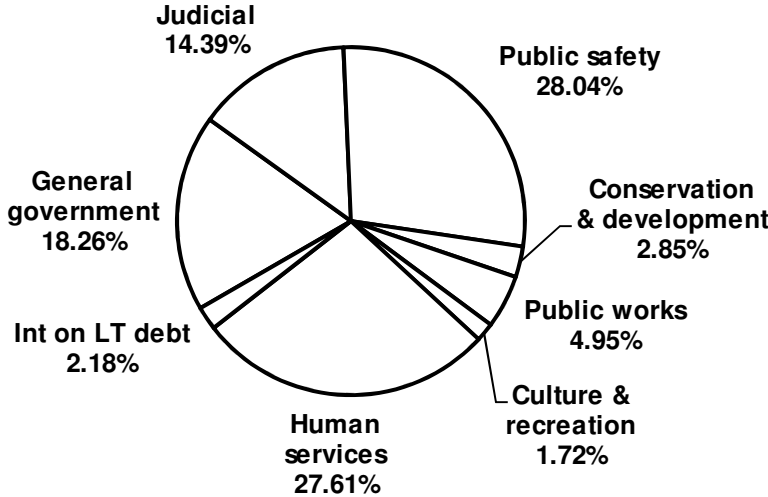
**County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)**

Expenses & Program Revenues - Governmental Activities

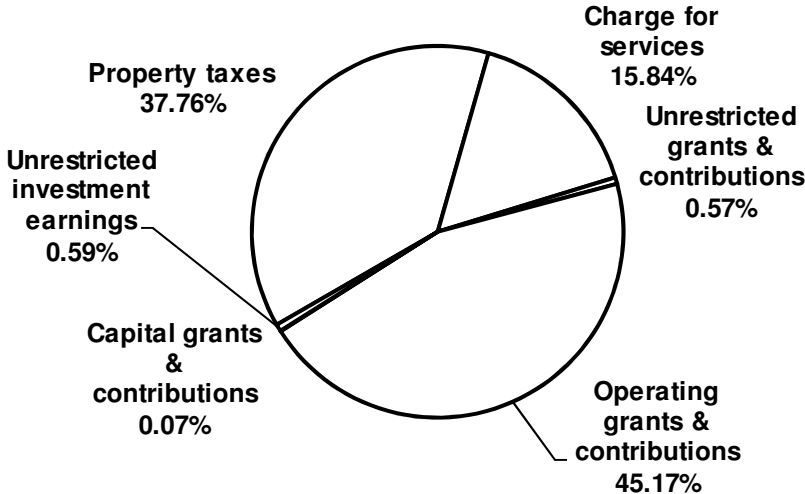


County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

**Functional Expenses
Governmental Activities**
Total Expenses: \$79,935 million



**Source of Revenues
Governmental Activities**
Total Revenues: \$72,121 million

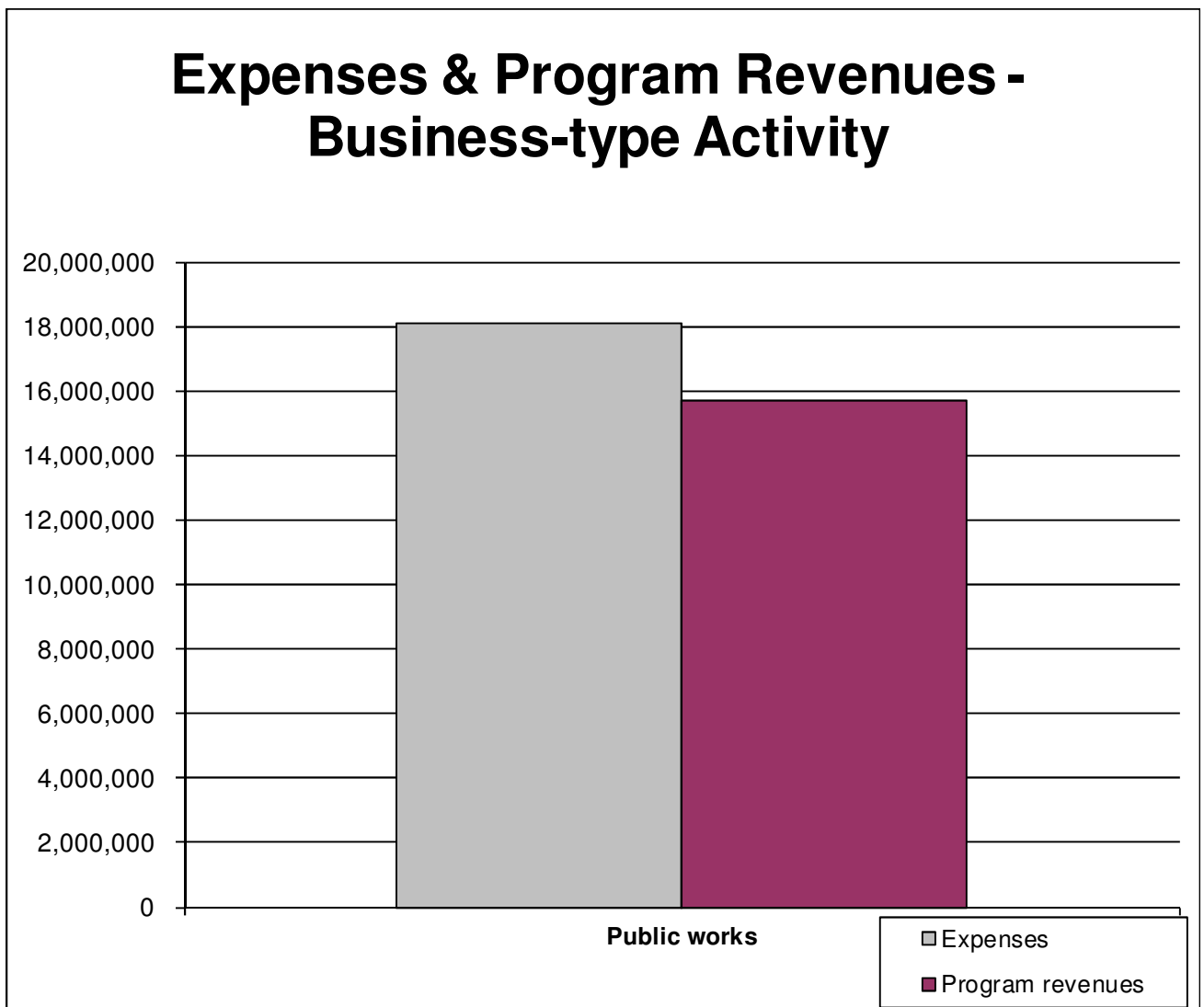


County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

Business-type activity: In 2012, net position decreased \$2.0 million compared to a \$482 thousand decrease in 2011, resulting in a year to year decrease in net position of \$1.5 million.

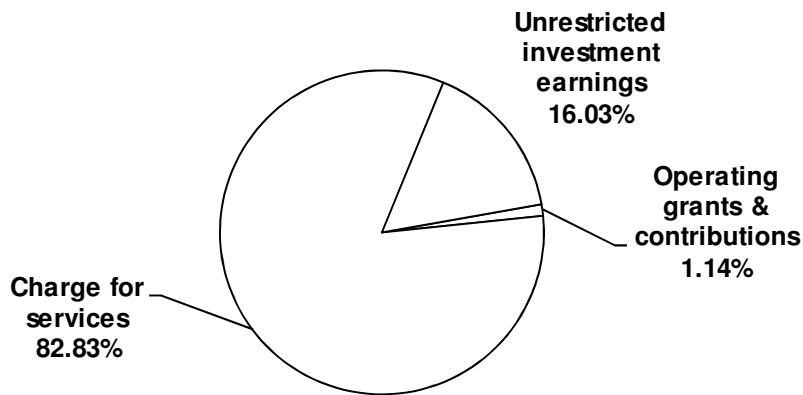
The decreases (\$0.4 million) in revenue can be attributed to \$691 thousand less in charges for services as a result of decreased tonnage and \$218 thousand in operating grants comprised of State Performance and Recycling grants. There was a \$481 thousand increase in investment income as a result of increased investment earnings.

Operating expenses increased by \$1.0 million attributable to increases in depreciation expense of \$986 thousand and general operating expense of \$725 thousand. These increases were offset by a decrease in maintenance and supply expenses.



County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

**Revenue by Sources -
Business-type Activity**
Total Revenues: \$18,703 million



Financial Analysis of the Government's Funds

As earlier noted, 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 near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$54.4 million, an increase of \$2.4 million from the prior year. Of the total fund balance, \$17.1 million represents the unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is reserved as follows to indicate that it is not available to meet current obligations:

- #1-Non-spendable \$13.3 million
- #2-Restricted \$14.5 million
- #3-Assigned \$9.5 million

Governmental fund revenues for the current fiscal period increased by \$10.6 million or 17.1 percent while expenditures increased over the same period by \$12.5 million or

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

19.0 percent. The increases in expenditures were a result of more expenditure in all governmental areas with the exception of capital outlay which decreased \$2.4 million. For 2012, major funds included the general fund, and the special revenue County pass-thru grant fund.

Major Funds

Governmental Fund Types – General Fund

The General fund is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance was \$17.1 million, a decrease of \$3.1 million from the prior year. The total fund balance decreased \$1.7 million from \$47.8 million to \$46.1 million in 2012. As a measure of the general fund liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 32.8 percent of the total general fund expenditures, exclusive of transfers out and other financing uses, while the total fund balance represents 88.5 percent of the same amount.

General fund revenues increased \$2.4 million from \$47.3 million to \$49.7 million or 5.1 percent over the prior year. Expenditures increased \$3.5 million from \$48.6 million to \$52.1 million or 7.3 percent.

The increases (\$2.4 million) in revenue can be attributed to \$1.2 million more in Intergovernmental revenue and \$943 thousand more in miscellaneous revenue. There were also modest increases in Cost and Fines, Charge for services, and Sale of county products.

The increases (\$3.5 million) in expenses included \$1.3 million more in Public safety, \$1.0 million more in Public works, \$951 thousand more in Human services, and \$1.2 million more in Miscellaneous. There were also modest increases in General government, Judicial, and Conservation & development. These increases were offset by decreases in Culture and recreation and Capital expenditures.

Governmental Fund Types – County Pass-Thru Grants

The County receives various Federal and State grants that it believes can be more effectively administered by local agencies. The County has contracted with these agencies to administer the monies in accordance with the terms of the grant. In 2012, a total of \$13.1 million was received from the various funding sources and disbursed to these agencies.

Proprietary Fund Type – Resource Management Services

The County's proprietary fund (enterprise) provides the same type of information found in the business-type activity column of the government-wide financial statements.

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

The unrestricted net position of the Lycoming County Resource Management Services at year-end amounted to \$2.5 million. The change in net position for the fund was a decrease of \$2.0 million. Other factors concerning the finances of the fund have already been discussed in the analysis of the County's business type activity.

General Fund Budgetary Highlights

The difference of \$5,349,357 between the original budget of \$53.2 million and the final amended budget of \$58.5 million was a result of the transfers summarized below. Funds were transferred from the 911 Phone Tariff Fund to the General Fund toward the cost of the 911 plan. The Emergency Services Fund transferred funds to the General Fund to cover mileage and a projector purchase. The transfer in of \$5,327,744 was a result of multiple accounts being moved from various Special Revenue Funds to the General Fund, as a result of GASB 54's new fund type definitions some items were no longer considered Special Revenue. The General Fund transferred funds to RMS to cover salary adjustments.

	<u>General Fund</u>
<u>Transfer In</u>	
From 911 Phone Tariff to cover the 911 plan	\$ 59,400
From EMS to cover mileage expense	2,285
From EMS to cover projector purchase	2,665
Move accounts from special revenue funds to the general fund	5,327,744
<u>Transfer Out</u>	
To RMS for salary adjustments	(42,737)
Total Transfers	\$ 5,349,357

Final budget to actual showed favorable results in revenues and expenditures. Revenues reflected a \$3.5 million positive variance over the budgeted \$46.2 million coming in at \$49.7 million. The area showing the most significant increase was Intergovernmental revenues due mainly to increases in Title IV-E and Title 148 grant expenditures in 2012.

Expenditures reflected a \$6.4 million positive variance as compared to the budgeted \$58.5 million coming in at \$52.1 million for the year. The area showing the largest variance was Miscellaneous coming in at \$2.8 million under budget due to lower than expected fringe costs. Public Works came in at \$2.6 million under budget due to budgeted work not being completed on the Timber Run Industrial Park project and the Airport Access Road. Another area coming in significantly under budget was Capital outlay at \$1.1 million under due to some Communication and Information Services projects not being completed. Additional details are available in the Required Supplemental Information.

Capital Assets and Debt Administration

The County's investment in capital assets for its governmental activities and business type activity as of December 31, 2012, net of accumulated depreciation amounted to \$85.4 million. This represents an increase of \$2.3 million over the prior year total of

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

\$83.1 million. For the current fiscal year governmental activities investment in capital assets decreased 3.83 percent and business-type increased 8.55 percent. Capital assets consist primarily of land and improvements, buildings and improvements, machinery and equipment, construction under progress and infrastructure. The following is a summary of capital assets as of December 31, 2011 and 2012.

COUNTY OF LYCOMING'S - Capital Assets
(net of depreciation)
(amounts in thousands)

	Governmental activities		Business-type activity		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$3,041	\$3,032	\$2,450	\$2,450	\$5,491	\$5,482
Improvements	1,219	1,192	18,759	6,019	19,978	7,211
Building & improvements	18,320	18,838	8,202	8,761	26,522	27,599
Machinery & equipment	7,402	8,270	11,508	11,407	18,910	19,677
Construction in progress	494	-	6,152	14,808	6,646	14,808
Infrastructure	6,930	7,562	880	729	7,810	8,291
Total Assets	<u>\$ 37,406</u>	<u>\$ 38,894</u>	<u>\$ 47,951</u>	<u>\$ 44,174</u>	<u>\$ 85,357</u>	<u>\$ 83,068</u>

For 2012, the major additions to capital assets were the new courthouse roof in Buildings & improvements as well as continuing work on 2 new 911 Emergency Communications towers in Construction in progress. Business-type activity had increases in Improvements and Machinery & equipment. The decrease in construction in progress resulted from the completion of construction of Field 11.

More detailed information about the County's capital assets can be found under Note 9 of the notes to the financial statements.

Long-Term Debt

COUNTY OF LYCOMING'S - Outstanding Debt
General Obligation Bonds & Notes
(amounts in thousands)

	Governmental activities		Business-type activity		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
General Obligation Bonds	\$ 34,470	\$ 34,053	\$ 22,170	\$ 10,761	\$ 56,640	\$ 44,814
General Obligation Note	1,772	-	-	-	1,772	-
	<u>\$ 36,242</u>	<u>\$ 34,053</u>	<u>\$ 22,170</u>	<u>\$ 10,761</u>	<u>\$ 58,412</u>	<u>\$ 44,814</u>

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

At December 31, 2012, the County had \$58.4 million of general obligation bonds and notes outstanding. This was an increase of \$13.6 million or 30 percent from the previous year.

Summary of General Obligation Debt

Beginning balance 12/31/11	\$ 44,814,686
Debt issued	27,310,000
Less principal payments and refundings	<u>13,712,353</u>
Ending balance 12/31/12	<u>\$ 58,412,333</u>

Standard & Poors has assigned the County an A+ long term bond rating.

More detailed information about the County's long-term debt can be found under Note 13 of the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

The economy in Lycoming County is expected to remain stable with minimal growth for the next year.

The unemployment rate for the County as of December 2012 was 8.2%, compared to the state rate of 7.9% and the national rate of 7.6%.

The adopted 2013 budget has overall expenditures increasing from the 2012 budget of \$94.6 million to \$97.2 million, an increase of \$2.6 million or 2.7 percent. The budget for the governmental fund types decreased \$336 thousand or .4 percent from \$75.7 million to \$75.4 million. The 2013 budget for the business-type activity increased \$2.9 million or 15.5 percent to \$21.8 million.

A major budget increase in the governmental fund types includes the Act 13 Natural Gas Impact Fees Funds increase of \$4.0 million.

County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

2012 / 2013 Budget Comparisons

	2012 Approved <u>Budget</u>	2013 Approved <u>Budget</u>	Variance Increase <u>(Decrease)</u>	Percentage Increase <u>(Decrease)</u>
<u>Governmental Fund Types</u>				
General Fund	\$ 53,189,933	\$ 55,149,733	\$ 1,959,800	3.68%
Special Revenue Funds	15,972,773	16,573,679	600,906	3.76%
Debt Service Funds	3,223,156	3,665,317	442,161	13.72%
Capital Project Funds	<u>3,339,287</u>	<u>-</u>	<u>(3,339,287)</u>	<u>-100.00%</u>
Total Governmental Funds	75,725,149	75,388,729	(336,420)	-0.44%
<u>Proprietary Fund Types</u>				
Enterprise Funds	<u>18,867,938</u>	<u>21,797,142</u>	<u>2,929,204</u>	<u>15.52%</u>
Total County Budget	<u>\$ 94,593,087</u>	<u>\$ 97,185,871</u>	<u>\$ 2,592,784</u>	<u>2.74%</u>

In 2005, the County implemented the Fair Tax Review assessment and changed its assessed ratio from 75% to 100%. This reduced the millage from 4.90 mills to 4.75 mills.

The Tax rate for 2012 remains unchanged at 4.75 mills.

Request for information

This financial report is designed to provide a general overview of the County finances for all those with an interest in the government finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Lycoming County Office of Fiscal Services
 County of Lycoming, Pennsylvania
 48 West Third Street
 Williamsport, Pa. 17701

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BASIC FINANCIAL STATEMENTS

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Government			Component Units
	Governmental Activities	Business-type Activity	Total	
ASSETS				
Cash and cash equivalents	\$ 37,475,559	\$ 16,375,998	\$ 53,851,557	\$ 2,376,134
Investments at cost	-	31,157,849	31,157,849	-
Investments at fair value	1,286,610	17,864,718	19,151,328	-
Receivables (net of allowances)				
Taxes	3,052,636	-	3,052,636	-
Taxes fees and cost	171,200	-	171,200	-
Accounts receivable trade	93,435	1,698,489	1,791,924	359,569
Accrued interest receivable	446,871	2,685,264	3,132,135	-
Cost & fines	4,116,488	-	4,116,488	-
Due from agency funds	11,500	-	11,500	-
Due from other governments	3,482,067	97,443	3,579,510	773,148
Due from component units	415,644	-	415,644	-
Loans	12,325,366	-	12,325,366	-
Inventory	20,538	-	20,538	72,248
Prepaid items	856,861	458	857,319	71,660
Deferred charges				
Issuance cost	1,284,228	852,086	2,136,314	1,374,185
Restricted assets				
Cash and cash equivalents	-	-	-	1,896,560
Investments at cost	-	202,691	202,691	-
Investments at fair value	-	23,134,210	23,134,210	-
Due from operating fund	-	-	-	16,016
Due from other governments	-	-	-	249,867
Capital assets (net of accumulated depreciation)				
Land	3,040,863	2,450,020	5,490,883	2,553,102
Improvements	1,218,711	18,759,453	19,978,164	668,500
Building & improvements	18,320,343	8,201,485	26,521,828	9,506,783
Machinery & equipment	7,402,471	11,508,192	18,910,663	3,205,000
Infrastructure	6,929,638	879,729	7,809,367	45,197,952
Construction in progress	493,774	6,151,727	6,645,501	17,947,252
Easements	-	-	-	420,155
Other assets	-	-	-	464,555
Total assets	\$ 102,444,803	\$ 142,019,812	\$ 244,464,615	\$ 87,152,686

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2012
CONTINUED

	Primary Government			Component Units
	Governmental Activities	Business-type Activity	Total	
LIABILITIES				
Accounts payable	\$ 5,049,480	\$ 1,298,640	\$ 6,348,120	\$ 2,687,647
Payroll and related payables	568,183	82,475	650,658	72,268
Accrued interest payable	607,917	216,372	824,289	885,504
Due to agency funds	5,369	-	5,369	-
Due to primary government	-	-	-	1,093,799
Due to other governments	-	-	-	222,646
Unearned revenues	458,467	-	458,467	951,370
Escrow funds payable	380,204	500	380,704	12,500
Long term liabilities				
Due within one year	1,911,765	619,472	2,531,237	2,501,183
Due in more than one year	35,018,083	21,689,837	56,707,920	37,607,441
Estimated reclamation cost for field and final closure		56,485,417	56,485,417	
Other long term liabilities				
Post employment benefits	15,299,016	-	15,299,016	-
Total liabilities	59,298,484	80,392,713	139,691,197	46,034,358
NET POSITION				
Net investment in capital assets	7,731,186	38,103,503	45,834,689	39,797,746
Restricted for				
Judicial	1,983,580	-	1,983,580	-
Public safety	377,989	-	377,989	-
Public works	544,466	20,983,182	21,527,648	51,847
Conservation & development	1,237,788	-	1,237,788	446,410
Unrestricted	31,271,310	2,540,414	33,811,724	822,325
Total net position	\$ 43,146,319	\$ 61,627,099	\$ 104,773,418	\$ 41,118,328

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating	Capital	Primary Government			
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activity	Total	
Primary government								
Governmental activities								
General government	\$ 14,592,375	\$ 7,171,714	\$ 2,475,597	\$ 48,280	\$ (4,896,784)	-	\$ (4,896,784)	
Judicial	11,505,811	2,681,318	2,238,219	-	(6,586,274)	-	(6,586,274)	
Public safety	22,408,635	1,042,120	3,689,121	-	(17,677,394)	-	(17,677,394)	
Public works	3,959,163	335,739	3,003,767	-	(619,657)	-	(619,657)	
Human services	22,070,679	9	20,609,298	-	(1,461,372)	-	(1,461,372)	
Culture & recreation	1,372,692	-	49,254	-	(1,323,438)	-	(1,323,438)	
Conservation & development	2,279,492	193,073	514,573	-	(1,571,846)	-	(1,571,846)	
Interest on long-term debt	1,746,267	7	-	-	(1,746,260)	-	(1,746,260)	
Total governmental activities	79,935,114	11,423,980	32,579,829	48,280	(35,883,025)	-	(35,883,025)	-
Business-type activity								
Waste management	18,114,037	15,492,798	213,404	-	-	\$ (2,407,835)	(2,407,835)	
Total primary government	<u>\$ 98,049,151</u>	<u>\$ 26,916,778</u>	<u>\$ 32,793,233</u>	<u>\$ 48,280</u>	<u>(35,883,025)</u>	<u>(2,407,835)</u>	<u>(38,290,860)</u>	-
Component units:								
Governmental activities	\$ 4,250,175	\$ 2,275,140	\$ 287,190	\$ 1,739,075	-	-	-	\$ 51,230
Business-type activity	8,738,735	7,070,160	26,798	1,992,050	-	-	-	350,273
Total component units	<u>\$ 12,988,910</u>	<u>\$ 9,345,300</u>	<u>\$ 313,988</u>	<u>\$ 3,731,125</u>	-	-	-	401,503

General revenues:				
Property taxes	27,235,490	-	27,235,490	-
Unrestricted investment earnings	425,448	2,997,237	3,422,685	9,955
Grants contributions and other revenues not restricted to specific programs	408,069	-	408,069	160,606
Transfers	2,627,148	(2,627,148)	-	-
Total general revenues and transfers	<u>30,696,155</u>	<u>370,089</u>	<u>31,066,244</u>	<u>170,561</u>
Changes in net position	(5,186,870)	(2,037,746)	(7,224,616)	572,064
Net position - beginning	48,333,189	63,664,845	111,998,034	40,546,264
Net position - ending	<u>\$ 43,146,319</u>	<u>\$ 61,627,099</u>	<u>\$ 104,773,418</u>	<u>\$ 41,118,328</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

	<u>General</u>	<u>County Pass-Thru Grants</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS				
Cash & cash equivalents	\$ 28,307,805	\$ -	\$ 9,167,754	\$ 37,475,559
Investments at fair value	1,286,610		-	1,286,610
Receivables				
Taxes	3,052,636	-	-	3,052,636
Accounts	4,315,832	-	65,291	4,381,123
Interest	446,871	-	-	446,871
Due from other funds	1,195,803	-	3,068	1,198,871
Due from other governments	2,183,075	144,236	1,154,756	3,482,067
Due from component units	415,644	-	-	415,644
Loans				
Interfund	11,500	-	-	11,500
Non-profit organizations	4,449,215	-	-	4,449,215
Component units	7,876,151	-	-	7,876,151
Inventory	20,538	-	-	20,538
Prepaid items	169,107	-	16,262	185,369
Total assets	<u>\$ 53,730,787</u>	<u>\$ 144,236</u>	<u>\$ 10,407,131</u>	<u>\$ 64,282,154</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 4,078,722	\$ 144,236	\$ 826,521	\$ 5,049,479
Payroll payable	567,847	-	336	568,183
Due to other funds	5,653	-	1,198,587	1,204,240
Deferred revenues				
Taxes	2,236,968	-	-	2,236,968
Intergovernmental	321,958	-	136,509	458,467
Escrow funds	380,204	-	-	380,204
Total liabilities	<u>7,591,352</u>	<u>144,236</u>	<u>2,161,953</u>	<u>9,897,541</u>
Fund Balances				
Non-Spendable	13,300,650	-	-	13,300,650
Restricted	6,258,351	-	8,278,646	14,536,997
Assigned	9,476,751	-	13,684	9,490,435
Unassigned	17,103,683	-	(47,152)	17,056,531
Total fund balances	<u>46,139,435</u>	<u>-</u>	<u>8,245,178</u>	<u>54,384,613</u>
Total liabilities and fund balances	<u>\$ 53,730,787</u>	<u>\$ 144,236</u>	<u>\$ 10,407,131</u>	<u>\$ 64,282,154</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2012**

Total Fund Balance-Governmental Funds	\$	54,384,613
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in the governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds.		37,405,800
Prepaid pension obligation used in the governmental activities is not a current financial resource and therefore is not reported as an asset in the governmental funds.		671,492
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. (Note 3)		<u>(49,315,586)</u>

Net position of governmental activities	\$	<u>43,146,319</u>
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See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>General</u>	<u>County Pass-Thru Grants</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property & occupancy taxes	\$ 27,270,594	\$ -	\$ -	\$ 27,270,594
Licenses & permits	43,402	-	-	43,402
Intergovernmental revenues	13,064,161	13,058,766	6,869,851	32,992,778
Charge for services	4,147,464	-	2,116,087	6,263,551
Sale of assets	124,401	-	-	124,401
Investment earnings	460,775	-	6,100	466,875
Court cost & fines	1,297,496	-	30,772	1,328,268
Miscellaneous income	3,277,117	-	425,292	3,702,409
	<u>49,685,410</u>	<u>13,058,766</u>	<u>9,448,102</u>	<u>72,192,278</u>
EXPENDITURES				
Current				
General government	8,011,461	-	53,260	8,064,721
Judicial	7,351,313	-	536,325	7,887,638
Public safety	13,848,870	-	2,489,991	16,338,861
Public works	1,621,330	-	1,944,626	3,565,956
Human services	8,876,518	13,058,766	-	21,935,284
Culture & recreation	1,131,078	-	129,523	1,260,601
Conservation & development	1,722,009	-	292,921	2,014,930
Miscellaneous	8,322,240	-	-	8,322,240
Debt service	-	-	2,682,681	2,682,681
Capital outlay	1,231,643	-	-	1,231,643
	<u>52,116,462</u>	<u>13,058,766</u>	<u>8,129,327</u>	<u>73,304,555</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,431,052)</u>	<u>-</u>	<u>1,318,775</u>	<u>(1,112,277)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,627,148	-	7,933,208	10,560,356
Transfers out	(7,642,692)	-	(290,516)	(7,933,208)
Proceeds from debt	8,078,867	-	-	8,078,867
Payment to refunding agent	-	-	(4,927,460)	(4,927,460)
Bond discount	(102,066)	-	-	(102,066)
Forgiveness of debt	(2,185,593)	-	-	(2,185,593)
	<u>775,664</u>	<u>-</u>	<u>2,715,232</u>	<u>3,490,896</u>
Net change in fund balances	(1,655,388)	-	4,034,007	2,378,619
Fund balances-beginning	47,794,823	-	4,211,171	52,005,994
Fund balances-ending	<u>\$ 46,139,435</u>	<u>\$ -</u>	<u>\$ 8,245,178</u>	<u>\$ 54,384,613</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
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, 2012**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances-total governmental funds (page 45)	\$ 2,378,619
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 depreciation exceeds capital outlay in the current period. (Note 3)	(1,444,073)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(44,000)
Revenues related to real estate taxes in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(35,104)
The issuance of long-term debt (e.g., bonds & leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. (Note 3)	(2,231,290)
Governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	151,088
Interest expenses reported in the statement of activities do not require the use of current financial resources and, therefore, they are not reported as expenditures in the governmental funds.	(3,185)
The net effect of the County's funding requirements for its retirement and post employment benefit funding in the statement of activities that do not provide current financial resources and are not reported in the Governmental funds.	(3,958,924)
Change in net position of governmental activities (page 42)	<u>\$ (5,186,870)</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
ENTERPRISE FUND
DECEMBER 31, 2012**

	Resource Management Services
ASSETS	
Current assets	
Cash and cash equivalents	\$ 16,375,998
Investments at cost	31,157,849
Investments at fair value	17,864,718
Receivables (net of allowances)	
Accounts receivable - trade	1,698,489
Accrued interest receivable	2,685,264
Due from other governments	97,443
Prepaid expense	458
Total current assets	69,880,219
Noncurrent assets	
Deferred charges	852,086
Restricted assets	
Investments at cost	202,691
Investments at fair value	23,134,210
Total restricted assets	23,336,901
Capital assets	
Land	2,450,020
Improvements	18,759,453
Building and improvements	8,201,485
Machinery and equipment	11,508,192
Infrastructure	879,729
Construction in progress	6,151,727
Total capital assets	47,950,606
Total noncurrent assets	72,139,593
Total assets	142,019,812

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
ENTERPRISE FUND
DECEMBER 31, 2012
(CONTINUED)**

		<u>Resource Management Services</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$	1,298,640
Payroll		82,475
Escrow funds payable		500
Compensated absences payable		90,049
Current interest payable		216,372
Long term debt		529,423
Total current liabilities		<u>2,217,459</u>
Long term liabilities		
Compensated absences payable		48,874
Estimated reclamation cost for field and final closure		56,485,417
Long term debt		21,640,963
Total long term liabilities		<u>78,175,254</u>
Total liabilities		<u>80,392,713</u>
NET POSITION		
Net investment in capital assets		38,103,503
Restricted for:		
State-insurance & closure requirements		20,983,182
Unrestricted		2,540,414
Total net position	\$	<u>61,627,099</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Resource Management Services
OPERATING REVENUES	
Charge for services	\$ 12,792,890
Sales	2,914,686
Miscellaneous revenues	26,968
	<u>15,734,544</u>
OPERATING EXPENSES	
Salaries and wages	3,059,324
Material and supplies	253,169
General operating	5,964,596
Maintenance and repairs	1,758,061
Depreciation expense	4,540,559
Fringe & indirect expense	1,631,685
Total operating expenses	<u>17,207,394</u>
Operating income (loss)	<u>(1,472,850)</u>
NON-OPERATING REVENUES (EXPENSES)	
Investment earnings	2,997,237
Intergovernmental revenues	213,404
Net gain (loss) on sale of assets	(241,746)
Issuance costs	(171,633)
Interest expense	(735,010)
Total non-operating revenues (expenses), net	<u>2,062,252</u>
Income (loss) before transfers	589,402
Transfer - out	<u>(2,627,148)</u>
Change in net position	(2,037,746)
Total net position-beginning	63,664,845
Total net position-ending	<u>\$ 61,627,099</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Resource Management Services</u>
Cash Flows From Operating Activities	
Receipt from customers	\$ 15,752,024
Payments to suppliers	(4,882,074)
Payment to employees	(4,343,207)
Net cash provided by operating activities	<u>6,526,743</u>
Cash Flows From Noncapital Financing Activities	
Subsidies to other funds	(2,627,148)
Federal & State operating grants	263,387
Net cash provided (used) by noncapital financing activities	<u>(2,363,761)</u>
Cash Flows From Capital and Related Financing Activities	
Proceeds from the issuance of capital debt	18,598,103
Proceeds from sale of capital assets	197,054
Acquisition of capital assets	(8,759,249)
Principal paid on capital debt	(7,822,010)
Interest paid on capital debt	(647,968)
Net cash provided (used) by capital and related financing activities	<u>1,565,930</u>
Cash Flows From Investing Activities	
Interest and Dividends	1,732,806
Sales of investments	26,340,696
Investment proceeds received from other funds	3,001,492
Purchase of investments	(38,638,808)
Net cash provided (used) by investing activities	<u>(7,563,814)</u>
Net increase (decrease) in cash and cash equivalents	(1,834,902)
Cash and cash equivalents (including restricted) beginning of year	18,210,900
Cash and cash equivalents end of year	<u><u>\$ 16,375,998</u></u>

Continued

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2012
(CONTINUED)**

	<u>Resource Management Services</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities	
Operating income (loss)	\$ (1,472,850)
Adjustments to reconcile operating loss to net cash provided (used) in operating activities	
Depreciation expense	4,540,559
Changes in assets and liabilities	
(Increase) decrease accounts receivable trade	17,480
(Increase) decrease prepaid expenses	(458)
Increase (decrease) accounts payable	(359,335)
Increase (decrease) payroll	12,994
Increase (decrease) compensated absences payable	8,713
Increase (decrease) escrow funds payable	3,779,640
Total adjustments	7,999,593
Net cash provided (used) by operating activities	\$ 6,526,743
Non-cash investing, capital and financing activities:	
Net increase (decrease) in fair value of investments	\$ 890,106

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2012**

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 2,286,987	\$ 2,518,992
Investments at fair value		
Long-term CDs	3,066,060	
U.S. treasury/government	11,183,520	-
Corporate bonds	10,125,074	-
Municipal bonds	794,987	-
Common stocks	42,411,360	-
Mutual funds	8,234,548	-
Real estate funds	2,000,000	-
Receivables (net of allowance)		
Accounts receivable	-	1,614
Delinquent taxes (non-county)	-	4,215,277
Cost & fines (non-county)		10,130,489
Interest receivable	126,046	-
Due from other funds	300	5,145
Total assets	80,228,882	16,871,517
LIABILITIES		
Accounts payable	44,576	223,258
Due to other funds	-	75
Due to other governments	-	1,505,566
Escrow	-	15,131,118
Interfund loans	-	11,500
Total liabilities	44,576	16,871,517
NET POSITION		
Held in trust for pension benefits	\$ 80,184,306	\$ -

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2012**

	Pension Trust Fund
ADDITIONS	
Contributions	
Employees	\$ 2,024,408
Employer	1,479,209
Total contributions	3,503,617
Investment earnings	
Net increase in fair value of investments	5,340,179
Interest & dividends	1,835,016
	7,175,195
Less: Investment management fees	(453,215)
Total investment income - net	6,721,980
Total additions	10,225,597
 DEDUCTIONS	
Benefit payments	3,668,924
Refunds of employee contributions	335,285
Death benefits	7,978
Total deductions	4,012,187
Net increase in net position	6,213,410
Plan net position at beginning of year	73,970,896
Plan net position at end of year	\$ 80,184,306

See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2012

	Governmental Activities		Business-Type Activities			Total
	Soil Conservation	Industrial Development Authority	Recreation Authority	Water & Sewer Authority	Airport Authority	
ASSETS						
Cash and cash equivalents	\$ 423,617	\$ 9,348	\$ 7,217	\$ 1,589,263	\$ 346,689	\$ 2,376,134
Investments at fair value	-	-	-	-	-	-
Receivables (net of allowances)						
Accounts receivable	-	-	294	328,687	30,588	359,569
Due from other governments	85,648	687,500	-	-	-	773,148
Inventory	-	-	65,902	6,346	-	72,248
Prepaid items	-	-	16,172	-	55,488	71,660
Deferred Charges						
Issuance Cost	-	-	160,031	1,214,154	-	1,374,185
Restricted assets						
Cash and cash equivalents	-	-	353,014	1,346,517	197,029	1,896,560
Due from operating fund	-	-	-	-	16,016	16,016
Due from other governments	-	-	-	-	249,867	249,867
Capital assets						
Land	-	-	-	1,347,057	1,206,045	2,553,102
Improvements	-	-	-	-	668,500	668,500
Building & improvements	-	-	-	4,958,121	4,548,662	9,506,783
Machinery & equipment	-	-	616,001	1,836,454	752,545	3,205,000
Infrastructure	-	-	-	24,587,992	20,609,960	45,197,952
Construction in progress	-	-	-	17,747,840	199,412	17,947,252
Easements	-	-	-	420,155	-	420,155
Other Assets	-	-	-	46,118	418,437	464,555
Total assets	509,265	696,848	1,218,631	55,428,704	29,299,238	87,152,686
LIABILITIES						
Accounts payable	-	687,500	86,344	1,727,165	186,638	2,687,647
Payroll and related payables	-	-	33,657	22,948	15,663	72,268
Accrued interest payable	-	-	365,050	520,454	-	885,504
Due to primary government	54,835	-	1,038,964	-	-	1,093,799
Due to other governments	-	-	-	170,509	52,137	222,646
Unearned revenues	249,583	6,630	306,813	140,466	247,878	951,370
Line of credit	-	-	323,560	872,823	-	1,196,383
Escrow funds payable	-	-	-	-	12,500	12,500

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2012
(CONTINUED)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>			<u>Total</u>
	<u>Soil Conservation</u>	<u>Industrial Development Authority</u>	<u>Recreation Authority</u>	<u>Water & Sewer Authority</u>	<u>Airport Authority</u>	
Long term liabilities						
Due within one year	\$ -	\$ -	\$ 268,908	\$ 1,023,154	\$ 12,738	\$ 1,304,800
Due in more than one year	-	-	4,869,974	32,605,914	101,213	37,577,101
Compensated absences	-	-	-	30,340	-	30,340
Total liabilities	<u>304,418</u>	<u>694,130</u>	<u>7,293,270</u>	<u>37,113,773</u>	<u>628,767</u>	<u>46,034,358</u>
NET POSITION						
Net investment in capital assets	-	-	(4,522,882)	16,590,947	27,729,681	39,797,746
Restricted for:						
Public works	-	-	-	51,847	-	51,847
Conservation & development	93,396	-	353,014	-	-	446,410
Unrestricted	111,451	2,718	(1,904,771)	1,672,137	940,790	822,325
Total net position	<u>\$ 204,847</u>	<u>\$ 2,718</u>	<u>\$ (6,074,639)</u>	<u>\$ 18,314,931</u>	<u>\$ 28,670,471</u>	<u>\$ 41,118,328</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2012**

Function / Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Soil Conservation	Industrial Development Authority	Recreation Authority	Water & Sewer Authority	Airport Authority	Total
Governmental Activities										
Conservation & development										
Soil Conservation	\$ 322,348	\$ 92,860	\$ 287,190	\$ -	\$ 57,702	\$ -	\$ -	\$ -	\$ -	\$ 57,702
Industrial Development Authority	3,927,827	2,182,280	-	1,739,075	-	(6,472)	-	-	-	(6,472)
Total governmental activities	<u>4,250,175</u>	<u>2,275,140</u>	<u>287,190</u>	<u>1,739,075</u>	<u>57,702</u>	<u>(6,472)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,230</u>
Business-type activities										
Recreation Authority	1,897,091	1,576,741	-	-	-	-	(320,350)	-	-	(320,350)
Water & Sewer Authority	4,390,259	4,236,789	-	1,508,754	-	-	1,355,284	-	-	1,355,284
Airport Authority	2,451,385	1,256,630	26,798	483,296	-	-	-	(684,661)	(684,661)	(684,661)
Total business-type activities	<u>8,738,735</u>	<u>7,070,160</u>	<u>26,798</u>	<u>1,992,050</u>	<u>-</u>	<u>-</u>	<u>(320,350)</u>	<u>1,355,284</u>	<u>(684,661)</u>	<u>350,273</u>
Total Component Units	<u>\$ 12,988,910</u>	<u>\$ 9,345,300</u>	<u>\$ 313,988</u>	<u>\$ 3,731,125</u>	<u>57,702</u>	<u>(6,472)</u>	<u>(320,350)</u>	<u>1,355,284</u>	<u>(684,661)</u>	<u>401,503</u>
General revenues:										
Unrestricted investment earnings					162	16	114	9,430	233	9,955
Grants, contributions and other revenues not restricted to specific programs					-	-	132,859	-	27,747	160,606
Total general revenues and transfers					<u>162</u>	<u>16</u>	<u>132,973</u>	<u>9,430</u>	<u>27,980</u>	<u>170,561</u>
Changes in net position					57,864	(6,456)	(187,377)	1,364,714	(656,681)	572,064
Net position - beginning					146,983	9,174	(5,887,262)	16,950,217	29,327,152	40,546,264
Net position - ending					<u>\$ 204,847</u>	<u>\$ 2,718</u>	<u>\$ (6,074,639)</u>	<u>\$ 18,314,931</u>	<u>\$ 28,670,471</u>	<u>\$ 41,118,328</u>

See Notes to Financial Statements

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

1. Summary of Significant Accounting Policies

The financial statements of the County of Lycoming, Pennsylvania (the “County”) have been prepared in conformity with generally accepted accounting principles as applied to governmental entities. The following notes to the combined financial statements are an integral part thereof and are presented to assist the reader in understanding the financial statements.

A. Financial Reporting Entity

Primary Government - The County was organized in 1795 and operates under the Fifth Class County Code adopted by the Commonwealth of Pennsylvania State Legislature in 1970. The County is governed under the Commissioner form of government consisting of a three-member Board of Commissioners who performs the executive and legislative functions of the County. The County provides a wide range of services for its citizens in the areas of public safety, human services, cultural and recreation, and public works including solid waste disposal and resource recovery facilities.

Component Units – Consistent with the guidelines contained in GASB No. 14 (as amended by GASB Statement No. 39), “The Financial Reporting Entity”, the County has evaluated all related entities (Authorities, Boards, Councils and etc.) to determine the financial accountability for possible inclusion in the financial report. In determining financial accountability in a given case, the County reviews the following criteria:

The County is financially accountable for:

1. Organizations that make up the legal County Entity.
2. Legally separated organizations if the County officials appoint a voting majority of the organization’s governing body and the County is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County as defined below.

Impose its Will – If the County can significantly influence the programs, projects, or activities of, or the level of service performed or provided by, the organization.

Financial Benefit or Burden – Exists if the County (1) is entitled to the organization’s resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

3. Organizations fiscally dependent on the County. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without the approval of the County.

Based on the preceding criteria, the reporting entity has been defined to include all the fund types for which the County is financially accountable or for which there is a significant relationship. Specific information on the nature of the various potential components units and a

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

description of how the aforementioned criteria have been considered in the determination of whether to include or exclude such units in the County's financial statements is provided in the following paragraphs. Separately published audit reports of the component units and joint ventures are available for inspection in the Controller's office.

Discretely Presented Component Units

Component units which are not blended as part of the primary government are discretely presented, which entails reporting component units financial data in a section / column separate from the financial data of the primary government. The component units presented in this way are the following:

Lycoming County Industrial Development Authority

#1 County officials appoint a voting majority of the organization's governing body

#2 Financial Benefit or Burden

Lycoming County Recreation Authority

#1 County officials appoint a voting majority of the organization's governing body

#2 Impose its Will-The County is obligated in some manner for the debt of the organization.

Williamsport Municipal Airport Authority

#1 County officials appoint a voting majority of the organization's governing body

#2 Financial Benefit or Burden

Lycoming County Conservation District

#1 County officials appoint a voting majority of the organization's governing body

#2 Financial Benefit or Burden

Lycoming County Water & Sewer Authority

#1 County officials appoint a voting majority of the organization's governing body

#2 Impose its Will-The County is obligated in some manner for the debt of the organization.

Information on the above entities is contained under Notes to the Basic Financial Statements, Component Units.

Request for financial reports or questions concerning any of the following component unit's financial information should be directed to:

Lycoming County Recreation Authority
352 Allenwood Camp Lane
Montgomery, Pa. 17752

Lycoming County Water & Sewer Authority
216 Old Cement Road
Montoursville, Pa. 17754

Lycoming County Conservation District
2130 County Farm Road
Montoursville, Pa. 17754

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Lycoming County Industrial Development Authority
100 West Third Street
Williamsport, Pa. 17701

Williamsport Municipal Airport Authority
Williamsport Regional Airport
Montoursville, Pa. 17754

Related Organizations

The County Commissioners appoint a voting majority of the following organizations' Board of Directors, but accountability does not extend beyond appointment. The related organizations are as follows:

Lycoming County Authority
Lycoming County Housing Authority
Lycoming County Library System Board
Lycoming County Planning Commission
Lycoming County Zoning Hearing Board
Agricultural Land Preservation Board

The County Commissioners are also responsible for appointing members to several other boards, but the County's accountability for these organizations does not extend beyond making appointments and the organization's financial activity associated with the County is not significant. These boards include:

Private Industrial Council
SEDA-COG
Local Emergency Planning Committee
Endless Mountains RCED Executive Council
Aging Advisory Board
Children & Youth Advisory Board

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activities has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the business-type activities, which rely to a significant extent on user fees and charges for support. Likewise, the primary government is reported separately from certain 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 segments 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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual government funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. 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 is the proprietary fund. The fiduciary fund financial statements have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

Property taxes, hotel tax, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Government reports the following major Governmental Funds:

The General Fund and the Special Revenue County Pass-thru Grants Fund

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government not accounted for in another fund.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

The County Pass-Thru Grant Fund contains Federal and State grants that the County has contracted with various outside agencies to administer the funds in accordance with the terms of the grant.

The Government reports the following major Proprietary Funds:

The Enterprise Fund is the only major Proprietary Fund.

The Enterprise Fund accounts for the activity of the Solid Waste Disposal and Resource Recovery Facility operated by the County.

As a general rule, the effects of inter-fund activity have been eliminated from the government-wide financial statements, although inter-fund services provided and used are not eliminated in the process of consolidation. Elimination of these charges prevents the distortion of direct cost and program revenues reported for the various functions concerned. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

The County has included indirect costs as part of the program expenses reported for each of the various functional activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the enterprise fund include the charges to customers for tipping fees and the sale of recyclable items. Operating expenses for the enterprise fund includes the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds account for assets held by the County as the agent for individuals, private organizations and other government units or other funds. The following is a description of the County's fiduciary funds:

Trust and Agency Funds - Includes the Pension Trust Fund, which accounts for the activity of the Lycoming County Employees' Retirement System, and the Agency Funds, which account for funds held by the County on behalf of others. The Pension Trust Fund is presented on the accrual basis of accounting. The Agency Funds are custodial in nature (assets equal liabilities) and are used to account for assets held by elected row officers (the Register and Recorder, Prothonotary, Treasurer, and Sheriff) that are combined in the financial statements. Additionally the County maintains cash on behalf of Prison and Pre-Release Commissary, Delinquent and Municipal Taxes, Cost and Fines, Escheats, Domestic Relations, Lycoming County Health Care Plan, Welfare Burial, Public Relations, Adult Restitution, and Juvenile

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Restitution. Additional details can be found in the other supplemental information section under agency funds.

2. Assets, Liabilities and Net Position or Equity

Cash and Cash Equivalents

For purposes of the statement of cash flows, the government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short term investments with original maturities of three months or less from the date of acquisition. The County utilizes a government cash management system to maximize its earnings.

The County maintains investments in long-term certificates of deposit which are recorded at cost, and participating interest earning investment contracts which are recorded at fair value. Premiums and discounts on the Pension Trust Fund bonds and notes are not amortized and are not material except for government mortgage securities, which are amortized. Except for the Pension Trust Fund, all investments are certificates of deposit, or investments in federal or state instruments with financial institutions. The County's investment policies are discussed further in Note 6.

Receivables and Payables

Activities between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e., the current portion of the inter-fund loan) or, "advances to / from other funds" (i.e., the noncurrent portion of the inter-fund loan). All other outstanding balances between funds are reported as "due to / from other funds".

All trade, property tax and cost and fines receivables are shown net of an allowance for uncollectibles.

The Solid Waste and Resource Recovery Facilities provide for an allowance for uncollectible accounts based upon past experience computed using a percentage of sales. Cost and Fines allowance is based upon an estimated collection percentage of 20% to 90% of past due accounts determined by the number of years outstanding.

Property taxes levied each year are based on the assessed value of the property and are divided into three billing periods (current year and two interim billings). The first interim billing is in February and is for properties not billed in the prior year. The second interim billing is in August and captures any new properties not on the current year assessments billed in March.

Inventories and Prepaid Items

All inventories of the County are valued at cost using the first-in / first-out (FIFO) method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories of the governmental fund types are equally offset by a fund balance reserve, which indicates that the inventories do not constitute "available, spendable resources" even though they are a component of net current assets.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items of the governmental funds are recorded as expenditures when consumed rather than when purchased.

Inter-fund Transactions

In the course of the County operation there exist a variety of transactions between funds to finance operations. Accordingly, to the extent that certain inter-fund transactions have not been paid or received as of December 31, 2012, the appropriate inter-fund receivables or payables have been established.

Restricted Assets

Restricted assets represent amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. The largest share of restricted assets resides in the enterprise fund and is set aside for closure and insurance requirements established by the state.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Government as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of 18 months. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value as of the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized.

The governmental activities utilize the straight-line method of calculating annual depreciation, while the proprietary fund uses a combination of straight-line (SL) and units of production (UOP) to calculate annual depreciation.

	<u>Governmental</u>	<u>Proprietary</u>	
Improvements	15-40 Years	15-40 Years	SL
Improvements to fields		1,035,000-8,750,800	UOP
Buildings	40 years	40 years	SL
Building and improvements	25 years	25 years	SL
Equipment	1.5 – 15 years	1.5 – 15 years	SL
Infrastructure	50-100 years	50-100 years	SL

Compensated Absences

County employees under the pooled leave / long term sick policy are allocated, based on years of service, pooled and long term sick days each year. At the beginning of each year the

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

employees receive their allocation of long-term sick days while earning pooled leave on a monthly basis. At the end of each year, employees are allowed to carry forward ten pooled leave days with any excess being transferred to long-term sick. Upon termination or retirement, employees with one or more years of service are reimbursed for their remaining pooled leave time. Employees terminated with five or more years of service will also be reimbursed for unused long-term sick time prorated, based on the number of years of service, up to a maximum of \$1,200. Employees who retire will also be reimbursed for unused long-term sick time but at a larger percentage than those who terminate.

<u>Sick Days</u>	<u>Termination Ratio</u>	<u>Retirement Ratio</u>
0-100	14:1	12:1
101-200	11:1	9:1
201-261	8:1	6:1

The estimates on current and long-term usage are based on prior years' experience.

Unearned / Deferred Revenues

Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Government before it has a legal claim to them, as when grant monies are received prior to the recognition of qualifying expenditures. In the subsequent period, when all the criteria are met, the liability is removed and the revenue is recognized.

Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund types statement of net position. Bond premiums and discounts, as well as issuance cost, are deferred and amortized over the life of the bonds.

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

Use of Estimates

The preparation of the financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Fund Equity

The following is the established fund balance classification that comprises a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resource reported in the governmental funds. The existing governmental fund type definitions improve comparability and allow for better understanding of the purposes for which a government has chosen to use particular funds for financial reporting.

When multiple resources are available for use, it is the government's policy to use the restricted assets first, committed second, assigned next and then unassigned resources as needed.

#1 NONSPENDABLE FUND BALANCES

The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. The not in spendable form criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It can also include the long term portions of loans and notes receivables as well as property acquired for resale. However, if the proceeds from the receivables or sale of property are restricted, committed or assigned, then they should be included in the appropriate fund balance classification.

#2 RESTRICTED FUND BALANCE

The restricted fund balance is used when constraints placed on the use of the resources are either (a) externally imposed by creditors, grantors, contributors, laws or regulations, or other governments or (b) imposed by law through constitutional provision or enabling legislation.

The term enabling legislation, as used in this statement, authorizes the government to access, levy or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used for the specific purpose stipulated in the legislation. Legally enforceable means that a government can be compelled by an external party, such as citizens groups or the judiciary, to use the resources created by enabling legislation only for the purpose specified by the legislation.

#3 COMMITTED FUND BALANCE

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government itself using its highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the government takes the same highest level action (for example, legislation, resolution, or ordinance) to remove or change the constraint.

In the County of Lycoming, the Commissioners are the government's highest level of decision making authority. For a fund balance to be committed, a public meeting must be held where the Commissioners take formal action and approve a resolution to commit, modify committal, or reverse committal of a portion of the fund balance for a specific project.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

#4 ASSIGNED FUND BALANCE

Assigned fund balance includes amounts that the government intends to be used for a specific purpose, but are neither restricted nor committed. Intent can be expressed by the governing body or by an official to whom the governing body delegates the authority.

In the County of Lycoming, the Department of Fiscal Services, working in conjunction with the Commissioners, is the only one that can assign fund balances.

#5 UNASSIGNED FUND BALANCE

The unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed or assigned and is available for any purpose. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

In the other governmental funds, however, if a government spends more on a specific purpose than the resources available for that purpose in the fund, then it may need to report a negative amount as unassigned fund balance. If a government cannot cover the deficit with amounts assigned to other purposes in that fund, then the remaining deficit should be reported on the unassigned fund balance line.

The following General Fund Non-Spendable fund balances totaling \$13,300,650 were established:

- Inventory - \$20,538
- Prepays - \$169,107
- Non-current loans - \$11,531,005
- Non-current A/R - \$1,580,000

The following General Fund Restricted fund balances totaling \$6,258,351 were established:

- Public Safety Investments - \$1,580,117
- Public Works Investments - \$4,678,234

The following General Fund Assigned fund balances totaling \$9,476,751 were established:

- OPEB contributions - \$7,940,000
- General Government agreements - \$700,361
- Judicial agreements - \$426,990
- Public Safety agreements - \$389,900
- Public Works agreements - \$19,500

The following Special Revenue Restricted fund balances were established to restrict the use of the funds in accordance with Federal and State regulations:

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Judicial – Restricted funds in the amount of \$2,415,160 are to support the operation and improvement of court offices. These include the Domestic Relations Fund, DA Investigative Fund, Register & Recorder Capital Improvement Fund and the Prothonotary Automation Fund.

Public Safety – Restricted funds in the amount of \$218,918 are used to support emergency services in the County. These include the Emergency Medical Services, Haz-Mat, 911 Wireline, 911 Wireless and EMA Grant.

Public Works – Restricted funds in the amount of \$4,395,996 are used to support the construction and maintenance of the County's roads and bridges.

Culture & Recreation – Restricted funds in the amount of \$1,201,420 are used to support the recreation needs of the County and to preserve farm lands from development. These include the Growing Greener Fund and the Farm Easement Fund.

The following Special Revenue Assigned fund balances were established to denote the government's intention to use them for a specific purpose:

Conservation & Development – Assigned funds in the amount of \$13,684 are used to promote conservation practices that reduce nutrient run-off.

New Accounting Pronouncements

The County adopted Governmental Accounting Standards Board ("GASB") Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, for the year ended December 31, 2012. GASB No. 62 directly incorporates the applicable guidance from those FASB and AICPA pronouncements, issued prior to November 30, 1989, into the state and local government accounting and financial reporting standards. The County implemented the accounting and reporting requirement of GASB 62 as of January 1, 2012. This implementation did not materially change the County's accounting and reporting policies.

The County adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, for the year ended December 31, 2012. GASB No. 63 standardized the presentation of deferred outflows of resources and deferred inflows of resources and their effect on net position. The County implemented the presentation requirements of GASB No. 63 as of January 1, 2012.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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3. Reconciliation of Government-Wide and Fund Financial Statements

A: Explanation of Certain Differences Between the Total Fund Balance – Governmental Fund Balance Sheet and the Total Net Position – Governmental Activities and the Government-Wide Statement of Net Position.

The government fund balance sheet includes reconciliation between fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statements of net position. One 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 \$49,315,586 difference are as follows:

Bonds payable	\$36,241,947
Less: Deferred charges for issuance cost (to be amortized over life of debt)	(1,284,228)
Accrued interest payable	607,917
Compensated absences	687,901
Post employment benefits	15,299,016
Deferred current year taxes	<u>(2,236,967)</u>
 Net adjustment to reduce fund balance - total governmental funds to arrive at net position governmental activities	 <u>\$49,315,586</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Change in Net Position - Government-Wide Statement of Activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Government 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 \$1,444,073 difference are as follows:

2012 capital asset purchases	\$ 1,297,357
2012 depreciation expense	<u>(2,741,430)</u>
 Net adjustment to increase net change in fund balances-total governmental funds to arrive at changes in net position of governmental activities	 <u>\$ (1,444,073)</u>

Another element of that reconciliation states “the issuance of long-term debt (i.e. bonds, leases) provides current financial resources to governmental funds, while the repayment of the

County of Lycoming, Pennsylvania
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principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any direct effect on net position. Also, governmental funds report the effect of the issuance cost, 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 \$2,231,290 difference are as follows:

Debt issued or incurred issuance general obligation bonds	\$ (8,078,867)
Principal payments general obligation debt	5,890,344
Long term compensated absences	<u>(42,767)</u>
Net adjustment to increase net changes in fund balance-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (2,231,290)</u>

4. Budget and Budgetary Accounting

In accordance with the provisions of Public Law of the Commonwealth of Pennsylvania, the County prepares and adopts an annual budget each year for all its governmental and proprietary funds.

The budget process begins each year around the first week of August when department managers are supplied a budget packet containing materials and information used to update current year projections and request new appropriations. During September, the Office of Fiscal Services compiles a preliminary budget for review by the Commissioners. The Commissioners interview each department to discuss their budget request and determine the appropriate funding. The Office of Fiscal Services then assembles the revised projections of revenues and expenditures and develops a final budget which goes on public display for twenty (20) days before adoption prior to December 31st.

The County maintains budgetary control at the departmental level. Management, with the approval of Fiscal Services, may amend their departmental budgets as long as they do not exceed the approved budget for their departments. Transfers between departments or supplemental appropriations require Commissioner’s approval. Expenditures cannot legally exceed the appropriations at the budgetary control level described above. There were no additional supplemental budgetary appropriations for the overall budget for 2012. Appropriations lapse at the end of each year and must be re-appropriated.

The County utilizes encumbrance accounting for all its governmental fund types and proprietary funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year-end are reported as Assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Budgets for the County are prepared on the modified accrual basis except for the Enterprise Fund, which is prepared on the accrual basis of accounting.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

On occasion, unbudgeted funds may be created to meet special circumstances that have developed during the year. During 2012 one new unbudgeted fund was created, Act 13 Gas Impact Fees.

5. Excess of Expenditures over Appropriations

For the year ended December 31, 2012, expenditures exceeded appropriations for the funds listed below. No remedial action was necessary or planned since fund resources were sufficient to provide for excess expenditures.

	<u>Budget</u>	<u>Actual</u>
Special Revenue Funds		
Domestic Relations IV-D	\$ 77,859	\$ 81,181
Prothonotary Automation Fund	\$ 5,000	\$ 13,374
Haz-Mat	\$ 74,782	\$ 79,931
911 Wireline	\$ 486,000	\$ 766,012
911 Wireless	\$ 579,800	\$ 996,968
EMA Grant	\$ 11,960	\$ 16,548
Highway Safety	\$ 63,526	\$ 85,791
Liquid Fuels	\$ 577,380	\$ 711,675
EDPS Economic Development Projects	\$ 306,392	\$ 407,888
Act 13 Gas Impact Fees	\$ -	\$ 434,470
Nutrient Trading Program	\$ 106,756	\$ 233,390
Miscellaneous Special Revenue	\$ 12,000	\$ 16,172
Pass Thru Grants	\$ 9,220,473	\$ 13,058,766
Debt Service Funds	\$ 3,223,156	\$ 7,610,141
Capital Project Funds		
Help America Vote Act	\$ 49,287	\$ 53,260
Enterprise Fund		
Resource Management Services	\$ 18,910,675	\$ 19,693,314

6. Cash and Investments

GASB Statement No. 40, "Deposit and Investment Risk Disclosures," requires disclosures related to the following deposit and investment risk: Credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. The following is a description of the County's deposit and investment risk:

A. Deposits and Investments

Pennsylvania statutes provide for investment of governmental funds into certain authorized investments including U.S. Treasury Bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposits. The deposit and investments policy of the County adheres to State statutes. Deposits of the governmental

County of Lycoming, Pennsylvania
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funds are either maintained in demand deposit accounts, certificate of deposits or invested in U.S. Treasury Bills or other U.S. and Pennsylvania government obligations.

Deposit – Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the County’s deposit may not be returned. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2012, the County had total deposits of \$51,797,243 with various financial institutions, which differs from the book balance of \$53,851,557 due to outstanding checks and deposits in transit. Of that balance \$262,558 was insured by the Federal Depository Insurance Corporation leaving \$51,534,685 uninsured and exposed to custodial credit risk of which \$42,395,019 is collateralized in accordance with Act 72 of the Pennsylvania State Legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution’s name. The remaining balance of \$9,139,666 was held in various uninsured money market accounts, however, the funds are held in Federal money markets in the nominee’s name.

Investments

The County maintains a mix of restricted and unrestricted investments in both the General and Proprietary funds to maximize earnings and comply with State statutes for State and County closure of its solid waste facility.

As of December 31, 2012 the Statement of Net Position had the following investments:

Cash or Investment Type	Value	Investment Maturities from December 31, 2012			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
Investments at Cost					
Long-Term CDs	\$ 26,400,540	\$ 8,322,297	\$ 18,078,243	\$ -	\$ -
Guaranteed investment contracts	4,960,000	-	-	4,960,000	-
Total investments at cost	<u>31,360,540</u>	<u>8,322,297</u>	<u>18,078,243</u>	<u>4,960,000</u>	<u>-</u>
Investments at Fair Value					
Participating Interest Earning					
Investment Contracts at fair value	6,861,629	2,861,779	3,754,625	245,225	-
Government and agency debt	35,423,909	7,608,978	9,826,097	3,643,283	14,345,551
Total investments at fair value	<u>42,285,538</u>	<u>10,470,757</u>	<u>13,580,722</u>	<u>3,888,508</u>	<u>14,345,551</u>
Total investments	<u>\$ 73,646,078</u>	<u>\$ 18,793,054</u>	<u>\$ 31,658,965</u>	<u>\$ 8,848,508</u>	<u>\$ 14,345,551</u>

The following is a description of the County’s Investment risk:

Credit risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligation is called credit risk. The County has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations.

#1 The County currently has \$40,383,909 in U.S. Treasury bills and related agency debt. This includes a carrying amount of \$4,960,000 of guaranteed investment contracts.

#2 Under the terms of the Guaranteed Investment contract, eligible securities are limited to non-callable obligations of the United States of America, Department of the Treasury.

County of Lycoming, Pennsylvania
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#3 The County currently has \$33,262,169 in long-term certificates of deposit with local banking institutions. Of that amount, \$1,436,000 is covered by FDIC Insurance with the balance being collateralized in accordance with Act 72 of the Pennsylvania Legislature.

Custodial risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the fund will not be able to recover the value of collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the County of Lycoming, and are held by either the counterparty or the counterparty's trust department or agent but not in the name of the County of Lycoming.

The County of Lycoming has established an Agent/Custodian relationship with C&N Trust and Financial Management Group, an authorized and registered trust department operating under the laws of the Pennsylvania Department of Banking. The Agent/Custodial agreements provide for C&N Trust and Financial Management Group to serve as master custodian bank and to maintain custody of the County of Lycoming assets. C&N Trust and Financial Management Group, as the master custodian bank, may hold County of Lycoming property in the name of its nominee, bearer form, or in book entry form, so long as the Custodian's records clearly indicate that such property is held as part of the County of Lycoming accounts. All underlying securities held as custodian for the County of Lycoming are legal investments and are either federally insured or backed by the full faith and credit of the United States of America Government.

Concentration of Credit Risk – The County places no limit on the amount the County may invest in any one issuer.

Interest Rate Risk – The County has no formal investment policy that limits investment maturities as a means of managing its exposure to the fair value losses arising from increasing interest rates.

Agency Fund Deposits

The County maintains bank accounts for various escrowed funds. As of December 31, 2012, the bank balance was \$4,531,866, which differs from the book balance of \$2,518,992 due to outstanding checks and deposits in transit, with \$500,000 being insured by the Federal Depository Insurance Corporation. The remaining balance \$4,031,866 was exposed to custodial risk, with \$3,880,223 being collateralized in accordance with Act 72 of the Pennsylvania State Legislature, which requires the institutions to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name leaving \$151,643 in uninsured I.O.L.T.A. accounts.

Pension Trust Fund Deposits and Investments

The Pension Trust Fund's investments are held separately from those of other County funds. Assets in the pension trust fund are stated at fair value. Any premiums or discounts are recognized as a gain or loss upon disposition. The Retirement Board has adopted investment

County of Lycoming, Pennsylvania
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policies that summarize the investment philosophy of the Board and set forth investment targets and performance objectives for the Pension Fund.

As of December 31, 2012 the Retirement Board had the following cash and investments in its Pension Trust Fund:

Cash or Investment Type	Value	Investment Maturities from December 31, 2012			
		Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Fixed Income Securities	\$ 11,183,520	\$ 560,361	\$ 2,425,949	\$ 808,427	\$ 7,388,783
Mutual Funds	8,234,548	-	8,234,548	-	-
Corporate Bonds	10,125,074	-	4,595,939	3,686,558	1,842,577
Municipal Bonds	794,987	-	285,680	131,208	378,099
Long-Term CDs	3,066,060	-	3,066,060	-	-
Real Estate	2,000,000	-	2,000,000	-	-
Total Debt Securities	<u>\$ 35,404,189</u>	<u>\$ 560,361</u>	<u>\$ 20,608,176</u>	<u>\$ 4,626,193</u>	<u>\$ 9,609,459</u>
Cash & cash equivalents	\$ 2,286,987				
Equity Securities	42,411,360				
Total cash and other investments	<u>\$ 44,698,347</u>				
Total cash and investment reported on the Pension Trust Fund Statement of Net Position	<u>\$ 80,102,536</u>				

The following is a description of the Pension Trust Fund's deposit and investment risks:

Credit risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Retirement Board has authorized its investment managers to invest the Pension Funds into the following:

#1 Fixed income securities – This includes domestic fixed and variable rate bonds and notes issued by the U.S. Government and its Agencies, U.S. Corporations, debt obligations of publicly traded REITS, Yankee bonds and notes (bonds or notes issued by non-U.S. based corporations and governments but traded in the U.S.), securitized mortgages (e.g. GNMA's FNMA's, FHLMC's, Commercial Mortgage Back Securities), collateralized mortgage obligations, asset backed securities, taxable municipal bonds and preferred stock. Private placement issues are prohibited.

#2 Equity securities – Domestic securities include common stock, real estate securities, and securities convertible into common stock of U.S. based companies. International securities include sponsored and unsponsored American Deposit Receipts (ADR's) or American Depositary Shares (ADS's) or other depository securities of non-U.S. based companies traded in the U.S. and closed-end country funds. All convertible securities purchased must be U.S. dollar denominated securities and should be rated "B" (or its equivalent) at the time of purchase by a nationally recognized statistical rating agency.

The investment guidelines require that fixed income securities (except for those listed below) should be rated "BBB-"(or its equivalent) or higher at the time of purchase by a nationally recognized statistical rating agency. The minimum market value-weighted average quality

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rating of the portfolio is “A”. Asset-backed securities, mortgage-backed securities, and CMOs should be rated “AA” (or its equivalent) at the time of purchase by a nationally recognized statistical rating agency. The Pension Trust Fund’s December 31, 2012, investments in corporate bonds have received the following ratings from Standard and Poor’s:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of the Total Corporate Bonds

<u>Investment Type</u>	<u>Standards & Poor's Rating</u>	<u>Percentage of Total Pension Trust Fund Corporate Bonds</u>
Corporate Bonds	AAA	1.30%
Corporate Bonds	AA	25.50%
Corporate Bonds	A	49.80%
Corporate Bonds	BBB	14.70%
Corporate Bonds	<BBB	1.00%
Corporate Bonds	Unrated (by S&P)	7.70%
		100.00%

Custodial Credit Risk – Cash and Cash equivalents – For deposits, custodial risk is the risk that in the event of bank failure, the fund’s deposits may not be returned. Cash reserves should be held in the custodian’s money market fund, short-term maturity Treasury securities, or insured instruments of commercial banks and savings and loans.

As of December 31, 2012, the book value of the Pension Trust Fund’s cash and deposits was \$2,286,987 and the M&T Bank balance was \$2,284,415. Of the M&T Bank balance, \$100,000 was covered by SIPC, \$1,900,000 was covered by a Certificate of Protection through First City underwritten by Lloyds of London up to a maximum of \$1,900,000.

Custodial Credit Risk – Investments – For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity except for \$400,000 that would be insured by SIPC. The pension trust fund does not have a formal investment policy to mitigate custodial credit risk. However, to reduce investment risk, the Board’s investment guidelines do set targets and range assets allocations for all investments. The total plan target and range allocation are as follows:

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	<u>Target Avg.</u>	<u>Range</u>
Domestic Large Capitalization Stocks	40%	30% - 50%
Domestic SMID Capitalization Stocks	15%	10% - 20%
International Stocks	10%	7% - 13%
Private Equity	5%	0% - 8%
Real Estate	10%	0% - 13%
Total Equity Securities	80%	47% - 104%
Domestic Fixed Income	20%	15% - 55%
Cash and Cash Equivalents	0%	0% - 10%
	100%	

Concentration of Risk – The Retirement Board’s investment guidelines do not set total fund diversification guidelines. However, they do attempt to minimize the impact of substantial loss in any specific industry or issue by establishing specific limits for the portfolios of each of the investment managers.

Equity investment managers:

1. To provide for diversification in the portfolio, investments in any one individual equity security should not exceed approximately 8% of the market value of the equity portion of the investment manager’s portfolio.
2. The equity portion of each portfolio should be broadly diversified by market capitalization; however, the market capitalization of any individual equity security should be greater than \$1 billion at the time of purchase.
3. The maximum allocation to any single economic sector in the equity portion of the portfolio should not exceed the greatest of 15% of the market value of the investment manager’s portfolio or twice the economic sector’s weighting in the S&P 500 Stock Index or the investment manager’s primary equity policy index.
4. From time-to-time, the investment manager may invest in U.S. dollar denominated equities of non U.S. companies that otherwise conform to the provisions of this investment policy. In as much as the Plan has retained a separate global equity investment manager, investments in these foreign securities is expected to be limited.
5. Holdings of any single issue in this portfolio should not exceed more than 5% of the total outstanding market capitalization on the common stock of any company.

Fixed income managers:

1. Fixed income securities (except for those listed below) should be rated “BBB-“(or its equivalent) or higher at the time of purchase by a nationally recognized statistical rating agency. The minimum market value-weighted average quality rating of the portfolio is “A”. Asset-backed securities, mortgage-backed securities, and CMOs should be rated

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“AA” (or its equivalent) at the time of purchase by a nationally recognized statistical rating agency.

2. Fixed income securities of a single issuer, issue, or asset pool, with the exception of U.S. Government and Agency securities, are limited to no more than 10% of the market value of the investment manager’s portfolio.
3. No more than 30% of the market value of an investment manager’s portfolio may be invested in a single sector of the corporate fixed income market, (e.g. Industrials, Financials, and Utilities).
4. The maximum effective maturity of any single fixed income security is 30 years. There is no constraint on the dollar weighted average effective duration of the portfolio.
5. Mortgage backed securities may be purchased on a “when issued” or “TBA” basis (a forward contract transaction for mortgage backed issues that are to be issued in the near term). A short-term investment can back a “when issued” commitment as long as its effective duration does not exceed 180 days. These short-term investments should be considered within the fixed income allocation of the portfolio.
6. Collateralized mortgage obligations are limited to securities that are currently paying interest, receiving principal pay downs and do not contain leverage. Collateralized mortgage backed securities are limited to 10% of the market value of the fixed income portion of the investment manager’s portfolio.
7. No more than 20% of the market value of the fixed income portfolio may be invested in zero coupon bonds.
8. Purchases of mortgage securities whose payment represent the coupon payments on the outstanding principal balance of the underlying mortgage-backed security and pay no principal (e.g. interest only securities) are prohibited. Similarly, the purchase of mortgage securities whose payment represents the principal payments on the outstanding principal balance of the underlying mortgage-backed security and pays no interest (e.g. principal only securities) is also prohibited.
9. A purchase of mortgage securities whose payment of interest is determined by an index opposite to the changes in a market index (e.g. inverse floaters) is prohibited.

Interest Rate Risk – The Retirement Board’s investment guidelines do not set total fund guidelines that limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Primary benchmark: The performance of the portfolios will be measured verses a passive index as described in the table below. The portfolio is expected to exceed the average return of their respective benchmarks on a risk-adjusted basis over three-to five-year rolling time periods. The volatility of the portfolios, as measured by standard deviation of the quarterly

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returns, is expected to be similar to the policy index outlined above.

Secondary performance target: The real return objective of the portfolio is to earn in excess of inflation + 4.65% (the proxy for inflation shall be the U.S. All-Urban Consumers Price Index or "CPI"). The portfolio is expected to exceed the passive index return and the real return target each measured on a compound annual return basis, after the deduction of investment management fees, and annualized over a three to five year rolling time period, or a full market cycle, whichever comes first.

Primary Policy Index Standards		Secondary Performance Target
<u>Investment Manager</u>	<u>Policy Index</u>	Returns in excess of inflation
McDonnell Investment Management, LLC	100% ML Domestic Master Bond Index	2.50%
C.S. McKee, L.P.	55% Russell 100 Value Index/45% ML Domestic Master Bond Index	4.65%
Rigel Capital, LLC	100% Russell 1000 Growth Stock Index	6%

C. Restricted assets

Collateral bonds held by the State of Pennsylvania

The Department of Environmental Protection regulation Title 25, Section 2711 requires all landfills to post a bond with the Treasurer of the Commonwealth of Pennsylvania. The purpose of the bond is to insure that there will be money available to close the landfill if the operator does not fulfill closure requirements. In 2012, the County closure requirements for the landfill remained at \$19,801,860, and the transfer station remained at \$8,459. Under the current state regulations the transfer station must be funded at the minimum bonding requirement of \$10,000. The County currently has \$23,147,316 (fair value) on deposit with the state.

The Department of Environmental Protection also required the County to post a bond with the Treasurer of the Commonwealth of Pennsylvania to cover a wood grinding operation in the amount of \$162,000.

County of Lycoming, Pennsylvania
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For the Year Ended December 31, 2012

As of December 31, 2012, the total collateral bonds held by the State are as follows:

<u>Current Funding</u>	<u>Maturity Date</u>	<u>Par Value</u>	<u>Fair Value</u>
<u>Landfill</u>			
Certificate of Deposit	5/27/2015	\$ 12,286	\$ 13,105
US Treasury Note	3/1/2027	700,000	784,000
US Treasury Note	7/15/2013	3,965,000	3,983,586
US Treasury Note	3/1/2022	845,000	943,443
US Treasury Note	8/1/2026	1,465,000	1,644,712
US Treasury Note	2/15/2026	1,000,000	1,164,080
US Treasury Note	11/1/2027	1,635,000	1,828,797
US Treasury Note	7/15/2015	2,378,500	3,372,580
US Treasury Note	11/15/2021	750,000	944,790
US Treasury Note	12/1/2021	500,000	603,820
US Treasury Note	2/1/2022	500,000	520,365
US Treasury Note	5/1/2025	110,000	121,673
US Treasury Note	11/15/2025	400,000	486,956
US Treasury Note	12/1/2025	60,000	61,080
US Treasury Note	1/1/2026	500,000	554,340
US Treasury Note	2/15/2026	550,000	640,244
US Treasury Note	3/1/2027	850,000	952,000
US Treasury Note	7/15/2027	450,000	449,312
US Treasury Note	6/1/2028	120,000	157,668
US Treasury Note	6/1/2029	240,000	263,659
US Treasury Note	11/15/2031	300,000	319,578
US Treasury Note	12/1/2034	910,000	976,075
US Treasury Note	12/1/2038	105,000	110,931
US Treasury Note	6/1/2039	500,000	532,325
US Treasury Note	6/1/2039	440,000	497,917
US Treasury Note	12/1/2040	545,000	563,383
US Treasury Note	12/1/2041	585,000	656,897
		20,415,786	23,147,316
<u>Transfer Station</u>			
Certificate of Deposit	9/5/2016	12,766	13,072
<u>Wood Grinding</u>			
Certificate of Deposit	3/12/2013	177,639	178,140
	Total	\$ 20,606,191	\$ 23,338,528

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Growing Greener Trust

With the enactment of the Environmental Stewardship and Watershed Protection Act (Act 68) all funds deposited previously into the state closure trust fund now come under new regulations. The County can utilize the trust for funding of the County Conservation District, protecting farmlands, acid mine drainage cleanup, rehabilitation of state parks and forests, improving water quality and waste water treatment. During 2012, the County expended \$40,516 on projects leaving a balance as of December 31, 2012, of \$945,474.

7. Receivables

Receivables as of year-end for the governmental and business-type activities, including the applicable allowance for uncollectible accounts of \$5,211,024, are as follows:

	Governmental Activities	Business- type Activity	Total
Receivables, net:			
Taxes	\$ 3,052,636	\$ -	\$ 3,052,636
Accounts			
County Cost & Fines	4,116,488		4,116,488
Solid Waste Trade Accounts		1,698,489	1,698,489
Miscellaneous	264,635	-	264,635
Interest	446,871	2,685,264	3,132,135
Component Units	415,644	-	415,644
Intergovernmental	3,482,067	97,443	3,579,510
Loans	12,325,366	-	12,325,366
Total receivables	\$24,103,707	\$ 4,481,196	\$ 28,584,903

Lycoming County has provided interest and non-interest bearing loans to component unit government and non-profit organizations. As of December 31, 2012 the balances of the loans are as follows:

Loans Receivable

General Fund:

Non-Profit Organizations:

Tiadaghton Gardens	\$120,200
Y.M.C.A.	66,682
Lycoming County Nursing Home Association	2,490,000
SEDA-COG Joint Rail Authority	1,772,333

Component Units:

Recreation Authority	130,000
Lycoming County Water & Sewer Authority	7,746,151
Total Loans	\$ 12,325,366

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

8. Property Taxes

The County's property tax is levied by resolution of the Board of Commissioners on real property located in the County. Assessed value of real property is generally 100% of the market value as determined by the Lycoming County Bureau of Assessment.

The estimated value of taxable real estate for 2012 was \$5,513,797,580 and the total assessed value was \$5,513,797,580.

The County is permitted by the Fifth Class County Code to levy real estate taxes up to 20 mills on every dollar of adjusted valuation for general County purpose exclusive of the requirement for payment of interest and principal on funded debt. The 2012 real estate millage was set at 4.75 mills, which means a property owner will pay \$4.75 for every \$1,000 of assessed valuation.

Property taxes for 2012 are attached as an enforceable lien on property as of January 1, and are levied on March 1. The County bills these taxes which are collected by the County and elected tax collectors. Taxes are payable as follows: 2% discount March through April 30; face amount May 1 through June 30; and a 10% penalty thereafter. The County also prepares interim billings, one in February and the other in August to collect on new properties assessed during the interim period.

The County also collects delinquent taxes on behalf of itself and other taxing bodies through the Tax Claim Bureau. Tax liens are filed on related property as soon as taxes become delinquent in the subsequent year. In 2012, tax liens exist for 2011, 2010 and 2009 delinquent taxes.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

9. Capital Assets

Capital assets activity for the year ended December 31, 2012 are as follows:

A. Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers/ Decreases</u>	<u>Ending Balances</u>
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 3,031,863	\$ 9,000	\$ -	\$ 3,040,863
Construction in Progress	<u>331,138</u>	<u>162,636</u>	<u>-</u>	<u>493,774</u>
Total capital assets not being depreciated	<u>3,363,001</u>	<u>171,636</u>	<u>-</u>	<u>3,534,637</u>
Capital assets being depreciated:				
Buildings	35,562,399	585,961	(21,600)	36,126,760
Improvements other than buildings	1,555,512	88,400	-	1,643,912
Machinery & Equipment	19,892,058	451,360	(362,086)	19,981,332
Infrastructure	<u>11,375,201</u>	<u>-</u>	<u>-</u>	<u>11,375,201</u>
Total capital assets being depreciated	<u>68,385,170</u>	<u>1,125,721</u>	<u>(383,686)</u>	<u>69,127,205</u>
Less accumulated depreciation for:				
Buildings	16,790,831	1,037,186	(21,600)	17,806,417
Improvements other than buildings	363,442	61,759	-	425,201
Machinery & Equipment	11,622,088	1,274,859	(318,086)	12,578,861
Infrastructure	<u>4,077,937</u>	<u>367,626</u>	<u>-</u>	<u>4,445,563</u>
Total accumulated depreciation	<u>32,854,298</u>	<u>2,741,430</u>	<u>(339,686)</u>	<u>35,256,042</u>
Total capital assets, being depreciated, (net)	<u>35,530,872</u>	<u>(1,615,709)</u>	<u>(44,000)</u>	<u>33,871,163</u>
Governmental activities capital assets (net)	<u>\$38,893,873</u>	<u>\$ (1,444,073)</u>	<u>\$ (44,000)</u>	<u>\$ 37,405,800</u>

Analysis of the increase in accumulated depreciation for the year.	
Depreciation for the current year	\$ 2,683,639
Transfer of equipment from business type activity	<u>57,791</u>
Total increases in accumulated depreciation	<u>\$ 2,741,430</u>

In 2012, certain capital assets that were initially recorded as depreciable assets were reclassified as construction in progress for projects that were still in the construction phase at December 31, 2012.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Transfers/ Decreases</u>	<u>Ending Balances</u>
Business-type activity				
Capital assets not being depreciated:				
Land	\$ 2,450,020	\$ -	\$ -	\$ 2,450,020
Construction in Progress	<u>14,807,786</u>	<u>5,483,423</u>	<u>(14,139,482)</u>	<u>6,151,727</u>
Total capital assets not being depreciated	<u>17,257,806</u>	<u>5,483,423</u>	<u>(14,139,482)</u>	<u>8,601,747</u>
Capital assets being depreciated:				
Buildings	18,186,044	-	-	18,186,044
Improvements other than buildings	38,260,026	15,002,447	(14,918)	53,247,555
Machinery & Equipment	25,201,929	2,256,178	(2,322,879)	25,135,228
Infrastructure	<u>1,685,157</u>	<u>207,550</u>	<u>-</u>	<u>1,892,707</u>
Total capital assets being depreciated	<u>83,333,156</u>	<u>17,466,175</u>	<u>(2,337,797)</u>	<u>98,461,534</u>
Less accumulated depreciation for:				
Buildings	9,424,641	559,918	-	9,984,559
Improvements other than buildings	32,241,070	2,261,950	(14,918)	34,488,102
Machinery & Equipment	13,794,762	1,662,450	(1,830,176)	13,627,036
Infrastructure	<u>956,737</u>	<u>56,241</u>	<u>-</u>	<u>1,012,978</u>
Total accumulated depreciation	<u>56,417,210</u>	<u>4,540,559</u>	<u>(1,845,094)</u>	<u>59,112,675</u>
Total capital assets, being depreciated, (net)	<u>26,915,946</u>	<u>12,925,616</u>	<u>(492,703)</u>	<u>39,348,859</u>
Business-type activity capital assets (net)	<u>\$ 44,173,752</u>	<u>\$ 18,409,039</u>	<u>\$ (14,632,185)</u>	<u>\$ 47,950,606</u>

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

Governmental activities:	
General government	\$957,442
Judicial	100,268
Public works	1,087,761
Public safety	364,686
Human services	61,781
Culture & Recreation	65,613
Conservation & development	<u>46,088</u>
Total depreciation expense- governmental activities	<u>\$2,683,639</u>
Business-type activity:	
Waste disposal	<u>\$4,540,559</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

B. Component Units Capital Assets

Water & Sewer Authority

Property, plant and equipment by category at December 31, 2012, are as follows:

	<u>2012</u>
Land	\$ 1,347,057
Easements	420,155
Buildings	7,374,883
Land Improvements	3,432,633
Collection & Conveyance Systems	16,056,951
Processing & other Equipment	2,633,262
Office Equipment	107,047
Laboratory Equipment	52,830
Vehicles	570,340
Armstrong Twp.	1,128,892
Booster Stations	1,403,363
Water System	<u>8,880,572</u>
	43,407,985
Construction in progress	<u>17,747,840</u>
	61,155,825
Less: Accumulated Depreciation	<u>(10,258,206)</u>
	<u>\$ 50,897,619</u>

Depreciation expense for the year ending December 31, 2012, was \$1,111,972.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

A summary of changes in capital assets is as follows:

	Balance 12/31/2011	Additions	Transfers / Deletions	Balance 12/31/2012
Capital assets not being depreciated:				
Land	\$ 884,657	\$ 462,400	\$ -	\$ 1,347,057
Easements	195,010	225,145	-	420,155
Construction in Progress	9,677,053	12,998,437	4,927,650	17,747,840
Total capital assets not being depreciated	<u>10,756,720</u>	<u>13,685,982</u>	<u>4,927,650</u>	<u>19,515,052</u>
Capital assets being depreciated:				
Buildings	7,191,963	182,920	-	7,374,883
Land Improvements	3,430,633	2,000	-	3,432,633
Collection & Conveyance Systems	15,726,235	330,716	-	16,056,951
Processing & other Equipment	2,955,339	268,090	590,167	2,633,262
Office Equipment	93,118	13,929	-	107,047
Laboratory Equipment	49,494	3,336	-	52,830
Vehicles	533,636	36,704	-	570,340
Armstrong Twp.	1,128,892	-	-	1,128,892
Booster Stations	-	1,403,363	-	1,403,363
Water System	5,002,605	3,877,967	-	8,880,572
Total capital assets being depreciated	<u>36,111,915</u>	<u>6,119,025</u>	<u>590,167</u>	<u>41,640,773</u>
Less accumulated depreciation	<u>9,488,353</u>	<u>1,111,972</u>	<u>342,119</u>	<u>10,258,206</u>
Total capital assets, being depreciated, (net)	<u>26,623,562</u>	<u>5,007,053</u>	<u>248,048</u>	<u>31,382,567</u>
Business-type activities capital assets (net)	<u>\$ 37,380,282</u>	<u>\$ 18,693,035</u>	<u>\$ 5,175,698</u>	<u>\$ 50,897,619</u>

Recreation Authority

Property, plant and equipment by category at December 31, 2012, are as follows:

Leasehold Improvements	\$ 378,125
Equipment	1,828,888
Total	<u>2,207,013</u>
Accumulated Depreciation	<u>(1,591,012)</u>
Capital Assets, net	<u>\$ 616,001</u>

Depreciation expense for the year ending December 31, 2012, was \$87,574.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

A summary of changes in capital assets is as follows:

	Balance 12/31/2011	Additions	Deletions	Balance 12/31/2012
Leasehold Improvements	\$ 378,125	\$ -	\$ -	\$ 378,125
Equipment	1,769,878	59,010	-	1,828,888
Total	2,148,003	59,010	-	2,207,013
Accumulated Depreciation	(1,503,438)	(87,574)	-	(1,591,012)
Capital Assets, net	<u>\$ 644,565</u>	<u>\$ (28,564)</u>	<u>\$ -</u>	<u>\$ 616,001</u>

In November, 2006, the Authority transferred ownership of the White Deer Golf Course to the County of Lycoming in consideration of the County contributing \$3,835,000 to the refunding of the Authority's 1998 Revenue Bonds. The transfer included the land, land improvements and the building thereon.

Williamsport Municipal Airport Authority

At December 31, 2012, property, equipment and accumulated depreciation consist of the following:

	Cost	Accumulated Depreciation	Book Value
Land & Improvements	\$ 29,807,625	\$ 7,323,120	\$ 22,484,505
Building Improvements	6,612,114	2,063,452	4,548,662
Furniture, fixtures and equipment	2,692,649	1,940,104	752,545
Construction in progress	199,412	-	199,412
	<u>\$ 39,311,800</u>	<u>\$ 11,326,676</u>	<u>\$ 27,985,124</u>

Depreciation expense for the year ended December 31, 2012, was \$1,354,798.

Property and equipment by category at December 31, 2012, are as follows:

	Balance 12/31/2011	Additions	Transfers / Deletions	Balance 12/31/2012
Land & Improvements	\$ 29,758,746	\$ -	\$ 48,879	\$ 29,807,625
Building Improvements	6,612,114	-	-	6,612,114
Furniture, fixtures and equipment	2,619,552	-	73,097	2,692,649
Construction in progress	186,104	135,284	(121,976)	199,412
	<u>\$ 39,176,516</u>	<u>\$ 135,284</u>	<u>\$ -</u>	<u>\$ 39,311,800</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

10. Interfund Receivables, Payables and Transfers

Interfund receivables and payables balances as of December 31, 2012, are as follows:

Due To / From Other Funds Fund	Due From Other Funds	Due To Other Funds
Major Funds:		
General Fund	\$ 1,195,803	\$ 5,653
Non-Major Funds:		
Domestic Relations IV-D	264	24,602
E.M.S.	20	15,000
911 Phone Tariff	-	198,010
911 Wireless	-	260,708
Highway Safety	-	42,811
PCCD JAIBG / AFTERCARE	-	577
Liquid Fuels	-	3,171
Community Development Block Grant	-	1,000
EDPS Flood Mitigation	-	356,582
EDPS Environmental Projects	42	142,762
EDPS Economic Development Projects	2,742	121,143
Growing Greener	-	632
Debt Service Fund	-	16,262
HAVA	-	15,327
Trust and Agency Funds	5,444	75
Total	<u>\$ 1,204,315</u>	<u>\$ 1,204,315</u>

Advances To / From Other Funds Fund	Advances From Other Funds	Advances To Other Funds
Major Funds:		
General Fund	\$ 11,500	\$ -
Non-Major Funds:		
Trust and Agency Funds	-	11,500
Total	<u>\$ 11,500</u>	<u>\$ 11,500</u>

Component Units To / From Other Funds Fund	Due From Other Funds	Due To Other Funds
Primary Government:		
General Fund	\$ 415,643	\$ -
Component Units:		
Recreation Authority	-	342,267
Soil Conservation	-	73,376
Total	<u>\$ 415,643</u>	<u>\$ 415,643</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursement of expenditures occur, (2) transactions are recorded in the accounting system and payment between funds are made.

Interfund Transfer & Other Financing Sources & Uses

Other Financing Sources / Uses Interfund Transfers	Transfer In	Transfer Out
Funds		
Major Funds:		
General Fund	\$ 2,627,148	\$ 7,642,692
Resource Management Services	-	2,627,148
Non-Major Funds:		
911 Wireline	-	250,000
J.A.I.B.G. / Aftercare	65,380	-
Flood Mitigation	5,000	-
EDPS Environmental Fund	8,484	-
EDPS Economic Development Fund	50,566	-
Growing Greener	-	40,516
Farm Easement Program	50,000	-
Nutrient Trading Program	143,637	-
Debt Service Funds	7,610,141	-
Total	<u>10,560,356</u>	<u>10,560,356</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenue collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

11. Commitments

1: County Operating Leases

The County currently leases building space for three of its District Magistrates.

All of these leases are classified as operating leases with expiration dates extending from 2012 through 2017.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

The following is a schedule of future minimum payments for operating leases with initial or remaining terms in excess of one year as of December 31, 2012.

Year Ended December 31, 2012

2013	\$	66,341
2014		37,522
2015		20,048
2016		20,048
2017		16,707
		\$ 143,959

2: The County has entered into the following additional agreements:

1. With IMR to scan, load, and link deed and mortgage documents in the amount of \$233,502 with a remaining balance of \$80,125.
2. With R.J. Schickler in the amount of \$389,900 for tower site construction.
3. With Cummings & Smith for a study on post-closure work in the amount of \$19,500.
4. With Bassett Engineering for bridge inspections in the amount of \$116,070 with a balance remaining of \$58,035.
5. With Williamsport Municipal Airport Authority in the amount of \$1 million for design and construction of a new airport terminal.
6. With ACS for digitalization and dissemination of records in the amount of \$283,031.
7. With IMR for FullCourt software and OnBase imaging software \$133,169 with a remaining balance of \$83,169.
8. With Arraya for \$367,489 to purchase and install a new back-up system.
9. With ePlus in the amount of \$332,872 off state contract for building a new network in Third Street Plaza.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

12. LEASES

On November 2, 2006, the County entered into a lease agreement with the Lycoming County Recreation Authority for the lease of the White Deer Golf Course. The lease is for 30 years and is payable annually. The lease expense for the current year ending December 31, 2012, was \$242,246. The County of Lycoming currently receives lease income from twenty cancelable and non-cancelable leases with varying cancellation clauses, expiration dates and monthly leases. Future minimum rents receivable that have initial or remaining terms in excess of one year are:

Summary of County Leases

	County Office Buildings	White Deer Golf Course	Total
2013	\$ 1,036,479	\$ 244,096	\$ 1,280,575
2014	462,740	245,653	708,393
2015	144,624	242,052	386,676
2016	40,706	243,427	284,133
2017	-	244,542	244,542
2018-2022	-	1,210,290	1,210,290
2023-2027	-	1,213,454	1,213,454
2028-2032	-	1,210,576	1,210,576
2033-2036	-	975,625	975,625
	\$ 1,684,549	\$ 5,829,715	\$ 7,514,264

The cost and carrying value of the leased facilities is \$12,788,150 and the depreciation expense is \$368,238.

13. Long-Term Liabilities

A. General Obligation Bonds and Notes

The County issues general obligation bonds and notes to provide for the acquisition and construction of major facilities. General obligation bonds and notes are direct obligations and pledge the full faith and credit of the government.

1. 2003 General Obligation Bonds – Proceeds used to refund the 1993 General Obligation Bonds.
2. 2006 General Obligation Bonds – Proceeds used to purchase the Land and buildings of the White Deer Golf Course. The outstanding balance of the 2006 General Obligation Bonds was refunded through the General Obligation Bonds, Series B of 2012. The current refunding reduced the County’s total debt service payments by \$141,314, resulting in a net economic gain of approximately \$139,268. This bond was paid off during 2012.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

3. 2007 General Obligation Bonds -
Series A in the amount of \$7,530,000 was used to repay the Washington County Bond Pool.
Series B in the amount of \$13,840,000 was used to repay the 2006 General Obligation Note used to purchase the T&C Plaza.
The outstanding balance of the 2007 General Obligation Bonds, Series A was advance refunded through the General Obligation Bonds, Series C of 2012. The advance refunding reduced the County's total debt service payments by \$717,348, resulting in a net economic gain of approximately \$710,135. This bond was paid off during 2012.
4. 2009 General Obligation Bonds – Proceeds used to do a partial refunding of the 1998 General Obligation Bonds and cover the issuance costs of the Bonds.
5. 2009 General Obligation Clean Renewable Energy Bonds, Series of 2009 – Proceeds to be used for the acquisition and construction of a facility for the production of electricity from gas derived from the biodegradation of municipal solid waste at the County landfill and to cover the issuance costs of the Bonds. Due to a change in the scope of the project and through the Tax Exempt Bonds Voluntary Closing Agreement Program, the County of Lycoming made a full and complete redemption and payment of all of the above-described Bonds, including interest owed and premium thereon during 2012.
6. 2010 General Obligation Bonds – Proceeds used to construct 3 telecommunication towers, to purchase auxiliary/ancillary system equipment for the towers, complete the Halls Station water program, complete the TRIP water and sewer project, expand the Emergency Operation Center, complete a leachate force main at the county landfill, and complete a gas flare and piping project at the county landfill.
7. 2012 General Obligation Bonds-
Series A in the amount of \$12,420,000 will be used to finance the cost of acquiring and constructing infrastructure improvements at the county landfill, such as, but not limited to, land acquisition, buildings and additional fields.
Series B in the amount of \$4,995,000 was used to refund the 2006 General Obligation Bonds.
Series C in the amount of \$8,095,000 was used to refund the 2007 General Obligation Bonds, Series A.
8. Pennsylvania Infrastructure Bank (PIB) Note – On February 21st the County entered into an agreement with the Commonwealth of Pennsylvania, Department of Transportation for a PIB loan in the amount of \$12,627,593. The Department has structured the loan as a line of credit and committed the above amount to the County. The loan will be used to assist in funding the Airport Terminal-Loyalsock Railroad Bridge replacement project. In 2012, the County drew down \$1.8 million which was passed-through to the SEDA-COG Joint Rail Authority. The County has entered into an agreement with the SEDA-COG JRA where they are solely responsible for the principal and interest payments on what the County draws down for their cost share. The outstanding balance as of December 31, 2012, was \$1,772,333.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

County of Lycoming General Obligation Bonds & Notes

	Interest Rates	Final Maturity	Amount of Original Issue	Outstanding Balance 12/31/2012
Governmental activities				
2003 Bond Issue	2.65 - 5.00	2016	\$ 6,610,000	\$ 2,490,000
2007 Bond Issue-Series B	5.375 - 6.65	2038	13,840,000	12,895,000
2009 Bond Issue	4.50 - 5.00	2022	2,870,000	2,305,000
2010 Bond Issue	5.099 - 6.599	2040	10,645,289	10,500,747
2012 Bond Issue-Series B	.75 - 3.875	2036	4,995,000	4,995,000
2012 Bond Issue-Series C	1.0 - 3.25	2038	1,283,867	1,283,867
PIB Note	1.637	2022	1,800,000	1,772,333
			<u>\$ 42,044,156</u>	<u>\$ 36,241,947</u>
Business-type activity				
2010 Bond Issue	5.099 - 6.599	2040	\$ 2,979,711	\$ 2,939,253
2012 Bond Issue-Series A	.75 - 4.0	2042	12,420,000	12,420,000
2012 Bond Issue-Series C	1.0 - 3.25	2038	6,811,133	6,811,133
			<u>\$ 22,210,844</u>	<u>\$ 22,170,386</u>

B. Changes in Long Term Debt

The following summary reflects the changes in the long-term obligations payable for the year ended December 31, 2012.

	Balance 12/31/2011	Additions	Reductions	Balance 12/31/2012	Due Within One Year
<u>Governmental activities:</u>					
Bonds & Note payable:					
2003 Bond Issue	\$ 3,040,000	\$ -	\$ 550,000	\$ 2,490,000	\$ 580,000
2006 Bond Issue	3,730,000	-	3,730,000	-	-
2007 Bond Issue-Series A	1,107,359	-	1,107,359	-	-
2007 Bond Issue-Series B	13,105,000	-	210,000	12,895,000	220,000
2009 Bond Issue	2,500,000	-	195,000	2,305,000	205,000
2010 Bond Issue	10,571,065	-	70,318	10,500,747	66,411
2012 Bond Issue-Series B	-	4,995,000	-	4,995,000	150,000
2012 Bond Issue-Series C	-	1,283,867	-	1,283,867	49,166
PIB Note	-	1,800,000	27,667	1,772,333	167,587
Total bonds & note payable	<u>34,053,424</u>	<u>8,078,867</u>	<u>5,890,344</u>	<u>36,241,947</u>	<u>1,438,164</u>
Post employment benefits	11,375,174	3,923,783	-	15,298,957	-
Compensated absences	645,134	2,314,889	2,272,122	687,901	473,602
Governmental activity long-term liabilities	<u>\$ 46,073,732</u>	<u>\$ 14,317,539</u>	<u>\$ 8,162,466</u>	<u>\$ 52,228,805</u>	<u>\$ 1,911,766</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

	Balance 12/31/2011	Additions	Reductions	Balance 12/31/2012	Due Within One Year
<u>Business-type activity:</u>					
2007 Bond Issue-Series A	\$ 5,872,641	\$ -	\$ 5,872,641	\$ -	\$ -
2009 CREB Bond	1,929,686	-	1,929,686	-	-
2010 Bond Issue	2,958,935	-	19,682	2,939,253	18,589
2012 Bond Issue-Series A	-	12,420,000	-	12,420,000	250,000
2012 Bond Issue-Series C	-	6,811,133	-	6,811,133	260,834
Total bonds payable	<u>10,761,262</u>	<u>19,231,133</u>	<u>7,822,009</u>	<u>22,170,386</u>	<u>529,423</u>
County Vacation/ Holiday Accrual	130,209	374,859	366,145	138,923	90,049
Long term Post & Field Closure liabilities	<u>52,705,778</u>	<u>3,779,639</u>	<u>-</u>	<u>56,485,417</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$ 63,597,249</u>	<u>\$ 23,385,631</u>	<u>\$ 8,188,154</u>	<u>\$ 78,794,726</u>	<u>\$ 619,472</u>

Compensated absences and Post-employment benefits are generally liquidated by the general fund for governmental activities and the enterprise fund for business activities.

C. Amortization of General Obligation Bonds and Notes

The requirements to amortize the County general obligation bonds and notes outstanding as of December 31, 2012, including interest payments for the next five years and for five year periods thereafter are as follows:

Year Ending December 31	Governmental Activities		Business-type Activity	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 1,438,164	\$ 1,641,878	\$ 529,423	\$ 665,960
2014	1,483,712	1,594,444	491,619	703,022
2015	1,540,106	1,538,086	503,012	695,727
2016	1,602,941	1,478,400	508,012	687,445
2017	964,728	1,415,287	519,106	679,046
2018-2022	5,304,454	6,549,265	2,767,057	2,916,328
2023-2027	5,115,428	5,475,401	3,489,572	2,856,347
2028-2032	6,467,968	4,129,254	4,097,032	2,261,254
2033-2037	8,174,633	2,278,520	4,950,367	1,490,901
2038-2042	4,149,814	327,831	4,315,186	555,423
Total	<u>\$ 36,241,947</u>	<u>\$ 26,428,366</u>	<u>\$ 22,170,386</u>	<u>\$ 13,511,452</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Governmental Activities

Years	2003 Bonds Principal	2007 Bonds Principal	2009 Bonds Principal	2010 Bonds Principal	2012 Bonds Principal	PIB Note
2013	\$ 580,000	\$ 220,000	\$ 205,000	\$ 66,411	\$ 199,166	\$ 167,587
2014	605,000	235,000	205,000	70,318	198,064	170,330
2015	635,000	245,000	210,000	78,131	198,857	173,119
2016	670,000	260,000	220,000	78,131	198,857	175,953
2017	-	275,000	225,000	82,037	203,857	178,834
2018-2022	-	1,615,000	1,240,000	460,970	1,081,973	906,510
2023-2027	-	2,160,000	-	1,718,872	1,236,556	-
2028-2032	-	2,915,000	-	2,093,899	1,459,069	-
2033-2037	-	4,005,000	-	2,734,570	1,435,063	-
2038-2042	-	965,000	-	3,117,409	67,405	-
Total	<u>\$ 2,490,000</u>	<u>\$ 12,895,000</u>	<u>\$ 2,305,000</u>	<u>\$ 10,500,747</u>	<u>\$ 6,278,867</u>	<u>\$ 1,772,333</u>

Governmental Activities

Years	2003 Bonds Interest	2007 Bonds Interest	2009 Bonds Interest	2010 Bonds Interest	2012 Bonds Interest	PIB Note Interest
2013	\$ 124,500	\$ 810,294	\$ 79,131	\$ 419,729	\$ 180,668	\$ 27,556
2014	95,500	798,469	74,006	417,548	184,109	24,812
2015	65,250	785,838	67,856	415,237	181,881	22,024
2016	33,500	772,669	62,081	412,668	178,293	19,189
2017	-	758,694	55,481	410,098	174,705	16,309
2018-2022	-	3,543,988	151,850	2,006,917	809,832	36,678
2023-2027	-	2,999,769	-	1,820,483	655,149	-
2028-2032	-	2,247,325	-	1,446,396	435,533	-
2033-2037	-	1,149,438	-	976,425	152,657	-
2038-2042	-	63,931	-	261,710	2,190	-
Total	<u>\$ 318,750</u>	<u>\$ 13,930,415</u>	<u>\$ 490,405</u>	<u>\$ 8,587,211</u>	<u>\$ 2,955,017</u>	<u>\$ 146,568</u>

Business-type activity

Years	2010 Bonds Principal	2012 Bonds Principal	2010 Bonds Interest	2012 Bonds Interest
2013	\$ 18,589	\$ 510,834	\$ 117,181	\$ 548,780
2014	19,683	471,936	116,552	586,470
2015	21,869	481,143	115,869	579,858
2016	21,869	486,143	115,150	572,296
2017	22,963	496,143	114,412	564,634
2018-2022	129,030	2,638,027	504,737	2,411,591
2023-2027	481,128	3,008,444	509,569	2,346,778
2028-2032	586,101	3,510,931	404,859	1,856,395
2033-2037	765,430	4,184,937	273,310	1,217,591
2038-2042	872,591	3,442,595	79,811	475,612
Total	<u>\$ 2,939,253</u>	<u>\$ 19,231,133</u>	<u>\$ 2,351,450</u>	<u>\$ 11,160,003</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

D. Guaranty Agreement

Under a Guaranty Agreement dated November 2011, between the County and the Lycoming County Recreation Authority, the County agreed to guarantee the debt of the Authority, and if necessary, to assist them in their debt obligations on their 2011 refunding issue in the amount of \$4,525,000. The balance as of December 31, 2012, was \$4,185,000.

E. Advance and current refundings

The County has defeased its General Obligation Bonds, Series A of 2007, by placing the proceeds of the General Obligation Bonds, Series C of 2012, in a sinking fund with earnings sufficient to call the remaining bonds on the redemption date. For financial reporting purposes, the bonds are considered defeased and the liability for those bonds has been removed from the County's statement of net position.

<u>Refunded Bond Series</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
2007 Bond, Series A	\$1,083,569	\$5,746,431

In addition, the County issued \$4,995,000 of General Obligation Bonds, Series B of 2012 for a current refunding of \$3,730,000 of the outstanding General Obligation Bonds, Series of 2006 and to provide certain funds towards the improvement of certain recreational facilities.

F. Legal debt limit

The County's legal debt margin at December 31, 2012, computed in accordance with the Commonwealth of Pennsylvania's Local Government Unit Debt Act of 1972, as amended, is approximately \$167,118,304 for general obligation bonds. The County is in compliance with all applicable debt covenants at December 31, 2012.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

G. Component unit debt

Lycoming County Water & Sewer Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2012.

	Balance 12/31/2011	Additions	Reductions	Balance 12/31/2012	Due Within One Year
PennWorks	\$ 1,661,601	\$ -	\$ 93,684	\$ 1,567,917	\$ 95,429
Guaranteed Sewer					
Revenue Bonds					
Series of 2009	10,430,000	-	760,000	9,670,000	780,000
Series of 2011	14,735,000	-	90,000	14,645,000	90,000
Bank loan	-	152,455	152,455	-	-
Subtotal	<u>26,826,601</u>	<u>152,455</u>	<u>1,096,139</u>	<u>25,882,917</u>	<u>965,429</u>
Excess Capacity Agreement					
Principal	3,877,967	-	-	3,877,967	-
Interest	2,185,457	-	2,185,457	-	-
Subtotal	<u>6,063,424</u>	<u>-</u>	<u>2,185,457</u>	<u>3,877,967</u>	<u>-</u>
Due to Primary Government					
2007-2010 Regional Water System Loan	941,184	-	-	941,184	31,373
2010 Strategic Planning Loan	100,000	-	-	100,000	3,333
2011 Loan	1,992,814	834,186	-	2,827,000	23,019
Subtotal	<u>3,033,998</u>	<u>834,186</u>	<u>-</u>	<u>3,868,184</u>	<u>57,725</u>
Total due to primary government	<u>9,097,422</u>	<u>834,186</u>	<u>2,185,457</u>	<u>7,746,151</u>	<u>57,725</u>
Total	<u>\$ 35,924,023</u>	<u>\$ 986,641</u>	<u>\$ 3,281,596</u>	<u>\$ 33,629,068</u>	<u>\$ 1,023,154</u>

Excess Capacity Agreement – On June 5, 1997, the County and the Authority entered into a capital contribution and capacity purchase agreement whereby the County would make a capital contribution of \$3,690,000 towards the construction of the Montoursville Regional Sewer System in order to reserve and purchase capacity for future expansion within the county. The excess capacity reservation entitled the County to direct the use of the excess capacity as set forth in the agreement. Upon allocation of the excess capacity (which had yet to occur as of December 31, 2012), the Authority shall repay the County the full amount of its capital contribution, together with a return on investment equal to the sum that would have been paid to the County had the capital contribution been loaned to the Authority pursuant to the County’s loan agreements.

In July 2012, the Authority and the County amended the Agreement, whereby the County released its remaining capacity in the Authority’s treatment plant, and forgave the interest that accrued from 1997 to 2011, in the amount of \$2,185,593. In addition, the authority agreed to make semi-annual payments to the county to repay the principal contribution, with the balance of the original loan to be repaid at the next call date (November 15, 2014) of the County’s bonds. Interest accrues monthly on the outstanding loan balance at rates ranging from 4.5% to 5% per annum.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

The principal balance outstanding for the excess capacity agreement as of December 31, 2012, was \$3,877,967, with cumulative interest accrued on the loan balance of \$81,252 and \$2,185,457, respectively.

PennWorks Loan – Halls Station Water Loan – In 2007, the Authority entered into an agreement with the Pennsylvania Water Supply and Wastewater Infrastructure Program (“PennWorks”) with a maximum loan amount available of \$2,269,886. The proceeds of this note were used for the construction of a water supply system for the supply, treatment, storage or distribution of water. The loan is due in monthly payments of \$10,493 including principal and interest at 2.00% per annum through April 1, 2027, secured by a pledge of all Authority revenues and receipts generated from or by this project.

Guaranteed Sewer Revenue Bonds, Series of 2009 – In 2009, the Authority issued its Guaranteed Sewer Revenue Bonds, Series of 2009, in the face amount of \$12,555,000, bearing interest at rates ranging from 3.00% to 4.20% per annum, maturing on November 15, 2023, guaranteed by the County. The proceeds from the sale of the Bonds were used for the purposes of (1) retiring a loan in the outstanding principal amount of \$11,165,000 made by the County of Lycoming, Pennsylvania to the Authority in 1998, and redeeming related general obligation bonds of the County of Lycoming, Pennsylvania, (2) retiring a short term loan to the Authority from Sovereign Bank in the outstanding principal amount of \$757,000; (3) retiring an outstanding loan to the Authority from PennVest in the outstanding principal amount of \$75,500; (4) making improvements to public sanitary sewer facilities of the Authority, including the acquisition of land; and (5) paying the costs of issuing the Bonds.

Guaranteed Sewer Revenue Bonds, Series of 2011 – In 2011, the Authority issued its Guaranteed Sewer Revenue Bonds, Series of 2011, in the face amount of \$14,735,000, bearing interest at rates ranging from 2.00% to 5.00% per annum, maturing on November 15, 2041, guaranteed by the County. Of the \$14,735,000 face amount of the bonds, \$13,660,000 are term bonds due in various installments between 2025 and 2041. The proceeds from the sale of the Bonds were used/will be used for the purposes of (1) construction of improvements to the Montoursville Regional Wastewater Treatment Plant owned and operated by the Authority; (2) construction of a new office/garage/storage building for the Authority’s operations; (3) paying capitalized interest on the Bonds; and (4) paying the costs of issuing the Bonds.

Due To Primary Government – In 2007 and 2009, the County and the Authority entered into various agreements, whereby certain funds were advanced to the Authority by the County in the aggregate amount of \$349,184. Also, in 2010, the County and the Authority entered into a “Muncy Montoursville Regional Water System and Implementation Activities for 2010” agreement, whereby the County loaned the Authority \$592,000 in order to advance the design of various future phases of the Authority’s public water system. At the time these agreements were written, there were no stated interest rates or repayment terms. During 2012, the County and the Authority negotiated a new agreement that consolidated the 2007, 2009, and 2010 amounts into a single loan agreement in the amount of \$941,184, due in monthly installments of \$2,614, maturing in December 2042.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

During 2010, the County loaned the Authority \$100,000 to continue development of the Authority's strategic plan to enable the Authority to provide additional services to municipalities throughout Lycoming County. There are no formal repayment terms on this agreement and the note bears no interest. During 2012, the County and the Authority renegotiated this loan to specify formal repayment terms. The Authority will make monthly payments of principal of \$278 with no interest through maturity in December 2042.

In 2011, the County of Lycoming and the Authority entered into a "LCWSA Regional Water System Design and Implementation Activities" agreement, whereby the County loaned the Authority \$2,034,000 in order to advance the design of a regional water system. During 2012, the County and the Authority negotiated to specify formal repayment terms. Such terms increased the maximum amount of the loan to \$2,868,186 and includes semi-annual payments of principal and interest at rates ranging from 3.31% to 4.29%, maturing in 2043. At December 31, 2012, the Authority has recorded \$311,257 as accrued interest on this loan.

Line of Credit

The Authority has an operating line of credit with Sovereign Bank in an amount not to exceed \$1,500,000, due and payable within one year, including principal and interest at the Bank's Prime Rate (2.60% as of December 31, 2012) subject to annual renewal by the Bank. The outstanding balance on this line of credit at December 31, 2012 and 2011 was \$872,823 and \$496,823, respectively.

The annual requirement to amortize long-term debt at December 31, 2012, is as follows:

Long Term Debt	Principal	Interest	Total
2013	\$ 1,023,154	\$ 1,254,886	\$ 2,278,040
2014	4,929,486	1,218,626	6,148,112
2015	1,086,362	1,181,143	2,267,505
2016	1,113,366	1,142,066	2,255,432
2017	1,141,850	1,100,623	2,242,473
2018-2022	6,300,106	4,755,379	11,055,485
2023-2027	5,395,004	3,477,175	8,872,179
2028-2032	5,945,110	2,361,346	8,306,456
2033-2037	4,994,732	896,781	5,891,513
2038-2042	1,675,439	352,780	2,028,219
2043	24,459	115,921	140,380
Total	<u>\$ 33,629,068</u>	<u>\$ 17,856,726</u>	<u>\$ 51,485,794</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Recreation Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2012

	<u>Balance</u> <u>12/31/2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Amortization</u>	<u>Balance</u> <u>12/31/2012</u>	<u>Due Within</u> <u>One Year</u>
Bonds payable	\$ 4,420,000	\$ -	\$ 235,000	\$ -	\$ 4,185,000	\$ 240,000
Notes payable	1,221,973	51,960	17,735	-	1,256,198	28,908
Subtotal	<u>5,641,973</u>	<u>51,960</u>	<u>252,735</u>	<u>-</u>	<u>5,441,198</u>	<u>268,908</u>
Less: Loss on refunding	<u>(358,127)</u>	<u>-</u>	<u>-</u>	<u>55,811</u>	<u>(302,316)</u>	<u>-</u>
Total	<u>\$ 5,283,846</u>	<u>\$ 51,960</u>	<u>\$ 252,735</u>	<u>\$ 55,811</u>	<u>\$ 5,138,882</u>	<u>\$ 268,908</u>

The annual requirements to amortize long-term debt as of December 31, 2012, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 268,908	\$ 114,318	\$ 383,226
2014	275,474	109,751	385,225
2015	277,127	105,282	382,409
2016	400,367	100,493	500,860
2017	255,000	95,155	350,155
2018-2022	1,360,000	387,215	1,747,215
2023-2027	<u>2,604,322</u>	<u>170,130</u>	<u>2,774,452</u>
	<u>\$ 5,441,198</u>	<u>\$ 1,082,344</u>	<u>\$ 6,523,542</u>

The balance of long-term debt as of December 31, 2012, consists of:

Bonds payable:

#1 Guaranteed Revenue Bonds, Series of 2011, due in varying semi-annual installments including interest at 1.25% to 3.60% per annum, final maturity December 15, 2027. The outstanding balance as of December 31, 2012, is \$4,185,000.

Notes payable:

#1 Unsecured, non-interest bearing note payable to County of Lycoming, Pennsylvania, maturing November 2016 in the amount of \$130,000.

#2 Unsecured, non-interest bearing note payable to County of Lycoming, Pennsylvania, in the amount of \$1,019,322.

#3 Note payable to Muncy Bank & Trust Co., secured by golf carts. Payable in monthly installments of \$1,196.55 including interest at 5.00%. Maturing in 2016. The outstanding balance as of December 31, 2012, is \$49,020.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

#4 Note payable to Muncy Bank & Trust Co., secured by golf carts. Payable in monthly installments of \$1,623.94 including interest at 5.50%. Maturing in 2016. The outstanding balance as of December 31, 2012, is \$57,856.

Industrial Development Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2012.

	Balance 12/31/2011	Additions	Reductions	Balance 12/31/2012	Due Within One Year
1998 bond	\$ 2,175,000	\$ -	\$ 2,175,000	\$ -	\$ -
Total	<u>\$ 2,175,000</u>	<u>\$ -</u>	<u>\$ 2,175,000</u>	<u>\$ -</u>	<u>\$ -</u>

Bonds Payable

Series 1998 – Revenue Bonds consisting of Series A and C in the amounts of \$1,905,000, and \$1,000,000, respectively. Interest is computed at variable rates (0.49% to 0.25% during 2012) with interest payments due semi-annually in March and September. The bonds were paid off in 2012.

14. Estimated Reclamation Cost for Field and Post Closure

The Lycoming County landfill operations has a total estimated capacity of 11,796,000 tons with the total estimated capacity used of 9,485,900 tons (80%) leaving as of December 31, 2012, an estimated remaining tonnage of 2,310,100 tons or an estimated 7.1 remaining years per the consulting engineers' 2012 annual report for fields 1 through 11. The County is currently constructing Field 12 which will extend the useful life of the landfill to April 2027 and increase the remaining tonnage to 4,601,800.

A. Estimated Reclamation Cost for Landfill Field Closure

The estimated cost of reclamation in connection with landfill operations is accrued on the units-of-production method as the estimated landfill tonnage capacity is utilized. These reclamation costs are the capping expenses of fields 1 to 12 based on a three-foot native clay soil cover, topsoil and seeding of 34 acres as estimated by the consulting engineers.

State and Federal laws and regulations require that the County of Lycoming must place a final cover on fields 1 to 12 on or before site closure. In addition to operating expenses related to the current activities of the landfill, an expense provision and a related liability are being recognized based on the future field closure cost that will be incurred near or after the date the landfill no longer accepts waste. Based on the 2012 engineer's report, the County will need an estimated \$26,823,000 to meet its field closure requirements. The estimated liability for landfill field closure as of December 31, 2012, is projected to be \$19,591,215 with the remaining balance of the liability estimated at \$7,231,785 to be recognized as field closure expenses between 2013 and the estimated site closure in 2027. The County currently uses the units of

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

production method to record the annual liability and expense which is calculated at \$1.57 per ton of waste processed at the site using the estimated remaining tonnage of 4,601,800 tons of waste products.

The County is funding the field closure liability by utilizing a combination of user fees and investment earnings. As of the end of the current fiscal year, the County has accumulated funding of \$25,873,243 (fair value) toward field closure. The remaining portion of the underfunded liability in the amount of \$949,757 (fair value) will be financed with investment earnings and user fees of \$0.21 per ton over the remaining site life. Any additional cost that may arise from inflation or changes in field closure requirements will be covered by increases in future landfill user fees, taxpayer subsidies or both.

<u>Field Closure Cost</u>	<u>12/31/2012</u>	
	<u>Accrued Liability</u>	<u>Liability Funded At Fair Value</u>
Required Liability / Funding to March 2020	\$ 26,823,000	\$ 26,823,000
Accrued Liability 12/31/12	19,591,215	19,591,215
Cash and Investments at 12/31/12		
County Closure Cash	-	2,902,195
County Closure U.S. Government Securities	-	5,490,073
County Closure Long Term C/D	-	17,480,975
Total Current G/L Balances 12/31/12	<u>-</u>	<u>25,873,243</u>
Over/(Under) as of 12/31/2012		<u>\$ 6,282,028</u>
Over/(Under) as of March 2020	<u>\$ (7,231,785)</u>	<u>\$ (949,757)</u>

B. Estimated Post-Closure Maintenance Costs for the County Landfill

The estimated post closure maintenance cost for the County landfill represents the capital and operating expenses for the existing and re-permitted facility under the current Pennsylvania Department of Environmental Protection (DEP) and the Environmental Protection Agency (EPA) regulations. Post closure costs as estimated by the consulting engineers would include final cover excavation, transport, placement and revegetation of the entire site. Maintenance cost for the landfill after closure will include cover repair, soil and erosion control, terracing, revegetation, geosynthetic placement, leachate treatment and breakout repair.

State and Federal laws and regulations require that the County of Lycoming must maintain and monitor the landfill site for a period of thirty years after closure. In addition to operating expenses related to the current activities of the landfill, an expense provision and a related liability are being recognized based on the future post closure costs that will be incurred near or after the date the landfill no longer accepts waste. Based on the 2012 engineer's report, the County will need an estimated \$38,550,000 to meet its future post closure requirements. The estimated liability for landfill post closure as of December 31, 2012, is projected to be \$36,894,202 with the remaining balance of the liability estimated at \$1,655,798 to be

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

recognized as post closure expenses between 2012 and the estimated site closure in 2020. The County currently uses the units of production method to record the annual liability and expense which is calculated at \$0.72 per ton of waste processed at the site using the estimated remaining tonnage for fields 1 through 11 of 2,310,100 tons of waste products.

The County is funding the post closure liability by utilizing a combination of user fees and investment earnings. At the close of the current fiscal year, the County has accumulated \$39,456,088 (fair value) toward post closure. The remaining portion of the over funded liability in the amount of \$906,088 (fair value) will be used to cover increases over the remaining site life. Any additional cost that may arise from inflation or changes in field closure requirements will be covered by increases in future landfill user fees, taxpayer subsidies or both.

<u>Post Closure Cost</u>	<u>12/31/2012</u>	
	<u>Accrued Liability</u>	<u>Liability Funded At Fair Value</u>
Required Liability / Funding to March 2020	\$ 38,550,000	\$ 38,550,000
Accrued Liability 12/31/12	36,894,202	36,894,202
Cash and Investments at 12/31/12		
Cash	-	720,077
Long Term C/Ds	-	6,108,474
County Closure 1997 GIC	-	4,960,000
County Closure U.S. Government Securities	-	4,521,040
State Closure C/D s	-	12,286
State Closure U.S. Government Securities	-	23,134,211
Total Current G/L Balances 12/31/12	<u>-</u>	<u>39,456,088</u>
Over/(Under) as of 12/31/2012		<u>\$ 2,561,886</u>
Over/(Under) as of March 2020	<u>\$ (1,655,798)</u>	<u>\$ 906,088</u>

15. Joint Ventures

Lycoming-Clinton Mental Health and Intellectual Disabilities Joinder Board administers and coordinates mental health and mental retardation programs to provide for treatment, care and vocational and social rehabilitation of the mentally ill and mentally retarded residents of Lycoming and Clinton Counties. Funding for the programs is provided largely by various Federal and State grants with the balance being made up through the County match and user charges. The governing body consists of the Board of Commissioners of Lycoming and Clinton Counties which allow each County 50% control.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Statement of Net Assets as of 06/30/12

Assets:	
Cash and cash equivalents	\$ 4,628,658
Receivables (net of allowance)	6,737,878
Loan receivable	3,269
Other Assets	502,337
Capital assets (net of depreciation)	483,854
Total assets	12,355,996
Liabilities:	
Accounts payable	\$ 5,744,735
Payroll taxes payable	373,592
Unearned revenues	5,087,960
Line of Credit Payable	645,951
Long term liabilities	
Due within more than one year	341,042
Total liabilities	12,193,280
Net Assets	
Investment in capital assets net of related debt	483,854
Unrestricted	(321,138)
	\$ 162,716

Financial statements for the MH/MR Joint Venture can be obtained at their administrative office Monday through Friday during normal working hours:

Administrative Office
 Lycoming-Clinton Joinder Board
 200 East Street
 Williamsport, Pa. 17701

16. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, error and omission, injuries to employees and natural disasters which have in the past been covered by a combination of private carriers and County self-insurance. In 1998, the County became a member PCoRP (Pennsylvania County Risk Pool) which was created in the mid-1980's by the County Commissioners Association of Pennsylvania. Lycoming County coverage under PCoRP consists of the following:

1. Property/Inland Marine/Auto Physical Damage
2. General Liability
3. Law Enforcement Liability
4. Auto Liability
5. Public Officials Errors/Omissions Liability
6. Crime Coverage
7. Boiler and Machinery
8. Flood and Earthquake

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Under this coverage each member of PCoRP has its own maintenance deductible, and then PCoRP self-insures the first \$100,000 before the specific excess coverage is utilized. The purpose is to self-insure the usual and expected losses while implementing strong risk management controls to contain those losses.

Each year member counties make their payments to PCoRP in June. The two major components of the payment are the insurance cost relating to provisions of coverage through PCoRP, and a loss fund contribution. Loss fund monies stay with PCoRP and are invested and used to pay claims up to the self-insure retention (SIR) limit of the loss fund, which is currently \$100,000. Each member's share of the loss fund is determined based on their past year's claims history. Payments for amounts of claims above the \$100,000 layer are made by PCoRP reinsurers. Also, the entire loss fund for each policy is reinsured for \$1,000,000.

There have been no significant reductions in insurance coverage over the last several years, and settled claims have not exceeded the commercial coverage in those years. As of the latest PCoRP financial statements dated December 31, 2012, the County has had no additional assessments to the loss fund. In the event PCoRP's assets are not sufficient to meet its obligations to pay its member's claims, PCoRP, as a public entity risk pool, has the ability to retroactively assess its member's additional premiums to cover any short fall.

The County has purchased from another insurance company Pollution and Remediation Legal Liability policy commencing December 1999 with a retroactive date of December 1998 with coverage of \$1,000,000 for each loss, remediation expense or legal defense expense for \$2,000,000 for all total loss, remediation expense, or legal defense expense with the self-insurance retention amounting to \$100,000 for each loss.

17. Retirement Benefits

A. Plan Description

The Lycoming County Employees' Retirement System is a contributory, single employer retirement plan that covers substantially all full-time employees of the County. The plan provides retirement, disability and death benefits to plan members and their beneficiaries. Cost-of-living adjustments (COLA) are provided at the discretion of the Lycoming County Employees' Retirement Board. Act 96 of 1971, as amended, cited as the County Pension Law provides for the creation of this plan.

At December 31, 2012, the retirement system membership consisted of:

Retirees and Beneficiaries Receiving Benefits	288
Terminated Members Entitled to Benefits but not yet receiving them	35
Active Plan Members	509
Total	<u>832</u>

Monthly benefit payments under the retirement system are determined for each individual according to the retirement option selected and the age and length of service at retirement.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Under normal retirement (attaining the age of 60 or at age 55 with 20 years of service) the retirement benefit is equal to one of the following:

<u>Class</u>	<u>Percent</u>	<u>Effective Date</u>
1/100	1.000%	01/01/50
1/80	1.250%	01/01/68
1/70	1.429%	01/01/83

Monthly Pension

Class

1/100 - 1.000% of 1/12 of final average salary
multiplied by years of credited service on the 1/100th class

1/80 - 1.250% of 1/12 of final average salary
multiplied by years of credited service on the 1/80th class

1/70 - 1.429% of 1/12 of final average salary
multiplied by years of credited service on the 1/70th class

The County does not issue a separately audited financial report for the plan.

B. Summary of Significant Accounting Policies

Basis of Accounting: The Lycoming County Employees' Retirement System financial statements are prepared using the accrual basis of accounting. Plan members contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments: All investments of the pension trust fund are reported at fair value. Investments that do not have an established market value are reported at estimated fair value.

Adjustment for fair value fluctuation: In order to reduce the fluctuations in the County's normal costs which can result from full recognition of the unrealized appreciation or depreciation of the fund's securities each year, the value of assets used to determine normal costs was calculated by adjusting the cost value of the plan's assets by the average ratio of fair value to cost value for the past five years.

C. Plan Funding

Plan members depending on their date of employment with the County are required to contribute 6% to 8% of their annual covered salary and may elect to contribute up to an additional 10% of their salaries. Pursuant to Act 96 of 1971, as amended, contribution requirements of the plan members and the County may be amended by the General Assembly

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

of the Commonwealth of Pennsylvania. Administrative costs of the plan are financed through an addition to the plan's normal cost representing estimated expenses for the upcoming year.

The plan's funding policy provides for periodic employer contributions, determined actuarially, that are sufficient to accumulate assets to pay benefits when due.

The Schedule of Funding Progress for the defined pension benefit plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

The annual required contribution for 2012 was determined based upon the most recent actuarial valuation date, January 1, 2012, using the entry age normal actuarial cost method. This method amortizes any unfunded actuarial accrued liabilities over a closed period of 20 years or less based on the source of the unfunded liability. The amortization method is a level percentage of projected payroll. Significant assumptions include:

1. Rate of return on investments of present and future assets: 7.0%, compounded annually.
2. Projected salary increases compounded annually of 4.0% per year.
3. The economic assumptions are based upon an underlying inflation rate of 3.0%.
4. No postretirement benefit increases are assumed.
5. Asset Valuation Method – 5 Year Smoothed Market

D. Legally Required Reserves

Member Annuity Reserve Account - The balance of \$24,150,229 in this account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of January 1, 2012.

Retired Members' Reserve Account - This is the account that monthly retirement allowances including cost-of-living increases and death benefits are paid. The assets allocated to this reserve account as of January 1, 2012, amount to \$35,461,127.

County Annuity Reserve Account - The balance of \$14,359,540 in this account as of January 1, 2012, and the amounts expected to be credited in the future, plus investment earnings thereon, represents the reserves set aside for the payment of the County's share of the retirement allowance. This is the account that is credited with the realized investments earnings and which the regular interest is applied to the annuity reserve accounts. The excess of realized investment earnings over the required regular earnings may be used to offset administrative expenses, offset actuarial adjustments, offset future adverse investment experience, or may be used as a credit to fund the pension obligations of the County.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

E. Annual Pension Cost and Net Pension Obligations

The County's annual pension cost and net pension obligation to the Plan for the current year were as follows:

Annual Pension Cost - Three Year Trend Information

Year Ended	Annual Pension Cost	Annual Pension Contribution	Percentage of Annual Pension Cost Contributed	Pension Cost	Net Pension Asset
12/31/2010	\$ 547,814	\$ 585,000	106.79%	\$ 547,814	\$ 743,490
12/31/2011	1,011,103	974,188	96.35%	1,011,103	706,575
12/31/2012	1,514,291	1,479,209	97.68%	1,514,291	671,493

Funded Status and Funded Progress

Actuarial value of assets	\$ 79,041,152
Actuarial accrued liability (1)	\$ 89,785,876
Unfunded actuarial	\$ 10,744,724
Funded Ratio	88.0%
Annual covered payroll	\$ 21,137,741
Unfunded actuarial liability as a % of covered payroll	50.8%

(1) For the purposes of this schedule, the actuarial accrued liability for the plan and the ARC are determined using the entry age normal actuarial cost method.

A schedule of funding progress is provided following the notes to the financial statements.

Accounting Procedures for Calculation of Net Pension Obligation (NPO)

(1) Year	(2) ARC	(3) Interest On NPO***	(4) ARC Adjust.**	(5) Pension Cost (2+3+4)	(6) Contribution	(7) Change in NPO (5-6)	(8) NPO Balance* (BB+7)
2010	\$ 520,244	\$ (51,207)	\$ 78,777	\$ 547,814	\$ 585,000	\$ (37,186)	\$ (743,490)
2011	974,188	(52,044)	88,959	1,011,103	974,188	36,915	(706,575)
2012	1,479,209	(49,460)	84,542	1,514,291	1,479,209	35,082	(671,493)

* BB = Beginning balance for year

** ARC Adjustment = Amortization factor based upon level percentage of projected payroll.

*** Interest on the balance of the NPO at the beginning of the year using the investment return rate assumed in determining ARC.

F. The Lycoming County Employees' Retirement Report

The Lycoming County Employees' Retirement Report on 2012 actuarial valuation including determination of County's annual required contribution for 2012 is prepared by Municipal Finance Partners Inc. and is available in the Lycoming County Controller's Office.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

18. Other Post-Employment Benefits (OPEB)

A. Plan Description

Under the terms of a County resolution, the County administers a single-employer defined benefit health care plan to retirees of the County who participate in the Lycoming County Employees' Retirement System on or after attaining age 60 or at age 55 with 20 years of creditable service with the County. The Plan is governed by Policy Number 503, Health Insurance Coverage for Retirees, as approved by the Lycoming County Commissioners on January 8, 2004. The calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The actuarial calculations of the OPEB plan reflect a long-term perspective. The actuarially determined amounts for the OPEB plan are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The Lycoming County Employees' Post-Retirement Benefits Plan Report is prepared annually by Municipal Finance Partners, Inc. and is available in the Lycoming County Controller's Office.

Membership of the Employees' Retirement System consisted of the following at January 1, 2012, the date of the latest actuarial valuation:

Retired and Vested Former Members	304
Active Members	504

B. Funding Policy

The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees per County Policy Number 503, Health Insurance Coverage for Retirees, which can be amended by the Board of County Commissioners. These benefits are expensed when incurred and are financed on a pay-as-you-go basis. For fiscal year 2012, the County incurred \$1,171,004 for post-employment benefits other than pension benefits.

Once a retiree becomes eligible for Medicare, the County changes the insurance coverage to a Medicare supplemental insurance. The County continues to pay the premium for the retirees.

Administrative steps were initiated in 2009 to form an OPEB Trust but as of December 31, 2012, it has not been completed. The Board of County Commissioners has encumbered to date \$7,940,000 for this purpose and it is reported on the Governmental Funds Balance Sheet as Assigned Fund Balance.

C. Costs and Obligations, Methods and Assumptions

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, actuarial liabilities or funding

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

excess over a period not to exceed thirty years. The following tables show 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 for the healthcare benefits as well as the funded status and funded progress for the year:

Annual required contribution	\$ 5,297,666
Interest on net OPEB obligation	455,007
Adjustment to annual required contribution	<u>(657,827)</u>
Annual OPEB cost	5,094,846
Contributions made	<u>(1,171,004)</u>
Increase (decrease) in net OPEB obligation	3,923,842
Net OPEB obligation, beginning of year	11,375,174
Net OPEB obligation, end of year	<u><u>\$ 15,299,016</u></u>

Funded Status and Funded Progress

Actuarial value of assets	\$ -
Actuarial accrued liability (1)	\$ 56,491,450
Unfunded actuarial	\$ 56,491,450
Funded Ratio	0.0%
Annual covered payroll	\$ 21,137,741
Unfunded actuarial liability as a % of covered payroll	267.3%

(1) For the purposes of this schedule, the actuarial accrued liability for the plan and the ARC are determined using the entry age normal actuarial cost method.

A schedule of funding progress is provided following the notes to the financial statements.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

For Year Ended December 31	Annual OPEB Cost	Annual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 4,411,686	\$ 962,400	21.81%	\$ 7,631,525
2011	4,757,090	1,013,441	21.30%	11,375,174
2012	5,094,846	1,171,004	22.98%	15,299,016

As of January 1, 2012, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) are up 8.3% from 2011 ARC, due primarily to the underfunding of the ARC in prior years, as well as active terminations that were less than expected and increases in medical premium rates. The covered payroll (annual payroll of active employees covered by the plan) was \$21,137,741 and the ratio of the UAAL to the covered payroll was 267.3%.

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 healthcare trends. Actuarially determined amounts for the OPEB plan are subject to continual revision as results are

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

compared to past expectations and new estimates are made about the future and reflect a long-term perspective.

The ARC for the current year was computed as of January 1, 2012, using the following actuarial assumptions: (1) actuarial valuation uses the Entry Age Normal Actuarial Cost Method; (2) expected long-term investment return rate of 4% on plan assets; (3) amortization period of 30 years; (4) mortality RP-2000 table; (5) medical inflation rate of 8%, grading to 6% in 3 years; (6) projected salary increases of 4.5% per year; (7) medical rates are based on the 2012 medical insurance rate renewal; (8) the annual expected medical claims are based on plan premiums; (9) the economic assumptions are based on an underlying inflation rate of 3.0%. The amortization method is level dollar and the amortization approach is closed.

The schedule of funding progress for the postemployment defined benefit plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

19. Litigation

There are several pending lawsuits in which the County is involved. While the ultimate outcome of these issues cannot be predicted, the County believes that potential liability of these issues not covered by separate arbitration, awards or insurance could not materially affect the financial statement of the County. It is the County Solicitor's opinion that the aggregate amount of the potential claims resulting from pending or threatened litigation cannot presently be determined nor can a range of possible verdicts in the event of an unfavorable outcome be estimated.

20. Pending Governmental Accounting Standards Board Pronouncements

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34*. This statement improves financial reporting for a governmental financial reporting entity. GASB 61 is effective for the County's calendar year 2013 financial statements.

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. GASB 65 is effective for the County's calendar year 2013 financial statements.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*. The objective of this statement is to improve financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted in the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of*

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements. GASB 66 is effective for the County's calendar year 2013 financial statements.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*. The objective of this statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The requirements of Statement 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. GASB 67 is effective for the County's calendar year 2014 financial statements.

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as well as the requirements of No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statement 25 and 50 remain applicable for pension plans that are not covered by the scope of this Statement. GASB 68 is effective for the County's calendar year 2015 financial statements.

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This statement establishes accounting and financial reporting standards related to government combinations and disposals of operations. As used in this Statement, the term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. GASB 69 is effective for the County's calendar year 2014 financial statements.

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2012

a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows related to the guarantee expected to be incurred. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. GASB 70 is effective for the County's calendar year 2014 financial statements.

County management is in the process of analyzing these pending changes in accounting principles and the impact they will have on the financial reporting process.

21. SUBSEQUENT EVENTS

There have been no significant subsequent events.

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplemental Information

Lycoming County Employees Retirement System Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2010	\$ 77,822,047	\$ 79,128,544	\$ 1,306,497	98.35%	\$ 19,735,184	6.62%
1/1/2011	\$ 78,616,175	\$ 84,254,948	\$ 5,638,773	93.31%	\$ 21,366,912	26.39%
1/1/2012	\$ 79,041,152	\$ 89,785,876	\$ 10,744,724	88.03%	\$ 21,137,741	50.83%

Lycoming County Employees Other Postemployment Benefits Plan Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2010	\$ -	\$ 47,519,826	\$ 47,519,826	0.00%	\$ 19,776,835	240.28%
1/1/2011	\$ -	\$ 52,891,909	\$ 52,891,909	0.00%	\$ 21,366,912	247.54%
1/1/2012	\$ -	\$ 56,491,450	\$ 56,491,450	0.00%	\$ 21,137,741	267.25%

The Lycoming County Employees' Retirement System and Post-Retirement Benefits Plan Reports are prepared annually by Municipal Finance Partners, Inc. and are available in the Lycoming County Controller's Office.

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 26,533,148	\$ 26,533,148	\$ 27,270,594	\$ 737,446
Licenses & permits	45,000	45,000	43,402	(1,598)
Intergovernmental	11,955,213	11,955,213	13,064,161	1,108,948
Charge for services	4,010,381	4,010,381	4,147,464	137,083
Sale of county products	118,800	118,800	124,401	5,601
Investment earnings	269,310	269,310	460,775	191,465
Cost & Fines	982,355	982,355	1,297,496	315,141
Micellaneous	2,229,198	2,229,198	3,277,117	1,047,919
Total revenues	<u>46,143,405</u>	<u>46,143,405</u>	<u>49,685,410</u>	<u>3,542,005</u>
EXPENDITURES				
Current				
General government	8,115,193	9,064,292	8,011,461	1,052,831
Judicial	7,166,531	7,386,151	7,351,313	34,838
Public safety	13,631,959	14,174,569	13,848,870	325,699
Public works	275,839	4,176,037	1,621,330	2,554,707
Human services	8,215,281	8,215,826	8,876,518	(660,692)
Culture & recreation	1,152,431	1,152,431	1,131,078	21,353
Conservation & development	1,039,134	981,179	1,722,009	(740,830)
Miscellaneous	11,322,460	11,096,405	8,322,240	2,774,165
Capital outlay	2,271,105	2,292,400	1,231,643	1,060,757
Total expenditures	<u>53,189,933</u>	<u>58,539,290</u>	<u>52,116,462</u>	<u>6,422,828</u>
Excess (deficiency) of revenues over expenditures	<u>(7,046,528)</u>	<u>(12,395,885)</u>	<u>(2,431,052)</u>	<u>9,964,833</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	6,109,248	6,109,248	2,627,148	(3,482,100)
Transfer out	(8,582,388)	(3,254,644)	(7,642,692)	(4,388,048)
Proceeds from debt	-	-	8,078,867	8,078,867
Bond discount	-	-	(102,066)	(102,066)
Forgiveness of debt	-	-	(2,185,593)	(2,185,593)
Total other financing sources (uses)	<u>(2,473,140)</u>	<u>2,854,604</u>	<u>775,664</u>	<u>(2,078,940)</u>
Net change in fund balance	(9,519,668)	(9,541,281)	(1,655,388)	7,885,893
Fund balances-beginning	51,256,363	50,669,481	47,794,823	(2,874,658)
Fund balances-ending	<u>\$ 41,736,695</u>	<u>\$ 41,128,200</u>	<u>\$ 46,139,435</u>	<u>\$ 5,011,235</u>

Budgets are prepared on the modified accrual basis of accounting

**COUNTY OF LYCOMING, PENNSYLVANIA
 COMBINED COUNTY PASS-THRU GRANTS
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 9,220,473	\$ 9,220,473	\$ 13,058,766	\$ 3,838,293
Total revenues	<u>9,220,473</u>	<u>9,220,473</u>	<u>13,058,766</u>	<u>3,838,293</u>
EXPENDITURES				
Public Works	49,783	49,783	-	49,783
Human services	9,170,690	9,170,690	13,058,766	(3,888,076)
Total human services	<u>9,220,473</u>	<u>9,220,473</u>	<u>13,058,766</u>	<u>(3,838,293)</u>
Total expenditures	<u>9,220,473</u>	<u>9,220,473</u>	<u>13,058,766</u>	<u>(3,838,293)</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgets are prepared on the modified accrual basis of accounting

OTHER INFORMATION

**COUNTY OF LYCOMING, PENNSYLVANIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS				
Cash & cash equivalents	\$ 9,167,754	\$ -	\$ -	\$ 9,167,754
Receivables				
Accounts	65,291	-	-	65,291
Due from other funds	3,068	-	-	3,068
Due from other governments	1,139,429	-	15,327	1,154,756
Prepaid Expense	-	16,262	-	16,262
Total assets	<u>\$ 10,375,542</u>	<u>\$ 16,262</u>	<u>\$ 15,327</u>	<u>\$ 10,407,131</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 826,521	\$ -	\$ -	\$ 826,521
Payroll payable	336	-	-	336
Due to other funds	1,166,998	16,262	15,327	1,198,587
Deferred revenues	136,509	-	-	136,509
Total liabilities	<u>2,130,364</u>	<u>16,262</u>	<u>15,327</u>	<u>2,161,953</u>
Fund Balances (Deficits)				
Restricted for:				
Judicial	2,415,160	-	-	2,415,160
Public safety	266,070	-	-	266,070
Public works	4,395,996	-	-	4,395,996
Culture & recreation	1,201,420	-	-	1,201,420
Assigned for:				
Conservation & Development	13,684	-	-	13,684
Unassigned	(47,152)	-	-	(47,152)
Total fund balances	<u>8,245,178</u>	<u>-</u>	<u>-</u>	<u>8,245,178</u>
Total liabilities and fund balances	<u>\$ 10,375,542</u>	<u>\$ 16,262</u>	<u>\$ 15,327</u>	<u>\$ 10,407,131</u>

COUNTY OF LYCOMING, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Special Revenues</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
REVENUES				
Intergovernmental revenues	\$ -	\$ -	\$ 53,260	\$ 53,260
Charge for services	6,816,591	-	-	6,816,591
Investment earnings	2,116,087	-	-	2,116,087
Court cost & fines	6,100	-	-	6,100
Miscellaneous income	30,772	-	-	30,772
	<u>8,969,550</u>	<u>-</u>	<u>53,260</u>	<u>9,022,810</u>
Total revenues				
EXPENDITURES				
Current				
General government	-	-	53,260	53,260
Judicial	-	-	-	-
Public safety	536,325	-	-	536,325
Public works	2,489,991	-	-	2,489,991
Culture & recreation	-	-	-	-
Conservation & development	129,523	-	-	129,523
Debt service	-	2,682,681	-	2,682,681
	<u>3,448,760</u>	<u>2,682,681</u>	<u>53,260</u>	<u>6,184,701</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>5,520,790</u>	<u>(2,682,681)</u>	<u>-</u>	<u>2,838,109</u>
OTHER FINANCING SOURCES (USES)				
Payment to refunding agent	-	(4,927,460)	-	(4,927,460)
Transfer in	-	7,610,141	-	7,610,141
Transfer out	323,067	-	-	323,067
	<u>323,067</u>	<u>2,682,681</u>	<u>-</u>	<u>3,005,748</u>
Total other financing sources (uses)				
Net Change in fund balances	5,843,857	-	-	5,843,857
Fund balances at beginning of year	4,211,171	-	-	4,211,171
Fund balances at end of year	<u>\$ 10,055,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,055,028</u>

GENERAL FUND

The General Fund is the primary operating fund of the County. It is used to account for all financial resources (except those accounted for in another fund).

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 26,533,148	\$ 27,270,594	\$ 737,446
Licenses & permits	45,000	43,402	(1,598)
Intergovernmental	11,955,213	13,064,161	1,108,948
Charge for services	4,010,381	4,147,464	137,083
Sale of county products	118,800	124,401	5,601
Investment earnings	269,310	460,775	191,465
Cost & Fines	982,355	1,297,496	315,141
Miscellaneous	2,229,198	3,277,117	1,047,919
Total revenues	<u>46,143,405</u>	<u>49,685,410</u>	<u>3,542,005</u>
EXPENDITURES			
General government			
Commissioners	396,171	388,162	8,009
Solicitors	140,400	105,521	34,879
Executive Plaza	249,740	191,536	58,204
Courthouse	724,269	672,389	51,880
Lysock Complex	209,143	190,661	18,482
Third Street Plaza	510,052	510,061	(9)
Voters Registration	176,530	157,129	19,401
Conduct of Elections	147,353	147,057	296
Tax Assessment	444,112	479,475	(35,363)
Treasurer	208,176	204,970	3,206
Controller	246,156	231,348	14,808
Fiscal Services	466,901	415,469	51,432
Tax Collector	134,990	135,385	(395)
Central Collections	568,448	562,729	5,719
Inventory Outlay	99,928	61,691	38,237
Contingency fund	965,727	151,188	814,539
E.D.P.S. Planning Commission	1,128,262	1,163,368	(35,106)
E.D.P.S. County Zoning	111,634	122,517	(10,883)
E.D.P.S. G.I.S.	146,433	158,616	(12,183)
Management Information	1,521,549	1,512,449	9,100
Central Telephone	22,543	18,390	4,153
Mail Services	39,695	39,638	57
Printing	87,963	82,612	5,351
Record Retention	5,995	2,191	3,804
Human Resources	312,122	299,790	12,332
Gen. Gov Agency	-	7,119	(7,119)
Total general government	<u>9,064,292</u>	<u>8,011,461</u>	<u>1,052,831</u>
Judicial			
Register & Recorder	359,082	342,957	16,125
Sheriff	730,194	737,295	(7,101)
Coroner	188,434	192,456	(4,022)

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Judicial (Continued)			
Prothonotary	\$ 330,268	\$ 321,663	\$ 8,605
Domestic Relations	1,021,044	1,007,935	13,109
Public Defenders	635,302	621,401	13,901
District Attorney	1,246,582	1,214,199	32,383
Courts	1,728,814	1,736,300	(7,486)
Jury Commissioners	32,346	28,948	3,398
Constables	191,500	177,902	13,598
District Magistrate 29-1-01	142,566	135,621	6,945
District Magistrate 29-1-02	123,905	109,527	14,378
District Magistrate 29-3-04	148,167	147,690	477
District Magistrate 29-3-02	123,129	118,112	5,017
District Magistrate 29-3-03	153,209	151,177	2,032
District Magistrate 29-3-01	143,969	143,831	138
Inventory Outlay	57,640	62,136	(4,496)
Gen. Gov Agency	-	102,163	(102,163)
Outside Agencies			
WBD&A DUI court	30,000	-	30,000
Total judicial	<u>7,386,151</u>	<u>7,351,313</u>	<u>34,838</u>
Public safety			
Adult Probation	1,050,554	1,179,673	(129,119)
Juvenile Probation	1,338,943	1,351,598	(12,655)
Juvenile Placements	3,152,124	2,824,911	327,213
County Prison	5,098,601	4,964,441	134,160
Pre-Release Center	2,196,492	2,259,169	(62,677)
D.U.I Center	113,986	139,999	(26,013)
Act 198	15,000	45,000	(30,000)
Central Processing Center	-	173	(173)
Communications	802,322	365,180	437,142
Emergency Management Agency	253,173	247,530	5,643
Emergency Medical Services	30,447	35,723	(5,276)
S.A.R.A. Title III (Haz-Mat)	39,244	39,101	143
Natural Disasters	-	690	(690)
Inventory Outlay	72,683	70,282	2,401
Gen. Gov Agency	-	314,400	(314,400)
Outside Agencies			
Lyc. Cnty. Fire Police	1,000	1,000	-
West Branch Firemen Assoc	10,000	10,000	-
Total public safety	<u>14,174,569</u>	<u>13,848,870</u>	<u>325,699</u>
Public works			
E.D.P.S. Flood Mitigation	121,921	152,481	(30,560)
E.D.P.S. Economic Development	3,608,277	1,046,764	2,561,513
E.D.P.S. Environmental	170,000	147,720	22,280
Outside Agencies			
Airport	180,000	180,000	-
Airport ATC Services	95,839	94,365	1,474
Total public works	<u>4,176,037</u>	<u>1,621,330</u>	<u>2,554,707</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Human services			
Children & Youth	\$ 7,871,095	\$ 8,530,335	\$ (659,240)
Military affairs	126,453	133,763	(7,310)
Inventory Outlay	1,528	1,528	-
Outside Agencies			
Mental Health	168,750	162,892	5,858
Camp Cadet	3,000	3,000	-
Senior Citizen	10,000	10,000	-
C.A.P.P.A.	35,000	35,000	-
Total human services	<u>8,215,826</u>	<u>8,876,518</u>	<u>(660,692)</u>
Culture & Recreation			
Outside Agencies			
Library	1,117,431	1,121,078	(3,647)
Lycoming Historical Society	10,000	10,000	-
Community Arts Center	25,000	-	25,000
Total culture & recreation	<u>1,152,431</u>	<u>1,131,078</u>	<u>21,353</u>
Conservation & development			
County farm	108,604	99,912	8,692
Cooperative Extension	163,687	147,337	16,350
Soil Conservation	128,481	551,383	(422,902)
Inventory Outlay	8,623	6,494	2,129
Outside Agencies			
S.E.D.A.	23,222	23,222	-
Visitors Bureau	548,562	893,661	(345,099)
Total conservation & development	<u>981,179</u>	<u>1,722,009</u>	<u>(740,830)</u>
Miscellaneous expenditures			
Non government rev. & exp.	(419,179)	(269,665)	(149,514)
Employee benefits			
Employee fringe	13,832,441	11,484,517	2,347,924
Reimb. fringe benefits	(2,541,857)	(2,993,592)	451,735
Insurance	225,000	100,980	124,020
Total miscellaneous expenditures	<u>11,096,405</u>	<u>8,322,240</u>	<u>2,774,165</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Capital Outlay			
General Government	\$ 891,558	\$ 475,463	\$ 416,095
Judicial	189,505	278,485	(88,980)
Public Safety	1,211,337	477,695	733,642
Total capital outlay	<u>2,292,400</u>	<u>1,231,643</u>	<u>1,060,757</u>
Total expenditures	<u>58,539,290</u>	<u>52,116,462</u>	<u>6,422,828</u>
Excess (deficiency) revenues over expenditures	<u>(12,395,885)</u>	<u>(2,431,052)</u>	<u>9,964,833</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	6,109,248	2,627,148	(3,482,100)
Transfer out	(3,254,644)	(7,642,692)	(4,388,048)
Proceeds from debt		8,078,867	8,078,867
Bond discounts	-	(102,066)	(102,066)
Forgiveness of debt	-	(2,185,593)	(2,185,593)
Total other financing sources (uses)	<u>2,854,604</u>	<u>775,664</u>	<u>(2,078,940)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(9,541,281)	(1,655,388)	7,885,893
Fund balance beginning of year	50,669,481	47,794,823	(2,874,658)
Fund balance at end of year	<u>\$ 41,128,200</u>	<u>\$ 46,139,435</u>	<u>\$ 5,011,235</u>

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenues derived from specific grants or other restricted revenue sources primarily restricted to expenditures for specific purposes (except those accounted for in Debt Service, Capital Project, Proprietary or Trust Funds). The County's Special Revenue Funds consist of:

Domestic Relations IV-D

Accounts for Department of Public Welfare Incentive payments for child support enforcement

D.A. Investigative Fund

Accounts for funds received by the District Attorney through forfeitures and state grants to finance the District Attorney's drug task force

Register & Recorder Capital Improvement Fund

Accounts for funds received through user fees to finance capital improvements by the County and the Register & Recorder. Act 137 fees are to be used for housing and first time home buyers

Prothonotary Automation Fund

Accounts for funds used to support the automation of the Prothonotary office

Emergency Medical Services

Accounts for funds received to finance emergency services and coordinate other emergency services for a multiple county area

Haz-Mat

Accounts for federal, state and local grants as well as fees from local industries for dealing with hazardous materials

911 Wireline

Account for funds received from users to finance the operation and improvements of the County 911 telephone system

911 Wireless

Account for funds received from the State to finance the operation and improvements of the County 911 telephone system to include wireless phones

Emergency Management Agency

Account for funds received to support emergency planning and training for County emergencies

Highway Safety Grant

Accounts for funds from state grants used to promote public safety on the highways

J.A.I.B Grant

Accounts for funds from the Federal grants to finance coordination of services provided in the juvenile justice system

Liquid Fuel Fund

Accounts for funds received to finance the improvements of roads and bridges

Act 44 Bridge Fund

Accounts for funds received to finance the construction and improvements of County bridges

Community Development Block Grants

Accounts for funds received to finance community development projects within the County

EDPS Flood Mitigation Projects

Accounts for funds from Federal and State grants used to finance various flood mitigation projects within the County

EDPS Environmental Projects

Accounts for funds from Federal and State grants used to finance various environmental projects within the County

EDPS Economic Development Projects

Accounts for funds from Federal and State grants used to finance various economic and recreational projects within the County

Growing Greener Trust

Accounts for funds under the State Environmental Stewardship and Watershed Protection Act to be used for protecting and improving the environment

Act 13 Gas Impact Fees

Accounts for funds received from the State's unconventional gas well impact fees

Farm Easement Program

Accounts for funds used to finance the purchase of farm easements throughout the County

Nutrient Trading Program

Accounts for funds used to promote conservation practices that reduce nutrient run-off

Miscellaneous Special Revenue Grants

Accounts for funds used to finance small miscellaneous special revenue projects

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012**

	Domestic Relations IV-D	D.A. Investigative Fund	Register & Recorder Capital Fund	Prothonotary Automation Fund
ASSETS				
Cash and cash equivalents	\$ 2,019,848	\$ 12,558	\$ 163,158	\$ 69,185
Receivables (net of allowance)			-	
Accounts receivable trade	2,023	-	-	-
Interest receivable	-	-	-	-
Due from other funds	264	-	-	-
Due from other governments	173,106	-	-	-
Total assets	<u>\$ 2,195,241</u>	<u>\$ 12,558</u>	<u>\$ 163,158</u>	<u>\$ 69,185</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ 59	\$ -	\$ 84
Payroll payable	-	-	-	-
Due to other funds	24,602	-	-	-
Deferred revenues	-	-	-	237
Total liabilities	<u>24,602</u>	<u>59</u>	<u>-</u>	<u>321</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	2,170,639	12,499	163,158	68,864
Public safety	-	-	-	-
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>2,170,639</u>	<u>12,499</u>	<u>163,158</u>	<u>68,864</u>
Total liabilities and fund equity	<u>\$ 2,195,241</u>	<u>\$ 12,558</u>	<u>\$ 163,158</u>	<u>\$ 69,185</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012
CONTINUED**

	Emergency Medical Services	Haz-Mat	911 Wireline	911 Wireless
ASSETS				
Cash and cash equivalents	\$ 125,547	\$ 79,402	\$ 310,552	\$ 661,151
Receivables (net of allowance)			-	
Accounts receivable trade	-	-	62,891	-
Interest receivable	-	-	-	-
Due from other funds	20	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>\$ 125,567</u>	<u>\$ 79,402</u>	<u>\$ 373,443</u>	<u>\$ 661,151</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 40,208	\$ 1,239	\$ 222,585	\$ 260,709
Payroll payable	-	336	-	-
Due to other funds	15,000		198,010	260,708
Deferred revenues	109	30,442	-	-
Total liabilities	<u>55,317</u>	<u>32,017</u>	<u>420,595</u>	<u>521,417</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	70,250	47,385	-	139,734
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Unassigned	-	-	(47,152)	-
Total fund equity	<u>70,250</u>	<u>47,385</u>	<u>(47,152)</u>	<u>139,734</u>
Total liabilities and fund equity	<u>\$ 125,567</u>	<u>\$ 79,402</u>	<u>\$ 373,443</u>	<u>\$ 661,151</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012
CONTINUED**

	<u>Emergency Management Agency</u>	<u>Highway Safety</u>	<u>J.A.I.B.G./ Aftercare Grant</u>	<u>Liquid Fuel</u>
ASSETS				
Cash and cash equivalents	\$ 9,038	\$ -	\$ -	\$ 526,010
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	3,074	48,099	577	9,099
Total assets	<u>\$ 12,112</u>	<u>\$ 48,099</u>	<u>\$ 577</u>	<u>\$ 535,109</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 3,411	\$ 4,983	\$ -	\$ 70,038
Payroll payable	-	-	-	-
Due to other funds	-	42,811	577	3,171
Deferred revenues	-	305	-	-
Total liabilities	<u>3,411</u>	<u>48,099</u>	<u>577</u>	<u>73,209</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	8,701	-	-	-
Public works	-	-	-	461,900
Culture & recreation	-	-	-	-
Total fund equity	<u>8,701</u>	<u>-</u>	<u>-</u>	<u>461,900</u>
Total liabilities and fund equity	<u>\$ 12,112</u>	<u>\$ 48,099</u>	<u>\$ 577</u>	<u>\$ 535,109</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012
CONTINUED**

	Act 44 Bridge Fund	Community Development Block Grants	EDPS Flood Mitigation	EDPS Environmental Projects
ASSETS				
Cash and cash equivalents	\$ 177,698	\$ 21,427	\$ -	\$ -
Receivables (net of allowance)				
Accounts receivable trade	-	-	377	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	42
Due from other governments	-	-	357,933	210,304
Total assets	<u>\$ 177,698</u>	<u>\$ 21,427</u>	<u>\$ 358,310</u>	<u>\$ 210,346</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 293	\$ -	\$ 1,728	\$ 11,900
Payroll payable	-	-	-	-
Due to other funds	-	1,000	356,582	142,762
Deferred revenues	-	20,427	-	55,684
Total liabilities	<u>293</u>	<u>21,427</u>	<u>358,310</u>	<u>210,346</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	177,405	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>177,405</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 177,698</u>	<u>\$ 21,427</u>	<u>\$ 358,310</u>	<u>\$ 210,346</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012
CONTINUED**

	EDPS Economic Development Projects	Growing Greener Trust	Act 13 Gas Impact Fees	Farm Easement Program
ASSETS				
Cash and cash equivalents	\$ -	\$ 946,106	\$ 3,749,986	\$ 255,946
Receivables (net of allowance)				
Accounts receivable trade		-	-	-
Interest receivable	-	-	-	-
Due from other funds	2,742	-	-	-
Due from other governments	171,939	-	164,670	-
Total assets	<u>\$ 174,681</u>	<u>\$ 946,106</u>	<u>\$ 3,914,656</u>	<u>\$ 255,946</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 50,691	\$ -	\$ 157,965	\$ -
Payroll payable	-	-	-	-
Due to other funds	121,143	632	-	-
Deferred revenues	2,847	-	-	-
Total liabilities	<u>174,681</u>	<u>632</u>	<u>157,965</u>	<u>-</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	3,756,691	-
Culture & recreation	-	945,474	-	255,946
Assigned for:				
Conservation & Development	-	-	-	-
Total fund equity	<u>-</u>	<u>945,474</u>	<u>3,756,691</u>	<u>255,946</u>
Total liabilities and fund equity	<u>\$ 174,681</u>	<u>\$ 946,106</u>	<u>\$ 3,914,656</u>	<u>\$ 255,946</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012
CONTINUED**

	Nutrient Trading Program	Special Projects	Total
ASSETS			
Cash and cash equivalents	\$ 13,684	\$ 26,458	\$ 9,167,754
Receivables (net of allowance)			
Accounts receivable trade	-	-	65,291
Interest receivable	-	-	-
Due from other funds	-	-	3,068
Due from other governments	-	628	1,139,429
Total assets	\$ 13,684	\$ 27,086	\$ 10,375,542
 LIABILITIES & FUND EQUITY			
Liabilities			
Accounts payable	\$ -	\$ 628	\$ 826,521
Payroll payable	-	-	336
Due to other funds	-	-	1,166,998
Deferred revenues	-	26,458	136,509
Total liabilities	-	27,086	2,130,364
 Fund equity			
Fund balances			
Restricted for:			
Judicial	-	-	2,415,160
Public safety	-	-	266,070
Public works	-	-	4,395,996
Culture & recreation	-	-	1,201,420
Assigned for:			
Conservation & Development	13,684	-	13,684
Unassigned	-	-	(47,152)
Total fund equity	13,684	-	8,245,178
 Total liabilities and fund equity	\$ 13,684	\$ 27,086	\$ 10,375,542

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Domestic Relation IV-D	D.A. Investigative Fund	Register & Recorder Capital Fund	Prothonotary Automation Fund
REVENUES				
Intergovernmental revenues	\$ 385,382	\$ -	\$ -	\$ -
Charge for services	-	-	191,482	13,656
Investment earnings	1,935	-	-	-
Court Cost, Fines & Forfeits	-	30,772	-	-
Miscellaneous income	-	2,655	-	-
Total Revenues	<u>387,317</u>	<u>33,427</u>	<u>191,482</u>	<u>13,656</u>
EXPENDITURES				
Current				
Judicial	81,181	39,889	102,207	13,374
Public safety	-	-	-	-
Public works	-	-	25,000	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>81,181</u>	<u>39,889</u>	<u>127,207</u>	<u>13,374</u>
Excess (deficiency) of revenues over expenditures	<u>306,136</u>	<u>(6,462)</u>	<u>64,275</u>	<u>282</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	306,136	(6,462)	64,275	282
Fund balance at beginning of year	1,864,503	18,961	98,883	68,582
Fund balance at end of year	<u>\$ 2,170,639</u>	<u>\$ 12,499</u>	<u>\$ 163,158</u>	<u>\$ 68,864</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012
CONTINUED**

	Emergency Medical Services	Haz-Mat	911 Wireline	911 Wireless
REVENUES				
Intergovernmental revenues	\$ 373,465	\$ 39,922	\$ -	\$ -
Charge for services	-	70,500	727,987	1,101,217
Investment earnings	109	9	393	512
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>373,574</u>	<u>110,431</u>	<u>728,380</u>	<u>1,101,729</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	376,930	79,931	766,012	996,968
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>376,930</u>	<u>79,931</u>	<u>766,012</u>	<u>996,968</u>
Excess (deficiency) of revenues over expenditures	<u>(3,356)</u>	<u>30,500</u>	<u>(37,632)</u>	<u>104,761</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	-	-	(250,000)	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>-</u>
Net change in fund balances	(3,356)	30,500	(287,632)	104,761
Fund balance at beginning of year	<u>73,606</u>	<u>16,885</u>	<u>240,480</u>	<u>34,973</u>
Fund balance at end of year	<u>\$ 70,250</u>	<u>\$ 47,385</u>	<u>\$ (47,152)</u>	<u>\$ 139,734</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012
CONTINUED**

	Emergency Management Agency	Highway Safety	J.A.I.B.G./ Aftercare Grant	Liquid Fuel
REVENUES				
Intergovernmental revenues	\$ 10,405	\$ 85,791	\$ 25,196	\$ 776,092
Charge for services	-	-	-	-
Investment earnings	-	-	-	375
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	2,800	-	-	-
Total Revenues	<u>13,205</u>	<u>85,791</u>	<u>25,196</u>	<u>776,467</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	16,548	85,791	90,576	-
Public works	-	-	-	711,675
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>16,548</u>	<u>85,791</u>	<u>90,576</u>	<u>711,675</u>
Excess (deficiency) of revenues over expenditures	<u>(3,343)</u>	<u>-</u>	<u>(65,380)</u>	<u>64,792</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	65,380	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>65,380</u>	<u>-</u>
Net change in fund balances	(3,343)	-	0	64,792
Fund balance at beginning of year	12,044	-	-	397,108
Fund balance at end of year	<u>\$ 8,701</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ 461,900</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012
CONTINUED**

	Act 44 Bridge Fund	Community Development Block Grants	EDPS Flood Mitigation	EDPS Environmental Projects
REVENUES				
Intergovernmental revenues	\$ 30,980	\$ 130,362	\$ 307,051	\$ 73,789
Charge for services	-	-	-	-
Investment earnings	150	-	-	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	377	329,707
Total Revenues	<u>31,130</u>	<u>130,362</u>	<u>307,428</u>	<u>403,496</u>
EXPENDITURES				
Current				
Judicial		-	-	-
Public safety		-	-	-
Public works	1,083	130,362	312,428	411,980
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>1,083</u>	<u>130,362</u>	<u>312,428</u>	<u>411,980</u>
Excess (deficiency) of revenues over expenditures	<u>30,047</u>	<u>-</u>	<u>(5,000)</u>	<u>(8,484)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	5,000	8,484
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>8,484</u>
Net change in fund balances	30,047	-	-	-
Fund balance at beginning of year	147,358	-	-	-
Fund balance at end of year	<u>\$ 177,405</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012
CONTINUED**

	EDPS Economic Development Projects	Growing Greener Trust	Act 13 Gas Impact Fees	Farm Easement Program
REVENUES				
Intergovernmental revenues	\$ 357,322	\$ -	\$ 4,190,574	\$ 14,088
Charge for services	-	-	-	11,245
Investment earnings	-	2,030	587	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>357,322</u>	<u>2,030</u>	<u>4,191,161</u>	<u>25,333</u>
EXPENDITURES				
Current				
Judicial	-	-	283,502	-
Public safety	-	-	77,235	-
Public works	278,365	-	73,733	-
Culture & recreation	129,523	-	-	-
Conservation & development	-	-	-	59,531
Capital outlay	-	-	-	-
Total Expenditures	<u>407,888</u>	<u>-</u>	<u>434,470</u>	<u>59,531</u>
Excess (deficiency) of revenues over expenditures	<u>(50,566)</u>	<u>2,030</u>	<u>3,756,691</u>	<u>(34,198)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	50,566	-	-	50,000
Transfer out	-	(40,516)	-	-
Total other financial sources (uses)	<u>50,566</u>	<u>(40,516)</u>	<u>-</u>	<u>50,000</u>
Net change in fund balances	-	(38,486)	3,756,691	15,802
Fund balance at beginning of year	-	983,960	-	240,144
Fund balance at end of year	<u>\$ -</u>	<u>\$ 945,474</u>	<u>\$ 3,756,691</u>	<u>\$ 255,946</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012
CONTINUED**

	Nutrient Trading Program	Special Projects	Total
REVENUES			
Intergovernmental revenues	\$ -	\$ 16,172	\$ 6,816,591
Charge for services	-	-	2,116,087
Investment earnings	-	-	6,100
Court Cost, Fines & Forfeits	-	-	30,772
Miscellaneous income	89,753	-	425,292
Total Revenues	<u>89,753</u>	<u>16,172</u>	<u>9,394,842</u>
EXPENDITURES			
Current			
Judicial	-	16,172	536,325
Public safety	-	-	2,489,991
Public works	-	-	1,944,626
Culture & recreation	-	-	129,523
Conservation & development	233,390	-	292,921
Capital outlay	-	-	-
Total Expenditures	<u>233,390</u>	<u>16,172</u>	<u>5,393,386</u>
Excess (deficiency) of revenues over expenditures	<u>(143,637)</u>	-	<u>4,001,456</u>
OTHER FINANCIAL SOURCES (USES)			
Transfer in	143,637	-	323,067
Transfer out	-	-	(290,516)
Total other financial sources (uses)	<u>143,637</u>	-	<u>32,551</u>
Net change in fund balances	-	-	4,034,007
Fund balance at beginning of year	13,684	-	4,211,171
Fund balance at end of year	<u>\$ 13,684</u>	<u>\$ -</u>	<u>\$ 8,245,178</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
DOMESTIC RELATIONS IV-D
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 217,815	\$ 385,382	\$ 167,567
Investment earnings	2,470	1,935	(535)
Total revenues	<u>220,285</u>	<u>387,317</u>	<u>167,032</u>
EXPENDITURES			
Judicial	<u>77,859</u>	<u>81,181</u>	<u>(3,322)</u>
Total expenditures	<u>77,859</u>	<u>81,181</u>	<u>(3,322)</u>
Excess (deficiency) of revenues over expenditures	142,426	306,136	163,710
Fund balance at beginning of year	1,719,226	1,864,503	145,277
Fund balance at end of year	<u>\$ 1,861,652</u>	<u>\$ 2,170,639</u>	<u>\$ 308,987</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
D.A. INVESTIGATIVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Court cost fines & forfeits	\$ 95,000	\$ 30,772	\$ (64,228)
Miscellaneous revenues	6,000	2,655	(3,345)
Total revenues	<u>101,000</u>	<u>33,427</u>	<u>(67,573)</u>
EXPENDITURES			
Judicial	<u>101,000</u>	<u>39,889</u>	<u>61,111</u>
Total expenditures	<u>101,000</u>	<u>39,889</u>	<u>61,111</u>
Excess (deficiency) of revenues over expenditures	-	(6,462)	(6,462)
Fund balance at beginning of year	77,846	18,961	(58,885)
Fund balance at end of year	<u>\$ 77,846</u>	<u>\$ 12,499</u>	<u>\$ (65,347)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
REGISTER & RECORDER CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 180,000	\$ 191,482	\$ 11,482
Total revenues	<u>180,000</u>	<u>191,482</u>	<u>11,482</u>
EXPENDITURES			
Judicial			
Capital improvement fund			
Register & Recorder	60,000	61,323	(1,323)
County	50,000	40,884	9,116
Total judicial	<u>110,000</u>	<u>102,207</u>	<u>7,793</u>
Public Works			
Act 137 A.H.E.	100,000	25,000	75,000
Total public works	<u>100,000</u>	<u>25,000</u>	<u>75,000</u>
Total expenditures	<u>210,000</u>	<u>127,207</u>	<u>82,793</u>
Excess (deficiency) of revenues over expenditures	(30,000)	64,275	94,275
Fund balance at beginning of year	606,779	98,883	(507,896)
Fund balance at end of year	<u>\$ 576,779</u>	<u>\$ 163,158</u>	<u>\$ (413,621)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
PROTHONOTARY AUTOMATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 5,000	\$ 13,656	\$ 8,656
Total revenues	<u>5,000</u>	<u>13,656</u>	<u>8,656</u>
EXPENDITURES			
Judicial	5,000	13,374	(8,374)
Total expenditures	<u>5,000</u>	<u>13,374</u>	<u>(8,374)</u>
Excess (deficiency) of revenues over expenditures	-	282	282
Fund balance at beginning of year	38,737	68,582	29,845
Fund balance at end of year	<u>\$ 38,737</u>	<u>\$ 68,864</u>	<u>\$ 30,127</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EMERGENCY MEDICAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 434,515	\$ 373,465	\$ (61,050)
Investment earnings	330	109	(221)
Total revenues	<u>434,845</u>	<u>373,574</u>	<u>(61,271)</u>
EXPENDITURES			
Public safety	<u>425,665</u>	<u>376,930</u>	<u>48,735</u>
Total expenditures	<u>425,665</u>	<u>376,930</u>	<u>48,735</u>
Excess (deficiency) of revenues over expenditures	9,180	(3,356)	(12,536)
Fund balance at beginning of year	56,416	73,606	17,190
Fund balance at end of year	<u>\$ 65,596</u>	<u>\$ 70,250</u>	<u>\$ 4,654</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
HAZ-MAT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 37,142	\$ 39,922	\$ 2,780
Charge for services	40,000	70,500	30,500
Investment earnings	140	9	(131)
Total revenues	<u>77,282</u>	<u>110,431</u>	<u>33,149</u>
EXPENDITURES			
Public safety	<u>74,782</u>	<u>79,931</u>	<u>(5,149)</u>
Total expenditures	<u>74,782</u>	<u>79,931</u>	<u>(5,149)</u>
Excess (deficiency) of revenues over expenditures	2,500	30,500	28,000
Fund balance at beginning of year	38,485	16,885	(21,600)
Fund balance at end of year	<u>\$ 40,985</u>	<u>\$ 47,385</u>	<u>\$ 6,400</u>

COUNTY OF LYCOMING, PENNSYLVANIA
911 WIRELINE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for services	\$ 746,340	\$ 727,987	\$ (18,353)
Investment earnings	1,000	393	(607)
Total revenues	<u>747,340</u>	<u>728,380</u>	<u>(18,960)</u>
EXPENDITURES			
Public safety	<u>486,000</u>	<u>766,012</u>	<u>(280,012)</u>
Total expenditures	<u>486,000</u>	<u>766,012</u>	<u>(280,012)</u>
Excess (deficiency) of revenues over expenditures	261,340	(37,632)	(298,972)
OTHER FINANCING SOURCES (USES)			
Transfer out	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	11,340	(287,632)	(298,972)
Fund balance at beginning of year	839,623	240,480	(599,143)
Fund balance (deficit) at end of year	<u>\$ 850,963</u>	<u>\$ (47,152)</u>	<u>\$ (898,115)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
911 WIRELESS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for services	\$ 579,800	\$ 1,101,217	\$ 521,417
Investment earnings	400	512	112
Total revenues	<u>580,200</u>	<u>1,101,729</u>	<u>521,529</u>
EXPENDITURES			
Public safety	<u>579,800</u>	<u>996,968</u>	<u>(417,168)</u>
Total expenditures	<u>579,800</u>	<u>996,968</u>	<u>(417,168)</u>
Excess (deficiency) of revenues over expenditures	400	104,761	104,361
Fund balance at beginning of year	<u>2,104,593</u>	<u>34,973</u>	<u>(2,069,620)</u>
Fund balance at end of year	<u>\$ 2,104,993</u>	<u>\$ 139,734</u>	<u>\$ (1,965,259)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EMERGENCY MANAGEMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 11,692	\$ 10,405	\$ (1,287)
Miscellaneous revenues	10,000	2,800	(7,200)
Total revenues	<u>21,692</u>	<u>13,205</u>	<u>(8,487)</u>
EXPENDITURES			
Public safety	11,960	16,548	(4,588)
Total expenditures	<u>11,960</u>	<u>16,548</u>	<u>(4,588)</u>
Excess (deficiency) of revenues over expenditures	9,732	(3,343)	(13,075)
Fund balance at beginning of year	17	12,044	12,027
Fund balance at end of year	<u>\$ 9,749</u>	<u>\$ 8,701</u>	<u>\$ (1,048)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
HIGHWAY SAFETY GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 63,526	\$ 85,791	\$ 22,265
Total revenues	<u>63,526</u>	<u>85,791</u>	<u>22,265</u>
EXPENDITURES			
Public safety			
2011-2012 Highway safety	63,526	63,483	43
2012-2013 Highway safety	-	22,308	(22,308)
Total public safety	<u>63,526</u>	<u>85,791</u>	<u>(22,265)</u>
Total expenditures	<u>63,526</u>	<u>85,791</u>	<u>(22,265)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
P.C.C.D. J.A.I.B. / AFTERCARE GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 30,322	\$ 25,196	\$ (5,126)
Total revenues	<u>30,322</u>	<u>25,196</u>	<u>(5,126)</u>
EXPENDITURES			
Public Safety			
J.A.I.B.G.	73,637	75,380	(1,743)
Fatherhood	19,222	15,196	4,026
Total expenditures	<u>92,859</u>	<u>90,576</u>	<u>2,283</u>
Excess (deficiency) of revenues over expenditures	(62,537)	(65,380)	(2,843)
OTHER FINANCING SOURCES (USES)			
Transfer in	62,537	65,380	2,843
Total other financing sources (uses)	<u>62,537</u>	<u>65,380</u>	<u>2,843</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	<u>(700)</u>	<u>-</u>	<u>700</u>
Fund balance at end of year	<u>\$ (700)</u>	<u>\$ -</u>	<u>\$ 700</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
LIQUID FUEL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 436,400	\$ 776,092	\$ 339,692
Investment earnings	1,000	375	(625)
Total revenues	<u>437,400</u>	<u>776,467</u>	<u>339,067</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	177,380	477,256	(299,876)
Approved projects	400,000	234,419	165,581
Total public works	<u>577,380</u>	<u>711,675</u>	<u>(134,295)</u>
Total expenditures	<u>577,380</u>	<u>711,675</u>	<u>(134,295)</u>
Excess (deficiency) of revenues over expenditures	(139,980)	64,792	204,772
Fund balance at beginning of year	(607,123)	397,108	1,004,231
Fund balance at end of year	<u>\$ (747,103)</u>	<u>\$ 461,900</u>	<u>\$ 1,209,003</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
ACT 44 BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ 30,980	\$ 30,980
Investment earnings	200	150	(50)
Total revenues	<u>200</u>	<u>31,130</u>	<u>30,930</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	10,000	1,083	8,917
Total expenditures	<u>10,000</u>	<u>1,083</u>	<u>8,917</u>
Excess (deficiency) of revenues over expenditures	(9,800)	30,047	39,847
Fund balance at beginning of year	51,805	147,358	95,553
Fund balance at end of year	<u>\$ 42,005</u>	<u>\$ 177,405</u>	<u>\$ 135,400</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
COMMUNITY DEVELOPMENT BLOCK GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 530,286	\$ 130,362	\$ (399,924)
Total revenues	<u>530,286</u>	<u>130,362</u>	<u>(399,924)</u>
EXPENDITURES			
Public works			
2009 grant	133,055	93,057	39,998
2010 grant	192,231	13,875	178,356
2011 grant	205,000	23,430	181,570
Total public works	<u>530,286</u>	<u>130,362</u>	<u>399,924</u>
Total expenditures	<u>530,286</u>	<u>130,362</u>	<u>399,924</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EDPS FLOOD MITIGATION PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 400,000	\$ 307,051	\$ (92,949)
Miscellaneous revenues		377	
Total revenues	<u>400,000</u>	<u>307,428</u>	<u>(92,949)</u>
EXPENDITURES			
Public works			
Flood mitigation	400,000	312,428	87,572
Total public works	<u>400,000</u>	<u>312,428</u>	<u>87,572</u>
Total expenditures	<u>400,000</u>	<u>312,428</u>	<u>87,572</u>
Excess (deficiency) of revenues over expenditures	-	(5,000)	(5,000)
OTHER FINANCING SOURCES (USES)			
Transfer in	-	5,000	5,000
Total other financing sources (uses)	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	130,064	-	(130,064)
Fund balance at end of year	<u>\$ 130,064</u>	<u>\$ -</u>	<u>\$ (130,064)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EDPS ENVIRONMENTAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 73,688	\$ 73,789	\$ 101
Miscellaneous revenues	378,730	329,707	(49,023)
Total revenues	<u>452,418</u>	<u>403,496</u>	<u>(48,922)</u>
EXPENDITURES			
Public works			
EDPS environmental division	464,741	411,980	52,761
Total public works	<u>464,741</u>	<u>411,980</u>	<u>52,761</u>
Total expenditures	<u>464,741</u>	<u>411,980</u>	<u>52,761</u>
Excess (deficiency) of revenues over expenditures	(12,323)	(8,484)	3,839
OTHER FINANCING SOURCES (USES)			
Transfer in	12,323	8,484	(3,839)
Total other financing sources (uses)	<u>12,323</u>	<u>8,484</u>	<u>(3,839)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	(6,168)	-	6,168
Fund balance at end of year	<u>\$ (6,168)</u>	<u>\$ -</u>	<u>\$ 6,168</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EDPS ECONOMIC DEVELOPMENT PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 300,520	\$ 357,322	\$ 56,802
Total revenues	<u>300,520</u>	<u>357,322</u>	<u>56,802</u>
EXPENDITURES			
Public works			
Economic development	306,392	278,365	28,027
Total public works	<u>306,392</u>	<u>278,365</u>	<u>28,027</u>
Culture & Recreation	-	129,523	(129,523)
Total expenditures	<u>306,392</u>	<u>407,888</u>	<u>(101,496)</u>
Excess (deficiency) of revenues over expenditures	(5,872)	(50,566)	(44,694)
OTHER FINANCING SOURCES (USES)			
Transfer in	5,872	50,566	44,694
Total other financing sources (uses)	<u>5,872</u>	<u>50,566</u>	<u>44,694</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	119,152	-	(119,152)
Fund balance at end of year	<u>\$ 119,152</u>	<u>\$ -</u>	<u>\$ (119,152)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
 GROWING GREENER TRUST
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Investment earnings	\$ 1,200	\$ 2,030	\$ 830
Total revenues	<u>1,200</u>	<u>2,030</u>	<u>830</u>
Excess (deficiency) of revenues over expenditures	1,200	2,030	830
OTHER FINANCING SOURCES (USES)			
Transfer out	(10,000)	(40,516)	(30,516)
Total other financing sources (uses)	<u>(10,000)</u>	<u>(40,516)</u>	<u>(30,516)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(8,800)	(38,486)	(29,686)
Fund balance at beginning of year	941,708	983,960	42,252
Fund balance at end of year	<u>\$ 932,908</u>	<u>\$ 945,474</u>	<u>\$ 12,566</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
ACT 13 GAS IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ 4,190,574	\$ 4,190,574
Investment earnings	-	587	587
Total revenues	<u>-</u>	<u>4,191,161</u>	<u>4,191,161</u>
EXPENDITURES			
Gas Impact Fees			
Judicial	-	283,502	(283,502)
Public safety	-	77,235	(77,235)
Public works	-	73,733	(73,733)
Total expenditures	<u>-</u>	<u>434,470</u>	<u>(434,470)</u>
Excess (deficiency) of revenues over expenditures	-	3,756,691	3,756,691
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 3,756,691</u>	<u>\$ 3,756,691</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
FARM EASEMENT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 5,000	\$ 14,088	\$ 9,088
Charge for services	7,500	11,245	3,745
Total revenues	<u>12,500</u>	<u>25,333</u>	<u>12,833</u>
EXPENDITURES			
Conservation & development	<u>60,200</u>	<u>59,531</u>	<u>669</u>
Total expenditures	<u>60,200</u>	<u>59,531</u>	<u>669</u>
Excess (deficiency) of revenues over expenditures	<u>(47,700)</u>	<u>(34,198)</u>	<u>13,502</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2,300	15,802	13,502
Fund balance at beginning of year	200,392	240,144	39,752
Fund balance at end of year	<u>\$ 202,692</u>	<u>\$ 255,946</u>	<u>\$ 53,254</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
NUTRIENT TRADING PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Miscellaneous revenues	\$ -	\$ 89,753	\$ 89,753
Total revenues	<u>-</u>	<u>89,753</u>	<u>89,753</u>
EXPENDITURES			
Conservation & development	160,756	233,390	(72,634)
Total expenditures	<u>160,756</u>	<u>233,390</u>	<u>(72,634)</u>
Excess (deficiency) of revenues over expenditures	<u>(160,756)</u>	<u>(143,637)</u>	<u>17,119</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	160,756	143,637	(17,119)
Total other financing sources (uses)	<u>160,756</u>	<u>143,637</u>	<u>(17,119)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	-	13,684	13,684
Fund balance at end of year	<u>\$ -</u>	<u>\$ 13,684</u>	<u>\$ 13,684</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
 MISCELLANEOUS SPECIAL REVENUE GRANTS
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 12,000	\$ 16,172	\$ 4,172
Total revenues	<u>12,000</u>	<u>16,172</u>	<u>4,172</u>
EXPENDITURES			
Judicial	12,000	16,172	(4,172)
Total expenditures	<u>12,000</u>	<u>16,172</u>	<u>(4,172)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfer out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	780	-	(780)
Fund balance at end of year	<u>\$ 780</u>	<u>\$ -</u>	<u>\$ (780)</u>

DEBT SERVICE FUND

The Debt Service Fund accounts for the accumulation of resources for and the payment of general long-term debt principal, interest and related cost to the County of Lycoming.

**COUNTY OF LYCOMING, PENNSYLVANIA
DEBT SERVICE FUND
BALANCE SHEET
DECEMBER 31, 2012**

	Total
ASSETS	
Prepaid Expense	\$ 16,262
Total assets and other debits	\$ 16,262
 LIABILITIES & FUND EQUITY	
Liabilities	
Due to other funds	\$ 16,262
Total liabilities	16,262
 Fund equity	
Assigned	-
Total fund equity	-
 Total liabilities & fund equity	 \$ 16,262

**COUNTY OF LYCOMING, PENNSYLVANIA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Debt Service
EXPENDITURES	
Debt service	
Principal retirement	
PIB Note	\$ 27,667
2003 Bonds	550,000
2007 Bonds Series A	23,790
2007 Bonds Series B	210,000
2009 Bonds	195,000
2010 Bonds	70,318
Total principal	1,076,775
Interest expense	
PIB Note	4,856
2003 Bonds	152,000
2006 Bonds	76,123
2007 Bonds Series A	45,787
2007 Bonds Series B	821,581
2009 Bonds	83,519
2010 Bonds	422,040
Total interest	1,605,906
Total debt service	2,682,681
Total expenditures	2,682,681
Excess (deficiency) of revenues over expenditures	(2,682,681)
OTHER FINANCING SOURCES (USES)	
Payment to refunding agent	(4,927,460)
Transfer in	7,610,141
Total other financing sources (uses)	2,682,681
Net change in fund balance	-
Fund balance beginning of year	-
Fund balance end of year	\$ -

**DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES			
Debt Service			
Principal retirement			
PIB Note	\$ 350,000	\$ 27,667	\$ 322,333
2003 Bonds	550,000	550,000	-
2006 Bonds	90,000	-	90,000
2007 Bonds Series A	23,790	23,790	-
2007 Bonds Series B	210,000	210,000	-
2009 Bonds	195,000	195,000	-
2010 Bonds	70,318	70,318	-
Total principal	<u>1,489,108</u>	<u>1,076,775</u>	<u>412,333</u>
Interest expense			
PIB Note	56,875	4,856	52,019
2003 Bonds	152,000	152,000	-
2006 Bonds	152,246	76,123	76,123
2007 Bonds Series A	45,787	45,787	-
2007 Bonds Series B	821,581	821,581	-
2009 Bonds	83,519	83,519	-
2010 Bonds	422,040	422,040	-
Total interest	<u>1,734,048</u>	<u>1,605,906</u>	<u>128,142</u>
Total expenditures	<u>3,223,156</u>	<u>2,682,681</u>	<u>540,476</u>
Excess (deficiency) of revenues over expenditures	(3,223,156)	(2,682,681)	540,476
OTHER FINANCING SOURCES (USES)			
Payment to refunding agent	-	(4,927,460)	(4,927,460)
Transfer in	3,223,156	7,610,141	4,386,985
Total other financing sources (uses)	<u>3,223,156</u>	<u>2,682,681</u>	<u>(540,475)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CAPITAL PROJECT FUND

Help America Vote Act

Funds allocated to meet the Federal mandate to purchase electronic voting equipment.

**COUNTY OF LYCOMING, PENNSYLVANIA
 CAPITAL PROJECT FUND
 BALANCE SHEET
 DECEMBER 31, 2012**

	H.A.V.A.
ASSETS	
Due from other governments	\$ 15,327
Total assets and other debits	\$ 15,327
 LIABILITIES & FUND EQUITY	
Liabilities	
Due to other funds	\$ 15,327
Total liabilities	15,327
Fund equity	
Assigned	-
Total fund equity	-
Total liabilities & fund equity	\$ 15,327

**COUNTY OF LYCOMING, PENNSYLVANIA
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2012**

	H.A.V.A.
REVENUES	
Intergovernmental revenues	\$ 53,260
Total revenues	53,260
 EXPENDITURES	
Current	
General government	53,260
Total capital projects	53,260
Total expenditures	53,260
Excess (deficiency) of revenues over expenditures	-
 OTHER FINANCING SOURCES (USES)	
Transfer in/(out)	-
Total other financing sources (uses)	-
Net change in fund balance	-
Fund balance at beginning of year	-
Fund balance end of year	\$ -

**COUNTY OF LYCOMING, PENNSYLVANIA
HELP AMERICA VOTE ACT GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 49,287	\$ 53,260	\$ 3,973
Total revenues	<u>49,287</u>	<u>53,260</u>	<u>3,973</u>
EXPENDITURES			
Material & supplies	49,287	53,260	(3,973)
Total expenditures	<u>49,287</u>	<u>53,260</u>	<u>(3,973)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
OTHER FINANCIAL SOURCES (USES)			
Transfer in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ENTERPRISE FUND

This fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise – where the intent of the governing body is that the cost of providing goods and services to the general public on a continuing basis would be financed or recovered primarily through user charges.

Resource Management Services: The County operates a landfill, which serves a five and one half county area. It's also the location of the County resource recovery facility.

**COUNTY OF LYCOMING, PENNSYLVANIA
 RESOURCE MANAGEMENT SERVICES
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN NET POSITION - BUDGET (GAAP BASIS) TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
OPERATING REVENUES			
Charge for services	\$ 14,190,601	\$ 12,792,890	\$ (1,397,711)
Sales	3,211,995	2,914,686	(297,309)
Miscellaneous revenues	23,480	26,968	3,488
Total revenues	<u>17,426,076</u>	<u>15,734,544</u>	<u>(1,691,532)</u>
OPERATING EXPENSES			
Public works			
Salaries & wages	3,309,880	3,059,324	250,556
Material and supplies	286,946	253,169	33,777
Operating expenses	6,588,587	5,964,596	623,991
Maintenance and repairs	1,865,557	1,758,061	107,496
Depreciation expense	4,620,469	4,540,559	79,910
Cost allocation plan expenses	1,761,380	1,631,685	129,695
Total operating expenses	<u>18,432,819</u>	<u>17,207,394</u>	<u>1,225,425</u>
Income (loss) from operations	<u>(1,006,743)</u>	<u>(1,472,850)</u>	<u>(466,107)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment earnings	1,853,200	2,997,237	1,144,037
Intergovernmental revenues	242,400	213,404	(28,996)
Net gain (loss) on sale of assets	(45,143)	(241,746)	(196,603)
Issuance Costs	(14,115)	(171,633)	(157,518)
Interest expenses	(463,741)	(735,010)	(271,269)
Total non-operating revenues (expenses)	<u>1,572,601</u>	<u>2,062,252</u>	<u>489,651</u>
Income (loss) before transfer	565,858	589,402	23,544
Transfer in (out)	<u>(2,609,248)</u>	<u>(2,627,148)</u>	<u>(17,900)</u>
Change in Net Position	(2,043,390)	(2,037,746)	5,644
Total net position-beginning	63,082,701	63,664,845	582,144
Total net position-ending	<u>\$ 61,039,311</u>	<u>\$ 61,627,099</u>	<u>\$ 587,788</u>

Agency Funds

Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds are used to account for cash collected by elected row officers (Treasurer, Register and Recorder, Prothonotary, Sheriff and District Justice Courts) and other County offices that are subsequently disbursed to the County, other governments, or individuals for whom it was collected.

Delinquent Taxes

Accounts for the collection and disbursement of delinquent taxes collected by the county to the various schools, townships, and the County

Municipal Taxes

Accounts for the collection and disbursement of current taxes collected by the county to the various schools and townships

Welfare Burial Fund

Accounts for funds to bury indigent persons

Cost and Fines

Accounts for the collection and disbursement of cost and fines collected by the County to the various individuals, schools, townships, counties, and state government

Lycoming County Health Care Plan

Accounts for the collection and disbursement of deductions from employees to cover various health care costs

Escheats Fund

Accounts for the collection and disbursement to the state for unclaimed funds

Public Relations Fund

Accounts for private funds used to enhance the image of the County

Domestic Relations Child Support

Accounts for the collection and distribution to the state for domestic relations payments

Juvenile Restitution Fund

Accounts for the collection and distribution of funds to provide support for juveniles and to reimburse individuals for damages

Adult Restitution Fund

Accounts for the collection and distribution of funds to provide support for adults and to reimburse individuals for damages

Register and Recorder Adoption Fund

Accounts for the collection and distribution of funds to support adoptions

County Row Offices

To account for the collection and disbursement of funds to individuals, townships, and the state

Prison and Pre-Release Commissary

To account for the collection and disbursement of inmate funds in association with the operation of the prison and pre-release commissaries

**COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2012**

	Balance at January 1, 2012	Additions	Deductions	Balance at December 31, 2012
<u>Delinquent Taxes</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 1,072,393	\$ 12,537,317	\$ 12,349,342	\$ 1,260,368
Receivables				
Accounts receivable - NSF	-	220	-	220
Delinquent taxes	4,239,410	11,693,332	11,717,465	4,215,277
Total assets	<u>\$ 5,311,803</u>	<u>\$ 24,230,869</u>	<u>\$ 24,066,807</u>	<u>\$ 5,475,865</u>
<u>Liabilities:</u>				
Due to other governments	\$ 1,072,393	\$ 12,374,893	\$ 12,186,698	\$ 1,260,588
Escrow	4,239,410	11,845,069	11,869,202	4,215,277
Total liabilities	<u>\$ 5,311,803</u>	<u>\$ 24,219,962</u>	<u>\$ 24,055,900</u>	<u>\$ 5,475,865</u>
<u>Municipal Taxes</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 285,767	\$ 6,676,753	\$ 6,830,790	\$ 131,730
Accounts receivable	-	10,849,225	10,849,225	-
Total assets	<u>\$ 285,767</u>	<u>\$ 17,525,978</u>	<u>\$ 17,680,015</u>	<u>\$ 131,730</u>
<u>Liabilities:</u>				
Accounts Payable	\$ 285,767	\$ 1,478,365	\$ 1,632,402	\$ 131,730
Due to other funds	-	5,198,389	5,198,389	-
Escrow	-	10,691,081	10,691,081	-
Total liabilities	<u>\$ 285,767</u>	<u>\$ 17,367,835</u>	<u>\$ 17,521,872</u>	<u>\$ 131,730</u>
<u>Welfare Burial Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 20,161	\$ -	\$ -	\$ 20,161
Total assets	<u>\$ 20,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,161</u>
<u>Liabilities:</u>				
Escrow fund	\$ 20,161	\$ -	\$ -	\$ 20,161
Total liabilities	<u>\$ 20,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,161</u>
<u>Cost & Fines</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 149,836	\$ 2,655,855	\$ 2,660,953	\$ 144,738
Accounts receivable	9,935,300	18,492,778	18,297,589	10,130,489
Total assets	<u>\$ 10,085,136</u>	<u>\$ 21,148,633</u>	<u>\$ 20,958,542</u>	<u>\$ 10,275,227</u>
<u>Liabilities:</u>				
Due to other funds	\$ -	\$ 7,271	\$ 7,271	\$ -
Escrow	10,085,136	9,542,522	9,352,431	10,275,227
Total liabilities	<u>\$ 10,085,136</u>	<u>\$ 9,549,793</u>	<u>\$ 9,359,702</u>	<u>\$ 10,275,227</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2012
(CONTINUED)

	Balance at January 1, 2012	Additions	Deductions	Balance at December 31, 2012
<u>Lyc. Cnty. Health Care Plan</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 33,306	\$ 719,925	\$ 715,936	\$ 37,295
Total assets	<u>\$ 33,306</u>	<u>\$ 719,925</u>	<u>\$ 715,936</u>	<u>\$ 37,295</u>
<u>Liabilities:</u>				
Account Payable	\$ 22,663	\$ 733,184	\$ 726,273	\$ 29,574
Escrow fund	4,643	712,174	715,096	1,721
Interfund loans	6,000	-	-	6,000
Total liabilities	<u>\$ 33,306</u>	<u>\$ 1,445,358</u>	<u>\$ 1,441,369</u>	<u>\$ 37,295</u>
<u>Escheats Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 79,393	\$ 17,881	\$ 18,509	\$ 78,765
Due from other funds	308	114	422	-
Total assets	<u>\$ 79,701</u>	<u>\$ 17,995</u>	<u>\$ 18,931</u>	<u>\$ 78,765</u>
<u>Liabilities:</u>				
Account Payable	\$ -	\$ 18,473	\$ 18,473	\$ -
Escrow fund	79,701	18,264	19,200	78,765
Total liabilities	<u>\$ 79,701</u>	<u>\$ 36,737</u>	<u>\$ 37,673</u>	<u>\$ 78,765</u>
<u>Public Relations Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 11,199	\$ 10,740	\$ 15,868	\$ 6,071
Total assets	<u>\$ 11,199</u>	<u>\$ 10,740</u>	<u>\$ 15,868</u>	<u>\$ 6,071</u>
<u>Liabilities:</u>				
Account Payable	\$ 210	\$ 16,989	\$ 15,868	\$ 1,331
Escrow fund	10,989	10,740	16,989	4,740
Total liabilities	<u>\$ 11,199</u>	<u>\$ 27,729</u>	<u>\$ 32,857</u>	<u>\$ 6,071</u>
<u>Domestic Relations Child Support</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 51,053	\$ 429,711	\$ 469,935	\$ 10,829
Total assets	<u>\$ 51,053</u>	<u>\$ 429,711</u>	<u>\$ 469,935</u>	<u>\$ 10,829</u>
<u>Liabilities:</u>				
Escrow fund	\$ 51,053	\$ 429,711	\$ 469,935	\$ 10,829
Total liabilities	<u>\$ 51,053</u>	<u>\$ 429,711</u>	<u>\$ 469,935</u>	<u>\$ 10,829</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2012
(CONTINUED)

	Balance at January 1, 2012	Additions	Deductions	Balance at December 31, 2012
<u>Juvenile Restitution Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 71,301	\$ 14,914	\$ 14,605	\$ 71,610
Total assets	<u>\$ 71,301</u>	<u>\$ 14,914</u>	<u>\$ 14,605</u>	<u>\$ 71,610</u>
<u>Liabilities:</u>				
Accounts payable	\$ 262	\$ 14,343	\$ 14,605	\$ -
Escrow fund	71,039	14,914	14,343	71,610
Total liabilities	<u>\$ 71,301</u>	<u>\$ 29,257</u>	<u>\$ 28,948</u>	<u>\$ 71,610</u>
<u>Adult Restitution Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ -	\$ 15,767	\$ -	\$ 15,767
Total assets	<u>\$ -</u>	<u>\$ 15,767</u>	<u>\$ -</u>	<u>\$ 15,767</u>
<u>Liabilities:</u>				
Escrow fund	-	15,767	-	15,767
Total liabilities	<u>\$ -</u>	<u>\$ 15,767</u>	<u>\$ -</u>	<u>\$ 15,767</u>
<u>Register & Recorder Adoption Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 40,200	\$ 1,200	\$ -	\$ 41,400
Due from other funds	-	75	-	75
Total assets	<u>\$ 40,200</u>	<u>\$ 1,275</u>	<u>\$ -</u>	<u>\$ 41,475</u>
<u>Liabilities:</u>				
Escrow fund	\$ 40,200	\$ 1,275	\$ -	\$ 41,475
Total liabilities	<u>\$ 40,200</u>	<u>\$ 1,275</u>	<u>\$ -</u>	<u>\$ 41,475</u>
<u>County Row Offices</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 816,934	\$ 15,396,754	\$ 15,639,085	\$ 574,603
Total assets	<u>\$ 816,934</u>	<u>\$ 15,396,754</u>	<u>\$ 15,639,085</u>	<u>\$ 574,603</u>
<u>Liabilities:</u>				
Due to other funds	\$ 308	\$ 2,916	\$ 3,149	\$ 75
Due to other governments	363,056	11,429,257	11,547,335	244,978
Escrow	453,570	3,964,581	4,088,601	329,550
Total liabilities	<u>\$ 816,934</u>	<u>\$ 15,396,754</u>	<u>\$ 15,639,085</u>	<u>\$ 574,603</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2012
(CONTINUED)

	Balance at January 1, 2012	Additions	Deductions	Balance at December 31, 2012
<u>Prison & Pre-Release Commissary</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 124,170	\$ 223,569	\$ 222,084	\$ 125,655
Due from other funds	6,632	14,799	16,361	5,070
Accounts receivable	1,394	-	-	1,394
Inventory of supplies	2,820	-	2,820	-
Total assets	<u>\$ 135,016</u>	<u>\$ 238,368</u>	<u>\$ 241,265</u>	<u>\$ 132,119</u>
<u>Liabilities:</u>				
Accounts payable	\$ 64,929	\$ 119,155	\$ 123,461	\$ 60,623
Escrow fund	64,587	103,950	102,541	65,996
Interfund loan	5,500	-	-	5,500
Total liabilities	<u>\$ 135,016</u>	<u>\$ 223,105</u>	<u>\$ 226,002</u>	<u>\$ 132,119</u>
<u>Total All Agency Funds</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 2,755,713	\$ 38,700,386	\$ 38,937,107	\$ 2,518,992
Receivables				
Due from other funds	6,940	14,988	16,783	5,145
Accounts receivable	1,394	10,849,445	10,849,225	1,614
Delinquent taxes (non county)	4,239,410	11,693,332	11,717,465	4,215,277
Cost & fines (non county)	9,935,300	18,492,778	18,297,589	10,130,489
Inventory of supplies	2,820	-	2,820	-
Total assets	<u>\$ 16,941,577</u>	<u>\$ 79,750,929</u>	<u>\$ 79,820,989</u>	<u>\$ 16,871,517</u>
<u>Liabilities:</u>				
Accounts payable	\$ 373,831	\$ 2,380,509	\$ 2,531,082	\$ 223,258
Due to other funds	308	5,208,576	5,208,809	75
Due to other governments	1,435,449	23,804,150	23,734,033	1,505,566
Escrow funds	15,120,489	37,350,048	37,339,419	15,131,118
Interfund loans	11,500	-	-	11,500
Total liabilities	<u>\$ 16,941,577</u>	<u>\$ 68,743,283</u>	<u>\$ 68,813,343</u>	<u>\$ 16,871,517</u>

COUNTY OF LYCOMING, PENNSYLVANIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION
GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

	January 1 2012	Additions / Transfers	Disposals / Transfers	December 31 2012
General Government	\$ 25,602,311	\$ 810,515	\$ 120,885	\$ 26,291,941
Judicial	1,197,444	142,623	22,062	1,318,005
Public Safety	23,606,329	344,219	220,337	23,730,211
Public Works	10,797,871	-	-	10,797,871
Human Services	2,124,041	-	-	2,124,041
Culture & Recreation	3,835,000	-	-	3,835,000
Conservation & Dev.	4,585,175	-	20,402	4,564,773
	<u>\$ 71,748,171</u>	<u>\$ 1,297,357</u>	<u>\$ 383,686</u>	<u>\$ 72,661,842</u>

ENDING BALANCE IS COMPOSED OF

	Land	Construction in Progress	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
General Government	\$ 138,926	\$ -	\$ 20,658,457	\$ 505,713	\$ 4,716,682	\$ 272,163	\$ 26,291,941
Judicial	-	-	220,988	-	1,097,017	-	1,318,005
Public Safety	266,811	493,774	9,097,464	-	13,771,580	100,582	23,730,211
Public Works	-	-	-	-	70,426	10,727,445	10,797,871
Human Services	-	-	2,124,041	-	-	-	2,124,041
Culture & Recreation	2,310,922	-	1,136,542	387,536	-	-	3,835,000
Conservation & Dev.	324,204	-	2,889,268	750,663	325,627	275,011	4,564,773
	<u>\$ 3,040,863</u>	<u>\$ 493,774</u>	<u>\$ 36,126,760</u>	<u>\$ 1,643,912</u>	<u>\$ 19,981,332</u>	<u>\$ 11,375,201</u>	<u>\$ 72,661,842</u>

COUNTY OF LYCOMING, PENNSYLVANIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION
PROPRIETARY FUND TYPE (BUSINESS-TYPE ACTIVITY)
FOR THE YEAR ENDED DECEMBER 31, 2012

	January 1 2012	Additions / Transfers	Disposals / Transfers	December 31 2012
Public Works	\$ 100,590,962	\$ 22,949,598	\$ 16,477,279	\$ 107,063,281
	<u>\$ 100,590,962</u>	<u>\$ 22,949,598</u>	<u>\$ 16,477,279</u>	<u>\$ 107,063,281</u>

ENDING BALANCE IS COMPOSED OF

	Land	Construction in Progress	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
Public Works	\$ 2,450,020	\$ 6,151,727	\$ 18,186,044	\$ 53,247,555	\$ 25,135,228	\$ 1,892,707	\$ 107,063,281
	<u>\$ 2,450,020</u>	<u>\$ 6,151,727</u>	<u>\$ 18,186,044</u>	<u>\$ 53,247,555</u>	<u>\$ 25,135,228</u>	<u>\$ 1,892,707</u>	<u>\$ 107,063,281</u>

STATISTICAL SECTION

The statistical section of the Consolidated Annual Financial Report presents information in the form of tables showing trends, contextual and detailed information to help the user evaluate the financial information presented in the preceding sections. There are five categories in the statistical section: Financial Trends, Revenue Capacity, Debt Capacity, Demographic and Economic Statistics, and Operating Indicators.

Financial Trends

Financial trends information is provided to help the reader realize and evaluate how the County's financial situation has changed over time.

Revenue Capacity

Revenue capacity information is provided to assist the reader with understanding and evaluating the factors affecting the County's ability to produce its own revenues (mainly taxes).

Debt Capacity

Debt capacity information is provided to assist the reader with understanding and evaluating the County's debt burden and the County's ability to issue other debt.

Demographic and Economic Statistics

Demographic and economic statistics are provided to help the reader in understanding the County by giving socioeconomic trend and comparison information.

Operating Indicators

Operating indicators are provided to provide the reader with contextual information for evaluating the County's financial statement information.

COUNTY OF LYCOMING, PENNSYLVANIA
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
Table #1

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Primary Government - Governmental Activities										
Net investment in capital assets	\$ 18,607,783	\$ 18,870,840	\$ 18,916,755	\$ 19,015,377	\$ 19,443,500	\$ 19,481,290	\$ 18,482,948	\$ 9,023,986	\$ 10,380,450	\$ 7,731,186
Restricted	2,697,018	4,043,903	5,021,364	5,869,407	5,832,317	5,270,442	5,275,984	4,627,026	4,128,905	4,143,823
Unrestricted	11,031,111	15,441,406	20,926,070	25,878,978	29,777,671	30,199,159	29,252,432	38,211,494	33,823,834	31,271,310
Total Net Position	<u>\$ 32,335,912</u>	<u>\$ 38,356,149</u>	<u>\$ 44,864,189</u>	<u>\$ 50,763,762</u>	<u>\$ 55,053,488</u>	<u>\$ 54,950,891</u>	<u>\$ 53,011,364</u>	<u>\$ 51,862,506</u>	<u>\$ 48,333,189</u>	<u>\$ 43,146,319</u>

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Primary Government - Business Type Activities										
Net investment in capital assets	\$ 33,232,631	\$ 31,910,202	\$ 32,086,351	\$ 31,117,999	\$ 31,548,317	\$ 30,152,920	\$ 29,678,668	\$ 28,327,055	\$ 38,232,153	\$ 38,103,503
Restricted	18,113,766	19,133,088	18,275,100	19,294,422	14,568,665	16,466,373	16,269,733	24,309,139	23,983,182	20,983,182
Unrestricted	7,568,584	9,392,664	10,107,038	11,062,778	18,381,147	19,232,376	19,142,537	11,511,149	1,449,510	2,540,414
Total Net Position	<u>\$ 58,914,981</u>	<u>\$ 60,435,954</u>	<u>\$ 60,468,489</u>	<u>\$ 61,475,199</u>	<u>\$ 64,498,129</u>	<u>\$ 65,851,669</u>	<u>\$ 65,090,938</u>	<u>\$ 64,147,343</u>	<u>\$ 63,664,845</u>	<u>\$ 61,627,099</u>

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Primary Government										
Net investment in capital assets	\$51,840,414	\$ 50,781,042	\$ 51,003,106	\$ 50,133,376	\$ 50,991,817	\$ 49,634,210	\$ 48,161,616	\$ 37,351,041	\$ 48,612,603	\$ 45,834,689
Restricted	20,810,784	23,176,991	23,296,464	25,163,829	20,400,982	21,736,815	21,545,717	28,936,165	28,112,087	25,127,005
Unrestricted	18,599,695	24,834,070	31,033,108	36,941,756	48,158,818	49,431,535	48,394,969	49,722,643	35,273,344	33,811,724
Total Net Position	<u>\$ 91,250,893</u>	<u>\$ 98,792,103</u>	<u>\$ 105,332,678</u>	<u>\$ 112,238,961</u>	<u>\$ 119,551,617</u>	<u>\$ 120,802,560</u>	<u>\$ 118,102,302</u>	<u>\$ 116,009,849</u>	<u>\$ 111,998,034</u>	<u>\$ 104,773,418</u>

COUNTY OF LYCOMING, PENNSYLVANIA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table #2

Expenses	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities:										
General government	\$ 7,091,634	\$ 7,701,208	\$ 6,870,008	\$ 7,663,171	\$ 8,338,601	\$ 10,983,485	\$ 10,525,125	\$ 10,865,973	\$ 11,840,228	\$ 14,592,375
Judicial	7,553,565	7,669,795	7,751,039	8,276,111	8,581,910	10,145,257	9,785,388	10,310,591	10,568,264	11,505,811
Public safety	16,826,442	16,904,989	18,378,191	19,383,314	18,772,488	19,159,875	18,762,923	19,261,214	20,410,325	22,408,635
Public works	5,185,879	2,961,030	4,638,746	3,535,083	3,428,429	2,900,479	3,420,647	3,479,963	2,778,025	3,959,163
Human services	17,553,074	20,501,895	20,072,182	17,559,200	19,151,762	22,897,286	22,150,709	19,634,287	17,240,235	22,070,679
Culture & recreation	923,602	1,123,540	1,251,352	1,193,605	1,557,019	4,652,234	5,930,528	1,489,466	1,325,339	1,372,692
Conservation & development	669,501	719,886	849,610	893,633	627,890	758,201	1,252,589	1,457,247	1,622,042	2,279,492
Interest on long-term debt	1,470,735	1,401,254	1,360,638	1,307,054	2,032,899	2,092,950	1,737,958	1,659,983	1,729,389	1,746,267
Total governmental activities expenses	<u>57,274,432</u>	<u>58,983,597</u>	<u>61,171,766</u>	<u>59,811,171</u>	<u>62,490,998</u>	<u>73,589,767</u>	<u>73,565,867</u>	<u>68,158,724</u>	<u>67,513,847</u>	<u>79,935,114</u>
Business-type Activities:										
Public works	12,440,979	13,420,936	14,088,774	14,931,204	15,057,609	16,078,503	15,022,049	16,463,882	17,081,669	18,114,037
Total business-type activities expenses	<u>12,440,979</u>	<u>13,420,936</u>	<u>14,088,774</u>	<u>14,931,204</u>	<u>15,057,609</u>	<u>16,078,503</u>	<u>15,022,049</u>	<u>16,463,882</u>	<u>17,081,669</u>	<u>18,114,037</u>
Total primary government expenses	<u>\$ 69,715,411</u>	<u>\$ 72,404,533</u>	<u>\$ 75,260,540</u>	<u>\$ 74,742,375</u>	<u>\$ 77,548,607</u>	<u>\$ 89,668,270</u>	<u>\$ 88,587,916</u>	<u>\$ 84,622,606</u>	<u>\$ 84,595,516</u>	<u>\$ 98,049,151</u>
Program Revenues										
Governmental activities:										
Charge for services										
General government	\$ 1,735,877	\$ 1,306,184	\$ 848,206	\$ 1,313,113	\$ 2,847,168	\$ 4,849,321	\$ 3,390,765	\$ 3,490,385	\$ 3,948,710	\$ 7,171,714
Judicial	2,138,343	2,207,924	2,515,069	2,209,701	2,646,511	2,596,075	2,532,726	2,721,862	2,629,715	2,681,318
Public safety	2,615,050	2,850,149	3,859,089	3,656,056	3,133,123	3,539,942	2,793,836	3,424,581	3,398,243	1,042,120
Public works	140,440	134,918	25,665	97,739	97,470	104,138	33,556	137,880	89,011	335,739
Human services	804,704	352,800	352,900	173,767	169,376	458	20	-	10	9
Culture & recreation	-	-	-	33,264	160,341	-	-	-	-	-
Conservation & development	34,911	40,018	77,481	42,987	44,895	224,242	201,110	73,729	160,558	193,073
Interest on long term debt	-	-	-	-	-	-	-	-	-	7
Operating grants & contributions	27,227,961	28,809,129	30,023,341	26,784,621	26,485,308	31,577,067	32,436,673	26,280,114	22,335,269	32,579,829
Capital grants & contributions	1,336,177	819,617	648,894	962,530	161,000	148,463	659,181	1,335,086	1,293,672	48,280
Total governmental activities program revenues	<u>36,033,463</u>	<u>36,520,739</u>	<u>38,350,645</u>	<u>35,273,778</u>	<u>35,745,192</u>	<u>43,039,706</u>	<u>42,047,867</u>	<u>37,463,637</u>	<u>33,855,188</u>	<u>44,052,089</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Table #2
Continued

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Business-type activities:										
Charge for services	\$ 12,331,897	\$ 13,773,344	\$ 13,916,960	\$ 14,888,494	\$ 15,593,708	\$ 15,839,053	\$ 14,038,858	\$ 15,150,510	\$ 16,183,636	\$ 15,492,798
Operating grants & contributions	176,099	302,794	559,565	659,888	387,121	1,009,877	130,680	624,804	431,142	213,404
Capital grants & contributions	1,245,200	943,549	-	-	82,161	-	-	-	-	-
Total business-type activities program revenues	13,753,196	15,019,687	14,476,525	15,548,382	16,062,990	16,848,930	14,169,538	15,775,314	16,614,778	15,706,202
Total primary government program revenues	\$ 49,786,659	\$ 51,540,426	\$ 52,827,170	\$ 50,822,160	\$ 51,808,182	\$ 59,888,636	\$ 56,217,405	\$ 53,238,951	\$ 50,469,966	\$ 59,758,291
Net (expense)/revenue										
Governmental activities	\$ (21,240,969)	\$ (22,462,858)	\$ (22,821,121)	\$ (24,537,393)	\$ (26,745,806)	\$ (30,550,061)	\$ (31,518,000)	\$ (30,695,087)	\$ (33,658,659)	\$ (35,883,025)
Business-type activities	1,312,217	1,598,751	387,751	617,178	1,005,381	770,427	(852,511)	(688,568)	(466,891)	(2,407,835)
Total primary government net expense	\$ (19,928,752)	\$ (20,864,107)	\$ (22,433,370)	\$ (23,920,215)	\$ (25,740,425)	\$ (29,779,634)	\$ (32,370,511)	\$ (31,383,655)	\$ (34,125,550)	\$ (38,290,860)
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Property taxes	\$ 15,766,627	\$ 24,515,417	\$ 24,884,901	\$ 25,444,268	\$ 25,750,182	\$ 26,021,245	\$ 26,325,959	\$ 26,559,939	\$ 27,188,124	\$ 27,235,490
Unrestricted investment earnings	1,385,149	1,381,006	1,636,430	2,146,256	2,144,257	1,506,693	735,524	395,286	-	425,448
Grants, contributions and other revenues not restricted to specific programs.	147,340	-	233,856	234,948	617,415	424,359	435,135	436,036	410,000	408,069
Transfers	3,560,082	2,586,672	2,573,974	2,611,495	2,523,678	2,495,167	2,081,856	2,154,967	2,531,218	2,627,148
Total governmental activities	20,859,198	28,483,095	29,329,161	30,436,967	31,035,532	30,447,464	29,578,474	29,546,228	30,129,342	30,696,155
Business-type activities:										
Unrestricted investment earnings	2,349,028	2,508,894	2,218,758	3,001,027	4,541,227	3,078,280	2,173,636	1,899,940	2,515,611	2,997,237
Transfers	(3,560,082)	(2,586,672)	(2,573,974)	(2,611,495)	(2,523,678)	(2,495,167)	(2,081,856)	(2,154,967)	(2,531,218)	(2,627,148)
Total business-type activities	(1,211,054)	(77,778)	(355,216)	389,532	2,017,549	583,113	91,780	(255,027)	(15,607)	370,089
Total primary government	\$ 19,648,144	\$ 28,405,317	\$ 28,973,945	\$ 30,826,499	\$ 33,053,081	\$ 31,030,577	\$ 29,670,254	\$ 29,291,201	\$ 30,113,735	\$ 31,066,244
Change in Net Position										
Governmental activities	\$ (381,771)	\$ 6,020,237	\$ 6,508,040	\$ 5,899,574	\$ 4,289,726	\$ (102,597)	\$ (1,939,526)	\$ (1,148,859)	\$ (3,529,317)	\$ (5,186,870)
Business-type activities	101,163	1,520,973	32,535	1,006,710	3,022,930	1,353,540	(760,731)	(943,595)	(482,498)	(2,037,746)
Total primary government	\$ (280,608)	\$ 7,541,210	\$ 6,540,575	\$ 6,906,284	\$ 7,312,656	\$ 1,250,943	\$ (2,700,257)	\$ (2,092,454)	\$ (4,011,815)	\$ (7,224,616)

COUNTY OF LYCOMING, PENNSYLVANIA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table #3

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ 24,294,135	\$ 23,379,335	\$ 22,376,898	\$ 21,419,193	\$ 20,320,160	\$ 19,242,123	\$ 8,011,808	\$ 8,603,121	\$ -	\$ -
Unreserved, Undesignated	5,735,754	11,229,770	19,052,564	23,364,085	25,786,961	28,608,193	29,873,367	40,626,179	-	-
Non-Spendable									12,041,166	13,300,650
Restricted									9,270,378	6,258,351
Assigned									6,243,182	9,476,751
Unassigned									20,240,097	17,103,683
Total General fund	<u>\$ 30,029,889</u>	<u>\$ 34,609,105</u>	<u>\$ 41,429,462</u>	<u>\$ 44,783,278</u>	<u>\$ 46,107,121</u>	<u>\$ 47,850,316</u>	<u>\$ 37,885,175</u>	<u>\$ 49,229,300</u>	<u>\$ 47,794,823</u>	<u>\$ 46,139,435</u>
All other governmental funds										
Reserved										
Special revenue funds	\$ 2,738,055	\$ 3,246,904	\$ 4,623,885	\$ 5,421,187	\$ 6,134,202	\$ 5,252,199	\$ 738,142	\$ 424,981	\$ -	\$ -
Capital projects funds	35,660	37,890	37,090	37,090	-	-	-	-	-	-
Unreserved, designated										
Special revenue funds	655,680	675,546	360,388	411,130	-	-	3,909,812	3,856,604	-	-
Unreserved, Undesignated										
Restricted										
Special revenue funds									4,197,487	8,278,646
Assigned										
Special revenue funds									13,684	13,684
Unassigned										
Special revenue funds										(47,152)
Total other governmental funds	<u>\$ 3,429,395</u>	<u>\$ 3,960,340</u>	<u>\$ 5,021,363</u>	<u>\$ 5,869,407</u>	<u>\$ 6,134,202</u>	<u>\$ 5,289,289</u>	<u>\$ 4,685,044</u>	<u>\$ 4,318,675</u>	<u>\$ 4,211,171</u>	<u>\$ 8,245,178</u>

Note: During 2011, the County adopted GASB Statement No. 54. Prior fund balances were not restated.

COUNTY OF LYCOMING, PENNSYLVANIA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table #4

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	\$ 15,858,863	\$ 24,062,245	\$ 24,605,980	\$ 25,466,452	\$ 25,617,705	\$ 25,953,820	\$ 26,202,134	\$ 26,520,552	\$ 27,384,947	\$ 27,270,594
Licenses & permits	52,937	51,196	47,163	46,797	47,161	46,527	46,590	42,330	46,817	43,402
Intergovernmental revenues	28,711,180	29,628,748	30,858,929	27,946,064	27,216,565	32,103,363	33,484,400	28,008,905	23,992,182	32,992,778
Charge for services	4,480,491	4,779,157	5,504,845	6,017,441	5,420,411	6,100,977	5,276,030	5,972,053	6,114,661	6,263,551
Court cost & fines	906,506	1,040,186	1,267,577	59,234	56,837	86,345	1,740,563	1,376,936	1,014,444	1,328,268
Investment earnings	1,385,147	1,381,006	1,768,216	2,431,119	2,430,123	1,627,679	784,844	410,957	472,745	466,875
Sale of assets	54,910	55,637	60,432	1,240,281	1,527,846	2,804,188	79,192	109,483	113,359	124,401
Miscellaneous	1,584,575	659,620	716,301	585,409	1,799,922	2,203,180	2,352,380	2,317,254	2,502,834	3,702,409
Total revenues	53,034,609	61,657,795	64,829,443	63,792,797	64,116,570	70,926,079	69,966,133	64,758,470	61,641,989	72,192,278
Expenditures										
General government	5,718,263	6,421,366	5,864,652	6,830,425	7,478,869	8,320,767	7,666,980	7,653,044	8,033,355	8,064,721
Judicial	6,278,567	6,220,477	6,226,022	6,593,842	6,999,178	7,847,315	7,420,019	7,404,312	7,296,310	7,887,638
Public safety	14,066,270	14,240,343	15,639,009	16,698,047	14,922,075	14,766,037	14,554,859	14,167,835	14,939,017	16,338,861
Public works	4,858,894	2,695,808	4,372,253	3,256,490	3,124,858	2,612,391	2,733,577	3,130,368	2,208,068	3,565,956
Human services	17,981,100	20,417,222	19,988,529	17,477,430	19,046,423	22,784,862	22,036,293	19,496,416	17,106,934	21,935,284
Culture & recreation	873,971	1,074,076	1,202,042	1,142,817	1,442,038	4,538,253	5,825,612	1,381,512	1,217,386	1,260,601
Conservation & development	558,013	558,104	686,749	731,354	418,919	515,730	993,298	1,163,421	1,315,989	2,014,930
Miscellaneous	10,556,595	3,767,314	3,812,258	4,407,157	5,277,977	5,575,290	5,807,991	6,266,489	7,127,655	8,322,240
Debt service-principal	1,822,769	2,390,335	2,563,609	2,378,495	16,655,226	1,750,618	12,281,411	980,017	1,094,408	1,076,775
-interest	1,781,603	1,340,611	1,300,685	1,222,845	1,979,390	1,763,967	1,687,087	1,495,785	1,724,109	1,605,906
Capital outlay	3,250,683	1,951,171	697,266	5,418,531	16,454,156	2,084,825	1,365,940	3,340,642	3,651,955	1,297,357
Total expenditures	67,746,728	61,076,827	62,353,074	66,157,433	93,799,109	72,560,055	82,373,067	66,479,841	65,715,186	73,370,269
Excess of revenues over (under) expenditures	(14,712,119)	580,968	2,476,369	(2,364,636)	(29,682,539)	(1,633,976)	(12,406,934)	(1,721,371)	(4,073,197)	(1,177,991)
Other financing sources (uses)										
Transfer in	9,151,640	7,742,800	7,109,191	11,062,761	36,176,308	6,841,543	23,853,302	4,987,280	5,555,041	10,560,356
Transfer out	(5,591,558)	(5,156,128)	(4,535,216)	(8,451,265)	(33,652,630)	(4,346,377)	(22,015,753)	(2,832,313)	(3,023,824)	(7,933,208)
Debt proceeds	7,314,711	1,559,073	-	3,955,000	28,784,589	-	-	10,645,289	-	8,078,867
Payment to refunding agent										(4,927,460)
Bond issuance discount								(101,130)	-	(102,066)
Forgiveness of debt										(2,185,593)
Total other financing sources (uses)	10,874,793	4,145,745	2,573,975	6,566,496	31,308,267	2,495,166	1,837,549	12,699,126	2,531,217	3,490,896
Net change in fund balance	\$ (3,837,326)	\$ 4,726,713	\$ 5,050,344	\$ 4,201,860	\$ 1,625,728	\$ 861,190	\$ (10,569,385)	\$ 10,977,755	\$ (1,541,980)	\$ 2,312,905
Debt service as a percentage of noncapital expenditures	5.59%	6.31%	6.27%	5.93%	24.09%	4.99%	17.24%	3.92%	4.54%	3.72%

County of Lycoming, Pennsylvania
 General Governmental Tax Revenues by Source
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Table #5

Fiscal Year	Property Taxes	Hotel Room Rental Tax	Total
2003	\$ 15,612,834	\$ 246,029	\$ 15,858,863
2004	23,808,779	253,466	24,062,245
2005	24,224,340	381,640	24,605,980
2006	25,049,428	417,024	25,466,452
2007	25,154,366	463,339	25,617,705
2008	25,492,281	461,539	25,953,820
2009	25,610,940	591,194	26,202,134
2010	25,888,594	631,958	26,520,552
2011	26,372,093	1,012,854	27,384,947
2012	26,277,637	992,957	27,270,594

County of Lycoming, Pennsylvania
 Governmental Activities Tax Revenues by Source
 Last Five Fiscal Years
 (accrual basis of accounting)

Fiscal Year	Real Estate Taxes	Hotel Room Rental Tax	Total
2008	\$ 25,559,706	\$ 461,539	\$ 26,021,245
2009	25,734,765	591,194	26,325,959
2010	25,927,981	631,958	26,559,939
2011	26,175,270	1,012,854	27,188,124
2012	26,242,533	992,957	27,235,490

Notes: Includes General, Special Revenue, Debt Service, and Capital Projects Funds

Sources: Lycoming County Treasurer's Office
 Fiscal Services Department:
 County of Lycoming, Pennsylvania, Comprehensive Annual
 Financial Reports - Statement of Revenues, Expenditures
 Changes in Fund Balances- Governmental Funds.

County of Lycoming, Pennsylvania
 Assessed Value and Estimated Actual Value of Taxable Real Property
 Last Ten Fiscal Years
 (amounts expressed in thousands)
 Table #6

Fiscal Year Ended <u>December 31</u>	Tax Exempt <u>Property</u>	Taxable Commercial <u>Property</u>	Taxable Residential <u>Property</u>	Total Taxable Assessed <u>Value</u>	Total Direct Tax <u>Rate</u>	Estimated Actual Taxable <u>Value</u>	Percent Assessed/ <u>Actual</u>
2003	\$ 617,004	\$ 1,082,594	\$ 2,120,690	\$ 3,149,620	4.90	\$ 4,199,493	75.0%
2004	625,356	1,087,689	2,155,754	3,189,705	4.90	4,252,923	75.0%
2005	946,505	1,672,345	3,533,393	5,146,666	4.75	5,146,666	100.0%
2006	955,529	1,746,033	3,548,352	5,244,682	4.75	5,244,682	100.0%
2007	970,702	1,775,882	3,515,022	5,345,165	4.75	5,345,165	100.0%
2008	970,702	1,822,672	3,596,702	5,345,165	4.75	5,345,165	100.0%
2009	977,489	1,791,321	3,612,209	5,403,531	4.75	5,403,531	100.0%
2010	984,241	1,825,314	3,617,064	5,442,378	4.75	5,442,378	100.0%
2011	968,349	952,201	3,558,902	5,493,950	4.75	5,493,950	100.0%
2012	992,131	1,153,251	4,360,547	5,513,798	4.75	5,513,798	100.0%

Source: Lycoming County Assessment Office

Notes: Taxable Commercial and Residential Property Totals include the Interim Billings - 2003-2006.
 County wide reassessment took place in 2004.
 Assessed value in Lycoming County is 75% of estimated market value from 2003 through 2004, 100% starting in 2005.
 Estimated Actual Value - 100% of Market Value of Personal Property

County of Lycoming, Pennsylvania
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
Table #7

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
County Direct Rate	4.900	4.900	4.750	4.750	4.750	4.750	4.750	4.750	4.750	4.750
School District Rates										
Canton Area	16.100	16.000	10.100	10.100	11.483	12.019	12.019	12.235	13.323	13.323
East Lycoming Area	14.470	14.970	10.020	10.020	10.680	10.930	10.930	11.330	11.530	11.530
Jersey Shore Area	17.250	17.750	13.224	13.224	13.724	14.022	14.022	15.133	15.266	15.266
Loyalsock Area	18.100	19.100	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000
Montgomery Area	14.500	15.500	10.500	10.500	11.000	11.000	11.000	11.000	11.920	11.920
Montoursville Area	16.000	16.000	10.530	10.530	12.030	12.720	12.720	13.190	13.310	13.310
Muncy Area	18.610	18.610	11.500	11.500	11.500	11.500	11.500	11.500	13.000	13.000
South Williamsport Area	18.300	19.550	11.900	11.900	12.300	13.800	13.800	12.300	13.300	13.300
Southern Tioga Area	18.050	18.280	12.140	12.140	12.201	13.131	13.131	13.794	14.070	14.070
Wellsboro Area	15.930	18.300	12.570	12.570	13.857	14.698	14.698	14.275	14.283	14.283
Williamsport Area	17.700	18.200	11.980	11.980	12.950	13.350	13.350	13.850	14.130	14.130
Borough Rates										
Duboisstown	4.680	4.680	2.930	2.930	2.930	3.930	3.930	3.930	3.930	3.930
Hughesville	5.000	5.500	3.500	3.500	4.500	4.500	4.500	5.000	5.000	5.000
Jersey Shore	7.000	7.000	4.338	4.338	4.338	4.338	4.338	4.338	4.338	4.838
Montgomery	4.630	4.630	2.742	3.742	3.742	3.742	3.742	4.742	4.742	4.742
Montoursville	3.600	3.600	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300
Muncy	2.600	2.600	1.675	2.425	3.000	3.000	3.000	3.000	3.000	3.500
Picture Rocks	1.680	1.680	1.555	1.555	1.555	1.555	1.555	1.555	1.555	1.555
Salladasburg	1.000	1.000	0.592	0.592	0.592	0.592	0.592	0.592	0.592	0.592
South Williamsport	4.820	4.820	2.970	3.970	3.970	3.970	3.970	3.970	4.300	4.300
City Rate										
Williamsport	10.000	12.700	8.520	9.180	9.180	9.180	10.180	10.180	10.180	10.580
Township Rates										
Anthony	0.209	0.209	0.128	0.128	1.128	1.128	1.128	1.128	1.128	1.280
Armstrong	1.300	1.300	0.747	0.747	0.747	0.747	0.747	0.747	2.000	2.000
Bastress	0.147	0.147	0.090	0.090	0.090	0.147	0.090	0.090	0.090	0.090
Brady	0.400	0.400	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Brown	2.600	2.600	1.571	1.571	1.571	1.571	1.571	1.571	1.571	1.571
Cascade	1.100	1.100	0.700	0.700	0.900	1.050	1.050	1.050	1.050	1.050
Clinton	3.015	3.015	1.900	1.898	1.898	1.898	1.898	1.898	1.898	1.898
Cogan House	0.230	0.230	0.141	0.416	0.416	0.416	0.416	0.550	0.550	0.550

(Continued)

County of Lycoming, Pennsylvania
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
Table #7
Continued

	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Township Rates, continued										
Cummings	0.960	0.960	0.586	0.586	0.586	0.586	0.586	0.736	0.736	0.736
Eldred	0.870	0.870	0.546	0.546	0.546	0.546	0.546	3.930	0.546	0.546
Fairfield	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Franklin	0.570	0.570	0.320	0.320	0.320	0.320	0.320	0.400	0.400	0.400
Gamble	1.280	1.281	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807
Hepburn	0.460	0.460	0.286	1.287	1.287	1.287	1.287	1.287	1.287	1.287
Jackson	0.600	0.600	0.380	0.380	0.380	0.380	0.380	0.380	0.380	0.380
Jordon	0.300	0.400	0.228	0.300	0.315	0.315	0.315	0.400	0.400	0.400
Lewis	2.001	2.001	1.392	1.392	1.392	1.392	1.392	1.392	1.392	1.392
Limestone	0.220	0.220	0.141	0.141	0.141	0.141	0.141	0.141	0.141	0.141
Loyalsock	1.450	1.450	0.980	0.980	1.400	1.400	1.400	1.400	1.400	1.400
Lycoming	0.680	0.680	0.432	0.432	0.432	0.432	0.432	0.432	0.432	0.432
McHenry	1.960	1.960	1.226	1.226	1.226	1.226	1.226	1.226	1.226	1.226
McIntyre	1.000	1.000	0.634	0.634	0.634	0.634	0.634	0.634	0.634	0.634
McNett	0.900	1.200	0.795	1.425	1.785	1.883	2.883	2.883	2.883	2.883
Mifflin	1.707	1.707	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174
Mill Creek	0.700	0.700	0.000	0.630	0.630	0.950	0.950	0.950	0.950	0.950
Moreland	0.500	0.500	0.318	0.450	0.450	0.500	0.600	0.700	0.700	0.900
Muncy Creek	1.000	1.000	0.694	0.694	0.694	0.694	0.694	0.694	0.694	0.694
Muncy	1.500	1.500	0.905	0.905	1.000	1.000	1.000	1.000	1.000	1.500
Nippenose	1.250	1.400	0.863	1.000	1.500	1.500	1.500	1.500	1.500	1.500
Old Lycoming	3.490	3.490	2.841	3.841	3.841	3.841	3.841	3.841	4.341	4.341
Penn	0.400	0.500	0.312	0.312	0.312	0.312	0.312	0.312	0.312	0.312
Piatt	1.050	1.050	0.669	0.669	0.669	0.669	0.852	1.176	1.176	1.176
Pine	0.550	0.550	0.340	0.340	0.340	0.500	0.500	0.500	0.500	0.500
Plunketts Creek	2.000	2.000	1.282	1.282	1.282	1.282	1.282	1.282	1.282	1.500
Porter	3.810	3.810	2.233	3.233	3.233	3.233	3.233	3.233	5.233	5.233
Shrewsbury	2.960	2.960	1.760	1.760	1.760	2.260	2.260	2.510	2.510	2.510
Susquehanna	1.610	1.610	0.991	0.991	0.991	0.991	1.111	1.111	1.111	1.111
Upper Fairfield	0.095	0.095	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061
Washington	1.950	1.950	1.234	1.234	1.234	1.234	1.234	1.234	1.234	1.234
Watson	0.916	0.916	0.562	1.090	1.090	1.090	1.090	1.090	1.090	1.090
Wolf	0.840	0.840	0.525	0.661	0.661	0.840	0.525	0.525	0.525	0.661
Woodward	0.380	0.380	0.237	0.514	0.514	0.380	0.839	0.984	0.984	0.984

Source: Lycoming County Assessment Office

Note: Starting in 2005, there was a reduction in the Millage rates due to Property Values being assessed at 100% of the Market Value as opposed to 75% in prior years. The entire tax levy is recognized as revenue in the General Fund.

County of Lycoming, Pennsylvania
Principal Taxpayers
December 31, 2012
Table #8

Taxpayer	2012			2003		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
PR Financing LTD Partnership	\$ 47,321,200	1	0.85%	\$ -		
Weis Markets, Inc.	18,870,580	2	0.34%			
Loyal Plaza Associates, LP	15,791,430	3	0.28%	11,208,330	2	0.36%
Grizzly Industrial Inc.	14,925,360	4	0.27%	5,750,445	5	0.18%
Wal Mart Stores Inc.	12,785,240	5	0.23%	8,592,541	3	0.27%
Williamsport Hospitality, LLC	8,683,500	6	0.16%			
Paul G. Enterprises	8,662,060	7	0.16%	5,266,950	7	109.33%
VIWY, LP	8,587,380	8	0.15%			
Rose View Manor, Inc.	8,489,690	9	0.15%			
Valley Heights LTD Partnership	7,923,000	10	0.14%	5,197,500	8	0.17%
Wegman's Food Markets, Inc.				4,817,378	10	0.15%
Crown America Financing				25,309,118	1	0.80%
T & C Plaza Associates				5,913,195	4	0.19%
High Steel Industries				5,284,875	6	0.17%
The May Department Stores Co.				4,858,845	9	0.15%
Totals	<u>\$ 152,039,440</u>		<u>2.74%</u>	<u>\$ 82,199,177</u>		<u>2.61%</u>
Total Assessed Valuation of Taxables:	<u>\$ 5,558,966,890</u>			<u>\$ 3,149,619,636</u>		

Sources:

Lycoming County Assessment Office: Lycoming County Top - 100 - Taxable Parcels Report
Lycoming County Assessment Office: County Property Type Summary

County of Lycoming, Pennsylvania
Property Tax Levies and Collections
Last Ten Fiscal Years
Table #9

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
		Amount	Percentage of Levy			
2003	\$ 15,482,617	\$ 14,232,146	91.92%	\$ 998,062	\$ 15,230,208	98.37%
2004	24,326,733	22,356,650	91.90%	956,855	23,313,505	95.83%
2005	24,467,974	22,493,331	91.93%	1,084,688	23,578,019	96.36%
2006	24,989,263	22,922,958	91.73%	1,451,936	24,374,894	97.54%
2007	25,197,792	23,157,877	91.90%	1,462,246	24,620,123	97.71%
2008	25,389,637	23,201,933	91.38%	1,488,009	24,689,942	97.24%
2009	25,767,804	23,561,583	91.44%	1,490,505	25,052,088	97.22%
2010	25,978,616	23,409,996	90.11%	1,588,662	24,998,658	96.23%
2011	26,238,272	23,950,032	91.28%	1,608,363	25,558,395	97.41%
2012	26,358,699	24,022,717	91.14%	1,473,049	25,495,766	96.73%

Sources: 2003 to 2012 - Pentamation: Year-To-Date Revenue Audit Trail
2002 to 2006 - Lycoming County R/E Taxes Consolidated Settlement Report - RBA
2007 to 2012 - Lycoming County R/E Taxes Consolidated Settlement Report - Infocon
2007 to 2012 - Lycoming County R/E Taxes Consolidated Cash Report - Infocon

County of Lycoming, Pennsylvania
Ratio of General Obligation Debt
To Assessed Value of Real Estate and General Obligation Debt per Capita
Last Ten Fiscal Years
Table #10

Fiscal Year	Population	Assessed Value	General Obligation Debt			Ratio Debt/ Value	General Obligation Debt Per Capita	Percentage of Personal Income
			Governmental Activities	Business Type Activities	Total Primary Government			
2003	118,288	\$ 3,149,619,636	\$ 29,230,615	\$ 2,352,661	31,583,276	1.00%	\$ 267.00	1.03%
2004	118,145	3,189,704,880	28,277,330	3,190,562	31,467,892	0.99%	266.35	0.99%
2005	117,773	5,146,665,730	25,713,721	2,900,318	28,614,039	0.56%	242.96	0.89%
2006	117,349	5,244,682,070	27,290,226	2,555,090	29,845,316	0.57%	254.33	0.89%
2007	116,811	5,345,164,920	39,419,589	6,335,411	45,755,000	0.86%	391.70	1.30%
2008	116,670	5,345,164,920	37,668,971	6,226,029	43,895,000	0.82%	376.23	1.20%
2009	116,840	5,403,530,840	25,482,560	6,112,440	31,595,000	0.58%	270.41	0.85%
2010	116,111	5,442,377,270	35,147,832	11,050,292	46,198,124	0.85%	397.88	1.17%
2011	116,747	5,493,949,820	34,053,424	10,761,262	44,814,686	0.82%	383.86	1.20%
2012	117,168	5,558,966,890	36,241,947	22,170,386	58,412,333	1.05%	498.53	1.48%

Sources: The Pa State Data Center website, <http://pasdc.hbg.psu.edu>
Lycoming County Assessment Office: - 2004 - 2012 General Tax Base Summary
2003 Real Estate Tax Supplements.
Lycoming County Fiscal Services Department - Comprehensive Annual Financial Reports.

County of Lycoming, Pennsylvania
Direct and Overlapping Governmental Activities Debt
As of December 31, 2012
Table #11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
School Districts			
East Lycoming Area	\$19,940,000	100%	\$19,940,000
Jersey Shore Area	38,925,000	100%	38,925,000
Loyalsock Township	21,245,000	100%	21,245,000
Montgomery Area	12,650,000	100%	12,650,000
Montoursville Area	21,030,000	100%	21,030,000
Muncy Area	10,400,000	100%	10,400,000
South Williamsport Area	12,779,000	100%	12,779,000
Williamsport Area	100,293,650	100%	100,293,650
Boroughs			
Duboistown	\$2,656,675	100%	\$0
Hughesville	1,069,280	100%	1,069,280
Jersey Shore	11,657,596	100%	11,657,596
Montgomery	728,835	100%	728,835
Montoursville	0	100%	0
Muncy	5,045,076	100%	5,045,076
Picture Rocks	41,026	100%	41,026
Salladasburg	0	100%	0
South Williamsport	10,695,309	100%	10,695,309
City			
Williamsport	\$13,601,115	100%	\$13,601,115
Townships			
Anthony	\$0	100%	\$0
Armstrong	0	100%	0
Bastress	0	100%	0
Brady	892,708	100%	892,708
Brown	0	100%	0
Cascade	0	100%	0
Clinton	1,915,700	100%	1,915,700
Cogan House	0	100%	0
Cummings	0	100%	0
Eldred	0	100%	0
Fairfield	0	100%	0
Franklin	0	100%	0
Gamble	0	100%	0
Hepburn	0	100%	0
Jackson	0	100%	0
Jordan	0	100%	0
Lewis	0	100%	0
Limestone	0	100%	0
Loyalsock	9,377,187	100%	9,377,187

(Continued)

County of Lycoming, Pennsylvania
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2012
 Table #11
 Continued

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Townships, continued			
Lycoming	\$235,356	100%	\$235,356
McHenry	0	100%	0
McIntyre	0	100%	0
McNett	130,273	100%	130,273
Mifflin	0	100%	0
Mill Creek	0	100%	0
Moreland	0	100%	0
Muncy Creek	1,961,200	100%	1,961,200
Muncy	569,150	100%	569,150
Nippenose	4,786,502	100%	4,786,502
Old Lycoming	9,204,468	100%	9,204,468
Penn	124,444	100%	124,444
Piatt	0	100%	0
Pine	0	100%	0
Plunketts Creek	0	100%	0
Porter	3,829,202	100%	3,829,202
Shrewsbury	0	100%	0
Susquehanna	0	100%	0
Washington	0	100%	0
Watson	136,667	100%	136,667
Wolf	995,798	100%	995,798
Woodward*	3,667,967	100%	3,667,967
Subtotal, overlapping debt			<u>\$317,927,509</u>
County of Lycoming direct debt			<u>36,241,947</u>
Total direct and overlapping debt			<u><u>\$354,169,456</u></u>

Sources:

County Information - Fiscal Services Department, County of Lycoming, Pennsylvania,
 Comprehensive Annual Financial Report

DCED Website

*Woodward Township - Guarantor on Township Water & Sewer Authority Loan

Note:

100% of the taxing entities outstanding debt service is included in the calculation

COUNTY OF LYCOMING, PENNSYLVANIA
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Table #12

	Fiscal Years									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Borrowing Base Revenues										
Two years prior	\$ 68,478,810	\$ 70,912,765	\$ 69,136,833	\$ 79,186,376	\$ 81,524,726	\$ 82,342,206	\$ 84,720,787	\$ 84,440,265	\$ 80,856,229	\$ 82,433,724
Prior year	70,912,765	69,139,833	79,186,376	81,524,726	82,342,206	84,720,787	84,440,265	80,856,229	82,433,724	80,772,378
Current year	69,136,833	79,186,376	81,524,726	82,342,206	84,720,787	84,440,265	80,856,229	82,433,724	80,772,378	90,824,535
Total borrowing base revenues	<u>\$ 208,528,408</u>	<u>\$ 219,238,974</u>	<u>\$ 229,847,935</u>	<u>\$ 243,053,308</u>	<u>\$ 248,587,719</u>	<u>\$ 251,503,258</u>	<u>\$ 250,017,281</u>	<u>\$ 247,730,218</u>	<u>\$ 244,062,331</u>	<u>\$ 254,030,637</u>
Average borrowing base revenues	<u>\$ 69,509,469</u>	<u>\$ 73,079,658</u>	<u>\$ 76,615,978</u>	<u>\$ 81,017,769</u>	<u>\$ 82,862,573</u>	<u>\$ 83,834,419</u>	<u>\$ 83,339,094</u>	<u>\$ 82,576,739</u>	<u>\$ 81,354,110</u>	<u>\$ 84,676,879</u>
Limit for non-electoral debt										
Average borrowing base revenues	\$ 69,509,469	\$ 73,079,658	\$ 76,615,978	\$ 81,017,769	\$ 82,862,573	\$ 83,834,419	\$ 83,339,094	\$ 82,576,739	\$ 81,354,110	\$ 84,676,879
Debt limit percent	x 300%	x 300%	x 300%	x 300%	x 300%	x 300%	x 300%	x 300%	x 300%	x 300%
Debt limit	<u>208,528,407</u>	<u>219,238,974</u>	<u>229,847,934</u>	<u>243,053,307</u>	<u>248,587,719</u>	<u>251,503,257</u>	<u>250,017,282</u>	<u>247,730,217</u>	<u>244,062,330</u>	<u>254,030,637</u>
Total amount of debt applicable to debt limit	<u>56,277,776</u>	<u>39,753,985</u>	<u>37,933,696</u>	<u>54,842,841</u>	<u>70,610,639</u>	<u>68,578,684</u>	<u>58,436,562</u>	<u>70,458,124</u>	<u>94,399,686</u>	<u>86,912,333</u>
Legal debt margin	<u>\$ 152,250,631</u>	<u>\$ 179,484,989</u>	<u>\$ 191,914,238</u>	<u>\$ 188,210,466</u>	<u>\$ 177,977,080</u>	<u>\$ 182,924,573</u>	<u>\$ 191,580,720</u>	<u>\$ 177,272,093</u>	<u>\$ 149,662,644</u>	<u>\$ 167,118,304</u>
Total net debt applicable to the limit as a percentage of debt limit	26.99%	18.13%	16.50%	22.56%	28.40%	27.27%	23.37%	28.44%	38.68%	34.21%
Limit for non-electoral debt and lease rental debt										
Average borrowing base revenues	\$ 69,509,469	\$ 73,079,658	\$ 76,615,978	\$ 81,017,769	\$ 82,862,573	\$ 83,834,419	\$ 83,339,094	\$ 82,576,739	\$ 81,354,110	\$ 84,676,879
Debt limit percent	x 400%	x 400%	x 400%	x 400%	x 400%	x 400%	x 400%	x 400%	x 400%	x 400%
Debt limit	<u>278,037,876</u>	<u>292,318,632</u>	<u>306,463,912</u>	<u>324,071,076</u>	<u>331,450,292</u>	<u>335,337,676</u>	<u>333,356,376</u>	<u>330,306,956</u>	<u>325,416,440</u>	<u>338,707,516</u>
Total amount of debt applicable to debt limit	<u>56,277,776</u>	<u>39,753,985</u>	<u>37,933,696</u>	<u>54,842,841</u>	<u>70,610,639</u>	<u>68,578,684</u>	<u>58,436,562</u>	<u>70,458,124</u>	<u>94,399,686</u>	<u>86,912,333</u>
Legal debt margin	<u>\$ 221,760,100</u>	<u>\$ 252,564,647</u>	<u>\$ 268,530,216</u>	<u>\$ 269,228,235</u>	<u>\$ 260,839,653</u>	<u>\$ 266,758,992</u>	<u>\$ 274,919,814</u>	<u>\$ 259,848,832</u>	<u>\$ 231,016,754</u>	<u>\$ 251,795,183</u>
Total net debt applicable to the limit as a percentage of debt limit	20.24%	13.60%	12.38%	16.92%	21.30%	20.45%	17.53%	21.33%	29.01%	25.66%

County of Lycoming, Pennsylvania
Demographic and Economic Statistics
Last Ten Fiscal Years
Table #13

<u>Fiscal Year</u>	<u>Population</u>	<u>Median Household Income in dollars (estimates) *1</u>	<u>Personal Income (Amounts Expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>School Enrollment *2</u>	<u>Local Unemployment Rate</u>
2003	118,288	\$ 35,969	\$ 3,074,336	\$ 25,990	39.6	23,009	6.0%
2004	118,145	36,891	3,192,687	27,023	39.9	22,790	6.1%
2005	117,773	38,243	3,213,408	27,285	40.3	22,581	5.4%
2006	117,349	38,907	3,344,642	28,502	40.2	22,152	5.2%
2007	116,811	39,430	3,522,454	30,155	39	21,747	4.9%
2008	116,671	35,932	3,671,830	31,472	39	21,515	7.6%
2009	116,840	31,738	3,727,150	31,900	39	21,528	9.7%
2010	116,111	41,856	3,949,632	34,016	40.3	20,933	9.8%
2011	116,747	40,007	3,724,229	31,900	41.1	21,178	7.3%
2012	117,168	43,788	3,954,935	22,301	38.4	17,993	8.2%

Notes:

- *1 Estimates were made by the Census Bureau with a 90% confidence interval.
- *2 S Tioga School District enrollment is not entirely in Lycoming County.

Sources:

- US Census Bureau
- School District Business Offices--School Enrollment
- The Pa State Data Center website, <http://pasdc.hbg.psu.edu>
- The Williamsport Lycoming Chamber of Commerce

County of Lycoming, Pennsylvania
Principal Employers
December 31, 2012
Table #14

<u>Employer</u>	<u>Number of Employees</u>	<u>2012 Rank</u>	<u>Number of Employees</u>	<u>2003 Rank</u>
Susquehanna Regional Healthcare Alliance	*1	1	*1	1
Pennsylvania College of Technology	*1	2	*1	
Williamsport Area School District	*1	3	*1	3
Weis Markets	*1	4	*1	7
Haliburton Energy Services	*1	5		
Lycoming County	*1	6	*1	9
Shop Vac Corporation	*1	7	*1	2
West Pharmaceutical Services Inc.	*1	8	*1	6
Primus Technologies Corp	*1	9		
CS Group Payroll Services, LLC	*1	10	*1	
Brodart Company			*1	4
Spring Window Fashions			*1	5
AVCO Corporation			*1	8
Wal-Mart Associates			*1	10
Total County Employment:		<u>59,000</u>		<u>54,817</u>

Sources:

Williamsport/Lycoming Chamber of Commerce
PA Department of Labor & Industry

Notes:

*1 All data that is traced to a specific employer by the Center for Workforce Information & Analysis is considered confidential, thus the number of employees for each employer cannot be represented.

All Employer Information is as of June 30th for each respective year.

County of Lycoming, Pennsylvania
 Full-time Equivalent County Government Employees by Function
 Last Ten Fiscal Years
 Table #15

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government										
Assessment	0	0	0	0	0	0	0	0	0	17
Commissioners	6	6	6	6	5	6	6	6	6	6
Controller	5	4	4	4	5	4	5	5	5	5
County Buildings	12	12	13	13	17	21	18	21	22	19
County Farm	0	0	0	0	0	2	0	0	0	0
Dept of Public Safety	34	34	33	32	32	33	37	35	32	30
Fiscal Affairs	9	7	8	8	8	9	9	9	8	8
Haz Mat	1	1	1	1	1	1	1	1	1	1
Human Resources	4	4	5	5	5	5	5	5	5	4
Information Services	1	1	1	1	1	1	1	1	1	1
Management Information	22	22	21	19	21	21	21	21	21	21
Military Affairs	1	1	1	1	1	1	1	1	2	2
Planning and Comm. Dev.	17	18	19	19	20	21	22	21	20	20
Print/Microfilm	2	2	2	2	2	2	2	2	2	2
Resource Management Svcs	57	61	64	64	64	68	73	67	67	66
Treasurer	5	5	5	5	5	5	5	5	5	5
Voter Services	3	3	3	3	4	4	4	4	3	4
Zoning	1	1	1	1	1	1	1	1	2	2
Subtotal	<u>180</u>	<u>182</u>	<u>187</u>	<u>184</u>	<u>192</u>	<u>205</u>	<u>211</u>	<u>205</u>	<u>202</u>	<u>213</u>
Court System and Corrections										
Adult Probation	17	17	17	18	19	19	19	21	21	22
Central Collections	9	8	9	9	9	10	9	10	10	10
Coroner	1	1	2	3	3	3	3	3	3	3

(Continued)

County of Lycoming, Pennsylvania
 Full-time Equivalent County Government Employees by Function
 Last Ten Fiscal Years
 Table #15
 Continued

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Court System and Corrections										
Courts	25	26	25	24	23	23	24	24	24	23
District Attorney	19	18	18	18	19	17	21	20	20	22
District Justices	18	18	18	18	18	18	18	18	18	18
Domestic Relations	27	27	25	25	25	26	26	23	23	23
Jury Commissioners	2	2	2	2	2	2	2	2	2	2
Juvenile Probation	17	18	17	17	18	18	18	17	17	17
Law Library	1	1	1	0	0	0	0	0	0	0
Pre-Release Center	25	25	26	26	34	35	42	35	36	36
Prison	69	69	76	78	75	74	85	80	82	80
Prothonotary	7	8	8	8	9	9	8	8	8	8
Public Defender	8	6	7	9	8	9	9	9	8	9
Register and Recorder	8	9	8	8	8	8	8	7	8	8
Sheriff	15	13	16	16	16	13	18	15	16	16
Subtotal	<u>268</u>	<u>266</u>	<u>275</u>	<u>279</u>	<u>286</u>	<u>284</u>	<u>310</u>	<u>292</u>	<u>296</u>	<u>297</u>
Public Works										
Ag Extension	3	3	3	3	3	3	3	3	3	3
Soil Conservation	5	5	5	5	6	7	8	7	7	7
Subtotal	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>10</u>	<u>10</u>	<u>10</u>
Total	<u>456</u>	<u>456</u>	<u>470</u>	<u>471</u>	<u>487</u>	<u>499</u>	<u>532</u>	<u>507</u>	<u>508</u>	<u>520</u>

Note: All figures represent full time employees as of the end of December for each respective year.

Source: County of Lycoming, Department of Fiscal Services-Payroll Section

County of Lycoming, Pennsylvania
 Operating Indicators by Function
 Last Ten Fiscal Years
 Table #16

Function	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government										
Fiscal Affairs										
Transfers/deeds recorded	3,822	4,021	3,881	3,963	3,737	3,145	2,790	2,568	3,028	3,146
Subdivisions for Municipalities Under County SLDO approved	72	64	66	55	58	117	98	98	127	66
Subdivision and Land Development Reviews	149	147	141	147	131	132	69	39	68	133
Building, occupancy and zoning permits	*	*	*	4,184	4,197	3,988	4,085	3,872	3,754	4,002
Administration										
General election information										
Registered voters	69,082	69,071	69,060	69,075	69,002	72,342	70,593	70,714	65,891	68,070
Votes cast	26,265	51,361	17,776	36,872	22,015	51,022	18,758	35,354	17,493	47,919
Percent of votes cast	38.02%	74.36%	25.74%	53.38%	31.78%	70.53%	26.57%	50.00%	26.55%	70.40%
Court System and Corrections										
Court Services										
New criminal cases received	1,753	1,966	1,784	2,004	2063	1,965	1,928	1,733	1,747	2,175
New civil cases received	267	156	185	263	269	151	138	105	101	842
Protection from abuse cases filed	260	264	265	262	232	278	214	251	225	279
Wills recorded	424	475	468	399	448	460	454	502	490	422
Marriage licenses issued	895	854	805	769	771	740	747	718	776	762
Child adoptions	89	81	74	47	55	53	58	46	36	9
Child relinquishments/terminations	53	52	47	41	36	32	32	19	36	8

(Continued)

County of Lycoming, Pennsylvania
 Operating Indicators by Function
 Last Ten Fiscal Years
 Table #16
 Continued

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Court Administration										
Criminal jury trials	42	54	26	44	35	32	41	36	31	40
Criminal pleas	1,293	1,364	749	1,261	1,364	1,489	1,467	1,352	1,340	1,042
Accelerated rehabilitative disposition (ARD) cases	306	361	215	136	414	323	265	241	61	85
Civil jury trials	8	4	5	8	3	12	3	9	5	2
Civil cases settled	110	96	94	104	123	117	86	75	24	27
District judge case filings	23,977	25,487	22,359	21,024	21,738	22,540	24,395	23,060	23,539	22,456
Domestic relations active cases filed	4,909	4,793	4,674	4,299	4,094	3,975	3,825	3,757	3,696	3,625
Juvenile delinquency cases filed	795	863	787	630	570	616	565	488	489	555
Adult Probation										
Caseload	1,126	1,113	1,317	1,295	1,444	1,534	1,960	1,806	1,803	1,878
Presentence Investigations	53	65	66	85	106	89	37	42	40	61
Corrections										
Average daily population (Males and Females at prison and prerelease)	328	308	329	338	336	314	339	392	337	374
Human Services										
Children, Youth and Families										
*1 Children served	3,975	3,778	3,480	3,843	4,118	4,272	4,343	5,143	5,681	5,757
*1 Placement days	66,299	67,221	62,860	56,398	53,312	58,636	45,881	34,750	29,715	29,994
Child abuse reports	232	182	206	184	210	184	181	139	182	254

(Continued)

County of Lycoming, Pennsylvania
 Operating Indicators by Function
 Last Ten Fiscal Years
 Table #16
 Continued

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Mental Health *2										
Emergency/crisis										
Intervention hours	*	12,276	9,733	*	*	*	1,451	1,218	5,918	1,845
Community residential days	*	8,831	9,423	10,173	9,458	9,583	7,965	8,324	8,534	4,791
Service case management hours	*	19,818	14,173	*	*	*	21,833	18,967	18,501	22,291
Day treatment hours	*	3,701	6,423	23,061	19,364	19,767	13,099	1030 **	522	0
Outpatient hours	*	5,064	2,006	5,269	5,126	5,130	3,598	1454 **	5,252	1,415
Family based hours	*	4,736	4,026	*	*	*	1,035	2**	30	0
Intellectual Disabilities *2										
*3 Community Habilitation Days	*	26,835	26,717	25,877	26,849	27,012	28,827	280 **	419	397
*4 Pre-Vocational days	*	30,633	33,525	31,605	31,062	31,216	40,765	1243 **	1,421	543
Supported employment hours	*	6,878	13,434	34,976	46,257	46,801	30,951	6932 **	2,486	1,768
Residential services clients	*	275	278	270	185	188	214	0 **	0	0
Early intervention clients	*	252	300	366	379	362	306	310	267	390
Family support services	*	184	245	171	190	188	117	92	68	72

Sources:

Various County Government Departments
 Administrative Office of Pennsylvania Courts
 Lycoming County Children and Youth Services

Notes:

- * Information is not available
- ** Decreases due to funding from County to State or no longer provide the service
- *1 Includes Juvenile Probation
- *2 All Mental Health / Intellectual Disabilities figures are Lycoming and Clinton Counties
- *3 Formerly Adult Dev. Training
- *4 Formerly Vocational Rehabilitation

County of Lycoming, Pennsylvania
 Capital Asset Statistics by Function
 Last Ten Fiscal Years
 Table #17

Function	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Government, Courts and Corrections										
Commissioners										
Motor vehicles	N/A	N/A	N/A	1	1	1	1	1	1	1
Planning and Community Development										
Motor vehicles	N/A	N/A	N/A	1	1	1	1	1	1	1
Public Safety										
Motor vehicles	N/A	N/A	N/A	4	4	4	4	4	4	3
County Farm										
Motor vehicles	N/A	N/A	N/A	2	2	2	2	2	2	2
Soil Conservation										
Motor vehicles	N/A	N/A	N/A	1	1	1	1	1	2	1
Resource Management Services (Landfill)										
Motor vehicles *1	N/A	N/A	N/A	99	111	108	113	119	119	58
Adult Probation										
Motor vehicles	N/A	N/A	N/A	4	4	4	4	4	4	4
Juvenile Probation										
Motor vehicles	N/A	N/A	N/A	1	1	1	1	1	2	1
Domestic Relations										
Motor vehicles	N/A	N/A	N/A	1	1	1	1	1	1	1
Pre-Release										
Motor vehicles	N/A	N/A	N/A	12	12	12	12	12	12	11
Coroner										
Motor vehicles	N/A	N/A	N/A	1	1	1	2	2	2	2
District Attorney										
Motor vehicles	N/A	N/A	N/A	9	7	7	7	7	7	6
Sheriff										
Motor vehicles	N/A	N/A	N/A	7	8	6	6	6	7	9

(Continued)

County of Lycoming, Pennsylvania
 Capital Asset Statistics by Function
 Last Ten Fiscal Years
 Table #17
 Continued

Function	Fiscal Year									
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Public Works										
Bridges										
County-owned bridges	N/A	N/A	N/A	15	15	15	15	15	15	15
Motor vehicles *2	N/A	N/A	N/A	0	0	0	0	0	0	0
Parks										
Number of parks	N/A	N/A	N/A	57	57	57	57	57	57	57
Park acreage	N/A	N/A	N/A	2958	2958	2958	2958	2958	2958	2958
Motor vehicles *3	N/A	N/A	N/A	0	0	0	0	0	0	0
Maintenance and Administration										
Motor vehicles	N/A	N/A	N/A	0	1	1	1	1	2	2
Office buildings *4	N/A	N/A	N/A	9	9	9	9	9	9	9
Storage or maintenance buildings	N/A	N/A	N/A	0	0	0	0	0	0	0

Notes:

- *1 This figure does not include special over the road equipment or non-licensed vehicles listed on the county's insurance.
 - *2 Inspection of bridges is contracted out and an insurance ticket is obtained.
 - *3 Lycoming County does not have any vehicles that maintain the parks.
 - *4 This figure includes the County Courthouse.
- N/A =Information is not available.

Sources:

Various County Departments