

COUNTY OF LYCOMING, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED
DECEMBER 31, 2013



Prepared by the Office of Fiscal Services

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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 26, 2014

To the Citizens of the County of Lycoming, Pennsylvania:

I am pleased to present the 2013 Comprehensive Annual Financial Report (CAFR) for the County of Lycoming, Pennsylvania. The Comprehensive Annual Financial Report was prepared by the 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 of 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, 2012. 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, 2013.

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 2013 population of 116,754 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 2013, Lycoming County's population was 116,754 people. Since 2010, it has had a small population increase of 0.5%. The median age of a county resident is 40.1 years according to the U.S. Census Bureau.

Lycoming County's local economy is supported by the approximately 3,265 establishments that employ over 53,000 individuals.

The unemployment rate for the County as of December 2013 was 7.3%, compared to the state rate of 6.9% and the national rate of 6.7%.

The median sale price of a single-family home in Lycoming County is \$129,200. The median age of Lycoming County real estate is 62 years. Renters make up 30.64% of the population. 11.68% of houses and apartments in Lycoming County are unoccupied.

The income per capita is \$22,808, which includes all adults and children. The median household income is \$44,557.

Compared to the rest of the country, Lycoming County's cost of living is 5.80% 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 two 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.

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
- Weis Markets, Inc.
- Williamsport Area School District
- County of Lycoming
- West Pharmaceutical Services, Inc.
- Halliburton Energy Services, Inc.
- CS Group Payroll Services, LLC
- Primus Technologies Corp.
- Wal-Mart Associates

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 a 9-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 2013

INFORMATION SERVICES

#1: Enhanced the Jury Selection Software & Procedures

Completely rewrote the jury selection programs and procedures which streamlined the process and cut costs, time and labor.

#2: Installed New Back-Up System

A new data back-up system was installed and has greatly decreased the time required for a complete system back-up.

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

A records management system and a document scanning system were installed in the Prothonotary's office.

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

Purchased and installed a new digital printing press in the County print shop. It greatly enhances the capability for creating and printing forms onsite reducing the expenses associated with utilizing outside vendors.

#5: Web Accessibility of Register & Recorder's Documents

Images of deeds and mortgages recorded from the 1950s to present have been made available to the public via the internet.

#6: Phone System Upgrades

The telephone call accounting system was upgraded, as well as, the phone systems at five County facilities.

#7: Physical Server Virtualization

Most of the County's physical servers were converted into virtual servers saving space and reducing power usage.

PLANNING & COMMUNITY DEVELOPMENT

#1: Pathway to Health

Funding for Phase II was sought.

#2: Muncy – Montoursville Regional Water System

Construction was completed on a water tower in Fairfield Township.

#3: Marcellus Shale Impact Studies

The social impact and transportation studies were started.

#4: PHARE Funds

Funds were secured to further advance the Brodart Neighborhood Improvement project.

#5: Timber Run Water Line

The water line to Resource Management Services was completed in 2013.

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

Construction was completed for the emergency operations center in the Third Street Plaza complex. Planning and construction of the back-up 9-1-1 center at that facility is ongoing.

#3: Exercises

The Department of Public Safety actively participated in several all hazards training exercises in 2013. 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 replacement of two aging tower site communications shelters with new pre-cast concrete communications shelters at the Shiver's Ridge and Bald Eagle tower sites was completed in 2013.

RESOURCE MANAGEMENT SERVICES

#1: Landfill Expansion

The County constructed a 5.5 million gallon leachate storage tank to control leachate flows from all existing fields and additional flows from expansion fields 11 & 12. The County also excavated the subgrade material from Field 12 while developing the new access roadway subgrade to replace the existing access roadway that is currently located in future Field 12.

#2: Single Stream Recycling

The County awarded a bid to Green Machine Systems for the purchase and custom installation of single stream recycling equipment. Green Machine spent the last few months of 2013 determining a retrofit of the equipment into our existing recycling

process center building. This equipment will be capable of processing 20 tons of recycled material per hour.

For the Future

INFORMATION SERVICES

#1: Expand Web Access to Register & Recorder's Documents

Additional document scanning will be done to allow internet access to deeds and mortgages from the 1950s back to the first on file with the County.

#2: Install New Prison Inmate Telephone and Mugshot Systems

Purchase and install new inmate telephone and mugshot systems to improve functionality over the present systems.

#3: Implement a County-Wide Police Records System

Install a system that will allow for sharing of offender information between participating police departments and County law enforcement related departments.

#4: New Retirement Payroll System

Purchase and install a new pension payroll system for retired employees.

#5: Create a County-Wide Mass Text Messaging System

Write a program to notify County employees of emergency situations via text messaging.

#6: Jury Selection System Enhancements

Information Services will continue to enhance the capabilities of the jury selection system to include the scanning of prospective juror questionnaires and an online excuse module.

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 2014.

#2: Susquehanna Health Expansion

Pathway to Health – obtain funding for Phase II.

#3: Timber Run Water Line

Complete design of transportation improvements in 2014.

#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 2014.

#6: Flood Buy Outs

Continue to process flood buy outs in 2014.

#7: Housing Initiatives

Design new housing initiatives in the City of Williamsport and Montgomery Borough with the top priority being re-entry and senior housing.

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 9-1-1 center at Third Street Plaza in late 2014 or early 2015. The Department of Public Safety will reuse the current 9-1-1 center consoles in the back-up center upon arrival of new consoles for the primary center in mid-2014.

#3: Microwave System Needs Assessment

The Department of Public Safety conducted a needs assessment of the existing microwave system as a part of the County's emergency communications/911 network. DPS plans to recommend a replacement system be purchased via state contract. A 150 mps ethernet capable microwave system will serve as the backbone of the County's network through the next 10-15 years.

#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 landfill gas skid and flares will continue as the permit was issued in late December 2013. The design engineer will develop drawings and bid documents in 2014. Field 12 clearing and grubbing began in 2012 and subgrade excavation will be completed in 2014. The storm water and access roadway infrastructure will be bid and constructed in 2015.

#2: Leachate Force Main

The State Department of Environmental Protection approved Act 537 Sewage Facilities Plan Update for Montgomery Borough, Clinton Township, Muncy Borough, and Muncy Creek Township is being implemented. Resource Management Services has delayed deployment of a 17,000 foot leachate force main and has decided to instead split flows between the Gregg Township Municipal Sewer Authority and the West Branch Regional Sewer Authority. The county purchased capacity with the West Branch Regional Sewer Authority in 2013. The County will be conducting a specific special study and anticipates a favorable outcome for splitting flows. The split flows will be based on the capacity designs of each plant and how much leachate each can tolerate without an upset of processes. Bid documents will be prepared and construction will most likely start and be completed in 2015.

#3: Single Stream Recycling

The County is currently installing 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 by July 2014. There are separate bids being issued for electrical system modifications and fire suppression sprinkler systems in the recycling process center.

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, 2013.

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, 2013, 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, 2013.

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, 2013, 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, 2013, 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

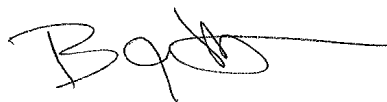
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lycoming County for its comprehensive annual financial report for the fiscal year ended December 31, 2012. This was the twenty-second consecutive 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





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

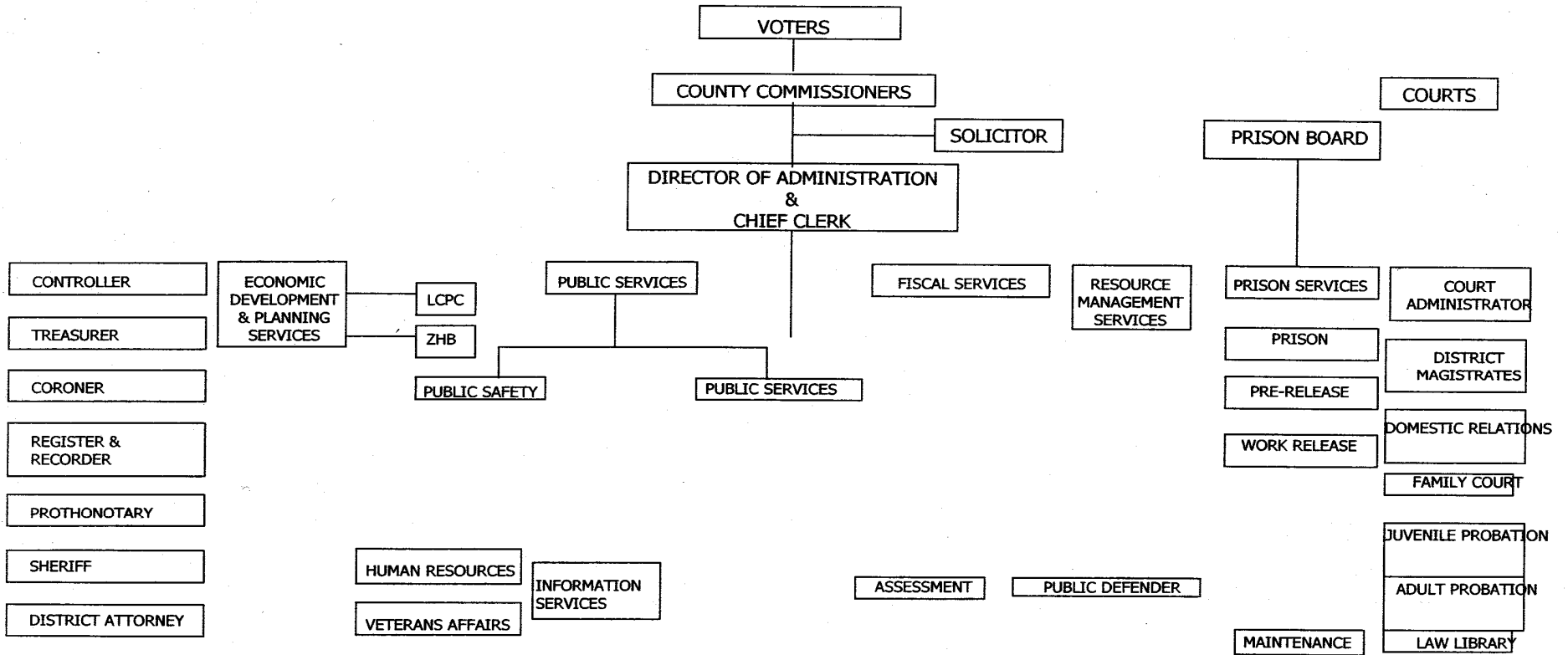
County of Lycoming
Pennsylvania

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

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
R. Mark 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, 2013, 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 37%, 56%, and 48%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those 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 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, 2013, 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.

Emphasis of Matter

As disclosed in Notes 2 and 19 to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in 2013 to conform with accounting principles generally accepted in the United States of America. The County restated its beginning net position for this adoption.

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 112, and the budgetary comparison information on pages 113 and 114 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 116 through 168, the combining statement of changes in assets and liabilities – agency funds on pages 169 through 174, the schedule of changes in capital assets by function on page 175, and the statistical section on pages 176 through 199 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, 2014 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.

ParenteBeard LLC

Williamsport, Pennsylvania
June 26, 2014

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, 2013. 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, 2013. 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 \$92.2 million (*net position*). Of this amount, \$17.6 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 \$36.2 million while providing \$17.4 million in unrestricted net position. The total net position decreased by \$6.9 million from the previous year.

Assets of the business type activity for the current year also exceeded its liabilities by \$56.0 million while providing \$0.22 million in unrestricted net position. The total net position decreased by \$5.7 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 \$52.0 million, a decrease of \$2.4 million from the previous year balance of \$54.4 million with unassigned fund balances of \$15.9 million. The general fund ended the year with a fund balance of \$40.0 million, a decrease of \$6.1 million from the previous year's balance of \$46.1 million with an unassigned fund balance of \$15.9 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, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference 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 2013, major funds include the general fund, and the special revenue act 13 gas impact fee funds. 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 government-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 2013 final general fund budget of \$57.9 million in expenditures reflects a decrease of \$0.7 million from the 2012 budget of \$58.6 million. The largest decrease in 2013 of \$2.7 million was for the economic development division.

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 57-110 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 111-175 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 \$92.2 million at the close of the most recent fiscal year.

The total net position of the County decreased by \$12.6 million (about 12.0%), from \$104.8 million to \$92.2 million, in 2013, including approximately \$.9 million relating to the County's implementation of GASB Statement No. 65. The decrease in net position was a result of a decrease of \$6.9 million in net position of governmental activities and a decrease of \$5.7 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 (45.1 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 (35.8 percent) represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the unrestricted net position (19.1 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, 2013, and 2012.

COUNTY OF LYCOMING - Net Position
(amounts in thousands)

	Governmental activities		Business-type activity		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current and other assets	\$59,308	\$65,039	\$90,529	\$94,069	\$149,837	\$159,108
Capital assets	36,182	37,406	49,937	47,951	86,119	85,357
Total Assets	<u>95,490</u>	<u>102,445</u>	<u>140,466</u>	<u>142,020</u>	<u>235,956</u>	<u>244,465</u>
Long term liabilities outstanding	54,892	52,229	81,317	78,795	136,209	131,024
Other liabilities	4,365	7,070	3,188	1,598	7,553	8,668
Total Liabilities	<u>59,257</u>	<u>59,299</u>	<u>84,505</u>	<u>80,393</u>	<u>143,762</u>	<u>139,692</u>
Net position:						
Net investment in capital assets	6,992	7,731	34,595	38,104	41,587	45,835
Restricted	11,860	4,144	21,146	20,983	33,006	25,127
Unrestricted	17,380	31,271	220	2,540	17,600	33,811
Total net position	<u>\$36,232</u>	<u>\$43,146</u>	<u>\$55,961</u>	<u>\$61,627</u>	<u>\$92,193</u>	<u>\$104,773</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, 2013 and 2012.

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

	Governmental activities		Business-type activity		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Revenues:						
Program revenues:						
Charge for services	\$ 9,922	\$ 11,424	\$ 15,847	\$ 15,493	\$ 25,769	\$ 26,917
Operating grants and contributions	23,853	32,580	188	213	24,041	32,793
Capital grants and contributions	250	48	-	-	250	48
General revenues:						
Taxes	27,296	27,236	-	-	27,296	27,236
Unrestricted investment income/(loss)	396	425	(56)	2,997	340	3,422
Grants and contributions not restricted to specific programs	415	408	-	-	415	408
Total revenues	<u>62,132</u>	<u>72,121</u>	<u>15,979</u>	<u>18,703</u>	<u>78,111</u>	<u>90,824</u>
Expenses:						
General governmental	13,803	14,592	-	-	13,803	14,592
Judicial	12,335	11,506	-	-	12,335	11,506
Public safety	22,933	22,409	-	-	22,933	22,409
Public works	5,761	3,959	17,150	18,114	22,911	22,073
Human services	12,772	22,071	-	-	12,772	22,071
Culture & recreation	1,383	1,373	-	-	1,383	1,373
Conservation & development	1,609	2,279	-	-	1,609	2,279
Interest on long term debt	2,046	1,746	-	-	2,046	1,746
Total expenses	<u>72,642</u>	<u>79,935</u>	<u>17,150</u>	<u>18,114</u>	<u>89,792</u>	<u>98,049</u>
Increase (decrease) in net position before transfers	(10,510)	(7,814)	(1,171)	589	(11,681)	(7,225)
Transfers	4,175	2,627	(4,175)	(2,627)	-	-
Increase (decrease) in net position	<u>(6,335)</u>	<u>(5,187)</u>	<u>(5,346)</u>	<u>(2,038)</u>	<u>(11,681)</u>	<u>(7,225)</u>
Net position - beginning						
As previously reported	43,146	48,333	61,627	63,665	104,773	111,998
Effect of adoption of GASB Statement No. 65	(579)	-	(320)	-	(899)	-
As adjusted	<u>42,567</u>	<u>48,333</u>	<u>61,307</u>	<u>63,665</u>	<u>103,874</u>	<u>111,998</u>
Net position - ending	<u>\$ 36,232</u>	<u>\$ 43,146</u>	<u>\$ 55,961</u>	<u>\$ 61,627</u>	<u>\$ 92,193</u>	<u>\$ 104,773</u>

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

Governmental Activities Net Assets: In 2013, net position decreased \$6.9 million compared to a \$5.2 million decrease in 2012, resulting in a year to year decrease in net position of \$1.7 million.

The decreases (\$10.0 million) in revenues include but are not limited to the following major changes in revenues.

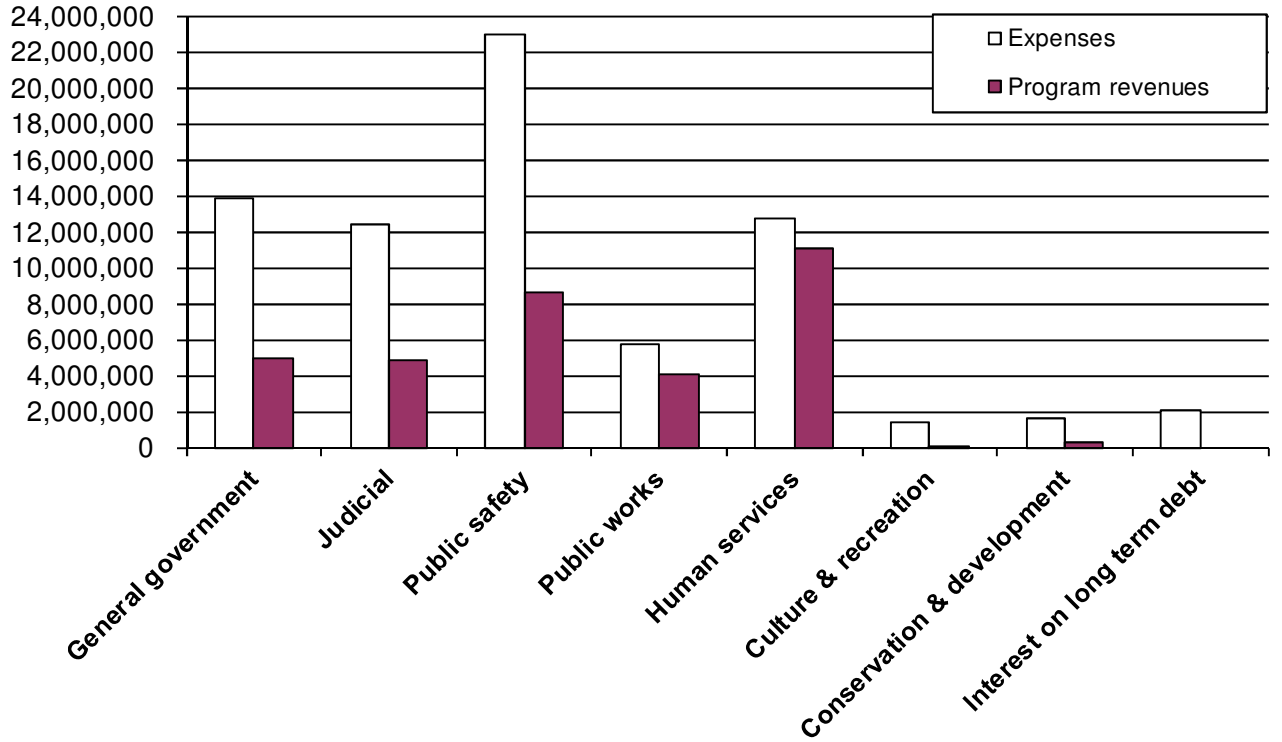
1. Charge for services revenues decreased by \$1.5 million, due to the Wells Fargo Third Street Plaza one-time lease buyout that occurred in 2012.
2. Operating Grants and contributions decreased \$8.7 million
 - A. A one-time pass thru state RACP grant of \$5.4 million for the Susquehanna Health System in 2012.
 - B. \$2.1 million less in state Title 148 funds.
 - C. The federal and state CCIS daycare grant was no longer a pass thru grant for the County as of 07/01/13. This resulted in a decrease of \$2.4 million in revenues.

The decreases (\$7.3 million) in expenses include but are not limited to the following major changes.

1. General Government decreased by \$789 thousand, mostly due to the forgiveness of some debt owed by the Lycoming County Water & Sewer Authority which occurred 2012.
2. Public Works increased by \$1.8 million, due to increased activity within the Hazard Mitigation Grant Program.
3. Human Services decreased \$9.3 million.
 - A. A one-time pass thru one-time state RACP grant of \$5.4 million for the Susquehanna Health System in 2012.
 - B. \$2.1 million less in state Title 148 funding meant decreased expenditures in 2013.
 - C. The federal and state CCIS daycare grant was no longer a pass thru grant for the County as of 07/01/13. This resulted in a decrease of \$2.4 million in expenses.

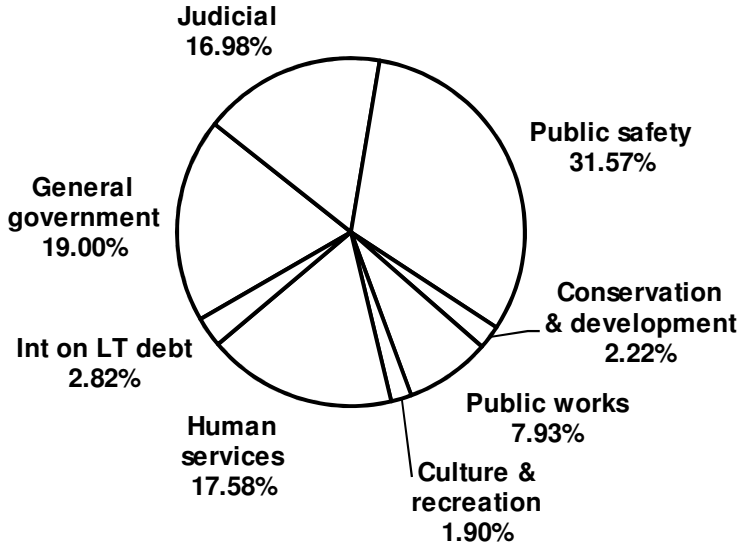
County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

Expenses & Program Revenues - Governmental Activities

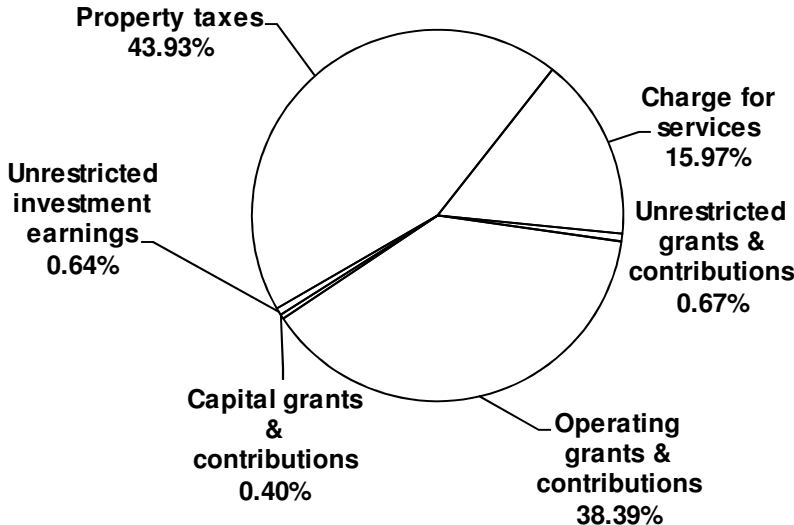


**County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)**

**Functional Expenses
Governmental Activities
Total Expenses: \$72.642 million**



**Source of Revenues
Governmental Activities
Total Revenues: \$62.132 million**

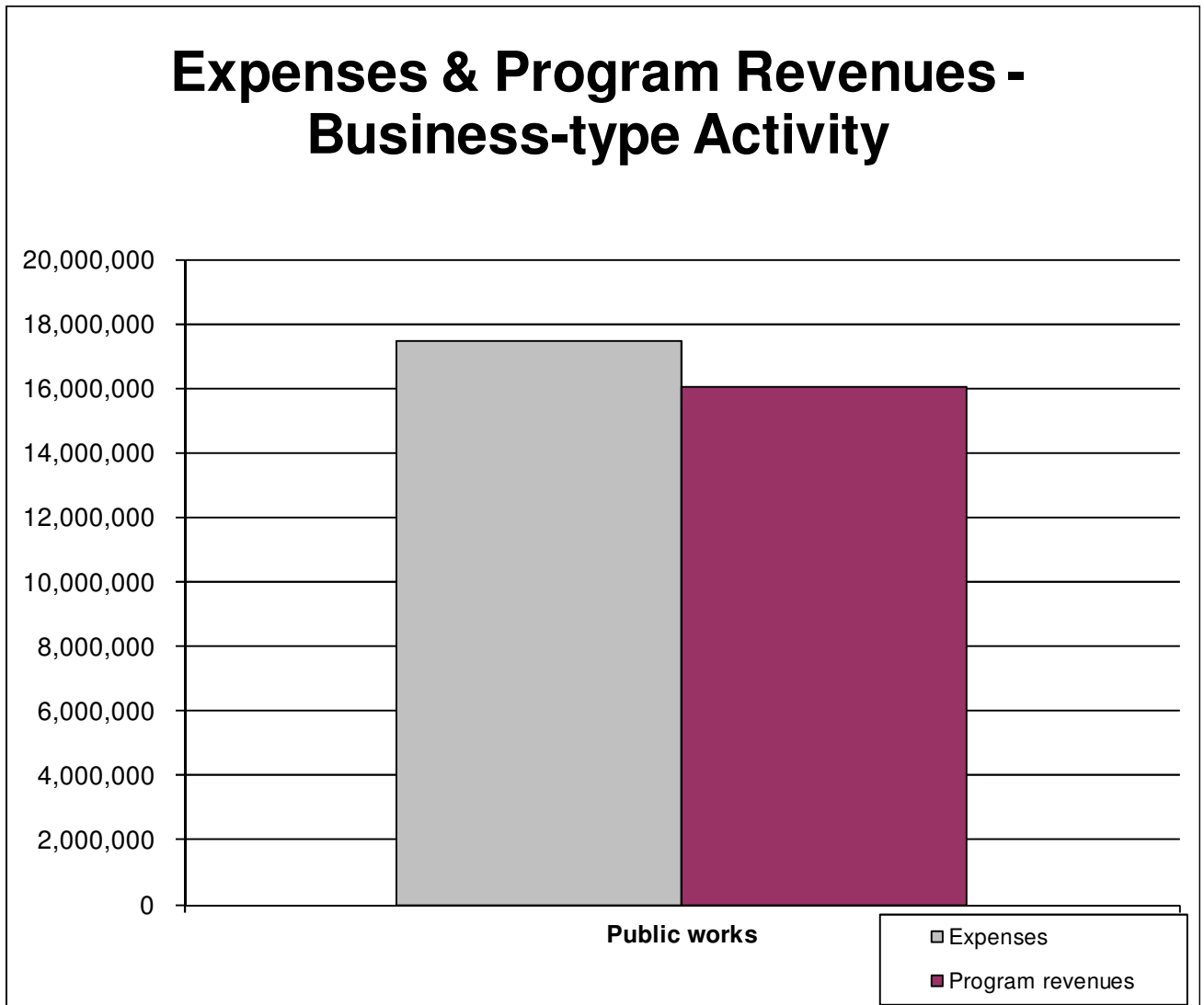


County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

Business-type activity: In 2013, net position decreased \$5.7 million compared to a \$2.0 million decrease in 2012, resulting in a year to year decrease in net position of \$3.7 million.

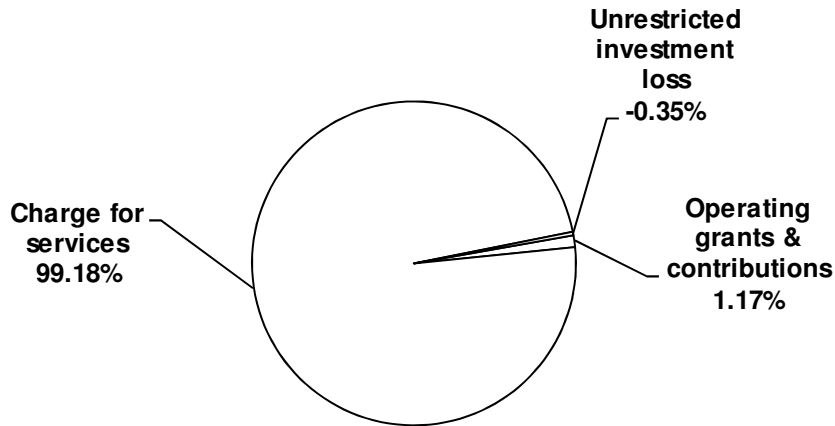
The decreases (\$2.7 million) in revenue can mainly be attributed to decreases in investment income due to current market conditions.

Operating expenses decreased by \$773 thousand attributable to decreases in depreciation expense of \$302 thousand and general operating expense of \$1.6 million. They were offset by minimal increases in salaries, maintenance and repairs and fringe and indirect expenses.



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

**Revenue by Sources -
Business-type Activity**
Total Revenues: \$15.979 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 \$52.0 million, a decrease of \$2.4 million from the prior year. Of the total fund balance, \$15.9 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 \$13.9 million
- #2-Restricted \$13.0 million
- #3-Assigned \$9.2 million

Governmental fund revenues for the current fiscal period decreased by \$9.9 million or 13.7 percent while expenditures decreased over the same period by \$4.7 million or

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

6.4 percent. The decreases in expenditures were a result of significantly less expenditure in the Human Services category as a result of lost grant funding. This large decrease was offset by increases in most all other categories. For 2013, major funds included the general fund, and the special revenue act 13 gas impact fee 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 \$15.9 million, a decrease of \$1.2 million from the prior year. The total fund balance decreased \$6.1 million from \$46.1 million to \$40.0 million in 2013. 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 30.2 percent of the total general fund expenditures, exclusive of transfers out and other financing uses, while the total fund balance represents 76.1 percent of the same amount.

General fund revenues decreased \$3.9 million from \$49.7 million to \$45.8 million or 7.8 percent over the prior year. Expenditures increased \$409 thousand from \$52.1 million to \$52.5 million or .08 percent.

The decreases (\$3.9 million) in revenue can be attributed to \$2.4 million less in intergovernmental revenue and \$1.8 million less in miscellaneous revenue. There were also modest increases in Property & Occupancy Taxes, Licenses and Permits, and Cost and Fines.

The increases (\$409 thousand) in expenses included \$1.1 million more in General Government, \$562 thousand more in Capital Outlay, and \$957 thousand more in Miscellaneous. There were also modest increases in Judicial, Public Safety, and Culture & Recreation. There were decreases of \$1.7 million in Human Services due to decreases in grant funding as well as \$504 thousand in Public Works, and \$507 thousand in Conservation and Development due to the ending of a grant.

Governmental Fund Types – Act 13 Gas Impact Fees

The County receives funds from the State's unconventional gas well impact fees. In 2013, a total of \$4.5 million was received from the State to be utilized for eligible projects.

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 \$220 thousand. The change in net position for the fund was a decrease of \$5.7 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 \$2,780,514 between the original budget of \$55.1 million and the final amended budget of \$57.9 million was a result of the transfers summarized below. Funds were transferred from the Domestic Relations IV-D fund to the General Fund toward the cost of travel for the department. The Enterprise Fund, Resource Management Services, transferred funds to the General Fund to cover additional expenses related to the solid waste plan and from over-budgeting due to the projected extended life of the landfill. The transfer out of \$14,963 was a result of needed telephone upgrades at Resource Management Services and to cover salary adjustments.

<u>Transfer In</u>	<u>General Fund</u>
From Domestic Relations IV-D to cover travel costs	\$ 1,045
From RMS for overbudgeting due to landfill life extension by engineer	2,734,432
From RMS to cover additional expenses related to the solid waste plan	60,000
<u>Transfer Out</u>	
To RMS to cover telephone upgrades	(7,633)
To RMS for salary adjustments	(7,330)
Total Transfers	\$ 2,780,514

Final budget to actual numbers showed favorable results in expenditures and unfavorable results in revenues. Revenues reflected a \$1.1 million negative variance over the budgeted \$46.9 million coming in at \$45.8 million. The area showing the most significant decrease was intergovernmental revenues due to decreases in Title 148 and CCIS day care grant expenditures in 2013.

Expenditures reflected a \$5.4 million positive variance as compared to the budgeted \$57.9 million coming in at \$52.5 million for the year. The area showing the largest variance was General Government coming in at \$2.5 million under budget due to \$1.5 million budgeted for inventory not being spent as well as some departments coming in under budget including \$868 thousand in contingency funds. Human Services came in at \$1.7 million under budget due to decreased grant spending. Employee Benefits and Public Safety also came in well under budget.

Capital Assets and Debt Administration

The County's investment in capital assets for its governmental activities and business type activity as of December 31, 2013, net of accumulated depreciation amounted to \$86.1 million. This represents an increase of \$.7 million over the prior year total of \$85.4 million. For the current fiscal year governmental activities investment in capital assets decreased 3.27 percent and business-type increased 4.14 percent. Capital assets

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

consist of land and improvements, Intangibles, buildings and improvements, machinery and equipment, construction under progress and infrastructure. The following is a summary of capital assets as of December 31, 2012 and 2013.

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

	Governmental activities		Business-type activity		Total	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$3,118	\$3,041	\$2,450	\$2,450	\$5,568	\$5,491
Intangibles	-	-	1,655	-	1,655	-
Improvements	1,154	1,219	16,745	18,759	17,899	19,978
Building & improvements	16,470	18,320	7,680	8,202	24,150	26,522
Machinery & equipment	8,313	7,402	12,093	11,508	20,406	18,910
Construction in progress	207	494	8,491	6,152	8,698	6,646
Infrastructure	6,920	6,930	823	880	7,743	7,810
Total Assets	<u>\$ 36,182</u>	<u>\$ 37,406</u>	<u>\$ 49,937</u>	<u>\$ 47,951</u>	<u>\$ 86,119</u>	<u>\$ 85,357</u>

For 2013, the major additions to capital assets were the new back-up systems at the courthouse and the Department of Public Safety, as well as, completed construction work on two new 911 Emergency Communications towers in Machinery & equipment. Business-type activity had increases in intangibles from the purchase of capacity for leachate treatment at the West Branch Regional Sewer Authority, machinery & equipment, and construction in progress due to the new single stream recycling project. 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>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
General Obligation Bonds	\$ 33,199	\$ 34,470	\$ 21,641	\$ 22,170	\$ 54,840	\$ 56,640
General Obligation Note	<u>3,245</u>	<u>1,772</u>	<u>-</u>	<u>-</u>	<u>3,245</u>	<u>1,772</u>
	<u>\$ 36,444</u>	<u>\$ 36,242</u>	<u>\$ 21,641</u>	<u>\$ 22,170</u>	<u>\$ 58,085</u>	<u>\$ 58,412</u>

At December 31, 2013, the County had \$58.1 million of general obligation bonds and notes outstanding. This was a decrease of \$.3 million or .6 percent from the previous year.

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

Summary of General Obligation Debt

Beginning balance 12/31/12	\$ 58,412,333
Debt issued	1,700,000
Less principal payments	<u>2,027,313</u>
Ending balance 12/31/13	<u><u>\$ 58,085,020</u></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 2013 was 7.3%, compared to the state rate of 6.9% and the national rate of 6.7%.

The adopted 2014 budget has overall expenditures increasing from the 2013 budget of \$97.1 million to \$99.0 million, an increase of \$1.9 million or 1.9 percent. The budget for the governmental fund types increased \$5.2 million or 9.5 percent from \$75.4 million to \$79.9 million. The 2014 budget for the business-type activity decreased \$2.6 million or 12.2 percent to \$19.1 million.

A major budget increase in the governmental fund types for 2014 includes the employee fringe expense increase of \$1.2 million.

2013 / 2014 Budget Comparisons

	2013 Approved Budget	2014 Approved Budget	Variance Increase (Decrease)	Percentage Increase (Decrease)
<u>Governmental Fund Types</u>				
General Fund	\$ 55,149,733	\$ 60,367,895	\$ 5,218,162	9.46%
Special Revenue Funds	16,572,634	15,837,376	(735,258)	-4.44%
Debt Service Funds	<u>3,665,317</u>	<u>3,684,154</u>	<u>18,837</u>	<u>0.51%</u>
Total Governmental Funds	75,387,684	79,889,425	4,501,741	5.97%
<u>Proprietary Fund Types</u>				
Enterprise Funds	<u>21,752,105</u>	<u>19,107,984</u>	<u>(2,644,121)</u>	<u>-12.16%</u>
Total County Budget	<u><u>\$ 97,139,789</u></u>	<u><u>\$ 98,997,409</u></u>	<u><u>\$ 1,857,620</u></u>	<u><u>1.91%</u></u>

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

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 2013 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 or Lycoming County Controller's Office
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, 2013

	Primary Government			Component Units
	Governmental Activities	Business-type Activity	Total	
ASSETS				
Cash and cash equivalents	\$ 29,919,695	\$ 21,185,477	\$ 51,105,172	\$ 2,549,743
Investments at cost	-	19,699,764	19,699,764	-
Investments at fair value	-	18,869,303	18,869,303	-
Receivables (net of allowances)				
Taxes	2,953,091	-	2,953,091	-
Taxes fees and costs	149,550	-	149,550	-
Accounts receivable trade	160,294	1,281,975	1,442,269	348,247
Accrued interest receivable	620,562	473,221	1,093,783	-
Cost & fines	4,442,975	-	4,442,975	-
Due from agency funds	11,500	-	11,500	-
Due from other governments	4,013,134	-	4,013,134	795,360
Due from component units	108,727	-	108,727	-
Loans	13,087,965	-	13,087,965	-
Inventory	20,916	-	20,916	80,919
Prepaid items	829,215	-	829,215	278,904
Prepaid bond insurance & discount	662,922	512,453	1,175,375	100,083
Restricted assets				
Cash and cash equivalents	2,327,340	2,264,523	4,591,863	551,843
Investments at cost	-	4,142,313	4,142,313	-
Investments at fair value	-	22,099,382	22,099,382	-
Due from other governments	-	-	-	103,326
Capital assets (net of accumulated depreciation)				
Land	3,079,663	2,450,020	5,529,683	2,553,102
Land held for sale	38,420	-	38,420	-
Intangibles	-	1,654,499	1,654,499	-
Buildings held for sale	157,780	-	157,780	-
Improvements	1,154,005	16,744,992	17,898,997	614,801
Building & improvements	16,312,233	7,679,647	23,991,880	24,315,583
Machinery & equipment	8,312,706	12,093,162	20,405,868	3,129,138
Infrastructure	6,920,323	823,488	7,743,811	47,160,250
Construction in progress	206,617	8,491,284	8,697,901	1,766,385
Easements	-	-	-	420,155
Other assets	-	-	-	630,196
Total assets	95,489,633	140,465,503	235,955,136	85,398,035
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized refunding charges	-	-	-	246,503
Total deferred outflows of resources	-	-	-	246,503

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2013
(CONTINUED)

	Primary Government			Component Units
	Governmental Activities	Business-type Activity	Total	
LIABILITIES				
Accounts payable	\$ 3,042,998	\$ 2,819,113	\$ 5,862,111	\$ 1,004,419
Payroll and related payables	597,352	98,634	695,986	75,536
Accrued interest payable	603,056	269,593	872,649	1,074,734
Due to agency funds	5,027	-	5,027	-
Due to primary government	-	-	-	1,343,083
Due to other governments	-	-	-	56,035
Unearned revenues	95,460	-	95,460	819,338
Escrow funds payable	20,794	500	21,294	12,500
Long term liabilities				
Due within one year	2,162,331	587,987	2,750,318	3,204,500
Due in more than one year	35,030,465	21,203,470	56,233,935	37,321,372
Estimated reclamation cost for field and final closure	-	56,905,296	56,905,296	-
Other long term liabilities				
Post employment benefits	17,699,717	2,619,898	20,319,615	-
Total liabilities	<u>59,257,200</u>	<u>84,504,491</u>	<u>143,761,691</u>	<u>44,911,517</u>
NET POSITION				
Net investment in capital assets	6,992,711	34,594,653	41,587,364	37,059,796
Restricted for				
Judicial	2,402,034	-	2,402,034	-
Public safety	427,198	-	427,198	-
Public works	7,809,862	21,146,160	28,956,022	60,479
Conservation & development	1,220,640	-	1,220,640	463,124
Unrestricted	17,379,988	220,199	17,600,187	3,149,622
Total net position	<u>\$ 36,232,433</u>	<u>\$ 55,961,012</u>	<u>\$ 92,193,445</u>	<u>\$ 40,733,021</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013**

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activity	Total	
Primary government								
Governmental activities								
General government	\$ 13,802,847	\$ 3,265,973	\$ 1,656,412	\$ -	\$ (8,880,462)	-	\$ (8,880,462)	
Judicial	12,334,926	2,782,585	2,093,864	-	(7,458,477)	-	(7,458,477)	
Public safety	22,932,896	3,528,899	4,885,846	250,000	(14,268,151)	-	(14,268,151)	
Public works	5,760,527	179,846	3,908,471	-	(1,672,210)	-	(1,672,210)	
Human services	12,771,967	115	11,084,758	-	(1,687,094)	-	(1,687,094)	
Culture & recreation	1,383,038	123	102,875	-	(1,280,040)	-	(1,280,040)	
Conservation & development	1,609,158	165,112	120,685	-	(1,323,361)	-	(1,323,361)	
Interest on long-term debt	2,046,232	-	-	-	(2,046,232)	-	(2,046,232)	
Total governmental activities	<u>72,641,591</u>	<u>9,922,653</u>	<u>23,852,911</u>	<u>250,000</u>	<u>(38,616,027)</u>	<u>-</u>	<u>(38,616,027)</u>	<u>-</u>
Business-type activity								
Waste management	17,150,114	15,847,513	187,569	-	-	\$ (1,115,032)	(1,115,032)	
Total primary government	<u>\$ 89,791,705</u>	<u>\$ 25,770,166</u>	<u>\$ 24,040,480</u>	<u>\$ 250,000</u>	<u>(38,616,027)</u>	<u>(1,115,032)</u>	<u>(39,731,059)</u>	<u>-</u>
Component units:								
Governmental activities	\$ 1,039,752	\$ 69,536	\$ 380,351	\$ 625,000	-	-	-	\$ 35,135
Business-type activities	9,682,033	7,271,914	29,915	2,684,438	-	-	-	304,234
Total component units	<u>\$ 10,721,785</u>	<u>\$ 7,341,450</u>	<u>\$ 410,266</u>	<u>\$ 3,309,438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>339,369</u>
General revenues:								
Property taxes					27,295,551	-	27,295,551	-
Unrestricted investment earnings (loss)					396,499	(55,888)	340,611	6,274
Grants contributions and other revenues not restricted to specific programs					414,521	-	414,521	357,078
Transfers					4,174,773	(4,174,773)	-	-
Total general revenues and transfers					<u>32,281,344</u>	<u>(4,230,661)</u>	<u>28,050,683</u>	<u>363,352</u>
Changes in net position					<u>(6,334,683)</u>	<u>(5,345,693)</u>	<u>(11,680,376)</u>	<u>702,721</u>
Net position - beginning								
As previously reported					43,146,319	61,627,099	104,773,418	41,118,328
Effect of adoption of GASB Statement No. 65					<u>(579,203)</u>	<u>(320,394)</u>	<u>(899,597)</u>	<u>(1,088,028)</u>
As adjusted					<u>42,567,116</u>	<u>61,306,705</u>	<u>103,873,821</u>	<u>40,030,300</u>
Net position - ending					<u>\$ 36,232,433</u>	<u>\$ 55,961,012</u>	<u>\$ 92,193,445</u>	<u>\$ 40,733,021</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013**

	<u>General</u>	<u>Act 13 Gas Impact Fees</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS				
Cash & cash equivalents	\$ 17,153,283	\$ 7,286,365	\$ 5,480,047	\$ 29,919,695
Receivables				
Taxes	2,953,091	-	-	2,953,091
Accounts	4,653,833	-	98,986	4,752,819
Interest	620,562	-	-	620,562
Due from other funds	1,884,668	-	6,546	1,891,214
Due from other governments	2,355,232	-	1,657,901	4,013,133
Due from component units	108,727	-	-	108,727
Loans				
Interfund	11,500	-	-	11,500
Non-profit organizations	5,250,020	-	-	5,250,020
Component units	7,837,945	-	-	7,837,945
Inventory	20,916	-	-	20,916
Prepaid items	149,470	2,083	32,889	184,442
Restricted assets				
Cash & cash equivalents	2,327,340	-	-	2,327,340
Total assets	<u>\$ 45,326,587</u>	<u>\$ 7,288,448</u>	<u>\$ 7,276,369</u>	<u>\$ 59,891,404</u>
LIABILITIES				
Accounts payable	\$ 2,492,521	\$ 34,461	\$ 516,016	\$ 3,042,998
Payroll payable	596,972	-	380	597,352
Due to other funds	5,027	-	1,891,214	1,896,241
Unearned revenues				
Intergovernmental	-	-	95,460	95,460
Escrow funds	20,794	-	-	20,794
Total liabilities	<u>3,115,314</u>	<u>34,461</u>	<u>2,503,070</u>	<u>5,652,845</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenue - Taxes	2,229,576	-	-	2,229,576
	<u>2,229,576</u>	<u>-</u>	<u>-</u>	<u>2,229,576</u>
FUND BALANCES				
Nonspendable	13,910,210	-	-	13,910,210
Restricted	1,323,426	7,253,987	4,484,819	13,062,232
Assigned	8,889,127	-	288,480	9,177,607
Unassigned	15,858,934	-	-	15,858,934
Total fund balances	<u>39,981,697</u>	<u>7,253,987</u>	<u>4,773,299</u>	<u>52,008,983</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 45,326,587</u>	<u>\$ 7,288,448</u>	<u>\$ 7,276,369</u>	<u>\$ 59,891,404</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2013**

Total Fund Balance-Governmental Funds	\$	52,008,983
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Capital assets used in the governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds.		36,181,747
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.		644,773
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>(52,603,070)</u>
Net position of governmental activities	\$	<u>36,232,433</u>

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, 2013

	<u>General</u>	<u>Act 13 Gas Impact Fees</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property & occupancy taxes	\$ 27,302,944	\$ -	\$ -	\$ 27,302,944
Licenses & permits	46,350	-	-	46,350
Intergovernmental revenues	10,708,308	4,539,130	9,223,645	24,471,083
Charge for services	4,089,544	-	2,251,429	6,340,973
Sale of assets	110,889	-	-	110,889
Investment earnings	402,847	5,577	5,488	413,912
Court cost & fines	1,742,737	-	160,129	1,902,866
Miscellaneous income	1,412,989	-	268,457	1,681,446
	<u>45,816,608</u>	<u>4,544,707</u>	<u>11,909,148</u>	<u>62,270,463</u>
Total revenues				
EXPENDITURES				
Current				
General government	9,096,881	4,167	746	9,101,794
Judicial	7,631,501	164,402	299,475	8,095,378
Public safety	13,962,895	6,065	2,181,522	16,150,482
Public works	1,116,947	753,105	3,515,627	5,385,679
Human services	7,195,842	85,000	5,373,676	12,654,518
Culture & recreation	1,234,424	34,672	4,816	1,273,912
Conservation & development	1,214,682	-	128,951	1,343,633
Miscellaneous	9,279,127	-	-	9,279,127
Debt service	-	-	3,522,996	3,522,996
Capital outlay	1,793,320	-	-	1,793,320
	<u>52,525,619</u>	<u>1,047,411</u>	<u>15,027,809</u>	<u>68,600,839</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(6,709,011)</u>	<u>3,497,296</u>	<u>(3,118,661)</u>	<u>(6,330,376)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,254,745	-	3,668,703	5,923,448
Transfers out	(3,403,472)	-	(265,230)	(3,668,702)
Proceeds from debt	1,700,000	-	-	1,700,000
	<u>551,273</u>	<u>-</u>	<u>3,403,473</u>	<u>3,954,746</u>
Total other financing sources (uses)				
Net change in fund balances	(6,157,738)	3,497,296	284,812	(2,375,630)
Fund balances-beginning	46,139,435	3,756,691	4,488,487	54,384,613
Fund balances-ending	<u>\$ 39,981,697</u>	<u>\$ 7,253,987</u>	<u>\$ 4,773,299</u>	<u>\$ 52,008,983</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, 2013**

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

Net change in fund balances-total governmental funds (page 45)	\$ (2,375,630)
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)	(1,093,117)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	(130,935)
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.	(7,392)
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)	(262,947)
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.	(42,103)
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.	4,862
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.	(2,427,421)
Change in net position of governmental activities (page 42)	<u>\$ (6,334,683)</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
ENTERPRISE FUND
DECEMBER 31, 2013**

	Resource Management Services
ASSETS	
Current assets	
Cash and cash equivalents	\$ 21,185,477
Investments at cost	19,699,764
Investments at fair value	18,869,303
Receivables (net of allowances)	
Accounts receivable - trade	1,281,975
Accrued interest receivable	473,221
Total current assets	61,509,740
Noncurrent assets	
Prepaid bond insurance & discount	512,453
Restricted assets	
Cash and cash equivalents	2,264,523
Investments at cost	4,142,313
Investments at fair value	22,099,382
Total restricted assets	28,506,218
Capital assets	
Land	2,450,020
Intangibles	1,654,499
Improvements	16,744,992
Building and improvements	7,679,647
Machinery and equipment	12,093,162
Infrastructure	823,488
Construction in progress	8,491,284
Total capital assets	49,937,092
Total noncurrent assets	78,955,763
Total assets	140,465,503

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
ENTERPRISE FUND
DECEMBER 31, 2013
(CONTINUED)**

		Resource Management Services
LIABILITIES		
Current liabilities		
Accounts payable	\$	2,819,113
Payroll		98,634
Escrow funds payable		500
Compensated absences payable		96,368
Current interest payable		269,593
Long term debt		491,619
Total current liabilities		3,775,827
Long term liabilities		
Compensated absences payable		54,126
Other post employment benefits obligation		2,619,898
Estimated reclamation cost for field and final closure		56,905,296
Long term debt		21,149,344
Total long term liabilities		80,728,664
Total liabilities		84,504,491
NET POSITION		
Net investment in capital assets		34,594,653
Restricted for:		
Closure requirements		21,146,160
Unrestricted		220,199
Total net position	\$	55,961,012

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Resource Management Services
OPERATING REVENUES	
Charge for services	\$ 11,190,168
Sales	4,576,975
Miscellaneous revenues	28,112
	<u>15,795,255</u>
OPERATING EXPENSES	
Salaries and wages	3,131,876
Material and supplies	297,021
General operating	4,316,680
Maintenance and repairs	1,923,652
Depreciation expense	4,238,957
Fringe & indirect expense	1,816,158
Other post employment benefit expense	699,872
Total operating expenses	<u>16,424,216</u>
Operating income (loss)	<u>(628,961)</u>
NON-OPERATING REVENUES (EXPENSES)	
Investment earnings (loss)	(55,888)
Intergovernmental revenues	187,569
Net gain (loss) on sale of assets	52,258
Issuance costs	(19,239)
Interest expense	(706,659)
Total non-operating revenues (expenses), net	<u>(541,959)</u>
Income (loss) before transfers	(1,170,920)
Transfer to governmental activities	(1,920,027)
Transfer - out	(2,254,746)
Total transfers	<u>(4,174,773)</u>
Change in net position	(5,345,693)
NET POSITION, BEGINNING	
As previously reported	61,627,099
Effect of adoption of GASB Statement No. 65	(320,394)
As adjusted	<u>61,306,705</u>
Total net position-ending	<u>\$ 55,961,012</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Resource Management Services</u>
Cash Flows From Operating Activities	
Receipts from customers	\$ 16,211,769
Payments to suppliers	(4,966,294)
Payments to employees	(4,550,554)
Net cash provided by operating activities	<u>6,694,921</u>
 Cash Flows From Noncapital Financing Activities	
Subsidies to other funds	(2,254,745)
Federal & State operating grants	285,012
Net cash provided (used) by noncapital financing activities	<u>(1,969,733)</u>
 Cash Flows From Capital and Related Financing Activities	
Proceeds from sale of capital assets	5,000
Acquisition of capital assets	(6,173,894)
Principal paid on capital debt	(529,423)
Interest paid on capital debt	(653,438)
Net cash provided (used) by capital and related financing activities	<u>(7,351,755)</u>
 Cash Flows From Investing Activities	
Interest and dividends	3,847,287
Sales of investments	30,301,725
Purchase of investments	(24,448,443)
Net cash provided (used) by investing activities	<u>9,700,569</u>
 Net increase (decrease) in cash and cash equivalents	7,074,002
 Cash and cash equivalents (including restricted) beginning of year	<u>16,375,998</u>
Cash and cash equivalents end of year	<u><u>\$ 23,450,000</u></u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEAR ENDED DECEMBER 31, 2013
(CONTINUED)**

		<u>Resource Management Services</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	\$	(628,961)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities		
Depreciation expense		4,238,957
Changes in assets and liabilities		
(Increase) decrease accounts receivable trade		416,514
(Increase) decrease prepaid expenses		458
Increase (decrease) accounts payable		1,520,473
Increase (decrease) accrued payroll		16,159
Increase (decrease) compensated absences payable		11,571
Increase (decrease) post employment benefit payable		699,871
Increase (decrease) escrow funds payable		419,879
Total adjustments		<u>7,323,882</u>
Net cash provided (used) by operating activities	\$	<u>6,694,921</u>
Non-cash investing, capital and financing activities:		
Net increase (decrease) in fair value of investments	\$	<u>(1,652,680)</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2013**

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 2,006,358	\$ 3,071,212
Investments at fair value		
Long-term CDs	2,618,867	
U.S. treasury/government	8,183,769	-
Corporate bonds	8,217,545	-
Municipal bonds	768,861	-
Common stocks	34,798,703	-
Mutual funds	30,282,694	-
Real estate funds	8,039,328	-
Receivables (net of allowance)		
Accounts receivable	-	40
Delinquent taxes (non-county)	-	4,119,159
Cost & fines (non-county)	-	10,311,414
Interest receivable	160,396	-
Due from other funds	-	5,708
Total assets	95,076,521	17,507,533
LIABILITIES		
Accounts payable	84,156	265,112
Due to other funds	-	681
Due to other governments	-	1,783,139
Escrow	-	15,447,101
Interfund loans	-	11,500
Total liabilities	84,156	17,507,533
NET POSITION		
Held in trust for pension benefits	\$ 94,992,365	\$ -

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2013**

	Pension Trust Fund
ADDITIONS	
Contributions	
Employees	\$ 2,019,170
Employer	2,270,135
Total contributions	4,289,305
Investment earnings	
Net increase in fair value of investments	14,266,522
Interest & dividends	1,885,898
	16,152,420
Less: Investment management fees	(575,334)
Total investment income - net	15,577,086
Total additions	19,866,391
 DEDUCTIONS	
Benefit payments	4,127,678
Refunds of employee contributions	888,546
Death benefits	42,108
Total deductions	5,058,332
Net increase in net position	14,808,059
Plan net position at beginning of year	80,184,306
Plan net position at end of year	\$ 94,992,365

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2013**

	Governmental Activities		Business-Type Activities			Total
	Soil Conservation	Industrial Development Authority	Recreation Authority	Water & Sewer Authority	Airport Authority	
ASSETS						
Cash and cash equivalents	\$ 341,299	\$ 3,274	\$ 8,031	\$ 1,687,751	\$ 509,388	\$ 2,549,743
Investments at fair value	-	-	-	-	-	-
Receivables (net of allowances)						
Accounts receivable	-	-	-	326,527	21,720	348,247
Due from other governments	167,349	625,000	-	3,011	-	795,360
Inventory	-	-	66,832	14,087	-	80,919
Prepaid items	-	-	17,481	170,292	91,131	278,904
Prepaid bond insurance & discount	-	-	100,083	-	-	100,083
Restricted assets						
Cash and cash equivalents	-	-	353,056	-	198,787	551,843
Due from other governments	-	-	-	-	103,326	103,326
Capital assets						
Land	-	-	-	1,347,057	1,206,045	2,553,102
Improvements	-	-	-	-	614,801	614,801
Building & improvements	-	-	-	19,957,574	4,358,009	24,315,583
Machinery & equipment	-	-	581,938	1,912,382	634,818	3,129,138
Infrastructure	-	-	-	27,493,991	19,666,259	47,160,250
Construction in progress	-	-	-	514,319	1,252,066	1,766,385
Easements	-	-	-	420,155	-	420,155
Other assets	-	-	-	17,514	612,682	630,196
Total assets	508,648	628,274	1,127,421	53,864,660	29,269,032	85,398,035
DEFERRED OUTFLOWS OF RESOURCES						
Unamortized refunding charges	-	-	246,503	-	-	246,503
Total deferred outflows of resources	-	-	246,503	-	-	246,503

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2013
(CONTINUED)

	Governmental Activities		Business-Type Activities			Total
	Soil Conservation	Industrial Development Authority	Recreation Authority	Water & Sewer Authority	Airport Authority	
LIABILITIES						
Accounts payable	-	625,000	134,594	137,050	107,775	1,004,419
Payroll and related payables	-	-	25,116	30,534	19,886	75,536
Accrued interest payable	-	-	365,050	709,684	-	1,074,734
Due to primary government	59,763	-	1,283,320	-	-	1,343,083
Due to other governments	-	-	-	56,035	-	56,035
Unearned revenues	209,222	-	311,085	17,426	281,605	819,338
Line of credit	-	-	364,483	1,500,000	-	1,864,483
Escrow funds payable	-	-	-	-	12,500	12,500
Long term liabilities						
Due within one year	-	-	275,552	1,051,519	12,946	1,340,017
Due in more than one year	-	-	4,895,352	32,305,514	88,275	37,289,141
Compensated absences	-	-	-	32,231	-	32,231
Total liabilities	268,985	625,000	7,654,552	35,839,993	522,987	44,911,517
NET POSITION						
Net investment in capital assets	-	-	(4,345,463)	13,853,059	27,552,200	37,059,796
Restricted for:						
Public works	-	-	-	60,479	-	60,479
Conservation & development	110,068	-	353,056	-	-	463,124
Unrestricted	129,595	3,274	(2,288,221)	4,111,129	1,193,845	3,149,622
Total net position	\$ 239,663	\$ 3,274	\$ (6,280,628)	\$ 18,024,667	\$ 28,746,045	\$ 40,733,021

See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2013

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position					Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Soil Conservation	Industrial Development Authority	Recreation Authority	Water & Sewer Authority	Airport Authority	
Governmental activities										
Conservation & development										
Soil Conservation	\$ 407,668	\$ 61,906	\$ 380,351	\$ -	\$ 34,589	\$ -	\$ -	\$ -	\$ -	\$ 34,589
Industrial Development Authority	632,084	7,630	-	625,000	-	546	-	-	-	546
Total governmental activities	<u>1,039,752</u>	<u>69,536</u>	<u>380,351</u>	<u>625,000</u>	<u>34,589</u>	<u>546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,135</u>
Business-type activities										
Recreation Authority	1,984,600	1,481,962	-	-	-	-	(502,638)	-	-	(502,638)
Water & Sewer Authority	5,221,508	4,576,751	-	1,384,226	-	-	739,469	-	-	739,469
Airport Authority	2,475,925	1,213,201	29,915	1,300,212	-	-	-	67,403	67,403	67,403
Total business-type activities	<u>9,682,033</u>	<u>7,271,914</u>	<u>29,915</u>	<u>2,684,438</u>	<u>-</u>	<u>-</u>	<u>(502,638)</u>	<u>739,469</u>	<u>67,403</u>	<u>304,234</u>
Total component units	<u>\$ 10,721,785</u>	<u>\$ 7,341,450</u>	<u>\$ 410,266</u>	<u>\$ 3,309,438</u>	<u>34,589</u>	<u>546</u>	<u>(502,638)</u>	<u>739,469</u>	<u>67,403</u>	<u>339,369</u>
General revenues:										
Unrestricted investment earnings					227	10	64	5,502	471	6,274
Grants, contributions and other revenues not restricted to specific programs					-	-	349,378	-	7,700	357,078
Total general revenues and transfers					<u>227</u>	<u>10</u>	<u>349,442</u>	<u>5,502</u>	<u>8,171</u>	<u>363,352</u>
Changes in net position					<u>34,816</u>	<u>556</u>	<u>(153,196)</u>	<u>744,971</u>	<u>75,574</u>	<u>702,721</u>
Net position - beginning										
As previously reported					204,847	2,718	(6,074,639)	18,314,931	28,670,471	41,118,328
Effect of adoption of GASB Statement No. 65					-	-	(52,793)	(1,035,235)	-	(1,088,028)
As adjusted					<u>204,847</u>	<u>2,718</u>	<u>(6,127,432)</u>	<u>17,279,696</u>	<u>28,670,471</u>	<u>40,030,300</u>
Net position - ending					<u>\$ 239,663</u>	<u>\$ 3,274</u>	<u>\$ (6,280,628)</u>	<u>\$ 18,024,667</u>	<u>\$ 28,746,045</u>	<u>\$ 40,733,021</u>

See Notes to Financial Statements

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 and GASB Statement No. 61), “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 for which 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, 2013

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
380 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, 2013

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, 2013

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 Act 13 Gas Impact Fee 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, 2013

The County Act 13 Gas Impact Fee Fund Accounts for funds received from the State's unconventional gas well impact fees.

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 (Resource Management Services).

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

2. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/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 estimated collection percentages 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 non-spendable fund balance, which indicates that the inventories do not constitute "available, spendable resources" even though they are a component of net current assets. 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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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, 2013, 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 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,

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

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 insurance 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 insurance 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. Insurance 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, 2013

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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.

#4 ASSIGNED FUND BALANCE

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as 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 County Commissioners are the only ones authorized to assign fund balances. This is normally done verbally to the Department of Fiscal Services and no additional action is required to remove the assignment.

#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 \$13,910,210 were established:

- Inventory - \$20,917
- Prepays - \$149,470
- Non-current loans - \$12,159,823
- Non-current A/R - \$1,580,000

The following General Fund Restricted fund balances totaling \$1,323,426 were established:

- Public Safety Investments - \$1,323,426

The following General Fund Assigned fund balances totaling \$8,889,127 were established:

- OPEB contributions - \$7,940,000
- General Government agreements - \$242,839
- Judicial agreements - \$109,393
- Public Safety agreements - \$65,665
- Public Works agreements - \$531,230

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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

Judicial – Restricted funds in the amount of \$2,738,895 are to support the operation and improvement of court offices. These include the Domestic Relations Fund, DA Investigative Fund, Register & Recorder Capital Improvement Fund, Act 13 and the Prothonotary Automation Fund.

Public Safety – Restricted funds in the amount of \$2,078,925 are used to support emergency services in the County. These include the Emergency Medical Services, Haz-Mat, 911 Wireline, 911 Wireless, Act 13 and EMA Grant.

Public Works – Restricted funds in the amount of \$5,757,071 are used to support the construction and maintenance of the County's roads and bridges.

Culture & Recreation – Restricted funds in the amount of \$1,163,915 are used to support the recreation needs of the County.

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 \$288,480 are used to promote conservation practices that reduce nutrient run-off and preserve farm lands from development.

New Accounting Pronouncements

The County adopted Governmental Accounting Standards Board ("GASB") Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and No. 34* for the year ended December 31, 2013. GASB No. 61 improves financial reporting for a governmental financial reporting entity by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The County implemented the accounting and reporting requirement of GASB 61 as of January 1, 2013. This implementation did not materially change the County's accounting and reporting policies.

The County adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended December 31, 2013. GASB No. 65 provides financial reporting guidance related to the impact of the financial statement elements of deferred outflows of resources and deferred inflows of resources, such as changes in the use of the term "deferred" in financial statement presentations. In addition, this statement also amends the financial statement element classification of certain items previously reported as assets and liabilities to more consistently align with asset, liability, deferred inflow of resources and deferred outflow of resources definitions. The County implemented the accounting and reporting requirements of GASB No. 65 as of January 1, 2013. The effect of this adoption decreased the County's governmental activity and business type activity net position by \$579,203 and \$320,394, respectively.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

The County adopted GASB statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*, for the year ended December 31, 2013. GASB No. 66 provides technical corrections to resolve conflicting guidance related to accounting for risk financing activities and the treatment of leases with scheduled rent increases. The County implemented the accounting and reporting requirements of GASB No. 66 as of January 1, 2013. The effect of this adoption did not materially change the County’s accounting and reporting policies.

3. Reconciliation of Government-Wide and Fund Financial Statements

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

The governmental funds 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 \$52,603,070 difference are as follows:

Bonds payable	\$36,444,057
Less: Deferred charges for prepaid insurance cost (to be amortized over life of debt)	(662,922)
Accrued interest payable	603,055
Compensated absences	748,739
Post employment benefits	17,699,717
Deferred current year taxes	<u>(2,229,576)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position governmental activities	<u><u>\$52,603,070</u></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 \$1,093,117 difference are as follows:

County of Lycoming, Pennsylvania
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2013 capital asset purchases	\$ 1,793,320
2013 depreciation expense	<u>(2,886,437)</u>
 Net adjustment to increase net change in fund balances-total governmental funds to arrive at changes in net position of governmental activities	 \$ <u>(1,093,117)</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 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 insurance 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 \$262,947 difference are as follows:

Debt issued or incurred issuance general obligation bonds	\$ (1,700,000)
Principal payments general obligation debt	1,497,890
Long term compensated absences	<u>(60,837)</u>

Net adjustment to increase net changes in fund balance-total governmental funds to arrive at changes in net position of governmental activities	\$ <u>(262,947)</u>
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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 2013. Appropriations lapse at the end of each year and must be re-appropriated.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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.

On occasion, unbudgeted funds may be created to meet special circumstances that have developed during the year. During 2013, no new unbudgeted funds were created.

5. Excess of Expenditures over Appropriations

For the year ended December 31, 2013, 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	\$ 84,163	\$ 87,809
Register & Recorder Capital Fund	\$ 180,000	\$ 196,682
Haz-Mat	\$ 104,362	\$ 118,874
911 Wireless	\$ 1,021,417	\$ 1,234,019
EMA Grant	\$ 12,657	\$ 13,288
PCCD JAIBG/Aftercare	\$ 73,400	\$ 85,623
Act 44 Bridge Fund	\$ 2,000	\$ 10,612
EDPS Flood Mitigation Projects	\$ 575,904	\$ 2,147,492
EDPS Environmental Projects	\$ 86,118	\$ 146,543
Farm Easements	\$ 60,200	\$ 68,706
Nutrient Trading Program	\$ 20,869	\$ 60,245
Miscellaneous Special Revenue	\$ 10,900	\$ 29,572
Capital Project Funds		
Help America Vote Act	\$ -	\$ 746

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 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, 2013, the County had total deposits of \$53,724,640 with various financial institutions, which differs from the book balance of \$55,697,035 due to outstanding checks and deposits in transit. Of that balance \$366,452 was insured by the Federal Depository Insurance Corporation leaving \$53,358,188 uninsured and exposed to custodial credit risk of which \$44,340,498 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 \$9,017,690 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, 2013, the Statement of Net Position had the following investments:

Cash or Investment Type	Investment Maturities from December 31, 2013				
	Value	Less than 1 year	1-5 Years	6-10 Years	More than 10 years
Investments at Cost					
Long-Term CDs	\$ 18,882,076	\$ 5,117,261	\$ 13,764,815	\$ -	\$ -
Guaranteed investment contracts	4,960,000	-	-	4,960,000	-
Total investments at cost	<u>23,842,076</u>	<u>5,117,261</u>	<u>13,764,815</u>	<u>4,960,000</u>	<u>-</u>
Investments at Fair Value					
Participating Interest Earning					
Investment Contracts at fair value	4,982,092	2,703,088	1,950,367	328,637	-
Government and agency debt	35,986,594	2,411,771	11,752,571	9,449,996	12,372,256
Total investments at fair value	<u>40,968,686</u>	<u>5,114,859</u>	<u>13,702,938</u>	<u>9,778,633</u>	<u>12,372,256</u>
Total investments	<u>\$ 64,810,762</u>	<u>\$ 10,232,120</u>	<u>\$ 27,467,753</u>	<u>\$ 14,738,633</u>	<u>\$ 12,372,256</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 \$40,946,594 in U.S. Treasury bills and related agency debt. This includes a carrying amount of \$4,960,000 of guaranteed investment contracts.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

#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.

#3 The County currently has \$23,864,168 in long-term certificates of deposit with local banking institutions. Of that amount, \$1,936,000 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, 2013, the bank balance was \$5,207,823, which differs from the book balance of \$3,071,212 due to outstanding checks and deposits in transit, with \$500,000 being insured by the Federal Depository Insurance Corporation. The remaining balance \$4,707,823 was exposed to custodial risk, with \$4,543,427 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 \$164,396 in uninsured I.O.L.T.A. accounts.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 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, 2013, the Retirement Board had the following cash and investments in its Pension Trust Fund:

Cash or Investment Type	Value	Investment Maturities from December 31, 2013			
		Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Fixed Income Securities	\$ 8,183,769	\$ -	\$ 1,350,606	\$ 1,513,482	\$ 5,319,681
Mutual Funds	30,282,694	-	30,282,694	-	-
Corporate Bonds	8,217,545	48,799	3,815,053	3,225,270	1,128,423
Municipal Bonds	768,861	-	355,084	84,794	328,983
Long-Term CDs	2,618,867	-	2,618,867	-	-
Real Estate	8,039,328	-	8,039,328	-	-
Total Debt Securities	<u>\$ 58,111,064</u>	<u>\$ 48,799</u>	<u>\$ 46,461,633</u>	<u>\$ 4,823,545</u>	<u>\$ 6,777,087</u>
Cash & cash equivalents	\$ 2,006,358				
Equity Securities	<u>34,798,703</u>				
Total cash and other investments	<u>\$ 36,805,061</u>				
Total cash and investment reported on the Pension Trust Fund Statement of Net Position	<u>\$ 94,916,125</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.

County of Lycoming, Pennsylvania
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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 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, 2013, 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	1.77%
Corporate Bonds	AA+	2.65%
Corporate Bonds	AA	5.51%
Corporate Bonds	AA-	6.78%
Corporate Bonds	A+	9.44%
Corporate Bonds	A	13.46%
Corporate Bonds	A-	16.39%
Corporate Bonds	BBB+	8.53%
Corporate Bonds	BBB	5.56%
Corporate Bonds	BBB-	3.87%
Corporate Bonds	Unrated (by S&P)	26.04%
		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, 2013, the book value and bank balance of the Pension Trust Fund’s cash and deposits was \$2,006,358. 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

County of Lycoming, Pennsylvania
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Board's investment guidelines do set targets and range assets allocations for all investments. The total plan target and range allocation are as follows:

	<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

County of Lycoming, Pennsylvania
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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 “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

County of Lycoming, Pennsylvania
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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 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>	<u>Returns in excess of inflation</u>
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 ensure that there will be money available to close the landfill if the operator does not fulfill closure requirements. In 2013, 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 \$22,016,668 (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
Notes to the Financial Statements
For the Year Ended December 31, 2013

As of December 31, 2013, 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	\$ 12,286
US Treasury Note	3/1/2027	700,000	753,711
US Treasury Note	8/15/2023	3,923,760	3,814,584
US Treasury Note	1/1/2022	845,000	898,235
US Treasury Note	8/1/2026	1,465,000	1,582,200
US Treasury Note	2/15/2026	1,000,000	1,031,800
US Treasury Note	11/1/2027	1,635,000	1,798,500
US Treasury Note	7/15/2015	2,401,580	3,405,306
US Treasury Note	11/15/2021	750,000	880,305
US Treasury Note	12/1/2021	500,000	569,165
US Treasury Note	2/1/2022	500,000	501,805
US Treasury Note	5/1/2025	110,000	114,875
US Treasury Note	11/15/2025	400,000	447,752
US Treasury Note	12/1/2025	60,000	64,397
US Treasury Note	1/1/2026	500,000	535,890
US Treasury Note	2/15/2026	550,000	567,490
US Treasury Note	3/1/2027	850,000	915,221
US Treasury Note	7/15/2027	450,000	407,898
US Treasury Note	6/1/2028	120,000	123,342
US Treasury Note	6/1/2029	240,000	246,749
US Treasury Note	11/15/2031	300,000	298,473
US Treasury Note	12/1/2034	910,000	912,466
US Treasury Note	12/1/2038	105,000	100,006
US Treasury Note	6/1/2039	500,000	506,080
US Treasury Note	6/1/2039	440,000	446,393
US Treasury Note	12/1/2040	545,000	496,762
US Treasury Note	12/1/2041	585,000	584,977
		20,397,626	22,016,668
<u>Transfer Station</u>			
Certificate of Deposit	9/5/2016	12,766	13,323
<u>Wood Grinding</u>			
Certificate of Deposit	3/12/2014	178,262	178,648
	Total	\$ 20,588,654	\$ 22,208,639

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 2013, the County expended \$15,230 on projects leaving a balance as of December 31, 2013, of \$932,160.

7. Receivables

Receivables as of year-end for the governmental and business-type activities, including the applicable allowance for uncollectible accounts of \$6,039,107, are as follows:

	Governmental Activities	Business- type Activity	Total
Receivables, net:			
Taxes	\$ 2,953,091	\$ -	\$ 2,953,091
Accounts			
County Cost & Fines	4,442,975		4,442,975
Solid Waste Trade Accounts		1,281,975	1,281,975
Miscellaneous	309,844	-	309,844
Interest	620,562	473,221	1,093,783
Component Units	108,727	-	108,727
Intergovernmental	4,013,133	-	4,013,133
Loans	13,087,965	-	13,087,965
Total receivables	<u>\$25,536,297</u>	<u>\$ 1,755,196</u>	<u>\$ 27,291,493</u>

Lycoming County has provided interest and non-interest bearing loans to component unit government and non-profit organizations. As of December 31, 2013, the balances of the loans are as follows:

Loans Receivable

General Fund:

Non-Profit Organizations:

Tiadaghton Gardens	\$95,000
Lycoming County Nursing Home Association	1,910,000
SEDA-COG Joint Rail Authority	3,245,020

Component Units:

Recreation Authority	130,000
Lycoming County Water & Sewer Authority	7,707,945
Total Loans	<u>\$ 13,087,965</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 2013 was \$5,558,966,890 and the total assessed value was \$5,558,966,890.

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 2013 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 2013 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 2013, tax liens exist for 2012, 2011 and 2010 delinquent taxes.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

9. Capital Assets

Capital assets activity for the year ended December 31, 2013 are as follows:

A. Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 3,040,863	\$ 38,800	\$ -	\$ 3,079,663
Land held for sale	-	38,420	-	38,420
Buildings held for sale	-	157,780	-	157,780
Construction in progress	493,774	64,728	(351,885)	206,617
Total capital assets not being depreciated	<u>3,534,637</u>	<u>299,728</u>	<u>(351,885)</u>	<u>3,482,480</u>
Capital assets being depreciated:				
Buildings	36,126,760	-	(37,867)	36,088,893
Improvements other than buildings	1,643,912	-	-	1,643,912
Machinery & equipment	19,981,332	1,475,092	(900,083)	20,556,341
Infrastructure	11,375,201	370,385	-	11,745,586
Total capital assets being depreciated	<u>69,127,205</u>	<u>1,845,477</u>	<u>(937,950)</u>	<u>70,034,732</u>
Less accumulated depreciation for:				
Buildings	17,806,417	2,003,226	(32,983)	19,776,660
Improvements other than buildings	425,201	64,706	-	489,907
Machinery & equipment	12,578,861	438,805	(774,031)	12,243,635
Infrastructure	4,445,563	379,700	-	4,825,263
Total accumulated depreciation	<u>35,256,042</u>	<u>2,886,437</u>	<u>(807,014)</u>	<u>37,335,465</u>
Total capital assets, being depreciated, (net)	<u>33,871,163</u>	<u>(1,040,960)</u>	<u>(130,936)</u>	<u>32,699,267</u>
Governmental activities capital assets (net)	<u>\$37,405,800</u>	<u>\$ (741,232)</u>	<u>\$ (482,821)</u>	<u>\$ 36,181,747</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activity				
Capital assets not being depreciated:				
Land	\$ 2,450,020	\$ -	\$ -	\$ 2,450,020
Intangibles	-	1,654,499	-	1,654,499
Construction in progress	<u>6,151,727</u>	<u>2,526,490</u>	<u>(186,933)</u>	<u>8,491,284</u>
Total capital assets not being depreciated	<u>8,601,747</u>	<u>4,180,989</u>	<u>(186,933)</u>	<u>12,595,803</u>
Capital assets being depreciated:				
Buildings	18,186,044	-	-	18,186,044
Improvements other than buildings	53,247,555	-	-	53,247,555
Machinery & equipment	25,135,228	2,266,092	(88,757)	27,312,563
Infrastructure	<u>1,892,707</u>	<u>-</u>	<u>-</u>	<u>1,892,707</u>
Total capital assets being depreciated	<u>98,461,534</u>	<u>2,266,092</u>	<u>(88,757)</u>	<u>100,638,869</u>
Less accumulated depreciation for:				
Buildings	9,984,559	521,838	-	10,506,397
Improvements other than buildings	34,488,102	2,014,461	-	36,502,563
Machinery & equipment	13,627,036	1,646,417	(54,052)	15,219,401
Infrastructure	<u>1,012,978</u>	<u>56,241</u>	<u>-</u>	<u>1,069,219</u>
Total accumulated depreciation	<u>59,112,675</u>	<u>4,238,957</u>	<u>(54,052)</u>	<u>63,297,580</u>
Total capital assets, being depreciated, (net)	<u>39,348,859</u>	<u>(1,972,865)</u>	<u>(34,705)</u>	<u>37,341,289</u>
Business-type activity capital assets (net)	<u>\$ 47,950,606</u>	<u>\$ 2,208,124</u>	<u>\$ (221,638)</u>	<u>\$ 49,937,092</u>

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

Governmental activities:	
General government	\$1,087,701
Judicial	144,229
Public works	1,116,218
Public safety	365,179
Human services	61,781
Culture & recreation	65,613
Conservation & development	<u>45,716</u>
Total depreciation expense- governmental activities	<u><u>\$2,886,437</u></u>
Business-type activity:	
Waste disposal	<u><u>\$4,238,957</u></u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

B. Component Units Capital Assets

Water & Sewer Authority

Property, plant and equipment by category at December 31, 2013, are as follows:

	<u>2013</u>
Land	\$ 1,347,057
Easements	420,155
Buildings	22,267,485
Land improvements	4,560,216
Collection & conveyance systems	16,723,895
Processing & other equipment	2,681,158
Office equipment	357,889
Laboratory equipment	52,830
Vehicles	619,280
Armstrong Twp.	1,136,273
Booster stations	1,828,760
Water system	<u>10,362,469</u>
	62,357,467
Construction in progress	<u>514,319</u>
	62,871,786
Less: Accumulated Depreciation	<u>(11,226,308)</u>
	<u>\$ 51,645,478</u>

Depreciation expense for the year ending December 31, 2013, was \$1,265,720.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

A summary of changes in capital assets is as follows:

	Balance 12/31/2012	Additions	Transfers / Deletions	Balance 12/31/2013
Capital assets not being depreciated:				
Land	\$ 1,347,057	\$ -	\$ -	\$ 1,347,057
Easements	420,155	-	-	420,155
Construction in progress	17,747,840	1,450,142	18,683,663	514,319
Total capital assets not being depreciated	<u>19,515,052</u>	<u>1,450,142</u>	<u>18,683,663</u>	<u>2,281,531</u>
Capital assets being depreciated:				
Buildings	7,374,883	20,130	(14,872,472)	22,267,485
Land improvements	3,432,633	-	(1,127,583)	4,560,216
Collection & conveyance systems	16,056,951	642,268	(24,676)	16,723,895
Processing & other equipment	2,633,262	6,615	(41,281)	2,681,158
Office equipment	107,047	5,550	(245,292)	357,889
Laboratory equipment	52,830	-	-	52,830
Vehicles	570,340	24,465	(24,475)	619,280
Armstrong Twp.	1,128,892	7,381	-	1,136,273
Booster stations	1,403,363	-	(425,397)	1,828,760
Water system	8,880,572	114,078	(1,367,819)	10,362,469
Total capital assets being depreciated	<u>41,640,773</u>	<u>820,487</u>	<u>(18,128,995)</u>	<u>60,590,255</u>
Less accumulated depreciation	<u>10,258,206</u>	<u>1,265,720</u>	<u>297,618</u>	<u>11,226,308</u>
Total capital assets, being depreciated, (net)	<u>31,382,567</u>	<u>(445,233)</u>	<u>(18,426,613)</u>	<u>49,363,947</u>
Business-type activities capital assets (net)	<u>\$ 50,897,619</u>	<u>\$ 1,004,909</u>	<u>\$ 257,050</u>	<u>\$ 51,645,478</u>

Recreation Authority

Property, plant and equipment by category at December 31, 2013, are as follows:

Leasehold improvements	\$ 398,038
Equipment	<u>1,673,832</u>
Total	2,071,870
Accumulated Depreciation	<u>(1,489,932)</u>
Capital Assets, net	<u>\$ 581,938</u>

Depreciation expense for the year ending December 31, 2013, was \$85,288.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

A summary of changes in capital assets is as follows:

	Balance 12/31/2012	Additions	Deletions	Balance 12/31/2013
Leasehold improvements	\$ 378,125	\$ 20,264	\$ (351)	\$ 398,038
Equipment	1,828,888	46,803	(201,859)	1,673,832
Total	2,207,013	67,067	(202,210)	2,071,870
Accumulated Depreciation	(1,591,012)	(85,288)	186,368	(1,489,932)
Capital Assets, net	<u>\$ 616,001</u>	<u>\$ (18,221)</u>	<u>\$ (15,842)</u>	<u>\$ 581,938</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, 2013, property, equipment and accumulated depreciation consist of the following:

	Cost	Accumulated Depreciation	Book Value
Land & improvements	\$ 29,812,815	\$ 8,325,710	\$ 21,487,105
Building improvements	6,612,114	2,254,105	4,358,009
Furniture, fixtures and equipment	2,692,649	2,057,831	634,818
Construction in progress	1,252,066	-	1,252,066
	<u>\$ 40,369,644</u>	<u>\$ 12,637,646</u>	<u>\$ 27,731,998</u>

Depreciation expense for the year ended December 31, 2013, was \$1,310,970.

Property and equipment by category at December 31, 2013, are as follows:

	Balance 12/31/2012	Additions	Transfers / Deletions	Balance 12/31/2013
Land & improvements	\$ 29,807,625	\$ 5,190	\$ -	\$ 29,812,815
Building improvements	6,612,114	-	-	6,612,114
Furniture, fixtures and equipment	2,692,649	-	-	2,692,649
Construction in progress	199,412	1,052,654	-	1,252,066
	<u>\$ 39,311,800</u>	<u>\$ 1,057,844</u>	<u>\$ -</u>	<u>\$ 40,369,644</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

10. Interfund Receivables, Payables and Transfers

Interfund receivables and payables balances as of December 31, 2013, are as follows:

Due To / From Other Funds Fund	Due From Other Funds	Due To Other Funds
Major Funds:		
General Fund	\$ 1,884,668	\$ 5,027
Non-Major Funds:		
Domestic Relations IV-D	-	21,590
E.M.S.	-	16,218
911 Phone Tariff	-	250,000
911 Wireless	-	313,670
Highway Safety	-	28,018
PCCD JAIBG / AFTERCARE	-	1,656
Liquid Fuels	-	5,271
Community Development Block Grant	-	1,000
EDPS Flood Mitigation	-	958,683
EDPS Environmental Projects	3,802	195,677
EDPS Economic Development Projects	2,744	61,994
Growing Greener	-	3,802
Debt Service Fund	-	32,889
HAVA	-	746
Trust and Agency Funds	5,708	681
Total	<u>\$ 1,896,922</u>	<u>\$ 1,896,922</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	\$ 108,727	\$ -
Component Units:		
Soil Conservation	-	108,727
Total	<u>\$ 108,727</u>	<u>\$ 108,727</u>

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.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

Interfund Transfer & Other Financing Sources & Uses

Other Financing Sources / Uses Interfund Transfers		Transfer In	Transfer Out
Funds		In	Out
Major Funds:			
General Fund		\$ 2,254,746	\$ 3,403,472
Resource Management Services		-	2,254,746
Non-Major Funds:			
911 Wireline		-	250,000
J.A.I.B.G. / Aftercare		73,105	-
EDPS Environmental Fund		14,410	-
EDPS Economic Development Fund		8,191	-
Growing Greener		-	15,230
Farm Easement Program		50,000	-
Debt Service Funds		3,522,996	-
Total		<u>5,923,448</u>	<u>5,923,448</u>
Debt Proceeds		1,700,000	-
Total		<u>\$ 7,623,448</u>	<u>\$ 5,923,448</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.

Beyond the above transfers in 2013, the County elected to allocate \$1,920,027 of existing OPEB liability from its governmental activities to the enterprise fund, representing its portion of the net OPEB obligation.

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 2013 through 2017.

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, 2013.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

Year Ended December 31, 2013

2014	\$	52,590
2015		20,048
2016		20,048
2017		16,707
2018		-
		\$ 109,393

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

1. With ePlus in the amount of \$242,839 for upgrading the network in Third Street Plaza.
2. With Essential Management Solutions in the amount of \$65,665 for tower validation, installation, and training.
3. With Steinbacher Enterprises for demolition of HMGP buyout homes in the amount of \$122,130.
4. With ACS for digitalization and dissemination of records in the amount of \$283,031.
5. With McMahon Associates for \$118,800 to complete work on the Muncy area corridor plan.
6. With TRC Engineering in the amount of \$290,300 for Environmental assessments related to the Brownfields grant program.
7. With Green Machine Sales in the amount of \$5,036,600 for single stream recycling equipment.

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, 2013, was \$244,096. The County of Lycoming currently receives lease income from eighteen 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

	<u>County Office</u> <u>Buildings</u>	<u>White Deer</u> <u>Golf Course</u>	<u>Total</u>
2014	825,738	245,653	1,071,391
2015	551,779	242,052	793,831
2016	198,031	243,427	441,458
2017	10,890	244,542	255,432
2018	-	245,418	245,418
2019-2023	-	1,206,023	1,206,023
2024-2028	-	1,213,165	1,213,165
2029-2033	-	1,212,114	1,212,114
2034-2036	-	733,225	733,225
	\$ 1,586,438	\$ 5,585,619	\$ 7,172,057

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

The cost and carrying value of the leased facilities is \$12,145,636 and the depreciation expense is \$354,994.

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. 2007 General Obligation Bonds -
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.
3. 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.
4. 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, to 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.
5. 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.
6. Pennsylvania Infrastructure Bank (PIB) Note – On February 21, 2012, 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. To date the County has passed-through \$3.5 million 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, 2013, was \$3,245,020.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

County of Lycoming General Obligation Bonds & Notes

	Interest Rates	Final Maturity	Amount of Original Issue	Outstanding Balance 12/31/2013
Governmental activities				
2003 Bond Issue	2.65 - 5.00	2016	\$ 6,610,000	\$ 1,910,000
2007 Bond Issue-Series B	5.375 - 6.65	2038	13,840,000	12,675,000
2009 Bond Issue	4.50 - 5.00	2022	2,870,000	2,100,000
2010 Bond Issue	5.099 - 6.599	2040	10,645,289	10,434,336
2012 Bond Issue-Series B	.75 - 3.875	2036	4,995,000	4,845,000
2012 Bond Issue-Series C	1.0 - 3.25	2038	1,283,867	1,234,701
PIB Note	1.637	2022	3,500,000	3,245,020
			\$ 43,744,156	\$ 36,444,057
Business-type activity				
2010 Bond Issue	5.099 - 6.599	2040	\$ 2,979,711	\$ 2,920,664
2012 Bond Issue-Series A	.75 - 4.0	2042	12,420,000	12,170,000
2012 Bond Issue-Series C	1.0 - 3.25	2038	6,811,133	6,550,299
			\$ 22,210,844	\$ 21,640,963

B. Changes in Long Term Debt

The following summary reflects the changes in the long-term obligations payable for the year ended December 31, 2013.

	Balance 12/31/2012	Additions	Reductions/ Reallocations	Balance 12/31/2013	Due Within One Year
<u>Governmental activities:</u>					
Bonds & Note payable:					
2003 Bond Issue	\$ 2,490,000	\$ -	\$ 580,000	\$ 1,910,000	\$ 605,000
2007 Bond Issue-Series B	12,895,000	-	220,000	12,675,000	235,000
2009 Bond Issue	2,305,000	-	205,000	2,100,000	205,000
2010 Bond Issue	10,500,747	-	66,411	10,434,336	70,318
2012 Bond Issue-Series B	4,995,000	-	150,000	4,845,000	160,000
2012 Bond Issue-Series C	1,283,867	-	49,166	1,234,701	38,064
PIB Note	1,772,333	1,700,000	227,313	3,245,020	344,488
Total bonds & note payable	36,241,947	1,700,000	1,497,890	36,444,057	1,657,870
Compensated absences	687,901	2,387,368	2,326,530	748,739	504,461
Subtotal	36,929,848	4,087,368	3,824,420	37,192,796	2,162,331
Post employment benefits	15,299,016	4,320,728	1,920,027	17,699,717	-
Governmental activity long-term liabilities	\$ 52,228,864	\$ 8,408,096	\$ 5,744,447	\$ 54,892,513	\$ 2,162,331

* \$1,920,027 reallocated to Resource Management Services during 2013.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

	Balance 12/31/2012	Additions/ Reallocations	Reductions	Balance 12/31/2013	Due Within One Year
Business-type activity:					
2010 Bond Issue	\$ 2,939,253	\$ -	\$ 18,589	\$ 2,920,664	\$ 19,683
2012 Bond Issue-Series A	12,420,000	-	250,000	12,170,000	270,000
2012 Bond Issue-Series C	6,811,133	-	260,834	6,550,299	201,936
Total bonds payable	<u>22,170,386</u>	<u>-</u>	<u>529,423</u>	<u>21,640,963</u>	<u>491,619</u>
County Vacation/ Holiday Accrual	138,923	392,670	381,099	150,494	96,368
Subtotal	<u>22,309,309</u>	<u>392,670</u>	<u>910,522</u>	<u>21,791,457</u>	<u>587,987</u>
Post employment benefits	-	2,619,899	-	2,619,899	-
Long term Post & Field Closure liabilities	56,485,417	652,765	232,886	56,905,296	-
Business-type activities long-term liabilities	<u>\$ 78,794,726</u>	<u>\$ 3,665,334</u>	<u>\$ 1,143,408</u>	<u>\$ 81,316,652</u>	<u>\$ 587,987</u>

* includes \$1,920,027 in post employment benefits reallocated to Resource Management Services during 2013.

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, 2013, 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>
2014	\$ 1,657,870	\$ 1,619,814	\$ 491,619	\$ 703,022
2015	1,717,116	1,560,604	503,012	695,727
2016	1,782,848	1,498,021	508,012	687,445
2017	1,147,580	1,431,962	519,106	679,046
2018	1,175,088	1,397,452	532,520	668,368
2019-2023	5,990,455	6,374,110	2,894,794	2,858,355
2024-2028	5,352,390	5,238,184	3,597,610	2,751,337
2029-2033	6,791,842	3,802,826	4,238,158	2,121,285
2034-2038	8,484,951	1,846,536	5,185,049	1,311,830
2039-2042	2,343,917	138,666	3,171,083	369,080
Total	<u>\$ 36,444,057</u>	<u>\$ 24,908,175</u>	<u>\$ 21,640,963</u>	<u>\$ 12,845,495</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

Governmental Activities

Years	2003 Bonds Principal	2007 Bonds Principal	2009 Bonds Principal	2010 Bonds Principal	2012 Bonds Principal	PIB Note
2014	\$ 605,000	\$ 235,000	\$ 205,000	\$ 70,318	\$ 198,064	\$ 344,488
2015	635,000	245,000	210,000	78,131	198,857	350,128
2016	670,000	260,000	220,000	78,131	198,857	355,860
2017	-	275,000	225,000	82,037	203,857	361,686
2018	-	285,000	230,000	82,037	210,443	367,608
2019-2023	-	1,715,000	1,010,000	699,269	1,100,938	1,465,249
2024-2028	-	2,285,000	-	1,785,283	1,282,107	-
2029-2033	-	3,105,000	-	2,179,843	1,506,999	-
2034-2038	-	4,270,000	-	3,035,372	1,179,579	-
2039-2042	-	-	-	2,343,917	-	-
Total	<u>\$ 1,910,000</u>	<u>\$ 12,675,000</u>	<u>\$ 2,100,000</u>	<u>\$ 10,434,336</u>	<u>\$ 6,079,701</u>	<u>\$ 3,245,020</u>

Governmental Activities

Years	2003 Bonds Interest	2007 Bonds Interest	2009 Bonds Interest	2010 Bonds Interest	2012 Bonds Interest	PIB Note Interest
2014	\$ 95,500	\$ 798,469	\$ 74,006	\$ 417,548	\$ 184,109	\$ 50,182
2015	65,250	785,838	67,856	415,237	181,881	44,542
2016	33,500	772,669	62,081	412,668	178,293	38,810
2017	-	758,694	55,481	410,098	174,705	32,984
2018	-	743,913	48,450	407,399	170,627	27,063
2019-2023	-	3,448,869	103,400	1,990,193	784,529	47,119
2024-2028	-	2,870,169	-	1,751,507	616,508	-
2029-2033	-	2,057,394	-	1,360,988	384,444	-
2034-2038	-	884,106	-	863,177	99,253	-
2039-2042	-	-	-	138,666	-	-
Total	<u>\$ 194,250</u>	<u>\$ 13,120,121</u>	<u>\$ 411,274</u>	<u>\$ 8,167,481</u>	<u>\$ 2,774,349</u>	<u>\$ 240,700</u>

Business-type activity

Years	2010 Bonds Principal	2012 Bonds Principal	2010 Bonds Interest	2012 Bonds Interest
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	22,963	509,557	113,657	554,712
2019-2023	195,732	2,699,062	500,433	2,357,922
2024-2028	499,717	3,097,893	490,263	2,261,074
2029-2033	610,157	3,628,001	380,953	1,740,332
2034-2038	849,628	4,335,421	241,611	1,070,219
2039-2042	656,083	2,515,000	45,369	323,711
Total	<u>\$ 2,920,664</u>	<u>\$ 18,720,299</u>	<u>\$ 2,234,269</u>	<u>\$ 10,611,226</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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, 2013, was \$3,945,000. During 2013, the County had to act on its guaranty of the 2011 bonds. The Recreation Authority has added a new revenue stream for 2014 and County management does not anticipate the need to service this debt going forward.

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	\$1,058,986	\$5,616,014

F. Legal debt limit

The County's legal debt margin at December 31, 2013, computed in accordance with the Commonwealth of Pennsylvania's Local Government Unit Debt Act of 1972, as amended, is approximately \$166,141,313 for general obligation bonds. The County is in compliance with all applicable debt covenants at December 31, 2013.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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, 2013.

	Balance 12/31/2012	Additions	Reductions	Balance 12/31/2013	Due Within One Year
PennWorks	\$ 1,567,917	\$ -	\$ 95,429	\$ 1,472,488	\$ 97,355
Guaranteed Sewer					
Revenue Bonds					
Series of 2009	9,670,000	-	780,000	8,890,000	805,000
Series of 2011	14,645,000	-	90,000	14,555,000	90,000
Term Loan	-	731,600	-	731,600	-
Subtotal	<u>25,882,917</u>	<u>731,600</u>	<u>965,429</u>	<u>25,649,088</u>	<u>992,355</u>
Excess Capacity Agreement					
Principal	3,877,967	-	3,500	3,874,467	-
Subtotal	<u>3,877,967</u>	<u>-</u>	<u>3,500</u>	<u>3,874,467</u>	<u>-</u>
Due to Primary Government					
2007-2010 Regional Water System Loan	941,184	-	31,373	909,811	31,373
2010 Strategic Planning Loan	100,000	-	3,333	96,667	3,333
2011 Loan	2,827,000	-	-	2,827,000	24,458
Subtotal	<u>3,868,184</u>	<u>-</u>	<u>34,706</u>	<u>3,833,478</u>	<u>59,164</u>
Total due to primary government	<u>7,746,151</u>	<u>-</u>	<u>38,206</u>	<u>7,707,945</u>	<u>59,164</u>
Total	<u>\$ 33,629,068</u>	<u>\$ 731,600</u>	<u>\$ 1,003,635</u>	<u>\$ 33,357,033</u>	<u>\$ 1,051,519</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.

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.

The principal balance outstanding for the excess capacity agreement as of December 31, 2013, was \$3,874,467, with cumulative interest accrued on the loan balance of \$158,149.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 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 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.

Term Loan – In 2013, the Authority entered into a promissory note agreement with a local financial institution with a maximum principal balance of \$1,500,000 (only \$731,600 was drawn at December 31, 2013), with an advance period through June 30, 2014, due in monthly payments of accrues interest at a variable rate equal to the 1-month London Interbank Offered Rate (“LIBOR”) plus 2.35% (4.16% at December 31, 2013) on the outstanding balance, with a final payment of all outstanding principal and accrued interest on January 31, 2015.

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

amounts into a single loan agreement in the amount of \$941,184, due in monthly installments of \$2,614, maturing in December 2042.

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 include semi-annual payments of principal and interest at rates ranging from 5.099% to 6.599%, maturing in 2043. At December 31, 2013, the Authority has recorded \$426,672 as accrued interest on this loan.

The annual requirement to amortize long-term debt at December 31, 2013, is as follows:

Long Term Debt	Principal	Interest	Total
2014	\$ 1,051,519	\$ 1,218,626	\$ 2,270,145
2015	1,817,962	1,181,143	2,999,105
2016	1,113,366	1,142,066	2,255,432
2017	1,141,850	1,100,623	2,242,473
2018	1,178,937	1,056,501	2,235,438
2019-2023	10,013,272	4,472,967	14,486,239
2024-2028	5,468,607	3,273,162	8,741,769
2029-2033	6,212,445	2,094,411	8,306,856
2034-2038	4,061,383	660,764	4,722,147
2039-2043	1,274,672	401,577	1,676,249
2044	23,020	-	23,020
Total	<u>\$ 33,357,033</u>	<u>\$ 16,601,840</u>	<u>\$ 49,958,873</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

Recreation Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2013

	Balance 12/31/2012	Additions	Reductions	Balance 12/31/2013	Due Within One Year
Bonds payable	\$ 4,185,000	\$ -	\$ 240,000	\$ 3,945,000	\$ 245,000
Notes payable	1,256,198	-	30,294	1,225,904	30,552
Subtotal	<u>5,441,198</u>	<u>-</u>	<u>270,294</u>	<u>5,170,904</u>	<u>275,552</u>

The annual requirements to amortize long-term debt as of December 31, 2013, are as follows:

	Principal	Interest	Total
2014	\$ 275,552	\$ 109,673	\$ 385,225
2015	277,208	105,201	382,409
2016	398,822	100,501	499,323
2017	255,000	95,155	350,155
2018	260,000	90,055	350,055
2019-2023	1,395,000	351,920	1,746,920
2024-2027	2,309,322	115,370	2,424,692
	<u>\$ 5,170,904</u>	<u>\$ 967,875</u>	<u>\$ 6,138,779</u>

The balance of long-term debt as of December 31, 2013, 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, 2013, is \$3,945,000.

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, 2013, is \$36,864.

#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, 2013, is \$39,718.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 9,732,900 tons (83%) leaving as of December 31, 2013, an estimated remaining tonnage of 2,063,100 tons or an estimated 6.4 remaining years per the consulting engineers' 2013 annual report for fields 1 through 11. The County is currently constructing Field 12 which will extend the useful life of the landfill to December 2027 and increase the remaining tonnage to 4,544,400.

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 2013 engineer's report, the County will need an estimated \$27,552,000 to meet its field closure requirements. The estimated liability for landfill field closure as of December 31, 2013, is projected to be \$19,805,858 with the remaining balance of the liability estimated at \$7,746,142 to be recognized as field closure expenses between 2014 and the estimated site closure in 2027. The County currently uses the units of production method to record the annual liability and expense which is calculated at \$1.70 per ton of waste processed at the site using the estimated remaining tonnage of 4,544,400 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 \$26,331,486 (fair value) toward field closure. The remaining portion of the underfunded liability in the amount of \$1,220,514 (fair value) will be financed with investment earnings and user fees of \$2.14 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.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

<u>Field Closure Cost</u>	<u>12/31/2013</u>	
	<u>Accrued Liability</u>	<u>Liability Funded At Fair Value</u>
Required Liability / Funding to December 2027	\$ 27,552,000	\$ 27,552,000
Accrued Liability 12/31/13	<u>19,805,858</u>	<u>19,805,858</u>
Cash and Investments at 12/31/13		
County Closure Cash	-	4,928,197
County Closure Short Term C/D	-	
County Closure U.S. Government Securities	-	10,638,780
County Closure Long Term C/D	-	10,764,509
Total Current G/L Balances 12/31/13	<u>-</u>	<u>26,331,486</u>
Over/(Under) as of 12/31/2013		<u>\$ 6,525,628</u>
Over/(Under) as of December 2027	<u>\$ (7,746,142)</u>	<u>\$ (1,220,514)</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 2013 engineer's report, the County will need an estimated \$39,600,000 to meet its future post closure requirements. The estimated liability for landfill post closure as of December 31, 2013, is projected to be \$37,099,438 with the remaining balance of the liability estimated at \$2,500,562 to be recognized as post closure expenses between 2014 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 \$1.21 per ton of waste processed at the site using the estimated remaining tonnage for fields 1 through 11 of 2,063,100 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 \$40,505,228 (fair value) toward post closure. The remaining portion of the over funded liability in the amount of \$905,228 (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.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

<u>Post Closure Cost</u>	<u>12/31/2013</u>	
	<u>Accrued Liability</u>	<u>Liability Funded At Fair Value</u>
Required Liability / Funding to March 2020	\$ 39,600,000	\$ 39,600,000
Accrued Liability 12/31/13	<u>37,099,438</u>	<u>37,099,438</u>
Cash and Investments at 12/31/13		
Cash	-	2,090,171
Long Term C/Ds	-	8,573,588
County Closure 1997 GIC	-	4,960,000
County Closure U.S. Government Securities	-	2,864,801
State Closure C/D s	-	12,286
State Closure U.S. Government Securities	-	22,004,382
Total Current G/L Balances 12/31/13	<u>-</u>	<u>40,505,228</u>
Over/(Under) as of 12/31/2013		<u>\$ 3,405,790</u>
Over/(Under) as of May 2020	<u>\$ (2,500,562)</u>	<u>\$ 905,228</u>

15. Joint Ventures

Lycoming-Clinton Mental Health and Intellectual Disabilities Joinder Board administers and coordinates mental health and intellectual disabilities 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, 2013

Statement of Net Assets as of 06/30/13

Assets:	
Cash and cash equivalents	\$ 2,879,367
Receivables (net of allowance)	6,283,477
Loan receivable	3,198
Other Assets	528,088
Capital assets (net of depreciation)	515,946
Total assets	10,210,076
Liabilities:	
Accounts payable	\$ 5,115,774
Payroll taxes payable	430,059
Unearned revenues	4,059,516
Line of Credit Payable	70,541
Long term liabilities	
Due within more than one year	344,601
Total liabilities	10,020,491
Net Assets	
Investment in capital assets net of related debt	515,946
Unrestricted	(326,361)
	\$ 189,585

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, 2013

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, 2013, 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, 2013, the retirement system membership consisted of:

Retirees and Beneficiaries Receiving Benefits	295
Terminated Members Entitled to Benefits but not yet receiving them	37
Active Plan Members	514
Total	<u>846</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, 2013

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, 2013

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 2013 was determined based upon the most recent actuarial valuation date, January 1, 2013, 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 \$25,196,396 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, 2013.

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, 2013, amount to \$40,078,370.

County Annuity Reserve Account - The balance of \$14,909,540 in this account as of January 1, 2013, 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, 2013

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
12/31/2011	\$ 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
12/31/2013	2,296,855	2,270,135	98.84%	2,296,855	644,773

Funded Status and Funded Progress

Actuarial value of assets	\$ 79,591,459
Actuarial accrued liability (1)	\$ 96,207,555
Unfunded actuarial	\$ 16,616,096
Funded Ratio	82.7%
Annual covered payroll	\$ 21,986,104
Unfunded actuarial liability as a % of covered payroll	75.6%

(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)
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)
2013	2,270,134	(47,005)	73,726	2,296,855	2,270,135	26,720	(644,773)

* 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 2013 actuarial valuation including determination of County's annual required contribution for 2013 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, 2013

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	322
Active Members	510

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 2013, the County incurred \$1,215,496 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, 2013, 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, 2013

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	\$	6,524,989
Interest on net OPEB obligation		611,961
Adjustment to annual required contribution		<u>(900,855)</u>
Annual OPEB cost		6,236,095
Contributions made		<u>(1,215,496)</u>
Increase (decrease) in net OPEB obligation		5,020,599
Net OPEB obligation, beginning of year		15,299,016
Net OPEB obligation, end of year		<u><u>\$ 20,319,615</u></u>

Funded Status and Funded Progress

Actuarial value of assets	\$	-
Actuarial accrued liability (1)		\$ 68,439,569
Unfunded actuarial		\$ 68,439,569
Funded Ratio		0.0%
Annual covered payroll		\$ 21,986,104
Unfunded actuarial liability as a % of covered payroll		311.3%

(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
2011	\$ 4,757,090	\$ 1,013,441	21.30%	\$ 11,375,174
2012	5,094,846	1,171,004	22.98%	15,299,016
2013	6,236,095	1,215,496	19.49%	20,319,615

As of January 1, 2013, 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 21.2% from 2012 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 \$21,986,104 and the ratio of the UAAL to the covered payroll was 311.3%.

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, 2013

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, 2013, 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 7%, grading to 6% in 1 year; (6) projected salary increases of 4.5% per year; (7) medical rates are based on the 2013 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. Effect of Adoption of GASB Statement No. 65

The County adopted GASB Statement No. 65 for its calendar year ended December 31, 2013, which requires that the effects be applied to the earliest period presented. The changes within the County's December 31, 2012, assets and net position are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activity (RMS)</u>	<u>Component Units</u>
Total assets, as previously reported, at December 31, 2012	\$ 102,444,803	\$ 142,019,812	\$ 87,152,686
Deferred Charges (Bond issuance costs)	(579,203)	(320,394)	(1,088,028)
Restated total assets at December 31, 2012	<u>\$ 101,865,600</u>	<u>\$ 141,699,418</u>	<u>\$ 86,064,658</u>
Net position - as previously reported at December 31, 2012	\$ 43,146,319	\$ 61,627,099	\$ 41,118,328
Effect of adoption of GASB Statement No. 65	(579,203)	(320,394)	(1,088,028)
Restated net position at January 1, 2013	<u>\$ 42,567,116</u>	<u>\$ 61,306,705</u>	<u>\$ 40,030,300</u>

20. 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 statements 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.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

21. Pending Governmental Accounting Standards Board Pronouncements

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 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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2013

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.

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. The objective of this statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The requirements of this Statement will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and nonemployer contributing entities. This benefit will be achieved without the imposition of significant additional costs. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68. GASB 71 is effective for the County's calendar year 2015 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.

22. SUBSEQUENT EVENTS

On January 16, 2014, the County Commissioners approved an amendment to County Policy Number 503, Health Insurance Coverage for Retirees. The amendment ended Other Post-Employment Benefits for employees hired on 01/01/2014 and thereafter.

In June 2014, the County issued its General Obligation Bonds, Series of 2014, in the face amount of \$6,830,000, for the purpose of refunding, on an advance basis, a pro-rata portion of each maturity of the County's General Obligation Bonds, Series B of 2007, finance a portion of the costs of various on-going capital improvement projects, and pay the costs of issuing the bonds. The bonds are due in varying annual installments plus interest at rates ranging from 0.35% to 3.3%, with final maturity scheduled for August 2038.

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)
1/1/2011	\$ 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%
1/1/2013	\$ 79,591,459	\$ 96,207,555	\$ 16,616,096	82.73%	\$ 21,986,104	75.58%

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)
1/1/2011	\$ -	\$ 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%
1/1/2013	\$ -	\$ 68,439,569	\$ 68,439,569	0.00%	\$ 21,986,104	311.29%

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, 2013**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 27,380,439	\$ 27,380,439	\$ 27,302,944	\$ (77,495)
Licenses & permits	43,000	43,000	46,350	3,350
Intergovernmental	12,541,984	12,541,984	10,708,308	(1,833,676)
Charge for services	4,012,760	4,012,760	4,089,544	76,784
Sale of county products	118,800	118,800	110,889	(7,911)
Investment earnings	429,244	429,244	402,847	(26,397)
Cost & fines	1,008,625	1,008,625	1,742,737	734,112
Micellaneous	1,346,272	1,346,272	1,412,989	66,717
Total revenues	<u>46,881,124</u>	<u>46,881,124</u>	<u>45,816,608</u>	<u>(1,064,516)</u>
EXPENDITURES				
Current				
General government	10,193,433	11,639,387	9,096,881	2,542,506
Judicial	7,219,273	7,764,400	7,631,501	132,899
Public safety	13,723,654	14,503,675	13,962,895	540,780
Public works	1,023,625	1,462,242	1,116,947	345,295
Human services	8,858,384	8,882,915	7,195,842	1,687,073
Culture & recreation	1,239,092	1,239,092	1,234,424	4,668
Conservation & development	1,225,575	1,166,509	1,214,682	(48,173)
Miscellaneous	9,084,986	9,466,365	9,279,127	187,238
Capital outlay	2,581,711	1,805,662	1,793,320	12,342
Total expenditures	<u>55,149,733</u>	<u>57,930,247</u>	<u>52,525,619</u>	<u>5,404,628</u>
Excess (deficiency) of revenues over expenditures	<u>(8,268,609)</u>	<u>(11,049,123)</u>	<u>(6,709,011)</u>	<u>4,340,112</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	2,646,600	2,646,600	2,254,745	(391,855)
Transfer out	(3,533,489)	(3,533,489)	(3,403,472)	130,017
Proceeds from debt	4,700,000	4,700,000	1,700,000	(3,000,000)
Total other financing sources (uses)	<u>3,813,111</u>	<u>3,813,111</u>	<u>551,273</u>	<u>(3,261,838)</u>
Net change in fund balance	(4,455,498)	(7,236,012)	(6,157,738)	1,078,274
Fund balances-beginning	41,736,695	41,128,200	46,139,435	5,011,235
Fund balances-ending	<u>\$ 37,281,197</u>	<u>\$ 33,892,188</u>	<u>\$ 39,981,697</u>	<u>\$ 6,089,509</u>

Budgets are prepared on the modified accrual basis of accounting

**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, 2013**

	<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	\$ 4,000,000	\$ 4,000,000	\$ 4,539,130	\$ 539,130
Investment earnings	3,200	3,200	5,577	2,377
Total revenues	<u>4,003,200</u>	<u>4,003,200</u>	<u>4,544,707</u>	<u>541,507</u>
EXPENDITURES				
General government	1,215,757	1,005,757	4,167	1,001,590
Judicial	84,243	209,243	164,402	44,841
Public safety	2,600,000	2,000,000	6,065	1,993,935
Public works	-	600,000	753,105	(153,105)
Human services	-	85,000	85,000	-
Culture & recreation	100,000	100,000	34,672	65,328
Total human services	<u>4,000,000</u>	<u>4,000,000</u>	<u>1,047,411</u>	<u>2,952,589</u>
Total expenditures	<u>4,000,000</u>	<u>4,000,000</u>	<u>1,047,411</u>	<u>2,952,589</u>
Excess (deficiency) of revenues over expenditures	3,200	3,200	3,497,296	3,494,096
Fund balance at beginning of year	-	-	3,756,691	3,756,691
Fund balance at end of year	<u>\$ 3,200</u>	<u>\$ 3,200</u>	<u>\$ 7,253,987</u>	<u>\$ 7,250,787</u>

OTHER INFORMATION

**COUNTY OF LYCOMING, PENNSYLVANIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS				
Cash & cash equivalents	\$ 5,480,047	\$ -	\$ -	\$ 5,480,047
Receivables				
Accounts	98,986	-	-	98,986
Due from other funds	6,546	-	-	6,546
Due from other governments	1,657,155	-	746	1,657,901
Prepaid expense	-	32,889	-	32,889
Total assets	<u>\$ 7,242,734</u>	<u>\$ 32,889</u>	<u>\$ 746</u>	<u>\$ 7,276,369</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 516,016	\$ -	\$ -	\$ 516,016
Payroll payable	380	-	-	380
Due to other funds	1,857,579	32,889	746	1,891,214
Unearned revenues	95,460	-	-	95,460
Total liabilities	<u>2,469,435</u>	<u>32,889</u>	<u>746</u>	<u>2,503,070</u>
Fund Balances (Deficits)				
Restricted for:				
Judicial	2,569,587	-	-	2,569,587
Public safety	427,196	-	-	427,196
Public works	555,876	-	-	555,876
Culture & recreation	932,160	-	-	932,160
Assigned for:				
Conservation & development	288,480	-	-	288,480
Total fund balances	<u>4,773,299</u>	<u>-</u>	<u>-</u>	<u>4,773,299</u>
Total liabilities and fund balances	<u>\$ 7,242,734</u>	<u>\$ 32,889</u>	<u>\$ 746</u>	<u>\$ 7,276,369</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, 2013

	<u>Special Revenues</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
REVENUES				
Intergovernmental revenues	\$ 9,222,899	\$ -	\$ 746	\$ 9,223,645
Charge for services	2,251,429	-	-	2,251,429
Investment earnings	5,488	-	-	5,488
Court cost & fines	160,129	-	-	160,129
Miscellaneous income	268,457	-	-	268,457
	<u>11,908,402</u>	<u>-</u>	<u>746</u>	<u>11,909,148</u>
EXPENDITURES				
Current				
General government	-	-	746	746
Judicial	299,475	-	-	299,475
Public safety	2,181,522	-	-	2,181,522
Public works	3,515,627	-	-	3,515,627
Human services	5,373,676	-	-	5,373,676
Culture & recreation	4,816	-	-	4,816
Conservation & development	128,951	-	-	128,951
Debt service	<u>-</u>	<u>3,522,996</u>	<u>-</u>	<u>3,522,996</u>
	<u>11,504,067</u>	<u>3,522,996</u>	<u>746</u>	<u>15,027,809</u>
Excess (deficiency) of revenues over expenditures	<u>404,335</u>	<u>(3,522,996)</u>	<u>-</u>	<u>(3,118,661)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	145,707	3,522,996	-	3,668,703
Transfer out	<u>(265,230)</u>	<u>-</u>	<u>-</u>	<u>(265,230)</u>
	<u>(119,523)</u>	<u>3,522,996</u>	<u>-</u>	<u>3,403,473</u>
Net Change in fund balances	284,812	-	-	284,812
Fund balances at beginning of year	4,488,487	-	-	4,488,487
Fund balances at end of year	<u>\$ 4,773,299</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,773,299</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 27,380,439	\$ 27,302,944	\$ (77,495)
Licenses & permits	43,000	46,350	3,350
Intergovernmental	12,541,984	10,708,308	(1,833,676)
Charge for services	4,012,760	4,089,544	76,784
Sale of county products	118,800	110,889	(7,911)
Investment earnings	429,244	402,847	(26,397)
Cost & Fines	1,008,625	1,742,737	734,112
Miscellaneous	1,346,272	1,412,989	66,717
Total revenues	<u>46,881,124</u>	<u>45,816,608</u>	<u>(1,064,516)</u>
EXPENDITURES			
General government			
Commissioners	414,023	394,658	19,365
Solicitors	140,400	138,828	1,572
Executive Plaza	262,208	247,501	14,707
Courthouse	701,730	688,887	12,843
Lysock Complex	227,990	193,114	34,876
Route 405 Property	8,191	32,900	(24,709)
Third Street Plaza	1,290,800	1,350,670	(59,870)
Pre-Release Building	137,350	113,397	23,953
Voters Registration	178,209	169,419	8,790
Conduct of Elections	157,059	145,267	11,792
Tax Assessment	388,060	373,275	14,785
Re-Assessment	173,868	223,123	(49,255)
Treasurer	212,801	201,720	11,081
Controller	238,734	233,393	5,341
Fiscal Services	459,705	443,478	16,227
Tax Collector	148,050	137,056	10,994
Central Collections	555,681	516,685	38,996
Inventory Outlay	1,664,720	121,450	1,543,270
Contingency fund	916,424	48,071	868,353
E.D.P.S. Planning Commission	1,026,705	1,052,740	(26,035)
E.D.P.S. County Zoning	115,528	124,968	(9,440)
E.D.P.S. G.I.S.	171,400	166,291	5,109
Management Information	1,627,190	1,595,562	31,628
Central Telephone	39,497	36,312	3,185
Mail Services	41,007	41,637	(630)
Printing	80,285	84,844	(4,559)
Record Retention	7,079	2,651	4,428
Human Resources	254,693	231,984	22,709
Gen. Gov Agency	-	(13,000)	13,000
Total general government	<u>11,639,387</u>	<u>9,096,881</u>	<u>2,542,506</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, 2013
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Judicial			
Register & Recorder	\$ 356,180	\$ 383,765	\$ (27,585)
Sheriff	786,181	783,406	2,775
Coroner	211,971	222,442	(10,471)
Prothonotary	425,115	385,090	40,025
Domestic Relations	1,029,342	1,022,465	6,877
Public Defenders	622,655	610,893	11,762
District Attorney	1,371,452	1,367,765	3,687
Narcotics Enforcement Unit	15,991	2,973	13,018
Courts	1,751,040	1,713,085	37,955
Jury Commissioners	33,058	33,706	(648)
Constables	185,500	206,015	(20,515)
District Magistrate 29-1-01	147,448	149,013	(1,565)
District Magistrate 29-1-02	111,939	112,017	(78)
District Magistrate 29-3-04	150,175	148,566	1,609
District Magistrate 29-3-02	122,470	119,994	2,476
District Magistrate 29-3-03	164,008	155,280	8,728
District Magistrate 29-3-01	146,368	147,476	(1,108)
Inventory Outlay	133,507	20,072	113,435
Gen. Gov Agency	-	47,478	(47,478)
Total judicial	<u>7,764,400</u>	<u>7,631,501</u>	<u>132,899</u>
Public safety			
Adult Probation	1,200,691	1,165,297	35,394
Juvenile Probation	1,477,732	1,488,956	(11,224)
Juvenile Placements	3,130,268	2,494,922	635,346
County Prison	5,429,338	4,896,615	532,723
Pre-Release Center	2,086,572	2,104,878	(18,306)
D.U.I Center	117,543	167,326	(49,783)
Act 198	45,000	61,875	(16,875)
Central Processing Center	47,679	35,082	12,597
Communications	381,102	664,535	(283,433)
Emergency Management Agency	285,337	273,029	12,308
Emergency Medical Services	38,814	22,280	16,534
S.A.R.A. Title III (Haz-Mat)	24,797	38,601	(13,804)
Inventory Outlay	227,802	137,438	90,364
Gen. Gov Agency	-	402,061	(402,061)
Outside Agencies			
Lyc. Cnty. Fire Police	1,000	-	1,000
West Branch Firemen Assoc	10,000	10,000	-
Total public safety	<u>14,503,675</u>	<u>13,962,895</u>	<u>540,780</u>
Public works			
E.D.P.S. Flood Mitigation	120,367	119,525	842
E.D.P.S. Economic Development	1,008,625	703,780	304,845
E.D.P.S. Environmental	135,000	94,129	40,871
Outside Agencies			
Airport	102,250	102,250	-
Airport ATC Services	96,000	97,263	(1,263)
Total public works	<u>1,462,242</u>	<u>1,116,947</u>	<u>345,295</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, 2013
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Human services			
Children & Youth	\$ 8,497,745	\$ 6,809,863	\$ 1,687,882
Military affairs	153,420	154,230	(810)
Outside Agencies			
Mental Health	168,750	168,750	-
Camp Cadet	3,000	3,000	-
Senior Citizen	10,000	10,000	-
C.A.P.P.A.	50,000	50,000	-
Total human services	<u>8,882,915</u>	<u>7,195,843</u>	<u>1,687,072</u>
Culture & Recreation			
Outside Agencies			
Library	1,139,192	1,139,192	-
Lycoming Historical Society	10,000	10,000	-
Community Arts Center	89,900	85,232	4,668
Total culture & recreation	<u>1,239,092</u>	<u>1,234,424</u>	<u>4,668</u>
Conservation & development			
County Farm	88,091	74,214	13,877
Cooperative Extension	156,693	149,025	7,668
Soil Conservation	71,568	189,268	(117,700)
Inventory Outlay	9,852	9,319	533
Outside Agencies			
S.E.D.A.	23,535	23,222	313
Industrial Development	6,770	-	6,770
Visitors Bureau	810,000	769,634	40,366
Total conservation & development	<u>1,166,509</u>	<u>1,214,682</u>	<u>(48,173)</u>
Miscellaneous expenditures			
Non government rev. & exp.	(467,420)	(51,311)	(416,109)
Employee benefits			
Employee fringe	12,682,200	12,275,577	406,623
Reimb. fringe benefits	(2,998,415)	(3,179,776)	181,361
Insurance	250,000	234,637	15,363
Total miscellaneous expenditures	<u>9,466,365</u>	<u>9,279,127</u>	<u>187,238</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, 2013
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Capital Outlay			
General Government	\$ 1,019,885	\$ 926,935	\$ 92,950
Judicial	6,693	287,186	(280,493)
Public Safety	772,284	573,174	199,110
Conservation & Development	6,800	6,025	775
Total capital outlay	<u>1,805,662</u>	<u>1,793,320</u>	<u>12,342</u>
Total expenditures	<u>57,930,247</u>	<u>52,525,620</u>	<u>5,404,627</u>
Excess (deficiency) revenues over expenditures	<u>(11,049,123)</u>	<u>(6,709,012)</u>	<u>4,340,111</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	2,646,600	2,254,746	(391,854)
Transfer out	(3,533,489)	(3,403,472)	130,017
Proceeds from debt	4,700,000	1,700,000	(3,000,000)
Total other financing sources (uses)	<u>3,813,111</u>	<u>551,274</u>	<u>(3,261,837)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(7,236,012)	(6,157,738)	1,078,274
Fund balance beginning of year	41,128,200	46,139,435	5,011,235
Fund balance at end of year	<u>\$ 33,892,188</u>	<u>\$ 39,981,697</u>	<u>\$ 6,089,509</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

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 Pass-Thru Grants

Accounts for 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

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013**

	Domestic Relations IV-D	D.A. Investigative Fund	Register & Recorder Capital Fund	Prothonotary Automation Fund
ASSETS				
Cash and cash equivalents	\$ 2,213,480	\$ 116,451	\$ 159,531	\$ 76,820
Receivables (net of allowance)			-	
Accounts receivable trade	1,983	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	26,641	-	-	-
Total assets	<u>\$ 2,242,104</u>	<u>\$ 116,451</u>	<u>\$ 159,531</u>	<u>\$ 76,820</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ 172	\$ -	\$ 3,384
Payroll payable	-	-	-	-
Due to other funds	21,590	-	-	-
Unearned revenues	-	-	-	173
Total liabilities	<u>21,590</u>	<u>172</u>	<u>-</u>	<u>3,557</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	2,220,514	116,279	159,531	73,263
Public safety	-	-	-	-
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>2,220,514</u>	<u>116,279</u>	<u>159,531</u>	<u>73,263</u>
Total liabilities and fund equity	<u>\$ 2,242,104</u>	<u>\$ 116,451</u>	<u>\$ 159,531</u>	<u>\$ 76,820</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(CONTINUED)**

	Emergency Medical Services	Haz-Mat	911 Wireline	911 Wireless
ASSETS				
Cash and cash equivalents	\$ 66,355	\$ 92,026	\$ 347,484	\$ 475,802
Receivables (net of allowance)			-	
Accounts receivable trade	-	-	48,986	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	22,896	-	-	-
Total assets	<u>\$ 89,251</u>	<u>\$ 92,026</u>	<u>\$ 396,470</u>	<u>\$ 475,802</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 20,998	\$ -	\$ 2,752	\$ -
Payroll payable	-	380	-	-
Due to other funds	16,218		250,000	313,670
Unearned revenues	-	31,345	-	-
Total liabilities	<u>37,216</u>	<u>31,725</u>	<u>252,752</u>	<u>313,670</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	52,035	60,301	143,718	162,132
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>52,035</u>	<u>60,301</u>	<u>143,718</u>	<u>162,132</u>
Total liabilities and fund equity	<u>\$ 89,251</u>	<u>\$ 92,026</u>	<u>\$ 396,470</u>	<u>\$ 475,802</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(CONTINUED)**

	<u>Emergency Management Agency</u>	<u>Highway Safety</u>	<u>J.A.I.B.G./ Aftercare Grant</u>	<u>Liquid Fuels</u>
ASSETS				
Cash and cash equivalents	\$ 15,975	\$ -	\$ -	\$ 463,010
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	33,407	2,271	-
Total assets	<u>\$ 15,975</u>	<u>\$ 33,407</u>	<u>\$ 2,271</u>	<u>\$ 463,010</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 2,829	\$ 5,085	\$ 615	\$ 99,928
Payroll payable	-	-	-	-
Due to other funds	-	28,018	1,656	5,271
Unearned revenues	4,136	304	-	-
Total liabilities	<u>6,965</u>	<u>33,407</u>	<u>2,271</u>	<u>105,199</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	9,010	-	-	-
Public works	-	-	-	357,811
Culture & recreation	-	-	-	-
Total fund equity	<u>9,010</u>	<u>-</u>	<u>-</u>	<u>357,811</u>
Total liabilities and fund equity	<u>\$ 15,975</u>	<u>\$ 33,407</u>	<u>\$ 2,271</u>	<u>\$ 463,010</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(CONTINUED)**

	<u>Act 44 Bridge Fund</u>	<u>Community Development Block Grants</u>	<u>EDPS Flood Mitigation</u>	<u>EDPS Environmental Projects</u>
ASSETS				
Cash and cash equivalents	\$ 198,376	\$ 21,427	\$ -	\$ -
Receivables (net of allowance)				
Accounts receivable trade	-	-	48,017	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	3,802
Due from other governments	-	-	1,022,499	192,915
Total assets	<u>\$ 198,376</u>	<u>\$ 21,427</u>	<u>\$ 1,070,516</u>	<u>\$ 196,717</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 311	\$ -	\$ 84,433	\$ 1,040
Payroll payable	-	-	-	-
Due to other funds	-	1,000	958,683	195,677
Unearned revenues	-	20,427	27,400	-
Total liabilities	<u>311</u>	<u>21,427</u>	<u>1,070,516</u>	<u>196,717</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	198,065	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>198,065</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 198,376</u>	<u>\$ 21,427</u>	<u>\$ 1,070,516</u>	<u>\$ 196,717</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(CONTINUED)**

	EDPS Economic Development Projects	Growing Greener Trust	Farm Easement Program	Nutrient Trading Program
ASSETS				
Cash and cash equivalents	\$ -	\$ 935,962	\$ 255,067	\$ 33,413
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	2,744	-	-	-
Due from other governments	128,286	-	-	-
Total assets	<u>\$ 131,030</u>	<u>\$ 935,962</u>	<u>\$ 255,067</u>	<u>\$ 33,413</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 66,189	\$ -	\$ -	\$ -
Payroll payable	-	-	-	-
Due to other funds	61,994	3,802	-	-
Unearned revenues	2,847	-	-	-
Total liabilities	<u>131,030</u>	<u>3,802</u>	<u>-</u>	<u>-</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture & recreation	-	932,160	-	-
Assigned for:				
Conservation & Development	-	-	255,067	33,413
Total fund equity	<u>-</u>	<u>932,160</u>	<u>255,067</u>	<u>33,413</u>
Total liabilities and fund equity	<u>\$ 131,030</u>	<u>\$ 935,962</u>	<u>\$ 255,067</u>	<u>\$ 33,413</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013
(CONTINUED)**

	Special Projects	County Pass Thru Grants	Total
ASSETS			
Cash and cash equivalents	\$ 8,868	\$ -	\$ 5,480,047
Receivables (net of allowance)			
Accounts receivable trade	-	-	98,986
Due from other funds	-	-	6,546
Due from other governments	-	228,240	1,657,155
Total assets	\$ 8,868	\$ 228,240	\$ 7,242,734
 LIABILITIES & FUND EQUITY			
Liabilities			
Accounts payable	\$ 40	\$ 228,240	\$ 516,016
Payroll payable	-	-	380
Due to other funds	-	-	1,857,579
Unearned revenues	8,828	-	95,460
Total liabilities	8,868	228,240	2,469,435
 Fund equity			
Fund balances			
Restricted for:			
Judicial	-	-	2,569,587
Public safety	-	-	427,196
Public works	-	-	555,876
Culture & recreation	-	-	932,160
Assigned for:			
Conservation & Development	-	-	288,480
Total fund equity	-	-	4,773,299
 Total liabilities and fund equity	\$ 8,868	\$ 228,240	\$ 7,242,734

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Domestic Relation IV-D	D.A. Investigative Fund	Register & Recorder Capital Fund	Prothonotary Automation Fund
REVENUES				
Intergovernmental revenues	\$ 135,567	\$ -	\$ -	\$ -
Charge for services	-	-	193,055	14,308
Investment earnings	2,117	-	-	-
Court Cost, Fines & Forfeits	-	160,129	-	-
Miscellaneous income	-	8,876	-	-
Total Revenues	<u>137,684</u>	<u>169,005</u>	<u>193,055</u>	<u>14,308</u>
EXPENDITURES				
Current				
Judicial	87,809	65,225	106,960	9,909
Public safety	-	-	-	-
Public works	-	-	89,722	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>87,809</u>	<u>65,225</u>	<u>196,682</u>	<u>9,909</u>
Excess (deficiency) of revenues over expenditures	<u>49,875</u>	<u>103,780</u>	<u>(3,627)</u>	<u>4,399</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	49,875	103,780	(3,627)	4,399
Fund balance at beginning of year	2,170,639	12,499	163,158	68,864
Fund balance at end of year	<u>\$ 2,220,514</u>	<u>\$ 116,279</u>	<u>\$ 159,531</u>	<u>\$ 73,263</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, 2013
(CONTINUED)**

	Emergency Medical Services	Haz-Mat	911 Wireline	911 Wireless
REVENUES				
Intergovernmental revenues	\$ 367,514	\$ 50,434	\$ -	\$ -
Charge for services	-	81,250	696,252	1,255,872
Investment earnings	76	106	203	545
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>367,590</u>	<u>131,790</u>	<u>696,455</u>	<u>1,256,417</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	385,805	118,874	255,585	1,234,019
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>385,805</u>	<u>118,874</u>	<u>255,585</u>	<u>1,234,019</u>
Excess (deficiency) of revenues over expenditures	<u>(18,215)</u>	<u>12,916</u>	<u>440,870</u>	<u>22,398</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	(18,215)	12,916	190,870	22,398
Fund balance at beginning of year	<u>70,250</u>	<u>47,385</u>	<u>(47,152)</u>	<u>139,734</u>
Fund balance at end of year	<u>\$ 52,035</u>	<u>\$ 60,301</u>	<u>\$ 143,718</u>	<u>\$ 162,132</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, 2013
(CONTINUED)**

	Emergency Management Agency	Highway Safety	J.A.I.B.G./ Aftercare Grant	Liquid Fuels
REVENUES				
Intergovernmental revenues	\$ 10,197	\$ 88,328	\$ 12,517	\$ 495,595
Charge for services	-	-	-	-
Investment earnings	-	-	-	350
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	3,400	-	-	-
Total Revenues	<u>13,597</u>	<u>88,328</u>	<u>12,517</u>	<u>495,945</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	13,288	88,328	85,623	-
Public works	-	-	-	600,034
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>13,288</u>	<u>88,328</u>	<u>85,623</u>	<u>600,034</u>
Excess (deficiency) of revenues over expenditures	<u>309</u>	<u>-</u>	<u>(73,106)</u>	<u>(104,089)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	73,106	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>73,106</u>	<u>-</u>
Net change in fund balances	309	-	-	(104,089)
Fund balance at beginning of year	8,701	-	-	461,900
Fund balance at end of year	<u>\$ 9,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 357,811</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, 2013
(CONTINUED)**

	Act 44 Bridge Fund	Community Development Block Grants	EDPS Flood Mitigation	EDPS Environmental Projects
REVENUES				
Intergovernmental revenues	\$ 31,097	\$ 118,021	\$ 2,099,852	\$ 3,566
Charge for services	-	-	-	-
Investment earnings	175	-	-	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	47,640	128,567
Total Revenues	<u>31,272</u>	<u>118,021</u>	<u>2,147,492</u>	<u>132,133</u>
EXPENDITURES				
Current				
Judicial		-	-	-
Public safety		-	-	-
Public works	10,612	118,021	2,147,492	146,543
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>10,612</u>	<u>118,021</u>	<u>2,147,492</u>	<u>146,543</u>
Excess (deficiency) of revenues over expenditures	<u>20,660</u>	<u>-</u>	<u>-</u>	<u>(14,410)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	14,410
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,410</u>
Net change in fund balances	20,660	-	-	-
Fund balance at beginning of year	177,405	-	-	-
Fund balance at end of year	<u>\$ 198,065</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, 2013
(CONTINUED)**

	EDPS Economic Development Projects	Growing Greener Trust	Farm Easement Program	Nutrient Trading Program
REVENUES				
Intergovernmental revenues	\$ 396,953	\$ -	\$ 7,135	\$ -
Charge for services	-	-	10,692	-
Investment earnings	-	1,916	-	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	79,974
Total Revenues	<u>396,953</u>	<u>1,916</u>	<u>17,827</u>	<u>79,974</u>
EXPENDITURES				
Current				
General gov				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	403,203	-	-	-
Human service	-	-	-	-
Culture & recreation	1,941	-	-	-
Conservation & development	-	-	68,706	60,245
Capital outlay	-	-	-	-
Total Expenditures	<u>405,144</u>	<u>-</u>	<u>68,706</u>	<u>60,245</u>
Excess (deficiency) of revenues over expenditures	<u>(8,191)</u>	<u>1,916</u>	<u>(50,879)</u>	<u>19,729</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	8,191	-	50,000	-
Transfer out	-	(15,230)	-	-
Total other financial sources (uses)	<u>8,191</u>	<u>(15,230)</u>	<u>50,000</u>	<u>-</u>
Net change in fund balances	-	(13,314)	(879)	19,729
Fund balance at beginning of year	-	945,474	255,946	13,684
Fund balance at end of year	<u>\$ -</u>	<u>\$ 932,160</u>	<u>\$ 255,067</u>	<u>\$ 33,413</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, 2013
(CONTINUED)**

	<u>Special Projects</u>	<u>County Pass Thru Grants</u>	<u>Total</u>
REVENUES			
Intergovernmental revenues	\$ 29,572	\$ 5,376,551	\$ 9,222,899
Charge for services	-	-	2,251,429
Investment earnings	-	-	5,488
Court Cost, Fines & Forfeits	-	-	160,129
Miscellaneous income	-	-	268,457
Total Revenues	<u>29,572</u>	<u>5,376,551</u>	<u>11,908,402</u>
EXPENDITURES			
Current			
General gov			-
Judicial	29,572	-	299,475
Public safety	-	-	2,181,522
Public works	-	-	3,515,627
Human services	-	5,373,676	5,373,676
Culture & recreation	-	2,875	4,816
Conservation & development	-	-	128,951
Capital outlay	-	-	-
Total Expenditures	<u>29,572</u>	<u>5,376,551</u>	<u>11,504,067</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>404,335</u>
OTHER FINANCIAL SOURCES (USES)			
Transfer in	-	-	145,707
Transfer out	-	-	(265,230)
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>(119,523)</u>
Net change in fund balances	-	-	284,812
Fund balance at beginning of year	-	-	4,488,487
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,773,299</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 220,638	\$ 135,567	\$ (85,071)
Investment earnings	1,878	2,117	239
Total revenues	<u>222,516</u>	<u>137,684</u>	<u>(84,832)</u>
EXPENDITURES			
Judicial	84,163	87,809	(3,646)
Total expenditures	<u>84,163</u>	<u>87,809</u>	<u>(3,646)</u>
Excess (deficiency) of revenues over expenditures	138,353	49,875	(88,478)
Fund balance at beginning of year	1,861,652	2,170,639	308,987
Fund balance at end of year	<u>\$ 2,000,005</u>	<u>\$ 2,220,514</u>	<u>\$ 220,509</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Court cost fines & forfeits	\$ 95,000	\$ 160,129	\$ 65,129
Miscellaneous revenues	15,000	8,876	(6,124)
Total revenues	<u>110,000</u>	<u>169,005</u>	<u>59,005</u>
EXPENDITURES			
Judicial	<u>110,000</u>	<u>65,225</u>	<u>44,775</u>
Total expenditures	<u>110,000</u>	<u>65,225</u>	<u>44,775</u>
Excess (deficiency) of revenues over expenditures	-	103,780	103,780
Fund balance at beginning of year	77,846	12,499	(65,347)
Fund balance at end of year	<u>\$ 77,846</u>	<u>\$ 116,279</u>	<u>\$ 38,433</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 180,000	\$ 193,055	\$ 13,055
Total revenues	<u>180,000</u>	<u>193,055</u>	<u>13,055</u>
EXPENDITURES			
Judicial			
Capital improvement fund			
Register & Recorder	60,000	64,176	(4,176)
County	40,000	42,784	(2,784)
Total judicial	<u>100,000</u>	<u>106,960</u>	<u>(6,960)</u>
Public Works			
Act 137 A.H.E.	<u>80,000</u>	<u>89,722</u>	<u>(9,722)</u>
Total public works	<u>80,000</u>	<u>89,722</u>	<u>(9,722)</u>
Total expenditures	<u>180,000</u>	<u>196,682</u>	<u>(16,682)</u>
Excess (deficiency) of revenues over expenditures	-	(3,627)	(3,627)
Fund balance at beginning of year	576,779	163,158	(413,621)
Fund balance at end of year	<u>\$ 576,779</u>	<u>\$ 159,531</u>	<u>\$ (417,248)</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 12,000	\$ 14,308	\$ 2,308
Total revenues	<u>12,000</u>	<u>14,308</u>	<u>2,308</u>
EXPENDITURES			
Judicial	12,000	9,909	2,091
Total expenditures	<u>12,000</u>	<u>9,909</u>	<u>2,091</u>
Excess (deficiency) of revenues over expenditures	-	4,399	4,399
Fund balance at beginning of year	38,737	68,864	30,127
Fund balance at end of year	<u>\$ 38,737</u>	<u>\$ 73,263</u>	<u>\$ 34,526</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 389,099	\$ 367,514	\$ (21,585)
Investment earnings	100	76	(24)
Total revenues	<u>389,199</u>	<u>367,590</u>	<u>(21,609)</u>
EXPENDITURES			
Public safety	<u>396,699</u>	<u>385,805</u>	<u>10,894</u>
Total expenditures	<u>396,699</u>	<u>385,805</u>	<u>10,894</u>
Excess (deficiency) of revenues over expenditures	(7,500)	(18,215)	(10,715)
Fund balance at beginning of year	65,596	70,250	4,654
Fund balance at end of year	<u>\$ 58,096</u>	<u>\$ 52,035</u>	<u>\$ (6,061)</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 31,692	\$ 50,434	\$ 18,742
Charge for services	72,650	81,250	8,600
Investment earnings	20	106	86
Total revenues	<u>104,362</u>	<u>131,790</u>	<u>27,428</u>
EXPENDITURES			
Public safety	<u>104,362</u>	<u>118,874</u>	<u>(14,512)</u>
Total expenditures	<u>104,362</u>	<u>118,874</u>	<u>(14,512)</u>
Excess (deficiency) of revenues over expenditures	-	12,916	12,916
Fund balance at beginning of year	40,985	47,385	6,400
Fund balance at end of year	<u>\$ 40,985</u>	<u>\$ 60,301</u>	<u>\$ 19,316</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, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for services	\$ 700,000	\$ 696,252	\$ (3,748)
Investment earnings	500	203	(297)
Total revenues	<u>700,500</u>	<u>696,455</u>	<u>(4,045)</u>
EXPENDITURES			
Public safety	<u>485,400</u>	<u>255,585</u>	<u>229,815</u>
Total expenditures	<u>485,400</u>	<u>255,585</u>	<u>229,815</u>
Excess (deficiency) of revenues over expenditures	215,100	440,870	225,770
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	(34,900)	190,870	225,770
Fund balance at beginning of year	850,963	(47,152)	(898,115)
Fund balance (deficit) at end of year	<u>\$ 816,063</u>	<u>\$ 143,718</u>	<u>\$ (672,345)</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for services	\$ 1,021,417	\$ 1,255,872	\$ 234,455
Investment earnings	500	545	45
Total revenues	<u>1,021,917</u>	<u>1,256,417</u>	<u>234,500</u>
EXPENDITURES			
Public safety	<u>1,021,417</u>	<u>1,234,019</u>	<u>(212,602)</u>
Total expenditures	<u>1,021,417</u>	<u>1,234,019</u>	<u>(212,602)</u>
Excess (deficiency) of revenues over expenditures	500	22,398	21,898
Fund balance at beginning of year	2,104,993	139,734	(1,965,259)
Fund balance at end of year	<u>\$ 2,105,493</u>	<u>\$ 162,132</u>	<u>\$ (1,943,361)</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 9,807	\$ 10,197	\$ 390
Miscellaneous revenues	3,500	3,400	(100)
Total revenues	<u>13,307</u>	<u>13,597</u>	<u>290</u>
EXPENDITURES			
Public safety	12,657	13,288	(631)
Total expenditures	<u>12,657</u>	<u>13,288</u>	<u>(631)</u>
Excess (deficiency) of revenues over expenditures	650	309	(341)
Fund balance at beginning of year	9,749	8,701	(1,048)
Fund balance at end of year	<u>\$ 10,399</u>	<u>\$ 9,010</u>	<u>\$ (1,389)</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 89,288	\$ 88,328	\$ (960)
Total revenues	<u>89,288</u>	<u>88,328</u>	<u>(960)</u>
EXPENDITURES			
Public safety			
2012-2013 Highway safety	65,963	65,418	545
2013-2014 Highway safety	<u>23,325</u>	<u>22,910</u>	<u>415</u>
Total public safety	<u>89,288</u>	<u>88,328</u>	<u>960</u>
Total expenditures	<u>89,288</u>	<u>88,328</u>	<u>960</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 11,100	\$ 12,517	\$ 1,417
Total revenues	<u>11,100</u>	<u>12,517</u>	<u>1,417</u>
EXPENDITURES			
Public Safety			
J.A.I.B.G.	73,400	83,106	(9,706)
Motivational Interview	-	2,517	(2,517)
Total expenditures	<u>73,400</u>	<u>85,623</u>	<u>(12,223)</u>
Excess (deficiency) of revenues over expenditures	(62,300)	(73,106)	(10,806)
OTHER FINANCING SOURCES (USES)			
Transfer in	62,300	73,106	10,806
Total other financing sources (uses)	<u>62,300</u>	<u>73,106</u>	<u>10,806</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	(700)	-	700
Fund balance at end of year	<u>\$ (700)</u>	<u>\$ -</u>	<u>\$ 700</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
LIQUID FUELS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 572,000	\$ 495,595	\$ (76,405)
Investment earnings	700	350	(350)
Total revenues	<u>572,700</u>	<u>495,945</u>	<u>(76,755)</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	319,500	236,909	82,591
Approved projects	<u>350,000</u>	<u>363,125</u>	<u>(13,125)</u>
Total public works	<u>669,500</u>	<u>600,034</u>	<u>69,466</u>
Total expenditures	<u>669,500</u>	<u>600,034</u>	<u>69,466</u>
Excess (deficiency) of revenues over expenditures	(96,800)	(104,089)	(7,289)
Fund balance at beginning of year	(747,103)	461,900	1,209,003
Fund balance at end of year	<u>\$ (843,903)</u>	<u>\$ 357,811</u>	<u>\$ 1,201,714</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 30,000	\$ 31,097	\$ 1,097
Investment earnings	175	175	-
Total revenues	<u>30,175</u>	<u>31,272</u>	<u>1,097</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	<u>2,000</u>	<u>10,612</u>	<u>(8,612)</u>
Total expenditures	<u>2,000</u>	<u>10,612</u>	<u>(8,612)</u>
Excess (deficiency) of revenues over expenditures	28,175	20,660	(7,515)
Fund balance at beginning of year	42,005	177,405	135,400
Fund balance at end of year	<u>\$ 70,180</u>	<u>\$ 198,065</u>	<u>\$ 127,885</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 405,357	\$ 118,021	\$ (287,336)
Total revenues	<u>405,357</u>	<u>118,021</u>	<u>(287,336)</u>
EXPENDITURES			
Public works			
2009 grant	31,601	11,570	20,031
2010 grant	123,756	-	123,756
2011 grant	175,000	75,192	99,808
2012 grant	75,000	31,259	43,741
Total public works	<u>405,357</u>	<u>118,021</u>	<u>287,336</u>
Total expenditures	<u>405,357</u>	<u>118,021</u>	<u>287,336</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 575,904	\$ 2,099,852	\$ 1,523,948
Miscellaneous revenues		47,640	\$ 47,640
Total revenues	<u>575,904</u>	<u>2,147,492</u>	<u>1,571,588</u>
EXPENDITURES			
Public works			
Flood mitigation	356,105	382,549	(26,444)
Hazard mitigation buyouts	219,799	1,764,943	(1,545,144)
Total public works	<u>575,904</u>	<u>2,147,492</u>	<u>(1,571,588)</u>
Total expenditures	<u>575,904</u>	<u>2,147,492</u>	<u>(1,571,588)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ 3,566	\$ 3,566
Miscellaneous revenues	67,610	128,567	60,957
Total revenues	<u>67,610</u>	<u>132,133</u>	<u>64,523</u>
EXPENDITURES			
Public works			
EDPS environmental division	86,118	146,543	(60,425)
Total public works	<u>86,118</u>	<u>146,543</u>	<u>(60,425)</u>
Total expenditures	<u>86,118</u>	<u>146,543</u>	<u>(60,425)</u>
Excess (deficiency) of revenues over expenditures	(18,508)	(14,410)	4,098
OTHER FINANCING SOURCES (USES)			
Transfer in	18,508	14,410	(4,098)
Total other financing sources (uses)	<u>18,508</u>	<u>14,410</u>	<u>(4,098)</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 450,522	\$ 396,953	\$ (53,569)
Total revenues	<u>450,522</u>	<u>396,953</u>	<u>(53,569)</u>
EXPENDITURES			
Public works			
Economic development	456,394	403,203	53,191
Total public works	<u>456,394</u>	<u>403,203</u>	<u>53,191</u>
Culture & recreation	1,492	1,941	(449)
Total expenditures	<u>457,886</u>	<u>405,144</u>	<u>52,742</u>
Excess (deficiency) of revenues over expenditures	(7,364)	(8,191)	(827)
OTHER FINANCING SOURCES (USES)			
Transfer in	7,364	8,191	827
Total other financing sources (uses)	<u>7,364</u>	<u>8,191</u>	<u>827</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Investment earnings	\$ 2,000	\$ 1,916	\$ (84)
Total revenues	<u>2,000</u>	<u>1,916</u>	<u>(84)</u>
Excess (deficiency) of revenues over expenditures	2,000	1,916	(84)
OTHER FINANCING SOURCES (USES)			
Transfer out	<u>(20,000)</u>	<u>(15,230)</u>	<u>4,770</u>
Total other financing sources (uses)	<u>(20,000)</u>	<u>(15,230)</u>	<u>4,770</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(18,000)	(13,314)	4,686
Fund balance at beginning of year	932,908	945,474	12,566
Fund balance at end of year	<u>\$ 914,908</u>	<u>\$ 932,160</u>	<u>\$ 17,252</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
PASS THRU GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 7,714,514	\$ 5,376,551	\$ (2,337,963)
Total revenues	<u>7,714,514</u>	<u>5,376,551</u>	<u>(2,337,963)</u>
EXPENDITURES			
Human services	7,711,514	5,373,676	2,337,838
Culture & recreation	3,000	2,875	125
Total expenditures	<u>7,714,514</u>	<u>5,376,551</u>	<u>2,337,963</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
FARM EASEMENT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 14,000	\$ 7,135	\$ (6,865)
Charge for services	8,500	10,692	2,192
Total revenues	<u>22,500</u>	<u>17,827</u>	<u>(4,673)</u>
EXPENDITURES			
Conservation & development	60,200	68,706	(8,506)
Total expenditures	<u>60,200</u>	<u>68,706</u>	<u>(8,506)</u>
Excess (deficiency) of revenues over expenditures	<u>(37,700)</u>	<u>(50,879)</u>	<u>(13,179)</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	50,000	50,000	-
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	12,300	(879)	(13,179)
Fund balance at beginning of year	202,692	255,946	53,254
Fund balance at end of year	<u>\$ 214,992</u>	<u>\$ 255,067</u>	<u>\$ 40,075</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Miscellaneous revenues	\$ 27,825	\$ 79,974	\$ 52,149
Total revenues	<u>27,825</u>	<u>79,974</u>	<u>52,149</u>
EXPENDITURES			
Conservation & development	20,869	60,245	(39,376)
Total expenditures	<u>20,869</u>	<u>60,245</u>	<u>(39,376)</u>
Excess (deficiency) of revenues over expenditures	<u>6,956</u>	<u>19,729</u>	<u>12,773</u>
Fund balance at beginning of year	-	13,684	13,684
Fund balance at end of year	<u>\$ 6,956</u>	<u>\$ 33,413</u>	<u>\$ 26,457</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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 10,900	\$ 29,572	\$ 18,672
Total revenues	<u>10,900</u>	<u>29,572</u>	<u>18,672</u>
EXPENDITURES			
Judicial	10,900	29,572	(18,672)
Total expenditures	<u>10,900</u>	<u>29,572</u>	<u>(18,672)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
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, 2013**

	Total
ASSETS	
Prepaid Expense	\$ 32,889
Total assets and other debits	\$ 32,889
 LIABILITIES & FUND EQUITY	
Liabilities	
Due to other funds	\$ 32,889
Total liabilities	32,889
 Fund equity	
Assigned	-
Total fund equity	-
Total liabilities & fund equity	\$ 32,889

**COUNTY OF LYCOMING, PENNSYLVANIA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Debt Service
EXPENDITURES	
Debt service	
Principal retirement	
PIB Note	\$ 227,313
2003 Bonds	580,000
2007 Bonds Series B	220,000
2009 Bonds	205,000
2010 Bonds	66,411
2011 LCRA Bonds	240,000
2012 Bonds	199,166
Total principal	1,737,890
Interest expense	
PIB Note	34,338
2003 Bonds	124,500
2007 Bonds Series B	810,294
2009 Bonds	79,131
2010 Bonds	446,797
2011 LCRA Bonds	109,378
2012 Bonds	180,668
Total interest	1,785,106
Total debt service	3,522,996
Total expenditures	3,522,996
Excess (deficiency) of revenues over expenditures	(3,522,996)
OTHER FINANCING SOURCES (USES)	
Transfer in	3,522,996
Total other financing sources (uses)	3,522,996
Net change in fund balance	-
Fund balance beginning of year	-
Fund balance end of year	\$ -

**COUNTY OF LYCOMING, PENNSYLVANIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES			
Debt Service			
Principal retirement			
PIB Note	\$ 367,652	\$ 227,313	\$ 140,339
2003 Bonds	580,000	580,000	-
2007 Bonds Series B	220,000	220,000	-
2009 Bonds	205,000	205,000	-
2010 Bonds	67,505	66,411	1,094
2011 LCRA Bonds	240,000	240,000	-
2012 Bonds	199,166	199,166	-
Total principal	<u>1,879,323</u>	<u>1,737,890</u>	<u>141,433</u>
Interest expense			
PIB Note	35,224	34,338	886
2003 Bonds	124,500	124,500	-
2007 Bonds Series B	810,294	810,294	-
2009 Bonds	79,131	79,131	-
2010 Bonds	446,797	446,797	-
2011 LCRA Bonds	109,380	109,378	2
2012 Bonds	180,668	180,668	-
Total interest	<u>1,785,994</u>	<u>1,785,106</u>	<u>888</u>
Total expenditures	<u>3,665,317</u>	<u>3,522,996</u>	<u>142,321</u>
Excess (deficiency) of revenues over expenditures	<u>(3,665,317)</u>	<u>(3,522,996)</u>	<u>142,321</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	3,665,317	3,522,996	(142,321)
Total other financing sources (uses)	<u>3,665,317</u>	<u>3,522,996</u>	<u>(142,321)</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, 2013**

	H.A.V.A.
ASSETS	
Due from other governments	\$ 746
Total assets and other debits	\$ 746
 LIABILITIES & FUND EQUITY	
Liabilities	
Due to other funds	\$ 746
Total liabilities	746
Fund equity	
Assigned	-
Total fund equity	-
Total liabilities & fund equity	\$ 746

**COUNTY OF LYCOMING, PENNSYLVANIA
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2013**

	H.A.V.A.
REVENUES	
Intergovernmental revenues	\$ 746
Total revenues	746
 EXPENDITURES	
Current	
General government	746
Total capital projects	746
Total expenditures	746
Excess (deficiency) of revenues over expenditures	-
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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ 746	\$ 746
Total revenues	<u>-</u>	<u>746</u>	<u>746</u>
EXPENDITURES			
Material & supplies	-	746	(746)
Total expenditures	<u>-</u>	<u>746</u>	<u>(746)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
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, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
OPERATING REVENUES			
Charge for services	\$ 15,444,720	\$ 11,190,168	\$ (4,254,552)
Sales	5,153,729	4,576,975	(576,754)
Miscellaneous revenues	35,717	28,112	(7,605)
Total revenues	<u>20,634,166</u>	<u>15,795,255</u>	<u>(4,838,911)</u>
OPERATING EXPENSES			
Public works			
Salaries & wages	3,273,117	3,131,876	141,241
Material and supplies	349,548	297,021	52,527
Operating expenses	5,836,408	4,316,680	1,519,728
Maintenance and repairs	2,262,395	1,923,652	338,743
Depreciation expense	4,525,711	4,238,957	286,754
Other post employment benefit expense	-	699,872	(699,872)
Fringe & indirect expense	1,900,333	1,816,158	84,175
Total operating expenses	<u>18,147,512</u>	<u>16,424,216</u>	<u>1,723,296</u>
Income (loss) from operations	<u>2,486,654</u>	<u>(628,961)</u>	<u>(3,115,615)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment earnings (loss)	1,686,124	(55,888)	(1,742,012)
Intergovernmental revenues	178,000	187,569	9,569
Net gain (loss) on sale of assets	(10,309)	52,258	62,567
Issuance Costs	32,415	(19,239)	(51,654)
Interest expenses	(837,746)	(706,659)	131,087
Total non-operating revenues (expenses)	<u>1,048,484</u>	<u>(541,959)</u>	<u>(1,590,443)</u>
Income (loss) before transfer	3,535,138	(1,170,920)	(4,706,058)
Transfer in (out)	<u>(2,646,600)</u>	<u>(4,174,773)</u>	<u>(1,528,173)</u>
Change in Net Position	888,538	(5,345,693)	(6,234,231)
NET POSITION, BEGINNING			
As previously reported	61,039,311	61,627,099	587,788
Effect of adoption og GASB Statement No. 65	(320,394)	(320,394)	-
As adjusted	<u>60,718,917</u>	<u>61,306,705</u>	<u>587,788</u>
Total net position-ending	<u>\$ 61,607,455</u>	<u>\$ 55,961,012</u>	<u>\$ (5,646,443)</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, 2013**

	Balance at January 1, 2013	Additions	Deductions	Balance at December 31, 2013
<u>Delinquent Taxes</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 1,260,368	\$ 9,668,299	\$ 9,423,894	\$ 1,504,773
Receivables				
Accounts receivable - NSF	220	40	220	40
Delinquent taxes	4,215,277	9,960,727	10,056,845	4,119,159
Total assets	<u>\$ 5,475,865</u>	<u>\$ 19,629,066</u>	<u>\$ 19,480,959</u>	<u>\$ 5,623,972</u>
<u>Liabilities:</u>				
Due to other governments	\$ 1,260,588	\$ 9,506,455	\$ 9,262,230	\$ 1,504,813
Escrow	4,215,277	9,779,016	9,875,134	4,119,159
Total liabilities	<u>\$ 5,475,865</u>	<u>\$ 19,285,471</u>	<u>\$ 19,137,364</u>	<u>\$ 5,623,972</u>
<u>Municipal Taxes</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 131,730	\$ 6,154,153	\$ 6,101,630	\$ 184,253
Accounts receivable	-	10,860,466	10,860,466	-
Total assets	<u>\$ 131,730</u>	<u>\$ 17,014,619</u>	<u>\$ 16,962,096</u>	<u>\$ 184,253</u>
<u>Liabilities:</u>				
Accounts Payable	\$ 131,730	\$ 1,611,305	\$ 1,558,782	\$ 184,253
Due to other funds	-	5,198,389	5,198,389	-
Escrow	-	10,734,643	10,734,643	-
Total liabilities	<u>\$ 131,730</u>	<u>\$ 17,544,337</u>	<u>\$ 17,491,814</u>	<u>\$ 184,253</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	\$ 144,738	\$ 3,289,790	\$ 3,279,211	\$ 155,317
Accounts receivable	10,130,489	19,380,516	19,199,591	10,311,414
Total assets	<u>\$ 10,275,227</u>	<u>\$ 22,670,306</u>	<u>\$ 22,478,802</u>	<u>\$ 10,466,731</u>
<u>Liabilities:</u>				
Due to other funds	\$ -	\$ 7,311	\$ 7,311	\$ -
Escrow	10,275,227	11,126,955	10,935,451	10,466,731
Total liabilities	<u>\$ 10,275,227</u>	<u>\$ 11,134,266</u>	<u>\$ 10,942,762</u>	<u>\$ 10,466,731</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2013
(CONTINUED)

	Balance at January 1, 2013	Additions	Deductions	Balance at December 31, 2013
<u>Lyc. Cnty. Health Care Plan</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 37,295	\$ 724,935	\$ 725,569	\$ 36,661
Total assets	<u>\$ 37,295</u>	<u>\$ 724,935</u>	<u>\$ 725,569</u>	<u>\$ 36,661</u>
<u>Liabilities:</u>				
Account Payable	\$ 29,574	\$ 715,475	\$ 715,200	\$ 29,849
Escrow fund	1,721	717,086	717,995	812
Interfund loans	6,000	-	-	6,000
Total liabilities	<u>\$ 37,295</u>	<u>\$ 1,432,561</u>	<u>\$ 1,433,195</u>	<u>\$ 36,661</u>
<u>Escheats Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 78,765	\$ 17,094	\$ 19,141	\$ 76,718
Due from other funds	-	681	-	681
Total assets	<u>\$ 78,765</u>	<u>\$ 17,775</u>	<u>\$ 19,141</u>	<u>\$ 77,399</u>
<u>Liabilities:</u>				
Account Payable	\$ -	\$ 19,109	\$ 19,109	\$ -
Escrow fund	78,765	18,733	20,099	77,399
Total liabilities	<u>\$ 78,765</u>	<u>\$ 37,842</u>	<u>\$ 39,208</u>	<u>\$ 77,399</u>
<u>Public Relations Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 6,071	\$ 8,896	\$ 13,168	\$ 1,799
Total assets	<u>\$ 6,071</u>	<u>\$ 8,896</u>	<u>\$ 13,168</u>	<u>\$ 1,799</u>
<u>Liabilities:</u>				
Account Payable	\$ 1,331	\$ 11,877	\$ 13,168	\$ 40
Escrow fund	4,740	8,896	11,877	1,759
Total liabilities	<u>\$ 6,071</u>	<u>\$ 20,773</u>	<u>\$ 25,045</u>	<u>\$ 1,799</u>
<u>Domestic Relations Child Support</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 10,829	\$ 607,668	\$ 601,957	\$ 16,540
Total assets	<u>\$ 10,829</u>	<u>\$ 607,668</u>	<u>\$ 601,957</u>	<u>\$ 16,540</u>
<u>Liabilities:</u>				
Escrow fund	\$ 10,829	\$ 607,668	\$ 601,957	\$ 16,540
Total liabilities	<u>\$ 10,829</u>	<u>\$ 607,668</u>	<u>\$ 601,957</u>	<u>\$ 16,540</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2013
(CONTINUED)

	Balance at January 1, 2013	Additions	Deductions	Balance at December 31, 2013
<u>Juvenile Restitution Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 71,610	\$ 12,463	\$ 13,698	\$ 70,375
Total assets	<u>\$ 71,610</u>	<u>\$ 12,463</u>	<u>\$ 13,698</u>	<u>\$ 70,375</u>
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ 14,657	\$ 14,534	\$ 123
Escrow fund	71,610	15,492	16,850	70,252
Total liabilities	<u>\$ 71,610</u>	<u>\$ 30,149</u>	<u>\$ 31,384</u>	<u>\$ 70,375</u>
<u>Adult Restitution Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 15,767	\$ 20,506	\$ -	\$ 36,273
Total assets	<u>\$ 15,767</u>	<u>\$ 20,506</u>	<u>\$ -</u>	<u>\$ 36,273</u>
<u>Liabilities:</u>				
Escrow fund	\$ 15,767	\$ 20,506	\$ -	\$ 36,273
Total liabilities	<u>\$ 15,767</u>	<u>\$ 20,506</u>	<u>\$ -</u>	<u>\$ 36,273</u>
<u>Register & Recorder Adoption Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 41,400	\$ 825	\$ -	\$ 42,225
Due from other funds	75	-	75	-
Total assets	<u>\$ 41,475</u>	<u>\$ 825</u>	<u>\$ 75</u>	<u>\$ 42,225</u>
<u>Liabilities:</u>				
Escrow fund	\$ 41,475	\$ 750	\$ -	\$ 42,225
Total liabilities	<u>\$ 41,475</u>	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ 42,225</u>
<u>County Row Offices</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 574,603	\$ 16,851,829	\$ 16,656,285	\$ 770,147
Total assets	<u>\$ 574,603</u>	<u>\$ 16,851,829</u>	<u>\$ 16,656,285</u>	<u>\$ 770,147</u>
<u>Liabilities:</u>				
Due to other funds	\$ 75	\$ 4,438	\$ 3,832	\$ 681
Due to other governments	244,978	12,766,214	12,732,866	278,326
Escrow	329,550	4,081,252	3,919,662	491,140
Total liabilities	<u>\$ 574,603</u>	<u>\$ 16,851,904</u>	<u>\$ 16,656,360</u>	<u>\$ 770,147</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2013
(CONTINUED)

	Balance at January 1, 2013	Additions	Deductions	Balance at December 31, 2013
<u>Prison & Pre-Release Commissary</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 125,655	\$ 106,393	\$ 76,078	\$ 155,970
Due from other funds	5,070	10,609	10,652	5,027
Accounts receivable	1,394	-	1,394	-
Inventory of supplies	-	148,894	148,894	-
Total assets	<u>\$ 132,119</u>	<u>\$ 265,896</u>	<u>\$ 237,018</u>	<u>\$ 160,997</u>
<u>Liabilities:</u>				
Accounts payable	\$ 60,623	\$ 26,738	\$ 36,514	\$ 50,847
Escrow fund	65,996	66,322	27,668	104,650
Interfund loan	5,500	-	-	5,500
Total liabilities	<u>\$ 132,119</u>	<u>\$ 93,060</u>	<u>\$ 64,182</u>	<u>\$ 160,997</u>
 <u>Total All Agency Funds</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 2,518,992	\$ 37,462,851	\$ 36,910,631	\$ 3,071,212
Receivables				
Due from other funds	5,145	11,290	10,727	5,708
Accounts receivable	1,614	10,860,506	10,862,080	40
Delinquent taxes (non county)	4,215,277	9,960,727	10,056,845	4,119,159
Cost & fines (non county)	10,130,489	19,380,516	19,199,591	10,311,414
Inventory of supplies	-	148,894	148,894	-
Total assets	<u>\$ 16,871,517</u>	<u>\$ 77,824,784</u>	<u>\$ 77,188,768</u>	<u>\$ 17,507,533</u>
<u>Liabilities:</u>				
Accounts payable	\$ 223,258	\$ 2,399,161	\$ 2,357,307	\$ 265,112
Due to other funds	75	5,210,138	5,209,532	681
Due to other governments	1,505,566	22,272,669	21,995,096	1,783,139
Escrow funds	15,131,118	37,177,319	36,861,336	15,447,101
Interfund loans	11,500	-	-	11,500
Total liabilities	<u>\$ 16,871,517</u>	<u>\$ 67,059,287</u>	<u>\$ 66,423,271</u>	<u>\$ 17,507,533</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION
GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	January 1 2013	Additions / Transfers	Disposals / Transfers	December 31 2013
General Government	\$ 26,291,941	\$ 1,142,260	\$ 254,378	\$ 27,179,823
Judicial	1,318,005	287,186	171,582	1,433,609
Public Safety	23,730,211	709,734	863,875	23,576,070
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.	4,564,773	6,025	-	4,570,798
	<u>\$ 72,661,842</u>	<u>\$ 2,145,205</u>	<u>\$ 1,289,835</u>	<u>\$ 73,517,212</u>

ENDING BALANCE IS COMPOSED OF

	Land	Land Held for Sale	Buildings Held for Sale	Construction in Progress	Buildings and Improvements
General Government	\$ 177,726	\$ 38,420	\$ 157,780	\$ 36,638	\$ 20,658,457
Judicial	-	-	-	-	220,988
Public Safety	266,811	-	-	169,979	9,059,597
Public Works	-	-	-	-	-
Human Services	-	-	-	-	2,124,041
Culture & Recreation	2,310,922	-	-	-	1,136,542
Conservation & Dev.	324,204	-	-	-	2,889,268
	<u>\$ 3,079,663</u>	<u>\$ 38,420</u>	<u>\$ 157,780</u>	<u>\$ 206,617</u>	<u>\$ 36,088,893</u>

ENDING BALANCE IS COMPOSED OF

	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
General Government	\$ 505,713	\$ 4,962,541	\$ 642,548	\$ 27,179,823
Judicial	-	1,212,621	-	\$ 1,433,609
Public Safety	-	13,979,101	100,582	\$ 23,576,070
Public Works	-	70,426	10,727,445	\$ 10,797,871
Human Services	-	-	-	\$ 2,124,041
Culture & Recreation	387,536	-	-	\$ 3,835,000
Conservation & Dev.	750,663	331,652	275,011	\$ 4,570,798
	<u>\$ 1,643,912</u>	<u>\$ 20,556,341</u>	<u>\$ 11,745,586</u>	<u>\$ 73,517,212</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, 2013**

	January 1 2013	Additions / Transfers	Disposals / Transfers	December 31 2013
Public Works	\$ 107,063,281	\$ 6,447,081	\$ 275,690	\$ 113,234,672
	<u>\$ 107,063,281</u>	<u>\$ 6,447,081</u>	<u>\$ 275,690</u>	<u>\$ 113,234,672</u>

ENDING BALANCE IS COMPOSED OF

	Land	Intangibles	Construction in Progress	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
Public Works	\$ 2,450,020	\$ 1,654,499	\$ 8,491,284	\$ 18,186,044	\$ 53,247,555	\$ 27,312,563	\$ 1,892,707	\$ 113,234,672
	<u>\$ 2,450,020</u>	<u>\$ 1,654,499</u>	<u>\$ 8,491,284</u>	<u>\$ 18,186,044</u>	<u>\$ 53,247,555</u>	<u>\$ 27,312,563</u>	<u>\$ 1,892,707</u>	<u>\$ 113,234,672</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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Primary Government - Governmental Activities										
Net investment in capital assets	\$ 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	\$ 6,992,711
Restricted	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	11,859,734
Unrestricted	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	17,379,988
Total Net Position	<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>	<u>\$ 36,232,433</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Primary Government - Business Type Activities										
Net investment in capital assets	\$ 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	\$ 34,594,653
Restricted	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	21,146,160
Unrestricted	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	220,199
Total Net Position	<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>	<u>\$ 55,961,012</u>

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Primary Government										
Net investment in capital assets	\$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	\$ 41,587,364
Restricted	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	33,005,894
Unrestricted	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	17,600,187
Total Net Position	<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>	<u>\$ 92,193,445</u>

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

Expenses	Fiscal Years									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
General government	\$ 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	\$ 13,802,847
Judicial	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	12,334,926
Public safety	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	22,932,896
Public works	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	5,760,527
Human services	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	12,771,967
Culture & recreation	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	1,383,038
Conservation & development	719,886	849,610	893,633	627,890	758,201	1,252,589	1,457,247	1,622,042	2,279,492	1,609,158
Interest on long-term debt	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	2,046,232
Total governmental activities expenses	<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>	<u>72,641,591</u>
Business-type Activities:										
Public works	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	17,150,114
Total business-type activities expenses	<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>	<u>17,150,114</u>
Total primary government expenses	<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>	<u>\$ 89,791,705</u>
Program Revenues										
Governmental activities:										
Charge for services										
General government	\$ 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	\$ 3,265,973
Judicial	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	2,782,585
Public safety	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	3,528,899
Public works	134,918	25,665	97,739	97,470	104,138	33,556	137,880	89,011	335,739	179,846
Human services	352,800	352,900	173,767	169,376	458	20	-	10	9	115
Culture & recreation	-	-	33,264	160,341	-	-	-	-	-	123
Conservation & development	40,018	77,481	42,987	44,895	224,242	201,110	73,729	160,558	193,073	165,112
Interest on long term debt	-	-	-	-	-	-	-	-	7	-
Operating grants & contributions	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	23,852,911
Capital grants & contributions	819,617	648,894	962,530	161,000	148,463	659,181	1,335,086	1,293,672	48,280	250,000
Total governmental activities program revenues	<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>	<u>34,025,564</u>

(Continued)

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

	Fiscal Years									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Business-type activities:										
Charge for services	\$ 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	\$ 15,847,513
Operating grants & contributions	302,794	559,565	659,888	387,121	1,009,877	130,680	624,804	431,142	213,404	187,569
Capital grants & contributions	943,549	-	-	82,161	-	-	-	-	-	-
Total business-type activities program revenues	<u>15,019,687</u>	<u>14,476,525</u>	<u>15,548,382</u>	<u>16,062,990</u>	<u>16,848,930</u>	<u>14,169,538</u>	<u>15,775,314</u>	<u>16,614,778</u>	<u>15,706,202</u>	<u>16,035,082</u>
Total primary government program revenues	<u>\$ 51,540,426</u>	<u>\$ 52,827,170</u>	<u>\$ 50,822,160</u>	<u>\$ 51,808,182</u>	<u>\$ 59,888,636</u>	<u>\$ 56,217,405</u>	<u>\$ 53,238,951</u>	<u>\$ 50,469,966</u>	<u>\$ 59,758,291</u>	<u>\$ 50,060,646</u>
Net (expense)/revenue										
Governmental activities	\$ (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)	\$ (38,616,027)
Business-type activities	1,598,751	387,751	617,178	1,005,381	770,427	(852,511)	(688,568)	(466,891)	(2,407,835)	(1,115,032)
Total primary government net expense	<u>\$ (20,864,107)</u>	<u>\$ (22,433,370)</u>	<u>\$ (23,920,215)</u>	<u>\$ (25,740,425)</u>	<u>\$ (29,779,634)</u>	<u>\$ (32,370,511)</u>	<u>\$ (31,383,655)</u>	<u>\$ (34,125,550)</u>	<u>\$ (38,290,860)</u>	<u>\$ (39,731,059)</u>
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Property taxes	\$ 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	\$ 27,295,551
Unrestricted investment earnings	1,381,006	1,636,430	2,146,256	2,144,257	1,506,693	735,524	395,286	-	425,448	396,499
Grants, contributions and other revenues not restricted to specific programs.	-	233,856	234,948	617,415	424,359	435,135	436,036	410,000	408,069	414,521
Transfers	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	4,174,773
Total governmental activities	<u>28,483,095</u>	<u>29,329,161</u>	<u>30,436,967</u>	<u>31,035,532</u>	<u>30,447,464</u>	<u>29,578,474</u>	<u>29,546,228</u>	<u>30,129,342</u>	<u>30,696,155</u>	<u>32,281,344</u>
Business-type activities:										
Unrestricted investment earnings	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	(55,888)
Transfers	(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)	(4,174,773)
Total business-type activities	<u>(77,778)</u>	<u>(355,216)</u>	<u>389,532</u>	<u>2,017,549</u>	<u>583,113</u>	<u>91,780</u>	<u>(255,027)</u>	<u>(15,607)</u>	<u>370,089</u>	<u>(4,230,661)</u>
Total primary government	<u>\$ 28,405,317</u>	<u>\$ 28,973,945</u>	<u>\$ 30,826,499</u>	<u>\$ 33,053,081</u>	<u>\$ 31,030,577</u>	<u>\$ 29,670,254</u>	<u>\$ 29,291,201</u>	<u>\$ 30,113,735</u>	<u>\$ 31,066,244</u>	<u>\$ 28,050,683</u>
Change in Net Position										
Governmental activities	\$ 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)	\$ (6,334,683)
Business-type activities	1,520,973	32,535	1,006,710	3,022,930	1,353,540	(760,731)	(943,595)	(482,498)	(2,037,746)	(5,345,693)
Total primary government	<u>\$ 7,541,210</u>	<u>\$ 6,540,575</u>	<u>\$ 6,906,284</u>	<u>\$ 7,312,656</u>	<u>\$ 1,250,943</u>	<u>\$ (2,700,257)</u>	<u>\$ (2,092,454)</u>	<u>\$ (4,011,815)</u>	<u>\$ (7,224,616)</u>	<u>\$ (11,680,376)</u>

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

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	\$ 23,379,335	\$ 22,376,898	\$ 21,419,193	\$ 20,320,160	\$ 19,242,123	\$ 8,011,808	\$ 8,603,121	\$ -	\$ -	\$ -
Unreserved, Undesignated	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	13,910,210
Restricted								9,270,378	6,258,351	1,323,426
Assigned								6,243,182	9,476,751	8,889,127
Unassigned								20,240,097	17,103,683	15,858,934
Total General fund	<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>	<u>\$ 39,981,697</u>
All other governmental funds										
Reserved										
Special revenue funds	\$ 3,246,904	\$ 4,623,885	\$ 5,421,187	\$ 6,134,202	\$ 5,252,199	\$ 738,142	\$ 424,981	\$ -	\$ -	\$ -
Capital projects funds	37,890	37,090	37,090	-	-	-	-	-	-	-
Unreserved, designated										
Special revenue funds	675,546	360,388	411,130	-	-	3,909,812	3,856,604	-	-	-
Unreserved, Undesignated										
Restricted										
Special revenue funds								4,197,487	8,231,494	11,738,806
Assigned										
Special revenue funds								13,684	13,684	288,480
Total other governmental funds	<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>	<u>\$ 12,027,286</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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 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	\$ 27,302,944
Licenses & permits	51,196	47,163	46,797	47,161	46,527	46,590	42,330	46,817	43,402	46,350
Intergovernmental revenues	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	24,471,083
Charge for services	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	6,340,973
Court cost & fines	1,040,186	1,267,577	59,234	56,837	86,345	1,740,563	1,376,936	1,014,444	1,328,268	1,902,866
Investment earnings	1,381,006	1,768,216	2,431,119	2,430,123	1,627,679	784,844	410,957	472,745	466,875	413,912
Sale of assets	55,637	60,432	1,240,281	1,527,846	2,804,188	79,192	109,483	113,359	124,401	110,889
Miscellaneous	659,620	716,301	585,409	1,799,922	2,203,180	2,352,380	2,317,254	2,502,834	3,702,409	1,681,446
Total revenues	<u>61,657,795</u>	<u>64,829,443</u>	<u>63,792,797</u>	<u>64,116,570</u>	<u>70,926,079</u>	<u>69,966,133</u>	<u>64,758,470</u>	<u>61,641,989</u>	<u>72,192,278</u>	<u>62,270,463</u>
Expenditures										
General government	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	9,101,794
Judicial	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	8,095,378
Public safety	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	16,150,482
Public works	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	5,385,679
Human services	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	7,280,842
Culture & recreation	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	1,273,912
Conservation & development	558,104	686,749	731,354	418,919	515,730	993,298	1,163,421	1,315,989	2,014,930	1,343,633
Miscellaneous	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	9,279,127
Debt service-principal	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	1,737,890
-interest	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	1,785,106
Capital outlay	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	7,166,996
Total expenditures	<u>61,076,827</u>	<u>62,353,074</u>	<u>66,157,433</u>	<u>93,799,109</u>	<u>72,560,055</u>	<u>82,373,067</u>	<u>66,479,841</u>	<u>65,715,186</u>	<u>73,370,269</u>	<u>68,600,839</u>
Excess of revenues over (under) expenditures	<u>580,968</u>	<u>2,476,369</u>	<u>(2,364,636)</u>	<u>(29,682,539)</u>	<u>(1,633,976)</u>	<u>(12,406,934)</u>	<u>(1,721,371)</u>	<u>(4,073,197)</u>	<u>(1,177,991)</u>	<u>(6,330,376)</u>
Other financing sources (uses)										
Transfer in	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	5,923,448
Transfer out	(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)	(3,668,702)
Debt proceeds	1,559,073	-	3,955,000	28,784,589	-	-	10,645,289	-	8,078,867	1,700,000
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)	<u>4,145,745</u>	<u>2,573,975</u>	<u>6,566,496</u>	<u>31,308,267</u>	<u>2,495,166</u>	<u>1,837,549</u>	<u>12,699,126</u>	<u>2,531,217</u>	<u>3,490,896</u>	<u>3,954,746</u>
Net change in fund balance	<u>\$ 4,726,713</u>	<u>\$ 5,050,344</u>	<u>\$ 4,201,860</u>	<u>\$ 1,625,728</u>	<u>\$ 861,190</u>	<u>\$(10,569,385)</u>	<u>\$ 10,977,755</u>	<u>\$ (1,541,980)</u>	<u>\$ 2,312,905</u>	<u>\$ (2,375,630)</u>
Debt service as a percentage of noncapital expenditures	6.31%	6.27%	5.93%	24.09%	4.99%	17.24%	3.92%	4.54%	3.72%	5.73%

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

Fiscal Year	Real Estate Taxes	Hotel Room Rental Tax	Total
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
2013	26,411,189	851,739	27,262,928

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
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
2013	26,443,813	851,739	27,295,552

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>
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%
2013	1,004,036	1,168,684	4,390,283	5,558,967	4.75	5,558,967	100.0%

Source: Lycoming County Assessment Office

Notes: Taxable Commercial and Residential Property Totals include the Interim Billings - 2004-2006.
 County wide reassessment took place in 2004.
 Assessed value in Lycoming County is 75% of estimated market value for 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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
County Direct Rate	4.900	4.750	4.750	4.750	4.750	4.750	4.750	4.750	4.750	4.750
School District Rates										
Canton Area	16.000	10.100	10.100	11.483	12.019	12.019	12.235	13.323	13.323	14.789
East Lycoming Area	14.970	10.020	10.020	10.680	10.930	10.930	11.330	11.530	11.530	12.050
Jersey Shore Area	17.750	13.224	13.224	13.724	14.022	14.022	15.133	15.266	15.266	15.621
Loyalsock Area	19.100	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.250
Montgomery Area	15.500	10.500	10.500	11.000	11.000	11.000	11.000	11.920	11.920	12.490
Montoursville Area	16.000	10.530	10.530	12.030	12.720	12.720	13.190	13.310	13.310	13.510
Muncy Area	18.610	11.500	11.500	11.500	11.500	11.500	11.500	13.000	13.000	13.280
South Williamsport Area	19.550	11.900	11.900	12.300	13.800	13.800	12.300	13.300	13.300	13.900
Southern Tioga Area	18.280	12.140	12.140	12.201	13.131	13.131	13.794	14.070	14.070	14.288
Wellsboro Area	18.300	12.570	12.570	13.857	14.698	14.698	14.275	14.283	14.283	13.797
Williamsport Area	18.200	11.980	11.980	12.950	13.350	13.350	13.850	14.130	14.130	14.816
Borough Rates										
Duboisstown	4.680	2.930	2.930	2.930	3.930	3.930	3.930	3.930	3.930	3.930
Hughesville	5.500	3.500	3.500	4.500	4.500	4.500	5.000	5.000	5.000	5.000
Jersey Shore	7.000	4.338	4.338	4.338	4.338	4.338	4.338	4.338	4.838	6.838
Montgomery	4.630	2.742	3.742	3.742	3.742	3.742	4.742	4.742	4.742	5.242
Montoursville	3.600	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300	2.300
Muncy	2.600	1.675	2.425	3.000	3.000	3.000	3.000	3.000	3.500	3.500
Picture Rocks	1.680	1.555	1.555	1.555	1.555	1.555	1.555	1.555	1.555	1.555
Salladasburg	1.000	0.592	0.592	0.592	0.592	0.592	0.592	0.592	0.592	0.592
South Williamsport	4.820	2.970	3.970	3.970	3.970	3.970	3.970	4.300	4.300	4.300
City Rate										
Williamsport	12.700	8.520	9.180	9.180	9.180	10.180	10.180	10.180	10.580	11.580
Township Rates										
Anthony	0.209	0.128	0.128	1.128	1.128	1.128	1.128	1.128	1.280	1.280
Armstrong	1.300	0.747	0.747	0.747	0.747	0.747	0.747	2.000	2.000	2.000
Bastress	0.147	0.090	0.090	0.090	0.147	0.090	0.090	0.090	0.090	0.090
Brady	0.400	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Brown	2.600	1.571	1.571	1.571	1.571	1.571	1.571	1.571	1.571	1.571
Cascade	1.100	0.700	0.700	0.900	1.050	1.050	1.050	1.050	1.050	1.050
Clinton	3.015	1.900	1.898	1.898	1.898	1.898	1.898	1.898	1.898	1.898
Cogan House	0.230	0.141	0.416	0.416	0.416	0.416	0.550	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>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>	<u>2013</u>
Township Rates, continued										
Cummings	0.960	0.586	0.586	0.586	0.586	0.586	0.736	0.736	0.736	0.000
Eldred	0.870	0.546	0.546	0.546	0.546	0.546	3.930	0.546	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	0.320	0.320	0.320	0.320	0.320	0.400	0.400	0.400	0.400
Gamble	1.281	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807
Hepburn	0.460	0.286	1.287	1.287	1.287	1.287	1.287	1.287	1.287	1.287
Jackson	0.600	0.380	0.380	0.380	0.380	0.380	0.380	0.380	0.380	0.380
Jordon	0.400	0.228	0.300	0.315	0.315	0.315	0.400	0.400	0.400	0.400
Lewis	2.001	1.392	1.392	1.392	1.392	1.392	1.392	1.392	1.392	1.392
Limestone	0.220	0.141	0.141	0.141	0.141	0.141	0.141	0.141	0.141	0.141
Loyalsock	1.450	0.980	0.980	1.400	1.400	1.400	1.400	1.400	1.400	0.700
Lycoming	0.680	0.432	0.432	0.432	0.432	0.432	0.432	0.432	0.432	0.432
McHenry	1.960	1.226	1.226	1.226	1.226	1.226	1.226	1.226	1.226	1.226
McIntyre	1.000	0.634	0.634	0.634	0.634	0.634	0.634	0.634	0.634	0.634
McNett	1.200	0.795	1.425	1.785	1.883	2.883	2.883	2.883	2.883	3.630
Mifflin	1.707	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174
Mill Creek	0.700	0.000	0.630	0.630	0.950	0.950	0.950	0.950	0.950	0.950
Moreland	0.500	0.318	0.450	0.450	0.500	0.600	0.700	0.700	0.900	0.900
Muncy Creek	1.000	0.694	0.694	0.694	0.694	0.694	0.694	0.694	0.694	0.694
Muncy	1.500	0.905	0.905	1.000	1.000	1.000	1.000	1.000	1.500	1.500
Nippenose	1.400	0.863	1.000	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Old Lycoming	3.490	2.841	3.841	3.841	3.841	3.841	3.841	4.341	4.341	4.341
Penn	0.500	0.312	0.312	0.312	0.312	0.312	0.312	0.312	0.312	0.312
Piatt	1.050	0.669	0.669	0.669	0.669	0.852	1.176	1.176	1.176	1.176
Pine	0.550	0.340	0.340	0.340	0.500	0.500	0.500	0.500	0.500	0.500
Plunketts Creek	2.000	1.282	1.282	1.282	1.282	1.282	1.282	1.282	1.500	1.500
Porter	3.810	2.233	3.233	3.233	3.233	3.233	3.233	5.233	5.233	5.233
Shrewsbury	2.960	1.760	1.760	1.760	2.260	2.260	2.510	2.510	2.510	2.510
Susquehanna	1.610	0.991	0.991	0.991	0.991	1.111	1.111	1.111	1.111	1.111
Upper Fairfield	0.095	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.061
Washington	1.950	1.234	1.234	1.234	1.234	1.234	1.234	1.234	1.234	1.234
Watson	0.916	0.562	1.090	1.090	1.090	1.090	1.090	1.090	1.090	1.090
Wolf	0.840	0.525	0.661	0.661	0.840	0.525	0.525	0.525	0.661	0.661
Woodward	0.380	0.237	0.514	0.514	0.380	0.839	0.984	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, 2013
Table #8

Taxpayer	2013			2004		
	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	0.35%
Grizzly Industrial Inc.	14,925,360	4	0.27%	5,750,445	4	0.18%
Wal Mart Stores Inc.	12,785,240	5	0.23%	4,454,903	10	0.14%
Williamsport Hospitality, LLC	8,730,250	6	0.16%			
Paul G. Enterprises	8,662,060	7	0.16%	5,266,950	6	20.81%
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	0.16%
Crown America Financing				25,309,118	1	0.79%
T & C Plaza Associates				5,913,195	3	0.19%
High Steel Industries				5,284,875	5	0.17%
The May Department Stores Co.				4,858,845	8	0.15%
Wegman's Food Markets, Inc.				4,817,378	9	0.15%
Totals	<u>\$ 152,086,190</u>		<u>2.74%</u>	<u>\$ 78,061,539</u>		<u>2.48%</u>
Total Assessed Valuation of Taxables:	<u>\$ 5,558,966,890</u>			<u>\$ 3,189,704,880</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			
2004	24,326,733	22,356,650	91.90%	1,962,898	24,319,548	99.97%
2005	24,467,974	22,493,331	91.93%	1,967,364	24,460,695	99.97%
2006	24,989,263	22,922,958	91.73%	2,057,854	24,980,812	99.97%
2007	25,197,792	23,157,877	91.90%	2,026,651	25,184,528	99.95%
2008	25,389,637	23,201,933	91.38%	2,166,273	25,368,206	99.92%
2009	25,767,804	23,561,583	91.44%	2,182,394	25,743,977	99.91%
2010	25,978,616	23,409,996	90.11%	2,521,899	25,931,895	99.82%
2011	26,238,272	23,950,032	91.28%	1,821,254	25,771,286	98.22%
2012	26,358,699	24,022,717	91.14%	282,254	24,304,971	92.21%
2013	26,553,503	24,154,052	90.96%	-	24,154,052	90.96%

Sources: 2004 to 2013 - Pentamation: Year-To-Date Revenue Audit Trail
2004 to 2006 - Lycoming County R/E Taxes Consolidated Settlement Report - RBA
2007 to 2013 - Lycoming County R/E Taxes Consolidated Settlement Report - Infocon
2004 to 2013 - Lycoming County R/E Taxes Summary of Claims Due 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			
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%
2013	116,754	5,558,966,890	36,444,057	21,640,963	58,085,020	1.04%	497.50	1.30%

Sources: The Pa State Data Center website, <http://pasdc.hbg.psu.edu>
Lycoming County Assessment Office: - 2004 - 2013 General Tax Base Summary
Lycoming County Fiscal Services Department - Comprehensive Annual Financial Reports.

County of Lycoming, Pennsylvania
Direct and Overlapping Governmental Activities Debt
As of December 31, 2013
Table #11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
School Districts			
East Lycoming Area	\$21,475,000	100%	\$21,475,000
Jersey Shore Area	41,120,000	100%	41,120,000
Loyalsock Township	19,835,000	100%	19,835,000
Montgomery Area	12,050,000	100%	12,050,000
Montoursville Area	18,965,000	100%	18,965,000
Muncy Area	9,485,000	100%	9,485,000
South Williamsport Area	11,329,000	100%	11,329,000
Williamsport Area	102,903,650	100%	102,903,650
Boroughs			
Duboistown	\$2,533,888	100%	\$0
Hughesville	861,787	100%	861,787
Jersey Shore	11,586,738	100%	11,586,738
Montgomery	7,997,925	100%	7,997,925
Montoursville	0	100%	0
Muncy	18,035,929	100%	18,035,929
Picture Rocks	35,385	100%	35,385
Salladasburg	0	100%	0
South Williamsport	10,535,408	100%	10,535,408
City			
Williamsport	\$25,500,000	100%	\$25,500,000
Townships			
Anthony	\$0	100%	\$0
Armstrong	0	100%	0
Bastress	0	100%	0
Brady	830,420	100%	830,420
Brown	0	100%	0
Cascade	0	100%	0
Clinton	7,140,320	100%	7,140,320
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	9,080,013	100%	9,080,013

(Continued)

County of Lycoming, Pennsylvania
Direct and Overlapping Governmental Activities Debt
As of December 31, 2013
Table #11
(Continued)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Townships, continued			
Lycoming	\$204,898	100%	\$204,898
McHenry	0	100%	0
McIntyre	0	100%	0
McNett	123,088	100%	123,088
Mifflin	0	100%	0
Mill Creek	0	100%	0
Moreland	0	100%	0
Muncy Creek	4,730,423	100%	4,730,423
Muncy	521,178	100%	521,178
Nippenose	4,986,502	100%	4,986,502
Old Lycoming	8,967,616	100%	8,967,616
Penn	112,222	100%	112,222
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	118,334	100%	118,334
Wolf	820,000	100%	820,000
Woodward*	3,562,377	100%	3,562,377
Subtotal, overlapping debt			<u>\$356,742,415</u>
County of Lycoming direct debt			<u>36,444,057</u>
Total direct and overlapping debt			<u><u>\$393,186,472</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:

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Acceptable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the county's boundaries and dividing it by each unit's total taxable assessed value.

COUNTY OF LYCOMING, PENNSYLVANIA
 Legal Debt Margin Information
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Table #12

	Fiscal Years									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Borrowing Base Revenues										
Two years prior	\$ 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	\$ 80,772,378
Prior year	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	90,824,535
Current year	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	78,111,331
Total borrowing base revenues	<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>	<u>\$ 249,708,244</u>
Average borrowing base revenues	<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>	<u>\$ 83,236,081</u>
Limit for non-electoral debt										
Average borrowing base revenues	\$ 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	\$ 83,236,081
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>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>	<u>249,708,243</u>
Total amount of debt applicable to debt limit	<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>	<u>83,566,930</u>
Legal debt margin	<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>	<u>\$ 166,141,313</u>
Total net debt applicable to the limit as a percentage of debt limit	18.13%	16.50%	22.56%	28.40%	27.27%	23.37%	28.44%	38.68%	34.21%	33.47%
Limit for non-electoral debt and lease rental debt										
Average borrowing base revenues	\$ 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	\$ 83,236,081
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>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>	<u>332,944,324</u>
Total amount of debt applicable to debt limit	<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>	<u>83,566,930</u>
Legal debt margin	<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>	<u>\$ 249,377,394</u>
Total net debt applicable to the limit as a percentage of debt limit	13.60%	12.38%	16.92%	21.30%	20.45%	17.53%	21.33%	29.01%	25.66%	25.10%

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>
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%
2013	116,754	44,557	4,480,329	22,808	40.1	17,829	7.3%

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, 2013
Table #14

<u>Employer</u>	<u>Number of Employees</u>	<u>2013 Rank</u>	<u>Number of Employees</u>	<u>2004 Rank</u>
Susquehanna Regional Healthcare Alliance	*1	1	*1	1
Pennsylvania College of Technology	*1	2	*1	
Weis Markets	*1	3	*1	7
Williamsport Area School District	*1	4	*1	3
County of Lycoming	*1	5	*1	9
West Pharmaceutical Services Inc.	*1	6	*1	6
Haliburton Energy Services	*1	7		
CS Group Payroll Services, LLC	*1	8	*1	
Primus Technologies Corp	*1	9		
Wal-Mart Associates	*1	10	*1	10
Shop Vac Corporation			*1	2
Brodart Company			*1	4
Spring Window Fashions			*1	5
AVCO Corporation			*1	8
Total County Employment:		<u>59,600</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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Assessment	0	0	0	0	0	0	0	0	17	16
Commissioners	6	6	6	5	6	6	6	6	6	6
Controller	4	4	4	5	4	5	5	5	5	5
County Buildings	12	13	13	17	21	18	21	22	19	22
County Farm	0	0	0	0	2	0	0	0	0	0
Dept of Public Safety	34	33	32	32	33	37	35	32	30	31
Fiscal Affairs	7	8	8	8	9	9	9	8	8	8
Haz Mat	1	1	1	1	1	1	1	1	1	1
Human Resources	4	5	5	5	5	5	5	5	4	3
Information Services	1	1	1	1	1	1	1	1	1	1
Management Information	22	21	19	21	21	21	21	21	21	19
Military Affairs	1	1	1	1	1	1	1	2	2	3
Planning and Comm. Dev.	18	19	19	20	21	22	21	20	20	21
Print/Microfilm	2	2	2	2	2	2	2	2	2	2
Resource Management Svcs	61	64	64	64	68	73	67	67	66	67
Treasurer	5	5	5	5	5	5	5	5	5	5
Voter Services	3	3	3	4	4	4	4	3	4	4
Zoning	1	1	1	1	1	1	1	2	2	2
Subtotal	<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>	<u>216</u>
Court System and Corrections										
Adult Probation	17	17	18	19	19	19	21	21	22	22
Central Collections	8	9	9	9	10	9	10	10	10	9
Coroner	1	2	3	3	3	3	3	3	3	4

(Continued)

County of Lycoming, Pennsylvania
 Full-time Equivalent County Government Employees by Function
 Last Ten Fiscal Years
 Table #15
 (Continued)

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Court System and Corrections										
Courts	26	25	24	23	23	24	24	24	23	21
District Attorney	18	18	18	19	17	21	20	20	22	24
District Justices	18	18	18	18	18	18	18	18	18	17
Domestic Relations	27	25	25	25	26	26	23	23	23	23
Jury Commissioners	2	2	2	2	2	2	2	2	2	2
Juvenile Probation	18	17	17	18	18	18	17	17	17	17
Law Library	1	1	0	0	0	0	0	0	0	0
Pre-Release Center	25	26	26	34	35	42	35	36	36	36
Prison	69	76	78	75	74	85	80	82	80	81
Prothonotary	8	8	8	9	9	8	8	8	8	10
Public Defender	6	7	9	8	9	9	9	8	9	10
Register and Recorder	9	8	8	8	8	8	7	8	8	8
Sheriff	13	16	16	16	13	18	15	16	16	19
Subtotal	<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>	<u>303</u>
Public Works										
Ag Extension	3	3	3	3	3	3	3	3	3	3
Soil Conservation	5	5	5	6	7	8	7	7	7	7
Subtotal	<u>8</u>	<u>8</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>11</u>	<u>10</u>	<u>10</u>	<u>10</u>
Total	<u>456</u>	<u>470</u>	<u>471</u>	<u>487</u>	<u>499</u>	<u>532</u>	<u>508</u>	<u>508</u>	<u>520</u>	<u>529</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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Fiscal Affairs										
Transfers/deeds recorded	4,021	3,881	3,963	3,737	3,145	2,790	2,568	3,028	3,146	3,129
Subdivisions for Municipalities Under County SLDO approved	64	66	55	58	117	98	98	127	66	59
Subdivision and Land Development Reviews	147	141	147	131	132	69	39	68	133	108
Building, occupancy and zoning permits	*	*	4,184	4,197	3,988	4,085	3,872	3,754	4,002	3,869
Administration										
General election information										
Registered voters	69,071	69,060	69,075	69,002	72,342	70,593	70,714	65,891	68,070	65,596
Votes cast	51,361	17,776	36,872	22,015	51,022	18,758	35,354	17,493	47,919	16,606
Percent of votes cast	74.36%	25.74%	53.38%	31.78%	70.53%	26.57%	50.00%	26.55%	70.40%	25.32%
Court System and Corrections										
Court Services										
New criminal cases received	1,966	1,784	2,004	2063	1,965	1,928	1,733	1,747	2,175	2,148
New civil cases received	156	185	263	269	151	138	105	101	842	953
Protection from abuse cases filed	264	265	262	232	278	214	251	225	279	302
Wills recorded	475	468	399	448	460	454	502	490	422	424
Marriage licenses issued	854	805	769	771	740	747	718	776	762	744
Child adoptions	81	74	47	55	53	58	46	36	9	32
Child relinquishments/terminations	52	47	41	36	32	32	19	36	8	30

(Continued)

County of Lycoming, Pennsylvania
 Operating Indicators by Function
 Last Ten Fiscal Years
 Table #16
 (Continued)

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Court Administration										
Criminal jury trials	54	26	44	35	32	41	36	31	40	24
Criminal pleas	1,364	749	1,261	1,364	1,489	1,467	1,352	1,340	1,042	1,233
Accelerated rehabilitative disposition (ARD) cases	361	215	136	414	323	265	241	61	85	219
Civil jury trials	4	5	8	3	12	3	9	5	2	5
Civil cases settled	96	94	104	123	117	86	75	24	27	10
District judge case filings	25,487	22,359	21,024	21,738	22,540	24,395	23,060	23,539	22,456	21,213
Domestic relations active cases filed	4,793	4,674	4,299	4,094	3,975	3,825	3,757	3,696	3,625	3,545
Juvenile delinquency cases filed	863	787	630	570	616	565	488	489	555	464
Adult Probation										
Caseload	1,113	1,317	1,295	1,444	1,534	1,960	1,806	1,803	1,878	1,899
Presentence Investigations	65	66	85	106	89	37	42	40	61	100
Corrections										
Average daily population (Males and Females at prison and prerelease)	308	329	338	336	314	339	392	337	374	377
Human Services										
Children, Youth and Families										
*1 Children served	3,778	3,480	3,843	4,118	4,272	4,343	5,143	5,681	5,757	4,620
*1 Placement days	67,221	62,860	56,398	53,312	58,636	45,881	34,750	29,715	29,994	12,067
Child abuse reports	182	206	184	210	184	181	139	182	254	246

(Continued)

County of Lycoming, Pennsylvania
 Operating Indicators by Function
 Last Ten Fiscal Years
 Table #16
 (Continued)

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Mental Health *2										
Emergency/crisis										
Intervention hours	12,276	9,733	*	*	*	1,451	1,218	5,918	1,845	1,287
Community residential days	8,831	9,423	10,173	9,458	9,583	7,965	8,324	8,534	4,791	6,088
Service case management hours	19,818	14,173	*	*	*	21,833	18,967	18,501	22,291	20,077
Day treatment hours	3,701	6,423	23,061	19,364	19,767	13,099	1030 **	522	0	0
Outpatient hours	5,064	2,006	5,269	5,126	5,130	3,598	1454 **	5,252	1,415	1,671
Family based hours	4,736	4,026	*	*	*	1,035	2**	30	0	0
Intellectual Disabilities *2										
*3 Community Habilitation Days	26,835	26,717	25,877	26,849	27,012	28,827	280 **	419	397	548
*4 Pre-Vocational days	30,633	33,525	31,605	31,062	31,216	40,765	1243 **	1,421	543	700
Supported employment hours	6,878	13,434	34,976	46,257	46,801	30,951	6932 **	2,486	1,768	5,691
Residential services clients	275	278	270	185	188	214	0 **	0	0	0
Early intervention clients	252	300	366	379	362	306	310	267	390	289
Family support services	184	245	171	190	188	117	92	68	72	59

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>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>	<u>2013</u>
General Government, Courts and Corrections										
Commissioners										
Motor vehicles	N/A	N/A	1	1	1	1	1	1	1	1
Planning and Community Development										
Motor vehicles	N/A	N/A	1	1	1	1	1	1	1	1
Public Safety										
Motor vehicles	N/A	N/A	4	4	4	4	4	4	3	3
County Farm										
Motor vehicles	N/A	N/A	2	2	2	2	2	2	2	2
Soil Conservation										
Motor vehicles	N/A	N/A	1	1	1	1	1	2	1	1
Resource Management Services (Landfill)										
Motor vehicles *1	N/A	N/A	99	111	108	113	119	119	58	63
Adult Probation										
Motor vehicles	N/A	N/A	4	4	4	4	4	4	4	4
Juvenile Probation										
Motor vehicles	N/A	N/A	1	1	1	1	1	2	1	1
Domestic Relations										
Motor vehicles	N/A	N/A	1	1	1	1	1	1	1	1
Pre-Release										
Motor vehicles	N/A	N/A	12	12	12	12	12	12	11	12
Coroner										
Motor vehicles	N/A	N/A	1	1	1	2	2	2	2	2
District Attorney										
Motor vehicles	N/A	N/A	9	7	7	7	7	7	6	8
Sheriff										
Motor vehicles	N/A	N/A	7	8	6	6	6	7	9	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