

COUNTY OF LYCOMING

PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**For the Year Ended
December 31, 2006**

Prepared by the offices of County Controller and Fiscal Services
Krista Rogers, Controller
Robert J. Noll, Director of Fiscal Services

COUNTY OF LYCOMING, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended December 31, 2006

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INTRODUCTORY SECTION

**COUNTY OF LYCOMING, PENNSYLVANIA
EXECUTIVE PLAZA BUILDING
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WILLIAMSPORT, PA. 17701-6536**

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Robert J. Noll – Director Fiscal Services
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June 28, 2007

To the Citizens of the County of Lycoming, Pennsylvania:

We are pleased to present the 2006 Comprehensive Annual Financial Report (CAFR) for the County of Lycoming, Pennsylvania. The Comprehensive Annual Financial Report was prepared as a joint effort of the Controller's Office, and the Department of Fiscal Services in conjunction with the independent certified public accounting firm of Thomas B. Keller, 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, rest with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations on the various funds of the County in conformity with generally accepted accounting principles (GAAP).

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes the transmittal letter, a list of the County's principal officials, the County's organizational chart and the Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2005. The financial section for 2006 is in compliance with the new reporting requirements of GASB #34. It includes the management discussion and analysis, the basic financial statements (county-wide and fund financial statements), required notes

to the financial statements and the independent auditor's report. 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, 2006.

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 estimated 2005 population of 118,395 reflects a slight decrease from the 2000 census count of 120,044. Geographically, Lycoming County is the largest county in the state covering 1,215.5 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 is located in the north central region of Pennsylvania and is the largest in-land area of Pennsylvania's 67 counties and ranks 28th in population with over 120,000 residents. Originally founded in 1795 the county has shifted from a lumber capital to primary manufacturing, retail and service industry areas.

Lycoming County is the birth place and the home of Little League Baseball, the world's largest organized youth sports program with nearly 200,000 teams in the U.S, and 80 countries. South Williamsport host the international Little League World series each August.

The West Branch of the Susquehanna provides about 14 miles of navigable water making it perfect for canoeing, kayaking, water skiing and every other water sport imaginable. Three of the county's five major streams are stocked with trout and bass and Pine Creek is one of the best trout fishing streams in the United States. For those who prefer dry land, Lycoming County is located almost completely within the Tiadaghton State Forest region and Little Pine State Park contains more than 2,100 acres of hiking, horseback riding and cross country skiing trails.

Williamsport is the county seat and located 90 miles north of Harrisburg, the state capital of Pennsylvania. More than 70 million people live within 300 miles of Williamsport. North Central Pennsylvania is surrounded by urbanizing regions, with the coastal metropolitan area of New York, Philadelphia, Baltimore and Washington DC to the east and Pittsburgh, the Great Lakes, and the Mohawk River Valley urban complexes to the west and north. The neighboring regions exert important effects on the economy including the demand for resources such as lumber and coal, and the use of county lands for recreational activities.

Lycoming County is home to a regional airport with six scheduled flights to and from Philadelphia daily.

The top four employers in Lycoming County are Susquehanna Regional Health Care Alliance, State government offices, Pennsylvania College of Technology and Williamsport Area School District.

Lycoming County has a growing college town environment supported by three higher education institutions: Pennsylvania College of Technology, Lycoming College and Newport Business Institute. Others within a 90-minute driving distance include: Bloomsburg University, Bucknell University, Lock Haven University, Mansfield University, Susquehanna University and Penn State's main campus.

Lycoming County is served by a safe, modern and efficient inter-modal transportation system that connects the North Central PA region with major global markets. This transportation link provides a clear competitive advantage for area businesses and has contributed to a sustained improvement in overall business growth and expansion during the last decade. Significant federal, state and local transportation plans and investments are targeted to further improve the transportation facilities and service within the region during the next decade to respond to the growing transportation needs of our industries.

The unemployment trends in Lycoming County continue to closely follow the trends in Pennsylvania and the nation as a whole. The unemployment percentage dropped below 6% in 2005 and has continued to remain below that level to date.

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

INFORMATION SERVICES

#1: Help America Vote Act

In accordance with the Federal mandate the County successfully implemented electronic voting for the May 2006 primary election. This involved a great deal of effort and coordination in the training of County personnel, election officials and the general public on the use of the new voting machines. Both the Primary and General Election were an outstanding success with the public overwhelming approval of the new system.

PLANNING & COMMUNITY DEVELOPMENT

#1: Phase 1 Susquehanna Riverwalk

This project involves the construction of a ten foot wide asphalt path primarily situated on the top of the levee system in the City of Williamsport, South Williamsport and Loyalsock Township. Phase 1 design has been completed and all the necessary permits have been obtained with construction planned to begin in July 2007 with the possible completion by the end of 2007.

#2: Homes in Need

The County continues to support the Homes in Need Program which helps rehabilitate structures throughout the County. In 2006 seventeen dwellings were rehabilitated at eleven different locations around the County at a cost of \$68,000.

PUBLIC SAFETY

#1: Computer Aided Dispatch

The County awarded a contract to upgrade its current manual dispatch operations to a comprehensive computer based system. When completed the new computer aided dispatching system will provide the necessary information to quickly dispatch emergency personnel and equipment where needed.

#2: 911 Wireless

The County has completed the complex 911 Wireless Plan for funding of new communication equipment that will identify the location of cell phone calls for emergencies.

PRISON SERVICES

#1: New Pre-Release Wing for Female Prisoners

With the increasing need for prison space especially for female prisoners and the escalating cost of out of county facilities, the County did an intensive analysis to determine the best solution to the problem. After all possibilities were reviewed it was decided that the County could construct and operate a new facility for less than the cost of out of county facilities. In the fall of 2006, the County began construction of an additional wing to its Pre-Release facility to house thirty-two female inmates at a cost of about \$1,100,000. The construction should be completed in the late summer or early fall of 2007.

RESOURCE MANAGEMENT SERVICES

#1: Federal Bureau of Prisons – Alternative Energy Sources

During 2006, the County met with the representatives of the Federal Bureau of Prisons to firm up plans for the County to provide electrical and thermal energy to the Bureau of Prisons for their electrical and hot water needs. In conjunction, we have discussed with them an alternative use of landfill gas for use as a transportation fuel. We are currently in the contract agreement/negotiation phase of the energy project and in initial development / planning phase with the transportation fuel. RMS will finalize the planning and submission of the necessary permits for these projects in 2007 with construction in 2008 through 2010.

For the Future

INFORMATION SERVICES

#1: CNET

Complete the implementation of the CNET, a law enforcement records management system, to all County Police Departments who desire to migrate from their existing systems. This would allow for a common system with information sharing capabilities.

PLANNING & COMMUNITY DEVELOPMENT

#1: Phase 2 Susquehanna Riverwalk

Phase 2 of the plan involves the construction of the riverwalk between the Market and Maynard Street Bridges on the Williamsport levee and I-180 embankment scheduled for 2008-2009 construction.

#2: Public Work Projects

- A: Completion in 2007 of the Halls Station Regional Water System.
- B: Completion in 2007 of the Duboistown Borough sewer rehab project.
- C: Completion in 2007 of the South Williamsport Borough sewer rehab project.
- D: Habitat's Ivy Way affordable housing project.
- E: Habitat's Nichols Place affordable housing project.
- F: Parkside Manor Elderly Housing Complex in Montoursville.

#3 Flood Mitigation Projects

As a result of Tropical Storm Ivan in September 2004 the County was awarded grants through the Hazard Mitigation Grants Program. These grants were to acquire and demolish 19 properties in 8 Municipalities. All projects are slated to be completed in 2007

PUBLIC SAFETY

#1 CAD & 911 Wireless

To facilitate the implementation of the new Computer Aided Dispatch and the purchase of equipment to identify the location of cell phones call used in emergencies.

RESOURCE MANAGEMENT SERVICES

#1: Federal Bureau of Prisons – Alternative Energy Sources

The County will continue to meet with representatives of the Federal Bureau of Prisons to finalize all the necessary agreements and submit to the State the necessary permits to proceed with the project. The County will also continue the development of landfill gas for the use as a transportation fuel.

#2: Planning is also underway for the development and construction of an anaerobic digestion process pilot plant to utilize organic waste from municipalities. This project has several benefits to the County, not only to increase the life of the landfill but to generate energy and produce a soil amendment product.

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, 2006.

Pension and other Post-employment Benefits

The County maintains a single employer contributory defined benefit pension with mandatory membership for all full-time County employees. Participants in the plan contribute from 7 to 8 percent of their gross pay, with an optional additional contribution of up to 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 depository insurance 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-1980's by the County Commissioners Association of Pennsylvania. Under this coverage each member of PCoRP has it's own maintenance deductibles, then 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 April. 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 moneys 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 December 31, 2006, the County has had no additional assessments to the Loss Fund.

Over the last three years the County has had no environmental claims applied against the landfill.

The County has had no major insurance claims filed as of December 31, 2006.

Independent Audit

The accounting firm of Thomas B. Keller, Certified Public Accountant, 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 assurances the financial statements of the County for the year ended December 31, 2006, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting 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 unqualified opinion that the County's financial statements for the year ended December 31, 2006, are fairly presented in conformity with GAAP. The independent auditor's report is presented in the Financial Section of this report. The independent auditor's reports relating specifically to the single audit are presented in a separate report.

Controller's and 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, 2005. This was the fifteenth consecutive year that the County has

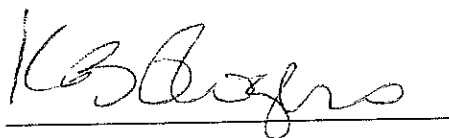
achieved this prestigious award. In order to be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The 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.

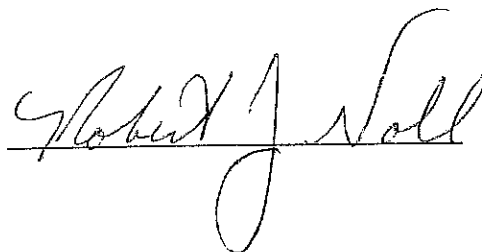
Acknowledgments

We want to express our sincere appreciation and thanks to the Department of Fiscal Services, Controllers office and the County's independent auditors, Thomas B. Keller, CPA and his staff for all of their dedicated hard work in preparing and presenting this report. Additionally we would like to thank all county departments and organizations who have provided information to compile the report.

Krista B. Rogers
Controller

Handwritten signature of Krista B. Rogers in cursive script, written over a horizontal line.

Robert J. Noll
Director Fiscal Services

Handwritten signature of Robert J. Noll in cursive script, written over a horizontal line.

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, 2005

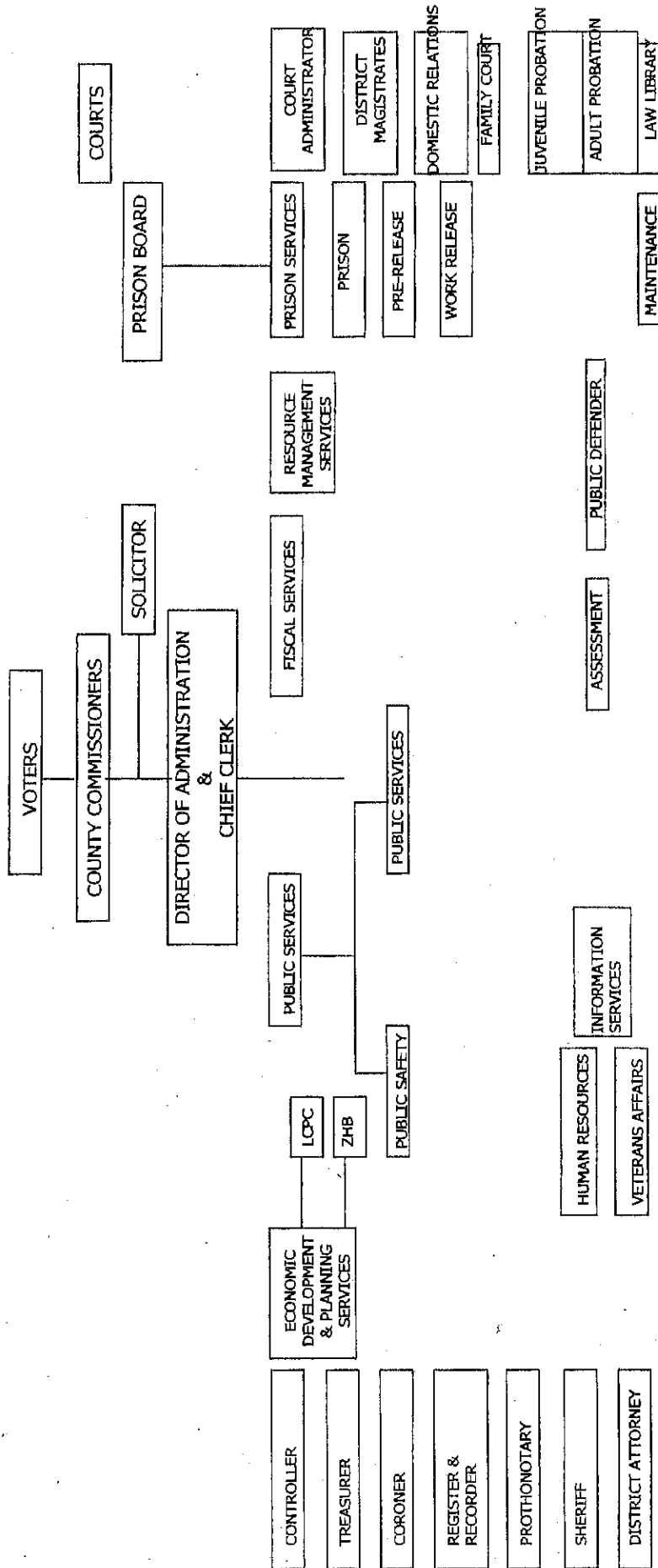
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

LYCOMING COUNTY ORGANIZATION CHART



LEGEND
Support Lines
Coordination

COUNTY OF LYCOMING, PENNSYLVANIA PRINCIPAL OFFICIALS

COMMISSIONERS

Rebecca A. Burke, Chair
Richard T. Nassberg
Ernest P. Larson

ROW OFFICES

Michael A. Dinges, District Attorney
Karen Stotz Myers, Treasurer
Krista B. Rogers, Controller
Annabel R. Miller, Register & Recorder
William J. Burd, Prothonotary
Charles T. Brewer, Sheriff
Charles Kiessling Jr., Coroner

JUDICIARY

Court of Common Pleas
Honorable Kenneth D. Brown, President Judge
Honorable William S. Kieser, Judge
Honorable Nancy L. Butts, Judge
Honorable Dudley N. Anderson, Judge
Honorable Richard A. Gray Judge

JURY COMMISSIONERS

Samuel R. Hoff
James W. Myers

FINANCIAL SECTION

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Thomas B. Keller
Certified Public Accountant

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Montoursville, PA 17754

Member of American and
Pennsylvania Institutes of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
County of Lycoming, Pennsylvania

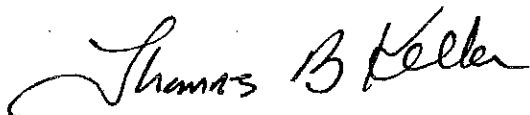
I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units except as noted below, each major fund, and the aggregate remaining fund information of the County of Lycoming, Pennsylvania, as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. My responsibility is to express opinions on these financial statements based on my audit. I did not audit the component unit financial statements of the Lycoming County Industrial Development Authority, Lycoming County Recreation Authority, Lycoming County Water and Sewer Authority, and the Williamsport Municipal Airport Authority which in total comprise 99% of assets, 98% of liabilities, 99% of net assets, 86% of revenues and 83% of expenses of the aggregate discretely presented component unit information. Those financial statements were audited by other auditors whose reports have been furnished to me, and my opinion on the basic financial statements, insofar as it relates to the amounts included for these discretely presented component units, is based solely on the reports of the other auditors.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit and the reports of other auditors provide a reasonable basis for my opinions.

In my opinion, based on my audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Lycoming, Pennsylvania as of December 31, 2006, and the respective changes in financial position and cash flows where applicable for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the required supplemental information on pages 19 through 33 and 102 through 104, respectively, are not a required part of the basic financial statements but are supplemental information required by the accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, I did not audit the information and express no opinion on it.

My 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, other supplementary information in the financial section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information in the financial section has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I express no opinion on them.

A handwritten signature in cursive script, reading "Thomas B. Keller".

June 28, 2007

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, 2006. 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, 2006. 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 \$112,238,961 (*net assets*). Of this amount, \$36,941,756 (*unrestricted net assets*) 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 \$50,763,762 while providing \$25,878,978 in unrestricted net assets. The total net assets increased by \$5,899,574 over the previous year.

Assets of the business type activities for the current year also exceeded its liabilities by \$61,475,199 while providing \$11,062,778 in unrestricted net assets. The total net assets increased by \$1,006,710 over the previous year.

At the close of the current fiscal year the County of Lycoming governmental funds reported a combined ending fund balance of \$50,652,685 and unreserved fund balances of \$23,364,085, an increase of \$4,201,860 over the previous year balance of \$46,450,825. The general fund ended the year with a fund balance of \$44,783,278 and unreserved funds of \$23,364,085, an increase of \$3,353,816.

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 assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in the net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and 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 36-37 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 funds 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 29 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 2006, major funds include the general fund and the special revenue County pass-thru grant fund. Data from the other 27 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 statement can be found on pages 38-41 of this report.

Proprietary funds.

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

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

The basic proprietary fund financial statement can be found on pages 42-46 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 statement can be found on pages 47-48 of this report.

Budgetary Highlights-General Fund

The 2006 adopted general fund budget of \$41,327,601 reflect an increase of \$1,689,572 over the 2005 budget of \$39,638,029. The largest increase in 2006 was payments to Children & Youth Services which increased \$997,680 over its 2005 allocation. This was a direct result of increase Federal and State funding passing through to Children & Youth Services. Health care benefits expenditures also increased by \$331,758 as health care cost continue to increase. Helping to offset these increases was a reduction in the purchase of capital and inventory equipment expenditures of \$646,941.

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 52-99 of this report.

Other information.

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary 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 101-165 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceed liabilities by \$112,238,961 at the close of the most recent fiscal year.

The total net assets of the County increased by \$6,906,284 (about 6.6%) from \$105,332,677 to \$112,238,961 in 2006. The increase in net assets was a result of an increase of \$5,899,574 in net assets of governmental activities and an increase of \$1,006,710 in net assets related to business-type activities.

By far the largest portion of the County's net assets (44.6 percent) reflects its 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.

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

An additional portion of the County's net assets (22.4 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance on the unrestricted net assets (\$36,941,756) may be used to meet the government's ongoing obligations to citizens and creditors.

COUNTY OF LYCOMING - Net Assets
(amounts in thousands)

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$58,941	\$54,538	\$70,963	\$66,303	\$129,904	\$120,841
Capital assets	24,920	21,956	33,673	34,987	58,593	56,943
Total Assets	<u>83,861</u>	<u>76,494</u>	<u>104,636</u>	<u>101,290</u>	<u>188,497</u>	<u>177,784</u>
Long term liabilities outstanding	21,798	23,665	40,691	38,221	62,489	61,886
Other liabilities	11,299	7,965	2,470	2,601	13,769	10,566
Total Liabilities	<u>33,097</u>	<u>31,630</u>	<u>43,161</u>	<u>40,822</u>	<u>76,258</u>	<u>72,452</u>
Net assets:						
Invested in capital assets, net of related debt	19,016	18,917	31,118	32,086	50,134	51,003
Restricted	5,869	5,021	19,294	18,275	25,163	23,296
Unrestricted	25,879	20,926	11,063	10,107	36,942	31,033
Total net assets	<u>\$50,764</u>	<u>\$44,864</u>	<u>\$61,475</u>	<u>\$60,468</u>	<u>\$112,239</u>	<u>\$105,332</u>

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

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

The following table presents the County's changes in net assets for the fiscal years ended December 31, 2006 and 2005:

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

	Governmental activities		Business-type activities		Total	
	2006	2005	2006	2005	2006	2005
Revenues:						
Program revenues						
Charge for services	\$ 7,527	\$ 7,678	\$ 14,888	\$ 13,917	\$ 22,415	\$ 21,595
Operating grants and contributions	26,785	30,023	660	559	27,445	30,582
Capital grants and contributions	963	649	-	-	963	649
General revenues:						
Taxes	25,444	24,885	-	-	25,444	24,885
Unrestricted investment income	2,146	1,637	3,001	2,219	5,147	3,856
Grants and contributions not restricted to specific programs	235	234	-	-	235	234
Total revenues	63,100	65,106	18,549	16,695	81,649	81,801
Expenses:						
General governmental	7,663	6,870	-	-	7,663	6,870
Judicial	8,276	7,751	-	-	8,276	7,751
Public safety	19,383	18,378	-	-	19,383	18,378
Public works	3,535	4,639	14,931	14,089	18,466	18,728
Human services	17,559	20,072	-	-	17,559	20,072
Culture & recreation	1,194	1,251	-	-	1,194	1,251
Conservation & development	894	850	-	-	894	850
Interest on long term debt	1,307	1,361	-	-	1,307	1,361
Total expenses	59,811	61,172	14,931	14,089	74,742	75,261
Increase (decrease) in net assets before transfers	3,289	3,934	3,618	2,606	6,907	6,540
Transfers	2,611	2,574	(2,611)	(2,574)	-	-
Increase (decrease) in net assets	5,900	6,508	1,007	32	6,907	6,540
Net assets - beginning	44,864	38,356	60,468	60,436	105,332	98,792
Net assets - ending	\$ 50,764	\$ 44,864	\$ 61,475	\$ 60,468	\$ 112,239	\$ 105,332

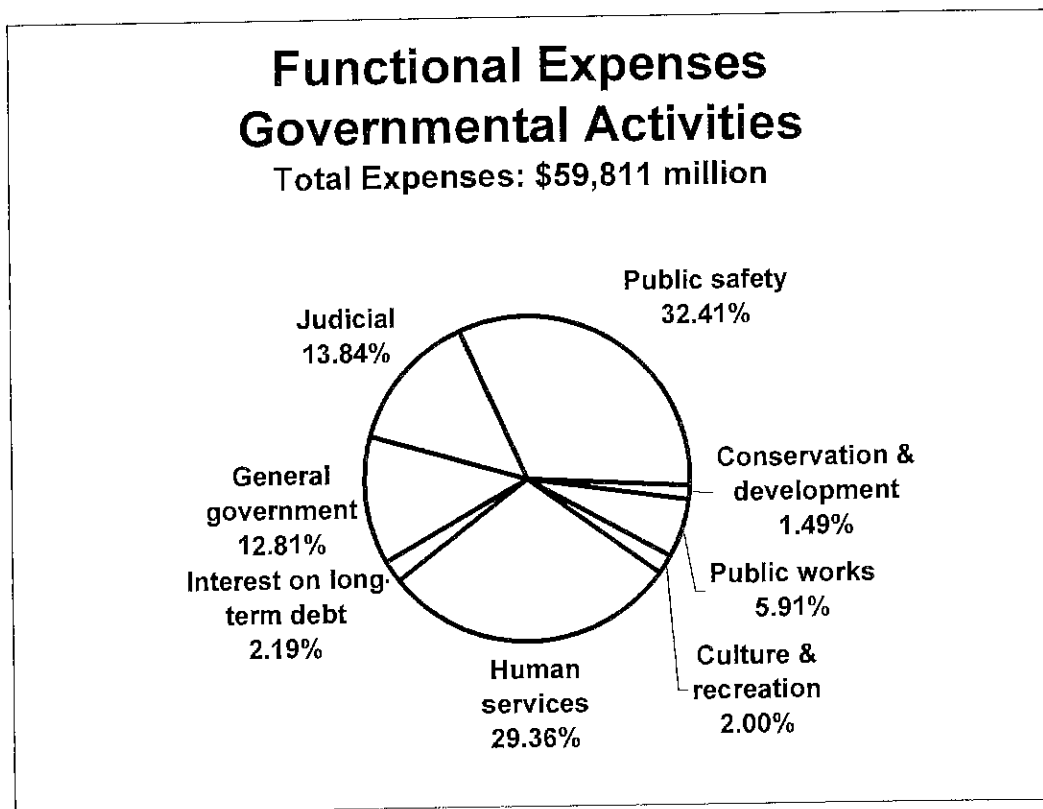
County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

Governmental Activities Net Assets: Total governmental net assets for 2006 were \$50,763,762, an increase of \$5,899,573 over the prior year. Key elements of this increase are as follows:

#1-Expenditures decreased by \$1,360,595 in 2006.

#2-A combination of the 2004 tax increase and the growth in real estate provided addition income to offset expenditures. The 2004 tax increase is still providing additional resources to the County as a result of lower than expected expenses over the last several years. Combined with this is the annual growth in real estate taxes which contributed an additional \$559,367 in 2006.

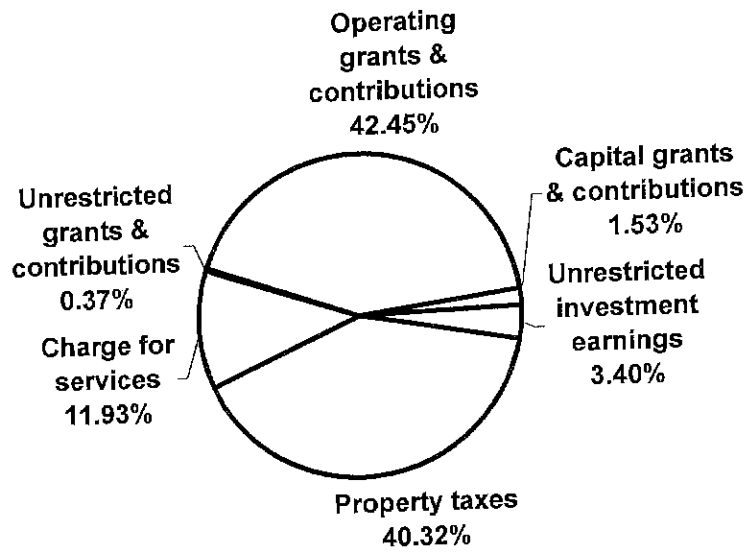
#3-Investment income increased by \$509,826 as a result of higher interest rates.



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

Source of Revenues
Governmental Activities

Total Revenues: \$63,100 million



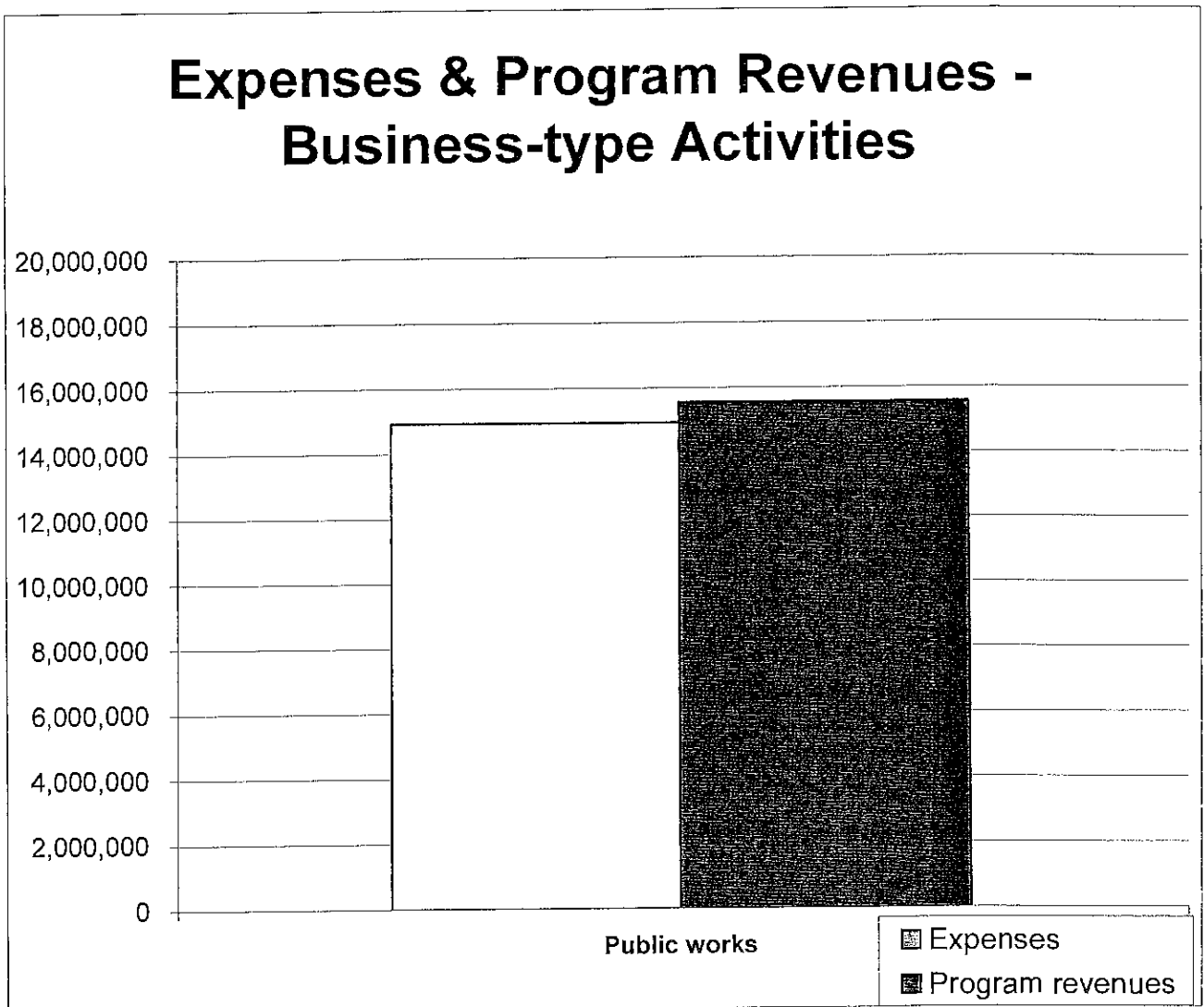
County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

Business-type activities. Business-type activities increased the County's net assets by \$1,006,710 for 2006. Key elements of this modest increase are as follows:

#1-A combination of increased tonnage and a rate increase provided an additional \$971,534 in fees.

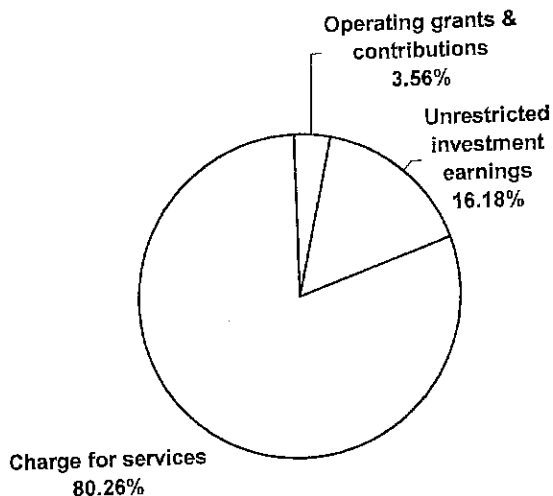
#2-Investment income increased by \$782,269 as a result of higher interest rates.

#3-An increase in operating expenses also reduced net assets an additional \$842,430.



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

**Revenue by Sources -
Business-type Activities**
Total Revenues: \$18,549 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, unreserved 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 \$50,652,685, an increase of \$4,201,860 over the prior year. Of the total fund balance, \$23,364,085 represents the unreserved fund balance, which is available for spending at the government discretion. The remainder of the fund balance is reserved to indicate that it is not available to meet current obligations because it has already been committed for:

#1-Non-current loans \$21,248,800.

#2-Restricted program expenditures and encumbrances \$5,869,407.

#3-Other \$170,393.

Governmental fund revenues for the current fiscal period decreased by \$1,036,646 or 1.6 percent while expenditures increased over the same period by \$3,684,359 or 5.9 percent. For 2006, major funds included the general fund and the special revenue fund County Pass-Thru Grants.

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

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 unreserved fund balance was \$23,364,085, an increase of \$4,311,521 over the prior year. The total fund balance also increased \$3,353,816 from \$41,429,462 to \$44,783,278 in 2006. As a measure of the general fund liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 58 percent of the total general fund expenditures while the total fund balance represents 112.7 percent of the same amount.

General fund revenues increased \$368,694 from \$44,387,481 to \$44,756,175 or .08 percent over the prior year. Expenditures increased \$983,866 from \$38,729,835 to \$39,713,701 or .07 percent.

Key factors of the increase in the fund balance for the general fund are as follows:

#1-A combination of the 2004 tax increase and the growth in real estate provided additional income to offset expenditures. The 2004 tax increase is still providing additional resources to the County as a result of lower than expected expenses over the last several years. Combined with this is the annual growth in real estate taxes which contributed an additional \$860,472 in 2006. The increase in the unreserved fund balance has enabled the county to replenish its reserves used to fund prior year deficits.

#2-Investment income increased by \$662,903 as a result of higher interest rates.

The County borrowed \$3,955,000 to purchase the White Deer Golf Course.

Governmental Fund Types – County Pass-Thru Grants

The County receives various Federal and State grants that it believes can be more effectively administered by local agencies. The County has contracted with these agencies to administer the moneys in accordance with the terms of the grant. In 2006, a total of \$10,384,391 was received from the various funding sources and disbursed to these agencies.

Proprietary Fund Types – Resource Management Services

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

The unrestricted net assets of the Lycoming County Resource Management Services at year-end amounted to \$11,062,778. The change in net assets for the fund was an increase of \$1,006,710. Other factors concerning the finances of the fund have already been discussed in the analysis of the County's business type activities.

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

General Fund Budgetary Highlights

The difference of \$160,237 between the original budget of \$41,327,601 and the final amended budget of \$41,487,838 was a result of transfers from the Special Revenue and Capital Project Funds and can be briefly summarized as follows:

	<u>General Fund</u>
<u>Transfer In</u>	
Transfer to Contingency Fund	\$ 150,000
Purchase Fax/Copier	3,210
BT Wireless Fee	1,320
Purchase Camera	325
New Position	8,532
<u>Transfer Out</u>	
Monthly Tower Charge	(3,150)
Total Transfers	<u>\$ 160,237</u>

Capital Assets and Debt Administration

The County's investment in capital assets for its governmental and business type activities as of December 31, 2006, net of accumulated depreciation amounted to \$58,593,024. This represents an increase of \$1,650,104 or 2.9 percent over the prior year total of \$56,942,920. For the current fiscal year governmental activities investment in capital assets increased 13.4 percent and business-type decreased 3.7 percent. Capital assets consist primarily of land and improvements, buildings and improvements, machinery and equipment, construction under progress and infrastructure. The following is a summary of capital assets at December 31, 2006.

COUNTY OF LYCOMINGS - Capital Assets
 (net of depreciation)
 (amounts in thousands)

	<u>Governmental activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Land	\$2,804	\$493	\$2,707	\$2,308	\$5,511	\$2,801
Improvements	1,149	730	6,744	7,847	7,893	8,577
Building & improvements	9,214	8,339	12,062	12,738	21,276	21,077
Machinery & equipment	5,862	6,247	10,997	10,953	16,859	17,200
Construction in progress	-	-	-	-	-	-
Infrastructure	5,891	6,147	1,163	1,141	7,054	7,288
Total Assets	<u>\$ 24,920</u>	<u>\$ 21,956</u>	<u>\$ 33,673</u>	<u>\$ 34,987</u>	<u>\$ 58,593</u>	<u>\$ 56,943</u>

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

For 2006 there were several major additions to capital assets.

Governmental Fund Types:

#1-Purchase White Deer Golf Course Land & Buildings at a cost of \$3,835,000

#2-Pre-Release Addition at a cost of \$217,771.

#3-Implemention of Computer Aided Dispatch at a cost of \$157,740.

Proprietary Fund Types:

#4-Purchase of properties for landfill repermitting at cost of \$677,048.

#5-Purchase of landfill equipment at a cost of about \$2.5 million.

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 - Outstanding Debt
 General Obligation Bonds
 (amounts in thousands)

	Governmental activities		Business-type activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
General Obligation Bonds	\$27,290	\$25,714	\$2,555	\$2,900	\$29,845	\$28,614

At December 31, 2006, the County had \$29,845,316 of general obligation bonds outstanding. This was an increase of \$1,231,277 or 4.3 percent over the previous year.

Beginning balance 12/31/05	\$ 28,614,039
Debt issued	3,955,000
Less principal payments	<u>2,723,723</u>
Ending balance 12/31/06	<u>\$ 29,845,316</u>

The County currently has an AAA 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.

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

Economic Factors and Next Year's Budget and Rates

The County's population remained the same at about 118,395.

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

The unemployment trends in Lycoming County have closely followed the trends in Pennsylvania and the nation as a whole. All percentages dropped below 6% in 2005 and have remained below that level.

The adopted 2007 budget has overall expenditures increasing from the 2006 budget of \$88,558,713 to \$94,763,523, an increase of \$6,204,810 or 7.01 percent. The budget for the governmental fund types also increased \$6,105,308 or 8.38 percent from \$72,813,435 to \$78,918,761. The 2006 budget for the business-types also increased \$99,502 or .63 percent to \$15,844,762.

2006 / 2007 Budget Comparisons

	2006 Approved Budget	2007 Approved Budget	Variance Increase (Decrease)	Percentage Increase (Decrease)
<u>Governmental Fund Types</u>				
General Fund	\$ 41,480,936	\$ 43,135,476	\$ 1,654,540	3.99%
Special Revenue Funds	21,451,441	22,546,212	1,094,771	5.10%
Debt service Funds	3,671,440	3,356,954	(314,486)	-8.57%
Capital Project Funds	6,209,636	9,880,119	3,670,483	59.11%
Total Governmental Fund	72,813,453	78,918,761	6,105,308	8.38%
<u>Business Fund Types</u>				
Enterprise Funds	15,745,260	15,844,762	99,502	0.63%
Total County Budget	\$ 88,558,713	\$ 94,763,523	\$ 6,204,810	7.01%

In 2005, the County implemented the Fair Tax Review assessment and changed its assessed ratio from 75% to 100%. This reduced the current millage from 7.63 mills to 4.75 mills.

The Tax rate for 2007 remains unchanged at 4.75 mills.

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

Request for information

The 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 Controller's Office
Or
Lycoming County Office of Fiscal Services
County of Lycoming, Pennsylvania
48 West Third Street
Williamsport, Pa. 17701

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BASIC FINANCIAL STATEMENTS

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET ASSETS
DECEMBER 31, 2006

	Primary Government			Component
	Governmental	Business-type	Total	Units
	Activities	Activities		
ASSETS				
Cash and cash equivalents	\$ 23,742,892	\$ 11,961,343	\$ 35,704,235	\$ 2,609,786
Investments at cost	-	7,907,959	7,907,959	-
Investments at fair value	-	28,239,675	28,239,675	-
Receivables (net of allowances)			2,852,453	-
Taxes	2,852,453	-	1,615,339	316,759
Accounts receivable trade	92,786	1,522,553	-	4,785,000
Bond receivable	-	-	-	9,099
Interest receivable	1,805,591	1,618,392	3,423,983	-
Cost & fines	2,790,007	-	2,790,007	-
Due from agency funds	11,500	-	11,500	-
Due from other governments	3,563,770	418,187	3,981,957	69,536
Due from Component Units	227,759	-	227,759	-
Loans	22,264,050	1,019,322	23,283,372	-
Inventory	14,630	-	14,630	100,149
Prepaid items	509,641	-	509,641	107,531
Deferred Charges				
Issuance Cost	1,066,098	-	1,066,098	1,120,499
Interest cost	-	-	-	1,628,565
Restricted assets	-	3,000,000	3,000,000	2,271,267
Cash and cash equivalents	-	11,568,665	11,568,665	-
Investments at cost	-	3,706,435	3,706,435	-
Investments at fair value	-	-	-	338,549
Due from other governments	-	-	-	-
Capital assets (Net of accumulated depreciation)				
Land	2,803,659	2,707,548	5,511,207	1,266,611
Improvements	1,149,309	6,743,928	7,893,237	15,019,685
Building & improvements	9,213,536	12,062,123	21,275,659	8,350,537
Machinery & equipment	5,862,481	10,996,617	16,859,098	2,458,368
Infrastructure	5,890,951	1,162,872	7,053,823	17,303,669
Construction in progress	-	-	-	1,895,783
Capitalized interest	-	-	-	1,046,958
Other assets	-	-	-	254,902
Total assets	<u>83,861,113</u>	<u>104,635,619</u>	<u>188,496,732</u>	<u>60,953,253</u>
LIABILITIES				
Accounts payable	3,614,927	1,609,283	5,224,210	511,311
Payroll and related payables	726,755	109,601	836,356	58,229
Accrued interest payable	239,982	-	239,982	-
Due to agency funds	6,858	-	6,858	467,065
Due to primary government	-	-	-	228,294
Unearned revenues	173,209	-	173,209	1,019,442
Escrow funds payable	240,987	327,699	568,686	29,823
Long term liabilities				
Due within one year	6,296,362	422,760	6,719,122	1,409,070
Due in more than one year	21,798,271	40,691,077	62,489,348	27,745,990
Total liabilities	<u>33,097,351</u>	<u>43,160,420</u>	<u>76,257,771</u>	<u>31,469,224</u>
NET ASSETS				
Investments in capital assets (net of related debt)	19,015,377	31,117,999	50,133,376	25,144,068
Restricted for:				
Judicial	1,776,954	-	1,776,954	-
Public safety	2,022,555	-	2,022,555	-
Public works	789,656	19,294,422	20,084,078	772,221
Conservation & development	1,243,152	-	1,243,152	436,386
Capital project funds	37,090	-	37,090	-
Debt service & admin. exp.	-	-	-	1,460,130
Unrestricted	25,878,978	11,062,778	36,941,756	1,671,224
Total net assets	<u>\$ 50,763,762</u>	<u>\$ 61,475,199</u>	<u>\$ 112,238,961</u>	<u>\$ 29,484,029</u>

See Notes to Financial Statement

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2006

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets			
	Expenses	Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 7,663,171	\$ 1,313,113	\$ 13,998	\$ 863,926	\$ (5,472,134)	\$ -	\$ (5,472,134)	\$ -
Judicial	8,276,111	2,209,701	1,781,119	-	(4,285,291)	-	(4,285,291)	-
Public safety	19,383,314	3,656,056	6,558,503	74,199	(9,094,556)	-	(9,094,556)	-
Public works	3,535,083	97,739	1,914,927	24,405	(1,498,012)	-	(1,498,012)	-
Human services	17,559,200	173,767	16,494,204	-	(891,229)	-	(891,229)	-
Culture & recreation	1,193,605	33,264	-	-	(1,160,341)	-	(1,160,341)	-
Conservation & development	893,633	42,987	21,870	-	(828,776)	-	(828,776)	-
Interest on long-term debt	1,307,054	-	-	-	(1,307,054)	-	(1,307,054)	-
Total governmental activities	59,811,171	7,526,627	26,784,621	962,530	(24,537,393)	-	(24,537,393)	-
Business-type activities								
Waste Management	14,931,204	14,888,494	659,888	-	-	617,178	617,178	-
Total business-type activities	14,931,204	14,888,494	659,888	-	-	617,178	617,178	-
Total primary government	\$ 74,742,375	\$ 22,415,121	\$ 27,444,509	\$ 962,530	(24,537,393)	617,178	(23,920,215)	-
Component units:								
Governmental activities	\$ 1,200,899	\$ 1,098,799	\$ 113,066	\$ -	-	-	-	10,966
Business-type activities	8,496,941	6,220,590	2,488,145	1,384,639	-	-	-	1,596,433
Total component units	\$ 9,697,840	\$ 7,319,389	\$ 2,601,211	\$ 1,384,639	-	-	-	1,607,399
General revenues:								
Property Taxes					25,444,268	-	25,444,268	-
Unrestricted investment earnings					2,146,256	3,001,027	5,147,283	237,120
Grants contributions and other revenues not restricted to specific programs					234,948	-	234,948	155,879
Transfers					2,611,495	(2,611,495)	-	(2,489,900)
Total general revenues and transfers					30,436,967	389,532	30,826,499	(2,096,901)
Changes in net assets					5,899,574	1,006,710	6,906,284	(489,502)
Net assets - beginning					44,864,188	60,468,489	105,332,677	29,973,531
Net assets - ending					\$ 50,763,762	\$ 61,475,199	\$ 112,238,961	\$ 29,484,029

See notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2006

	General	County Pass-Thru Grants	Other Governmental Funds	Total
ASSETS				
Cash & cash equivalents	\$ 17,042,498	\$ 403,302	\$ 6,297,091	\$ 23,742,891
Receivables				2,852,453
Taxes	2,852,453	-	-	2,852,453
Accounts	2,800,026	-	82,766	2,882,792
Interest	1,805,592	-	-	1,805,592
Due from other funds	724,469	-	25,450	749,919
Due from other governments	2,609,650	-	954,122	3,563,772
Due from component units	226,619	-	1,140	227,759
Loans				11,500
Interfund	11,500	-	-	11,500
Non-profit organizations	6,136,083	-	-	6,136,083
Component units	16,127,967	-	-	16,127,967
Inventory	14,629	-	-	14,629
Prepaid items	155,764	-	-	155,764
Total assets	<u>\$ 50,507,250</u>	<u>\$ 403,302</u>	<u>\$ 7,360,569</u>	<u>\$ 58,271,121</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,639,549	\$ 403,302	\$ 572,075	\$ 3,614,926
Payroll payable	723,655	-	3,100	726,755
Due to other funds	10,655	-	746,121	756,776
Deferred revenues				2,105,782
Taxes	2,105,782	-	-	2,105,782
Intergovernmental	3,344	-	169,866	173,210
Escrow funds	240,987	-	-	240,987
Total liabilities	<u>5,723,972</u>	<u>403,302</u>	<u>1,491,162</u>	<u>7,618,436</u>
Fund Balances (Deficits)				
Reserved for:				21,248,800
Non-current loans	21,248,800	-	-	21,248,800
Inventory	14,629	-	-	14,629
Prepaid items	155,764	-	-	155,764
Encumbrances	-	-	378,526	378,526
Restricted programs expenditures				5,042,661
Special revenue funds	-	-	5,042,661	5,042,661
Capital project funds	-	-	37,090	37,090
Unreserved, designated for reported in:				411,130
Special revenue funds	-	-	411,130	411,130
Undesignated	23,364,085	-	-	23,364,085
Total fund balances	<u>44,783,278</u>	<u>-</u>	<u>5,869,407</u>	<u>50,652,685</u>
Total liabilities and fund balances	<u>\$ 50,507,250</u>	<u>\$ 403,302</u>	<u>\$ 7,360,569</u>	<u>\$ 58,271,121</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2006**

Total Fund Balance-Governmental Funds	\$ 50,652,685
 Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in the governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	24,919,936
Prepaid pension obligation used in the governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	353,878
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(25,162,737)</u>
 Net assets of governmental activities	 <u><u>\$ 50,763,762</u></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, 2006

	General	County Pass-Thru Grants	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 25,466,452	\$ -	\$ -	\$ 25,466,452
Licenses & permits	46,797	-	-	46,797
Intergovernmental revenues	11,452,136	10,384,391	6,109,537	27,946,064
Charge for services	3,851,977	-	2,165,464	6,017,441
Sale of assets	59,234	-	-	59,234
Investment earnings	2,151,578	-	279,541	2,431,119
Court cost & fines	1,143,033	-	97,248	1,240,281
Miscellaneous income	584,968	-	441	585,409
	<u>44,756,175</u>	<u>10,384,391</u>	<u>8,652,231</u>	<u>63,792,797</u>
Total revenues				
EXPENDITURES				
Current				
General government	6,058,237	-	772,188	6,830,425
Judicial	5,998,874	-	594,968	6,593,842
Public safety	13,037,482	99,923	3,560,642	16,698,047
Public works	461,792	-	2,794,698	3,256,490
Human services	7,192,962	10,284,468	-	17,477,430
Culture & recreation	1,101,988	-	40,829	1,142,817
Conservation & development	719,906	-	11,448	731,354
Miscellaneous	4,287,157	-	-	4,287,157
Debt service	-	-	3,601,340	3,601,340
Capital outlay	855,303	-	4,563,228	5,418,531
	<u>39,713,701</u>	<u>10,384,391</u>	<u>15,939,341</u>	<u>66,037,433</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>5,042,474</u>	<u>-</u>	<u>(7,287,110)</u>	<u>(2,244,636)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	2,624,971	-	8,437,790	11,062,761
Transfer out	(8,148,629)	-	(302,636)	(8,451,265)
Proceeds from Debt	3,955,000	-	-	3,955,000
Escrow Pymts	(120,000)	-	-	(120,000)
	<u>(1,688,658)</u>	<u>-</u>	<u>8,135,154</u>	<u>6,446,496</u>
Total other financing sources (uses)				
Net Change in fund balances	<u>3,353,816</u>	<u>-</u>	<u>848,044</u>	<u>4,201,860</u>
Fund balances-beginning	<u>41,429,462</u>	<u>-</u>	<u>5,021,363</u>	<u>46,450,825</u>
Fund balances-ending	<u>\$ 44,783,278</u>	<u>\$ -</u>	<u>\$ 5,869,407</u>	<u>\$ 50,652,685</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, 2006**

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

Net change in fund balances-total governmental funds (page 40)	\$ 4,201,860
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.	3,635,051
The net effect of various miscellaneous transactions involving capital assets (i.e., sales trade-ins, and donations) is to increase net assets.	(671,364)
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.	(22,183)
The issuance of long-term debt (e.g., bonds & leases) provide 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 assets.	(1,632,342)
Also, 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.	36,116
Interest expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	(1,441)
The net effect of the County's funding requirements for its retirement fund in the statement of activities that do not provide current financial resources and are not reported in the Governmental funds.	353,877
Change in net assets of governmental activities (page 37)	<u>\$ 5,899,574</u>

See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
ENTERPRISE FUND
STATEMENT OF NET ASSETS
DECEMBER 31, 2006

	<u>Resource Management Services</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 11,961,343
Investments at cost	7,907,959
Investments at fair value	28,239,675
Receivables (net of allowances)	
Accounts receivable - trade	1,522,553
Interest receivable	1,618,392
Due from other governments	418,187
Total current assets	<u>51,668,109</u>
Noncurrent assets	
Loans component unit	<u>1,019,322</u>
Restrictive assets	
Cash and cash equivalents	3,000,000
Investments at cost	11,568,665
Investments at fair value	3,706,435
Total restricted assets	<u>18,275,100</u>
Capital assets	
Land	2,707,548
Improvements	6,743,928
Building and improvements	12,062,123
Machinery and equipment	10,996,617
Infrastructure	1,162,872
Total capital assets	<u>33,673,088</u>
Total noncurrent assets	<u>52,967,510</u>
Total assets	<u>\$ 104,635,619</u>
LIABILITIES	
Current liabilities	
Accounts payable	\$ 1,609,283
Payroll	109,601
Escrow funds	327,699
Compensated absences payable	77,532
Long term debt	345,228
Total current liabilities	<u>2,469,343</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
ENTERPRISE FUND
STATEMENT OF FUND NET ASSETS
DECEMBER 31, 2006
(CONTINUED)

	Resource Management Services
Long term liabilities	
Compensated absences payable	\$ 89,019
Estimated reclamation cost for field and final closure	38,392,196
Long term debt	2,209,862
Total long term liabilities	<u>40,691,077</u>
 Total liabilities	 <u>43,160,420</u>
 NET ASSETS	
Investment in property & equipment net of related debt	31,117,999
Restricted for:	
State-insurance & closure requirements	19,294,422
Unrestricted	11,062,778
Total net assets	<u>\$ 61,475,199</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
ENTERPRISE FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Resource Management Services
OPERATING REVENUES	
Charge for services	\$ 13,070,532
Sales	1,791,351
Miscellaneous revenues	32,523
Total operating revenues	<u>14,894,406</u>
OPERATING EXPENSES	
Salaries and wages	2,681,623
Material and supplies	396,571
General operating	5,042,038
Maintenance and repairs	1,110,713
Depreciation expense	4,234,009
Fringe & indirect expense	1,336,553
Total operating expenses	<u>14,801,507</u>
Operating Income (loss)	<u>92,899</u>
NON-OPERATING REVENUES (EXPENSES)	
Investment earnings	3,001,027
Intergovernmental revenues	659,888
Net proceeds on sale of assets	(5,912)
Net gain (Loss)	(129,697)
Interest expense	3,525,306
Total non-operating revenues (expenses)	<u>3,525,306</u>
Income (loss) before transfers	3,618,205
Transfer - out	<u>(2,611,495)</u>
Change in net assets	1,006,710
Total net assets-beginning	60,468,489
Total net assets-ending	<u>\$ 61,475,199</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
ENTERPRISE FUNDS
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2006**

	Resource Management Services
Cash Flows From Operating Activities	
Receipt from customers	\$ 14,799,517
Payments to suppliers	(4,290,693)
Payment to employees	(3,592,831)
Other receipts	32,523
Net cash provided by operating activities	<u>6,948,516</u>
Cash Flows From Noncapital Financing Activities	
Subsidies to other funds	(2,611,495)
Federal & State Operating Grants	303,396
Net cash provided (used) by noncapital financing activities	<u>(2,308,099)</u>
Cash Flow From Capital and Related Financing Activities	
Proceeds from sale of capital assets	269,345
Acquisition of capital assets	(3,195,687)
Principal paid on capital debt	(345,228)
Interest paid on capital debt	(129,697)
Net cash provided (used) by capital and related financing activities	<u>(3,401,267)</u>
Cash Flow From Investing Activities	
Interest & Dividends	2,339,494
Sales of investments	25,281,389
Purchase of investments	(28,720,697)
Net cash provided (used) by investing activities	<u>(1,099,814)</u>
Net increase (decrease) in cash	139,336
Cash and cash equivalents beginning of year	14,822,007
Cash and cash equivalents end of year	<u>\$ 14,961,343</u>

Continued

COUNTY OF LYCOMING, PENNSYLVANIA
ENTERPRISE FUNDS
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2006
(CONTINUED)

Resource
Management
Services

Reconciliation of operating income (loss) to net cash
provided (used) by operating activities

Operating income (loss)	\$ 92,899
Adjustments to reconcile operating loss to net cash provided (used) in operating activities	
Depreciation expense	4,234,009
Changes in assets and liabilities	
(Increase) decrease accounts trade receivables	(62,366)
Increase (decrease) accounts payable	(260,094)
Increase (decrease) payroll	10,046
Increase (decrease) compensated absences	25,649
Increase (decrease) escrow accounts	2,908,373
Total Adjustments	<u>6,855,617</u>
Net cash provided (used) by operating activities	<u>6,948,516</u>

Cash and cash equivalents-End of year	11,961,343
Unrestricted	
Restricted	3,000,000
State insurance funds	<u>\$ 14,961,343</u>
Total Cash	

Non-cash investing, capital and financing activities:

Net increase (decrease) in fair value of investments	<u>55,053</u>
Total non-cash investing, capital and financing activities	<u>\$ 55,053</u>

See Notes to Financial Statements

COUNTY OF LYCOMING
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2006

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 1,613,203	\$ 2,486,380
Investments at fair value		
Certificate of Deposit	836,329	-
Government securities	16,385,101	-
Corporate bonds	7,085,186	-
Equities	37,841,501	-
Mutual funds	9,378,603	-
Accounts receivable (net of allowance)	-	42,176
Delinquent Taxes (non-county)	-	3,186,038
Cost & fines (non county)		7,417,303
Interest receivable	187,909	-
Due from other funds	-	6,917
Inventory	-	5,355
Total assets	<u>\$ 73,327,832</u>	<u>\$ 13,144,169</u>
LIABILITIES		
Accounts payable	\$ -	\$ 11,537
Due to other funds	-	59
Due to other governments	-	1,529,350
Escrow	-	11,591,723
Interfund loans	-	11,500
Total liabilities	<u>-</u>	<u>13,144,169</u>
NET ASSETS		
Held in trust for pension benefits	<u>\$ 73,327,832</u>	<u>\$ -</u>

See Notes to Financial Statements

COUNTY OF LYCOMING
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
YEAR ENDED DECEMBER 31, 2006

	<u>Pension Trust Fund</u>
ADDITIONS	
Contributions	
Employees	\$ 1,566,275
Employer	180,000
Miscellaneous	16,319
Total contributions	<u>1,762,594</u>
Investment earnings	
Net appreciation in fair value of investments	3,419,257
Interest & dividends	2,831,046
	<u>6,250,303</u>
Less: Investment management fees	443,949
Total investment income - net	<u>5,806,354</u>
Total additions	<u>7,568,948</u>
 DEDUCTIONS	
Benefit payments	2,056,251
Refunds of employee contributions	229,728
Death benefits	41,897
Other	28
Total deductions	<u>2,327,904</u>
Net increase in plan assets	5,241,044
Plan net assets at beginning of year	<u>68,086,788</u>
Plan net assets at end of year	<u><u>\$ 73,327,832</u></u>

See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET ASSETS
COMPONENT UNITS
DECEMBER 31, OR JUNE 30, 2006

	Governmental Activities		Business-Type Activities				Total
	Soil Conservation 12/31/2006	Industrial Development Authority 12/31/2006	Planning Commission 06/30/06	Recreation Authority 12/31/2006	Water & Sewer Authority 12/31/2006	Airport Authority 12/31/2006	
ASSETS							
Cash and cash equivalents	\$ 337,077	\$ 1,504	\$ 166,644	\$ 139,138	\$ 1,887,139	\$ 78,284	\$ 2,609,786
Investments at fair value	-	-	-	-	-	-	-
Receivables (net of allowances)							
Accounts receivable	28	14,200	149,643	7,738	130,796	14,354	316,759
Bond receivables	-	4,785,000	-	-	-	-	4,785,000
Interest receivable	-	-	-	-	9,099	-	9,099
Due from other governments	63,036	-	-	-	6,500	-	69,536
Inventory	-	-	-	100,149	-	-	100,149
Prepaid items	-	-	88	24,342	37,663	45,438	107,531
Deferred Charges							
Issuance Cost	-	-	-	177,622	942,877	-	1,120,499
Interest cost	-	-	-	-	1,628,565	-	1,628,565
Restricted assets							
Cash and cash equivalents	-	-	-	436,488	1,460,130	374,649	2,271,267
Investments at fair value	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	338,549	338,549
Capital assets:							
Land	-	-	-	-	127,985	1,138,626	1,266,611
Improvements	-	-	-	-	-	15,019,685	15,019,685
Building & improvements	-	-	-	-	4,669,819	3,680,718	8,350,537
Machinery & equipment	-	-	-	474,633	1,053,544	930,191	2,458,368
Infrastructure	-	-	-	-	17,303,669	-	17,303,669
Construction in progress	-	-	-	-	452,678	1,443,105	1,895,783
Capitalized interest	-	-	-	-	1,046,958	-	1,046,958
Other Assets	-	-	-	-	-	254,902	254,902
Total assets	\$ 400,141	\$ 4,800,704	\$ 316,375	\$ 1,360,110	\$ 30,757,422	\$ 23,318,501	\$ 60,953,253

LIABILITIES							
Accounts payable	\$ 1,353	\$ 1,250	\$ 65,668	\$ 26,214	\$ 72,560	\$ 344,266	\$ 511,311
Payroll and related payables	-	-	-	22,454	21,996	13,779	58,229
Accrued interest payable	-	-	-	391,515	75,550	-	467,065
Due to primary government	23,149	-	171,881	33,264	-	-	228,294
Unearned revenues	304,889	-	72	321,023	5,968	387,490	1,019,442
Escrow funds payable	-	-	-	9,585	-	20,238	29,823
Continued							

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET ASSETS
COMPONENT UNITS
DECEMBER 31, OR JUNE 30, 2006
(CONTINUED)

	Governmental Activities		Business-Type Activities				Total
	Soil Conservation 12/31/2006	Industrial Development Authority 12/31/2006	Planning Commission 06/30/06	Recreation Authority 12/31/2006	Water & Sewer Authority 12/31/2006	Airport Authority 12/31/2006	
Long term liabilities							
Due within one year	\$ -	\$ 673,000	\$ -	\$ 176,125	\$ 559,945	\$ -	\$ 1,409,070
Due in more than one year	-	4,112,000	-	5,524,175	18,109,815	-	27,745,990
Total liabilities	329,391	4,786,250	237,621	6,504,355	18,845,834	765,773	31,469,224
NET ASSETS							
Investments in capital assets (net of related debt)	\$ -	\$ -	\$ -	\$ (5,225,667)	\$ 8,157,410	\$ 22,212,325	\$ 25,144,068
Restricted for:							
Public works	-	-	59,452	-	712,769	-	772,221
Conservation & Development	9,483	-	-	426,903	-	-	436,386
Debt service & admin. exp.	-	-	-	-	1,460,130	-	1,460,130
Unrestricted	61,267	14,454	19,302	(345,481)	1,581,279	340,403	1,671,224
Total net assets	\$ 70,750	\$ 14,454	\$ 78,754	\$ (5,144,245)	\$ 11,911,588	\$ 22,552,728	\$ 29,484,029

See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
COMPONENT UNITS

FOR THE YEAR ENDED DECEMBER 31, OR JUNE 30, 2006

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets						
	Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Soil Conservation	Industrial Development Authority	Planning Commission	Recreation Authority	Sewer Authority	Airport Authority	Total	
Governmental Activities											
Conservation & development											
Soil Conservation	\$ 153,512	\$ 37,271	\$ 113,066	\$ -	\$ (3,175)	\$ -	\$ -	\$ -	\$ -	\$ (3,175)	
Industrial Development Authority	1,047,387	1,061,528	-	-	14,141	-	-	-	-	14,141	
Total governmental activities	1,200,899	1,098,799	113,066	-	(3,175)	-	-	-	-	10,966	
Business-type activities											
Planning Commission	\$ 1,498,615	\$ 1,183,546	\$ 289,017	\$ -	\$ -	\$ (26,052)	\$ -	\$ -	\$ -	\$ (26,052)	
Recreation Authority	2,419,235	1,719,396	-	-	-	-	(699,839)	-	-	(699,839)	
Water & Sewer Authority	2,663,158	2,428,179	2,100,393	-	-	-	-	1,865,414	-	1,865,414	
Airport Authority	1,915,933	889,469	98,735	1,384,639	-	-	-	-	456,910	456,910	
Total business-type activities	8,496,941	6,220,590	2,488,145	1,384,639	-	(26,052)	(699,839)	1,865,414	456,910	1,596,433	
Total Component Units	\$ 9,697,840	\$ 7,319,389	\$ 2,601,211	\$ 1,384,639	(3,175)	(26,052)	(699,839)	1,865,414	456,910	1,607,399	
General revenues:											
Unrestricted investment earnings				2,943	4	-	53,067	178,142	2,964	237,120	
Grants, contributions and other revenues				-	-	-	-	-	-	-	
not restricted to specific programs				-	-	-	155,879	-	-	155,879	
Extraordinary item - asset transfer				-	-	-	-	(2,489,900)	-	(2,489,900)	
Total general revenues and transfers				2,943	4	-	208,946	(2,311,758)	2,964	(2,096,901)	
Changes in net assets				(232)	14,145	(26,052)	(490,893)	(446,344)	459,874	(489,502)	
Net assets - beginning				70,982	309	104,806	(4,653,352)	12,357,932	22,092,854	29,973,531	
Net assets - ending				\$ 70,750	\$ 14,454	\$ 78,754	\$ (5,144,245)	\$ 11,911,588	\$ 22,552,728	\$ 29,484,029	

See Notes to Financial Statement

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 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 to 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. 34 "The Financial Reporting Entity", the County has evaluated all related entities (Authorities, Boards, Councils and etc.) to determine the financial accountability for possible inclusion in the financial report. In determining financial accountability in a given case, the County reviews the following criteria:

The County is financially accountable for:

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

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

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

3. Organizations that are 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 description of how the aforementioned criteria has been considered in the determination of whether to include or exclude such units in the County's financial statements are 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

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.

Lycoming County Airport Authority

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

Lycoming County Planning Commission

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

Lycoming County Soil Conservation

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

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 component unit's financial information should be directed to:

Lycoming County Planning Commission
48 West Third Street
Williamsport, Pa. 17701

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

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

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

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 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 assets and the statement of changes in net assets) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund 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 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 are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The government reports the following major Governmental Funds:

The General Fund and the Special Revenue County Pass Thru Grants fund.

The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The County pass-thru grant fund contains Federal and State grants that the County has contracted with various outside agencies to administer the funds in accordance with the terms of the grant.

The government reports the following major Proprietary Funds:

The Enterprise Fund is the only major Proprietary Fund.

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effects of inter-fund activity has been eliminated from the government-wide financial statements. 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.

The County's fiduciary funds are presented in the fund financial statement by type (pension trust fund). Since by definition, the assets of these funds are held for a benefit of a third-party and cannot be used to satisfy obligations of the County, these funds are not incorporated into the government-wide financial statements. The County's fiduciary funds are presented on the accrual basis of accounting.

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

2. Assets, Liabilities and Net Assets or Equity

Cash and Cash Equivalents

For purposes of 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.

All investments of the County are carried 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 money market funds, certificate of deposit, or investments in federal or state instruments with financial institutions.

Receivables and Payables

Activity between funds that are representative of lending / borrowing arrangement 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 interfund loan) or, "advances to / from other funds" (i.e., the non current portion of the interfund 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 provides for an allowance for uncollectible accounts based upon past experience computed using a percentage of sales. Cost and Fines allowance is based upon an estimated collection percentage of 20% to 90% of past due accounts determined by the number of years outstanding.

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

Inventories and Prepaid Items

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

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Interfund 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 interfund transactions have not been paid or received as of December 31, 2006, appropriate interfund receivables or payables have been established.

Restricted Assets

Restricted assets represent resources set aside for liquidation of specific obligations. The largest share of restricted assets resides in the enterprise fund and are 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 \$5000 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 funds utilize the straight-line method of calculating annual depreciation while the proprietary funds use 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 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, employees with one or more years of service are reimbursed for their remaining pooled leave time. Employees terminated with five or more years of service will also be reimbursed for unused long-term sick time prorated, based on the number of years of service, up to a maximum of \$1,200. Employees who retire will also be reimbursed for unused long-term sick time but at a larger percentage than those who terminate.

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

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

Unearned / Deferred Revenues

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

Long-Term Liabilities

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

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

Use of Estimates

The preparation of the financial statements in conformity with general accepted accounting principals 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.

Fund Equity

In the fund financial statements, reserve fund balance represent amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Designation of fund balances represents tentative management plans that are subject to change.

3. Reconciliation of Government-Wide and Fund Financial Statements

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

The government fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets – governmental activities as reported in the government-wide statements of net assets. 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 \$25,162,737 difference are as follows:

Bonds payable	\$27,290,226
Less: Deferred charges for issuance cost (to be amortized over life of debt)	(1,066,098)
Accrued interest payable	239,982
Compensated absences	804,407
Deferred current year taxes	<u>(2,105,780)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets governmental activities	<u>\$25,162,737</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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 \$3,635,051 difference are as follows:

2006 capital asset purchases	\$5,467,196
2006 depreciation expense	<u>(1,832,145)</u>
Net adjustment to the increase net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u>\$3,635,051</u>

Another element of that reconciliation states that "The Net effect of the various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets." The details of this \$671,364 difference are as follows:

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in the net assets differs from the change in fund balance by the cost of the capital asset sold.	(\$674,464)
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The statement of activities report gains arising from trade-in of existing capital assets to acquire new capital assets. Conversely, government funds do not report any gain or loss on a trade-in of capital assets	<u>3,100</u>
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Net adjustment to decrease net change in fund balance-total governmental funds to arrive at the changes in net assets of governmental activities	<u>(\$671,364)</u>
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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 assets. Also, governmental funds report the effect of the issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$1,632,342 difference are as follows:

Debt issued or incurred Issuance general obligation bonds	(\$3,955,000)
Principal payments General obligation debt	2,378,495
Long-term compensated absences	<u>(55,837)</u>

Net adjustment to increase net changes in fund balance total governmental funds to arrive at changes in net assets of governmental activities	<u>(\$1,632,342)</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. The budget then goes on public display for twenty (20) days before adoption prior to December 31st.

The County maintains budgetary control on 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 department or supplemental appropriations require Commissioner 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 2006. Appropriations lapse at the end of each year and must be reappropriated.

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 reservation of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated 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 2006, there were three cases as shown below:

- Special Revenue Funds
 - #1 Special Projects
- Capital Project Funds
 - #1 Pre-Release Addition
 - #2 White Deer Golf Course

5. Excess of Expenditures over Appropriations

For the year ended December 31, 2006, 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		
#1 Domestic Relation	\$ 55,766	\$ 305,941
#2 DA Investigative Fund	\$ 178,450	\$ 191,979
#3 DARE	\$ 2,219	\$ 2,773
#4 Register & Recorder Capital Fund	\$ 206,741	\$ 322,056
#5 Prothonotary Automation Fund	\$ 6,000	\$ 7,866
#6 Haz-Mat	\$ 875,842	\$ 1,980,640
#7 EMA Grant	\$ 3,983	\$ 16,888
#8 CDBG	\$ 368,750	\$ 548,640
#9 Pass Thru Grants	\$ 9,607,210	\$ 10,384,391

6. Cash and Investments

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

A. Deposits and Investments

Pennsylvania statutes provide for investment of governmental funds into certain authorized investments including U.S. Treasury Bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposits. The deposit and investments policy of the County adheres to State statutes. Deposit of the governmental funds is either maintained in demand deposit, certificate of deposit 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, 2006, \$294,421 of the County's \$37,686,974 bank balance was insured by the Federal Depositary Insurance Corporation. The remaining bank balance of \$37,392,553 was exposed to custodial risk, which 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.

Investments

The County maintains a mix of investments in compliance with State statutes to meet both State and County closure requirements for its solid waste facility.

As of December 31, 2006 the Statement of Net Assets had the following investments:

Cash or Investment Type	Fair Market Value	Investment Maturities from December 31, 2006			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
U.S. treasury bills	\$ 20,163,510	\$ 1,821,700	\$ 14,279,821	\$ 4,061,989	\$ -
Government & related agency debt	6,822,600	3,482,290	3,340,310	-	-
Guaranteed investment contracts	4,960,000	-	-	-	4,960,000
Total debt securities	31,946,110	5,303,990	17,620,131	4,061,989	4,960,000
Long-Term certificate of deposit	19,476,624	7,700,000	11,776,624	-	-
	<u>\$ 51,422,734</u>	<u>\$ 13,003,990</u>	<u>\$ 29,396,755</u>	<u>\$ 4,061,989</u>	<u>\$ 4,960,000</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 \$26,986,110 in U.S. Treasury bills and related agency debt with an AAA rating from Standards & Poor's.

#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 \$19,476,624 in long-term certificates of deposit with local banking institutions. Of that amount, \$600,000 is covered by FDIC Insurance with the balance of \$18,876,624 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 County will not be able to recover the value of the investment or collateral securities that are in the possession of an outside entity. The County does not have a formal investment policy for custodial risk.

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, 2006, the bank balance was \$4,093,586 with \$185,301 being insured by the Federal Depository Insurance Corporation. The remaining balance \$3,908,285 was exposed to custodial risk, which is 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 name.

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, 2006 the Retirement Board had the following cash and investments in its Pension Trust Fund:

Cash or Investment Type	Fair Market Value	Investment Maturities from December 31, 2006			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
U.S. treasury bills	\$ 2,362,104	\$ -	\$ 582,772	\$ 1,415,499	\$ 363,833
Government & related agency debt	8,683,400	-	3,292,860	3,216,106	2,174,435
Corporate debt	7,085,186	71,089	2,694,003	1,906,531	2,413,562
FNMA, GNMA & FHLMC mortgage pools	5,339,597	-	-	-	-
Total debt securities	<u>23,470,287</u>	<u>\$ 71,089</u>	<u>\$ 6,569,635</u>	<u>\$ 6,538,136</u>	<u>\$ 4,951,830</u>
Cash & cash equivalents	1,613,203				
Long term certificate of deposit	836,329				
Stocks	37,841,501				
Mutual Funds	9,378,603				
Total cash and other investments	<u>49,669,636</u>				
Total cash and investment reported on the Pension Trust Fund Statement of Net Assets	<u>\$ 73,139,923</u>				

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

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

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

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

The investment guidelines require that fixed income securities (except for those listed below) should be rated "BBB-" (or its equivalent) or higher at the time of purchase by a nationally recognized statistical rating agency. The minimum market value-weighted average quality 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, 2006 investment 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 Pension Trust Fund Cash and Investments

<u>Investment Type</u>	<u>Standards & Poor's Rating</u>	<u>Percentage of Total Pension Trust Fund Corporate Bonds</u>
Corporate Bonds	AAA	21.44%
Corporate Bonds	AA+	2.91%
Corporate Bonds	AA	2.23%
Corporate Bonds	AA-	6.60%
Corporate Bonds	A+	8.91%
Corporate Bonds	A	21.91%
Corporate Bonds	A-	10.34%
Corporate Bonds	BBB+	5.98%
Corporate Bonds	BBB	8.34%
Corporate Bonds	BBB-	1.94%
Corporate Bonds	Unrated	9.39%
		<u>99.99%</u>

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, 2006, the book value of the Pension Trust Fund's cash and deposits was \$1,980,622 and the Merrill Lynch balance was \$2,021,316. Of the entire Merrill Lynch balance of \$2,021,316, \$100,000 was covered by SPIC, \$1,900,000 was covered by a Certificate of Protection through First City underwritten by Lloyds of London leaving \$21,316 uncollateralized as of December 31, 2006.

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. The pension trust fund does not have a formal investment policy to mitigate custodial credit risk. However, to reduce investment risk, the Board's investment guidelines do set targets and range assets allocations for all investments. The total plan target and range allocation are as follows:

<u>Asset Allocation</u>	<u>Target Avg.</u>	<u>Range</u>
Domestic Large / Medium Capitalization Stocks	48%	36% - 60%
International Stocks	12%	9% - 15%
Total Equity	60%	45% - 75%
Domestic Fixed Incomes	40%	25% - 55%
Cash and Cash Equivalents	0%	0% - 15%
	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 greater of 15% of the market value of the investment manager's portfolio or twice the economic sector's weighting in the S&P 500 Stock Index or the investment manager's primary equity policy index.
- 4 From time-to-time, the investment manager may invest in U.S. dollar denominated equities of non U.S. companies that otherwise conform to the provisions of this investment policy. In as much as the Plan has retained a separate global equity investment manager, investments in these foreign securities is expected to be limited.
- 5 Holdings of any single issue in this portfolio should not exceed more than 5% of the total outstanding market capitalization on the common stock of any company.

Fixed income managers:

1. Fixed income securities (except for those listed below) should be rated "BBB-" (or its equivalent) or higher at the time of purchase by a nationally recognized statistical rating agency. The minimum market value-weighted average quality rating of the portfolio is "A". Asset-backed securities, mortgage-backed securities, and CMOs should be rated "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, 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 paydowns 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 represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security and pays 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. Purchases 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 versus a passive index as described in the table below. The portfolio is expected to exceed the average return of their respective benchmarks on a risk-adjusted basis over three-to five-year rolling time periods. The volatility of the portfolios, as measured by standard deviation of the quarterly returns, is expected to be similar to the policy index outlined above.

The 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 deposits and investments

RMS insurance funds

In accordance with DEP regulations requiring all landfills to maintain both liability and environmental insurance, the County has agreed to set aside in separate banks accounts \$1,000,000 for liability and \$2,000,000 for environmental insurance. Interest earned on these funds is used to support landfill operations.

At December 31, 2006, the balance in the related investments were as follows:

	<u>Liability Insurance</u>	<u>Environmental Insurance</u>
Mandated	\$1,000,000	\$2,000,000
Interest	<u>172,921</u>	<u>405,803</u>
	<u>\$1,172,921</u>	<u>\$2,405,803</u>

Collateral bonds held by state of Pennsylvania

The Department of Environmental Protection regulation Title 25, Section 2711 requires all landfills to post a bond with the Treasurer of the Commonwealth of Pennsylvania. The purpose of the bond is to insure that there will be money available to close the landfill if the operator does not fulfill closure requirements. In 2002, the County submitted an updated closure calculation that was completed and submitted on June 28, 2002. The updated calculation increased the closure requirements for the landfill from \$6,392,225 to \$15,103,766 or an increase of \$8,711,541 while 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 \$15,107,331 (fair value) on deposit with the state as of December 31, 2006 as follows:

<u>Current Funding</u>	<u>Maturity Date</u>	<u>Par Value</u>	<u>Fair Value</u>
<u>Landfill</u>			
Certificate of Deposit	4/10/2008	\$ 8,711,541	\$ 8,711,541
Certificate of Deposit	8/29/2011	\$ 2,675,790	\$ 2,675,790
Certificate of Deposit	5/27/2010	\$ 10,000	\$ 10,000
Irrevocable letter of Credit	3/5/2008	\$ 3,700,000	\$ 3,700,000
		<u>\$ 15,097,331</u>	<u>\$ 15,097,331</u>
<u>Transfer Station</u>			
Certificate of Deposit	9/6/2011	\$ 10,000	\$ 10,000
	Total	<u>\$ 15,107,331</u>	<u>\$ 15,107,331</u>

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 2006, the County expended \$52,608 on projects leaving a balance as of December 31, 2006 of \$1,052,795.

7. Receivables

Receivables as of year-end for the governmental and business-type activities, including the applicable allowance for uncollectible accounts of \$3,231,959 are as follows:

	Governmental Activities	Business- type Activities	Total
Receivables:			
Taxes	\$ 2,852,453	\$ -	\$ 2,852,453
Accounts	2,882,792	1,522,553	4,405,345
Interest	1,805,592	1,618,392	3,423,984
Component Units	227,759	-	227,759
Intergovernmental	3,563,770	418,187	3,981,957
Loans	22,264,050	1,019,322	23,283,372
Total receivables	<u>\$33,596,416</u>	<u>\$ 4,578,454</u>	<u>\$ 38,174,870</u>

Lycoming County has provided interest and non-interest bearing loans to component unit government and non-profit organizations. As of December 31, 2006 the balances of the loans are as follows:

Loans Receivable	
<u>General Fund</u>	
Non-Profit Organizations:	
Tiadaghton Gardens	\$269,300
Industrial Property Corporation	2,000
Mary Slaughter Home	167,101
Y.M.C.A.	142,682
Lycoming County Nursing Home Association	5,425,000
<u>Component Units:</u>	
Recreation Authority	130,000
Lycoming County Water & Sewer Authority	16,127,967
	<u>\$22,264,050</u>
<u>Enterprise Fund:</u>	
Component Units	
Recreation Authority	<u>\$1,019,322</u>
Total Loans	<u>\$ 23,283,372</u>

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 2006 was \$5,244,682,070 and the total assessed value was \$5,244,682,070.

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 2006 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 2006 is 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 2006, tax liens exist for 2005, 2004 and 2003 delinquent taxes.

9. Capital Assets

Capital Assets

Capital assets activity for the year ended December 31, 2006 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	\$ 492,737	\$ 2,310,922	\$ -	\$ 2,803,659
Total capital assets not being depreciated	492,737	2,310,922	-	2,803,659
Capital assets being depreciated:				
Buildings	20,213,164	1,718,166	701,996	21,229,334
Improvements other than buildings	853,082	439,969	-	1,293,051
Machinery & Equipment	14,715,284	1,025,803	2,101,946	13,639,141
Infrastructure	8,546,987	24,405	-	8,571,392
Total capital assets being depreciated	44,328,517	3,208,343	2,803,942	44,732,918
Less accumulated depreciation for:				
Buildings	11,873,642	549,077	406,921	12,015,798
Improvements other than buildings	122,657	21,085	-	143,742
Machinery & Equipment	8,468,280	981,968	1,673,588	7,776,660
Infrastructure	2,400,425	280,016	-	2,680,441
Total accumulated depreciation	22,865,004	1,832,146	2,080,509	22,616,641
Total capital assets, being depreciated, (net)	21,463,513	1,376,197	723,433	22,116,277
Governmental activities capital assets (net)	<u>\$21,956,250</u>	<u>\$ 3,687,119</u>	<u>\$ 723,433</u>	<u>\$ 24,919,936</u>

Business-type activities	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Capital assets not being depreciated:				
Land	<u>\$ 2,308,211</u>	<u>\$ 676,298</u>	<u>\$ 276,961</u>	<u>\$ 2,707,548</u>
Total capital assets not being depreciated	2,308,211	676,298	276,961	2,707,548
Capital assets being depreciated:				
Buildings	18,260,841	847	-	18,261,688
Improvements other than buildings	32,525,212	594,548	-	33,119,760
Machinery & Equipment	18,372,501	2,508,656	1,659,304	19,221,853
Infrastructure	<u>1,884,891</u>	<u>57,287</u>	<u>-</u>	<u>1,942,178</u>
Total capital assets being depreciated	71,043,445	3,161,338	1,659,304	72,545,479
Less accumulated depreciation for:				
Buildings	5,523,300	676,265	-	6,199,565
Improvements other than buildings	24,678,323	1,697,509	-	26,375,832
Machinery & Equipment	7,419,544	1,824,749	1,019,057	8,225,236
Infrastructure	<u>743,820</u>	<u>35,486</u>	<u>-</u>	<u>779,306</u>
Total accumulated depreciation	38,364,987	4,234,009	1,019,057	41,579,939
Total capital assets, being depreciated, (net)	<u>32,678,458</u>	<u>(1,072,671)</u>	<u>640,247</u>	<u>30,965,540</u>
Business-type activities capital assets (net)	<u>\$ 34,986,669</u>	<u>\$ (396,373)</u>	<u>\$ 917,208</u>	<u>\$ 33,673,088</u>

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

Governmental activities:	
General government	\$605,244
Judicial	72,231
Public works	716,023
Public safety	278,594
Human services	61,781
Culture & Recreation	5,468
Conservation & development	<u>92,805</u>
Total depreciation expense- governmental activities	<u>\$1,832,146</u>
Business-type activities:	
Waste disposal	<u>\$4,234,009</u>

B. Component Units Capital Assets

Water & Sewer Authority

Property, plant and equipment by category at December 31, 2006 are as follows

	<u>2006</u>
Land	\$ 127,985
Land & Improvements	3,423,736
Pump Stations	927,272
Force Mains	479,191
Interceptor	664,969
Collection Systems	9,662,291
Waste Water Treatment Facility	5,201,570
Processing Equipment	1,579,091
Other Equipment	49,972
Office Equipment	52,682
Laboratory Equipment	38,373
Vehicles	147,959
Tules Run Facility	560,832
Capitalized Interest	1,322,473
Armstrong Twp.	1,128,892
Halls Station	4,182,480
	<u>\$ 29,549,768</u>
Construction in progress	452,678
	<u>30,002,446</u>
Less: Accumulated Depreciation	<u>(5,347,793)</u>
	<u><u>\$ 24,654,653</u></u>

Depreciation expense for the year ending December 31, 2006 was \$743,022

Recreation Authority

Property, plant and equipment by category at December 31, 2006 are as follows:

Land	\$ -
Land & improvements	-
Buildings	-
Equipment	1,589,649
Capitalized interest	-
Total	<u>1,589,649</u>
Accumulated Depreciation	<u>(1,115,016)</u>
Capital Assets, net	<u>\$ 474,633</u>

Depreciation expense for the year ending December 31, 2006 was \$278,198.

A summary of changes in capital assets is as follows:

	Balance 12/31/2005	Additions	Deletions	Balance 12/31/2006
Land	\$ 57,853	\$ -	\$ (57,853)	\$ -
Land & improvements	4,267,786	3,040	(4,270,826)	-
Buildings	1,746,391	5,326	(1,751,717)	-
Equipment	1,523,288	66,361	-	1,589,649
Capitalized interest	319,986	-	(319,986)	-
Total	<u>7,915,304</u>	<u>74,727</u>	<u>(6,400,382)</u>	<u>1,589,649</u>
Accumulated Depreciation	<u>(3,558,080)</u>	<u>(278,198)</u>	<u>2,721,262</u>	<u>(1,115,016)</u>
Capital Assets, net	<u>\$ 4,357,224</u>	<u>\$ (203,471)</u>	<u>\$ (3,679,120)</u>	<u>\$ 474,633</u>

Williamsport Municipal Airport Authority

At December 31, 2006 property plant, equipment and accumulated depreciation consist of the following:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Land & Improvements	\$ 19,077,783	\$ 2,919,472	\$ 16,158,311
Building Improvements	4,745,427	1,064,709	3,680,718
Furniture, fixtures and equipment	2,018,176	1,087,985	930,191
Construction in progress	1,443,105		1,443,105
	<u>\$ 27,284,491</u>	<u>\$ 5,072,166</u>	<u>\$ 22,212,325</u>

Depreciation expense for the year ended December 31, 2006 was \$852,028

Property, plant and equipment by category at December 31, 2006 are as follows:

	<u>Balance 01/01/06</u>	<u>Additions</u>	<u>Transfers / Deletions</u>	<u>Balance 12/31/06</u>
Land & Improvements	\$ 18,969,549	\$ -	\$ 108,234	\$ 19,077,783
Building Improvements	4,682,760	62,667		4,745,427
Furniture, fixtures and equipment	1,901,126	117,050	-	2,018,176
Construction in progress	289,677	1,261,662	(108,234)	1,443,105
	<u>\$ 25,843,112</u>	<u>\$ 1,441,379</u>	<u>\$ -</u>	<u>\$ 27,284,491</u>

10. Interfund Receivables, Payables and Transfers

Interfund receivables and payables balances as of December 31, 2006 are as follows:

<u>Due To / From Other funds Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 724,469	\$ 10,655
Non-Major Funds:		
Domestic Relations IV-D	3,797	254,017
E.M.S.	-	52,376
Haz-Mat	-	60,914
911 Phone Tariff	-	53,892
E.M.A. Grant	-	1,257
Highway Safety	-	18,755
PCCD JAIBG / AFTERCARE	-	24,353
Community Development Block Grant	-	21,483
EDPS Flood Mitigation	-	188,220
EDPS Environmental Projects	16,563	22,478
Water Supply Grant	-	484
EDPS Economic Development Fund	1,740	-
Growing Greener	-	4,928
Misc. Special Revenues	-	6,598
HAVA	-	36,367
Industrial Parks	3,350	-
Trust and Agency Funds	6,917	59
Total	<u>\$ 756,836</u>	<u>\$ 756,836</u>

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

<u>Component Units To / From Other Funds Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Primary Government:		
General Fund	\$ 193,355	\$ -
Component Units:		
Recreation Authority	-	33,264
Soil Conservation	-	4,235
Planning Commission	-	171,881
Total	<u>\$ 193,355</u>	<u>\$ 209,380</u>

The difference in the Component Units interfund receivables / payables is because of the Planning Commission fiscal year of June 30, 2006.

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

Interfund Transfer & Other Financing Sources & Uses

Other Financing Sources / Uses Interfund Transfers			
Funds	Transfer In	Transfer Out	
Major Funds:			
General Fund	\$ 2,624,971	\$ 8,148,629	
Resource Management Services	-	2,611,495	
Non-Major Funds:			
911 Phone Tariff	-	270,000	
J.A.I.B.G. / Aftercare	46,961	-	
Flood Mitigation	177,423	-	
EDPS Environmental Fund	12,508	-	
Water Supply Grant	10,732	-	
EDPS Economic Development Fund	387,251	-	
Growing Greener	-	19,160	
Farm Easement Program	50,000	-	
Special Projects	11,473	13,476	
Debt Service Funds	3,601,340	-	
H.A.V.A	5,214	-	
L.E.R.M.S.	8,260	-	
Pre-Release Addition	231,222	-	
Industrial Park	60,405	-	
White Deer Golf Course	3,835,000	-	
Total	<u>\$ 11,062,760</u>	<u>\$ 11,062,760</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 revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

11. Commitments

Operating leases

The County currently leases building space for four of its District magistrates and a parking lot for County vehicles.

All of these leases are classified as operating leases with expiration dates extending from 2007 through 2009.

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, 2006.

Year Ended December 31,

2007	\$	78,637
2008		36,811
2009		23,016
	\$	<u>138,464</u>

Construction

The County is currently in the initial stages of construction of a new Pre-Release facility for females. Current commitments are as follows.

Contractors	Approved Contract	Expenses	Balance of Contract
General Contractor	577,654	106,207	471,447
Plumbing	71,183	17,148	54,035
H.V.A.C.	133,549	2,219	131,330
Fire Protection	75,264	-	75,264
Electrical	91,800	13,387	78,413
	<u>949,450</u>	<u>138,961</u>	<u>810,489</u>

Recreation Authority

Commitments

On November 2, 2006, the Authority entered into a lease agreement with the County of Lycoming for the lease of the White Deer Golf Course. The lease term is 30 years and is payable annually. Lease expense for the year ended December 31, 2006 was \$33,264.

Future minimum rental payments under the operating lease are as follows:

2007	\$ 166,318
2008	163,721
2009	163,546
2010	243,371
2011	245,396
2012-2016	1,217,477
2017-2021	1,213,412
2022-2026	1,212,210
2027-2031	1,212,550
2032-2036	1,216,312
	<u>\$ 7,054,313</u>

12. LEASES

The County of Lycoming currently receives lease income from ten cancelable and non-cancelable leases with varying cancellation clauses, expiration dates and monthly leases. Future minimum rents receivable that have initial or remaining terms in excess of one year are:

Summary of County Leases

	County Office Buildings	White Deer Golf Course	Total
2007	\$ 173,670	\$ 166,318	\$ 339,988
2008	164,808	163,721	328,529
2009	157,308	163,546	320,854
2010	105,080	243,371	348,451
Thereafter	43,882	6,317,356	6,361,238
	<u>\$ 644,748</u>	<u>\$ 7,054,312</u>	<u>\$ 7,699,060</u>

The cost and carrying value of the leased facilities is \$4,650,587 and the depreciation expense is \$33,271.

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. 1998 General Obligation Bond - Proceeds used to do a partial refunding of the 1997 General Obligation Bonds.
2. 2001 General Obligation Bond - Proceeds were used to refinance several capital leases and to refund the 1996 General Obligation Bond.
3. 2003 General Obligation Bond – Proceeds used to refund the 1993 General Obligation Bonds.
4. 2006 General Obligation Bond – Proceeds used to purchase the Land and buildings of the White Deer Golf Course.
5. Washington County Bond Pool – The bond pool is used by the County governmental and proprietary funds to finance economic development and public works projects. The County has a revolving line of credit in the amount of \$5,699,353 and as of December 31, 2006 has borrowed \$4,634,039.
6. 2006 General Obligation Revolving Note- On August 31 the County entered into an agreement with Citizens & Northern Bank for a \$20,000,000 General Obligation Revolving Note maturing on August 15, 2009. This note will be use to provide temporary financing for several County capital projects scheduled over the next few years. As of December 31, 2006, the County has not drawn down any funds.

County of Lycoming General Obligation Bonds

	Interest Rates	Final Maturity	Amount of Original Issue	Outstanding Balance 12/31/06
Governmental activities				
1998 Bond Issue	3.60 - 5.00	2022	\$21,645,000	\$15,290,000
2001 Bond Issue	3.65 - 4.25	2010	6,832,000	1,245,000
2003 Bond Issue	2.65 - 5.00	2016	6,610,000	5,425,000
2006 Bond Issue	3.50 - 4.25	2036	3,955,000	3,955,000
Washington Cnty Bond Pool	Variable	2014	3,161,850	1,375,226
			<u>\$42,203,850</u>	<u>\$27,290,226</u>
Business-type activities				
Washington Cnty Bond Pool	Variable	2015	3,425,822	2,555,090
			<u>\$3,425,822</u>	<u>\$2,555,090</u>

The Washington County Bond Pool variable rate uses the TBMA index for its established rate each week as published each Wednesday by the TBMA Municipal Market data.

B. Changes in Long Term Debt

The following summary reflects the changes in the long-term obligations payable for the year ended December 31, 2006.

	Balance 12-31-2005	Additions	Reductions	Balance 12-31-2006	Due Within One Year
<u>Governmental activities:</u>					
Bonds payable:					
1998 Bond Issue	\$15,925,000	\$ -	\$ 635,000	\$15,290,000	\$ 660,000
2001 Bond Issue	2,215,000	-	970,000	1,245,000	400,000
2003 Bond Issue	5,840,000	-	415,000	5,425,000	430,000
2006 Bond Issue	-	3,955,000	-	3,955,000	40,000
Washington County Bond Pool	1,733,721	-	358,495	1,375,226	354,093
Total bonds payable	25,713,721	3,955,000	2,378,495	27,290,226	1,884,093
Compensated absences	748,571	1,831,678	1,775,842	804,407	457,273
Governmental activity long-term liabilities	<u>\$26,462,292</u>	<u>\$ 5,786,678</u>	<u>\$ 4,154,337</u>	<u>\$28,094,633</u>	<u>\$ 2,341,366</u>
<u>Business-type activities:</u>					
Washington County Bond Pool	2,900,318	-	345,228	2,555,090	345,228
	2,900,318	-	345,228	2,555,090	345,228
County Vacation/ Holiday Accrual	140,903	308,954	283,306	166,551	77,532
Long term Post & Field Closure liabilities	35,605,023	2,787,173	-	38,392,196	-
Business-type activities long-term liabilities	<u>\$38,646,244</u>	<u>\$ 3,096,127</u>	<u>\$ 628,534</u>	<u>\$41,113,837</u>	<u>\$ 422,760</u>

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

C. Amortization of General Obligation Bonds

The requirements to amortize the County general obligation bonds outstanding as of December 31, 2006, 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 Activities	
	Principal	Interest	Principal	Interest
2007	\$ 1,884,093	\$ 1,245,792	\$ 345,228	\$ 113,435
2008	1,733,480	1,202,895	345,228	101,021
2009	1,798,480	1,125,652	405,228	85,511
2010	1,503,480	1,043,646	380,308	67,339
2011	1,568,480	973,465	350,244	49,854
2012-2016	8,427,213	3,703,475	728,854	43,625
2017-2021	6,380,000	1,861,413	-	-
2022-2026	2,050,000	569,210	-	-
2027-2031	870,000	342,550	-	-
2031-2036	1,075,000	141,313	-	-
Total	<u>\$ 27,290,226</u>	<u>\$ 12,209,411</u>	<u>\$ 2,555,090</u>	<u>\$ 460,785</u>

Governmental Activities

Years	1998 Bonds Principal	2001 Bonds Principal	2003 Bonds Principal	2006 Bonds Principal	Washington Cnty. Bond Pool Principal
2007	660,000	400,000	430,000	40,000	\$ 354,093
2008	690,000	415,000	455,000	5,000	168,480
2009	720,000	430,000	475,000	5,000	168,480
2010	750,000	-	500,000	85,000	168,480
2011	785,000	-	525,000	90,000	168,480
2012-2016	4,550,000	-	3,040,000	490,000	347,213
2017-2021	5,795,000	-	-	585,000	-
2022-2026	1,340,000	-	-	710,000	-
2027-2031	-	-	-	870,000	-
2031-2036	-	-	-	1,075,000	-
Total	<u>\$ 15,290,000</u>	<u>\$ 1,245,000</u>	<u>\$ 5,425,000</u>	<u>\$ 3,955,000</u>	<u>\$ 1,375,226</u>

	1998 Bonds Interest	2001 Bonds Interest	2003 Bonds Interest	2006 Bonds Interest	Washington Cnty. Bond Pool Interest
2007	\$ 742,090	51,498	\$ 270,605	\$ 126,318	\$ 55,281
2008	713,380	35,498	249,750	158,721	45,546
2009	683,020	18,274	227,000	158,546	38,812
2010	650,620	-	203,250	158,371	31,405
2011	616,495	-	178,250	155,396	23,324
2012-2016	2,481,375	-	470,750	727,475	23,875
2017-2021	1,233,000	-	-	628,413	-
2022-2026	67,000	-	-	502,210	-
2027-2031	-	-	-	342,550	-
2031-2036	-	-	-	141,313	-
Total	<u>\$ 7,186,980</u>	<u>\$ 105,270</u>	<u>\$ 1,599,605</u>	<u>\$ 3,099,313</u>	<u>\$ 218,243</u>

(Continued)

Business-type activities

	Washington Cnty. Bond Pool Principal	Washington Cnty. Bond Pool Interest
2007	\$ 345,228	\$ 113,435
2008	345,228	101,021
2009	405,228	85,511
2010	380,308	67,339
2011	350,244	49,854
2012-2016	728,854	43,625
	<u>\$ 2,555,090</u>	<u>\$ 460,785</u>

Interest rates on the Washington County Bond Pool are adjusted weekly.
For reporting on this schedule the County is using estimated rates of 4.7% to 5.75% which will be adjusted annually.

D. Guaranty Agreement

Under a Guaranty Agreement dated November 2006, 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 2006 refunding issue in the amount of \$4,905,000.

Under a Guaranty Agreement dated August 16, 1999 between the County and the Montoursville Water and Sewer Authority, the County agreed to guarantee a Revenue note from Penn Vest not to exceed \$274,758. The balance as of December 31, 2006 was \$92,525.

E. Advance Refundings

In prior years, the County defeased some of its outstanding bond issues. Accordingly, the various trust account assets and defeased bond liabilities are not included in the County's financial statements. The principal balance of defeased bonds outstanding as of December 31, 2006 are as follows:

<u>Refunded Bond Series</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
1997 Bonds	\$17,840,000	\$0
2003 Bonds	\$ 5,425,000	\$0

Partial In Substance Defeasance

1997 & 1998 Bonds

In September 2000, the County established an irrevocable trust fund with Morgan Chase Bank from advance payments received from the Water and Sewer Authority. The County deposited \$595,000 for the 1997 bond issue and \$4,035,000 for the 1998 bond issue to be used to meet a prorated share of the debt service requirements of the obligations over their remaining life.

F. Legal Debt Limit

The County's legal debt margin at December 31, 2006, computed in accordance with the Commonwealth of Pennsylvania's Local Government Unit Debt Act of 1972, as amended, is approximately \$193,115,466 for general obligation bonds. The County is in compliance with all applicable debt covenants at December 31, 2006.

G. Component Units Debt

Lycoming County Water & Sewer Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2006:

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006	Due Within One Year
98 County loan	\$ 12,760,000	\$ -	\$ 510,000	\$ 12,250,000	\$ 530,000
Cnty capacity	3,877,967	-	-	3,877,967	-
Penn vest	99,343	-	6,818	92,525	6,886
Lines of credit					
Halls Station	842,911	-	22,208	820,703	23,059
Total Long term debt	17,580,221	-	539,026	17,041,195	559,945
Long term interest	1,479,477	149,088	-	1,628,565	-
Total	\$ 19,059,698	\$ 149,088	\$ 539,026	\$ 18,669,760	\$ 559,945

County Loan Agreement-On June 5, 1997 the County of Lycoming and the Lycoming County Water and Sewer Authority signed a loan agreement and promissory note whereby the County loaned the Authority the sum of \$20,095,000. The loans bear interest at an effective rate of 5.69% for a term of 25 years. On July 23, 1998, the County and the Authority signed an amendment to the loan agreement which defeased \$16,790,000 of the original loan leaving an outstanding balance of \$3,305,000. A new 1998 loan of \$18,170,000 was established under this agreement with an effective interest rate of 4.99% for a term of 25 years.

As of December 31, 2006 the balance of the 1998 loan was \$12,250,000. Principal and interest payments on the 1998 loan for the next five years and for five-year periods thereafter are as follows:

1998 Loan

	Principal	Interest	Total
2007	\$ 530,000	\$ 594,543	\$ 1,124,543
2008	555,000	571,487	1,126,487
2009	575,000	547,068	1,122,068
2010	600,000	521,192	1,121,192
2011	630,000	493,893	1,123,893
2012-2016	3,640,000	1,988,352	5,628,352
2017-2021	4,645,000	988,750	5,633,750
2022-2023	1,075,000	53,750	1,128,750
Total	<u>\$ 12,250,000</u>	<u>\$ 5,759,035</u>	<u>\$ 18,009,035</u>

Excess Capacity Agreement – On June 5, 1997, the County and the Authority entered into a capital contribution and excess capacity agreement whereby the County would make a capital contribution of \$3,690,000 to the construction of the Montoursville Regional Sewer System in order to reserve and purchase capacity for future expansion within the county. On July 23, 1998 this loan was refinanced and a new loan in the amount of \$3,960,000 was established. Upon allocation of the excess capacity the authority shall repay to the County the full amount of its capital contribution plus interest.

The principal balance outstanding for the excess capacity loan as of December 31, 2006 was \$3,877,967 and cumulative interest accrued as a liability for the outstanding loan balance was \$1,628,535.

Penn Vest Loan

In August 1999 the Authority entered into a loan agreement with Penn Vest for the Armstrong Township Sewer Project for \$274,758. The final amount borrowed was \$169,527 with a repayment from tap/connection fees of \$29,245 made in January 2002 and the repayment of the balance of \$140,282 over twenty years at an annual interest rate of 1%.

Principal and interest payments on the Penn Vest loan for the next five years and for five-year periods thereafter are as follows:

Penn Vest Loan

	Principal	Interest	Total
2007	\$ 6,886	\$ 894	\$ 7,780
2008	6,955	825	7,780
2009	7,025	755	7,780
2010	7,095	685	7,780
2011	7,167	612	7,779
2012-2016	36,930	1,970	38,900
2017-2019	20,467	283	20,750
Total	<u>\$ 92,525</u>	<u>\$ 6,024</u>	<u>\$ 98,549</u>

Lines of Credit

Halls Station Project – On November 30, 2004, the Authority converted the line of credit from Sovereign Bank into a note payable with an initial balance of \$866,091.66, with a fixed rate of 3.7% for sixty (60) months, monthly payments of \$4,454.28 for the first fifty-nine (59) months, and principal and interest based on twenty-five (25) years amortization.

Hall Station Loan

	Principal	Interest	Total
2007	\$ 23,059	\$ 30,391	\$ 53,450
2008	24,497	28,954	53,451
2009	773,147	25,732	798,879
Total	<u>\$ 820,703</u>	<u>\$ 85,077</u>	<u>\$ 905,780</u>

Recreation Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2006:

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006	Due Within One Year
Bonds payable	\$ 8,155,000	\$ 4,905,000	\$ 8,155,000	\$ 4,905,000	\$ 135,000
Notes payable	1,248,661	-	55,240	1,193,421	41,125
Subtotal	9,403,661	4,905,000	8,210,240	6,098,421	176,125
Less: Loss on refinancing	(324,167)	(219,712)	145,758	(398,121)	-
Total	<u>\$ 9,079,494</u>	<u>\$ 4,685,288</u>	<u>\$ 8,355,998</u>	<u>\$ 5,700,300</u>	<u>\$ 176,125</u>

Principal and interest payments on all long-term debt for the next five years and for five-year periods thereafter are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 176,125	\$ 212,935	\$ 389,060
2008	167,974	184,410	352,384
2009	170,000	178,626	348,626
2010	175,000	172,676	347,676
2011	185,000	166,551	351,551
2012-2016	1,020,000	730,203	1,750,203
2017-2021	2,374,322	524,375	2,898,697
2022-2026	1,495,000	258,200	1,753,200
2027	335,000	13,819	348,819
	<u>\$ 6,098,421</u>	<u>\$ 2,441,795</u>	<u>\$ 8,540,216</u>

The balance of long-term debt as of December 31, 2006 consist of:

Bonds payable:

#1 Guaranteed revenue bond series of 2006 due in varying semi-annual installments including interest at 3.5% to 4.125% per annum, maturing December 15, 2027. The outstanding balance as of December 31, 2006 is \$4,905,000.

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 and Trust Company in monthly installments of \$2,666 including interest @ 4.505% per annum with final payment due April 2007. The note is secured by equipment and has an outstanding balance of \$13,298.

#4 Note payable to M&T Bank in monthly installments of \$2,374 including interest at 3.64% per annum with final payment due January 2008. The note is secured by equipment and has an outstanding balance of \$30,801.

Industrial Development Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2006

	Balance 12/31/2005	Additions	Reductions	Balance 12/31/2006	Due Within One Year
1998 bond	\$ 4,415,000	\$ -	\$ 470,000	\$3,945,000	\$ 505,000
Revenue bonds	1,183,242	-	343,242	840,000	168,000
Total	<u>\$ 5,598,242</u>	<u>\$ -</u>	<u>\$ 813,242</u>	<u>\$4,785,000</u>	<u>\$ 673,000</u>

Mortgages and Notes Payable

The Lycoming County Industrial Development Authority has mortgages and notes payable to numerous financial institutions with varying repayment terms, maturity dates, and interest rates ranging from 6% to 7.75%. All rights of the Authority under the agreements have been assigned to the financial institutions as collateral for the repayment of mortgages or notes as stated in the lease/installment sales agreement.

Principal and interest payments for the next five years and thereafter are as follows:

Bonds Payable

Series 1998 – Revenue bonds consisting of a series A,B and C amounting to \$1,905,000, \$2,365,000 and \$1,000,000 respectively plus interest at variable rates ranging from 2 to 3% and maturing on September 2018, September 2008, and September 2018 respectively.

Principal and interest payments for the next five years and thereafter are as follows:

Series of 1998

	Principal	Interest	Total
2007	505,000	175,479	\$ 680,479
2008	535,000	147,350	682,350
2009	230,000	119,744	349,744
2010	245,000	110,376	355,376
2011	255,000	100,388	355,388
2012-2016	1,475,000	334,885	1,809,885
2017-2018	700,000	45,461	745,461
Total	<u>\$ 3,945,000</u>	<u>\$ 1,033,683</u>	<u>\$ 4,978,683</u>

Revenue Notes – The 2001 series represents Series A and B in the principal amounts of \$1,680,000 and \$870,210 respectively at variable interest rates. Series A will be due and payable in 120 consecutive monthly payments of \$14,000 commencing January 11, 2002. Series B will be due and payable in sixty consecutive monthly payments of \$14,603.50 commencing on January 11, 2002.

Principal and interest payments for the next five years and thereafter are as follows:

Revenue Notes
Series of 2001

	Principal	Interest	Total
2007	168,000	49,390	\$ 217,390
2008	168,000	39,587	207,587
2009	168,000	29,774	197,774
2010	168,000	19,950	187,950
2011	168,000	10,113	178,113
Total	<u>\$ 840,000</u>	<u>\$ 148,814</u>	<u>\$ 988,814</u>

14. Estimated Reclamation Cost for Field and Post Closure

The Lycoming County landfill operations has a total estimated capacity of 9,330,900 tons with the total estimated capacity used of 7,374,800 tons (79%) leaving as of December 31, 2006 an estimated remaining tonnage of 1,956,100 tons per the consulting engineering 2006 annual report.

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 10 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 10 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 2006 engineer's report, the County will need an estimated \$19,150,707 to meet its field closure requirements. The estimated liability for landfill field closure as of 12/31/2006 is projected to be \$14,491,123 with the remaining balance of the liability estimated at \$4,659,584 to be recognized as field closure expenses between 2007 and the estimated site closure in 2012. The County currently uses the units of production method to record the annual liability and expense which is calculated at \$2.38 per ton of waste processed at the site using the estimated remaining tonnage of 1,956,100 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 \$19,307,296 (fair value) toward field closure. The remaining portion of the over funded liability in the amount of \$156,589(fair value) will be used to cover increases over the remaining site life. Any additional cost that may arise from inflation or changes in field closure requirements will be covered by increases in future landfill user fees, taxpayer subsidies or both.

<u>Field Closure Cost</u>	12/31/2006		
	Accrued Liability	Liability Being Funded At Cost	Fair Value
Required Liability / Funding to March 2011	\$ 19,150,707	\$ 19,150,707	\$ 19,150,707
Accrued Liability 12/31/06	14,491,123	14,491,123	14,491,123
Cash and Investments at 12/31/06			
County Closure Cash	-	1,037,519	1,037,519
County Closure U.S. Government Securities	-	13,865,656	13,843,027
County Closure Short Term C/D	-	200,000	200,000
County Closure Long Term C/D	-	4,226,750	4,226,750
Total Current G/L Balances 12/31/06	-	19,329,925	19,307,296
Over/(Under) as of 12/31/2006		4,838,802	4,816,173
Over/(Under) as of March 2012		\$ 179,218	\$ 156,589

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 repermited 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 2006 engineer's report, the County will need an estimated \$32,352,000 to meet its future post closure requirements. The estimated liability for landfill post closure as of 12/31/2006 is projected to be \$23,901,074 with the remaining balance of the liability estimated at \$8,450,926 to be recognized as post closure expenses between 2007 and the estimated site closure in 2012. The County currently uses the units of production method to record the annual liability and expense which is calculated at \$4.32 per ton of waste processed at the site using the estimated remaining tonnage of 1,956,100 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 \$30,938,856 (fair value) toward post closure. The remaining portion of the unfunded liability in the amount of \$1,413,144 (fair value) will be financed with investment earnings and user fees of \$.72 per ton over the remaining site life. Any additional cost that may arise from inflation or

changes in field closure requirements will be covered by increases in future landfill user fees, taxpayer subsidies or both.

<u>Post Closure Cost</u>	12/31/2006		
	Accrued Liability	Liability Being Funded At Cost	Fair Value
Required Liability / Funding to March 2011	\$ 32,352,000	\$ 32,352,000	\$ 32,352,000
Accrued Liability 12/31/06	23,901,074	23,901,074	23,901,074
Cash and Investments at 12/31/06			
Cash	-	693,482	693,482
County Closure C/D #4	-	2,750,250	2,750,250
County Closure 1997 GIC	-	4,960,000	4,960,000
County Closure U.S. Government Securities	-	7,453,249	7,437,793
State Closure C/D #1	-	2,675,790	2,675,790
State Closure C/D #2	-	8,711,541	8,711,541
State Closure C/D #5	-	10,000	10,000
Irrevocable letter of credit	-	3,700,000	3,700,000
Total Current G/L Balances 12/31/06	-	30,954,312	30,938,856
Over/(Under) as of 12/31/2006		<u>7,053,238</u>	<u>7,037,782</u>

15. Joint Ventures

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

Statement of Net Assets

Assets:

Cash and cash equivalents	\$ 4,080,266
Receivables (net of allowance)	1,751,643
Loan receivable	11,252
Capital assets (net of depreciation)	814,585
Building under capital lease (net of depreciation)	370,000
Total assets	<u>7,027,746</u>

Liabilities:

Accounts payable	2,510,084
Payroll taxes payable	46,098
Unearned revenues	3,260,339
Long term liabilities	
Due within one year	163,724
Due within more than one year	763,481
Total liabilities	<u>6,743,726</u>

Net Assets

Investment in capital assets net of related debt	527,374
Unrestricted	(243,354)
	<u>\$ 284,020</u>

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 1997 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 consist 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

Under these coverages each member of PCoRP has its own maintenance deductibles, then 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 payments to PCoRP in April. 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, 2006 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 coverages 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.

The Commonwealth of Pennsylvania Department of Environmental Protections regulations require all landfills maintain liability and environmental insurance. To comply with these regulations the County has set aside \$1,000,000 for liability insurance and \$2,000,000 for environmental insurance.

17 Retirement Benefits

A. Plan Description

The County sponsors and administers the Employees' Retirement System, as a single employer defined benefit pension plan that covers 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 January 1, 2007, the retirement system membership consisted of retirees and beneficiaries receiving benefits	222
Terminated employees entitled to benefits but not yet receiving them	28
Active plan Members	468
Total Membership of Plan	<u>718</u>
Number of Participating Employers	1

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. 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. Benefit and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments: Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Adjustment for fair value fluctuation - In order to reduce the fluctuations in the County normal cost 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. Contributions

Plan members depending on their date of employment with the County are required to contribute 6% to 8% of their annual covered salary. The County is required to contribute at an actuarially determined rate using the aggregated actuarial cost method. Per Act 96 of 1971, as amended, contribution requirements of the plan members and the County are established and may be amended by the General Assembly of the Commonwealth of Pennsylvania. Administrative cost may be financed through investment earnings.

Employees are required to contribute between the following percentages:

<u>Class</u>	<u>Percentage of Salary Contributed</u>
1/100	6% to 16%
1/80	7% to 17%
1/70	8% to 18%

For 2006 an annual contribution by the County was required based on the January 1, 2006 actuarial valuation using the aggregated actuarial cost method.

Significant actuarial assumptions used include:

- #1. Investment Return – 7.5% per annum, compounded annually
- #2. Salary Increases – 4.00% to 4.5%; graduated .25% increments over two years.
- #3. Cost of Living – Will be reviewed at least once every three years.
- #4. Disability Rates – Disability rates are not used.
- #5. Mortality and Withdraw Rates - Mortality, withdrawal, and retirement age estimates based on tables furnished by the actuary.
- #6. Annual Inflation Rate – 3%
- #7. Asset valuation Method – 5-Year Smoothed Market
- #8. Actuarial Cost Method – Aggregated (plans that use the aggregated actuarial cost method are not required to present a schedule of funding progress)

D. Legally Required Reserves

Member Annuity Reserve Account - The balance of \$20,961,181 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, 2006. Since the accumulations represent the present value as of January 1, 2007 of future benefits, the reserve balance and liability are identical.

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, 2007 amount to \$16,432,735. The corresponding liability for those annuitants on the roll is identical.

County Annuity Reserve Account - The balance of \$35,320,731 in this account as of January 1, 2007 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.

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:

(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)
1997	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1998	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0
2005	58,718	0	0	58,718	250,000	(191,282)	(191,282)
2006	\$8,687	(\$14,346)	(\$23,064)	\$17,405	\$180,000	(\$162,595)	(\$353,877)

* 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. Trend Information

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>(Over Funded) Net Pension Obligation</u>
12/31/1997	\$0	0.00%	\$0
12/31/1998	0	0.00%	0
12/31/1999	0	0.00%	0
12/31/2000	0	0.00%	0
12/31/2001	0	0.00%	0
12/31/2002	0	0.00%	0
12/31/2003	0	0.00%	0
12/31/2004	0	0.00%	0
12/31/2005	58,718	425.76%	191,282
12/31/2006	\$17,405	1034.19%	\$162,595

G. The Lycoming County Employees' Retirement Report

The Lycoming County Employees' Retirement Report on 2006 actuarial valuation including determination of County annual required contribution for 2006 is prepared by the Hay Group and is available in the Lycoming County Controller's Office. Subsequent to the completion of this report the County received an updated financial report which increased net assets by \$613,184.50. The change has been reflected in the Statement of Fiduciary Net Assets and the Statement of Change in Fiduciary Net Assets for 2006.

18. Post-Retirement Benefits-Other than Pension Benefits

In addition to the pension benefits described in Note 17, the County provides post- retirement health care benefits to all employees who retire from the County on or after attaining age 60 or at age 55 with 20 years service. Currently, 159 retirees meet eligibility requirements.

The County pays the premium for medical and hospitalization insurance for the retirees on a pay as you go basis amounting to \$410,410 for the current year. 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.

19. Litigation

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

20. Pending Governmental Accounting Standards Board Pronouncements

GASB has issued Statement No. 43 "Financial Reporting for Postemployment Benefit Plans Other than Pension Plans" establishing uniform standards of financial reporting by state and local government entities for other postemployment benefit plans (OPEB). The standards provide for measurement, recognition, and display of the assets, liabilities and, where applicable, net assets and changes in net assets of such funds and for related disclosures. This statement is effective for the periods beginning after December 15, 2005. The effect of implementation of this statement has not yet been determined.

GASB has also issued Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This statement provides the accounting and reporting requirements for the benefit plans as well as requires that public sector employers accrue the cost of any postretirement healthcare or similar benefits (OPEB) they may offer to employees. Currently, the County recognizes costs of other postemployment benefits on a pay-as-you-go basis. For the purpose of the financial statements, GASB is proposing that governments account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in the same manner as they currently do for pensions. This change in accounting will require an actuarial valuation to be performed. This statement is effective for periods beginning after December 15, 2006. The effect of implementation of this statement has not yet been determined.

21.SUBSEQUENT EVENTS

In March, 2007, the County purchased a commercial building in the City of Williamsport PA for a purchase price of 14.5 million dollars. A bridge loan using the County's revolving note with Citizens and Northern Bank was utilized until permanent financing is established.

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REQUIRED SUPPLEMENTAL INFORMATION

Schedule of Employer Contribution- Retirement Fund

Fiscal Year Ending	Annual Required Contribution	County Contribution	Percentage
12/31/1998			
12/31/1999	\$0	\$0	0.00%
12/31/2000	0	0	0.00%
12/31/2001	0	0	0.00%
12/31/2002	0	0	0.00%
12/31/2003	0	0	0.00%
12/31/2004	0	0	0.00%
12/31/2005	58,718	250,000	425.76%
12/31/2006	\$8,687	\$180,000	2072.06%

Schedule of Funding Progress

Plans that use the aggregated actuarial cost method are not required to present a schedule of funding progress. Separate determination and amortization of the unfunded actuarial liability are not part of the aggregated actuarial cost method and are not required when that method is used.

COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 24,619,694	\$ 24,619,694	\$ 25,466,452	\$ 846,758
Licenses & permits	51,988	51,988	46,797	(5,191)
Intergovernmental	12,537,082	12,537,082	11,452,136	(1,084,946)
Charge for services	3,197,620	3,197,620	3,851,977	654,357
Sale of county products	57,200	57,200	59,234	2,034
Investment earnings	1,567,447	1,567,447	2,151,578	584,131
Cost & Fines	685,425	685,425	1,143,033	457,608
Micellaneous	543,772	543,772	584,968	41,196
Total revenues	<u>43,260,228</u>	<u>43,260,228</u>	<u>44,756,175</u>	<u>1,495,947</u>
EXPENDITURES				
Current				
General government	6,182,916	6,188,806	6,058,237	130,569
Judicial	6,259,432	6,336,615	5,998,874	337,741
Public safety	13,031,872	13,097,439	13,037,482	59,957
Public works	432,298	460,798	461,792	(994)
Human services	7,839,660	7,839,660	7,192,962	646,698
Culture & recreation	1,083,393	1,083,393	1,101,988	(18,595)
Conservation & development	710,444	702,910	719,906	(16,996)
Miscellaneous	5,050,667	5,050,667	4,287,157	763,510
Capital outlay	736,919	727,550	855,303	(127,753)
Total expenditures	<u>41,327,601</u>	<u>41,487,838</u>	<u>39,713,701</u>	<u>1,774,137</u>
Excess of revenues over expenditures	<u>1,932,627</u>	<u>1,772,390</u>	<u>5,042,474</u>	<u>3,270,084</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	2,577,600	2,577,600	2,624,971	47,371
Transfer out	(7,619,109)	(7,610,577)	(8,148,629)	(538,052)
Proceeds from Debt	2,363,945	2,363,945	3,955,000	1,591,055
Escrow Pymts	-	-	(120,000)	(120,000)
Total other financing sources (uses)	<u>(2,677,564)</u>	<u>(2,669,032)</u>	<u>(1,688,658)</u>	<u>980,374</u>
Net change in fund balance	(744,937)	(896,642)	3,353,816	4,250,458
Fund balances-beginning	<u>41,429,462</u>	<u>41,429,462</u>	<u>41,429,462</u>	<u>-</u>
Fund balances-ending	<u>\$ 40,684,525</u>	<u>\$ 40,532,820</u>	<u>\$ 44,783,278</u>	<u>\$ 4,250,458</u>

Budgets are prepared on the modified accrual basis of accounting

**COUNTY OF LYCOMING, PENNSYLVANIA
COMBINED COUNTY PASS-THRU GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental revenues	\$ 9,607,210	\$ 9,607,210	\$ 10,384,391	\$ 777,181
Total revenues	<u>9,607,210</u>	<u>9,607,210</u>	<u>10,384,391</u>	<u>777,181</u>
EXPENDITURES				
Public Safety	86,000	86,000	99,923	(13,923)
Human services	<u>9,521,210</u>	<u>9,521,210</u>	<u>10,284,468</u>	<u>(763,258)</u>
Total human services	<u>9,607,210</u>	<u>9,607,210</u>	<u>10,384,391</u>	<u>(777,181)</u>
Total expenditures	<u>9,607,210</u>	<u>9,607,210</u>	<u>10,384,391</u>	<u>(777,181)</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgets are prepared on the modified accrual basis of accounting

OTHER SUPPLEMENTAL INFORMATION

**COUNTY OF LYCOMING, PENNSYLVANIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2006**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS			
Cash & cash equivalents	\$ 6,159,883	\$ 137,208	\$ 6,297,091
Receivables			
Accounts	82,766	-	82,766
Due from other funds	22,100	3,350	25,450
Due from other governments	883,380	70,742	954,122
Due from component units	1,140	-	1,140
Total assets	<u>\$ 7,149,269</u>	<u>\$ 211,300</u>	<u>\$ 7,360,569</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 434,232	\$ 137,843	\$ 572,075
Payroll payable	3,100	-	3,100
Due to other funds	709,754	36,367	746,121
Deferred revenues	169,866	-	169,866
Total liabilities	<u>1,316,952</u>	<u>174,210</u>	<u>1,491,162</u>
Fund Balances (Deficits)			
Reserved for:			
Encumbrances	378,526	-	378,526
Restricted programs expenditures			
Special revenue funds	5,042,661	-	5,042,661
Capital Project funds	-	37,090	37,090
Unreserved, designated for reported in:			
Special revenue funds	411,130	-	411,130
Total fund balances	<u>5,832,317</u>	<u>37,090</u>	<u>5,869,407</u>
Total liabilities and fund balances	<u>\$ 7,149,269</u>	<u>\$ 211,300</u>	<u>\$ 7,360,569</u>

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>Special Revenues</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
REVENUES				
Intergovernmental revenues	\$ 5,194,370	\$ -	\$ 915,167	\$ 6,109,537
Charge for services	2,165,464	-	-	2,165,464
Investment earnings	273,494	-	6,047	279,541
Court cost & fines	97,248	-	-	97,248
Miscellaneous income	441	-	-	441
	<u>7,731,017</u>	<u>-</u>	<u>921,214</u>	<u>8,652,231</u>
Total revenues				
EXPENDITURES				
Current				
General government	-	-	772,188	772,188
Judicial	594,968	-	-	594,968
Public safety	3,560,642	-	-	3,560,642
Public works	2,744,975	-	49,723	2,794,698
Culture & recreation	40,829	-	-	40,829
Conservation & development	11,448	-	-	11,448
Debt service	-	3,601,340	-	3,601,340
Capital outlay	323,824	-	4,239,404	4,563,228
	<u>7,276,686</u>	<u>3,601,340</u>	<u>5,061,315</u>	<u>15,939,341</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>454,331</u>	<u>(3,601,340)</u>	<u>(4,140,101)</u>	<u>(7,287,110)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	696,349	3,601,340	4,140,101	8,437,790
Transfer out	(302,636)	-	-	(302,636)
	<u>393,713</u>	<u>3,601,340</u>	<u>4,140,101</u>	<u>8,135,154</u>
Total other financing sources (uses)				
Net Change in fund balances	848,044	-	-	848,044
Fund balances at beginning of year	4,984,273	-	37,090	5,021,363
Fund balances at end of year	<u>\$ 5,832,317</u>	<u>\$ -</u>	<u>\$ 37,090</u>	<u>\$ 5,869,407</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) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	\$ 24,619,694	\$ 25,466,452	\$ 846,758
Licenses & permits	51,988	46,797	(5,191)
Intergovernmental	12,537,082	11,452,136	(1,084,946)
Charge for services	3,197,620	3,851,977	654,357
Sale of county products	57,200	59,234	2,034
Investment earnings	1,567,447	2,151,578	584,131
Cost & Fines	685,425	1,143,033	457,608
Miscellaneous	543,772	584,968	41,196
Total revenues	<u>43,260,228</u>	<u>44,756,175</u>	<u>1,495,947</u>
EXPENDITURES			
General government			
Commissioners	412,832	411,975	857
Solicitors	158,700	107,704	50,996
Executive Plaza	206,813	196,032	10,781
Courthouse	475,670	469,183	6,487
Lysock Complex	148,581	156,661	(8,080)
Voters Registration	101,711	105,485	(3,774)
Conduct of Elections	133,098	121,902	11,196
Tax Assessment	593,240	572,394	20,846
Treasurer	212,667	203,840	8,827
Controller	192,990	185,415	7,575
Fiscal Services	473,075	456,504	16,571
Tax Collector	220,690	250,638	(29,948)
Central Collections	337,899	345,366	(7,467)
Inventory Outlay	157,107	119,685	37,422
Contingency fund	30,216	-	30,216
E.D.P.S. Planning Commission	623,548	691,806	(68,258)
E.D.P.S. County Zoning	72,587	86,254	(13,667)
E.D.P.S. G.I.S.	95,125	127,939	(32,814)
Management Information	1,198,800	1,171,133	27,667
Central Telephone	38,485	39,893	(1,408)
Mail Services	41,710	37,161	4,549
Micro-filming	79,459	77,512	1,947
Record Retention	846	-	846
Human Resources	182,957	201,579	(18,622)
Gen. Gov Agency	-	(77,824)	77,824
Total general government	<u>6,188,806</u>	<u>6,058,237</u>	<u>130,569</u>
Judicial			
Register & Recorder	339,310	336,182	3,128
Sheriff	567,305	582,814	(15,509)
Coroner	141,213	150,464	(9,251)

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006
(CONTINUED)

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Judicial (Continued)			
Prothonotary	\$ 272,751	\$ 266,645	\$ 6,106
Domestic Relations	1,026,562	726,563	299,999
Public Defenders	520,400	534,804	(14,404)
District Attorney	997,424	954,922	42,502
Courts	1,437,271	1,417,023	20,248
Jury Commissioners	31,257	34,029	(2,772)
Constables	156,000	140,791	15,209
District Magistrate 29-1-01	145,233	118,700	26,533
District Magistrate 29-1-02	108,792	112,972	(4,180)
District Magistrate 29-3-04	133,367	133,305	62
District Magistrate 29-3-02	147,070	133,837	13,233
District Magistrate 29-3-03	125,185	128,931	(3,746)
District Magistrate 29-3-01	130,876	130,007	869
Inventory Outlay	56,599	66,525	(9,926)
Gen. Gov Agency	-	30,360	(30,360)
Total judicial	<u>6,336,615</u>	<u>5,998,874</u>	<u>337,741</u>
Public safety			
Adult Probation	829,745	865,464	(35,719)
Juvenile Probation	1,054,253	1,070,300	(16,047)
Juvenile Placements	4,349,450	4,267,995	81,455
County Prison	3,878,031	3,869,367	8,664
Pre-Release Center	1,651,630	1,616,940	34,690
D.U.I Center	87,977	104,004	(16,027)
Communications	663,303	525,627	137,676
Emergency Management Agency	260,291	242,319	17,972
L.E.R.M.S.	80,999	83,127	(2,128)
Emergency Medical Services	43,899	48,943	(5,044)
S.A.R.A. Title III (Haz-Mat)	46,667	39,867	6,800
Inventory Outlay	111,894	69,831	42,063
Gen. Gov Agency		227,097	(227,097)
Outside Agencies			-
Lyc. Cnty. Fire Police	1,000	1,000	-
C.A.F.C.A.	-	5,601	(5,601)
Total public safety	<u>13,059,139</u>	<u>13,037,482</u>	<u>21,657</u>
Public works			
Airport	198,500	198,500	-
Airport ATC Services	232,298	233,292	(994)
Wmspt. Bureau of Transpotation	30,000	30,000	-
Total public works	<u>460,798</u>	<u>461,792</u>	<u>(994)</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006
(CONTINUED)

	Final Budget	Actual	Variance Positive (Negative)
Human services			
Children & Youth	\$ 7,456,299	\$ 6,809,736	\$ 646,563
Military affairs	106,229	99,094	7,135
Outside Agencies			
Mental Health	253,632	253,632	-
Camp Cadet	3,000	3,000	-
Library Bookmobile	10,000	-	10,000
Senior Citizen	10,000	10,000	-
Wmspt. / Lyc. Flag Committee	500	500	-
Big Brothers & Sisters	-	2,000	(2,000)
West Branch	-	15,000	(15,000)
Total human services	7,839,660	7,192,962	646,698
Culture & Recreation			
Outside Agencies			
Library	1,048,393	1,026,081	22,312
Lycoming Historical Society	10,000	10,000	-
S.P.C.A.	25,000	25,000	-
Williamsport	-	10,000	(10,000)
Gen. Gov Agency	-	30,907	(30,907)
Total culture & recreation	1,083,393	1,101,988	(18,595)
Conservation & development			
County farm	73,312	66,516	6,796
Cooperative Extension	156,290	150,583	5,707
Soil Conservation	90,235	82,052	8,183
Inventory Outlay	53,579	10,888	42,691
Outside Agencies			
IPC Economic Development	288,805	369,783	(80,978)
S.E.D.A.	24,008	24,009	(1)
Regional Marketing	13,500	13,500	-
Industrial Development	500	2,575	(2,075)
Total conservation & development	700,229	719,906	(19,677)
Miscellaneous expenditures			
Non government rev. & exp.	(440,319)	(478,964)	38,645
Employee benefits			
Employee fringe	6,827,750	6,148,278	679,472
Reimb. fringe benefits	(1,561,764)	(1,581,666)	19,902
Insurance	225,000	199,509	25,491
Total miscellaneous expenditures	5,050,667	4,287,157	763,510

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Capital Outlay			
General Government	\$ 249,345	\$ 255,673	\$ (6,328)
Judicial	58,527	204,794	(146,267)
Public Safety	412,452	379,610	32,842
Conservation & Development	7,226	15,226	(8,000)
	<u>727,550</u>	<u>855,303</u>	<u>(127,753)</u>
 Total expenditures	 <u>41,446,857</u>	 <u>39,713,701</u>	 <u>1,733,156</u>
 Excess (deficiency) revenues over expenditures	 <u>1,813,371</u>	 <u>5,042,474</u>	 <u>3,229,103</u>
 OTHER FINANCING SOURCES (USES)			
Transfer in	2,363,945	2,624,971	261,026
Transfer out	(8,975,121)	(8,148,629)	826,492
Proceeds from Debt	2,577,600	3,955,000	1,377,400
Escrow Pymts	-	(120,000)	(120,000)
Total other financing sources (uses)	<u>(4,033,576)</u>	<u>(1,688,658)</u>	<u>2,344,918</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(2,220,205)</u>	 <u>3,353,816</u>	 <u>5,574,021</u>
 Fund balance beginning of year	 <u>41,429,462</u>	 <u>41,429,462</u>	 <u>-</u>
Fund balance at end of year	<u>\$ 39,209,257</u>	<u>\$ 44,783,278</u>	<u>\$ 5,574,021</u>

SPECIAL REVENUE FUNDS

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

Domestic Relations

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

D.A. Investigative Funds

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

DARE Grant

Accounts for funds from the State to finance the D.A.R.E. program.

Register & Recorder- Capital Fund & Act 137

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 Management 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 Emergency Phone Tariff

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 Grants

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 Fuels Fund

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

Community Development Grants

Accounts for funds received to finance community development projects within the county.

Flood Mitigation Grants

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

Environmental Projects

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

Water Supply Grant

Accounts for State grants to survey and map water supplies.

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 Easements

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

Miscellaneous Special Revenue Projects

Accounts for funds used to finance small miscellaneous special revenue projects.

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2006

	Domestic Relation Fund	D.A. Investigative Fund	D.A.R.E. Grant	Register & Recorder Capital Fund
ASSETS				
Cash and cash equivalents	\$ 1,040,333	\$ 96,525	\$ -	\$ 604,350
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Due from other funds	3,797	-	-	-
Due from other governments	248,668	-	-	-
Due from component units	-	-	-	-
Total assets	<u>\$ 1,292,798</u>	<u>\$ 96,525</u>	<u>\$ -</u>	<u>\$ 604,350</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payroll payable	-	-	-	-
Due to other funds	254,017	-	-	-
Deferred revenues	-	-	-	-
Total liabilities	<u>254,017</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund equity				
Fund balances				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program expenditures	1,038,781	96,525	-	604,350
Unreserved				
Designated for subsequent years expenditures	-	-	-	-
Total fund equity	<u>1,038,781</u>	<u>96,525</u>	<u>-</u>	<u>604,350</u>
Total liabilities and fund equity	<u>\$ 1,292,798</u>	<u>\$ 96,525</u>	<u>\$ -</u>	<u>\$ 604,350</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2006
CONTINUED

	Prothonotary Automation Fund	E.M.S.	Haz-Mat	911 Emergency Phone Tariff
ASSETS				
Cash and cash equivalents	\$ 37,298	\$ 107,071	\$ 198,636	\$ 436,899
Receivables (net of allowance)				
Accounts receivable trade	-	875	-	79,589
Due from other funds	-	-	-	-
Due from other governments	-	-	77,540	-
Due from component units	-	-	-	-
Total assets	<u>\$ 37,298</u>	<u>\$ 107,946</u>	<u>\$ 276,176</u>	<u>\$ 516,488</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ 5,260	\$ 129,810	\$ -
Payroll payable	-	-	3,100	-
Due to other funds	-	52,376	60,914	53,892
Deferred revenues	-	5,562	66,413	-
Total liabilities	<u>-</u>	<u>63,198</u>	<u>260,237</u>	<u>53,892</u>
Fund equity				
Fund balances				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program expenditures	37,298	44,748	15,939	462,596
Unreserved				
Designated for subsequent years expenditures	-	-	-	-
Total fund equity	<u>37,298</u>	<u>44,748</u>	<u>15,939</u>	<u>462,596</u>
Total liabilities and fund equity	<u>\$ 37,298</u>	<u>\$ 107,946</u>	<u>\$ 276,176</u>	<u>\$ 516,488</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2006
CONTINUED

	911 Wireless	E.M.A. Grant	Highway Safety	J.A.I.B.G./ Aftercare Grant
ASSETS				
Cash and cash equivalents	\$ 1,499,256	\$ -	\$ -	\$ -
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	4,894	22,629	40,292
Due from component units	-	-	-	-
Total assets	<u>\$ 1,499,256</u>	<u>\$ 4,894</u>	<u>\$ 22,629</u>	<u>\$ 40,292</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ 811	\$ 3,563	\$ 15,940
Payroll payable	-	-	-	-
Due to other funds	-	1,257	18,755	24,352
Deferred revenues	-	2,810	311	-
Total liabilities	<u>-</u>	<u>4,878</u>	<u>22,629</u>	<u>40,292</u>
Fund equity				
Fund balances				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program expenditures	1,499,256	16	-	-
Unreserved				
Designated for subsequent years expenditures	-	-	-	-
Total fund equity	<u>1,499,256</u>	<u>16</u>	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 1,499,256</u>	<u>\$ 4,894</u>	<u>\$ 22,629</u>	<u>\$ 40,292</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2006
CONTINUED

	Liquid Fuel	Community Development Block Grant	E.D.P.S Flood Mitigation	E.D.P.S Environmental Projects
ASSETS				
Cash and cash equivalents	\$ 798,166	\$ 60,149	\$ -	\$ -
Receivables (net of allowance)	-	-	-	2,302
Accounts receivable trade	-	-	-	16,563
Due from other funds	-	-	-	57,913
Due from other governments	17,226	146,709	212,894	-
Due from component units	1,140	-	-	-
Total assets	<u>\$ 816,532</u>	<u>\$ 206,858</u>	<u>\$ 212,894</u>	<u>\$ 76,778</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 26,876	\$ 126,226	\$ 24,572	\$ 54,300
Payroll payable	-	-	-	-
Due to other funds	-	21,483	188,220	22,478
Deferred revenues	-	59,149	102	-
Total liabilities	<u>26,876</u>	<u>206,858</u>	<u>212,894</u>	<u>76,778</u>
Fund equity				
Fund balances				
Reserve for encumbrances	378,526	-	-	-
Reserve for restricted program expenditures	-	-	-	-
Unreserved				
Designated for subsequent years expenditures	411,130	-	-	-
Total fund equity	<u>789,656</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 816,532</u>	<u>\$ 206,858</u>	<u>\$ 212,894</u>	<u>\$ 76,778</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2006
CONTINUED

	Water Supply Grant	Economic Development Grant	Growing Greener	Farm Easements
ASSETS				
Cash and cash equivalents	\$ -	\$ 33,120	\$ 1,052,795	\$ 195,285
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Due from other funds	-	1,740	-	-
Due from other governments	484	37,014	-	-
Due from component units	-	-	-	-
Total assets	<u>\$ 484</u>	<u>\$ 71,874</u>	<u>\$ 1,052,795</u>	<u>\$ 195,285</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	-	46,874	-	-
Payable payable	-	-	-	-
Due to other funds	484	-	4,928	-
Deferred revenues	-	25,000	-	-
Total liabilities	<u>484</u>	<u>71,874</u>	<u>4,928</u>	<u>-</u>
Fund equity				
Fund balances				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program expenditures	-	-	1,047,867	195,285
Unreserved				
Designated for subsequent years expenditures	-	-	-	-
Total fund equity	<u>-</u>	<u>-</u>	<u>1,047,867</u>	<u>195,285</u>
Total liabilities and fund equity	<u>\$ 484</u>	<u>\$ 71,874</u>	<u>\$ 1,052,795</u>	<u>\$ 195,285</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2006
CONTINUED

	Special Projects	Total
ASSETS		
Cash and cash equivalents	\$ -	\$ 6,159,883
Receivables (net of allowance)		
Accounts receivable trade	-	82,766
Due from other funds	-	22,100
Due from other governments	17,117	883,380
Due from component units	-	1,140
Total assets	<u>\$ 17,117</u>	<u>\$ 7,149,269</u>
 LIABILITIES & FUND EQUITY		
Liabilities		
Accounts payable	\$ -	\$ 434,232
Payroll payable	-	3,100
Due to other funds	6,598	709,754
Deferred revenues	10,519	169,866
Total liabilities	<u>17,117</u>	<u>1,316,952</u>
 Fund equity		
Fund balances		
Reserve for encumbrances	-	378,526
Reserve for restricted program expenditures	-	5,042,661
Unreserved		
Designated for subsequent years expenditures	-	411,130
Total fund equity	<u>-</u>	<u>5,832,317</u>
 Total liabilities and fund equity	<u>\$ 17,117</u>	<u>\$ 7,149,269</u>

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006

	Domestic Relation Fund	D.A. Investigative Fund	D.A.R.E. Grant	Register & Recorder Capital Fund
REVENUES				
Intergovernmental revenues	\$ 418,434	\$ 98,500	\$ 2,662	\$ -
Charge for services	-	-	-	225,195
Investment earnings	48,734	2,903	-	33,082
Court Cost, Fines & Forfeits	-	97,248	-	-
Miscellaneous income	-	330	111	-
Total Revenues	<u>467,168</u>	<u>198,981</u>	<u>2,773</u>	<u>258,277</u>
EXPENDITURES				
Current				
Judicial	292,376	191,979	2,773	99,584
Public safety	-	-	-	-
Public works	-	-	-	156,880
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	13,565	-	-	65,592
Total Expenditures	<u>305,941</u>	<u>191,979</u>	<u>2,773</u>	<u>322,056</u>
Excess (deficiency) of revenues over expenditures	<u>161,227</u>	<u>7,002</u>	<u>-</u>	<u>(63,779)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	161,227	7,002	-	(63,779)
Fund balance at beginning of year	877,554	89,523	-	668,129
Fund balance at end of year	<u>\$ 1,038,781</u>	<u>\$ 96,525</u>	<u>\$ -</u>	<u>\$ 604,350</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006
CONTINUED

	Prothonotary Automation Fund	E.M.S.	Haz-Mat	911 Emergency Phone Tariff
REVENUES				
Intergovernmental revenues	\$ -	\$ 424,173	\$ 1,957,240	\$ -
Charge for services	10,925	-	23,400	934,145
Investment earnings	-	2,846	-	23,879
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>10,925</u>	<u>427,019</u>	<u>1,980,640</u>	<u>958,024</u>
EXPENDITURES				
Current				
Judicial	7,866	-	-	-
Public safety	-	421,843	1,980,640	701,080
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	18,920
Total Expenditures	<u>7,866</u>	<u>421,843</u>	<u>1,980,640</u>	<u>720,000</u>
Excess (deficiency) of revenues over expenditures	<u>3,059</u>	<u>5,176</u>	<u>-</u>	<u>238,024</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	-	-	-	(270,000)
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(270,000)</u>
Net change in fund balances	3,059	5,176	-	(31,976)
Fund balance at beginning of year	34,239	39,572	15,939	494,572
Fund balance at end of year	<u>\$ 37,298</u>	<u>\$ 44,748</u>	<u>\$ 15,939</u>	<u>\$ 462,596</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006
CONTINUED

	911 Wireless Grant	E.M.A. Grant	Highway Safety	J.A.I.B.G./ Aftercare Grant
REVENUES				
Intergovernmental revenues	\$ -	\$ 16,888	\$ 86,700	\$ 135,826
Charge for services	946,474	-	-	-
Investment earnings	64,311	-	-	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>1,010,785</u>	<u>16,888</u>	<u>86,700</u>	<u>135,826</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	64,632	16,888	86,700	182,787
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	157,740	-	-	-
Total Expenditures	<u>222,372</u>	<u>16,888</u>	<u>86,700</u>	<u>182,787</u>
Excess (deficiency) of revenues over expenditures	<u>788,413</u>	<u>-</u>	<u>-</u>	<u>(46,961)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	46,961
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,961</u>
Net change in fund balances	788,413	-	-	-
Fund balance at beginning of year	710,843	16	-	-
Fund balance at end of year	<u>\$ 1,499,256</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006
CONTINUED

	Liquid Fuel	Community Development Block Grant	E.D.P.S Flood Mitigation	E.D.P.S Environmental Projects
REVENUES				
Intergovernmental revenues	\$ 405,389	\$ 548,640	\$ 403,496	\$ 305,843
Charge for services	-	-	-	-
Investment earnings	45,131	-	-	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>450,520</u>	<u>548,640</u>	<u>403,496</u>	<u>305,843</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	507,066	548,640	580,919	318,351
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	24,405	-	-	-
Total Expenditures	<u>531,471</u>	<u>548,640</u>	<u>580,919</u>	<u>318,351</u>
Excess (deficiency) of revenues over expenditures	<u>(80,951)</u>	<u>-</u>	<u>(177,423)</u>	<u>(12,508)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	177,423	12,508
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>177,423</u>	<u>12,508</u>
Net change in fund balances	(80,951)	-	-	-
Fund balance at beginning of year	870,607	-	-	-
Fund balance at end of year	<u>\$ 789,656</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
YEAR ENDED DECEMBER 31, 2006
CONTINUED

	Water Supply Grant	Economic Development Grant	Growing Greener	Farm Easements
REVENUES				
Intergovernmental revenues	\$ (10,248)	\$ 286,212	\$ -	\$ 21,195
Charge for services	-	-	-	10,280
Investment earnings	-	-	52,608	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>(10,248)</u>	<u>286,212</u>	<u>52,608</u>	<u>31,475</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	484	632,635	-	-
Culture & recreation	-	40,829	-	-
Conservation & development	-	-	-	11,448
Capital outlay	-	-	-	43,602
Total Expenditures	<u>484</u>	<u>673,464</u>	<u>-</u>	<u>55,050</u>
Excess (deficiency) of revenues over expenditures	<u>(10,732)</u>	<u>(387,252)</u>	<u>52,608</u>	<u>(23,575)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	10,732	387,252	-	50,000
Transfer out	<u>-</u>	<u>-</u>	<u>(19,160)</u>	<u>-</u>
Total other financial sources (uses)	<u>10,732</u>	<u>387,252</u>	<u>(19,160)</u>	<u>50,000</u>
Net change in fund balances	-	-	33,448	26,425
Fund balance at beginning of year	-	-	1,014,419	168,860
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,047,867</u>	<u>\$ 195,285</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006
CONTINUED

	<u>Special Projects</u>	<u>Total</u>
REVENUES		
Intergovernmental revenues	\$ 93,420	\$ 5,194,370
Charge for services	15,045	2,165,464
Investment earnings	-	273,494
Court Cost, Fines & Forfeits	-	97,248
Miscellaneous income	-	441
Total Revenues	<u>108,465</u>	<u>7,731,017</u>
EXPENDITURES		
Current		
Judicial	390	594,968
Public safety	106,072	3,560,642
Public works	-	2,744,975
Culture & recreation	-	40,829
Conservation & development	-	11,448
Capital outlay	-	323,824
Total Expenditures	<u>106,462</u>	<u>7,276,686</u>
Excess (deficiency) of revenues over expenditures	<u>2,003</u>	<u>454,331</u>
OTHER FINANCIAL SOURCES (USES)		
Transfer in	11,473	696,349
Transfer out	<u>(13,476)</u>	<u>(302,636)</u>
Total other financial sources (uses)	<u>(2,003)</u>	<u>393,713</u>
Net change in fund balances	-	848,044
Fund balance at beginning of year	-	4,984,273
Fund balance at end of year	<u>\$ -</u>	<u>\$ 5,832,317</u>

COUNTY OF LYCOMING, PENNSYLVANIA
DOMESTIC RELATIONS IV-D
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 175,230	\$ 418,434	\$ 243,204
Investment earnings	37,781	48,734	10,953
Total revenues	<u>213,011</u>	<u>467,168</u>	<u>254,157</u>
EXPENDITURES			
Judicial	39,766	292,376	(252,610)
Capital outlay	16,000	13,565	2,435
Total expenditures	<u>55,766</u>	<u>305,941</u>	<u>(250,175)</u>
Excess (deficiency) of revenues over expenditures	157,245	161,227	3,982
Fund balance at beginning of year	877,554	877,554	-
Fund balance at end of year	<u>\$ 1,034,799</u>	<u>\$ 1,038,781</u>	<u>\$ 3,982</u>

COUNTY OF LYCOMING, PENNSYLVANIA
D.A. INVESTIGATIVE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 93,000	\$ 98,500	\$ 5,500
Investment earnings	450	2,903	2,453
Court cost fines & forfeits	80,000	97,248	17,248
Miscellaneous revenues	5,000	330	(4,670)
Total revenues	<u>178,450</u>	<u>198,981</u>	<u>20,531</u>
EXPENDITURES			
Judicial	<u>178,450</u>	<u>191,979</u>	<u>(13,529)</u>
Total expenditures	<u>178,450</u>	<u>191,979</u>	<u>(13,529)</u>
Excess (deficiency) of revenues over expenditures	-	7,002	7,002
Fund balance at beginning of year	89,523	89,523	-
Fund balance at end of year	<u>\$ 89,523</u>	<u>\$ 96,525</u>	<u>\$ 7,002</u>

COUNTY OF LYCOMING, PENNSYLVANIA
SHERIFF DARE GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 2,219	\$ 2,662	\$ 443
Miscellaneous revenues	-	111	111
Total revenues	<u>2,219</u>	<u>2,773</u>	<u>554</u>
EXPENDITURES			
Judicial	<u>2,219</u>	<u>2,773</u>	<u>(554)</u>
Total expenditures	<u>2,219</u>	<u>2,773</u>	<u>(554)</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
REGISTER & RECORDER CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 209,400	\$ 225,195	\$ 15,795
Investment earnings	27,161	33,082	5,921
Total revenues	<u>236,561</u>	<u>258,277</u>	<u>21,716</u>
EXPENDITURES			
Judicial			
Capital improvement fund	56,780	49,420	7,360
Register & Recorder	51,086	50,164	922
County	<u>107,866</u>	<u>99,584</u>	<u>8,282</u>
Total judicial			
Public Works	-	156,880	(156,880)
Act 137 A.H.E.	<u>-</u>	<u>156,880</u>	<u>(156,880)</u>
Total public works			
Capital	98,875	65,592	33,283
Total expenditures	<u>206,741</u>	<u>322,056</u>	<u>(115,315)</u>
Excess (deficiency) of revenues over expenditures	29,820	(63,779)	(93,599)
Fund balance at beginning of year	668,129	668,129	-
Fund balance at end of year	<u>\$ 697,949</u>	<u>\$ 604,350</u>	<u>\$ (93,599)</u>

COUNTY OF LYCOMING, PENNSYLVANIA
PROTHONOTARY AUTOMATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 6,000	\$ 10,925	\$ 4,925
Total revenues	<u>6,000</u>	<u>10,925</u>	<u>4,925</u>
EXPENDITURES			
Judicial	<u>6,000</u>	<u>7,866</u>	<u>(1,866)</u>
Total expenditures	<u>6,000</u>	<u>7,866</u>	<u>(1,866)</u>
Excess (deficiency) of revenues over expenditures	-	3,059	3,059
Fund balance at beginning of year	34,239	34,239	-
Fund balance at end of year	<u>\$ 34,239</u>	<u>\$ 37,298</u>	<u>\$ 3,059</u>

COUNTY OF LYCOMING, PENNSYLVANIA
EMERGENCY SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 432,191	\$ 424,173	\$ (8,018)
Investment earnings	1,500	2,846	1,346
Total revenues	<u>433,691</u>	<u>427,019</u>	<u>(6,672)</u>
 EXPENDITURES			
Public safety	<u>457,191</u>	<u>421,843</u>	<u>35,348</u>
Total expenditures	<u>457,191</u>	<u>421,843</u>	<u>35,348</u>
 Excess (deficiency) of revenues over expenditures	(23,500)	5,176	28,676
 Fund balance at beginning of year	39,572	39,572	-
Fund balance at end of year	<u>\$ 16,072</u>	<u>\$ 44,748</u>	<u>\$ 28,676</u>

COUNTY OF LYCOMING, PENNSYLVANIA
HAZ-MAT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 848,499	\$ 1,957,240	\$ 1,108,741
Charge for services	23,700	23,400	(300)
Investment earnings	1,493	-	(1,493)
Total revenues	<u>873,692</u>	<u>1,980,640</u>	<u>1,106,948</u>
EXPENDITURES			
Public safety	<u>875,842</u>	<u>1,980,640</u>	<u>(1,104,798)</u>
Total expenditures	<u>875,842</u>	<u>1,980,640</u>	<u>(1,104,798)</u>
Excess (deficiency) of revenues over expenditures	(2,150)	-	2,150
Fund balance at beginning of year	<u>15,939</u>	<u>15,939</u>	<u>-</u>
Fund balance at end of year	<u>\$ 13,789</u>	<u>\$ 15,939</u>	<u>\$ 2,150</u>

COUNTY OF LYCOMING, PENNSYLVANIA
911 EMERGENCY TELEPHONE TARIFF
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for services	\$ 900,000	\$ 934,145	\$ 34,145
Investment earnings	12,000	23,879	11,879
Total revenues	<u>912,000</u>	<u>958,024</u>	<u>46,024</u>
EXPENDITURES			
Public safety	720,000	701,080	18,920
Capital	25,000	18,920	6,080
Total expenditures	<u>745,000</u>	<u>720,000</u>	<u>25,000</u>
Excess (deficiency) of revenues over expenditures	167,000	238,024	71,024
OTHER FINANCING SOURCES (USES)			
Transfer out	(270,000)	(270,000)	-
Total other financing sources (uses)	<u>(270,000)</u>	<u>(270,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(103,000)	(31,976)	71,024
Fund balance at beginning of year	<u>494,572</u>	<u>494,572</u>	<u>-</u>
Fund balance at end of year	<u>\$ 391,572</u>	<u>\$ 462,596</u>	<u>\$ 71,024</u>

COUNTY OF LYCOMING, PENNSYLVANIA
911 WIRELESS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Charge for services	\$ 1,408,006	\$ 946,474	\$ (461,532)
Investment earnings	33,435	64,311	30,876
Total revenues	<u>1,441,441</u>	<u>1,010,785</u>	<u>(430,656)</u>
EXPENDITURES			
Public safety	81,041	64,632	16,409
Capital	1,360,400	157,740	1,202,660
Total expenditures	<u>1,441,441</u>	<u>222,372</u>	<u>1,219,069</u>
Excess (deficiency) of revenues over expenditures	-	788,413	788,413
Fund balance at beginning of year	<u>710,843</u>	<u>710,843</u>	<u>-</u>
Fund balance at end of year	<u>\$ 710,843</u>	<u>\$ 1,499,256</u>	<u>\$ 788,413</u>

COUNTY OF LYCOMING, PENNSYLVANIA
E.M.A. GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 3,983	\$ 16,888	\$ 12,905
Investment earnings	-	-	-
Total revenues	<u>3,983</u>	<u>16,888</u>	<u>12,905</u>
EXPENDITURES			
Public safety	<u>3,983</u>	<u>16,888</u>	<u>(12,905)</u>
Total expenditures	<u>3,983</u>	<u>16,888</u>	<u>(12,905)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	16	16	-
Fund balance at end of year	<u>\$ 16</u>	<u>\$ 16</u>	<u>\$ -</u>

COUNTY OF LYCOMING, PENNSYLVANIA
HIGHWAY SAFETY GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 86,968	\$ 86,700	\$ (268)
Total revenues	<u>86,968</u>	<u>86,700</u>	<u>(268)</u>
EXPENDITURES			
Public safety			
2005-2006 Highway safety	63,935	64,071	(136)
2006-2007 Highway safety	<u>23,033</u>	<u>22,629</u>	<u>404</u>
Total public safety	<u>86,968</u>	<u>86,700</u>	<u>268</u>
Total expenditures	<u>86,968</u>	<u>86,700</u>	<u>268</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) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 139,010	\$ 135,826	\$ (3,184)
Total revenues	<u>139,010</u>	<u>135,826</u>	<u>(3,184)</u>
EXPENDITURES			
Public Safety			
J.A.I.B.G.	58,355	56,961	1,394
Aftercare	<u>129,010</u>	<u>125,826</u>	<u>3,184</u>
Total expenditures	<u>187,365</u>	<u>182,787</u>	<u>4,578</u>
Excess (deficiency) of revenues over expenditures	(48,355)	(46,961)	1,394
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>50,000</u>	<u>46,961</u>	<u>(3,039)</u>
Total other financing sources (uses)	<u>50,000</u>	<u>46,961</u>	<u>(3,039)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,645	-	(1,645)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,645</u>	<u>\$ -</u>	<u>\$ (1,645)</u>

COUNTY OF LYCOMING, PENNSYLVANIA
LIQUID FUEL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 788,640	\$ 405,389	\$ (383,251)
Investment earnings	21,000	45,131	24,131
Total revenues	<u>809,640</u>	<u>450,520</u>	<u>(359,120)</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	95,603	62,061	33,542
Approved projects	300,000	445,005	(145,005)
Capital outlay	<u>374,400</u>	<u>24,405</u>	<u>349,995</u>
Total public works	<u>770,003</u>	<u>531,471</u>	<u>238,532</u>
Total expenditures	<u>770,003</u>	<u>531,471</u>	<u>238,532</u>
Excess (deficiency) of revenues over expenditures	39,637	(80,951)	(120,588)
Fund balance at beginning of year	870,607	870,607	-
Fund balance at end of year	<u>\$ 910,244</u>	<u>\$ 789,656</u>	<u>\$ (120,588)</u>

**COMMUNITY DEVELOPMENT BLOCK GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 368,750	\$ 548,640	\$ 179,890
Total revenues	<u>368,750</u>	<u>548,640</u>	<u>179,890</u>
EXPENDITURES			
Public works			
2003 grant	-	170,621	(170,621)
2004 grant	138,750	55,766	82,984
2005 grant	230,000	283,966	(53,966)
2006 grant	-	38,287	(38,287)
Total public works	<u>368,750</u>	<u>548,640</u>	<u>(179,890)</u>
Total expenditures	<u>368,750</u>	<u>548,640</u>	<u>(179,890)</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) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 269,280	\$ 403,496	\$ 134,216
Total revenues	269,280	403,496	134,216
EXPENDITURES			
Public works			
Flood mitigation	590,123	198,341	391,782
Hazard mitigation buyouts	-	382,578	(382,578)
Total public works	590,123	580,919	9,204
Total expenditures	590,123	580,919	9,204
Excess (deficiency) of revenues over expenditures	(320,843)	(177,423)	143,420
OTHER FINANCING SOURCES (USES)			
Transfer in	320,843	177,423	(143,420)
Total other financing sources (uses)	320,843	177,423	(143,420)
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	\$ -	\$ -	\$ -

COUNTY OF LYCOMING, PENNSYLVANIA
EDPS ENVIRONMENTAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 538,675	\$ 305,843	\$ (232,832)
Total revenues	<u>538,675</u>	<u>305,843</u>	<u>(232,832)</u>
EXPENDITURES			
Public works			
EPA storm / sewer	450,817	242,576	208,241
EDPS environmental division	110,912	75,775	35,137
Total public works	<u>561,729</u>	<u>318,351</u>	<u>243,378</u>
Total expenditures	<u>561,729</u>	<u>318,351</u>	<u>243,378</u>
Excess (deficiency) of revenues over expenditures	(23,054)	(12,508)	10,546
OTHER FINANCING SOURCES (USES)			
Transfer in	23,054	12,508	(10,546)
Total other financing sources (uses)	<u>23,054</u>	<u>12,508</u>	<u>(10,546)</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>

COUNTY OF LYCOMING, PENNSYLVANIA
EDPS WATER SUPPLY GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 1,310,000	\$ (10,248)	\$ (1,320,248)
Total revenues	<u>1,310,000</u>	<u>(10,248)</u>	<u>(1,320,248)</u>
EXPENDITURES			
Public works	<u>1,320,732</u>	<u>484</u>	<u>1,320,248</u>
Total expenditures	<u>1,320,732</u>	<u>484</u>	<u>1,320,248</u>
Excess (deficiency) of revenues over expenditures	(10,732)	(10,732)	-
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>10,732</u>	<u>10,732</u>	<u>-</u>
Total other financing sources (uses)	<u>10,732</u>	<u>10,732</u>	<u>-</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>

COUNTY OF LYCOMING, PENNSYLVANIA
EDPS ECONOMIC DEVELOPMENT PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 2,652,270	\$ 286,212	\$ (2,366,058)
Total revenues	<u>2,652,270</u>	<u>286,212</u>	<u>(2,366,058)</u>
EXPENDITURES			
Public works			
Economic development	831,870	265,792	566,078
Downtown revitalization	<u>2,198,422</u>	<u>366,843</u>	<u>1,831,579</u>
Total public works	<u>3,030,292</u>	<u>632,635</u>	<u>2,397,657</u>
Culture & Recreation	<u>854,988</u>	<u>40,829</u>	<u>814,159</u>
Total expenditures	<u>3,885,280</u>	<u>673,464</u>	<u>3,211,816</u>
Excess (deficiency) of revenues over expenditures	(1,233,010)	(387,252)	845,758
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>1,233,010</u>	<u>387,252</u>	<u>(845,758)</u>
Total other financing sources (uses)	<u>1,233,010</u>	<u>387,252</u>	<u>(845,758)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF LYCOMING, PENNSYLVANIA
GROWING GREENER TRUST
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment earnings	\$ 42,670	\$ 52,608	\$ 9,938
Total revenues	42,670	52,608	9,938
Excess (deficiency) of revenues over expenditures	42,670	52,608	9,938
OTHER FINANCING SOURCES (USES)			
Transfer out	(34,375)	(19,160)	15,215
Total other financing sources (uses)	(34,375)	(19,160)	15,215
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	8,295	33,448	25,153
Fund balance at beginning of year	1,014,419	1,014,419	-
Fund balance at end of year	\$ 1,022,714	\$ 1,047,867	\$ 25,153

COUNTY OF LYCOMING, PENNSYLVANIA
FARM EASEMENT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 13,000	\$ 21,195	\$ 8,195
Charge for services	10,750	10,280	(470)
Total revenues	<u>23,750</u>	<u>31,475</u>	<u>7,725</u>
 EXPENDITURES			
Conservation & development	10,000	11,448	(1,448)
Capital outlay	<u>55,600</u>	<u>43,602</u>	<u>11,998</u>
Total expenditures	<u>65,600</u>	<u>55,050</u>	<u>10,550</u>
 Excess (deficiency) of revenues over expenditures	<u>(41,850)</u>	<u>(23,575)</u>	<u>18,275</u>
 OTHER FINANCING SOURCES (USES)			
Transfer in	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>-</u>
 other financing sources over expenditures and other financing uses	8,150	26,425	18,275
 Fund balance at beginning of year	168,860	168,860	-
Fund balance at end of year	<u>\$ 177,010</u>	<u>\$ 195,285</u>	<u>\$ 18,275</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
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006

	<u>Debt Service</u>
EXPENDITURES	
Debt service	
Principal retirement	
1998 Bonds	\$ 635,000
Washington County Bond Pool	358,495
2001 Bonds	970,000
2003 Bonds	415,000
Total principal	<u>2,378,495</u>
Interest expense	
1998 Bonds	769,395
Washington County Bond Pool	73,804
2001 Bonds	89,328
2003 Bonds	290,318
Total interest	<u>1,222,845</u>
Total debt service	<u>3,601,340</u>
Total expenditures	<u>3,601,340</u>
Excess (deficiency) of revenues over expenditures	<u>(3,601,340)</u>
OTHER FINANCING SOURCES (USES)	
Transfer in	<u>3,601,340</u>
Total other financing sources (uses)	<u>3,601,340</u>
Net change in fund balance	-
Fund balance beginning of year	<u>-</u>
Fund balance end of year	<u>\$ -</u>

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, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES			
Debt Service			
Principal retirement			
1998 Bonds	\$ 635,000	\$ 635,000	\$ -
Washington County Bond Pool	387,528	358,495	29,033
2001 Bonds	970,000	970,000	-
2003 Bonds	415,000	415,000	-
C&N Letter of Credit	-	-	-
Total principal	<u>2,407,528</u>	<u>2,378,495</u>	<u>29,033</u>
Interest expense			
1998 Bonds	769,395	769,395	-
Washington County Bond Pool	76,773	73,804	2,969
2001 Bonds	89,328	89,328	-
2003 Bonds	290,318	290,318	-
C&N Letter of Credit	38,098	-	38,098
Total interest	<u>1,263,912</u>	<u>1,222,845</u>	<u>41,067</u>
Total expenditures	<u>3,671,440</u>	<u>3,601,340</u>	<u>70,100</u>
Excess (deficiency) of revenues over expenditures	(3,671,440)	(3,601,340)	70,100
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>3,671,440</u>	<u>3,601,340</u>	<u>(70,100)</u>
Total other financing sources (uses)	<u>3,671,440</u>	<u>3,601,340</u>	<u>(70,100)</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 FUNDS

Help America Vote Act

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

97 Capital Project Fund

Used to finance software upgrades to countywide financial system.

Law Enforcement Record Management System

Funds allocated to develop a countywide police information system.

Pre-Release Addition

Funds allocated to construct a female addition to the current Pre-Release Facility.

White Deer Golf Course

Funds allocated to purchase the assets of the White Deer Golf Course

Industrial Park

Funds allocated to the development of a County industrial park.

COUNTY OF LYCOMING, PENNSYLVANIA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2006

	H.A.V.A.	Capital Projects	L.E.R.M.S	PreRelease Addition
ASSETS				
Cash and cash equivalents	\$ -	\$ 24,046	\$ 13,044	\$ 95,936
Due from other funds	-	-	-	-
Due from other governments	70,742	-	-	-
Total assets and other debits	<u>\$ 70,742</u>	<u>\$ 24,046</u>	<u>\$ 13,044</u>	<u>\$ 95,936</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 34,375	\$ -	\$ -	\$ 95,936
Due to other funds	36,367	-	-	-
Total liabilities	<u>70,742</u>	<u>-</u>	<u>-</u>	<u>95,936</u>
Fund equity				
Reserved for capital projects	-	24,046	13,044	-
Total fund equity	<u>-</u>	<u>24,046</u>	<u>13,044</u>	<u>-</u>
Total liabilities & fund equity	<u>\$ 70,742</u>	<u>\$ 24,046</u>	<u>\$ 13,044</u>	<u>\$ 95,936</u>
	Industrial Park	White Deer Golf Course	Total	
ASSETS				
Cash and cash equivalents	\$ 4,182	\$ -	\$ 137,208	
Due from other funds	3,350	-	3,350	
Due from other governments	-	-	70,742	
Total assets and other debits	<u>\$ 7,532</u>	<u>\$ -</u>	<u>\$ 211,300</u>	
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 7,532	\$ -	\$ 137,843	
Due to other funds	-	-	36,367	
Total liabilities	<u>7,532</u>	<u>-</u>	<u>174,210</u>	
Fund equity				
Reserved for capital projects	-	-	37,090	
Total fund equity	<u>-</u>	<u>-</u>	<u>37,090</u>	
Total liabilities & fund equity	<u>\$ 7,532</u>	<u>\$ -</u>	<u>\$ 211,300</u>	

**COUNTY OF LYCOMING, PENNSYLVANIA
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006**

	<u>H.A.V.A.</u>	<u>97 Capital Projects</u>	<u>L.E.R.M.S</u>	<u>Pre-Release Addition</u>
REVENUES				
Intergovernmental revenues	\$ 847,113	\$ -	\$ 68,054	\$ -
Interest income	6,047	-	-	-
Total revenues	<u>853,160</u>	<u>-</u>	<u>68,054</u>	<u>-</u>
EXPENDITURES				
Current				
General government	772,188	-	-	-
Public works	-	-	-	-
Capital outlay	86,186	-	76,314	231,222
Total capital projects	<u>858,374</u>	<u>-</u>	<u>76,314</u>	<u>231,222</u>
Total expenditures	<u>858,374</u>	<u>-</u>	<u>76,314</u>	<u>231,222</u>
Excess (deficiency) of revenues over expenditures	(5,214)	-	(8,260)	(231,222)
OTHER FINANCING SOURCES (USES)				
Transfer in	<u>5,214</u>	<u>-</u>	<u>8,260</u>	<u>231,222</u>
Total other financing sources (uses)	<u>5,214</u>	<u>-</u>	<u>8,260</u>	<u>231,222</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	24,046	13,044	-
Fund balance end of year	<u>\$ -</u>	<u>\$ 24,046</u>	<u>\$ 13,044</u>	<u>\$ -</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2006
(CONTINUED)

	<u>Industrial Park</u>	<u>White Deer Golf Course</u>	<u>Total</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ -	\$ 915,167
Interest income	-	-	6,047
Total revenues	<u>-</u>	<u>-</u>	<u>921,214</u>
EXPENDITURES			
Current			
General government	-	-	772,188
Public Works	49,723		49,723
Capital outlay	10,682	3,835,000	4,239,404
Total capital projects	<u>60,405</u>	<u>3,835,000</u>	<u>5,061,315</u>
Total expenditures	<u>60,405</u>	<u>3,835,000</u>	<u>5,061,315</u>
Excess (deficiency) of revenues over expenditures	(60,405)	(3,835,000)	(4,140,101)
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>60,405</u>	<u>3,835,000</u>	<u>4,140,101</u>
Total other financing sources (uses)	<u>60,405</u>	<u>3,835,000</u>	<u>4,140,101</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>37,090</u>
Fund balance end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,090</u>

COUNTY OF LYCOMING, PENNSYLVANIA
 97 CAPITAL CONSTRUCTION FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES			
General Government	\$ 20,000	\$ -	\$ 20,000
Total expenditures	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Excess (deficiency) of revenues over expenditures	(20,000)	-	20,000
Fund balance at beginning of year	24,046	24,046	-
Fund balance at end of year	<u>\$ 4,046</u>	<u>\$ 24,046</u>	<u>\$ 20,000</u>

COUNTY OF LYCOMING, PENNSYLVANIA
 HELP AMERICA VOTE ACT
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 887,171	\$ 847,113	\$ (40,058)
Investment earnings	-	6,047	6,047
Total revenues	<u>887,171</u>	<u>853,160</u>	<u>(34,011)</u>
EXPENDITURES			
General government	1,172,171	772,188	399,983
Capital outlay	90,000	86,186	3,814
Total expenditures	<u>1,262,171</u>	<u>858,374</u>	<u>403,797</u>
Excess (deficiency) of revenues over expenditures	(375,000)	(5,214)	369,786
OTHER FINANCIAL SOURCES (USES)			
Transfer in	<u>375,000</u>	<u>5,214</u>	<u>(369,786)</u>
Total other financing sources (uses)	<u>375,000</u>	<u>5,214</u>	<u>(369,786)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
LAW ENFORCEMENT RECORDS MANAGEMENT SYSTEM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 99,738	\$ 68,054	\$ (31,684)
Investment earnings	-	-	-
Total revenues	<u>99,738</u>	<u>68,054</u>	<u>(31,684)</u>
EXPENDITURES			
Capital outlay	<u>110,820</u>	<u>76,314</u>	<u>34,506</u>
Total expenditures	<u>110,820</u>	<u>76,314</u>	<u>34,506</u>
Excess (deficiency) of revenues over expenditures	(11,082)	(8,260)	2,822
OTHER FINANCIAL SOURCES (USES)			
Transfer in	<u>11,082</u>	<u>8,260</u>	<u>(2,822)</u>
Total other financing sources (uses)	<u>11,082</u>	<u>8,260</u>	<u>(2,822)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	<u>13,044</u>	<u>13,044</u>	<u>-</u>
Fund balance at end of year	<u>\$ 13,044</u>	<u>\$ 13,044</u>	<u>\$ -</u>

COUNTY OF LYCOMING, PENNSYLVANIA
INDUSTRIAL PARK
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental revenues	\$ 2,825,000	\$ -	(\$2,825,000)
Total revenues	<u>2,825,000</u>	<u>-</u>	<u>(2,825,000)</u>
EXPENDITURES			
Public works	1,643,146	49,723	1,593,423
Capital outlay	3,201,645	10,682	3,190,963
Total expenditures	<u>4,844,791</u>	<u>60,405</u>	<u>4,784,386</u>
Excess (deficiency) of revenues over expenditures	(2,019,791)	(60,405)	1,959,386
OTHER FINANCIAL SOURCES (USES)			
Transfer in	2,126,645	60,405	(2,066,240)
Total other financing sources (uses)	<u>2,126,645</u>	<u>60,405</u>	<u>(2,066,240)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	106,854	-	(106,854)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 106,854</u>	<u>\$ -</u>	<u>\$ (106,854)</u>

ENTERPRISE FUNDS

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, EXPENSES AND
CHANGES IN RETAINED EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED DECEMBER 31, 2006**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
OPERATING REVENUES			
Charge for services	\$ 12,979,672	\$ 13,070,532	\$ 90,860
Sales	1,542,800	1,791,351	248,551
Miscellaneous revenues	33,420	32,523	(897)
Total revenues	<u>14,555,892</u>	<u>14,894,406</u>	<u>338,514</u>
OPERATING EXPENSES			
Public works			
Salaries & wages	2,709,756	2,681,623	28,133
Material and supplies	420,771	396,571	24,200
Operating expenses	5,130,499	5,042,038	88,461
Maintenance and repairs	1,366,793	1,110,713	256,080
Depreciation expense	4,565,669	4,234,009	331,660
Cost allocation plan expenses	1,363,548	1,336,553	26,995
Total operating expenses	<u>15,557,036</u>	<u>14,801,507</u>	<u>755,529</u>
Income (loss) from operations	<u>(1,001,144)</u>	<u>92,899</u>	<u>1,094,043</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment earnings	2,587,067	3,001,027	413,960
Intergovernmental revenues	461,273	659,888	198,615
Net proceeds on sale of assets			
Net gain (Loss)	(309)	(5,912)	(5,603)
Interest expenses	(188,224)	(129,697)	58,527
Total non-operating revenues (expenses)	<u>2,859,807</u>	<u>3,525,306</u>	<u>665,499</u>
Income (loss) before transfer	1,858,663	3,618,205	1,759,542
Transfer in (out)			
Transfer - out	<u>(2,577,600)</u>	<u>(2,611,495)</u>	<u>(33,895)</u>
Net transfers	<u>(2,577,600)</u>	<u>(2,611,495)</u>	<u>(33,895)</u>
Net income (loss)	(718,937)	1,006,710	1,725,647
Total net assets-beginning	60,468,489	60,468,489	-
Total net assets-ending	<u>\$ 59,749,552</u>	<u>\$ 61,475,199</u>	<u>\$ 1,725,647</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.

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2006

	Balance at January 1, 2006	Additions	Deductions	Balance at December 31, 2006
<u>Delinquent Taxes</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 1,229,834	\$ 6,292,726	\$ 6,295,315	\$ 1,227,245
Receivables				
Accounts receivable	1,509	40,770	1,509	40,770
Delinquent taxes	3,174,960	6,012,615	6,001,537	3,186,038
Total assets	<u>\$ 4,406,303</u>	<u>\$ 12,346,111</u>	<u>\$ 12,298,361</u>	<u>\$ 4,454,053</u>
<u>Liabilities:</u>				
Due to other governments	\$ 1,231,344	\$ 6,188,611	\$ 6,151,941	\$ 1,268,014
Escrow	3,174,960	6,157,500	6,146,421	3,186,039
Total liabilities	<u>4,406,304</u>	<u>12,346,111</u>	<u>12,298,362</u>	<u>4,454,053</u>
 <u>Municipal Tax</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ -	\$ 134,501	\$ 134,475	\$ 26
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26</u>
<u>Liabilities:</u>				
Escrow fund	\$ -	\$ 134,501	\$ 134,475	\$ 26
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26</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	\$ 141,393	\$ 1,373,831	\$ 1,400,814	\$ 114,410
Accounts receivable	6,264,187	2,505,129	1,352,013	7,417,303
Total assets	<u>\$ 6,405,580</u>	<u>\$ 3,878,960</u>	<u>\$ 2,752,827</u>	<u>\$ 7,531,713</u>
<u>Liabilities:</u>				
Account Payable	\$ -	\$ -	\$ -	\$ -
Escrow	6,405,580	3,878,960	2,752,827	7,531,713
Total liabilities	<u>\$ 6,405,580</u>	<u>\$ 3,878,960</u>	<u>\$ 2,752,827</u>	<u>\$ 7,531,713</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2006
 (CONTINUED)

	Balance at January 1, 2006	Additions	Deductions	Balance at December 31, 2006
<u>Lyc. Cnty. Health Care Plan</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 12,002	\$ 272,508	\$ 272,576	\$ 11,934
Total assets	<u>\$ 12,002</u>	<u>\$ 272,508</u>	<u>\$ 272,576</u>	<u>\$ 11,934</u>
<u>Liabilities:</u>				
Account Payable	\$ 5,339	\$ 272,576	\$ 272,906	\$ 5,009
Escrow fund	663	273,319	273,057	925
Interfund loans	6,000	-	-	6,000
Total liabilities	<u>\$ 12,002</u>	<u>\$ 545,895</u>	<u>\$ 545,963</u>	<u>\$ 11,934</u>
<u>Escheats Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 81,884	\$ 19,806	\$ 14,479	\$ 87,211
Due from other funds	134	59	134	59
Total assets	<u>\$ 82,018</u>	<u>\$ 19,865</u>	<u>\$ 14,613</u>	<u>\$ 87,270</u>
<u>Liabilities:</u>				
Account Payable	\$ -	\$ 14,471	\$ 14,471	\$ -
Escrow fund	82,018	20,062	14,810	87,270
Total liabilities	<u>\$ 82,018</u>	<u>\$ 34,533</u>	<u>\$ 29,281</u>	<u>\$ 87,270</u>
<u>Public Relation Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 7,612	\$ 6,351	\$ 1,658	\$ 12,305
Total assets	<u>\$ 7,612</u>	<u>\$ 6,351</u>	<u>\$ 1,658</u>	<u>\$ 12,305</u>
<u>Liabilities:</u>				
Account Payable	\$ 24	\$ 1,658	\$ 1,682	\$ -
Escrow fund	7,588	6,351	1,634	12,305
Total liabilities	<u>\$ 7,612</u>	<u>\$ 8,009</u>	<u>\$ 3,316</u>	<u>\$ 12,305</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2006
(CONTINUED)

	Balance at January 1, 2006	Additions	Deductions	Balance at December 31, 2006
<u>Domestic Relation Child Support</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 16,748	\$ 775,235	\$ 779,890	\$ 12,093
Total assets	<u>\$ 16,748</u>	<u>\$ 775,235</u>	<u>\$ 779,890</u>	<u>\$ 12,093</u>
<u>Liabilities:</u>				
Escrow fund	\$ 16,748	\$ 775,235	\$ 779,890	\$ 12,093
Total liabilities	<u>\$ 16,748</u>	<u>\$ 775,235</u>	<u>\$ 779,890</u>	<u>\$ 12,093</u>
<u>Juvenile Restitution Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 81,086	\$ 27,896	\$ 16,068	\$ 92,914
Total assets	<u>\$ 81,086</u>	<u>\$ 27,896</u>	<u>\$ 16,068</u>	<u>\$ 92,914</u>
<u>Liabilities:</u>				
Accounts payable	\$ 1,900	\$ 14,002	\$ 15,902	\$ -
Escrow fund	79,186	27,896	14,168	92,914
Total liabilities	<u>\$ 81,086</u>	<u>\$ 41,898</u>	<u>\$ 30,070</u>	<u>\$ 92,914</u>
<u>Register & Recorder Adoption Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 31,650	\$ 1,425	\$ -	\$ 33,075
Due from other funds	-	-	-	-
Total assets	<u>\$ 31,650</u>	<u>\$ 1,425</u>	<u>\$ -</u>	<u>\$ 33,075</u>
<u>Liabilities:</u>				
Escrow fund	\$ 31,650	\$ 1,425	\$ -	\$ 33,075
Total liabilities	<u>\$ 31,650</u>	<u>\$ 1,425</u>	<u>\$ -</u>	<u>\$ 33,075</u>
<u>County Row Offices</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 707,464	\$ 12,718,076	\$ 12,678,088	\$ 747,452
Accounts receivable	7,137	92	7,137	92
Total assets	<u>\$ 714,601</u>	<u>\$ 12,718,168</u>	<u>\$ 12,685,225</u>	<u>\$ 747,544</u>
<u>Liabilities:</u>				
Due to other funds	\$ 134	\$ 59	\$ 134	\$ 59
Due to other governments	250,277	8,665,914	8,654,855	261,336
Escrow	464,190	4,052,195	4,030,236	486,149
Total liabilities	<u>\$ 714,601</u>	<u>\$ 12,718,168</u>	<u>\$ 12,685,225</u>	<u>\$ 747,544</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2006
(CONTINUED)

	Balance at January 1, 2006	Additions	Deductions	Balance at December 31, 2006
<u>Prison & Pre-Release Commissary</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 146,789	\$ 1,078,229	\$ 1,097,464	\$ 127,554
Due from other funds	3,348	42,485	38,975	6,858
Accounts receivable	1,421	2,889	2,996	1,314
Inventory of supplies	5,887	25,446	25,978	5,355
Total assets	<u>\$ 157,445</u>	<u>\$ 1,149,049</u>	<u>\$ 1,165,413</u>	<u>\$ 141,081</u>
<u>Liabilities:</u>				
Accounts payable	\$ 23,785	\$ 1,226,865	\$ 1,244,122	\$ 6,528
Due to other funds	-	-	-	-
Escrow fund	128,160	1,670,020	1,669,127	129,053
Interfund loan	5,500	16,008	16,008	5,500
Total liabilities	<u>\$ 157,445</u>	<u>\$ 2,912,893</u>	<u>\$ 2,929,257</u>	<u>\$ 141,081</u>
<u>Total All Agency Funds</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 2,476,623	\$ 22,700,584	\$ 22,690,827	\$ 2,486,380
Receivables				
Due from other funds	3,482	42,544	39,109	6,917
Accounts receivable	10,067	43,751	11,642	42,176
Delinquent taxes (non county)	3,174,960	6,012,615	6,001,537	3,186,038
Cost & fines (non county)	6,264,187	2,505,129	1,352,013	7,417,303
Inventory of supplies	5,887	25,446	25,978	5,355
Total assets	<u>\$ 11,935,206</u>	<u>\$ 31,330,069</u>	<u>\$ 30,121,106</u>	<u>\$ 13,144,169</u>
<u>Liabilities:</u>				
Accounts payable	\$ 31,048	\$ 1,529,572	\$ 1,549,083	\$ 11,537
Due to other funds	134	59	134	59
Due to other governments	1,481,621	14,854,525	14,806,796	1,529,350
Escrow funds	10,410,904	16,997,464	15,816,645	11,591,723
Interfund loans	11,500	16,008	16,008	11,500
Total liabilities	<u>\$ 11,935,207</u>	<u>\$ 33,397,628</u>	<u>\$ 32,188,666</u>	<u>\$ 13,144,169</u>

COUNTY OF LYCOMING, PENNSYLVANIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2006

	January 1 2006	Additions / Transfers	Disposals / Transfers	December 31 2006
General Government	\$ 10,615,254	\$ 1,155,287	\$ 795,197	\$ 10,975,344
Judicial	2,486,232	74,915	1,866,030	695,117
Public Safety	17,422,941	833,808	652,810	17,603,939
Public Works	8,263,116	24,405	-	8,287,521
Human Services	2,124,041	-	-	2,124,041
Culture & Recreation	-	3,835,000	-	3,835,000
Conservation & Dev.	3,909,670	105,945	-	4,015,615
	<u>\$ 44,821,254</u>	<u>\$ 6,029,360</u>	<u>\$ 3,314,037</u>	<u>\$ 47,536,577</u>

ENDING BALANCE IS COMPOSED OF

	Land	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
General Government	\$ 129,926	\$ 6,320,508	\$ 267,029	\$ 4,250,151	\$ 7,730	\$ 10,975,344
Judicial	-	74,660	-	620,457	-	695,117
Public Safety	266,811	8,765,387	-	8,558,611	13,130	17,603,939
Public Works	-	-	-	12,000	8,275,521	8,287,521
Human Services	-	2,124,041	-	-	-	2,124,041
Culture & Recreation	2,310,922	1,136,542	387,536	-	-	3,835,000
Conservation & Dev.	96,000	2,808,195	638,486	197,923	275,011	4,015,615
	<u>\$ 2,803,659</u>	<u>\$ 21,229,333</u>	<u>\$ 1,293,051</u>	<u>\$ 13,639,142</u>	<u>\$ 8,571,392</u>	<u>\$ 47,536,577</u>

COUNTY OF LYCOMING, PENNSYLVANIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION
PROPRIETARY FUND TYPES (BUSINESS-TYPE ACTIVITIES)
FOR THE YEAR ENDED DECEMBER 31, 2006

	January 1 2006	Additions / Transfers	Disposals / Transfers	December 31 2006
Public Works	\$ 73,351,656	\$ 3,837,638	\$ 1,936,265	\$ 75,253,029
	<u>\$ 73,351,656</u>	<u>\$ 3,837,638</u>	<u>\$ 1,936,265</u>	<u>\$ 75,253,029</u>

ENDING BALANCE IS COMPOSED OF

	Land	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
Public Works	\$ 2,707,548	\$ 18,261,688	\$ 33,119,761	\$ 19,221,853	\$ 1,942,179	\$ 75,253,029
	<u>\$ 2,707,548</u>	<u>\$ 18,261,688</u>	<u>\$ 33,119,761</u>	<u>\$ 19,221,853</u>	<u>\$ 1,942,179</u>	<u>\$ 75,253,029</u>

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STATISTICAL SECTION

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

Primary Government - Governmental Activities	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Investment in capital assets, net of related debt	\$ 18,607,783	\$ 18,870,840	\$ 18,916,755	\$ 19,015,377
Restrictive	2,697,018	4,043,903	5,021,364	\$5,869,407
Unrestrictive	<u>11,031,111</u>	<u>15,441,406</u>	<u>20,926,070</u>	<u>25,878,978</u>
Total Net Assets	<u>\$ 32,335,912</u>	<u>\$ 38,356,149</u>	<u>\$ 44,864,189</u>	<u>\$ 50,763,762</u>

Primary Government - Business Type Activities	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Investment in capital assets, net of related debt	\$ 33,232,631	\$ 31,910,202	\$ 32,086,351	\$ 31,117,999
Restrictive	18,113,766	19,133,088	18,275,100	\$19,294,422
Unrestrictive	<u>7,568,584</u>	<u>9,392,664</u>	<u>10,107,038</u>	<u>11,062,778</u>
Total Net Assets	<u>\$ 58,914,981</u>	<u>\$ 60,435,954</u>	<u>\$ 60,468,489</u>	<u>\$ 61,475,199</u>

Total Primary Government	Fiscal Year			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Investment in capital assets, net of related debt	\$ 51,840,414	\$ 50,781,042	\$ 51,003,106	\$ 50,133,376
Restrictive	20,810,784	23,176,991	23,296,464	25,163,829
Unrestrictive	<u>18,599,695</u>	<u>24,834,070</u>	<u>31,033,108</u>	<u>36,941,756</u>
Total Net Assets	<u>\$ 91,250,893</u>	<u>\$ 98,792,103</u>	<u>\$ 105,332,678</u>	<u>\$ 112,238,961</u>

Note: The County adopted the provisions of GASB's Statement No. 34, "Basic Financial Statements -and Managements's Discussion and Analysis - For State and Local Governments" effective for the calendar year 2003. Therefore data is not available for the prior six years.

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

Primary Government Governmental Activities	Fiscal Years			
	2003	2004	2005	2006
Program Expenses				
General government	\$ 7,091,634	\$ 7,701,208	\$ 6,870,008	\$ 7,663,171
Judicial	7,553,565	7,669,795	7,751,039	8,276,111
Public safety	16,826,442	16,904,989	18,378,191	19,383,314
Public works	5,185,879	2,961,030	4,638,746	3,535,083
Human services	17,553,074	20,501,895	20,072,182	17,559,200
Culture & recreation	923,602	1,123,540	1,251,352	1,193,605
Conservation & development	669,501	719,886	849,610	893,633
Interest on long-term debt	1,470,735	1,401,254	1,360,638	1,307,054
Total Program Expenses	<u>\$ 57,274,432</u>	<u>\$ 58,983,597</u>	<u>\$ 61,171,766</u>	<u>\$ 59,811,171</u>
Program Revenues				
Charge for services	\$ 7,469,325	\$ 6,891,993	\$ 7,678,410	\$ 7,526,627
Operating grants & contributions	27,227,961	28,809,129	30,023,341	26,784,621
Capital grants & contributions	1,336,177	819,617	648,894	962,530
Total Program Revenue	<u>\$ 36,033,463</u>	<u>\$ 36,520,739</u>	<u>\$ 38,350,645</u>	<u>\$ 35,273,778</u>
Net (expenses)/revenues	<u>\$(21,240,969)</u>	<u>\$(22,462,858)</u>	<u>\$(22,821,121)</u>	<u>\$(24,537,393)</u>
General Revenues and Other				
Changes in Net Assets				
Taxes	\$ 15,766,627	\$ 24,515,417	\$ 24,884,901	\$ 25,444,268
Unrestrictive investment earnings	1,385,149	1,381,006	1,636,430	2,146,256
Grants, contributions and other revenues not restricted to specific programs.	147,340	-	233,856	234,948
Transfers	3,560,082	2,586,672	2,573,974	2,611,495
Total general revenues & transfers	<u>\$ 20,859,198</u>	<u>\$ 28,483,095</u>	<u>\$ 29,329,161</u>	<u>\$ 30,436,967</u>
Changes in Net Assets				
Total primary government	<u>\$ (381,771)</u>	<u>\$ 6,020,237</u>	<u>\$ 6,508,040</u>	<u>\$ 5,899,574</u>

Note: The County adopted the provisions of GASB's Statement No. 34, "Basic Financial Statements - and Managements's Discussion and Analysis - For State and Local Governments" effective for the calendar year 2003. Therefore data is not available for the prior six years.

COUNTY OF LYCOMING, PENNSYLVANIA
Changes in Net Assets
Last Four Fiscal Years
(accrual basis of accounting)
Table #3

Primary Government Business Type Activities	Fiscal Years			
	2003	2004	2005	2006
Program Expenses				
Public works	12,440,979	13,420,936	14,088,774	14,931,204
Total Program Expenses	<u>\$ 12,440,979</u>	<u>\$ 13,420,936</u>	<u>\$ 14,088,774</u>	<u>\$ 14,931,204</u>
Program Revenues				
Charge for services	\$ 12,331,897	\$ 13,773,344	\$ 13,916,960	\$ 14,888,494
Operating grants & contributions	176,099	302,794	559,565	659,888
Capital grants & contributions	1,245,200	943,549	-	-
Total Program Revenue	<u>\$ 13,753,196</u>	<u>\$ 15,019,687</u>	<u>\$ 14,476,525</u>	<u>\$ 15,548,382</u>
Net (expenses)/revenues	<u>\$ 1,312,217</u>	<u>\$ 1,598,751</u>	<u>\$ 387,751</u>	<u>\$ 617,178</u>
General Revenues and Other				
Changes in Net Assets				
Unrestrictive investment earnings	2,349,028	2,508,894	2,218,758	3,001,027
Transfers	(3,560,082)	(2,586,672)	(2,573,974)	(2,611,495)
Total general revenues & transfers	<u>\$ (1,211,054)</u>	<u>\$ (77,778)</u>	<u>\$ (355,216)</u>	<u>\$ 389,532</u>
Changes in Net Assets				
Total primary government	<u>\$ 101,163</u>	<u>\$ 1,520,973</u>	<u>\$ 32,535</u>	<u>\$ 1,006,710</u>

Note: The County adopted the provisions of GASB's Statement No. 34, "Basic Financial Statements -and Managements's Discussion and Analysis - For State and Local Governments" effective for the calendar year 2003. Therefore data is not available for the prior six years.

COUNTY OF LYCOMING, PENNSYLVANIA

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

Table #4

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Fund										
Reserved	\$ 33,892,113	\$ 34,817,951	\$ 33,645,731	\$ 28,608,851	\$ 27,788,667	\$ 25,241,916	\$ 24,294,135	\$ 23,379,335	\$ 22,375,898	\$ 21,419,193
Unreserved	10,568,951	12,209,882	12,565,932	12,261,758	10,837,414	10,005,918	5,735,754	11,229,770	19,052,564	23,364,065
Total General fund	\$ 44,461,064	\$ 47,027,843	\$ 46,211,663	\$ 40,870,609	\$ 38,626,081	\$ 35,247,834	\$ 30,029,889	\$ 34,609,105	\$ 41,428,462	\$ 44,783,278
All other governmental fund										
Reserved										
Special revenue funds	\$ 849,928	\$ 846,076	\$ 607,420	\$ 751,421	\$ 1,207,779	\$ 1,445,734	\$ 2,738,055	\$ 3,246,904	\$ 4,623,885	\$ 5,421,187
Capital projects funds	4,620,488	3,719,952	5,517,727	317,821	138,045	36,669	35,660	37,890	37,090	37,090
Unreserved, designated										
Special revenue funds	106,144	520,059	462,405	404,640	384,196	566,373	655,680	675,546	360,388	411,130
Total other governmental funds	\$ 5,576,560	\$ 5,086,087	\$ 6,587,552	\$ 1,473,882	\$ 1,730,020	\$ 2,048,776	\$ 3,429,395	\$ 3,960,340	\$ 5,021,363	\$ 5,869,407

Note: The County adopted the provisions of GASB's Statement No. 34, Basic Financial Statements- and Management's Discussion and Analysis - For State and Local Governments effective for the calendar year 2003. Therefore, data is not available for the prior six years

COUNTY OF LYCOMING, PENNSYLVANIA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table #5

	Fiscal Years									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Taxes	\$ 14,168,532	\$ 14,619,702	\$ 14,729,812	\$ 15,132,870	\$ 15,293,932	\$ 15,508,478	\$ 15,858,863	\$ 24,062,245	\$ 24,605,980	\$ 25,466,452
Licenses & permits	28,440	31,560	44,805	45,982	44,814	53,622	52,937	51,196	47,163	46,797
Intergovernmental revenues	14,077,932	14,812,618	17,910,299	20,661,975	28,834,906	27,701,347	28,711,180	29,628,748	30,858,929	27,945,064
Charge for services	3,405,733	3,712,813	3,729,344	4,015,917	4,210,681	4,513,078	4,480,491	4,779,157	5,504,845	6,017,441
Court cost & fines	746,900	951,333	909,484	881,219	921,736	927,637	906,506	1,040,186	1,267,577	59,234
Investment earnings	2,436,694	2,864,318	2,786,561	2,713,754	2,224,091	1,869,490	1,385,147	1,381,006	1,768,216	2,431,119
Sale of assets	15,813	9,364	12,800	43,621	58,730	948,365	54,910	55,637	60,432	1,240,281
Miscellaneous	860,645	962,092	992,095	932,662	1,104,935	1,395,480	1,584,575	659,620	716,301	585,409
Total revenues	35,740,689	37,963,800	41,115,200	44,428,000	52,693,825	52,717,497	53,034,609	61,657,795	64,829,443	63,792,797
Expenditures										
General government	5,277,565	7,079,709	7,078,884	6,268,559	6,580,997	7,057,761	5,718,263	6,421,366	5,864,652	6,930,425
Judicial	5,380,295	5,563,012	5,792,350	5,846,082	5,980,499	6,457,985	6,278,567	6,220,477	6,226,022	6,593,842
Public safety	10,390,047	10,686,186	11,970,519	17,282,320	12,521,388	13,799,503	14,066,270	14,240,343	15,639,009	16,698,047
Public works	1,402,767	635,320	1,782,809	1,949,168	8,996,143	6,402,985	4,858,894	2,695,808	4,372,253	3,256,490
Human services	8,360,856	9,184,447	11,838,962	14,127,462	15,386,240	15,544,069	17,981,100	20,417,222	19,988,529	17,477,430
Culture & recreation	769,264	704,611	749,284	757,170	766,265	891,685	873,971	1,074,076	1,202,042	1,142,817
Conservation & development	650,900	518,132	671,656	593,650	697,055	586,775	558,013	558,104	686,749	731,354
Miscellaneous	1,570,431	2,248,831	2,678,005	2,291,333	2,644,741	3,245,503	3,827,551	3,767,314	3,812,258	4,287,157
Debt service	2,133,501	3,995,052	3,575,499	8,352,806	3,525,242	3,572,180	3,604,372	3,730,946	3,864,294	3,601,340
Capital outlay	-	-	-	-	-	-	3,250,683	1,951,171	697,266	5,418,531
Total expenditures	35,935,626	40,595,300	46,137,968	57,468,550	57,098,570	57,558,446	61,017,684	61,076,827	62,353,074	66,037,433
Excess of revenues over (under) expenditures	(194,937)	(2,631,500)	(5,022,768)	(13,040,550)	(4,404,745)	(4,840,949)	(7,983,075)	580,968	2,476,369	(2,244,636)
Other financing sources (uses)										
Transfer in	4,639,957	6,581,335	8,008,291	11,643,059	6,316,026	7,037,937	9,151,640	7,742,800	7,109,191	11,062,761
Transfer out	(2,599,989)	(4,123,528)	(5,710,538)	(9,157,232)	(3,905,218)	(4,470,892)	(5,591,558)	(5,156,128)	(4,535,216)	(8,451,285)
Bond proceeds	23,785,559	23,335,490	3,410,300	100,000	6,832,000	2,031,143	7,314,711	1,559,073	-	3,955,000
Bond issuance costs-refunding	-	(21,085,460)	-	-	(6,826,453)	(2,816,730)	(6,729,044)	-	-	(120,000)
Total other financing sources (uses)	25,825,527	4,707,807	5,708,053	2,585,827	2,416,355	1,781,458	4,145,749	4,145,745	2,573,975	6,446,496
Net change in fund balance	\$ 25,630,590	\$ 2,076,307	\$ 685,285	\$ (10,454,723)	\$ (1,988,390)	\$ (3,059,491)	\$ (3,837,326)	\$ 4,726,713	\$ 5,050,344	\$ 4,201,860
Debt service as a percentage of noncapital expenditures	6.31%									
	10.89%									
	8.40%									
	17.01%									
	6.58%									
	6.62%									
	6.65%									
	6.74%									
	6.59%									
	6.32%									

Note: The County adopted the provisions of GASB's Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments" effective for the calendar year 2003. Prior years' information has been restated.

County of Lycoming, Pennsylvania
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
Table #6

Fiscal Year	Property Taxes	Hotel Room Rental Tax	Total
1997	\$14,168,532	N/A	\$14,168,532
1998	14,619,702	N/A	14,619,702
1999	14,729,812	N/A	14,729,812
2000	14,929,647	\$ 203,223	15,132,870
2001	15,070,125	223,807	15,293,932
2002	15,278,552	229,926	15,508,478
2003	15,612,834	246,029	15,858,863
2004	23,808,779	253,466	24,062,245
2005	24,224,340	381,640	24,605,980
2006	\$25,049,428	\$ 417,024	\$25,466,452

COUNTY OF LYCOMING, PENNSYLVANIA
Governmental Activities Tax Revenues by Source
Last Four Fiscal Years
(accrual basis of accounting)

Fiscal Year	Real Estate Taxes	Hotel Room Rental Tax	Total
2003	\$ 15,520,598	\$ 246,029	\$ 15,766,627
2004	24,261,951	253,466	24,515,417
2005	24,503,261	381,640	24,884,901
2006	\$ 25,027,244	\$ 417,024	\$ 25,444,268

Note: The County adopted the provisions of GASB's Statement No. 34, "Basic Financial Statements -and Managements's Discussion and Analysis - For State and Local Governments" effective for the calendar year 2003. Therefore data is not available for the prior six years.

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.

Note: Includes General, Special Revenue, Debt Service, and Capital Projects Funds
N/A = Information not available.

County of Lycoming, Pennsylvania
Assessed Value and Estimated Actual Value of Taxable Real Property
Last Ten Fiscal Years
(amounts expressed in thousands)
Table #7

Fiscal Year Ended December 31	Tax Exempt Property	Taxable Commercial Property	Taxable Residential Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Percent Assessed/Actual
1997	\$286,566	\$590,344	\$1,459,213	\$2,049,576	7.00	\$2,732,768	75.0%
1998	504,009	996,599	2,010,257	3,006,868	4.90	4,009,140	75.0%
1999	523,915	978,839	2,021,397	3,000,249	4.90	4,000,315	75.0%
2000	528,346	982,148	2,048,723	3,030,871	4.90	4,041,161	75.0%
2001	525,726	1,046,569	2,057,073	3,103,641	4.90	4,138,189	75.0%
2002	554,598	1,060,687	2,083,725	3,105,127	4.90	4,140,152	75.0%
2003	617,004	1,082,594	2,120,690	3,149,620	4.90	4,199,493	75.0%
2004	625,356	1,087,689	2,155,754	3,189,705	7.63	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%

Sources:

Lycoming County Assessment Office:

1997 - 2001, Real Estate Market Value Summary Report - Exempt, Market (Estimated Actual) & Total Taxable Assessed Values.
2002, 2004, 2005 & 2006 General Tax Base Summary Report / County Property Type Summary Report
2001 - present, Real Estate Tax Supplements for totaling the Taxable Commercial & Residential Property Values.
Real Estate Millage Rates Reports

Notes:

Taxable Commercial and Residential Property Totals include the Interim Billings - 1997-1999 & 2002-2006.
County wide reassessment took place in 1998 & 2004.
Assessed value in Lycoming County is 75% of estimated market value from 1997 through 2004, 100% starting in 2005.
Estimated Actual Value - 100% of Market Value of Personal Property

County of Lycoming, Pennsylvania
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
Table #8

	Year Taxes Are Payable									
	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
County Direct Rate	7.00	4.90	4.90	4.90	4.90	4.90	4.90	7.63	4.75	4.75
School District Rates										
Canton Area	19.400	13.800	10.800	13.800	15.300	15.000	16.100	16.000	10.100	10.100
East Lycoming Area	18.260	12.750	13.220	13.720	13.970	13.970	14.470	14.970	10.020	10.020
Jersey Shore Area	20.440	15.070	15.070	15.070	15.210	16.300	17.250	17.750	13.224	13.224
Loyalsock Area	19.320	15.100	15.100	15.100	16.100	17.100	18.100	19.100	13.000	13.000
Montgomery Area	18.850	13.000	13.500	13.500	13.500	13.500	14.500	15.500	10.500	10.500
Montoursville Area	19.050	13.000	13.000	15.000	15.000	15.000	16.000	16.000	10.530	10.530
Muncy Area	23.610	16.610	16.610	16.610	16.610	17.610	18.610	18.610	11.500	11.500
South Williamsport Area	18.880	13.800	14.800	15.800	16.800	18.300	18.300	19.550	11.900	11.900
Southern Tioga Area	15.600	12.700	14.000	14.730	15.470	17.750	18.050	18.280	12.140	12.140
Wellsboro Area	15.730	10.520	11.400	11.510	10.870	12.840	15.930	18.300	12.570	12.570
Williamsport Area	20.600	15.850	16.350	16.350	16.350	17.350	17.700	18.200	11.980	11.980
Borough Rates										
Duboistown	6.850	4.680	4.680	4.680	4.680	4.680	4.680	4.680	2.930	2.930
Hughesville	6.970	4.500	4.500	4.500	4.500	5.000	5.000	5.500	3.500	3.500
Jersey Shore	11.000	7.000	7.000	7.000	7.000	7.000	7.000	7.000	4.338	4.338
Montgomery	6.900	4.071	4.630	4.630	4.630	4.630	4.630	4.630	2.742	3.742
Montoursville	5.500	3.600	3.600	3.600	3.600	3.600	3.600	3.600	2.300	2.300
Muncy	3.200	2.500	1.000	2.500	2.500	2.600	2.600	2.600	1.675	2.425
Picture Rocks	2.000	1.150	1.150	1.570	1.570	1.680	1.680	1.680	1.555	1.555
Salladasburg	1.000	0.617	0.617	0.617	0.617	1.000	1.000	1.000	0.592	0.592
South Williamsport	7.400	4.820	4.820	4.820	4.820	4.820	4.820	4.820	2.970	3.970
City Rate										
Williamsport	11.000	7.720	7.720	7.720	7.720	10.000	10.000	12.700	8.520	9.180
Township Rates										
Anthony	0.300	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.128	0.128
Armstrong	1.300	0.920	1.300	1.300	1.300	1.300	1.300	1.300	0.747	0.747
Bastress	0.200	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.090	0.090
Brady	0.600	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.250	0.250
Brown	4.700	3.100	3.100	3.100	3.100	2.600	2.600	2.600	1.571	1.571
Cascade	0.800	0.600	0.800	0.600	1.100	1.100	1.100	1.100	0.700	0.700
Clinton	2.800	2.035	2.217	2.212	2.212	3.015	3.015	3.015	1.900	1.898
Cogan House	0.300	0.230	0.230	0.230	0.230	0.230	0.230	0.230	0.141	0.416

(Continued)

County of Lycoming, Pennsylvania
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
Table #8

	Year Taxes Are Payable									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Township Rates, continued										
Cummings	0.820	0.610	0.610	0.610	0.610	0.960	0.960	0.960	0.586	0.586
Eldred	1.500	1.020	1.020	1.020	1.020	0.870	0.870	0.870	0.546	0.546
Fairfield	1.000	0.350	0.180	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Franklin	0.750	0.576	0.576	0.576	0.576	0.570	0.570	0.570	0.320	0.320
Gamble	1.000	0.721	0.721	0.721	0.725	1.280	1.280	1.281	0.807	0.807
Hepburn	0.650	0.458	0.460	0.460	0.460	0.460	0.460	0.460	0.286	1.287
Jackson	0.780	0.560	0.560	0.560	0.560	0.600	0.600	0.600	0.380	0.380
Jordan	0.280	0.220	0.300	0.300	0.300	0.300	0.300	0.400	0.228	0.300
Lewis	3.000	2.001	2.001	2.001	2.001	2.001	2.001	2.001	1.392	1.392
Limestone	0.320	0.222	0.222	0.222	0.220	0.220	0.220	0.220	0.141	0.141
Loyalsock	2.000	1.450	1.450	1.450	1.450	1.450	1.450	1.450	0.980	0.980
Lycoming	1.000	0.680	1.000	0.680	0.680	0.680	0.680	0.680	0.432	0.432
McHenry	1.700	1.080	1.960	1.960	1.960	1.960	1.960	1.960	1.226	1.226
McIntyre	1.000	0.699	1.000	1.000	1.000	1.000	1.000	1.000	0.634	0.634
McNett	1.300	0.900	0.900	0.900	0.900	0.900	0.900	1.200	0.795	1.425
Mifflin	2.500	1.400	1.414	1.414	1.414	1.707	1.707	1.707	1.174	1.174
Mill Creek	0.460	0.340	0.700	0.700	0.700	0.700	0.700	0.700	0.000	0.630
Moreland	0.580	0.420	0.500	0.500	0.500	0.500	0.500	0.500	0.318	0.450
Muncy Creek	1.000	0.700	0.700	0.700	0.700	1.000	1.000	1.000	0.694	0.694
Muncy	1.000	0.790	1.000	1.000	1.500	1.500	1.500	1.500	0.905	0.905
Nippenose	1.500	1.046	1.050	1.050	1.250	1.250	1.250	1.400	0.863	1.000
Old Lycoming	5.100	3.490	3.490	3.490	3.490	3.490	3.490	3.490	2.841	3.841
Penn	0.650	0.040	0.400	0.400	0.400	0.400	0.400	0.500	0.312	0.312
Piatt	1.400	1.050	1.050	1.050	1.050	1.050	1.050	1.050	0.669	0.669
Pine	0.750	0.548	0.548	0.548	0.550	0.550	0.550	0.550	0.340	0.340
Plunketts Creek	3.000	2.085	2.085	2.000	2.000	2.000	2.000	2.000	1.282	1.282
Porter	5.000	3.600	3.810	3.810	3.810	3.810	3.810	3.810	2.233	3.233
Shrewsbury	3.500	2.520	2.520	2.520	2.520	2.960	2.960	2.960	1.760	1.760
Susquehanna	2.250	1.610	1.610	1.610	1.610	1.610	1.610	1.610	0.991	0.991
Upper Fairfield	0.140	0.095	0.095	0.095	0.095	0.095	0.095	0.095	0.061	0.061
Washington	1.450	0.950	0.950	1.950	1.950	1.950	1.950	1.950	1.234	1.234
Watson	0.650	0.503	0.500	0.916	0.916	0.916	0.916	0.916	0.562	1.090
Wolf	1.500	1.040	1.040	1.040	1.040	0.840	0.840	0.840	0.525	0.661
Woodward	0.530	0.380	0.380	0.380	0.380	0.380	0.380	0.380	0.237	0.514

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.

County of Lycoming, Pennsylvania
Principal Taxpayers
For The Year 2006
Table #9

<u>Taxpayer</u>	<u>Type Of Business</u>	<u>2006 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
PR Financing LTD Partnership	Lycoming Mall	\$ 54,752,160	1.0440%
Loyal Plaza Associates LP	Strip Mall	15,791,430	0.3011%
Wal-Mart Stores, Inc.	Wholesaler/Retailer	11,592,760	0.2210%
Grizzly Industrial, Inc.	Retailer	10,890,300	0.2076%
Valley Heights LTD Partnership	Apartment Buildings	7,923,000	0.1511%
L C Realty, Inc. (Lowes)	Wholesaler/Retailer	7,061,360	0.1346%
High Industries, Inc.	Steel Manufacturer	7,046,500	0.1344%
T & C Plaza Associates	Office Building	7,015,670	0.1338%
M & B Inn Partners	Best Western, TGI Fridays & Candlewood Inn	6,428,460	0.1226%
Wegman's Food Markets, Inc.	Grocery Store	<u>6,423,170</u>	<u>0.1225%</u>
Totals		<u>\$ 134,924,810</u>	<u>2.5726%</u>
Total Assessed Valuation of Taxables:		\$ 5,244,682,070	

Sources: Lycoming County Assessment Office: Lycoming County Top -20 - Taxable Parcels Report,
General Tax Base Summary Report.

County of Lycoming, Pennsylvania
Property Tax Levies and Collections
Last Ten Fiscal Years
Table #10

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the		Collections in Subsequent Years	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
		Fiscal Year of the Levy				
		Amount	Percentage of Levy			
1997	\$14,433,242	\$13,201,392	91.47%	\$861,567	\$14,062,959	97.43%
1998	14,733,660	13,547,150	91.95%	944,108	14,491,258	98.35%
1999	14,701,228	13,601,560	92.52%	1,042,716	14,644,276	99.61%
2000	14,970,165	13,556,332	90.56%	1,074,612	14,630,944	97.73%
2001	15,058,181	13,732,051	91.19%	1,120,468	14,852,519	98.63%
2002	15,263,606	13,913,949	91.16%	1,137,322	15,051,271	98.61%
2003	15,482,617	14,232,146	91.92%	998,062	15,230,208	98.37%
2004	24,326,733	22,356,650	91.90%	956,855	23,313,505	95.83%
2005	24,467,974	22,493,331	91.93%	1,084,688	23,578,019	96.36%
2006	\$24,989,263	\$22,922,958	91.73%	\$1,451,936	\$24,374,894	97.54%

Sources: 1997to 2000 - Fiscal Services Statement of Revenues and Expenditures
2001 to 2006 - Pentamation: Year-To-Date Revenue Audit Trail
1997to 2006 - Lycoming County R/E Taxes Consolidated Settlement Report - RBA

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 #11

Fiscal Year	Population	Assessed Value	General Obligation Debt			Ratio Debt/ Value	General Obligation Debt Per Capita
			Governmental Activities	Business Type Activities	Total Primary Government		
1997	118,710	\$2,049,576,010	\$40,095,000	\$0	\$40,095,000	1.96%	\$337.76
1998	118,710	3,006,867,510	40,380,000	0	40,380,000	1.34%	340.16
1999	118,710	3,000,248,789	38,270,938	554,062	38,825,000	1.29%	327.06
2000	120,044	3,030,971,088	32,424,392	452,358	32,876,750	1.08%	273.87
2001	120,044	3,103,641,444	34,346,520	358,480	34,705,000	1.12%	289.10
2002	120,044	3,105,126,695	30,350,236	241,415	30,591,651	0.99%	254.84
2003	120,044	3,149,619,636	29,230,615	2,352,661	31,583,276	1.00%	263.10
2004	118,542	3,189,704,880	28,277,330	3,190,562	31,467,892	0.99%	265.46
2005	118,395	5,146,665,730	25,713,721	2,900,318	28,614,039	0.56%	241.68
2006	118,395	\$5,244,682,070	\$27,290,226	\$2,555,090	\$29,845,316	0.57%	\$252.08

Sources: US Census Bureau at <http://quickfacts.census.gov>
 Lycoming County Assessment Office: 1996 - 2001 Controllers Real Estate
 Summary; 2002, 2004, 2005 & 2006 General Tax Base Summary; 2003 Real
 Estate Tax Supplements.
 Lycoming County Fiscal Services Department - Comprehensive Annual Financial
 Reports.

County of Lycoming, Pennsylvania
Direct and Overlapping Governmental Activities Debt
As of December 31, 2006
Table #12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
School Districts			
East Lycoming Area	\$23,474,563	100%	\$23,474,563
Jersey Shore Area	39,848,028	100%	39,848,028
Loyalsock Area	29,067,086	100%	29,067,086
Montgomery Area	15,781,638	100%	15,781,638
Montoursville Area	13,358,221	100%	13,358,221
Muncy Area	14,354,763	100%	14,354,763
South Williamsport Area	17,665,000	100%	17,665,000
Williamsport Area	41,860,531	100%	41,860,531
Boroughs			
Duboisstown	\$347,154	100%	\$347,154
Hughesville	0	100%	0
Jersey Shore	1,197,911	100%	1,197,911
Montgomery	0	100%	0
Montoursville	0	100%	0
Muncy	3,992,700	100%	3,992,700
Picture Rocks	41,490	100%	41,490
Salladasburg	0	100%	0
South Williamsport	523,363	100%	523,363
City			
Williamsport	\$4,021,137	100%	\$4,021,137
Townships			
Anthony	\$0	100%	\$0
Armstrong	0	100%	0
Bastress	0	100%	0
Brady	1,325,450	100%	1,325,450
Brown	0	100%	0
Cascade	0	100%	0
Clinton	2,620,000	100%	2,620,000
Cogan House	0	100%	0
Cummings	0	100%	0
Eldred	0	100%	0
Fairfield	0	100%	0
Franklin	0	100%	0
Gamble	34,764	100%	34,764
Hepburn	0	100%	0
Jackson	0	100%	0
Jordan	0	100%	0
Lewis	13,156,710	100%	13,156,710
Limestone	0	100%	0
Loyalsock	3,574,971	100%	3,574,971

(Continued)

County of Lycoming, Pennsylvania
Direct and Overlapping Governmental Activities Debt
As of December 31, 2006
Continued
Table #12

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Townships, continued			
Lycoming	\$0	100%	\$0
McHenry	7,735	100%	7,735
McIntyre	0	100%	0
McNett	0	100%	0
Mifflin	0	100%	0
Mill Creek	0	100%	0
Moreland	0	100%	0
Muncy Creek	0	100%	0
Muncy	0	100%	0
Nippenose	36,197	100%	36,197
Old Lycoming	2,249,732	100%	2,249,732
Penn	0	100%	0
Piatt	0	100%	0
Pine	0	100%	0
Plunketts Creek	18,600	100%	18,600
Porter	54,420	100%	54,420
Shrewsbury	0	100%	0
Susquehanna	0	100%	0
Washington	0	100%	0
Watson	33,869	100%	33,869
Wolf	0	100%	0
Woodward	40,884	100%	40,884
Subtotal, overlapping debt			<u>\$228,686,917</u>
County of Lycoming direct debt			<u>0</u>
Total direct and overlapping debt			<u><u>\$228,686,917</u></u>

Notes:

Direct Debt of County and Related Entities contains the General Fund Debt, Guaranteed Debt of the Lycoming County Recreational Authority and the Lycoming County Water and Sewer Authority.

County information is as of December 31, 2006.

School District information is as of June 30, 2006 and does not include the debt of 3 school districts that extend into Tioga County (Canton, Southern Tioga and Wellsboro school districts).

City, Borough, and Township information is as of December 31, 2004.
(Most current information available.)

Sources:

County Information - Fiscal Services Department, County of Lycoming, Pennsylvania,
Comprehensive Annual Financial Report
City, Borough and Township Information - D.C.E.D.'s website - www.newpa.com
School District Information - L.E.C.S. School Finance Division

COUNTY OF LYCOMING, PENNSYLVANIA

Legal Debt Margin Information

Last Ten Fiscal Years

(modified accrual basis of accounting)

Table #13

	Fiscal Years									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Borrowing Base Revenues										
Two years prior	\$ 44,380,689	\$ 47,018,891	\$ 51,409,422	\$ 52,719,521	\$ 54,925,670	\$ 61,179,298	\$ 69,328,289	\$ 70,912,765	\$ 69,136,833	\$ 79,186,376
Prior year	47,018,891	51,409,422	52,719,521	54,925,670	61,179,298	69,328,289	70,912,765	69,139,833	79,186,376	81,524,726
Current year	51,409,422	52,719,521	54,925,670	61,179,298	68,478,810	70,912,765	69,136,833	79,186,376	81,524,726	82,342,206
Total borrowing base revenues	<u>\$ 142,809,002</u>	<u>\$ 151,147,834</u>	<u>\$ 159,054,613</u>	<u>\$ 168,824,489</u>	<u>\$ 184,583,778</u>	<u>\$ 201,420,352</u>	<u>\$ 209,377,887</u>	<u>\$ 219,238,974</u>	<u>\$ 229,847,935</u>	<u>\$ 243,053,308</u>
Average borrowing base revenues	<u>\$ 47,603,001</u>	<u>\$ 50,382,611</u>	<u>\$ 53,018,204</u>	<u>\$ 56,274,830</u>	<u>\$ 61,527,926</u>	<u>\$ 67,140,117</u>	<u>\$ 69,792,629</u>	<u>\$ 73,079,658</u>	<u>\$ 76,615,978</u>	<u>\$ 81,017,769</u>
Limit for non-electoral debt										
Average borrowing base revenues	\$ 47,603,001	\$ 50,382,611	\$ 53,018,204	\$ 56,274,830	\$ 61,527,926	\$ 67,140,117	\$ 69,792,629	\$ 73,079,658	\$ 76,615,978	\$ 81,017,769
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>142,809,003</u>	<u>151,147,833</u>	<u>159,054,612</u>	<u>168,824,490</u>	<u>184,583,778</u>	<u>201,420,351</u>	<u>209,377,887</u>	<u>219,238,974</u>	<u>229,847,934</u>	<u>243,053,307</u>
Total amount of debt applicable to debt limit	<u>46,740,000</u>	<u>48,690,000</u>	<u>47,115,000</u>	<u>71,204,386</u>	<u>73,080,942</u>	<u>68,284,392</u>	<u>56,277,776</u>	<u>39,753,985</u>	<u>37,933,696</u>	<u>49,937,841</u>
Legal debt margin	<u>96,069,003</u>	<u>102,457,833</u>	<u>111,939,612</u>	<u>97,620,104</u>	<u>111,502,836</u>	<u>133,135,959</u>	<u>153,100,111</u>	<u>179,484,989</u>	<u>191,914,238</u>	<u>193,115,466</u>
Total net debt applicable to the limit as a percentage of debt limit	32.73%	32.21%	29.62%	42.18%	39.59%	33.90%	26.88%	18.13%	16.50%	20.55%
Limit for non-electoral debt and lease rental debt										
Average borrowing base revenues	\$ 47,603,001	\$ 50,382,611	\$ 53,018,204	\$ 56,274,830	\$ 61,527,926	\$ 67,140,117	\$ 69,792,629	\$ 73,079,658	\$ 76,615,978	\$ 81,017,769
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>190,412,004</u>	<u>201,530,444</u>	<u>212,072,816</u>	<u>225,099,320</u>	<u>246,111,704</u>	<u>268,560,468</u>	<u>279,170,516</u>	<u>292,318,632</u>	<u>306,483,912</u>	<u>324,071,076</u>
Total amount of debt applicable to debt limit	<u>46,740,000</u>	<u>48,690,000</u>	<u>47,115,000</u>	<u>71,204,386</u>	<u>73,080,942</u>	<u>68,284,392</u>	<u>56,277,776</u>	<u>39,753,985</u>	<u>37,933,696</u>	<u>49,937,841</u>
Legal debt margin	<u>143,672,004</u>	<u>152,840,444</u>	<u>164,957,816</u>	<u>153,894,934</u>	<u>173,030,762</u>	<u>200,276,076</u>	<u>222,892,740</u>	<u>252,564,647</u>	<u>268,530,216</u>	<u>274,133,235</u>
Total net debt applicable to the limit as a percentage of debt limit	24.55%	24.16%	22.22%	31.63%	29.69%	25.43%	20.16%	13.60%	12.38%	15.41%

County of Lycoming, Pennsylvania
Demographic and Economic Statistics
Last Ten Fiscal Years
Table #14

Fiscal Year	Population	Median Household Income in dollars (estimates) *1	Personal Income (Amounts Expressed in thousands)	Per Capita Personal Income (Amounts Expressed in thousands)	Median Age	School Enrollment *2	Local Unemployment Rate
1997	118,710	\$32,767	\$2,452,916	\$20,274	n/a	22,728	6.4%
1998	118,710	33,937	2,587,911	21,460	n/a	22,207	5.8%
1999	118,710	33,407	2,631,825	21,898	n/a	24,929	5.1%
2000	120,044	35,124	2,761,944	23,024	38.5	24,556	4.3%
2001	120,044	34,373	2,901,985	24,341	38.9	24,101	5.4%
2002	120,044	34,732	2,983,050	25,122	39.4	23,565	6.2%
2003	120,044	35,969	3,074,336	25,947	39.6	23,009	6.0%
2004	118,542	36,891	3,204,229	27,068	39.9	22,790	6.1%
2005	118,395	38,562	3,310,885	28,034	40.3	22,581	5.5%
2006	118,395	n/a	n/a	n/a	n/a	22,152	5.4%

Sources:

US Census Bureau--Population and Median Household Income

Center for Rural Pennsylvania--Median Age, Personal Income & Per Capita Personal Income

School District Business Offices--School Enrollment

US Department of Labor, Bureau of Labor Statistics--Local Unemployment Rate

Notes:

*1 Estimates were made by the Census Bureau with a 90% confidence interval.

*2 School Enrollment figures were not available for 1997 and 1998 for the Jersey Shore Area School District.

n/a Information is not available

County of Lycoming, Pennsylvania
Principal Employers
December 31, 2006
Table #15

Employer	Number of Employees	2006 Rank	Number of Employees	1997 Rank
Susquehanna Regional Healthcare Alliance	*1	1	*1	1
Pennsylvania State Government	*1	2	*1	2
Pennsylvania College of Technology	*1	3	*1	6
Williamsport Area School District	*1	4	*1	4
Springs Window Fashions	*1	5	*1	7
Weis Markets Inc.	*1	6	*1	9
West Pharmaceutical Services Inc.	*1	7	*1	*2
Brodart Company	*1	8	*1	3
Shop Vac Corporation	*1	9	*1	10
Avco Corporation	*1	10	*1	8
United States Government	*2	*2	*1	5
Total County Employment:		<u>55,820</u>		<u>55,281</u>

Sources: Center for Workforce Information & Analysis
U.S. Department of Labor, Bureau of Labor Statistics at <http://data.bls.gov>

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. In addition, percentage of total employment cannot then be calculated
- *2 Information is unavailable

All Employer Information is as of June 30th for each respective year.

Pennsylvania State Government includes all state employment except Pennsylvania State University, SEPTA, and the System of Higher Education.

County of Lycoming, Pennsylvania
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years
Table #16

Function	Full-time Equivalent Employees as of December 31									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
Commissioners	6	6	6	6	6	6	6	6	6	6
Controller	4	5	4	4	5	5	5	4	4	4
County Buildings	7	9	11	10	13	12	12	12	13	13
County Farm	1	1	0	0	0	0	0	0	0	0
Dept of Public Safety	28	29	33	33	31	30	34	34	33	32
Fiscal Affairs	6	7	6	8	9	9	9	7	8	8
Haz Mat	1	1	1	1	1	1	1	1	1	1
Human Resources	3	3	3	4	4	4	4	4	5	5
Information Services	3	1	2	2	2	1	1	1	1	1
Management Information	10	13	14	20	20	19	22	22	21	19
Military Affairs	1	1	1	1	1	1	1	1	1	1
Planning and Comm. Dev.	12	12	12	14	16	17	17	18	19	19
Print/Microfilm	3	2	2	2	2	2	2	2	2	2
Resource Management Svcs	41	45	48	52	53	56	57	61	64	64
Treasurer	4	4	4	4	4	5	5	5	5	5
Voter Services	3	5	3	3	3	3	3	3	3	3
Weights and Measures	3	3	3	3	0	0	0	0	0	0
Zoning	2	2	1	1	1	1	1	1	1	1
Subtotal	<u>138</u>	<u>149</u>	<u>154</u>	<u>168</u>	<u>171</u>	<u>172</u>	<u>180</u>	<u>182</u>	<u>187</u>	<u>184</u>
Court System and Corrections										
Adult Probation	16	17	17	17	17	17	17	17	17	18
Central Collections	8	8	7	8	8	9	9	8	9	9
Coroner	1	1	1	1	1	1	1	1	2	3
Courts	27	25	26	26	26	25	25	26	25	24
District Attorney	18	19	18	22	23	23	19	18	18	18
District Justices	18	18	18	18	18	18	18	18	18	18
Domestic Relations	26	26	25	26	26	27	27	27	25	25
Jury Commissioners	2	2	2	2	2	2	2	2	2	2
Juvenile Probation	12	15	15	16	17	17	17	18	17	17
Law Library	1	1	1	1	1	1	1	1	1	0
Prerelease Center	23	25	25	25	22	24	25	25	26	26
Prison	60	59	61	63	63	67	69	69	76	78
Prothonotary	6	6	7	7	7	7	7	8	8	8
Public Defender	8	7	8	8	8	8	8	6	7	9
Register and Recorder	7	7	7	7	7	8	8	9	8	8
Sheriff	12	13	13	13	15	13	15	13	16	16
Subtotal	<u>245</u>	<u>249</u>	<u>251</u>	<u>260</u>	<u>261</u>	<u>267</u>	<u>268</u>	<u>266</u>	<u>275</u>	<u>279</u>
Public Works										
Ag Extension	3	3	3	3	3	3	3	3	3	3
Soil Conservation	3	3	3	4	4	4	5	5	5	5
Subtotal	<u>6</u>	<u>6</u>	<u>6</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>
Total	<u>389</u>	<u>404</u>	<u>411</u>	<u>435</u>	<u>439</u>	<u>446</u>	<u>456</u>	<u>456</u>	<u>470</u>	<u>471</u>

Source: County of Lycoming, Department of Fiscal Services-Payroll Section

County of Lycoming, Pennsylvania
Operating Indicators by Function
Last Ten Fiscal Years
Table #17

Function	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
Fiscal Affairs										
Transfers/deeds recorded	3,475	3,803	3,384	3,687	3,598	3,756	3,822	4,021	3,881	3,963
Subdivisions for Municipalities										
Under County SLDO	115	119	95	77	62	65	72	64	66	75
Subdivision and Land										
Development Reviews	149	163	169	143	141	157	149	147	141	147
Building, occupancy and zoning permits	*	*	*	*	*	*	*	*	*	4,184
Administration										
General election information										
Registered voters	69,064	69,074	69,070	69,076	69,071	69,080	69,082	69,071	69,060	69,075
Votes cast	22,294	29,619	23,463	42,164	23,111	32,364	26,265	51,361	17,776	36,872
Percent of votes cast	32.28%	42.88%	33.97%	61.04%	33.46%	46.85%	38.02%	74.36%	25.74%	53.38%
Court System and Corrections										
Court Services										
New criminal cases received	1,989	2,015	1,821	1,906	1,984	1,954	1,753	1,966	1,784	2,004
New civil cases received	234	233	341	139	171	259	267	156	185	263
Protection from abuse cases filed	n/a	n/a	210	266	226	259	260	264	265	262
Wills recorded	484	442	489	479	502	437	424	475	468	399
Marriage licenses issued	877	1,027	962	957	886	871	895	854	805	769
Child adoptions	76	90	71	73	67	101	89	81	74	47
Child relinquishments/terminations	60	60	65	38	63	64	53	52	47	41
Court Administration										
Criminal jury trials	83	69	67	60	35	29	42	54	26	44
Criminal pleas	1,528	1,503	1,254	1,317	1,337	1,463	1,293	1,364	749	1,261
Accelerated rehabilitative disposition (ARD) cases	351	391	288	383	393	272	306	361	215	136
New civil appeals from arbitration	33	19	12	10	6	14	14	9	13	6
Civil jury trials	16	18	19	8	16	9	8	4	5	8
Civil cases settled	184	165	223	92	93	123	110	96	94	104
District judge case filings	23,365	28,502	27,992	28,662	27,096	27,223	23,977	25,487	22,359	21,024
Domestic relations active cases filed	8,326	5,605	6,562	5,975	5,347	5,143	4,909	4,793	4,674	4,299
Juvenile delinquency cases filed	836	907	853	652	670	690	795	863	787	630
Adult Probation										
Caseload	1,545	1,446	1,453	1,406	1,321	1,223	1,126	1,113	1,317	1,295
Presentence Investigations	181	196	158	135	60	86	53	65	66	85
Corrections										
Average daily population (Males and Females at prison and prerelease)	313	342	324	318	303	331	328	308	329	338

(Continued)

County of Lycoming, Pennsylvania
Operating Indicators by Function
Last Ten Fiscal Years
Continued
Table #17

Function	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Human Services										
Children, Youth and Families										
*1 Children served	*	*	*	*	*	*	3,975	3,778	3,480	3,843
*1 Placement days	*	*	*	*	*	*	66,299	67,221	62,860	56,398
Child abuse reports	219	207	239	223	222	200	232	182	206	184
Mental Health *2										
Emergency/crisis										
Intervention hours	*	*	*	*	*	*	*	12,276	9,733	9,050
Community residential days	*	*	*	*	*	*	*	8,831	9,423	10,173
Service case management hours	*	*	*	*	*	*	*	19,818	25,346	31,724
Day treatment hours	*	*	*	*	*	*	*	3,701	6,423	23,061
Outpatient hours	*	*	*	*	*	*	*	5,064	2,006	5,269
Family based hours	*	*	*	*	*	*	*	4,736	4,026	4,649
Mental Retardation *2										
*3 Community Habilitation Days	*	*	*	*	*	*	*	26,835	26,717	25,877
*4 Pre-Vocational days	*	*	*	*	*	*	*	30,633	33,525	31,605
Supported employment hours	*	*	*	*	*	*	*	6,878	13,434	34,976
Residential services clients	*	*	*	*	*	*	*	275	278	270
Early intervention clients	*	*	*	*	*	*	*	252	300	366
Family support services	*	*	*	*	*	*	*	184	245	171
Total clients served	*	*	*	*	*	*	*	883	845	761

Sources:

Various County Government departments
Administrative Office of Pennsylvania Courts
Lycoming County Children and Youth Services

Notes:

- * Information is not available
- *1 Includes Juvenile probation
- *2 All Mental Health / Mental Retardation figures are Lycoming and Clinton Counties
- *3 Formerly Adult Dev. Training
- *4 Formerly Vocational Rehabilitation

County of Lycoming, Pennsylvania
Capital Asset Statistics by Function
One Fiscal Year
Table #18

Function	<u>Fiscal Year</u> <u>2006</u>
General Government, Courts and Corrections	
Planning and Community Development	
Motor vehicles	1
Public Safety	
Motor vehicles	4
County Farm	
Motor vehicles	2
Soil Conservation	
Motor vehicles	1
Resource Management Services (Landfill)	
Motor vehicles *1	99
Adult Probation	
Motor vehicles	4
Juvenile Probation	
Motor vehicles	1
Domestic Relations	
Motor vehicles	1
Prerelease	
Motor vehicles	12
Coroner	
Motor vehicles	1
District Attorney	
Motor vehicles	9
Sheriff	
Motor vehicles	7
Public Works	
Bridges	
County-owned bridges	15
Motor vehicles *2	0
Parks	
Number of parks	57
Park acreage	2958
Motor vehicles *3	0
Maintenance and Administration	
Motor vehicles	0
Office buildings *4	9
Storage or maintenance buildings	0

Sources:
Various county departments

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.