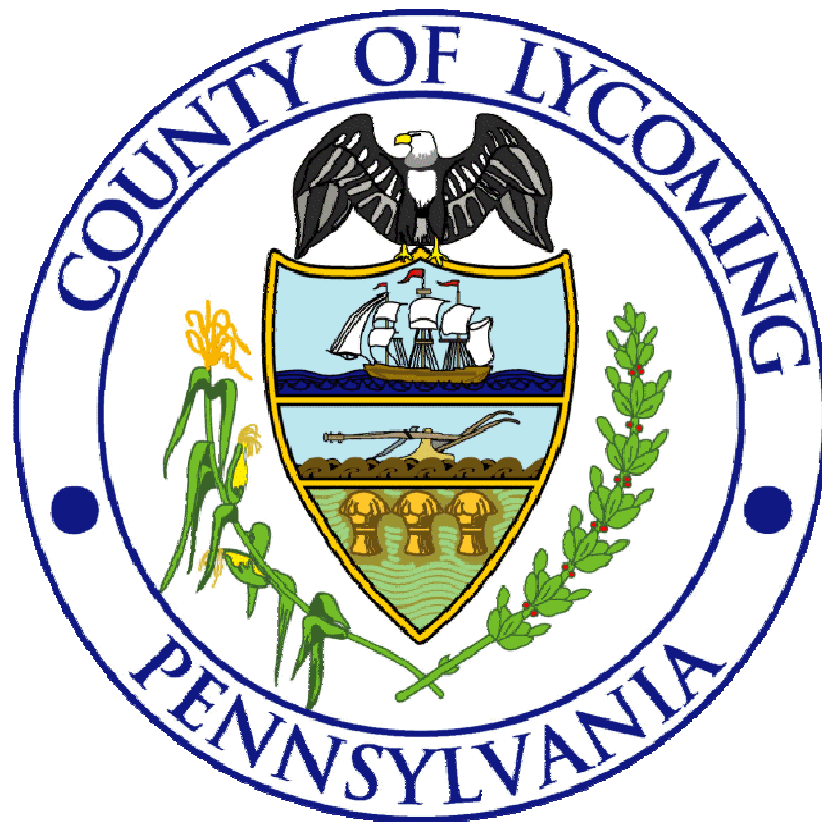


COMPREHENSIVE ANNUAL FINANCIAL REPORT
COUNTY OF LYCOMING, PENNSYLVANIA

FOR THE YEAR ENDED DECEMBER 31, 2017



PREPARED BY THE FISCAL SERVICES DEPARTMENT

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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FOR THE YEAR ENDED DECEMBER 31, 2017



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COUNTY OF LYCOMING, PENNSYLVANIA
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 FOR THE YEAR ENDED DECEMBER 31, 2017

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INTRODUCTORY SECTION

COUNTY OF LYCOMING, PENNSYLVANIA

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

COMMISSIONERS

R. Jack McKernan
Chairman

Tony R. Mussare
Vice-Chairman

Richard Mirabito
Secretary



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

July 31, 2018

To the Citizens of the County of Lycoming, Pennsylvania:

I am pleased to present the 2017 Comprehensive Annual Financial Report (CAFR) for the County of Lycoming, Pennsylvania. The Comprehensive Annual Financial Report was prepared by the Department of Fiscal Services in conjunction with the independent certified public accounting firm of Baker Tilly Virchow Krause, LLP, whose opinion accompanies the basic financial statements contained in the Financial Section of this report.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the County in conformity with generally accepted accounting principles (GAAP).

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, 2017.

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, cultural and recreational, and conservation and development activities. This report also contains limited information on the various component units of the County.

County of Lycoming, Pennsylvania

Founded in 1795, the County of Lycoming operates under the County Code of Pennsylvania, a compilation of pertinent constitutional and statutory laws passed by the General Assembly of Pennsylvania. It is a fifth class county under the classification set

forth in that code. The County's estimated 2017 population of 113,841 reflects a slight decrease from the 2010 census count of 116,111. Geographically, Lycoming County is the largest county in the state covering 1,244 square miles.

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

Economic Condition and Outlook

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

As of 2017, Lycoming County's population was 113,841 people. Since 2010, it has had a small population decrease of 1.96%. The median age of a county resident is 41.2 years according to the U.S. Census Bureau.

Lycoming County's local economy is supported by the approximately 3,265 establishments that employ over 53,400 individuals.

The unemployment rate for the County as of December 2017 was 5.6%, compared to the state rate of 4.8% and the national rate of 4.1%.

The median value of a single-family home in Lycoming County is \$141,100. Renters make up 29.83% of the population. 13.41% of houses and apartments in Lycoming County are unoccupied.

The income per capita is \$24,855, which includes all adults and children. The median household income is \$48,731.

With our rich history and culture of Lycoming County's lumber heritage, we have evolved into a vibrant city with two unique colleges. Lycoming College dates back to 1812 and is one of the oldest colleges in the Commonwealth. Pennsylvania College of

Technology enjoys an excellent reputation as one of the finest technical schools in the state and is an affiliate of the Pennsylvania State University.

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

- UPMC Susquehanna
- Commonwealth of Pennsylvania
- Pennsylvania College of Technology
- Williamsport Area School District
- Weis Markets, Inc.
- County of Lycoming
- West Pharmaceutical Services, Inc.
- Aramark Facility Services, LLC
- CS Group Payroll Services, LLC
- Textron Lycoming

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

- More than 300,000 acres of public interest
- Pennsylvania's Fish Commission stocks three major county streams (totaling 158 miles) with trout and smallmouth bass
- Over 2,000,000 acres in north central Pennsylvania are open to hunters of deer, bear, and small game
- Cross-country skiing is available throughout the region
 - Downhill skiing at Ski Sawmill is 45 minutes away
 - Crystal Lake Ski Center and Lodge is 45 minutes away
 - Pocono Resort area is within 1 to 1 ½ hours
- Golf
 - White Deer Golf Course (Public Course) two 18-hole courses plus a 9-hole course
 - Williamsport Country Club
- West Branch of the Susquehanna River
 - 14-mile stretch of navigable water for motor boating and water skiing
 - Home to an old-fashioned paddle wheeler the Hiawatha
- USA Today has ranked the Pine Creek Rail Trail as one of the best hiking trails in the world
- Little League
 - Williamsport is the birthplace of Little League Baseball
 - 7 leagues with approximately 84 teams
 - Hosts International headquarters for nearly 200,000 teams throughout the

- United States and more than 80 countries
- Peter J. McGovern Little League Museum
 - Howard J. Lamade Memorial Field
 - Hosts the Little League World series annually during the third week of August

Long Term Financial Capital Financing

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

Major Initiatives

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

For the Year 2017

INFORMATION SERVICES

#1: Upgrade Courthouse Network Devices

The County purchased and installed new network switches that support Power Over Ethernet for Voice-Over IP.

#2: Virtualize Voicemail

Implemented a new Virtual Voicemail System and migrated all County phones to it. This allowed for elimination of obsolete voicemail hardware and leveraged our virtualization system to provide backup and failover for continuity of operations.

#3: New Virtual Phone System

Implemented a new Virtual Phone System and integrated it into the existing County phone systems. This new Virtual Phone System allowed elimination of obsolete phone system hardware. It also provided a new layer of redundancy for County continuity of operations.

#4: New Court Scheduling System

A new Court Scheduling System was implemented to allow efficient court scheduling and publishing of this information to the public.

#5: Deploy New Security Camera System to the Courthouse

This new system provides additional security cameras, enhancing security at the County courthouse.

#6: Install New Sheriff System

A new Sheriff Records Management System was implemented to allow for more efficient management of the Sheriff's operations. This included Sheriff sales, warrant tracking and serving, and licenses to carry.

#7: Voice Over Internet Protocol (VOIP)

Purchased VOIP phone sets and deployed them to the courthouse and executive plaza employees on November 10, 2017. Third street plaza employees were already converted to VOIP. This migration to VOIP allowed elimination of obsolete technology and provided more flexibility with our phones.

PLANNING & COMMUNITY DEVELOPMENT

#1: Pathway to Health

The engineering for this project was completed.

#2: Muncy – Montoursville Regional Water System

Construction of the Fairfield Road water tank began in 2017.

#3: PHARE Funds

Funds were secured for Flood Mitigation projects. Work on the Supportive Housing Program entered its second year.

#4: Muncy Greene Project

The Muncy Greene Senior Housing Project began construction in 2017.

#5: LOMA Project

The Letter of Map Amendment (LOMA) project in Nisbet was started with over 100 LOMAs completed. This project will assist persons whose homes may be in the flood zone but above the base flood elevation to get mapped out of the flood zone.

PUBLIC SAFETY

#1: Shared Services / 911 Phone System

The Department of Public Safety continued to participate in a multi-county project to review the sharing of equipment/services. The funding for the entire project was secured in 2016 with PEMA 911 special projects funds. In 2017, the project was expanded from 7 counties to 8 to include Mifflin County. The new 911 phone system was installed and staff training was completed.

#2: Exercises and Training

The Department of Public Safety sponsored and/or participated in multiple exercises or training events that included an active shooter at a local parade scenario.

#3: Implement the SWIFT911 Mass Notification System

The County placed into service the SWIFT911 mass notification system in the first quarter of 2017. Several severe weather alerts have been transmitted using this software. Additional notifications concerning public awareness of training exercises in their specific municipal areas were sent.

RESOURCE MANAGEMENT SERVICES

#1: Landfill Expansion

The County's 5.5 million gallon leachate storage tank is still undergoing testing for acceptance. Excavation of the subgrade material from future Field 12 continued as well as preparing the anchor trench. The protective stone material bid will be awarded.

#2: Leachate Force Main

Under the contract with Gregg Twp. Municipal Authority (GTMA), the County paid off the debt of Brady Twp. for the pump station on Fritz Station Road. The County purchased a small 2 acre plot to allow continuous ownership for the force main to go through. This project will allow Resource Management Services (RMS) to split leachate flows between GTMA and West Branch Regional Authority facilities. It is based on the capacity designs of each plant and how much leachate each can tolerate without an upset of processes. Bid documents will be completed in 2018.

#3: Gas Flare Modification Project

The gas flare system will receive modifications to the blower and controls system from 1988 original installation to modern requirements and performance. This project was bid and awarded in 2017 and will be completed in the spring of 2018.

For the Future

INFORMATION SERVICES

#1: Upgrade e-Finance Software

Implement an upgrade to the County's comprehensive financial transaction processing and tracking system. This upgrade will transition the system to the latest technology and allow us to virtualize it simultaneously. Virtualization of this system eliminates the need to purchase specialized hardware for the system, while providing redundancy and failover for County continuity of operations.

PLANNING & COMMUNITY DEVELOPMENT

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

Construction is slated to be completed in 2018.

#2: Flood Buy Outs

Continue to process flood buy outs in 2018.

#3: Muncy Flood Mitigation Project

The Muncy flood mitigation project will begin work in June 2018.

#4: Housing Initiatives

Complete construction of the Muncy Greene Senior Housing Development. Continue work on the supportive housing program. Begin the Master leasing program.

#5: Pathway to Health

Complete construction of Phase IV.

#6: LOMA Project

Continue the Letter of Map Amendment (LOMA) project to assist persons whose homes may be in the flood zone but above the base flood elevation to get mapped out of the flood zone.

PUBLIC SAFETY

#1: Shared Services / 911 Phone System

The cut-over to the new 911 phone system was completed at 4:00 A.M. on May 2, 2018.

#2: Future Needs Public Safety Radio System Assessment

The County Department of Public Safety completed a future needs assessment and field user recommendation study to allow for budgetary planning for improvements to the system and an engineering study of the existing analog VHF Hi-band public safety radio system. They are awaiting a final state contract cost estimate for the replacement radio system. The initial plan is to maintain an analog VHF Hi-Band public safety radio system with a transition to digital capability in 3-5 years.

RESOURCE MANAGEMENT SERVICES

#1: Landfill Expansion

Field 12 protective stone will be delivered and staged for construction of the new field. Field 12 construction bids will go out for awarding in late 2018. The Leachate Storage Tank testing for acceptance should be completed along with any necessary repairs.

#2: Gas Flare Modification Update

This project will be completed and put into use in 2018.

#3: Leachate Force Main

The force main project to GTMA will be bid and awarded in late 2018 with construction to start in 2019.

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. The County issues an annual Single Audit reporting package separately from this CAFR.

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, 2017.

Pension and other Postemployment Benefits

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

Independent Audit

The accounting firm of Baker Tilly Virchow Krause, LLP was selected to perform an annual audit of the County's basic financial statements and determine the County's compliance with requirements of the Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (commonly called "Uniform Guidance"). The goal of the audit was to provide reasonable assurance about whether the financial statements of the County for the year ended December 31, 2017, are free of material misstatement. The independent audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements; and evaluating the overall financial presentation. The auditor concluded there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditors' report is presented in the Financial Section of this report. The independent auditors' reports relating specifically to the Single Audit are presented in a separate report.

Director of Fiscal Services' Closing Remarks

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

Certificate of Achievement for Excellence in Financial Reporting Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lycoming County for its comprehensive annual financial report for the fiscal year ended December 31, 2016. This was the twenty-sixth consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

Beth A. Johnston
Director Fiscal Services

A handwritten signature in black ink, appearing to read 'Beth Johnston', with a long horizontal flourish extending to the right.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Lycoming
Pennsylvania**

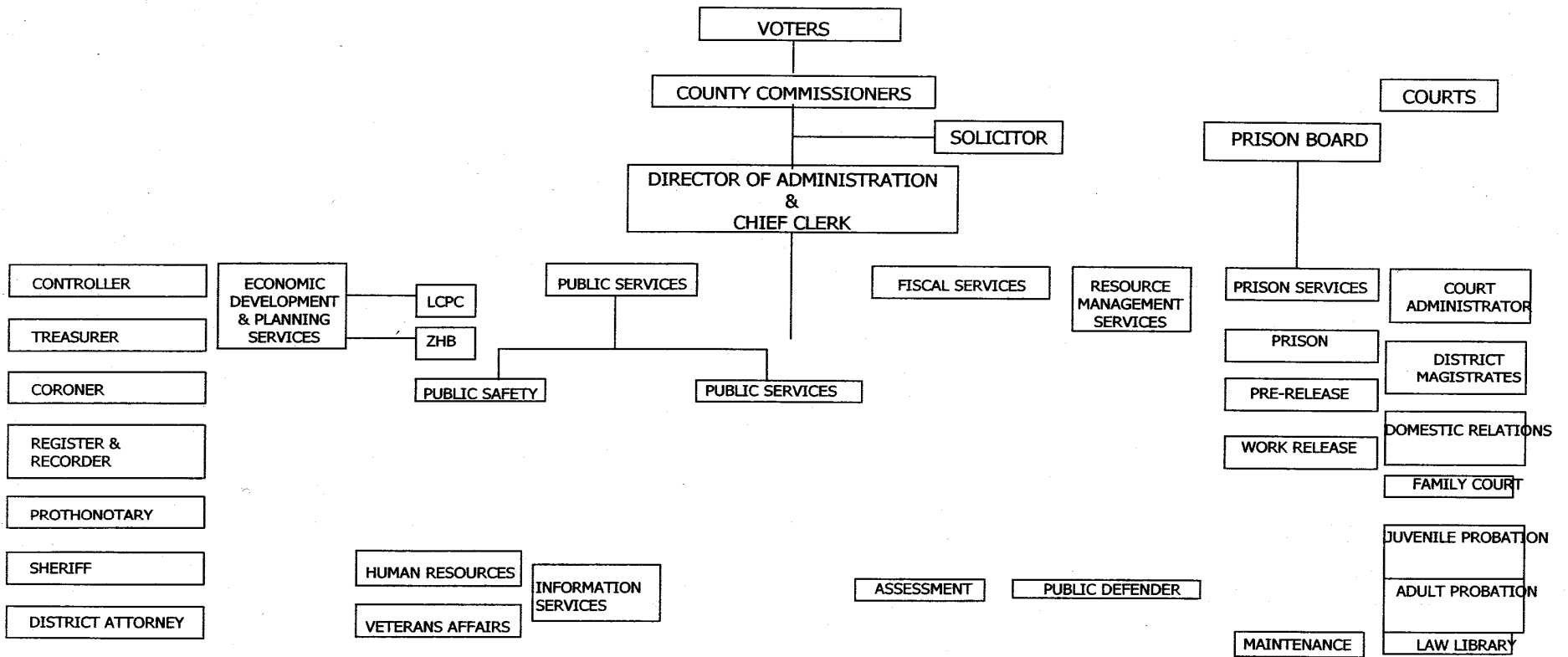
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

LYCOMING COUNTY ORGANIZATION CHART



LEGEND
Support Lines
Coordination

COUNTY OF LYCOMING, PENNSYLVANIA PRINCIPAL OFFICIALS

COMMISSIONERS

R. Jack McKernan, Chair
Tony R. Mussare
Richard Mirabito

ROW OFFICES

Kenneth A. Osokow, District Attorney
Connie L. Rupert, Treasurer
Krista B. Rogers, Controller
Kathy J. Rinehart, Register & Recorder
Suzanne M. Fedele, Prothonotary
R. Mark Lusk, Sheriff
Charles Kiessling, Jr., Coroner

JUDICIARY

Court of Common Pleas
Honorable Nancy L. Butts, President Judge
Honorable Richard A. Gray, Judge
Honorable Marc F. Lovecchio, Judge
Honorable Joy Reynolds McCoy, Judge
Honorable Eric R. Linhardt, Judge

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FINANCIAL SECTION



Independent Auditors' Report

Board of County Commissioners
County of Lycoming, Pennsylvania:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Lycoming, Pennsylvania (the "County"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Act 13 Gas Impact Fees Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on pages 20 through 34, the schedule of changes in the County's net pension liability and related ratios on page 115, the schedule of County contributions on page 116, schedule of investment returns on page 117, and the schedules of funding progress on page 118 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section on pages 2 through 14, the combining and individual nonmajor fund financial statements and schedules of revenues, expenditures and changes in fund balances - budget to actual, on pages 120 through 167, the combining statement of changes in assets and liabilities - agency funds on pages 168 through 173, the schedule of changes in capital assets by function on page 174, and the statistical section on pages 175 through 199 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Baker Tilly Virchow Krause, LLP

Williamsport, Pennsylvania
July 30, 2018

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, 2017. It is recommended that readers consider the information presented here in conjunction with the accompanying basic financial reports, notes to the financial statements and the letter of transmittal to obtain a thorough understanding of the County's financial position at December 31, 2017. The County's blended component unit, Lycoming County Recreation Authority (Authority) is included in this discussion and tables, but, unless otherwise noted, discretely presented component units are not included.

Financial Highlights

The overall assets and deferred outflows of resources of the County of Lycoming exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$44.3 million (*net position*).

Assets and deferred outflows of resources of the governmental activities for the current year exceeded its liabilities and deferred inflows of resources by \$2.7 million. The total net position decreased by \$0.7 million from the previous year.

Assets of the business type activities for the current year exceeded its liabilities by \$41.5 million. The total net position decreased by \$2.2 million from the previous year.

At the close of the current fiscal year the County of Lycoming's governmental funds reported a combined ending fund balance of \$50.3 million, an increase of \$0.6 million from the previous year balance of \$49.7 million with unassigned fund balances of \$23.9 million. The general fund ended the year with a fund balance of \$30.5 million, a decrease of \$0.1 million from the previous year's balance of \$30.6 million with an unassigned fund balance of \$23.9 million.

Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to the County of Lycoming's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in the net position may serve as an indicator of whether the financial position of the County is improving or deteriorating.

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

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

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

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 37-39 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

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

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

The County maintains 25 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 major funds. For 2017, major funds include the general fund and the special revenue Act 13 gas impact fee fund. Data from the other 23 governmental funds are combined into a single, aggregated presentation captioned "Other Governmental Funds". Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 40-45 of this report.

Proprietary funds

The County maintains two different proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses the enterprise funds to account for its solid waste and resource recovery operations and the White Deer Golf Course.

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

The basic proprietary fund financial statements can be found on pages 46-50 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

The basic fiduciary fund financial statements can be found on pages 51-52 of this report.

Budgetary Highlights-General Fund

The 2017 final general fund budget of \$63.6 million in expenditures reflects an increase of \$1.8 million from the 2016 budget of \$61.8 million. The largest increase in 2017 of \$1.1 million was for fringe benefits.

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 56-113 of this report.

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

Other information

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information and certain other information which is designed to further enhance the reader's understanding of the financial report. Required and other supplementary information can be found on pages 114-174 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$44.3 million at the close of the most recent fiscal year.

The total net position of the County decreased by \$2.9 million (about 6.2%), from \$47.2 million to \$44.3 million, in 2017. The decrease in net position was collectively the result of a decrease of \$0.7 million in net position of governmental activities and a decrease of \$2.2 million in net position related to its business-type activities; these decreases are addressed in the analysis that follows.

A large portion of the County's net position (\$28.6 million) reflects its net investment in capital assets (i.e., land, buildings and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (\$41.3 million) represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the unrestricted net position (\$-25.6 million deficit) represents the residual remaining deficit within the County's net position.

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

The following table presents the County's net position at December 31, 2017, and 2016.

COUNTY OF LYCOMING - Net Position
(amounts in thousands)

	Governmental activities		Business-type activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current and other assets	\$60,492	\$57,800	\$98,457	\$89,932	\$158,949	\$147,732
Capital assets	33,648	33,698	47,285	48,405	80,933	82,103
Total Assets	<u>94,140</u>	<u>91,498</u>	<u>145,742</u>	<u>138,337</u>	<u>239,882</u>	<u>229,835</u>
Deferred outflows of resources	<u>1,380</u>	<u>4,480</u>	<u>36</u>	<u>546</u>	<u>1,416</u>	<u>5,026</u>
Long term liabilities outstanding	78,494	86,854	97,188	88,693	175,682	175,547
Other liabilities	7,724	5,644	6,113	6,509	13,837	12,153
Total Liabilities	<u>86,218</u>	<u>92,498</u>	<u>103,301</u>	<u>95,202</u>	<u>189,519</u>	<u>187,700</u>
Deferred inflows of resources	<u>6,560</u>	<u>-</u>	<u>960</u>	<u>-</u>	<u>7,520</u>	<u>-</u>
Net position:						
Net investment in capital assets	3,889	3,975	24,666	26,254	28,555	30,229
Restricted	19,860	19,121	21,429	21,426	41,289	40,547
Unrestricted	<u>(21,007)</u>	<u>(19,616)</u>	<u>(4,578)</u>	<u>(3,999)</u>	<u>(25,585)</u>	<u>(23,615)</u>
Total Net Position	<u>\$2,742</u>	<u>\$3,480</u>	<u>\$41,517</u>	<u>\$43,681</u>	<u>\$44,259</u>	<u>\$47,161</u>

At the end of the current year the County is able to report positive balances in two of the three categories of net position for the County's governmental and business-type activities.

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

The following table presents the County's changes in net position for the years ended December 31, 2017, and 2016.

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

	Governmental activities		Business-type activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues:						
Program revenues:						
Charges for services	\$ 10,068	\$ 11,701	\$ 17,241	\$ 15,973	\$ 27,309	\$ 27,674
Operating grants and contributions	22,690	23,064	522	378	23,212	23,442
Capital grants and contributions	183	294	-	-	183	294
General revenues:						
Taxes	33,800	33,334	-	-	33,800	33,334
Unrestricted investment income/(loss)	246	274	1,359	682	1,605	956
Grants and contributions not restricted to specific programs	575	421	-	-	575	421
Total revenues	<u>67,562</u>	<u>69,088</u>	<u>19,122</u>	<u>17,033</u>	<u>86,684</u>	<u>86,121</u>
Expenses:						
General governmental	11,503	12,860	-	-	11,503	12,860
Judicial	13,375	13,532	-	-	13,375	13,532
Public safety	23,463	23,930	-	-	23,463	23,930
Public works	4,825	5,136	17,663	15,912	22,488	21,048
Human services	12,358	13,318	-	-	12,358	13,318
Culture & recreation	1,247	1,239	1,673	1,833	2,920	3,072
Conservation & development	1,736	740	-	-	1,736	740
Interest on long term debt	1,743	1,675	-	-	1,743	1,675
Total expenses	<u>70,250</u>	<u>72,430</u>	<u>19,336</u>	<u>17,745</u>	<u>89,586</u>	<u>90,175</u>
Increase (decrease) in net position before transfers	(2,688)	(3,342)	(214)	(712)	(2,902)	(4,054)
Transfers	1,950	4,394	(1,950)	(4,394)	-	-
Increase (decrease) in net position	<u>(738)</u>	<u>1,052</u>	<u>(2,164)</u>	<u>(5,106)</u>	<u>(2,902)</u>	<u>(4,054)</u>
Net position - beginning						
As previously reported	3,480	2,428	43,681	51,801	47,161	54,229
Effect of change in reporting entity	-	-	-	(3,014)	-	(3,014)
As restated	<u>3,480</u>	<u>2,428</u>	<u>43,681</u>	<u>48,787</u>	<u>47,161</u>	<u>51,215</u>
Net position - ending	<u>\$ 2,742</u>	<u>\$ 3,480</u>	<u>\$ 41,517</u>	<u>\$ 43,681</u>	<u>\$ 44,259</u>	<u>\$ 47,161</u>

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

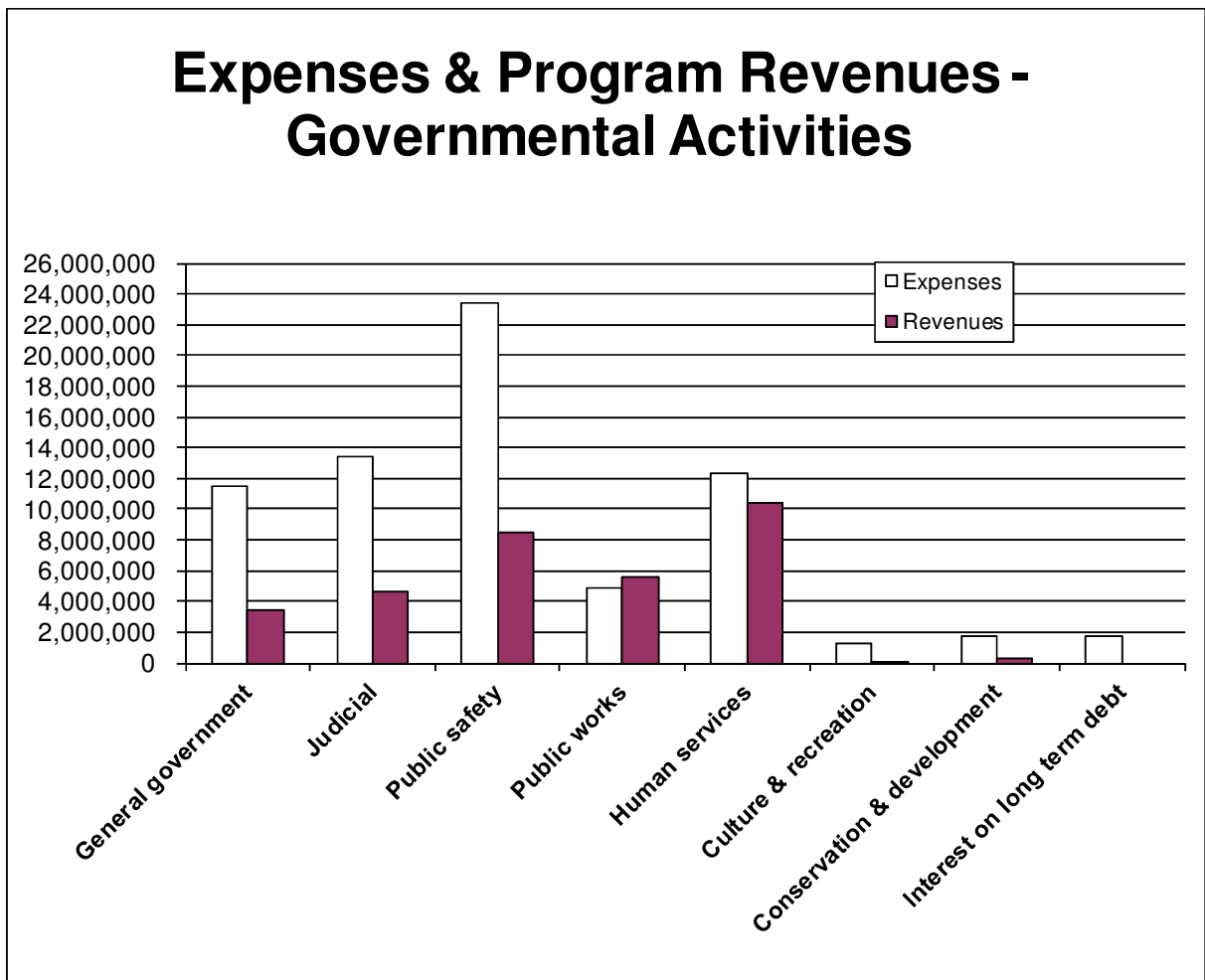
Governmental Activities Net Position: In 2017, net position decreased \$0.7 million compared to a \$1.1 million increase in 2016.

The decreases (\$1.5 million) in revenues include but are not limited to the following major changes in revenues.

1. Charge for Services revenues decreased \$1.6 million.
 - A. In 2016 there was a one-time refund of health insurance expenses in the amount of \$1.2 million.
 - B. Cost and Fines collections revenue due to the County at the end of 2017 was \$0.3 million less than in 2016.

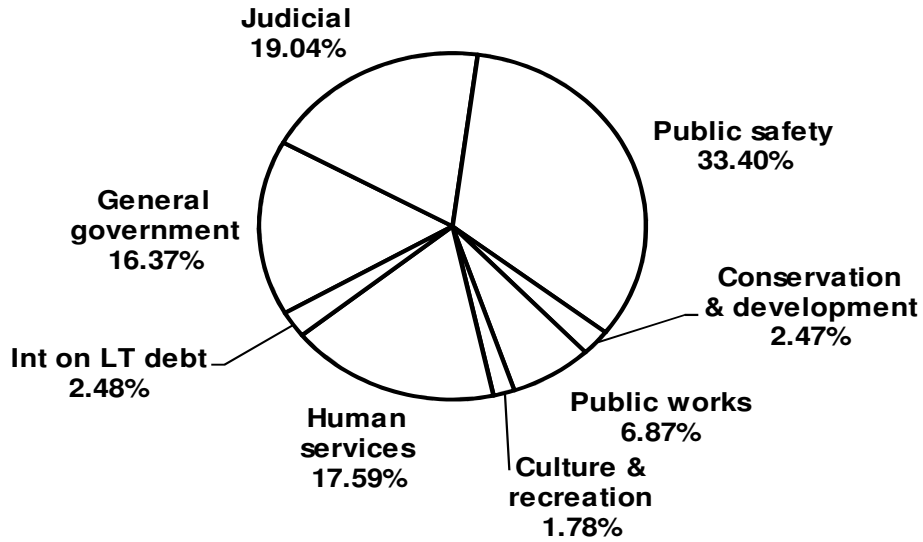
The decreases (\$2.2 million) in expenses include but are not limited to the following major changes.

1. General Governmental expenses decreased by 1.4 million overall due to a concentrated effort by all general governmental departments to cut expenses in 2017.
2. Human Service expenses decreased by 0.96 million due to decreased pass thru grant activity in 2017.

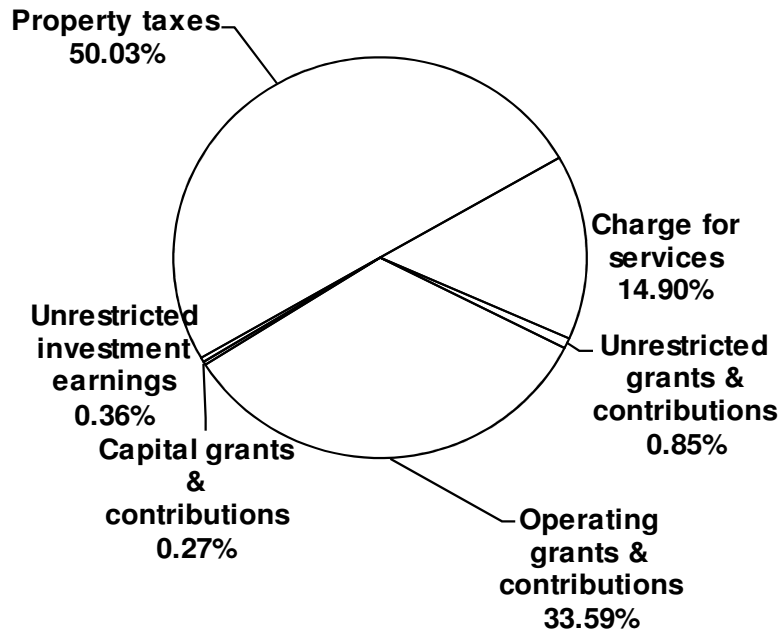


County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

**Functional Expenses
Governmental Activities
Total Expenses: \$70.250 million**



**Source of Revenues
Governmental Activities
Total Revenues: \$67.562 million**

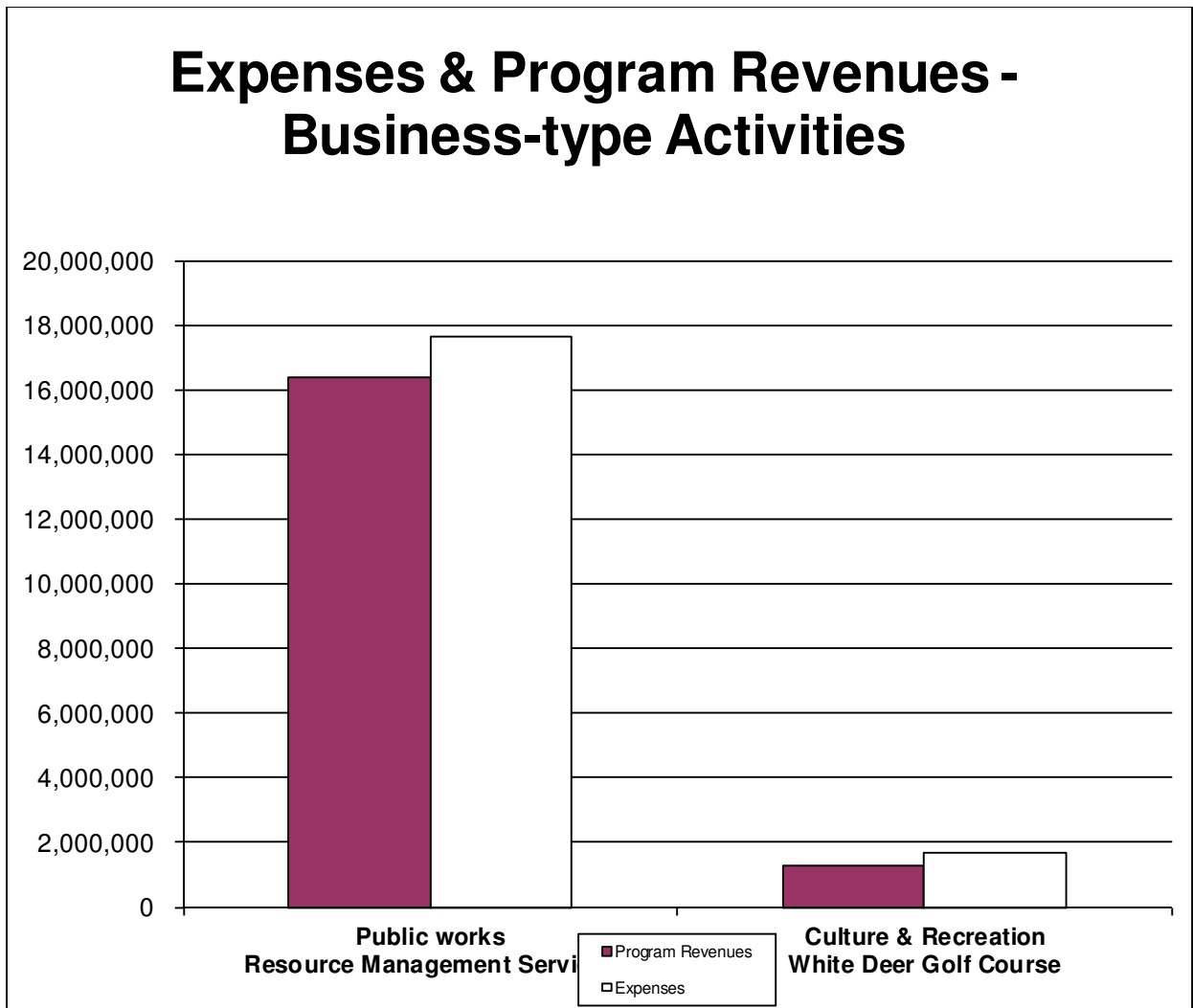


County of Lycoming, Pennsylvania
Management Discussion and Analysis (Continued)

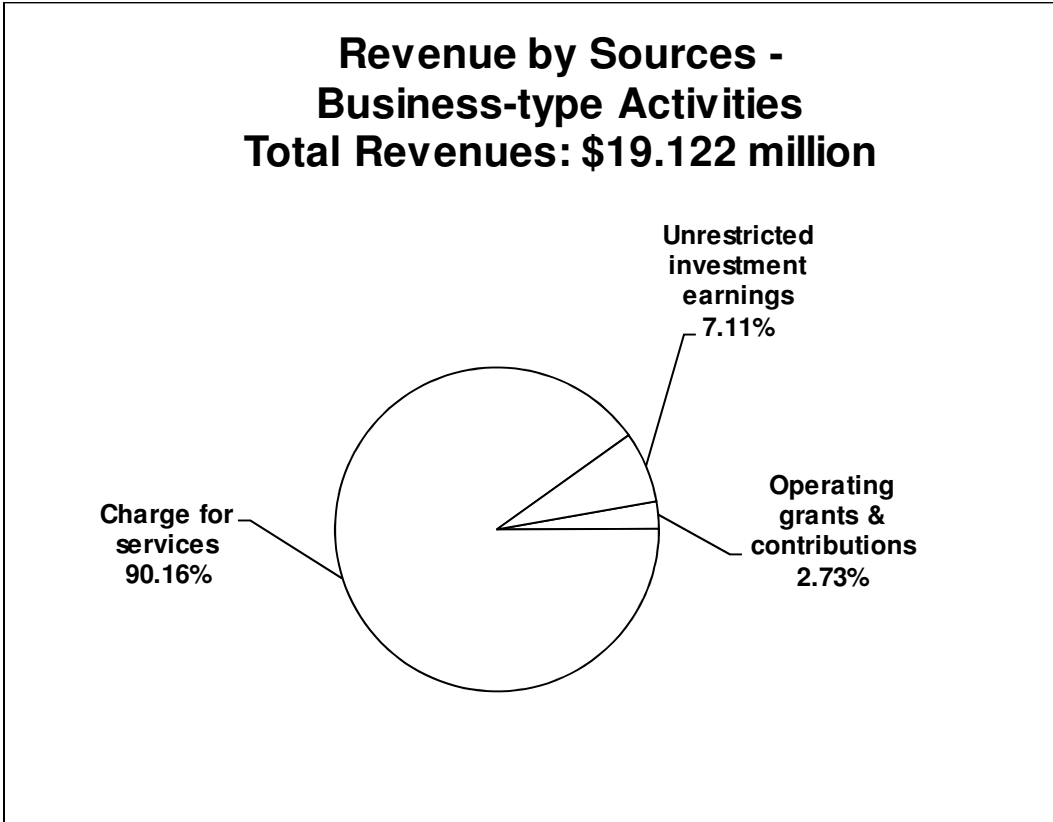
Business-type activities: In 2017, net position decreased \$2.2 million compared to a \$5.1 million decrease in 2016.

The increases (\$2.1 million) in revenue can mainly be attributed to \$0.7 million additional investment earnings in 2017 as well as \$0.6 million less in losses on the sale of assets. There were also increases in service revenue from increased tonnage and sale of recyclables.

Overall expenses increased by \$1.6 million attributable to a \$0.6 million increase in general operating expenses in 2017, a \$0.4 million increase in maintenance and repair expenses, and \$0.4 million more in fringe and indirect expenses.



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



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$50.3 million, an increase of \$0.6 million from the prior year. Of the total fund balance, \$23.9 million represents the unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is reserved as follows to indicate that it is not available to meet current obligations:

- #1-Non-spendable \$5.5 million
- #2-Restricted \$19.6 million
- #3-Assigned \$1.3 million

Governmental fund revenues for the current fiscal period decreased by \$1.1 million or 1.7 percent and expenditures decreased over the same period by \$1.5 million or

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

2.2 percent. The decreases in revenues were a result of \$1.2 million less in miscellaneous income due to a one-time refund of health insurance expenses received in 2016 and \$0.3 million less in court cost and fines collections. The decreases in expenditures were a result of \$1.0 million in decreased spending on the Route 15 water and sewer extension project, less pass thru grant spending, and decreased spending by the general governmental departments. These large decreases were offset by increases in Judicial and Conservation and development spending.

Major Funds

Governmental Fund Types – General Fund

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance was \$23.9 million, an increase of \$2.9 million from the prior year. The total fund balance decreased \$128 thousand from \$30.6 million to \$30.5 million in 2017. As a measure of the general fund liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 44.1 percent of the total general fund expenditures, exclusive of transfers out and other financing uses, while the total fund balance represents 56.3 percent of the same amount.

General fund revenues decreased \$1.0 million from \$54.6 million to \$53.6 million or 1.9 percent under the prior year. Expenditures decreased \$1.9 million from \$56.0 million to \$54.1 million or 3.4 percent.

The decreases (\$1.0 million) in revenue can be attributed to the loss of a one-time refund of health expenditures in the amount of \$1.2 million in Miscellaneous income.

The decreases (\$1.9 million) in expenditures included \$1.0 million less in Public works, \$0.9 million less in General government and Public safety. There were also minor decreases in Human services, Miscellaneous, and Capital outlay. There were offsetting increases of \$1.1 million in Conservation & development along with minor increases in Judicial, Culture & recreation, and Debt service.

The decrease of \$1.0 million in Public works expenditures can be attributed to \$1.0 million less being contributed to the Route 15 water and sewer extension project. The decrease of \$0.9 million in General government is due mainly to the concentrated effort of the general governmental departments to cut expenses. The \$0.9 million decrease in Public safety is mainly caused by \$0.7 million in additional expense reimbursements in 2017 from the 911 fund to the Communications department.

These decreases were offset by increases in Conservation & development of \$1.1 million due mainly to an increase in hotel tax payments.

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

Governmental Fund Types – Act 13 Gas Impact Fee

The County receives funds from the State’s unconventional gas well impact fees. In 2017, a total of \$3.3 million was received from the State to be utilized for eligible projects.

Proprietary Fund Types

The County’s proprietary funds (enterprise) provide the same type of information found in the business-type activities column of the government-wide financial statements.

The unrestricted net position of Lycoming County Resource Management Services at year-end was a negative \$4.5 million and for the Lycoming County Recreation Authority it was a negative \$0.1 million. The change in net position for both funds was a decrease of \$1.9 million and a decrease of \$0.3 million, respectively. Other factors concerning the finances of the funds have already been discussed in the analysis of the County’s business-type activities.

General Fund Budgetary Highlights

The difference of \$5,600 between the original budget of \$63.572 million and the final amended budget of \$63.578 million was a result of the transfers summarized below. Funds were transferred from the 911 Emergency Phone Tariff fund to the General Fund to cover additional contracted maintenance and repair expenses. The transfer from the Domestic Relations IV-D fund to the General Fund was to cover the repair of a vehicle.

<u>Transfer In</u>	<u>General Fund</u>
From 911 Emergency Phone Tariff to maintenance and repair equipment	\$ 5,000
From Domestic Relations IV-D for the maintenance and repair of vehicles	600
Total Transfers	\$ 5,600

Final budget to actual numbers showed unfavorable results for revenues and favorable results for expenditures. Revenues reflected a \$1.3 million negative variance under the budgeted \$54.9 million coming in at \$53.6 million. The area showing the most significant shortage was Taxes resulting from over-budgeting in 2017. Expenditures reflected a \$9.5 million positive variance as compared to the budgeted \$63.6 million coming in at \$54.1 million for the year. The area showing the largest variance was Miscellaneous coming in at \$3.1 million under budget due to employee fringe expenses coming in below budget. General government came in at \$1.8 million under budget due mainly to \$0.9 million budgeted for Contingency not being used. Public safety was \$1.7 million under budget as a result of a decreased prison population in 2017 and less juvenile placements in 2017. Under budget by \$1.9 million was Public works due mainly to \$1.0 million not being spent on the Route 15 water and sewer extension project. There was also \$1.0 budgeted for the airport project that was not spent in 2017.

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

Capital Assets and Debt Administration

The County's investment in capital assets for its governmental activities and business type activities as of December 31, 2017, net of accumulated depreciation amounted to \$80.9 million. This represents a decrease of \$1.2 million under the prior year total of \$82.1 million. For the current fiscal year governmental activities investment in capital assets decreased 0.1 percent and business-type decreased 2.3 percent. Capital assets consist of land and improvements, intangibles, buildings and improvements, machinery and equipment, construction in progress and infrastructure. The following is a summary of capital assets as of December 31, 2016 and 2017.

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

	Governmental activities		Business-type activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land	\$2,851	\$2,851	\$2,456	\$2,450	\$5,307	\$5,301
Intangibles	-	-	2,081	2,081	2,081	2,081
Improvements	1,325	973	8,933	10,879	10,258	11,852
Building & improvements	13,801	14,301	5,878	6,312	19,679	20,613
Machinery & equipment	8,859	9,044	16,003	16,304	24,862	25,348
Construction in progress	1,251	815	11,335	9,724	12,586	10,539
Infrastructure	5,561	5,714	599	655	6,160	6,369
Total Capital Assets	\$ 33,648	\$ 33,698	\$ 47,285	\$ 48,405	\$ 80,933	\$ 82,103

For 2017, the major additions to capital assets were \$0.4 million for elevator modernization in the courthouse and bunker and irrigation repairs at the White Deer Golf Course. Business-type activities had an increase in Construction in progress due to ongoing work on field 12, the leachate storage tank, and the gas flare and piping projects.

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

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

Long-Term Debt

COUNTY OF LYCOMING - Outstanding Debt
 Bonds, Notes & Leases
 (amounts in thousands)

	Governmental activities		Business-type activities		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
General Obligation Bonds	\$ 29,403	\$ 29,873	\$ 28,712	\$ 19,884	\$ 58,115	\$ 49,757
Guaranteed Revenue Bonds	-	-	2,891	3,141	2,891	3,141
General Obligation Notes	3,143	3,753	1,386	1,386	4,529	5,139
Capital Lease	823	1,097	-	-	823	1,097
	<u>\$ 33,369</u>	<u>\$ 34,723</u>	<u>\$ 32,989</u>	<u>\$ 24,411</u>	<u>\$ 66,358</u>	<u>\$ 59,134</u>

At December 31, 2017, the County had \$66.4 million of bonds, notes, and leases outstanding. This was an increase of \$7.2 million or 12.22 percent from the previous year.

Summary of General Obligation Debt

Beginning balance 12/31/16	\$ 59,133,633
Debt issued	9,343,387
Less principal payments	<u>2,118,960</u>
Ending balance 12/31/17	<u>\$ 66,358,060</u>

Standard & Poor's has assigned the County an A+/Stable long term bond rating.

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

Economic Factors and Next Year's Budget and Rates

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

The unemployment rate for the County as of December 2017 was 5.6%, compared to the state rate of 4.8% and the national rate of 4.1%.

The adopted 2018 budget has overall expenditures increasing from the 2017 budget of \$99.9 million to \$100.7 million, an increase of \$0.8 million or 0.8 percent. The budget for the governmental fund types decreased \$0.2 million or 0.3 percent from \$81.4 million to \$81.2 million. The 2018 budget for the business-type activity (RMS) increased \$1.0 million or 5.7 percent to \$19.5 million.

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

A major budget decrease in the governmental fund types for 2018 includes the decrease in spending in the area of juvenile probation of \$1.8 million due to a large Act 13 reimbursement in 2018.

2017 / 2018 Budget Comparisons

	2017 Approved Budget	2018 Approved Budget	Variance Increase (Decrease)	Percentage Increase (Decrease)
<u>Governmental Fund Types</u>				
General Fund	\$ 63,572,363	\$ 58,495,315	\$ (5,077,048)	-7.99%
Special Revenue Funds	14,661,494	20,002,288	5,340,794	36.43%
Debt Service Funds	<u>3,203,308</u>	<u>2,681,046</u>	<u>(522,262)</u>	<u>-16.30%</u>
Total Governmental Funds	81,437,165	81,178,649	(258,516)	-0.32%
<u>Proprietary Fund Types</u>				
Enterprise Fund (RMS)	<u>18,518,641</u>	<u>19,570,068</u>	<u>1,051,427</u>	<u>5.68%</u>
Total County Budget	<u>\$ 99,955,806</u>	<u>\$ 100,748,717</u>	<u>\$ 792,911</u>	<u>0.79%</u>

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

The Tax rate for 2017 was 5.75 mills.

Request for information

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

Lycoming County Office of Fiscal Services or Lycoming County Controller's Office
 County of Lycoming, Pennsylvania
 48 West Third Street
 Williamsport, PA 17701

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BASIC FINANCIAL STATEMENTS

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2017

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 36,910,244	\$ 36,460,100	\$ 73,370,344	\$ 3,871,910
Investments at cost	-	10,815,052	10,815,052	-
Investments at fair value	-	24,172,325	24,172,325	-
Receivables (net of allowances)				
Taxes	3,473,214	-	3,473,214	-
Taxes fees and costs	153,065	-	153,065	-
Accounts receivable trade	77,886	1,694,500	1,772,386	399,769
Accrued interest receivable	878,736	453,799	1,332,535	-
Cost & fines	6,862,590	-	6,862,590	-
Due from agency funds	11,500	-	11,500	-
Due from other governments	5,261,499	-	5,261,499	3,674,193
Due from component units	158,235	-	158,235	-
Loans	6,144,296	-	6,144,296	-
Inventory	1,480	28,328	29,808	25,093
Prepaid items	265,532	4,681	270,213	180,494
Prepaid bond insurance	269,278	231,654	500,932	-
Restricted assets				
Cash and cash equivalents	24,372	1,278,883	1,303,255	1,560,736
Investments at cost	-	207,797	207,797	-
Investments at fair value	-	20,165,120	20,165,120	-
Capital assets (net of accumulated depreciation)				
Land	2,851,459	2,455,840	5,307,299	2,733,238
Intangibles	-	2,081,316	2,081,316	-
Improvements	1,324,811	8,933,131	10,257,942	16,428,116
Building & improvements	13,801,220	5,877,940	19,679,160	21,472,491
Machinery & equipment	8,859,473	16,002,695	24,862,168	2,522,567
Infrastructure	5,560,558	598,523	6,159,081	26,150,284
Other assets	-	-	-	222,377
Construction in progress	1,250,950	11,335,369	12,586,319	14,872,496
Easements	-	-	-	520,166
Other assets	-	-	-	10,939
Total assets	94,140,398	142,797,053	236,937,451	94,644,869
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized refunding charges	1,261,558	19,268	1,280,826	1,628,160
Difference between expected and actual experience on pension plan	118,572	17,358	135,930	-
Total deferred outflows of resources	1,380,130	36,626	1,416,756	1,628,160

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2017
(CONTINUED)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Accounts payable	\$ 4,597,802	\$ 1,435,392	\$ 6,033,194	\$ 4,164,078
Payroll and related payables	968,079	136,075	1,104,154	80,942
Accrued interest payable	439,808	618,755	1,058,563	978,589
Due to agency funds	3,897	-	3,897	-
Due to primary government	-	250,000	250,000	-
Due to other governments	-	-	-	156,788
Unearned revenues	1,689,932	333,049	2,022,981	1,338,409
Line of credit	-	299,995	299,995	-
Escrow funds payable	24,868	-	24,868	12,606
Lease payable	-	1,787,939	1,787,939	-
Other accrued liabilities	-	545	545	-
Long term liabilities				
Due within one year	2,001,884	1,251,714	3,253,598	1,303,105
Due in more than one year	32,170,893	31,876,185	64,047,078	34,081,749
Intra-entity guarantee obligation	2,945,000	(2,945,000)	-	-
Estimated reclamation cost for field and final closure	-	59,050,598	59,050,598	-
Other long term liabilities				
Post employment benefits	31,179,096	4,768,056	35,947,152	-
Net pension liability	10,197,268	1,492,825	11,690,093	-
Total liabilities	<u>86,218,527</u>	<u>100,356,128</u>	<u>186,574,655</u>	<u>42,116,266</u>
DEFERRED INFLOWS OF RESOURCES				
Difference between projected and actual earnings on pension plan	<u>6,559,558</u>	<u>960,284</u>	<u>7,519,842</u>	<u>-</u>
NET POSITION (DEFICIT)				
Net investment in capital assets	3,889,424	24,666,052	28,555,476	51,531,489
Restricted for				
Judicial	2,910,812	-	2,910,812	-
Public safety	1,673,599	-	1,673,599	-
Public works	14,098,151	21,072,678	35,170,829	1,335,257
Culture & recreation	-	356,133	356,133	-
Conservation & development	1,177,525	-	1,177,525	266,631
Unrestricted (deficit)	(21,007,068)	(4,577,596)	(25,584,664)	1,023,386
Total net position	<u>\$ 2,742,443</u>	<u>\$ 41,517,267</u>	<u>\$ 44,259,710</u>	<u>\$ 54,156,763</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

Function / Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position				
	Expenses	Charges 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	\$ 11,503,434	\$ 2,868,847	\$ 1,072,515	\$ 15,000	\$ (7,547,072)	\$ -	\$ (7,547,072)	
Judicial	13,375,119	2,732,663	1,928,369	-	(8,714,087)	-	(8,714,087)	
Public safety	23,463,148	4,316,310	4,364,926	-	(14,781,912)	-	(14,781,912)	
Public works	4,824,678	47,587	4,602,017	168,127	(6,947)	-	(6,947)	
Human services	12,357,747	849	10,474,714	-	(1,882,184)	-	(1,882,184)	
Culture & recreation	1,247,246	36,472	42,793	-	(1,167,981)	-	(1,167,981)	
Conservation & development	1,735,616	65,391	204,880	-	(1,465,345)	-	(1,465,345)	
Interest on long-term debt	1,742,750	-	-	-	(1,742,750)	-	(1,742,750)	
Total governmental activities	<u>70,249,738</u>	<u>10,068,119</u>	<u>22,690,214</u>	<u>183,127</u>	<u>(37,308,278)</u>	<u>-</u>	<u>(37,308,278)</u>	<u>-</u>
Business-type activities								
Waste management	17,663,058	15,933,168	426,799	-	-	(1,303,091)	(1,303,091)	
Recreation Authority	1,673,532	1,308,073	95,146	-	-	(270,313)	(270,313)	
Total business-type activities	<u>19,336,590</u>	<u>17,241,241</u>	<u>521,945</u>	<u>-</u>	<u>-</u>	<u>(1,573,404)</u>	<u>(1,573,404)</u>	<u>-</u>
Total primary government	<u>\$ 89,586,328</u>	<u>\$ 27,309,360</u>	<u>\$ 23,212,159</u>	<u>\$ 183,127</u>	<u>(37,308,278)</u>	<u>(1,573,404)</u>	<u>(38,881,682)</u>	<u>-</u>
Component units:								
Governmental activities	\$ 2,092,341	\$ 38,397	\$ 1,010,620	\$ 625,000	-	-	-	\$ (418,324)
Business-type activities	7,853,837	6,007,048	16,521	8,968,791	-	-	-	7,138,523
Total component units	<u>\$ 9,946,178</u>	<u>\$ 6,045,445</u>	<u>\$ 1,027,141</u>	<u>\$ 9,593,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,720,199</u>
General revenues:								
Property taxes					33,800,012	-	33,800,012	-
Unrestricted investment earnings (loss)					245,918	1,359,448	1,605,366	12,989
Grants contributions and other revenues not restricted to specific programs					574,417	-	574,417	25,534
Transfers					1,950,200	(1,950,200)	-	-
Total general revenues and transfers					<u>36,570,547</u>	<u>(590,752)</u>	<u>35,979,795</u>	<u>38,523</u>
Changes in net position					(737,731)	(2,164,156)	(2,901,887)	6,758,722
Net position - beginning					3,480,174	43,681,423	47,161,597	47,398,041
Net position - ending					<u>\$ 2,742,443</u>	<u>\$ 41,517,267</u>	<u>\$ 44,259,710</u>	<u>\$ 54,156,763</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	<u>General</u>	<u>Act 13 Gas Impact Fee</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS				
Cash & cash equivalents	\$ 13,103,044	\$ 13,346,761	\$ 10,460,439	\$ 36,910,244
Receivables				
Taxes	3,473,214	-	-	3,473,214
Accounts	7,041,935	2,124	49,482	7,093,541
Interest	878,736	-	-	878,736
Due from other funds	3,077,077	-	50,411	3,127,488
Due from other governments	3,698,705	-	1,562,794	5,261,499
Due from component units	158,235	-	-	158,235
Loans				
Interfund	11,500	-	-	11,500
Non-profit organizations	1,832,856	-	-	1,832,856
Component units	4,311,440	-	-	4,311,440
Inventory	1,480	-	-	1,480
Prepaid items	242,620	-	22,912	265,532
Restricted assets				
Cash & cash equivalents	24,372	-	-	24,372
Total assets	<u>\$ 37,855,214</u>	<u>\$ 13,348,885</u>	<u>\$ 12,146,038</u>	<u>\$ 63,350,137</u>
LIABILITIES				
Accounts payable	\$ 3,770,902	\$ 158,972	\$ 667,928	\$ 4,597,802
Payroll payable	967,387	-	692	968,079
Due to other funds	49,248	-	3,082,137	3,131,385
Unearned revenues				
Intergovernmental	599	-	1,679,333	1,679,932
Other	10,000	-	-	10,000
Escrow funds	24,868	-	-	24,868
Total liabilities	<u>4,823,004</u>	<u>158,972</u>	<u>5,430,090</u>	<u>10,412,066</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - taxes	<u>2,580,405</u>	<u>-</u>	<u>-</u>	<u>2,580,405</u>
FUND BALANCES				
Nonspendable	5,499,296	-	-	5,499,296
Restricted	24,372	13,189,913	6,449,123	19,663,408
Assigned	1,039,964	-	266,825	1,306,789
Unassigned	23,888,173	-	-	23,888,173
Total fund balances	<u>30,451,805</u>	<u>13,189,913</u>	<u>6,715,948</u>	<u>50,357,666</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 37,855,214</u>	<u>\$ 13,348,885</u>	<u>\$ 12,146,038</u>	<u>\$ 63,350,137</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017**

Total Fund Balance-Governmental Funds	\$ 50,357,666
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in the governmental activities are not current financial resources and therefore are not reported as assets in the governmental funds.	33,648,471
Net pension liability reported in the governmental activities is not a current liability and therefore is not reported as a liability in the governmental funds.	(10,197,268)
Deferred outflows of resources/inflows of resources are related to long-term debt and pension and, therefore, are not reported in the funds.	(5,179,428)
Long-term liabilities, including bonds payable and guarantee obligations, are not due and payable in the current period and therefore are not reported in the funds. (Note 3)	<u>(65,886,998)</u>
Net position of governmental activities	<u><u>\$ 2,742,443</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, 2017

	<u>General</u>	<u>Act 13 Gas Impact Fees</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property & occupancy taxes	\$ 33,790,184	\$ -	\$ -	\$ 33,790,184
Licenses & permits	46,025	-	-	46,025
Intergovernmental revenues	12,507,571	3,317,470	7,576,691	23,401,732
Charge for services	4,033,689	-	2,863,371	6,897,060
Sale of County products	76,505	-	-	76,505
Investment earnings	249,152	56,338	24,267	329,757
Court cost & fines	1,465,105	-	62,048	1,527,153
Miscellaneous income	1,424,207	-	39,664	1,463,871
	<u>53,592,438</u>	<u>3,373,808</u>	<u>10,566,041</u>	<u>67,532,287</u>
Total revenues				
EXPENDITURES				
Current				
General government	7,347,057	502,672	-	7,849,729
Judicial	8,293,844	45,173	501,215	8,840,232
Public safety	14,064,869	141,625	3,063,257	17,269,751
Public works	469,995	1,453,948	2,536,255	4,460,198
Human services	8,922,538	4,247	3,313,899	12,240,684
Culture & recreation	1,305,303	20,000	-	1,325,303
Conservation & development	1,445,209	-	78,043	1,523,252
Miscellaneous	9,890,444	-	-	9,890,444
Debt service	274,196	-	2,764,272	3,038,468
Capital outlay	2,108,986	-	323,401	2,432,387
	<u>54,122,441</u>	<u>2,167,665</u>	<u>12,580,342</u>	<u>68,870,448</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(530,003)</u>	<u>1,206,143</u>	<u>(2,014,301)</u>	<u>(1,338,161)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,950,200	-	2,798,665	5,748,865
Transfers out	<u>(2,548,666)</u>	<u>(1,000,000)</u>	<u>(250,000)</u>	<u>(3,798,666)</u>
	<u>401,534</u>	<u>(1,000,000)</u>	<u>2,548,665</u>	<u>1,950,199</u>
Total other financing sources (uses)				
Net changes in fund balances	(128,469)	206,143	534,364	612,038
Fund balances-beginning	30,580,274	12,983,770	6,181,584	49,745,628
Fund balances-ending	<u>\$ 30,451,805</u>	<u>\$ 13,189,913</u>	<u>\$ 6,715,948</u>	<u>\$ 50,357,666</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, 2017**

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

Net change in fund balances-total governmental funds (page 42)	\$	612,038
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period. (Note 3)		(69,092)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		19,691
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.		9,828
The issuance of long-term debt (e.g., bonds & leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. (Note 3)		1,376,433
Debt service on the County's guarantee obligation.		255,000
Governmental funds report the effect of bond insurance, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		(39,421)
Deferred refunding charges are capitalized and amortized over the life of the debt in the statement of net position		(63,598)
Interest expenses reported in the statement of activities do not require the use of current financial resources and, therefore, they are not reported as expenditures in the governmental funds.		5,471
The net effect of the County's funding requirements for its retirement and post employment benefit funding in the statement of activities that do not provide current financial resources and are not reported in the Governmental funds.		(2,844,081)
Change in net position of governmental activities (page 39)	<u>\$</u>	<u>(737,731)</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 35,037,613	\$ 35,037,613	\$ 33,790,184	\$ (1,247,429)
Licenses & permits	44,750	44,750	46,025	1,275
Intergovernmental	13,164,853	13,164,853	12,507,571	(657,282)
Charge for services	3,965,779	3,965,779	4,033,689	67,910
Sale of County products	98,000	98,000	76,505	(21,495)
Investment earnings	202,889	202,889	249,152	46,263
Cost & fines	924,950	924,950	1,465,105	540,155
Miscellaneous	1,468,582	1,468,582	1,424,207	(44,375)
Total revenues	<u>54,907,416</u>	<u>54,907,416</u>	<u>53,592,438</u>	<u>(1,314,978)</u>
EXPENDITURES				
Current				
General government	9,446,619	9,174,735	7,347,057	1,827,678
Judicial	8,669,957	8,699,123	8,293,844	405,279
Public safety	15,687,189	15,798,702	14,064,869	1,733,833
Public works	2,410,476	2,410,556	469,995	1,940,561
Human services	9,949,647	9,949,647	8,922,538	1,027,109
Culture & recreation	1,305,303	1,309,303	1,305,303	4,000
Conservation & development	1,049,263	1,050,297	1,445,209	(394,912)
Debt service	-	-	274,196	(274,196)
Miscellaneous	13,125,067	13,004,817	9,890,444	3,114,373
Capital outlay	1,928,842	2,180,783	2,108,986	71,797
Total expenditures	<u>63,572,363</u>	<u>63,577,963</u>	<u>54,122,441</u>	<u>9,455,522</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,664,947)</u>	<u>(8,670,547)</u>	<u>(530,003)</u>	<u>8,140,544</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	3,954,750	3,954,750	2,950,200	(1,004,550)
Transfer out	(2,997,772)	(2,997,772)	(2,548,666)	449,106
Total other financing sources (uses)	<u>956,978</u>	<u>956,978</u>	<u>401,534</u>	<u>(555,444)</u>
Net changes in fund balance	(7,707,969)	(7,713,569)	(128,469)	7,585,100
Fund balances-beginning	30,500,000	30,500,000	30,580,274	80,274
Fund balances-ending	<u>\$ 22,792,031</u>	<u>\$ 22,786,431</u>	<u>\$ 30,451,805</u>	<u>\$ 7,665,374</u>

Budgets are prepared on the modified accrual basis of accounting
See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
ACT 13 GAS IMPACT FEES
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<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	\$ 2,945,000	\$ 2,945,000	\$ 3,317,470	\$ 372,470
Investment earnings	20,550	20,550	56,338	35,788
Total revenues	<u>2,965,550</u>	<u>2,965,550</u>	<u>3,373,808</u>	<u>408,258</u>
EXPENDITURES				
Current				
General government	54,762	474,282	502,672	(28,390)
Judicial	219,048	45,173	45,173	-
Public safety	273,810	133,026	141,625	(8,599)
Public works	1,642,856	1,647,519	1,453,948	193,571
Human services	109,524	-	4,247	(4,247)
Culture & recreation	150,000	150,000	20,000	130,000
Total expenditures	<u>2,450,000</u>	<u>2,450,000</u>	<u>2,167,665</u>	<u>282,335</u>
Excess (deficiency) of revenues over (under) expenditures	<u>515,550</u>	<u>515,550</u>	<u>1,206,143</u>	<u>690,593</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>	<u>1,000,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>	<u>1,000,000</u>
Net changes in fund balances	515,550	515,550	206,143	1,690,593
Fund balances-beginning	<u>13,000,000</u>	<u>13,000,000</u>	<u>12,983,770</u>	<u>(16,230)</u>
Fund balances-ending	<u>\$ 13,515,550</u>	<u>\$ 13,515,550</u>	<u>\$ 13,189,913</u>	<u>\$ 1,674,363</u>

Budgets are prepared on the modified accrual basis of accounting
See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
DECEMBER 31, 2017

	<u>Resource Management Services</u>	<u>Recreation Authority</u>	<u>Total Enterprise Funds</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 36,408,539	\$ 51,561	\$ 36,460,100
Investments at cost	10,815,052	-	10,815,052
Investments at fair value	24,172,325	-	24,172,325
Receivables (net of allowances)			
Accounts receivable - trade	1,685,189	9,311	1,694,500
Accrued interest receivable	453,799	-	453,799
Intra-entity guarantee receivable	-	260,000	260,000
Inventory	-	28,328	28,328
Prepaid expenses	-	4,681	4,681
Total current assets	<u>73,534,904</u>	<u>353,881</u>	<u>73,888,785</u>
Noncurrent assets			
Prepaid bond insurance	213,984	17,670	231,654
Restricted assets			
Cash and cash equivalents	922,750	356,133	1,278,883
Investments at cost	207,797	-	207,797
Investments at fair value	20,165,120	-	20,165,120
Intra-entity guarantee receivable	-	2,685,000	2,685,000
Total restricted assets	<u>21,295,667</u>	<u>3,041,133</u>	<u>24,336,800</u>
Capital assets (net of accumulated depreciation)			
Land	2,455,840	-	2,455,840
Intangibles	2,081,316	-	2,081,316
Improvements	8,933,131	-	8,933,131
Building and improvements	5,877,940	-	5,877,940
Machinery and equipment	15,641,211	361,484	16,002,695
Infrastructure	598,523	-	598,523
Construction in progress	11,335,369	-	11,335,369
Total capital assets	<u>46,923,330</u>	<u>361,484</u>	<u>47,284,814</u>
Total noncurrent assets	<u>68,432,981</u>	<u>3,420,287</u>	<u>71,853,268</u>
Total assets	<u>141,967,885</u>	<u>3,774,168</u>	<u>145,742,053</u>
DEFERRED OUTFLOWS OF RESOURCES			
Difference between expected and actual experience on pension plan	17,358	-	17,358
Unamortized refunding charges	-	19,268	19,268
Total deferred outflows of resources	<u>17,358</u>	<u>19,268</u>	<u>36,626</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
ENTERPRISE FUNDS
DECEMBER 31, 2017
(CONTINUED)

	<u>Resource Management Services</u>	<u>Recreation Authority</u>	<u>Total Enterprise Funds</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 1,285,017	\$ 150,375	\$ 1,435,392
Payroll and related payables	129,633	6,442	136,075
Due to primary government	-	250,000	250,000
Unearned revenues	-	333,049	333,049
Line of credit	-	299,995	299,995
Compensated absences payable	92,408	-	92,408
Current interest payable	254,795	363,960	618,755
Long term debt	532,520	626,786	1,159,306
Lease payable	-	1,787,939	1,787,939
Other accrued liabilities	-	545	545
Total current liabilities	<u>2,294,373</u>	<u>3,819,091</u>	<u>6,113,464</u>
Long term liabilities			
Compensated absences payable	46,555	-	46,555
Net pension liability	1,492,825	-	1,492,825
Other post employment benefits obligation	4,768,056	-	4,768,056
Estimated reclamation cost for field and final closure	59,050,598	-	59,050,598
Long term debt	<u>28,179,122</u>	<u>3,650,508</u>	<u>31,829,630</u>
Total long term liabilities	<u>93,537,156</u>	<u>3,650,508</u>	<u>97,187,664</u>
Total liabilities	<u>95,831,529</u>	<u>7,469,599</u>	<u>103,301,128</u>
DEFERRED INFLOWS OF RESOURCES			
Difference between projected and actual earnings on pension plan	<u>960,284</u>	<u>-</u>	<u>960,284</u>
NET POSITION (DEFICIT)			
Net investment in capital assets	28,581,862	(3,915,810)	24,666,052
Restricted for:			
Closure requirements	21,072,678	-	21,072,678
Debt service	-	356,133	356,133
Unrestricted	<u>(4,461,110)</u>	<u>(116,486)</u>	<u>(4,577,596)</u>
Total net position (deficit)	<u>\$ 45,193,430</u>	<u>\$ (3,676,163)</u>	<u>\$ 41,517,267</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Resource Management Services	Recreation Authority	Total Enterprise Funds
OPERATING REVENUES			
Charge for services	\$ 10,494,478	\$ 1,112,606	\$ 11,607,084
Miscellaneous revenues	174,122	-	174,122
Sales	5,452,293	432,917	5,885,210
Cost of sales	-	(237,450)	(237,450)
Gross profit on sales	5,452,293	195,467	5,647,760
Total operating revenues	<u>16,120,893</u>	<u>1,308,073</u>	<u>17,428,966</u>
OPERATING EXPENSES			
Salaries and wages	3,150,645	656,393	3,807,038
Material and supplies	411,940	52,011	463,951
General operating	4,608,012	371,614	4,979,626
Maintenance and repairs	1,424,451	179,284	1,603,735
Depreciation expense	4,041,327	60,997	4,102,324
Fringe & indirect expense	2,639,744	184,311	2,824,055
Other post employment benefit expense	514,534	-	514,534
Total operating expenses	<u>16,790,653</u>	<u>1,504,610</u>	<u>18,295,263</u>
Operating income (loss)	<u>(669,760)</u>	<u>(196,537)</u>	<u>(866,297)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment earnings (loss)	1,356,947	2,501	1,359,448
Intergovernmental revenues	426,799	-	426,799
Net gain (loss) on sale of assets	(187,725)	-	(187,725)
Issuance costs	(154,867)	-	(154,867)
Interest expense	(717,538)	(168,922)	(886,460)
Subsidies from primary government	-	95,146	95,146
Total non-operating revenues (expenses), net	<u>723,616</u>	<u>(71,275)</u>	<u>652,341</u>
Income (loss) before transfers	53,856	(267,812)	(213,956)
Transfer - out	(1,950,200)	-	(1,950,200)
Total transfers	<u>(1,950,200)</u>	<u>-</u>	<u>(1,950,200)</u>
Changes in net position	(1,896,344)	(267,812)	(2,164,156)
Total net position (deficit)-beginning	47,089,774	(3,408,351)	43,681,423
Total net position (deficit)-ending	<u>\$ 45,193,430</u>	<u>\$ (3,676,163)</u>	<u>\$ 41,517,267</u>

See Notes to Financial Statements

**STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Resource Management Services</u>	<u>Recreation Authority</u>	<u>Total Enterprise Funds</u>
Cash Flows From Operating Activities			
Receipts from customers	\$ 16,108,131	\$ 1,555,502	\$ 17,663,633
Payments to suppliers	(6,870,606)	(903,814)	(7,774,420)
Payments to employees	(5,107,379)	(754,051)	(5,861,430)
Net cash provided by operating activities	<u>4,130,146</u>	<u>(102,363)</u>	<u>4,027,783</u>
Cash Flows From Noncapital Financing Activities			
Subsidies to other funds	(1,950,200)	-	(1,950,200)
Proceeds from loan	-	150,000	150,000
Interest paid on line of credit	-	(8,822)	(8,822)
Federal & State operating grants	183,265	-	183,265
Net cash provided (used) by noncapital financing activities	<u>(1,766,935)</u>	<u>141,178</u>	<u>(1,625,757)</u>
Cash Flows From Capital and Related Financing Activities			
Proceeds from the issuance of capital debt	9,185,680	-	9,185,680
Proceeds from capital grants	249,945	-	249,945
Acquisition of capital assets	(3,166,309)	-	(3,166,309)
Principal paid on capital debt	(526,473)	(255,000)	(781,473)
Interest paid on capital debt	(716,709)	(95,361)	(812,070)
Subsidy from primary government for debt service	-	350,147	350,147
Net cash provided (used) by capital and related financing activities	<u>5,026,134</u>	<u>(214)</u>	<u>5,025,920</u>
Cash Flows From Investing Activities			
Interest and dividends	1,679,053	2,501	1,681,554
Sales of investments	28,819,671	-	28,819,671
Purchase of investments	(27,264,020)	-	(27,264,020)
Net cash provided (used) by investing activities	<u>3,234,704</u>	<u>2,501</u>	<u>3,237,205</u>
Net increase (decrease) in cash and cash equivalents	10,624,049	41,102	10,665,151
Cash and cash equivalents (including restricted) beginning of year	26,707,240	366,592	27,073,832
Cash and cash equivalents end of year	<u>\$ 37,331,289</u>	<u>\$ 407,694</u>	<u>\$ 37,738,983</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	<u>Resource Management Services</u>	<u>Recreation Authority</u>	<u>Total Enterprise Funds</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (669,760)	\$ (196,537)	\$ (866,297)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities			
Depreciation expense	4,041,327	60,997	4,102,324
Net loss on disposal of equipment	-	2,741	2,741
Changes in assets and liabilities			
(Increase) decrease accounts receivable trade	(12,763)	11,201	(1,562)
(Increase) decrease inventory	-	11,178	11,178
(Increase) decrease prepaid expenses	-	(3,136)	(3,136)
Increase (decrease) accounts payable	(563,813)	13,289	(550,524)
Increase (decrease) accrued payroll	(9,245)	-	(9,245)
Increase (decrease) compensated absences payable	(7,549)	-	(7,549)
Increase (decrease) post employment benefit payable	514,534	-	514,534
Increase (decrease) pension benefit payable	(109,325)	-	(109,325)
Increase (decrease) accrued liabilities	-	(874)	(874)
Increase (decrease) unearned revenue	-	(1,222)	(1,222)
Increase (decrease) escrow funds payable	946,740	-	946,740
Total adjustments	<u>4,799,906</u>	<u>94,174</u>	<u>4,894,080</u>
Net cash provided (used) by operating activities	<u>\$ 4,130,146</u>	<u>\$ (102,363)</u>	<u>\$ 4,027,783</u>
Cash and cash equivalents-end of year			
Unrestricted	\$ 36,408,539	\$ 51,561	\$ 36,460,100
Restricted			
State insurance funds	922,750	-	922,750
Debt service	-	356,133	356,133
Total cash and cash equivalents	<u>\$ 37,331,289</u>	<u>\$ 407,694</u>	<u>\$ 37,738,983</u>
Non-cash investing, capital and financing activities:			
Net increase (decrease) in fair value of investments	<u>\$ 11,025</u>	<u>\$ -</u>	<u>\$ 11,025</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2017**

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 1,521,666	\$ 2,743,236
Investments at fair value		
Long-term CDs	1,318,784	
U.S. treasury/government	13,056,336	-
Corporate bonds	12,106,654	-
Municipal bonds	690,050	-
Common stocks	22,712,189	-
Mutual funds	58,823,863	-
Real estate funds	12,303,339	-
Receivables (net of allowance)		
Accounts receivable	-	29,258
Delinquent taxes (non-county)	-	4,600,907
Cost & fines (non-county)	-	13,666,639
Interest receivable	169,313	-
Due from other funds	-	4,063
Prepaid items	4,617	
Total assets	122,706,811	21,044,103
LIABILITIES		
Accounts payable	41,469	281,461
Due to other funds	-	166
Due to other governments	-	1,313,978
Escrow	-	19,436,998
Interfund loans	-	11,500
Total liabilities	41,469	21,044,103
NET POSITION		
Restricted for pensions	\$ 122,665,342	\$ -

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED DECEMBER 31, 2017**

	Pension Trust Fund
ADDITIONS	
Contributions	
Employees	\$ 2,188,311
Employer	1,817,497
Total contributions	4,005,808
Investment earnings	
Net increase in fair value of investments	17,730,068
Interest & dividends	1,907,677
	19,637,745
Less: Investment management fees	(800,187)
Total investment income - net	18,837,558
Total additions	22,843,366
DEDUCTIONS	
Benefit payments	5,881,160
Refunds of employee contributions	628,430
Death benefits	198,632
Total deductions	6,708,222
Net increase in net position	16,135,144
Plan net position at beginning of year	106,530,198
Plan net position at end of year	\$ 122,665,342

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2017**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Conservation District</u>	<u>Industrial Development Authority</u>	<u>Water & Sewer Authority</u>	<u>Airport Authority</u>	
ASSETS					
Cash and cash equivalents	\$ 896,718	\$ 2,825	\$ 2,037,257	\$ 935,110	\$ 3,871,910
Receivables (net of allowances)					
Accounts receivable	-	-	319,907	79,862	399,769
Due from other governments	-	625,000	-	3,049,193	3,674,193
Inventory	-	-	25,093	-	25,093
Prepaid items	-	-	-	180,494	180,494
Restricted assets					
Cash and cash equivalents	-	-	338,498	1,222,238	1,560,736
Capital assets (net of accumulated depreciation)					
Land	-	-	1,527,193	1,206,045	2,733,238
Improvements	-	-	-	16,428,116	16,428,116
Building & improvements	-	-	17,839,104	3,633,387	21,472,491
Machinery & equipment	-	-	1,841,324	681,243	2,522,567
Infrastructure	-	-	26,150,284	-	26,150,284
Other Assets	-	-	-	222,377	222,377
Construction in progress	-	-	2,698,446	12,174,050	14,872,496
Easements	-	-	520,166	-	520,166
Other assets	-	-	10,939	-	10,939
Total assets	<u>896,718</u>	<u>627,825</u>	<u>53,308,211</u>	<u>39,812,115</u>	<u>94,644,869</u>
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized refunding charges	-	-	1,628,160	-	1,628,160
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>1,628,160</u>	<u>-</u>	<u>1,628,160</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2017
(CONTINUED)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Conservation District</u>	<u>Industrial Development Authority</u>	<u>Water & Sewer Authority</u>	<u>Airport Authority</u>	
LIABILITIES					
Accounts payable	\$ -	\$ 625,000	\$ 473,846	\$ 3,065,232	\$ 4,164,078
Payroll and related payables	-	-	56,845	24,097	80,942
Accrued interest payable	-	-	978,589	-	978,589
Due to other governments	-	-	156,788	-	156,788
Unearned revenues	-	-	104,482	1,233,927	1,338,409
Escrow funds payable	-	-	-	12,606	12,606
Long term liabilities					
Due within one year	-	-	1,289,309	13,796	1,303,105
Due in more than one year	-	-	34,019,444	34,356	34,053,800
Compensated absences	-	-	27,949	-	27,949
Total liabilities	<u>-</u>	<u>625,000</u>	<u>37,107,252</u>	<u>4,384,014</u>	<u>42,116,266</u>
NET POSITION					
Net investment in capital assets	-	-	17,234,422	34,297,067	51,531,489
Restricted for:					
Public works	-	-	113,019	1,222,238	1,335,257
Conservation & development	266,631	-	-	-	266,631
Unrestricted	630,087	2,825	481,678	(91,204)	1,023,386
Total net position	<u>\$ 896,718</u>	<u>\$ 2,825</u>	<u>\$ 17,829,119</u>	<u>\$ 35,428,101</u>	<u>\$ 54,156,763</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2017**

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Conservation District	Industrial Development Authority	Water & Sewer Authority	Airport Authority	Total
Governmental activities									
Conservation & development									
Conservation District	\$ 1,464,153	\$ 37,397	\$ 1,010,620	\$ -	\$ (416,136)	\$ -	\$ -	\$ -	\$ (416,136)
Industrial Development Authority	628,188	1,000	-	625,000	-	(2,188)	-	-	(2,188)
Total governmental activities	<u>2,092,341</u>	<u>38,397</u>	<u>1,010,620</u>	<u>625,000</u>	<u>(416,136)</u>	<u>(2,188)</u>		<u>-</u>	<u>(418,324)</u>
Business-type activities									
Water & Sewer Authority	5,400,005	4,862,568	-	1,082,352	-	-	544,915		544,915
Airport Authority	2,453,832	1,144,480	16,521	7,886,439	-	-	-	6,593,608	6,593,608
Total business-type activities	<u>7,853,837</u>	<u>6,007,048</u>	<u>16,521</u>	<u>8,968,791</u>			<u>544,915</u>	<u>6,593,608</u>	<u>7,138,523</u>
Total component units	<u>\$ 9,946,178</u>	<u>\$ 6,045,445</u>	<u>\$ 1,027,141</u>	<u>\$ 9,593,791</u>	<u>(416,136)</u>	<u>(2,188)</u>	<u>544,915</u>	<u>6,593,608</u>	<u>6,720,199</u>
General revenues:									
Unrestricted investment earnings					3,983	6	7,060	1,940	12,989
Grants, contributions and other revenues									
not restricted to specific programs					-	-	-	25,534	25,534
Total general revenues and transfers					<u>3,983</u>	<u>6</u>	<u>7,060</u>	<u>27,474</u>	<u>38,523</u>
Changes in net position					<u>(412,153)</u>	<u>(2,182)</u>	<u>551,975</u>	<u>6,621,082</u>	<u>6,758,722</u>
Net position - beginning					<u>1,308,871</u>	<u>5,007</u>	<u>17,277,144</u>	<u>28,807,019</u>	<u>47,398,041</u>
Net position - ending					<u>\$ 896,718</u>	<u>\$ 2,825</u>	<u>\$ 17,829,119</u>	<u>\$ 35,428,101</u>	<u>\$ 54,156,763</u>

See Notes to Financial Statements

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

1. Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

Component Units – Consistent with the guidelines contained in Governmental Accounting Standards Board (GASB) Statement No. 14 (as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80), “The Financial Reporting Entity”, the County has evaluated all related entities (Authorities, Boards, Councils and etc.) to determine the financial accountability for possible inclusion in the financial report. In determining financial accountability in a given case, the County reviews the following criteria:

The County is financially accountable for:

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

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

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

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

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

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

Blended Component Unit

Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus blended component units are appropriately presented as funds of the primary government. The component unit presented in this way is the following:

Lycoming County Recreation Authority

- #1 County officials currently serve as the organization's governing body
- #2 Financial Benefit or Burden -The County is obligated in some manner for the debt of the organization.

Discretely Presented Component Units

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

Lycoming County Industrial Development Authority

- #1 County officials appoint a voting majority of the organization's governing body
- #2 Financial Benefit or Burden

Williamsport Municipal Airport Authority

- #1 County officials appoint a voting majority of the organization's governing body
- #2 Financial Benefit or Burden

Lycoming County Conservation District

- #1 County officials appoint a voting majority of the organization's governing body
- #2 Financial Benefit or Burden

Lycoming County Water & Sewer Authority

- #1 County officials appoint a voting majority of the organization's governing body
- #2 Financial Benefit or Burden -The County is obligated in some manner for the debt of the organization.

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

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

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

**County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017**

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

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

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

Williamsport Municipal Airport Authority
700 Airport Road
Montoursville, Pa. 17754

Related Organizations

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

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

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

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activities has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the business-type

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

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

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

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

The Government reports the following major Governmental Funds:

The General Fund and the Special Revenue Act 13 Gas Impact Fee Fund

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

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

The Government reports the following major Proprietary Fund:

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

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

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

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

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

Trust and Agency Funds - Includes the Pension Trust Fund, which accounts for the activity of the Lycoming County Employees' Retirement System, and the Agency Funds, which account for funds held by the County on behalf of others. The Pension Trust Fund is presented on the accrual basis of accounting. The Agency Funds are custodial in nature (assets equal liabilities) and are used to account for assets held by elected row officers (the Register and Recorder, Prothonotary, Treasurer, and Sheriff) that are combined in the financial statements.

County of Lycoming, Pennsylvania
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For the Year Ended December 31, 2017

Additionally the County maintains cash on behalf of Prison and Pre-Release Commissary, Delinquent and Municipal Taxes, Cost and Fines, Escheats, Domestic Relations, Lycoming County Health Care Plan, Welfare Burial, Public Relations, Adult Restitution, and Juvenile Restitution. Additional details can be found in the other supplemental information section under agency funds.

2. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Equity

Cash and Cash Equivalents

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

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

Receivables and Payables

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

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

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

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

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

Inter-fund Transactions

In the course of the County operation there exist a variety of transactions between funds to finance operations. Accordingly, to the extent that certain inter-fund transactions have not been paid or received as of December 31, 2017, the appropriate inter-fund receivables or payables have been established.

Restricted Assets

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

Capital Assets

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

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

The governmental activities utilize the straight-line method of calculating annual depreciation, while the proprietary 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 to fields		1,035,000-8,750,800	UOP
Buildings	40 years	40 years	SL
Building and improvements	25 years	25 years	SL
Equipment	1.5 – 15 years	1.5 – 15 years	SL
Infrastructure	50-100 years	50-100 years	SL

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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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.

Deferred Outflows/Inflows of Resources

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

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

Long-Term Liabilities

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

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

Use of Estimates

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

Fund Equity

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

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

#1 NON-SPENDABLE FUND BALANCES

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

#2 RESTRICTED FUND BALANCE

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

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

County of Lycoming, Pennsylvania
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#3 COMMITTED FUND BALANCE

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

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

#4 ASSIGNED FUND BALANCE

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. Intent can be expressed by the governing body or by an official to whom the governing body delegates the authority.

In the County of Lycoming, the County Commissioners are the only ones authorized to assign fund balances. This is normally done verbally to the Department of Fiscal Services and no additional action is required to remove the assignment.

#5 UNASSIGNED FUND BALANCE

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

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

The following General Fund Non-Spendable fund balances totaling \$5,499,296 were established:

Inventory - \$1,480
Prepays - \$242,620
Non-current loans - \$5,255,196

The following General Fund Restricted fund balances totaling \$24,372 were established:

County of Lycoming, Pennsylvania
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Culture & Recreation Investments - \$24,372

The following General Fund Assigned fund balances totaling \$1,039,964 were established:

General Government agreements - \$883,819

Judicial agreements - \$156,145

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

Judicial – Restricted funds in the amount of \$2,956,586 are to support the operation and improvement of court offices. These include the Domestic Relations Fund, DA Investigative Fund, Register & Recorder Capital Improvement Fund, Act 13 and the Prothonotary Automation Fund.

Public Safety – Restricted funds in the amount of \$1,673,598 are used to support emergency services in the County. These include the Emergency Medical Services, Haz-Mat, 911 Emergency Phone Tariff, Act 13 and EMA Grant.

Public Works – Restricted funds in the amount of \$14,098,150 are used to support the construction and maintenance of the County's roads and bridges as well as Act 13 projects.

Culture & Recreation – Restricted funds in the amount of \$910,702 are used to support the recreation needs of the County.

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

Conservation & Development – Assigned funds in the amount of \$266,825 are used to promote conservation practices that reduce nutrient run-off and preserve farm lands from development.

New Adopted Accounting Pronouncements

The County adopted GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. Statement 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The effect of this adoption did not change the County's accounting and reporting policies.

The County adopted GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-

County of Lycoming, Pennsylvania
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interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Split-interest agreements are a type of giving agreement used by donors to provide resources to two or more beneficiaries, including governments. Examples include charitable lead trusts, charitable remainder trusts, and life-interests in real estate. The effect of this adoption did not materially change the County's accounting and reporting policies since the County currently has no split-interest agreements.

The County adopted GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement addresses issues that have been raised with respect to Statements No. 67, No. 68, and No. 73. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The effect of this adoption altered the County pension disclosures and RSI.

3. Reconciliation of Government-Wide and Fund Financial Statements

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

The governmental funds balance sheet includes reconciliation between fund balance - total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$65,886,998 difference are as follows:

Bonds and notes payable	\$32,546,535
Less: Deferred charges for prepaid insurance cost (to be amortized over the life of the debt)	(269,278)
Capital lease payable	822,590
Accrued interest payable	439,808
Guarantee obligation	2,945,000
Compensated absences	803,652
Other post employment benefit obligations	31,179,096
Unearned revenue - taxes	<u>(2,580,405)</u>
 Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	 <u><u>\$65,886,998</u></u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Change in Net Position - Government-Wide Statement of Activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$(69,092) difference are as follows:

2017 capital asset purchases	\$ 2,432,386
2017 depreciation expense	<u>(2,501,478)</u>
Net adjustment to increase net change in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (69,092)</u>

Another element of that reconciliation states “the issuance of long-term debt (i.e. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any direct effect on net position. Also, governmental funds report the effect of the insurance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$1,376,433 difference are as follows:

Principal payments on bonds and notes payable and capital leases	\$ 1,377,910
Change in long term compensated absences	<u>(1,477)</u>
Net adjustment to increase net changes in fund balance - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,376,433</u>

4. Budget and Budgetary Accounting

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

The budget process begins each year around the first week of June when department managers are supplied a budget packet containing materials and information used to update current year projections and request new appropriations. During July, the Department 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

County of Lycoming, Pennsylvania
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expenditures and develops a final budget which goes on public display for twenty (20) days before adoption prior to December 31st.

The County maintains budgetary control at the departmental level. Management, with the approval of Fiscal Services, may amend their departmental budgets as long as they do not exceed the approved budget for their departments. Transfers between departments or supplemental appropriations require Commissioner’s approval. Expenditures cannot legally exceed the appropriations at the budgetary control level described above. There were no additional supplemental budgetary appropriations for the overall budget for 2017.

Appropriations lapse at the end of each year and must be re-appropriated.

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

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

On occasion, unbudgeted funds may be created to meet special circumstances that have developed during the year. During 2017, no new unbudgeted funds were created.

5. Excess of Expenditures over Appropriations

For the year ended December 31, 2017, expenditures exceeded appropriations for the funds listed below. No remedial action was necessary or planned since fund resources were sufficient to provide for excess expenditures.

	<u>Budget</u>	<u>Actual</u>
Special Revenue Funds		
Domestic Relations IV-D	\$ 101,300	\$ 145,157
DA Investigative Fund	\$ 190,000	\$ 198,146
AOPC Grants	\$ -	\$ 41,184
Register & Recorder Capital Fund	\$ 157,000	\$ 195,760
Prothonotary Automation Fund	\$ 4,800	\$ 11,063
Haz-Mat	\$ 45,532	\$ 89,872
911 Emergency Phone Tariff	\$ 2,140,400	\$ 2,616,620
EMA Grant	\$ 5,876	\$ 8,731
CDBG	\$ 318,470	\$ 348,296
Growing Greener Trust	\$ -	\$ 8,957
Miscellaneous Special Revenue	\$ 5,150	\$ 14,905

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,

County of Lycoming, Pennsylvania
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For the Year Ended December 31, 2017

concentration of credit risk, interest rate risk, and foreign currency risk. The following is a description of the County's deposit and investment risk:

A. Deposits and Investments

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

Deposit – Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the County's deposit may not be returned. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2017, the County had total deposits of \$71,823,064 with various financial institutions, which differs from the book balance of \$74,673,599 due to outstanding checks and deposits in transit. Of that balance \$813,701 was insured by the Federal Depository Insurance Corporation leaving \$71,009,363 uninsured and exposed to custodial credit risk of which \$57,657,046 is collateralized in accordance with Act 72 of the Pennsylvania State Legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. The remaining balance of \$13,352,317 was held in various uninsured money market accounts, however, the funds are held in Federal money markets in the nominee's name.

Investments

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

As of December 31, 2017, the Statement of Net Position had the following investments:

Cash or Investment Type	Value	Investment Maturities from December 31, 2017			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
Investments at Cost					
Long-Term CDs	\$ 6,062,849	\$ 3,429,945	\$ 2,632,904	\$ -	\$ -
Guaranteed investment contracts	4,960,000	-	4,960,000	-	-
Total investments at cost	11,022,849	3,429,945	7,592,904	-	-
Investments at Fair Value					
Participating Interest Earning					
Investment Contracts at fair value	1,474,521	319,613	958,809	196,099	-
Government and agency debt	42,862,924	2,434,832	23,687,392	13,869,230	2,871,470
Total investments at fair value	44,337,445	2,754,445	24,646,201	14,065,329	2,871,470
Total investments	\$ 55,360,294	\$ 6,184,390	\$ 32,239,105	\$ 14,065,329	\$ 2,871,470

County of Lycoming, Pennsylvania
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The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of December 31, 2017:

- Participating interest earning investment contracts of \$1.5 million valued using a matrix pricing model (Level 2 inputs).
- Government and agency debt totaling \$42.8 million valued using a matrix pricing model (Level 2 inputs).

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 \$47,822,924 in U.S. Treasury bills and related agency debt. This includes a carrying amount of \$4,960,000 of guaranteed investment contracts.

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

#3 The County currently has \$7,537,370 in long-term certificates of deposit with local banking institutions. Of that amount, \$1,545,000 is covered by FDIC Insurance with the balance being collateralized in accordance with Act 72 of the Pennsylvania Legislature.

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

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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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, 2017, the bank balance was \$4,925,619, which differs from the book balance of \$2,743,236 due to outstanding checks and deposits in transit, with \$267,110 being insured by the Federal Depository Insurance Corporation. The remaining balance \$4,658,509 was exposed to custodial risk, with \$4,517,573 being collateralized in accordance with Act 72 of the Pennsylvania State Legislature, which requires the institutions to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution’s name leaving \$140,936 in uninsured I.O.L.T.A. accounts.

Pension Trust Fund Deposits and Investments

The Pension Trust Fund’s investments are held separately from those of other County funds. Assets in the pension trust fund are stated at fair value. Any premiums or discounts are recognized as a gain or loss upon disposition. The Retirement Board has adopted an investment policy that summarizes the investment philosophy of the Board and sets forth investment targets and performance objectives for the Pension Fund.

As of December 31, 2017, the Retirement Board had the following cash and investments in its Pension Trust Fund:

Cash or Investment Type	Value	Investment Maturities from December 31, 2017			
		Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Fixed Income Securities	\$ 13,056,336	\$ 689,174	\$ 3,860,215	\$ 1,751,183	\$ 6,755,764
Mutual Funds	58,823,863	-	58,823,863	-	-
Corporate Bonds	12,106,654	414,800	6,334,880	2,729,710	2,627,264
Municipal Bonds	690,050	142,371	167,116	-	380,563
Long-Term CDs	1,318,784	239,610	1,079,174	-	-
Real Estate Funds	12,303,339	-	12,303,339	-	-
Total Debt Securities	<u>\$ 98,299,026</u>	<u>\$ 1,485,955</u>	<u>\$ 82,568,587</u>	<u>\$ 4,480,893</u>	<u>\$ 9,763,591</u>
Cash & cash equivalents	\$ 1,521,666				
Equity Securities	22,712,189				
Total cash and other investments	<u>\$ 24,233,855</u>				
Total cash and investments reported on the Pension Trust Fund Statement of Net Position	<u>\$ 122,532,881</u>				

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

The Pension Trust Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Fund has the following recurring fair value measurements as of December 31, 2017:

Investments Measured at Fair Value (amounts in thousands)

	12/31/2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Fixed income securities				
U.S. Government Agencies	\$ 8,075		\$ 8,075	
U.S. Treasury obligations	4,981		4,981	
Total fixed income securities	<u>13,056</u>		<u>13,056</u>	
Corporate bonds				
Corporate CMO's and REMIC's	2,430		2,430	
Foreign corporate bonds	506		506	
Foreign government bonds	70		70	
U.S. corporate bonds & notes	<u>9,101</u>		<u>9,101</u>	
Total corporate bonds	<u>12,107</u>		<u>12,107</u>	
Municipal bonds	690		690	
Long-term CDs	1,319		1,319	
Equity securities				
Domestic common stocks	21,306	\$ 21,306		
Foreign common stocks/ADR's	1,406	1,406		
Equity based mutual funds	<u>18,419</u>	<u>18,419</u>		
Total equity securities	<u>41,131</u>	<u>41,131</u>		
Total investments by fair value level	<u>68,303</u>	<u>\$ 41,131</u>	<u>\$ 27,172</u>	<u>\$ -</u>
Investments measured at the net asset value (NAV)				
Domestic equity group trust	24,289			
International equity group trust	12,755			
Privately equity limited partnerships	3,361			
Real estate funds	<u>12,303</u>			
Total investments measured at NAV	<u>52,708</u>			
Total investments measured at fair value	<u>\$ 121,011</u>			

Equity securities and mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities, long-term CDs, corporate bonds, and municipal bonds classified in Level 2 of the fair value hierarchy are valued using matrix pricing. The fair values of the mutual funds and real estate funds have been determined using the net asset value per share (or its equivalent) of the Plan's ownership interest in the partners' capital.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

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, Commerical 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, 2017, investments in corporate bonds have received the following ratings from Standard and Poor’s:

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

<u>Investment Type</u>	<u>Standards & Poor's Rating</u>	<u>Percentage of Total Pension Trust Fund Corporate Bonds</u>
Corporate Bonds	AAA	14.19%
Corporate Bonds	AA+	2.77%
Corporate Bonds	AA	1.73%
Corporate Bonds	AA-	6.92%
Corporate Bonds	A+	6.28%
Corporate Bonds	A	18.57%
Corporate Bonds	A-	15.84%
Corporate Bonds	BBB+	18.78%
Corporate Bonds	BBB	7.64%
Corporate Bonds	Unrated (by S&P)	7.28%
		100.00%

County of Lycoming, Pennsylvania
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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, 2017, the book value and bank balance of the Pension Trust Fund’s cash and deposits was \$1,521,666. Of the balance \$250,000 in money markets was covered by SIPC, \$1,271,666 was covered by a Certificate of Protection through First City underwritten by Lloyds of London up to a maximum of \$1,900,000.

Custodial Credit Risk – Investments – For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity except for \$250,000 that would be insured by SIPC. The pension trust fund does not have a formal investment policy to mitigate custodial credit risk. However, to reduce investment risk, the Board’s investment guidelines do set targets and range assets allocations for all investments. The total plan target and range allocations are as follows:

	<u>Target Avg.</u>	<u>Range</u>
Large Capitalization Value Equities	20%	15% - 25%
Large Capitalization Growth Equities	20%	15% - 25%
Small/Mid Capitalization Equities	15%	12% - 18%
International Equities	10%	7% - 13%
Private Equity	5%	3% - 7%
Real Estate	10%	7% - 13%
Total Equity Securities	80%	59% - 101%
Fixed Income Securities	20%	15% - 25%
	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.
3. 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

County of Lycoming, Pennsylvania
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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.

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

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

Primary benchmark: The performance of the portfolios will be measured verses a passive index as described in the table below. On an absolute basis, it is expected that the total return (net of manager fees) of the combined portfolio will equal or exceed the actuarial assumed interest rate (currently 7.00%) over three-to five-year rolling time periods.

Secondary performance target: The portfolio is expected to meet or exceed the returns of their respective indices and rank at or above median in a universe of similar style managers over 3 to 5 year investment horizons.

<u>Primary Policy Index Standards</u>
Domestic Equity: Large Cap Value Manager - Russell 1000 Value Index Large Cap Growth Manager - Russell 1000 Growth Index Small/Mid Cap Equity Manager - Russell 2500 Index
International Equity: International Equity Manager - MSCI ACWI ex US Index
Fixed Income: Domestic Government/Corporate Manager - Barclays Aggregate Index
Real Estate: The overall return objective of the Fund's real estate commitment is to outperform the NCREIF ODCE index net of all fees
Private Equity: Publicly Traded Equity Indices (S&P 500, Russell 3000, etc.) plus Liquidity Premiums

B. Restricted assets

Collateral bonds held by the State of Pennsylvania

The Department of Environmental Protection regulation Title 25, Section 2711 requires all landfills to post a bond with the Treasurer of the Commonwealth of Pennsylvania. The purpose of the bond is to ensure that there will be money available to close the landfill if the operator does not fulfill closure requirements. In 2017, the County closure requirements for the landfill remained at \$19,891,356 and the transfer station remained at \$8,459. Under the current state regulations the transfer station must be funded at the minimum bonding requirement of

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

\$10,000. The County currently has \$21,116,370 (fair value) on deposit with the state for its landfill operations.

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

County of Lycoming, Pennsylvania
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For the Year Ended December 31, 2017

As of December 31, 2017, the total collateral bonds held by the State are as follows:

<u>Current Funding</u>	<u>Maturity Date</u>	<u>Par Value</u>	<u>Fair Value</u>
<u>Landfill</u>			
Cash		\$ 922,750	\$ 922,750
Certificate of Deposit	05/27/20	13,865	14,357
US Treasury Note	08/15/23	4,000,000	4,050,117
PA Municipal Note	02/15/26	1,000,000	1,086,585
US Treasury Note	02/15/24	500,000	512,476
PA State GO Bond	11/15/31	300,000	318,639
PA State GO Bond	11/15/21	750,000	833,272
PA State Turnpike Bond	12/01/21	500,000	556,930
PA State GO Bond	05/01/25	110,000	115,499
PA State GO Bond	11/15/21	400,000	449,012
PA State Turnpike Bond	12/01/25	60,000	63,622
PA Municipal Note	02/15/26	550,000	597,622
PA Public School Bldg Auth Bond	07/15/27	450,000	460,267
PA State Turnpike Bond	06/01/28	120,000	121,742
PA State Turnpike Bond	12/01/38	105,000	110,642
PA State Turnpike Bond	12/01/40	545,000	566,102
PA State Turnpike Bond	12/01/41	585,000	636,632
PA State Turnpike Bond	06/01/19	40,000	41,905
PA State Turnpike Bond	06/01/29	200,000	209,525
PA State Turnpike Bond	06/01/39	30,000	31,533
PA State Turnpike Bond	06/01/39	255,000	268,028
PA State Turnpike Bond	06/01/39	215,000	225,954
PA State Turnpike Bond	06/01/39	210,000	220,729
PA State Turnpike Bond	06/01/39	230,000	241,751
Phoenixville PA Area School Dist	11/15/26	50,000	49,119
US Treasury Note	08/15/27	2,500,000	2,459,472
US Treasury Note	11/15/25	3,000,000	2,968,330
US Treasury Note	11/15/26	500,000	482,920
US Treasury Note	11/30/23	2,510,000	2,486,664
		20,651,615	21,102,196
<u>Transfer Station</u>			
Certificate of Deposit	9/5/2021	13,987	14,174
<u>Wood Grinding</u>			
Certificate of Deposit	3/12/2019	179,945	180,162
	Total	\$ 20,845,547	\$ 21,296,532

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Growing Greener Trust

With the enactment of the Environmental Stewardship and Watershed Protection Act (Act 68), all funds deposited previously into the state closure trust fund now come under new regulations. The County can utilize the trust for funding of the County Conservation District, protecting farmlands, acid mine drainage cleanup, rehabilitation of state parks and forests, improving water quality and waste water treatment. During 2017, the County expended \$8,957 on projects leaving a balance as of December 31, 2017, of \$910,702.

7. Receivables

Receivables as of year-end for the governmental and business-type activities, net of the applicable allowance for uncollectible accounts of \$6,953,721 are as follows:

	Governmental Activities	Business- type Activities	Total
Receivables, net:			
Taxes	\$ 3,473,214	\$ -	\$ 3,473,214
Accounts			
County Cost & Fines	7,015,656	-	7,015,656
Trade Accounts	-	1,694,500	1,694,500
Miscellaneous	77,885	-	77,885
Interest	878,736	453,799	1,332,535
Component Units	158,235	-	158,235
Intergovernmental	5,261,499	-	5,261,499
Loans	6,144,296	-	6,144,296
Subtotal	<u>23,009,521</u>	<u>2,148,299</u>	<u>25,157,820</u>
Intra-entity guarantee receivable	-	2,945,000	2,945,000
Total receivables	<u>\$23,009,521</u>	<u>\$ 5,093,299</u>	<u>\$ 28,102,820</u>

Lycoming County has provided interest and non-interest bearing loans to component unit government and non-profit organizations. As of December 31, 2017, the balances of the loans are as follows:

Loans Receivable

General Fund:

Non-Profit Organizations:

 SEDA-COG Joint Rail Authority \$ 1,832,856

Component Units:

 Recreation Authority 616,786

 Lycoming County Water & Sewer Authority 3,694,654

 Total Loans \$ 6,144,296

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

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 2017 was \$5,697,134,716 and the total assessed value was \$5,697,134,716.

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 2017 real estate millage was set at 5.75 mills, which means a property owner will pay \$5.75 for every \$1,000 of assessed valuation.

Property taxes for 2017 are attached as an enforceable lien on property as of January 1, and are levied on March 1. The County bills these taxes which are collected by the County and elected tax collectors. Taxes are payable as follows: 2% discount March through April 30; face amount May 1 through June 30; and a 10% penalty thereafter. The County also prepares interim billings, one in February and the other in August to collect on new properties assessed during the interim period.

The County also collects delinquent taxes on behalf of itself and other taxing bodies through the Tax Claim Bureau. Tax liens are filed on related property as soon as taxes become delinquent in the subsequent year. In 2017, tax liens exist for 2016, 2015, and 2014 delinquent taxes.

The County provides property tax abatements under three programs: the Keystone Opportunity Zone Program, the Local Economic Revitalization Tax Assistance Program, and the Clean and Green Program.

The Keystone Opportunity Zone Program ("KOZ") provides property tax abatements to encourage businesses and residents to locate in designated zones in the County. The KOZ Program is established by a Pennsylvania state statute and is administered by the Pennsylvania Department of Community and Economic Development. The abatements equal 100 percent of the property tax, are administered as a reduction in the tax bill, and last for varying periods through 2019.

The Local Economic Revitalization Tax Assistance Program ("LERTA") provides property tax abatements to provide a tax break to new commercial properties in certain sections of the City of Williamsport for seven years as a way to stimulate business and economic growth. The abatements apply to the assessed value of improvements to a property. For the first two years, 100 percent of the improvements are abated, while 75 percent is abated in the third and fourth years. In years five and six, 50 percent is abated, and in the seventh year, the abatement is 25 percent.

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The Clean and Green Program is a preferential tax assessment program that bases property taxes on use values rather than fair market values. This ordinarily results in a tax savings for landowners. The Pennsylvania General Assembly enacted the program in 1974 as a tool to encourage protection of the Commonwealth's valuable farmland, forestland, and open spaces. A property must be ten acres in size and in Agricultural Use, Agricultural Reserve, or Forest Reserve. Agricultural Use applications may be less than 10 acres in size if the property is capable of generating at least \$2,000 annually in farm income.

Information relevant to the disclosure of those programs for the year ended December 31, 2017, is:

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated during the Year</u>
Keystone Opportunity Zone	\$ 113,805
Local Economic Revitalization Tax Assistance Program	36,988
Clean and Green Program	1,051,262

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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9. Capital Assets

Capital assets activity for the year ended December 31, 2017, 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	\$ 2,851,459	\$ -	\$ -	\$ 2,851,459
Construction in progress	814,581	757,778	(321,409)	1,250,950
Total capital assets not being depreciated	<u>3,666,040</u>	<u>757,778</u>	<u>(321,409)</u>	<u>4,102,409</u>
Capital assets being depreciated:				
Buildings	35,991,238	388,345	(345,795)	36,033,788
Improvements other than buildings	1,643,339	445,316	-	2,088,655
Machinery & equipment	21,946,554	908,138	(2,991,289)	19,863,403
Infrastructure	11,737,856	254,517	-	11,992,373
Total capital assets being depreciated	<u>71,318,987</u>	<u>1,996,316</u>	<u>(3,337,084)</u>	<u>69,978,219</u>
Less accumulated depreciation for:				
Buildings	21,689,808	888,555	(345,795)	22,232,568
Improvements other than buildings	670,426	93,418	-	763,844
Machinery & equipment	12,902,922	1,111,687	(3,010,679)	11,003,930
Infrastructure	6,023,997	407,818	-	6,431,815
Total accumulated depreciation	<u>41,287,153</u>	<u>2,501,478</u>	<u>(3,356,474)</u>	<u>40,432,157</u>
Total capital assets, being depreciated, (net)	<u>30,031,834</u>	<u>(505,162)</u>	<u>19,390</u>	<u>29,546,062</u>
Governmental activities capital assets (net)	<u>\$33,697,874</u>	<u>\$ 252,616</u>	<u>\$ (302,019)</u>	<u>\$ 33,648,471</u>

Analysis of the increase in accumulated depreciation for the year.	
Depreciation for the current year	<u>\$ 2,501,478</u>
Total increases in accumulated depreciation	<u>\$ 2,501,478</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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	Beginning Balance	Increases	Decreases	Ending Balances
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 2,450,020	\$ 5,820	\$ -	\$ 2,455,840
Intangibles	2,081,316	-	-	2,081,316
Construction in progress	<u>9,723,733</u>	<u>1,611,636</u>	<u>-</u>	<u>11,335,369</u>
Total capital assets not being depreciated	<u>14,255,069</u>	<u>1,617,456</u>	<u>-</u>	<u>15,872,525</u>
Capital assets being depreciated:				
Buildings	18,184,905	-	-	18,184,905
Improvements other than buildings	53,236,378	42,119	-	53,278,497
Machinery & equipment	35,695,765	1,617,254	(876,653)	36,436,366
Infrastructure	<u>1,892,707</u>	<u>-</u>	<u>-</u>	<u>1,892,707</u>
Total capital assets being depreciated	<u>109,009,755</u>	<u>1,659,373</u>	<u>(876,653)</u>	<u>109,792,475</u>
Less accumulated depreciation for:				
Buildings	11,872,356	434,609	-	12,306,965
Improvements other than buildings	42,356,844	1,988,522	-	44,345,366
Machinery & equipment	19,392,207	1,622,952	(581,488)	20,433,671
Infrastructure	<u>1,237,943</u>	<u>56,241</u>	<u>-</u>	<u>1,294,184</u>
Total accumulated depreciation	<u>74,859,350</u>	<u>4,102,324</u>	<u>(581,488)</u>	<u>78,380,186</u>
Total capital assets, being depreciated, (net)	<u>34,150,405</u>	<u>(2,442,951)</u>	<u>(295,165)</u>	<u>31,412,289</u>
Business-type activities capital assets (net)	<u>\$ 48,405,474</u>	<u>\$ (825,495)</u>	<u>\$ (295,165)</u>	<u>\$ 47,284,814</u>

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

Governmental activities:	
General government	\$ 1,068,710
Judicial	145,150
Public safety	698,248
Public works	352,638
Human services	62,478
Culture & recreation	135,032
Conservation & development	<u>39,222</u>
Total depreciation expense- governmental activities	<u>\$ 2,501,478</u>
Business-type activities:	
Waste disposal	\$ 4,041,327
Recreation Authority	<u>60,997</u>
Total depreciation expense- business type activities	<u>\$ 4,102,324</u>

County of Lycoming, Pennsylvania
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For the Year Ended December 31, 2017

B. Component Units Capital Assets

Water & Sewer Authority

Property, plant and equipment by category at December 31, 2017, are as follows:

	<u>2017</u>
Land	\$ 1,527,193
Easements	520,166
Armstrong Twp.	1,139,054
Booster stations	1,889,321
Buildings	21,248,183
Capitalized interest	1,752,020
Collection & conveyance systems	17,698,139
Laboratory equipment	31,077
Land improvements	4,613,189
Office equipment	597,562
Pre-development and loan costs	18,339
Processing & other equipment	3,160,519
Vehicles	642,477
Water filtration plant and system	643,701
Water system	<u>11,377,795</u>
	66,858,735
Construction in progress	<u>2,698,446</u>
	69,557,181
Less: Accumulated Depreciation	<u>(18,980,664)</u>
	<u><u>\$ 50,576,517</u></u>

Depreciation and amortization expense for the year ending December 31, 2017, was \$1,901,674.

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A summary of changes in capital assets is as follows:

	Balance 12/31/2016	Additions	Transfers / Deletions	Balance 12/31/2017
Capital assets not being depreciated:				
Land	\$ 1,510,033	\$ 17,160	\$ -	\$ 1,527,193
Easements	520,156	10	-	520,166
Construction in progress	1,058,341	1,773,478	133,373	2,698,446
Total capital assets not being depreciated	<u>3,088,530</u>	<u>1,790,648</u>	<u>133,373</u>	<u>4,745,805</u>
Capital assets being depreciated:				
Armstrong Twp.	1,139,054	-	-	1,139,054
Booster stations	1,889,321	-	-	1,889,321
Buildings	21,133,917	114,266	-	21,248,183
Capitalized interest	1,713,393	38,627	-	1,752,020
Collection & conveyance systems	17,587,759	110,380	-	17,698,139
Laboratory equipment	29,725	5,024	3,672	31,077
Land improvements	4,613,189	-	-	4,613,189
Office equipment	582,259	15,580	277	597,562
Pre-development and loan costs	18,339	-	-	18,339
Processing & other equipment	3,144,840	15,679	-	3,160,519
Vehicles	642,477	-	-	642,477
Water filtration plant and system	643,701	-	-	643,701
Water system	11,136,849	240,946	-	11,377,795
Total capital assets being depreciated	<u>64,274,823</u>	<u>540,502</u>	<u>3,949</u>	<u>64,811,376</u>
Less accumulated depreciation	<u>17,082,939</u>	<u>1,901,674</u>	<u>3,949</u>	<u>18,980,664</u>
Total capital assets, being depreciated, (net)	<u>47,191,884</u>	<u>(1,361,172)</u>	<u>-</u>	<u>45,830,712</u>
Business-type activities capital assets (net)	<u>\$ 50,280,414</u>	<u>\$ 429,476</u>	<u>\$ 133,373</u>	<u>\$ 50,576,517</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

Williamsport Municipal Airport Authority

At December 31, 2017, property, equipment and accumulated depreciation consist of the following:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Land & improvements	\$ 29,974,655	\$ 12,340,494	\$ 17,634,161
Buildings & improvements	6,618,414	2,985,027	3,633,387
Furniture, fixtures and equipment	3,392,933	2,711,690	681,243
Other assets	675,365	452,988	222,377
Construction in progress	12,174,050	-	12,174,050
	<u>\$ 52,835,417</u>	<u>\$ 18,490,199</u>	<u>\$ 34,345,218</u>

Depreciation expense for the year ended December 31, 2017, was \$1,340,452.

Property and equipment by category at December 31, 2017, are as follows:

	<u>Balance 12/31/2016</u>	<u>Additions</u>	<u>Transfers / Deletions</u>	<u>Balance 12/31/2017</u>
Land & improvements	\$ 29,974,655	\$ -	\$ -	\$ 29,974,655
Buildings & improvements	6,618,414	-	-	6,618,414
Furniture, fixtures and equipment	3,392,933	-	-	3,392,933
Other assets	675,365	-	-	675,365
Construction in progress	4,407,787	7,766,263	-	12,174,050
	<u>\$ 45,069,154</u>	<u>\$ 7,766,263</u>	<u>\$ -</u>	<u>\$ 52,835,417</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

10. Interfund Receivables, Payables and Transfers

Interfund receivables and payables balances as of December 31, 2017, 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	\$ 3,077,077	\$ 49,248
Non-Major Funds:		
Domestic Relations IV-D	-	32,460
E.M.S.	2,880	416,980
911 Phone Tariff	-	1,716,185
Liquid Fuels	42,471	8,098
Community Development Block Grant	-	4,819
EDPS Flood Mitigation	-	903,595
EDPS Economic Development Projects	5,060	-
Trust and Agency Funds	4,063	166
Total	<u>\$ 3,131,551</u>	<u>\$ 3,131,551</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	\$ 158,235	\$ -
Component Units:		
Soil Conservation	-	158,235
Total	<u>\$ 158,235</u>	<u>\$ 158,235</u>

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

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

Interfund Transfer & Other Financing Sources & Uses

Other Financing Sources / Uses Interfund Transfers Funds	Transfer In	Transfer Out
Major Funds:		
General Fund	\$ 2,950,200	\$ 2,548,666
Act 13 Gas Impact Fee	-	1,000,000
Resource Management Services	-	1,950,200
Non-Major Funds:		
911 Emergency Phone Tariff	-	250,000
EDPS Flood Mitigation	2,866	-
EDPS Economic Development Fund	6,527	-
Farm Easement Program	25,000	-
Debt Service Funds	2,764,273	-
Total	<u>5,748,866</u>	<u>5,748,866</u>

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

11. Commitments

A. County Capital Leases

The County has entered into a lease agreement which is accounted for as a capital lease. The following is a schedule of changes in capital leases for the year ended December 31, 2017, as well as a schedule, by year, of the future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of December 31, 2017, as related to the County's governmental activities:

	Balance January 1, 2017	Additions	Payments	Balance December 31, 2017
Capital lease	<u>\$ 1,096,786</u>	<u>\$ -</u>	<u>\$ 274,197</u>	<u>\$ 822,589</u>

Years ending December 31:	
2018	\$ 274,196
2019	274,197
2020	<u>274,196</u>
Total minimum lease payments	822,589
Current portion	<u>274,196</u>
Long-term portion	<u>\$ 548,393</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

B. County Operating Leases

The County currently leases building space for three of its District Magistrates and its forensic and DUI centers.

All of these leases are classified as operating leases with expiration dates extending from 2017 through 2019.

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, 2017.

Year Ended December 31, 2017

2018	\$	80,517
2019		13,409
		<u>93,927</u>
		<u>\$ 93,927</u>

C. Additional Agreements

The County has entered into the following additional agreements:

1. With Keystone Communications for the purchase of a pyramid vehicle repeater in the amount of \$22,155.
2. With Sungard for an accounting software update in the amount of \$61,230.

12. LEASES

The County of Lycoming currently receives lease income from twelve 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
	<u>Buildings</u>
2018	\$ 980,542
2019	329,910
2020	83,580
2021	72,690
2022	61,800
2023-2025	169,116
	<u>\$ 1,697,638</u>

The cost and carrying value of the leased facilities is \$7,751,145 and the depreciation expense is \$252,112.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

13. Long-Term Liabilities

A. 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. 2010 General Obligation Bonds – Proceeds used to construct 3 telecommunication towers, to purchase auxiliary/ancillary system equipment for the towers, complete the Halls Station water program, complete the TRIP water and sewer project, to expand the Emergency Operation Center, complete a leachate force main at the county landfill, and complete a gas flare and piping project at the county landfill.
2. 2011 Guaranteed Revenue Bonds – Proceeds used to provide funds to refund, on a current basis, all of the Recreation Authority's outstanding Guaranteed Revenue Bonds, Series of 2006 in the aggregate principal amount of \$4,260,000 and pay the costs of issuing the bonds.
3. 2012 General Obligation Bonds-
Series A in the amount of \$12,420,000 was used to finance the cost of acquiring and constructing infrastructure improvements at the county landfill, such as, but not limited to, land acquisition, buildings and additional fields.
Series B in the amount of \$4,995,000 was used to refund the 2006 General Obligation Bonds.
Series C in the amount of \$8,095,000 was used to refund the 2007 General Obligation Bonds, Series A.
4. Pennsylvania Infrastructure Bank (PIB) Note – On February 21, 2012, the County entered into an agreement with the Commonwealth of Pennsylvania, Department of Transportation for a PIB loan in the amount of \$3,500,000. The loan was used to assist in funding the Loyalsock Railroad Bridge replacement project. The County has passed-through \$3.5 million to the SEDA-COG Joint Rail Authority. The County has entered into an agreement with the SEDA-COG JRA where they are solely responsible for the principal and interest payments.
5. 2014 General Obligation Bonds – Proceeds of the bond were used to partially refund the 2007 General Obligation Bonds, Series B.
6. Huntington Bank Note – On November 15, 2014, the County entered into an agreement with Huntington Bank for a loan in the amount of \$2,191,700. The proceeds of the note were used to refund the 2009 General Obligation Bonds.
7. 2015 General Obligation Bonds, Federally Taxable Series – Proceeds of the bonds were used to refund the remaining 2007 General Obligation Bonds, Series B.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

8. 2017 General Obligation Bonds – Proceeds of the bond will be used to fund certain capital projects related to the County’s Resource Management Services facilities including but not limited to the construction of Field 12, and installation of a leachate pipe, force main, and tank.
9. Recreation Authority Note #1 – Unsecured, non-interest bearing note payable to County of Lycoming, PA, maturing in December 2017.
10. Recreation Authority Note #2 – Unsecured, non-interest bearing note payable to County of Lycoming, PA, unspecified maturity date.
11. Recreation Authority Note #3 – Unsecured, non-interest bearing note payable to County of Lycoming, PA, maturing in December 2017.

County of Lycoming Bonds & Notes

	Interest Rates	Final Maturity	Amount of Original Issue	Outstanding Balance 12/31/2017
Governmental activities				
2010 Bond Issue	5.099 - 6.599	2040	\$ 10,645,289	\$ 10,133,088
2012 Bond Issue-Series B	2.00 - 3.875	2036	4,995,000	4,200,000
2012 Bond Issue-Series C	1.25 - 3.25	2038	1,283,867	1,080,066
2014 Bond Issue	2.00 - 4.00	2038	6,830,000	5,990,000
2015 Bond Issue	1.802 - 4.375	2038	8,375,000	8,365,000
Huntington Bank Note	2.05	2022	2,191,700	1,310,000
PIB Note	1.637	2022	3,500,000	1,832,856
			<u>\$ 37,820,856</u>	<u>\$ 32,911,010</u>
Business-type activities				
2010 Bond Issue	5.099 - 6.599	2040	\$ 2,979,711	\$ 2,826,912
2011 Bond Issue	2.125 - 3.60	2027	4,525,000	2,945,000
2012 Bond Issue-Series A	2.00 - 4.00	2042	12,420,000	11,055,000
2012 Bond Issue-Series C	1.25 - 3.25	2038	6,811,133	5,729,934
2017 Bond Issue	2.00 - 3.375	2038	9,485,000	9,485,000
Recreation Authority Note #1	0.00	2017	130,000	130,000
Recreation Authority Note #2	0.00	Unspecified	1,019,322	1,019,322
Recreation Authority Note #3	0.00	2017	236,786	236,786
			<u>\$ 37,606,952</u>	<u>\$ 33,427,954</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

B. Changes in Long Term Debt

The following summary reflects the changes in the long-term obligations payable for the year ended December 31, 2017.

	Balance 12/31/2016	Additions	Reductions/ Reallocations	Balance 12/31/2017	Due Within One Year
<u>Governmental activities:</u>					
Bonds & Notes payable:					
2010 Bond Issue	\$ 10,207,757	\$ -	\$ 74,669	\$ 10,133,088	\$ 82,037
2012 Bond Issue-Series B	4,365,000	-	165,000	4,200,000	170,000
2012 Bond Issue-Series C	1,118,923	-	38,857	1,080,066	40,443
2014 Bond Issue	6,200,000	-	210,000	5,990,000	215,000
2015 Bond Issue	8,370,000	-	5,000	8,365,000	50,000
Huntington Bank Note	1,558,500	-	248,500	1,310,000	251,600
PIB Note	2,194,543	-	361,687	1,832,856	367,608
Bond discount	(388,538)	-	(24,064)	(364,474)	-
Total bonds & notes payable	<u>33,626,185</u>	<u>-</u>	<u>1,079,649</u>	<u>32,546,536</u>	<u>1,176,688</u>
Capital lease	1,096,786	-	274,197	822,589	274,196
Compensated absences	802,175	2,537,768	2,536,291	803,652	551,000
Subtotal	<u>35,525,146</u>	<u>2,537,768</u>	<u>3,890,137</u>	<u>34,172,777</u>	<u>2,001,884</u>
Post employment benefits	27,865,251	3,313,845	-	31,179,096	-
Net pension liability	20,263,153	-	10,065,885	10,197,268	-
Total	<u>48,128,404</u>	<u>3,313,845</u>	<u>10,065,885</u>	<u>41,376,364</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 83,653,550</u>	<u>\$ 5,851,613</u>	<u>\$ 13,956,022</u>	<u>\$ 75,549,141</u>	<u>\$ 2,001,884</u>
	Balance 12/31/2016	Additions/ Reallocations	Reductions	Balance 12/31/2017	Due Within One Year
<u>Business-type activities:</u>					
2010 Bond Issue	\$ 2,857,242	\$ -	\$ 30,330	\$ 2,826,912	\$ 22,963
2011 Bond Issue	3,200,000	-	255,000	2,945,000	260,000
2012 Bond Issue-Series A	11,345,000	-	290,000	11,055,000	295,000
2012 Bond Issue-Series C	5,936,077	-	206,143	5,729,934	214,557
2017 Bond Issue	-	9,485,000	-	9,485,000	-
Notes payable	1,386,108	-	-	1,386,108	366,786
Bond discount	(313,765)	(141,613)	(16,359)	(439,019)	-
Total bonds & notes payable	<u>24,410,662</u>	<u>9,343,387</u>	<u>765,114</u>	<u>32,988,935</u>	<u>1,159,306</u>
County vacation/ Holiday accrual	146,513	416,318	423,867	138,964	92,408
Subtotal	<u>24,557,175</u>	<u>9,759,705</u>	<u>1,188,981</u>	<u>33,127,899</u>	<u>1,251,714</u>
Post employment benefits	4,253,521	514,535	-	4,768,056	-
Net pension liability	3,014,450	-	1,521,625	1,492,825	-
Total	<u>7,267,971</u>	<u>514,535</u>	<u>1,521,625</u>	<u>6,260,881</u>	<u>-</u>
Long term post & field closure liabilities	<u>58,103,358</u>	<u>947,240</u>	<u>-</u>	<u>59,050,598</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$ 89,928,504</u>	<u>\$ 11,221,480</u>	<u>\$ 2,710,606</u>	<u>\$ 98,439,378</u>	<u>\$ 1,251,714</u>

Compensated absences, capital leases, post-employment benefits, and net pension liability are generally liquidated by the general fund for governmental activities and the enterprise funds for business activities.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

C. Amortization of Bonds and Notes

The requirements to amortize the County bonds and notes outstanding as of December 31, 2017, 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
2018	\$ 1,176,688	\$ 1,154,303	\$ 1,159,306	\$ 931,685
2019	1,446,526	1,131,320	1,170,800	1,018,115
2020	1,474,236	1,102,150	1,195,007	992,657
2021	1,506,746	1,071,085	1,229,214	959,999
2022	1,471,604	1,036,306	1,259,515	925,623
2023-2027	5,960,428	4,635,986	7,199,572	4,070,832
2028-2032	7,142,968	3,452,359	6,507,032	2,993,549
2033-2037	8,549,633	1,906,651	7,760,367	1,812,562
2038-2042	4,182,181	305,731	4,927,819	485,403
Unspecified maturities	-	-	1,019,322	-
Total	<u>\$ 32,911,010</u>	<u>\$ 15,795,891</u>	<u>\$ 33,427,954</u>	<u>\$ 14,190,425</u>

Governmental Activities

Years	2010 Bonds Principal	2012 Bonds Principal	2014 Bonds Principal	2015 Bonds Principal	PIB Note	Huntington Bank Note
2018	\$ 82,037	\$ 210,443	\$ 215,000	\$ 50,000	\$ 367,608	\$ 251,600
2019	93,757	210,443	215,000	300,000	373,626	253,700
2020	93,757	211,236	225,000	305,000	379,743	259,500
2021	93,757	222,029	225,000	310,000	385,960	270,000
2022	97,663	227,822	230,000	315,000	325,919	275,200
2023-2027	1,718,872	1,236,556	1,250,000	1,755,000	-	-
2028-2032	2,093,899	1,459,069	1,470,000	2,120,000	-	-
2033-2037	2,734,570	1,435,063	1,765,000	2,615,000	-	-
2038-2042	3,124,776	67,405	395,000	595,000	-	-
Total	<u>\$ 10,133,088</u>	<u>\$ 5,280,066</u>	<u>\$ 5,990,000</u>	<u>\$ 8,365,000</u>	<u>\$ 1,832,856</u>	<u>\$ 1,310,000</u>

Governmental Activities

Years	2010 Bonds Interest	2012 Bonds Interest	2014 Bonds Interest	2015 Bonds Interest	PIB Note Interest	Huntington Bank Interest
2018	\$ 407,399	\$ 170,627	\$ 198,440	\$ 323,919	\$ 27,063	\$ 26,855
2019	404,700	166,721	194,140	323,018	21,044	21,697
2020	401,613	162,675	189,840	316,598	14,928	16,496
2021	398,525	158,024	185,340	309,308	8,711	11,177
2022	394,681	151,784	180,840	300,923	2,436	5,642
2023-2027	1,820,483	655,149	812,160	1,348,194	-	-
2028-2032	1,446,396	435,533	597,770	972,660	-	-
2033-2037	976,425	152,657	296,200	481,369	-	-
2038-2042	261,710	2,190	15,800	26,031	-	-
Total	<u>\$ 6,511,932</u>	<u>\$ 2,055,360</u>	<u>\$ 2,670,530</u>	<u>\$ 4,402,020</u>	<u>\$ 74,182</u>	<u>\$ 81,867</u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

Business-type activities

<u>Years</u>	<u>2010 Bonds Principal</u>	<u>2011 Bonds Principal</u>	<u>2012 Bonds Principal</u>	<u>2017 Bonds Principal</u>	<u>Notes Principal</u>
2018	\$ 22,963	\$ 260,000	\$ 509,557	\$ -	\$ 366,786
2019	26,243	265,000	514,557	365,000	-
2020	26,243	270,000	523,764	375,000	-
2021	26,243	280,000	537,971	385,000	-
2022	27,337	285,000	552,178	395,000	-
2023-2027	481,128	1,585,000	3,008,444	2,125,000	-
2028-2032	586,101	-	3,510,931	2,410,000	-
2033-2037	765,430	-	4,184,937	2,810,000	-
2038-2042	865,224	-	3,442,595	620,000	-
Unspecified maturities	-	-	-	-	1,019,322
Total	<u>\$ 2,826,912</u>	<u>\$ 2,945,000</u>	<u>\$ 16,784,934</u>	<u>\$ 9,485,000</u>	<u>\$ 1,386,108</u>

Business-type activities

<u>Years</u>	<u>2010 Bonds Interest</u>	<u>2011 Bonds Interest</u>	<u>2012 Bonds Interest</u>	<u>2017 Bonds Interest</u>
2018	\$ 114,035	\$ 90,055	\$ 554,712	\$ 172,883
2019	113,279	84,530	546,131	274,175
2020	112,415	78,170	535,197	266,875
2021	111,551	71,150	521,673	255,625
2022	110,475	63,310	507,763	244,075
2023-2027	509,569	170,130	2,305,527	1,085,606
2028-2032	404,859	-	1,799,909	788,781
2033-2037	273,310	-	1,145,839	393,413
2038-2042	73,255	-	391,223	20,925
Total	<u>\$ 1,822,748</u>	<u>\$ 557,345</u>	<u>\$ 8,307,974</u>	<u>\$ 3,502,358</u>

D. Guaranty Agreement

In November 2011, the County guaranteed the 17 year, \$4.525 million 2011 Guaranteed Revenue Bond issuance of the Lycoming County Recreation Authority (Recreation Authority). The bonds mature annually through December 15, 2027, with semiannual interest payments. In the event that the Recreation Authority is unable to make a payment, the County is required to make that payment. As a result of the Recreation Authority's inability to pay the debt service payment, the County concluded during 2014, that it was more likely than not that it would be required to pay the remaining portion of the Recreation Authority's debt service payments based on this guarantee. Prior to 2014, the County made certain payments on this obligation on the Recreation Authority's behalf; however, at that time County management deemed such activity as temporary, as Recreation Authority management had turn-around plans in place that eventually failed to materialize. The County has paid \$1,297,529 in principal and \$570,876 in interest on the guarantee through December 31, 2017. The amount of the liability recognized is the best estimate of the discounted present value of the future outflows expected to be incurred as a result of the guarantee.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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The liability recognized for non-exchange financial guarantees by the County at December 31, 2017, is as follows:

Beginning of Year	Increases	Decreases	End of Year
\$ 3,200,000	\$ -	\$ 255,000	\$ 2,945,000

During 2016 the Recreation Authority became a blended component unit of the County; The Recreation Authority continues to report this debt as well as a corresponding receivable from the County, pursuant to GASB Statement No. 70.

E. Legal debt limit

The County's legal debt margin at December 31, 2017, computed in accordance with the Commonwealth of Pennsylvania's Local Government Unit Debt Act of 1972, as amended, is approximately \$153,991,994 for general obligation bonds. The County is in compliance with all applicable debt covenants at December 31, 2017.

F. Component unit debt

Lycoming County Water & Sewer Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2017.

	Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017	Due Within One Year
Notes and bonds:					
PennWorks	\$ 1,174,488	\$ -	\$ 103,370	\$ 1,071,118	\$ 105,457
Guaranteed Sewer Revenue Bonds					
Series A of 2014	6,775,004	-	960,000	5,815,004	990,000
Series B of 2014	4,125,004	-	15,000	4,110,004	10,000
Series of 2016	16,805,000	-	-	16,805,000	40,000
Guaranteed Water Revenue Note 2014	3,053,299	450,000	-	3,503,299	-
PennVest loan	58,388	-	38,643	19,745	19,745
Woodlands Bank loan	192,427	-	23,570	168,857	24,480
Subtotal	32,183,610	450,000	1,140,583	31,493,027	1,189,682
Due to Primary Government:					
2007-2010 Regional Water System Loan	815,693	-	31,373	784,320	31,373
2010 Strategic Planning Loan	86,666	-	3,333	83,333	3,333
2011 Loan	2,827,000	-	-	2,827,000	64,921
Total due to primary government	3,729,359	-	34,706	3,694,653	99,627
Total	35,912,969	450,000	1,175,289	35,187,680	1,289,309
Bond premiums, and discounts, net	133,829	-	12,756	121,073	-
Total	\$ 36,046,798	\$ 450,000	\$ 1,188,045	\$ 35,308,753	\$ 1,289,309

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

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

Guaranteed Water Revenue Note, Series of 2014 – In 2014, the Authority entered into a Guaranteed Water Revenue Note, Series of 2014 with Citizen’s and Northern Bank with a maximum principal balance of \$3,725,000 (\$3,503,299 and \$3,053,299 was drawn at December 31, 2017 and 2016, respectively), on a revolving line of credit basis through December 1, 2019, due in quarterly payments of accrued interest (beginning March 1, 2015) at a fixed rate of 1.98% per annum on the outstanding balance. Beginning December 1, 2019, no further draws shall be available, the interest rate becomes variable equivalent to 68% of Prime less 0.5%, not to exceed 11.0% per annum and principal and interest will be paid quarterly through December 1, 2044, (the maturity date), when the outstanding principal and accrued interest is to be paid in full. This note is secured by a pledge of the Authority’s water revenues (in a second lien priority position) and is further guaranteed by the County. The remaining \$221,701 was drawn subsequent to December 31, 2017.

Guaranteed Sewer Revenue Bonds, Series A of 2014 – In 2014, the Authority issued its Guaranteed Sewer Revenue Bonds, Series A of 2014 in the face amount of \$9,325,000, bearing interest at rates ranging from 2.00% to 3.00% per annum, maturing on November 15, 2023, guaranteed by the County. The proceeds from the sale of the Bonds, together with other available funds, were/will be applied to (1) refund all of the Authority’s Guaranteed Sewer Revenue Bonds, Series of 2009 in the outstanding principal amount of \$8,890,000 plus accrued interest, to a redemption date of November 15, 2014; (2) undertake improvements to the Montoursville Regional Sewer System (“MRSS”) facilities; and (3) pay the costs of issuing the Bonds.

Guaranteed Sewer Revenue Bonds, Series B of 2014 – In 2014, the Authority issued its Guaranteed Sewer Revenue Bonds, Series B of 2014 in the face amount of \$4,140,000, bearing interest at rates ranging from 2.00% to 3.30% per annum, maturing on November 15, 2030, guaranteed by the County. The proceeds from the Bonds, together with other available funds, were applied to (1) finance the repayment to the County of certain contractual obligations owed to the County related to the acquisition and purchase of sewage treatment plant capacity, pursuant to Second Amendment to Amended and Restated Capital Contribution Capacity Purchase Agreement dated July 12, 2012, between the Authority and the County; and (2) pay the costs of issuing the Bonds.

PennVEST Term Loan – On January 1, 2014, the Authority assumed a loan agreement with the Pennsylvania Infrastructure Investment Authority (“PennVEST”), following its merger with Limestone Township Municipal Water Authority (“Limestone”), with an original principal balance of \$581,650, due in monthly installments of \$3,327 including principal and interest at a

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For the Year Ended December 31, 2017

rate of 2.90% per annum. The loan is secured by future revenues of Limestone's water revenues and a lien position thereto.

Woodlands Bank Term Loan – On January 1, 2014, the Authority assumed a loan agreement with Woodlands Bank, following its merger with Limestone, with an original principal balance of \$250,000, due in monthly installments of \$2,517 including principal and interest at a rate of 3.83% per annum.

Guaranteed Sewer Revenue Bonds, Series of 2016 – In 2016, the Authority issued its Guaranteed Sewer Revenue Bonds, Series of 2016, in the face amount of \$16,805,000, bearing interest at rates ranging from 1.00% to 4.00% per annum, maturing on November 15, 2041, guaranteed by the County. Of the \$16,805,000 face amount of the bonds, \$8,875,000 are term bonds due in various installments between 2032 and 2041. The proceeds from the Bonds, together with other available funds, were applied to (1) advance refund all of the Authority's Guaranteed Sewer Revenue Bonds, Series of 2011 in the outstanding principal amount of \$14,370,000; (2) fund certain capital improvements of the Montoursville Regional Sewer System ("MRSS") facilities; (3) pay the costs of issuing and insuring the Bonds.

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

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

In 2011, the County of Lycoming and the Authority entered into a "LCWSA Regional Water System Design and Implementation Activities" agreement, whereby the County loaned the Authority \$2,034,000 in order to advance the design of a regional water system. During 2012, the County and the Authority negotiated to specify formal repayment terms on this borrowing. Such terms increased the maximum amount of the loan to \$2,868,186 and required semi-annual payments of principal and interest at rates ranging from 5.099% to 6.599%, maturing in 2043. The Authority has recorded \$878,893 as accrued interest on this loan as of December 31, 2017.

The annual requirement to amortize long-term debt at December 31, 2017, is as follows:

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		Principal	Interest	Total
	2018	\$ 1,289,309	\$ 958,245	\$ 2,247,554
	2019	1,500,208	933,010	2,433,218
	2020	1,646,362	902,935	2,549,297
	2021	1,684,442	868,188	2,552,630
	2022	1,717,791	829,921	2,547,712
	2023-2027	9,180,916	3,365,327	12,546,243
	2028-2032	8,702,738	2,105,241	10,807,979
	2033-2037	5,679,900	971,748	6,651,648
	2038-2042	2,604,268	365,130	2,969,398
	2043-2045	1,181,746	36,118	1,217,864
Total		<u>\$ 35,187,680</u>	<u>\$ 11,335,863</u>	<u>\$ 46,523,543</u>

Williamsport Municipal Airport Authority

The following is a summary of changes in long-term debt for the year ended December 31, 2017

	Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017	Due Within One Year
Notes payable	\$ 61,745	\$ -	\$ 13,593	\$ 48,152	\$ 13,796
Total	<u>\$ 61,745</u>	<u>\$ -</u>	<u>\$ 13,593</u>	<u>\$ 48,152</u>	<u>\$ 13,796</u>

The annual requirements to amortize long-term debt as of December 31, 2017, are as follows:

	Principal	Interest	Total
2018	\$ 13,796	\$ 699	\$ 14,495
2019	14,022	473	14,495
2020	14,251	244	14,495
2021	6,083	34	6,117
	<u>\$ 48,152</u>	<u>\$ 1,450</u>	<u>\$ 49,602</u>

The balance of long-term debt as of December 31, 2017, consists of a 10-year loan agreement with the Commonwealth of Pennsylvania Department of Transportation to borrow \$133,700. The loan proceeds, administered through the Pennsylvania Infrastructure Bank (PIB), were used on the Hangar/Roof Repair Project to help finance the local share of the project. Under the terms of the agreement, the Authority shall pay fixed payments of \$1,208 per month for 120 months, with the interest accruing at the rate of 1.65% per annum, with payment of all unpaid principal due on May 11, 2021. Interest expense for 2017 was \$902.

14. Estimated Reclamation Cost for Field and Post Closure

The Lycoming County landfill operations have a total estimated capacity of 11,796,000 tons with the total estimated capacity used of 10,362,100 tons (87.8%) leaving as of December 31, 2017, an estimated remaining tonnage of 1,433,900 tons or an estimated 4.9 remaining years

County of Lycoming, Pennsylvania
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per the consulting engineers' 2017 annual report for fields 1 through 11. The County is currently constructing Field 12 which will extend the useful life of the landfill to March 2031 and increase the remaining tonnage to 3,823,300.

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 5 to 11, as fields 1 to 4 were capped in 2014, based on a three-foot native clay soil cover, topsoil and seeding 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 5 to 11 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 2017 engineers' report, the County will need an estimated \$20,912,000 to meet its field closure requirements. The estimated liability for landfill field closure as of December 31, 2017, is projected to be \$19,740,937 with the remaining balance of the liability estimated at \$1,171,063 to be recognized as field closure expenses between 2018 and the estimated site closure in 2022. The County currently uses the units of production method to record the annual liability and expense which is calculated at \$0.82 per ton of waste processed at the site using the estimated remaining tonnage of 1,433,900 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 \$20,229,531 (fair value) toward field closure. The remaining portion of the underfunded liability in the amount of \$682,469 (fair value) will be financed with investment earnings and user fees of \$0.48 per ton over the remaining site life. Any additional cost that may arise from inflation or changes in field closure requirements will be covered by increases in future landfill user fees, taxpayer subsidies or both.

County of Lycoming, Pennsylvania
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<u>Field Closure Cost</u>	<u>12/31/2017</u>	
	<u>Accrued Liability</u>	<u>Liability Funded At Fair Value</u>
Required Liability / Funding to November 2022	\$ 20,912,000	\$ 20,912,000
Accrued Liability 12/31/17	<u>19,740,937</u>	<u>19,740,937</u>
Cash and Investments at 12/31/17		
County Closure Cash	-	2,342,959
County Closure U.S. Government Securities	-	13,923,055
County Closure Long Term C/D	-	3,963,518
Total Current G/L Balances 12/31/17	<u>-</u>	<u>20,229,531</u>
Over/(Under) as of 12/31/2017		<u>\$ 488,594</u>
Over/(Under) as of November 2022	<u>\$ (1,171,063)</u>	<u>\$ (682,469)</u>

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

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

State and Federal laws and regulations require that the County of Lycoming must maintain and monitor the landfill site for a period of thirty years after closure. In addition to operating expenses related to the current activities of the landfill, an expense provision and a related liability are being recognized based on the future post closure costs that will be incurred near or after the date the landfill no longer accepts waste. Based on the 2017 engineers' report, the County will need an estimated \$44,520,000 to meet its future post closure requirements. The estimated liability for landfill post closure as of December 31, 2017, is projected to be \$39,309,661 with the excess balance of the liability estimated at \$5,210,339 to be recognized as post closure expenses between 2018 and the estimated site closure in 2022. The County uses the units of production method to record the annual liability and expense which is calculated at \$3.63 per ton of waste processed at the site using the estimated tonnage for fields 1 through 11 of 1,433,900 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 \$43,220,000 (fair value) toward post closure. The remaining portion of the underfunded liability in the amount of \$1,300,000 (fair value) will be financed with investment earnings and user fees of \$0.91 per ton over the remaining site life. Any additional cost that may arise from inflation or changes in post closure requirements will be covered by increases in future landfill user fees, taxpayer subsidies or both.

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<u>Post Closure Cost</u>	<u>12/31/2017</u>	
	<u>Accrued Liability</u>	<u>Liability Funded At Fair Value</u>
Required Liability / Funding to November 2022	\$ 44,520,000	\$ 44,520,000
Accrued Liability 12/31/17	<u>39,309,661</u>	<u>39,309,661</u>
Cash and Investments at 12/31/17		
Cash	-	4,269,239
Long Term C/Ds	-	2,078,345
County Closure 1997 GIC	-	5,011,575
County Closure U.S. Government Securities	-	10,652,050
State Closure Cash		922,750
State Closure C/D s	-	14,357
State Closure U.S. Government Securities	-	20,271,685
Total Current G/L Balances 12/31/17	<u>-</u>	<u>43,220,000</u>
Over/(Under) as of 12/31/2017		<u>\$ 3,910,339</u>
Over/(Under) as of November 2022	<u>\$ (5,210,339)</u>	<u>\$ (1,300,000)</u>

15. Joint Ventures

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

Statement of Net Position as of 06/30/17

Assets:	
Cash and cash equivalents	\$ 6,680,466
Receivables (net of allowance)	8,529,942
Loan receivable	1,820
Other assets	80,730
Capital assets (net of depreciation)	299,573
Total assets	<u>15,592,531</u>
Liabilities:	
Accounts payable	7,617,984
Payroll taxes payable	1,493,773
Unearned revenues	3,983,349
Due to DHS	2,166,507
Long term liabilities	
Due within more than one year	411,144
Total liabilities	<u>15,672,757</u>
Net Assets	
Net investment in capital assets	299,573
Restricted	29,525
Unrestricted	(409,324)
Total net assets	<u>\$ (80,226)</u>

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

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

16. Risk Management

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

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

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

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

There have been no significant reductions in insurance coverage over the last several years, and settled claims have not exceeded the commercial coverage in those years. As of the latest PCoRP financial statements dated December 31, 2017, 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.

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

17. Retirement Benefits

A. Summary of Significant Accounting Policies

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

Method used to value investments. All investments of the pension trust fund are reported by the custodian 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 value are reported at estimated fair value.

B. Plan Description and Membership Information

Plan description. The Lycoming County Employees' Retirement System is a contributory, single employer defined benefit retirement plan that covers substantially all full-time employees of the County and part-time employees of the County who work 1,000 or more hours per year. The plan provides retirement, disability and death benefits to plan members and their beneficiaries pursuant to Act 96 of 1971 of the Commonwealth of Pennsylvania, the County Pension Law, and the plan's document, as amended. The plan may be amended by the County Retirement Board. The County does not issue a separately audited financial report for the plan.

Plan administration. Under the County Pension Law, the retirement plan is to be administered by a retirement board consisting of five members: the three County Commissioners, the County Controller, and the County Treasurer. Each member of the board is a trustee of the fund.

Plan membership. As of December 31, 2017, the plan year end, the retirement system membership consisted of the following:

County of Lycoming, Pennsylvania
Notes to the Financial Statements
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Retirees and Beneficiaries Receiving Benefits	346
Terminated Members Entitled to Benefits but not yet receiving them	53
Active Plan Members	514
Total	913

Benefits provided. Monthly benefit payments under the retirement plan 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

Cost-of-living adjustments are provided at the discretion of the Lycoming County Retirement Board.

Contributions. Pursuant to Act 96 of 1971, as amended, contribution requirements of the plan members and the County may be amended by the General Assembly of the Commonwealth of Pennsylvania. Plan members depending on their date of employment with the County are required to contribute 6% to 8% of their annual covered salary and may elect to contribute up to an additional 10% of their salaries. Interest is credited to each member's account each year in an amount determined by the Lycoming County Retirement Board. Administrative costs of the plan are funded through an addition to the Plan's Annual Required Contribution. Investment expenses may be financed through investment earnings. The plan's funding policy provides for periodic employer contributions actuarially determined by an independent actuary. The actuarially determined contribution rate is the estimated amount necessary to finance the cost of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended December 31, 2017, the average active member contribution rate was 9.41% of covered pay, and the County's average contribution rate was 7.82% of annual payroll.

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C. Rate of Return

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of Pension Fund investment expense, was 17.92 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net Pension Liability

The County's net pension liability was measured as of December 31, 2017, and the total pension liability at the fiscal year end was determined by rolling forward the liabilities from January 1, 2017.

E. Changes in Net Pension Liability

The changes in the net pension liability of the County from December 31, 2016, to 2017 were as follows:

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2016	\$ 129,807,801	\$ 106,530,198	\$ 23,277,603
Changes for the year:			
Service cost	3,100,886	-	3,100,886
Interest	9,009,036	-	9,009,036
Differences between expected and actual experience	(854,066)	-	(854,066)
Contributions - employer	-	1,817,497	(1,817,497)
Contributions - employee	-	2,188,311	(2,188,311)
Net investment income	-	18,864,588	(18,864,588)
Benefit payments, including contribution refunds	(6,708,222)	(6,708,222)	-
Administrative expense	-	(27,030)	27,030
Net changes	4,547,634	16,135,144	(11,587,510)
Balances at 12/31/2017	\$ 134,355,435	\$ 122,665,342	\$ 11,690,093

The schedule of changes in the County's net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information related to the funded status of the plan.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial methods and assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	9 years
Inflation	2.5%
Salary increases	4.0%
Investment rate of return	7.0%

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Asset valuation method 5 – year smoothing
Mortality rates RP-2000 table, projected using scale AA

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best estimate ranges of expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Target allocations and best estimates of arithmetic real rates of return for each major asset class is summarized in the following table provided by the plan’s investment consultants, Dahab Associates:

Asset Class	Target Allocation	Long-Term Expected Rate of Return	Contribution to Rate of Return
Domestic Stocks			
Large Cap Value	20.00%	6.82%	1.36%
Large Cap Growth	20.00%	6.15%	1.23%
Mid Cap	7.50%	6.15%	0.46%
Small Cap	7.50%	6.77%	0.51%
International Stocks	10.00%	6.24%	0.62%
Fixed Income	20.00%	2.90%	0.58%
Real Estate	10.00%	5.97%	0.60%
Private Equity	5.00%	8.76%	0.44%
Total	<u>100.00%</u>		<u>5.80%</u>
Inflation			<u>2.50%</u>
Long-Term Expected Rate of Return			<u>8.30%</u>

Discount Rate. The discount rate used to measure the total pension liability was 7.0%. The pension plan’s fiduciary net position is projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The employer’s funding policy requires the full funding of the entry age normal cost plus plan expenses, as well as an amortization of the unfunded liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00%, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease in Discount Rate 6.00%	Current Discount Rate 7.00%	1% Increase in Discount Rate 8.00%
Total Pension Liability	\$ 151,616,552	\$ 134,355,435	\$ 119,967,028
Plan Fiduciary Net Position	<u>(122,665,342)</u>	<u>(122,665,342)</u>	<u>(122,665,342)</u>
Net Pension Liability	<u>\$ 28,951,210</u>	<u>\$ 11,690,093</u>	<u>\$ (2,698,314)</u>

County of Lycoming, Pennsylvania
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F. Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended December 31, 2017, the County recognized pension expense of \$1,238,407. At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 135,930	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(7,519,842)
Total	<u>\$ 135,930</u>	<u>\$ (7,519,842)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2018	\$ (1,348,650)
2019	(1,287,233)
2020	(2,393,452)
2021	(2,246,100)
2022	(42,781)
Thereafter	(65,696)

G. The Lycoming County Employees' Retirement Report

The Lycoming County Employees' Retirement Report on 2017 actuarial valuation including determination of County's annual required contribution for 2017 is prepared by Municipal Finance Partners, Inc. and is available in the Lycoming County Controller's Office.

18. Other Post-Employment Benefits (OPEB)

A. Plan Description

Under the terms of a County resolution, the County administers a single-employer defined benefit health care plan to retirees of the County who participate in the Lycoming County Employees' Retirement System on or after attaining age 60 or at age 55 with 20 years of creditable service with the County. The Plan is governed by Policy Number 503, Health Insurance Coverage for Retirees, as approved by the Lycoming County Commissioners. On January 16, 2014, the County Commissioners approved an amendment to County Policy Number 503, Health Insurance Coverage for Retirees ending Other Post-Employment Benefits for employees hired on 01/01/2014 and thereafter. The calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to

County of Lycoming, Pennsylvania
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For the Year Ended December 31, 2017

that point. The actuarial calculations of the OPEB plan reflect a long-term perspective. The actuarially determined amounts for the OPEB plan are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The Lycoming County Employees' Post-Retirement Benefits Plan Report is prepared annually by Municipal Finance Partners, Inc. and is available in the Lycoming County Controller's Office.

Membership of the Employees' Retirement System consisted of the following at January 1, 2017, the date of the latest actuarial valuation:

Retired and Vested Former Members	383
Active Members	386

B. Funding Policy

The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees per County Policy Number 503, Health Insurance Coverage for Retirees, which can be amended by the Board of County Commissioners. These benefits are expensed when incurred and are financed on a pay-as-you-go basis. For fiscal year 2017, the County incurred \$2,167,839 for post-employment benefits other than pension benefits.

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

C. Costs and Obligations, Methods and Assumptions

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, actuarial liabilities or funding excess over a period not to exceed thirty years. The following tables show the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the County's net OPEB obligation for the healthcare benefits as well as the funded status and funded progress for the year:

Annual required contribution	\$ 6,564,875
Interest on net OPEB obligation	1,284,751
Adjustment to annual required contribution	<u>(1,853,407)</u>
Annual OPEB cost	5,996,219
Contributions made	<u>(2,167,839)</u>
Increase (decrease) in net OPEB obligation	3,828,380
Net OPEB obligation, beginning of year	32,118,772
Net OPEB obligation, end of year	<u><u>\$ 35,947,152</u></u>

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

Funded Status and Funded Progress

Actuarial value of assets	\$ -
Actuarial accrued liability (1)	\$ 70,128,362
Unfunded actuarial	\$ 70,128,362
Funded Ratio	0.0%
Annual covered payroll	\$ 19,447,354
Unfunded actuarial liability as a % of covered payroll	360.61%

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

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

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the two preceding years were as follows:

<u>For Year Ended December 31</u>	<u>Annual OPEB Cost</u>	<u>Annual Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2015	\$ 5,622,609	\$ 1,783,591	31.72%	\$ 28,838,603
2016	5,353,772	2,073,603	38.73%	32,118,772
2017	5,996,219	2,167,839	36.15%	35,947,152

As of January 1, 2017, the most recent actuarial valuation date, the plan was not funded. The actuarial required contribution is up 9.9% from the 2016 ARC. The covered payroll (annual payroll of active employees covered by the plan) was \$19,447,354 and the ratio of the UAAL to the covered payroll was 360.61%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Actuarially determined amounts for the OPEB plan are subject to continual revision as results are compared to past expectations and new estimates are made about the future and reflect a long-term perspective.

The ARC for the current year was computed as of January 1, 2017, using the following actuarial assumptions: (1) actuarial valuation uses the Entry Age Normal Actuarial Cost Method; (2) expected long-term investment return rate of 4% on plan assets; (3) amortization period of 30 years; (4) mortality RP-2000 table, projected using scale AA; (5) medical inflation rate based on the *Gentzen Model of Long-Run Medical Cost Trends*; (6) projected salary increases of 4.5% per year; (7) medical rates are based on the 2017 medical insurance rate renewal; (8) the annual expected medical claims are based on plan premiums; (9) the economic assumptions are based on an underlying inflation rate of 2.5%. The amortization method is level dollar and the amortization approach is closed.

The schedule of funding progress for the post-employment defined benefit plan immediately following the notes to the financial statements presents multi-year trend information about

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

19. Litigation

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

20. Pending Governmental Accounting Standards Board Pronouncements

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Statement 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Governments that are responsible only for OPEB liabilities related to their own employees and that provide OPEB through a defined benefit OPEB plan administered through a trust that meets specified criteria will report a net OPEB liability – the difference between the total OPEB liability and assets accumulated in the trust and restricted to making benefit payments. Governments that participate in a cost-sharing OPEB plan that is administered through a trust that meets the specified criteria will report a liability equal to their proportionate share of the collective OPEB liability for all entities participating in the cost-sharing plan. Governments that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability related to their employees.

Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and RSI about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements. GASB 75 is effective for the County's calendar year 2018 financial statements.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement. GASB 83 is effective for the County's calendar year 2019 financial statements.

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This Statement will enhance consistency and comparability of governmental financial statements by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. GASB 84 is effective for the County's calendar year 2019 financial statements.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*. This Statement will enhance consistency in the application of accounting and financial reporting requirements. Consistent reporting will improve the usefulness of information for users of state and local government financial statements. GASB 85 is effective for the County's calendar year 2018 financial statements.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. This Statement establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash or other monetary assets acquired with only existing resources – that is, resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the purpose of extinguishing debt. This Statement also amends accounting and financial reporting requirements for prepaid insurance associated with debt that is extinguished, whether through a legal extinguishment or through an in-substance defeasance, regardless of how the cash and other monetary assets were acquired. Finally, this Statement establishes an additional disclosure requirement related to debt that is defeased in substance, regardless of how the cash and other monetary assets were acquired. GASB 86 is effective for the County's calendar year 2018 financial statements.

In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and the lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB 87 is effective for the County's calendar year 2020 financial statements.

In April 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement improves the information that is disclosed in notes to government financial statements related to debt. It also clarifies which liabilities governments should include when disclosing information related to debt. GASB 88 is effective for the County's calendar year 2019 financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting

County of Lycoming, Pennsylvania
Notes to the Financial Statements
For the Year Ended December 31, 2017

period and simplifies accounting for interest costs incurred before the end of a construction period. GASB 89 is effective for the County's calendar year 2020 financial statements.

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

21. SUBSEQUENT EVENTS

There have been no significant subsequent events.

REQUIRED SUPPLEMENTARY INFORMATION

LYCOMING COUNTY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

Last Four Fiscal Years
(Dollar amounts in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability				
Service cost	\$ 3,100	\$ 2,974	\$ 2,817	\$ 2,546
Interest	9,009	8,718	8,314	7,916
Differences between expected and actual experience	(854)	946	354	-
Benefit payments, including refunds of member contributions	<u>(6,708)</u>	<u>(6,884)</u>	<u>(6,064)</u>	<u>(4,741)</u>
Net change in total pension liability	4,547	5,754	5,421	5,721
Total pension liability - beginning	<u>129,808</u>	<u>124,054</u>	<u>118,633</u>	<u>112,912</u>
Total pension liability - ending (a)	<u>\$ 134,355</u>	<u>\$ 129,808</u>	<u>\$ 124,054</u>	<u>\$ 118,633</u>
Plan fiduciary net position				
Contributions - employer	\$ 1,818	\$ 2,308	\$ 2,140	\$ 2,147
Contributions - member	2,188	2,181	2,206	2,134
Net investment income	18,864	7,778	1,507	6,939
Benefit payments, including refunds of member contributions	(6,708)	(6,884)	(6,064)	(4,741)
Administrative expense	<u>(27)</u>	<u>(27)</u>	<u>(34)</u>	<u>(52)</u>
Net change in plan fiduciary net position	16,135	5,356	(245)	6,427
Plan fiduciary net position - beginning	<u>106,530</u>	<u>101,174</u>	<u>101,419</u>	<u>94,992</u>
Plan fiduciary net position - ending (b)	<u>\$ 122,665</u>	<u>\$ 106,530</u>	<u>\$ 101,174</u>	<u>\$ 101,419</u>
County's net pension liability - ending (a) - (b)	<u>\$ 11,690</u>	<u>\$ 23,278</u>	<u>\$ 22,880</u>	<u>\$ 17,214</u>
Plan fiduciary net position as a percentage of the total pension liability	91.30%	82.07%	81.56%	85.49%
Covered payroll	\$ 23,252	\$ 23,778	\$ 22,483	\$ 22,481
County's net pension liability as a percentage of covered payroll	50.28%	97.90%	101.77%	76.57%

Notes to Schedule: During 2014, the County adopted GASB Statement No. 67. Prior balances were not available.

**LYCOMING COUNTY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF COUNTY CONTRIBUTIONS**

Last Ten Fiscal Years
(Dollar amounts in thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Actuarially determined employer contribution	\$ 2,360	\$ 2,305	\$ 2,140	\$ 2,147	\$ 2,270	\$ 1,479	\$ 974	\$ 520	\$ 555	\$ 226
Contributions in relation to the actuarially determined contribution	1,818	2,308	2,140	2,147	2,270	1,479	974	585	555	400
Contribution deficiency (excess)	<u>\$ 542</u>	<u>\$ (3)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (65)</u>	<u>\$ -</u>	<u>\$ (174)</u>
Covered payroll	\$ 23,252	\$ 23,778	\$ 22,483	\$ 22,481	\$ 21,986	\$ 21,138	\$ 21,367	\$ 19,735	\$ 20,698	\$ 18,443
Contributions as a percentage of covered payroll	7.82%	9.71%	9.52%	9.55%	10.32%	7.00%	4.56%	2.96%	2.68%	2.17%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of January, 1, 2017.

Methods and Assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	9 years
Asset valuation method	Gains and losses are recognized evenly over 5 years; however, the actuarial value of assets may not be less than 80% nor more than 120% of market value
Inflation	2.50%
Salary increases	4.00%
Investment rate of return	7.00%
Retirement age	Rates of retirement for members eligible for early or normal retirement are as follows:

Age	Rate of Retirement
55-59	7%
60-61	8%
62-64	15%
65	34%
66-70	23%
71-79	21%
80	100%

Mortality

RP-2000 table, projected using scale AA

LYCOMING COUNTY EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF INVESTMENT RETURNS
Last Four Fiscal Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money weighted rate of return, net of investment expense	17.92%	7.80%	1.49%	7.40%

Notes to Schedule: During 2014, the County adopted GASB Statement No. 67. Prior rates were not available.

Lycoming County Employees' Other Postemployment Benefits Plan Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/2015	\$ -	\$ 59,728,758	\$ 59,728,758	0.00%	\$ 22,591,475	264.39%
1/1/2016	\$ -	\$ 62,274,753	\$ 62,274,753	0.00%	\$ 23,777,569	261.91%
1/1/2017	\$ -	\$ 70,128,362	\$ 70,128,362	0.00%	\$ 19,447,354	360.61%

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

OTHER INFORMATION

**COUNTY OF LYCOMING, PENNSYLVANIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	Special Revenue	Total
ASSETS		
Cash & cash equivalents	\$ 10,460,439	\$ 10,460,439
Receivables		
Accounts	49,482	49,482
Due from other funds	50,411	50,411
Due from other governments	1,562,794	1,562,794
Prepaid expense	22,912	22,912
Total assets	\$ 12,146,038	\$ 12,146,038
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 667,928	\$ 667,928
Payroll payable	692	692
Due to other funds	3,082,137	3,082,137
Unearned revenues	1,679,333	1,679,333
Total liabilities	5,430,090	5,430,090
 Fund Balances (Deficits)		
Restricted for:		
Judicial	2,956,586	2,956,586
Public safety	1,673,598	1,673,598
Public works	908,237	908,237
Culture & recreation	910,702	910,702
Assigned for:		
Conservation & development	266,825	266,825
Total fund balances	6,715,948	6,715,948
Total liabilities and fund balances	\$ 12,146,038	\$ 12,146,038

COUNTY OF LYCOMING, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
REVENUES			
Intergovernmental revenues	\$ 7,576,691	\$ -	\$ 7,576,691
Charge for services	2,863,371	-	2,863,371
Investment earnings	24,267	-	24,267
Court cost & fines	62,048	-	62,048
Miscellaneous income	39,664	-	39,664
	<u>10,566,041</u>	<u>-</u>	<u>10,566,041</u>
EXPENDITURES			
Current			
Judicial	501,215	-	501,215
Public safety	3,063,257	-	3,063,257
Public works	2,536,255	-	2,536,255
Human services	3,313,899	-	3,313,899
Conservation & development	78,043	-	78,043
Debt service	-	2,764,272	2,764,272
Capital outlay	323,401	-	323,401
	<u>9,816,070</u>	<u>2,764,272</u>	<u>12,580,342</u>
Excess (deficiency) of revenues over expenditures	<u>749,971</u>	<u>(2,764,272)</u>	<u>(2,014,301)</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	34,393	2,764,272	2,798,665
Transfer out	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Total other financing sources (uses)	<u>(215,607)</u>	<u>2,764,272</u>	<u>2,548,665</u>
Net change in fund balances	534,364	-	534,364
Fund balances at beginning of year	6,181,584	-	6,181,584
Fund balances at end of year	<u>\$ 6,715,948</u>	<u>\$ -</u>	<u>\$ 6,715,948</u>

GENERAL FUND

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

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Taxes	\$ 35,037,613	\$ 33,790,184	\$ (1,247,429)
Licenses & permits	44,750	46,025	1,275
Intergovernmental	13,164,853	12,507,571	(657,282)
Charge for services	3,965,779	4,033,689	67,910
Sale of County products	98,000	76,505	(21,495)
Investment earnings	202,889	249,152	46,263
Cost & fines	924,950	1,465,105	540,155
Miscellaneous	1,468,582	1,424,207	(44,375)
Total revenues	<u>54,907,416</u>	<u>53,592,438</u>	<u>(1,314,978)</u>
EXPENDITURES			
General government			
Commissioners	464,702	461,712	2,990
Solicitors	126,271	125,271	1,000
Executive Plaza	272,253	246,486	25,767
Courthouse	716,091	612,217	103,874
Lysock Complex	251,388	222,920	28,468
Route 405 Property	27,510	15,308	12,202
Third Street Plaza	695,075	574,965	120,110
Pre-Release Building	138,649	114,861	23,788
Voters Registration	213,047	212,482	565
Conduct of Elections	156,745	149,356	7,389
Tax Assessment	256,809	244,942	11,867
Treasurer	228,436	216,208	12,228
Controller	244,517	247,521	(3,004)
Fiscal Services	557,991	545,516	12,475
Tax Collector	154,919	152,968	1,951
Central Collections	472,230	467,609	4,621
Inventory Outlay	(203,689)	(421,271)	217,582
Contingency fund	892,189	-	892,189
Planning Commission	998,827	956,566	42,261
County Zoning	117,206	102,105	15,101
G.I.S.	159,281	145,269	14,012
Management Information	1,728,660	1,552,020	176,640
Central Telephone	39,846	37,730	2,116
Mail Services	40,881	40,619	262
Printing	80,953	78,484	2,469
Record Retention	5,199	3,016	2,183
Human Resources	338,749	305,556	33,193
Gen. Gov Agency	-	(63,379)	63,379
Total general government	<u>9,174,735</u>	<u>7,347,057</u>	<u>1,827,678</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Judicial			
Register & Recorder	\$ 342,720	\$ 321,955	\$ 20,765
Sheriff	1,116,835	1,105,908	10,927
Coroner	271,992	278,148	(6,156)
Prothonotary	408,717	350,708	58,009
Domestic Relations	961,677	939,852	21,825
Public Defenders	724,078	681,099	42,979
District Attorney	1,445,610	1,319,998	125,612
Narcotics Enforcement Unit	382,657	257,264	125,393
Law Library	11,500	533	10,967
Courts	1,906,493	1,920,843	(14,350)
Constables	190,000	264,817	(74,817)
District Magistrate 29-1-01	176,255	160,449	15,806
District Magistrate 29-1-02	110,681	97,364	13,317
District Magistrate 29-3-04	159,015	158,350	665
District Magistrate 29-3-02	125,697	117,442	8,255
District Magistrate 29-3-03	124,246	121,244	3,002
District Magistrate 29-3-01	137,611	141,540	(3,929)
Inventory Outlay	103,339	88,203	15,136
Gen. Gov Agency	-	(56,873)	56,873
Outside Agencies			
Law Enforcement Assoc	-	25,000	(25,000)
Total judicial	<u>8,699,123</u>	<u>8,293,844</u>	<u>405,279</u>
Public safety			
Adult Probation	1,392,917	1,356,359	36,558
Re-Entry Center	850,000	848,449	1,551
Juvenile Probation	1,605,874	1,462,364	143,510
Juvenile Placements	3,029,212	2,395,126	634,086
County Prison	5,975,464	5,341,473	633,991
Pre-Release Center	2,275,207	2,143,620	131,587
D.U.I Center	176,870	155,854	21,016
Act 198	70,000	49,661	20,339
Central Processing Center	46,380	43,942	2,438
Communications	196,539	30,452	166,087
Emergency Management Agency	274,910	277,648	(2,738)
Emergency Medical Services	16,532	12,418	4,114
Haz-Mat	20,246	15,586	4,660
Inventory Outlay	(147,449)	(35,024)	(112,425)
Gen. Gov Agency	-	(49,059)	49,059
Outside Agencies			
Lyc. Cnty. Fire Police	1,000	1,000	-
West Branch Firemen Assoc	15,000	15,000	-
Total public safety	<u>15,798,702</u>	<u>14,064,869</u>	<u>1,733,833</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public works			
E.D.P.S. Flood Mitigation	\$ 80,000	\$ 140,067	\$ (60,067)
E.D.P.S. Economic Development	997,680	80	997,600
E.D.P.S. Environmental	5,900	2,764	3,136
Outside Agencies			
Airport	1,125,000	125,000	1,000,000
River Valley Transportation	100,000	100,000	-
Airport ATC Services	101,976	102,084	(108)
Total public works	<u>2,410,556</u>	<u>469,995</u>	<u>1,940,561</u>
Human services			
Children & Youth	9,499,977	8,602,192	897,785
Military Affairs	191,670	187,971	3,699
Outside Agencies			
Mental Health	210,000	84,375	125,625
Camp Cadet	3,000	3,000	-
Senior Citizen	10,000	10,000	-
C.A.P.P.A.	35,000	35,000	-
Total human services	<u>9,949,647</u>	<u>8,922,538</u>	<u>1,027,109</u>
Culture & recreation			
Inventory Outlay	4,000	-	4,000
Outside Agencies			
Library	1,220,303	1,220,303	-
Lycoming Historical Society	10,000	10,000	-
Community Arts Center	75,000	75,000	-
Total culture & recreation	<u>1,309,303</u>	<u>1,305,303</u>	<u>4,000</u>
Conservation & development			
County Farm	139,424	57,218	82,206
Cooperative Extension	142,539	130,314	12,225
Soil Conservation	10,465	263,960	(253,495)
Inventory Outlay	4,734	4,519	215
Outside Agencies			
S.E.D.A.	23,535	23,222	313
Visitors Bureau	729,600	965,976	(236,376)
Total conservation & development	<u>1,050,297</u>	<u>1,445,209</u>	<u>(394,912)</u>
Debt service			
Non government rev. & exp.	-	274,196	(274,196)
Total debt service	<u>-</u>	<u>274,196</u>	<u>(274,196)</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Miscellaneous expenditures			
Non government rev. & exp.	\$ (419,500)	\$ (914,581)	\$ 495,081
Employee benefits			
Employee fringe	16,975,961	15,054,821	1,921,140
Reimb. fringe benefits	(3,869,429)	(4,679,318)	809,889
Insurance	317,785	429,522	(111,737)
Total miscellaneous expenditures	<u>13,004,817</u>	<u>9,890,444</u>	<u>3,114,373</u>
Capital outlay			
General Government	841,015	822,947	18,068
Judicial	29,374	19,816	9,558
Public Safety	699,393	651,889	47,504
Culture & Recreation	596,451	600,451	(4,000)
Conservation & Development	14,550	13,883	667
Total capital outlay	<u>2,180,783</u>	<u>2,108,986</u>	<u>71,797</u>
Total expenditures	<u>63,577,963</u>	<u>54,122,441</u>	<u>9,455,522</u>
Excess (deficiency) of revenues over expenditures	<u>(8,670,547)</u>	<u>(530,003)</u>	<u>8,140,544</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	3,954,750	2,950,200	(1,004,550)
Transfer out	(2,997,772)	(2,548,666)	449,106
Total other financing sources (uses)	<u>956,978</u>	<u>401,534</u>	<u>(555,444)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(7,713,569)</u>	<u>(128,469)</u>	<u>7,585,100</u>
Fund balance beginning of year	30,500,000	30,580,274	80,274
Fund balance at end of year	<u>\$ 22,786,431</u>	<u>\$ 30,451,805</u>	<u>\$ 7,665,374</u>

SPECIAL REVENUE FUNDS

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

Domestic Relations IV-D

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

D.A. Investigative Fund

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

A.O.P.C. Grant Fund

Accounts for state grants received from the Administrative Office of Pennsylvania Courts

Register & Recorder Capital Improvement Fund

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

Prothonotary Automation Fund

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

Emergency Medical Services

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

Haz-Mat

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

911 Emergency Phone Tariff

Accounts for funds received from users and the State to finance the operation and improvements of the County 911 telephone system including wireless phones

Emergency Management Agency

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

Highway Safety Grant

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

Liquid Fuels Fund

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

Act 44 Bridge Fund

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

Act 89 Bridge Fund

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

Community Development Block Grants

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

EDPS Flood Mitigation Projects

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

EDPS Environmental Projects

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

EDPS Economic Development Projects

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

Growing Greener Trust

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

Farm Easement Program

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

Nutrient Trading Program

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

Miscellaneous Special Revenue Grants

Accounts for funds used to finance small miscellaneous special revenue projects

County Pass-Thru Grants

Accounts for Federal and State grants that the County has contracted with various outside agencies to administer the funds in accordance with the terms of the grant

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017**

	Domestic Relations IV-D	D.A. Investigative Fund	AOPC Grant Fund	Register & Recorder Capital Fund
ASSETS				
Cash and cash equivalents	\$ 2,712,554	\$ 57,244	\$ -	\$ 205,286
Receivables (net of allowance)			-	-
Accounts receivable trade	1,902	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>\$ 2,714,456</u>	<u>\$ 57,244</u>	<u>\$ -</u>	<u>\$ 205,286</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 40,000
Payroll payable	-	-	-	-
Due to other funds	32,460	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	<u>32,460</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	2,681,996	57,244	-	165,286
Public safety	-	-	-	-
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>2,681,996</u>	<u>57,244</u>	<u>-</u>	<u>165,286</u>
Total liabilities and fund equity	<u>\$ 2,714,456</u>	<u>\$ 57,244</u>	<u>\$ -</u>	<u>\$ 205,286</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(CONTINUED)**

	Prothonotary Automation Fund	Emergency Medical Services	Haz-Mat	911 Emergency Phone Tariff
ASSETS				
Cash and cash equivalents	\$ 58,498	\$ 461,916	\$ 209,934	\$ 3,102,285
Receivables (net of allowance)				-
Accounts receivable trade	-	-	-	-
Due from other funds	-	2,880	-	-
Due from other governments	-	2,865	65	-
Prepaid expenses	-	-	-	22,912
Total assets	<u>\$ 58,498</u>	<u>\$ 467,661</u>	<u>\$ 209,999</u>	<u>\$ 3,125,197</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 6,438	\$ 3,365	\$ -	\$ 2,800
Payroll payable	-	-	692	-
Due to other funds	-	416,980	-	1,716,185
Unearned revenues	-	1,299	-	-
Total liabilities	<u>6,438</u>	<u>421,644</u>	<u>692</u>	<u>1,718,985</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	52,060	-	-	-
Public safety	-	46,017	209,307	1,406,212
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>52,060</u>	<u>46,017</u>	<u>209,307</u>	<u>1,406,212</u>
Total liabilities and fund equity	<u>\$ 58,498</u>	<u>\$ 467,661</u>	<u>\$ 209,999</u>	<u>\$ 3,125,197</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(CONTINUED)**

	Emergency Management Agency	Highway Safety	Liquid Fuels	Act 44 Bridge Fund
ASSETS				
Cash and cash equivalents	\$ 12,062	\$ -	\$ 662,816	\$ 130,541
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Due from other funds	-	-	42,471	-
Due from other governments	-	-	231,679	-
Total assets	<u>\$ 12,062</u>	<u>\$ -</u>	<u>\$ 936,966</u>	<u>\$ 130,541</u>
 LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 315,903	\$ -
Payroll payable	-	-	-	-
Due to other funds	-	-	8,098	-
Unearned revenues	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>324,001</u>	<u>-</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	12,062	-	-	-
Public works	-	-	612,965	130,541
Culture & recreation	-	-	-	-
Total fund equity	<u>12,062</u>	<u>-</u>	<u>612,965</u>	<u>130,541</u>
Total liabilities and fund equity	<u>\$ 12,062</u>	<u>\$ -</u>	<u>\$ 936,966</u>	<u>\$ 130,541</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(CONTINUED)**

	Act 89 Bridge Fund	Community Development Block Grants	EDPS Flood Mitigation	EDPS Environmental Projects
ASSETS				
Cash and cash equivalents	\$ 164,731	\$ 25,876	\$ -	\$ -
Receivables (net of allowance)				
Accounts receivable trade	-	-	47,580	-
Due from other funds	-	-	-	-
Due from other governments	-	6,654	856,015	-
Total assets	<u>\$ 164,731</u>	<u>\$ 32,530</u>	<u>\$ 903,595</u>	<u>\$ -</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ -	\$ 7,285	\$ -	\$ -
Payroll payable	-	-	-	-
Due to other funds	-	4,819	903,595	-
Unearned revenues	-	20,426	-	-
Total liabilities	<u>-</u>	<u>32,530</u>	<u>903,595</u>	<u>-</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	164,731	-	-	-
Culture & recreation	-	-	-	-
Total fund equity	<u>164,731</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 164,731</u>	<u>\$ 32,530</u>	<u>\$ 903,595</u>	<u>\$ -</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(CONTINUED)**

	EDPS Economic Development Projects	Growing Greener Trust	Farm Easement Program	Nutrient Trading Program
ASSETS				
Cash and cash equivalents	\$ 1,452,027	\$ 910,702	\$ 190,204	\$ 83,921
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Due from other funds	5,060	-	-	-
Due from other governments	359,733	-	-	-
Total assets	<u>\$ 1,816,820</u>	<u>\$ 910,702</u>	<u>\$ 190,204</u>	<u>\$ 83,921</u>
LIABILITIES & FUND EQUITY				
Liabilities				
Accounts payable	\$ 175,328	\$ -	\$ -	\$ 7,300
Payroll payable	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	1,641,492	-	-	-
Total liabilities	<u>1,816,820</u>	<u>-</u>	<u>-</u>	<u>7,300</u>
Fund equity				
Fund balances				
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture & recreation	-	910,702	-	-
Assigned for:				
Conservation & development	-	-	190,204	76,621
Total fund equity	<u>-</u>	<u>910,702</u>	<u>190,204</u>	<u>76,621</u>
Total liabilities and fund equity	<u>\$ 1,816,820</u>	<u>\$ 910,702</u>	<u>\$ 190,204</u>	<u>\$ 83,921</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2017
(CONTINUED)**

	Special Projects	Pass Thru Grants	Total
ASSETS			
Cash and cash equivalents	\$ 17,901	\$ 1,941	\$ 10,460,439
Receivables (net of allowance)			
Accounts receivable trade	-	-	49,482
Due from other funds	-	-	50,411
Due from other governments	-	105,783	1,562,794
Prepaid expenses	-	-	22,912
Total assets	<u>\$ 17,901</u>	<u>\$ 107,724</u>	<u>\$ 12,146,038</u>
LIABILITIES & FUND EQUITY			
Liabilities			
Accounts payable	\$ 1,785	\$ 107,724	\$ 667,928
Payroll payable	-	-	692
Due to other funds	-	-	3,082,137
Unearned revenues	16,116	-	1,679,333
Total liabilities	<u>17,901</u>	<u>107,724</u>	<u>5,430,090</u>
Fund equity			
Fund balances			
Restricted for:			
Judicial	-	-	2,956,586
Public safety	-	-	1,673,598
Public works	-	-	908,237
Culture & recreation	-	-	910,702
Assigned for:			
Conservation & development	-	-	266,825
Total fund equity	<u>-</u>	<u>-</u>	<u>6,715,948</u>
Total liabilities and fund equity	<u>\$ 17,901</u>	<u>\$ 107,724</u>	<u>\$ 12,146,038</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Domestic Relation IV-D	D.A. Investigative Fund	AOPC Grant Fund	Register & Recorder Capital Fund
REVENUES				
Intergovernmental revenues	\$ 209,631	\$ 98,472	\$ 41,184	\$ -
Charge for services	-	-	-	161,905
Investment earnings	9,139	-	-	-
Court cost, fines & forfeits	-	62,048	-	-
Miscellaneous income	-	31,618	-	-
Total revenues	<u>218,770</u>	<u>192,138</u>	<u>41,184</u>	<u>161,905</u>
EXPENDITURES				
Current				
Judicial	145,157	198,146	41,184	90,760
Public safety	-	-	-	-
Public works	-	-	-	105,000
Human services	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>145,157</u>	<u>198,146</u>	<u>41,184</u>	<u>195,760</u>
Excess (deficiency) of revenues over expenditures	<u>73,613</u>	<u>(6,008)</u>	<u>-</u>	<u>(33,855)</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	73,613	(6,008)	-	(33,855)
Fund balance at beginning of year	2,608,383	63,252	-	199,141
Fund balance at end of year	<u>\$ 2,681,996</u>	<u>\$ 57,244</u>	<u>\$ -</u>	<u>\$ 165,286</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	Prothonotary Automation Fund	Emergency Medical Services	Haz-Mat	911 Emergency Phone Tariff
REVENUES				
Intergovernmental revenues	\$ -	\$ 272,390	\$ 38,956	\$ 581,482
Charge for services	17,347	-	60,200	2,615,945
Investment earnings	-	1,217	72	7,872
Court cost, fines & forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total revenues	<u>17,347</u>	<u>273,607</u>	<u>99,228</u>	<u>3,205,299</u>
EXPENDITURES				
Current				
Judicial	11,063	-	-	-
Public safety	-	276,792	89,872	2,616,620
Public works	-	-	-	-
Human services	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>11,063</u>	<u>276,792</u>	<u>89,872</u>	<u>2,616,620</u>
Excess (deficiency) of revenues over expenditures	<u>6,284</u>	<u>(3,185)</u>	<u>9,356</u>	<u>588,679</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	-	-	-	(250,000)
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>
Net change in fund balances	6,284	(3,185)	9,356	338,679
Fund balance at beginning of year	45,776	49,202	199,951	1,067,533
Fund balance at end of year	<u>\$ 52,060</u>	<u>\$ 46,017</u>	<u>\$ 209,307</u>	<u>\$ 1,406,212</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	Emergency Management Agency	Highway Safety	Liquid Fuels	Act 44 Bridge Fund
REVENUES				
Intergovernmental revenues	\$ 11,752	\$ 71,242	\$ 736,655	\$ 30,390
Charge for services		-	-	-
Investment earnings		-	2,078	346
Court cost, fines & forfeits		-	-	-
Miscellaneous income	1,150	-	-	-
Total revenues	<u>12,902</u>	<u>71,242</u>	<u>738,733</u>	<u>30,736</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	8,731	71,242	-	-
Public works	-	-	335,537	-
Human services	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	319,445	-
Total expenditures	<u>8,731</u>	<u>71,242</u>	<u>654,982</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>4,171</u>	<u>-</u>	<u>83,751</u>	<u>30,736</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,171	-	83,751	30,736
Fund balance at beginning of year	7,891	-	529,214	99,805
Fund balance at end of year	<u>\$ 12,062</u>	<u>\$ -</u>	<u>\$ 612,965</u>	<u>\$ 130,541</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	Act 89 Bridge Fund	Community Development Block Grants	EDPS Flood Mitigation	EDPS Environmental Projects
REVENUES				
Intergovernmental revenues	\$ 57,511	\$ 348,296	\$ 685,667	\$ 29,481
Charge for services	-	-	-	-
Investment earnings	441	-	-	-
Court cost, fines & forfeits	-	-	-	-
Miscellaneous income	-	-	(3,310)	-
Total revenues	<u>57,952</u>	<u>348,296</u>	<u>682,357</u>	<u>29,481</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	348,296	685,223	29,481
Human services	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	3,956	-	-	-
Total expenditures	<u>3,956</u>	<u>348,296</u>	<u>685,223</u>	<u>29,481</u>
Excess (deficiency) of revenues over expenditures	<u>53,996</u>	<u>-</u>	<u>(2,866)</u>	<u>-</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	-	-	2,866	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>2,866</u>	<u>-</u>
Net change in fund balances	53,996	-	-	-
Fund balance at beginning of year	110,735	-	-	-
Fund balance at end of year	<u>\$ 164,731</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	EDPS Economic Development Projects	Growing Greener Trust	Farm Easement Program	Nutrient Trading Program
REVENUES				
Intergovernmental revenues	\$ 1,026,191	\$ -	\$ 8,587	\$ -
Charge for services	-	-	7,974	-
Investment earnings	-	3,102	-	-
Court cost, fines & forfeits	-	-	-	-
Miscellaneous income	-	-	-	10,206
Total revenues	<u>1,026,191</u>	<u>3,102</u>	<u>16,561</u>	<u>10,206</u>
EXPENDITURES				
Current				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	1,032,718	-	-	-
Human service	-	-	-	-
Conservation & development	-	8,957	61,786	7,300
Capital outlay	-	-	-	-
Total expenditures	<u>1,032,718</u>	<u>8,957</u>	<u>61,786</u>	<u>7,300</u>
Excess (deficiency) of revenues over expenditures	<u>(6,527)</u>	<u>(5,855)</u>	<u>(45,225)</u>	<u>2,906</u>
OTHER FINANCIAL SOURCES (USES)				
Transfer in	6,527	-	25,000	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>6,527</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Net change in fund balances	-	(5,855)	(20,225)	2,906
Fund balance at beginning of year	-	916,557	210,429	73,715
Fund balance at end of year	<u>\$ -</u>	<u>\$ 910,702</u>	<u>\$ 190,204</u>	<u>\$ 76,621</u>

(Continued)

**SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017
(CONTINUED)**

	Special Projects	Pass Thru Grants	Total
REVENUES			
Intergovernmental revenues	\$ 14,905	\$ 3,313,899	\$ 7,576,691
Charge for services	-	-	2,863,371
Investment earnings	-	-	24,267
Court cost, fines & forfeits	-	-	62,048
Miscellaneous income	-	-	39,664
Total revenues	<u>14,905</u>	<u>3,313,899</u>	<u>10,566,041</u>
EXPENDITURES			
Current			
Judicial	14,905	-	501,215
Public safety	-	-	3,063,257
Public works	-	-	2,536,255
Human services	-	3,313,899	3,313,899
Conservation & development	-	-	78,043
Capital outlay	-	-	323,401
Total expenditures	<u>14,905</u>	<u>3,313,899</u>	<u>9,816,070</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>749,971</u>
OTHER FINANCIAL SOURCES (USES)			
Transfer in	-	-	34,393
Transfer out	-	-	(250,000)
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>(215,607)</u>
Net change in fund balances	-	-	534,364
Fund balance at beginning of year	-	-	6,181,584
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,715,948</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
DOMESTIC RELATIONS IV-D
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 255,283	\$ 209,631	\$ (45,652)
Investment earnings	3,500	9,139	5,639
Total revenues	<u>258,783</u>	<u>218,770</u>	<u>(40,013)</u>
EXPENDITURES			
Judicial	101,300	145,157	(43,857)
Total expenditures	<u>101,300</u>	<u>145,157</u>	<u>(43,857)</u>
Excess (deficiency) of revenues over expenditures	157,483	73,613	(83,870)
Fund balance at beginning of year	2,607,975	2,608,383	408
Fund balance at end of year	<u>\$ 2,765,458</u>	<u>\$ 2,681,996</u>	<u>\$ (83,462)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
D.A. INVESTIGATIVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 90,000	\$ 98,472	\$ 8,472
Court cost, fines & forfeits	80,000	62,048	(17,952)
Miscellaneous revenues	20,000	31,618	11,618
Total revenues	<u>190,000</u>	<u>192,138</u>	<u>2,138</u>
EXPENDITURES			
Judicial	<u>190,000</u>	<u>198,146</u>	<u>(8,146)</u>
Total expenditures	<u>190,000</u>	<u>198,146</u>	<u>(8,146)</u>
Excess (deficiency) of revenues over expenditures	-	(6,008)	(6,008)
Fund balance at beginning of year	<u>107,846</u>	<u>63,252</u>	<u>(44,594)</u>
Fund balance at end of year	<u>\$ 107,846</u>	<u>\$ 57,244</u>	<u>\$ (50,602)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
A.O.P.C. GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ 41,184	\$ 41,184
Total revenues	<u>-</u>	<u>41,184</u>	<u>41,184</u>
EXPENDITURES			
Judicial	-	41,184	(41,184)
Total expenditures	<u>-</u>	<u>41,184</u>	<u>(41,184)</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) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 157,000	\$ 161,905	\$ 4,905
Total revenues	<u>157,000</u>	<u>161,905</u>	<u>4,905</u>
EXPENDITURES			
Judicial			
Capital improvement fund			
Register & recorder	50,000	54,456	(4,456)
County	36,000	36,304	(304)
Total judicial	<u>86,000</u>	<u>90,760</u>	<u>(4,760)</u>
Public works			
Act 137 A.H.E.	71,000	105,000	(34,000)
Total public works	<u>71,000</u>	<u>105,000</u>	<u>(34,000)</u>
Total expenditures	<u>157,000</u>	<u>195,760</u>	<u>(38,760)</u>
Excess (deficiency) of revenues over expenditures	-	(33,855)	(33,855)
Fund balance at beginning of year	200,000	199,141	(859)
Fund balance at end of year	<u>\$ 200,000</u>	<u>\$ 165,286</u>	<u>\$ (34,714)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
PROTHONOTARY AUTOMATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charge for service	\$ 4,800	\$ 17,347	\$ 12,547
Total revenues	<u>4,800</u>	<u>17,347</u>	<u>12,547</u>
EXPENDITURES			
Judicial	4,800	11,063	(6,263)
Total expenditures	<u>4,800</u>	<u>11,063</u>	<u>(6,263)</u>
Excess (deficiency) of revenues over expenditures	-	6,284	6,284
Fund balance at beginning of year	38,737	45,776	7,039
Fund balance at end of year	<u>\$ 38,737</u>	<u>\$ 52,060</u>	<u>\$ 13,323</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EMERGENCY MEDICAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 286,422	\$ 272,390	\$ (14,032)
Investment earnings	236	1,217	981
Total revenues	<u>286,658</u>	<u>273,607</u>	<u>(13,051)</u>
EXPENDITURES			
Public safety	<u>282,422</u>	<u>276,792</u>	<u>5,630</u>
Total expenditures	<u>282,422</u>	<u>276,792</u>	<u>5,630</u>
Excess (deficiency) of revenues over expenditures	4,236	(3,185)	(7,421)
Fund balance at beginning of year	50,060	49,202	(858)
Fund balance at end of year	<u>\$ 54,296</u>	<u>\$ 46,017</u>	<u>\$ (8,279)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
HAZ-MAT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 45,507	\$ 38,956	\$ (6,551)
Charge for services	55,000	60,200	5,200
Investment earnings	25	72	47
Total revenues	<u>100,532</u>	<u>99,228</u>	<u>(1,304)</u>
EXPENDITURES			
Public safety	<u>45,532</u>	<u>89,872</u>	<u>(44,340)</u>
Total expenditures	<u>45,532</u>	<u>89,872</u>	<u>(44,340)</u>
Excess (deficiency) of revenues over expenditures	55,000	9,356	(45,644)
Fund balance at beginning of year	147,000	199,951	52,951
Fund balance at end of year	<u>\$ 202,000</u>	<u>\$ 209,307</u>	<u>\$ 7,307</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
911 EMERGENCY PHONE TARIFF
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ -	\$ 581,482	\$ 581,482
Charge for services	2,500,050	2,615,945	115,895
Investment earnings	2,000	7,872	5,872
Total revenues	<u>2,502,050</u>	<u>3,205,299</u>	<u>703,249</u>
EXPENDITURES			
Public safety	2,140,400	2,616,620	(476,220)
Total expenditures	<u>2,140,400</u>	<u>2,616,620</u>	<u>(476,220)</u>
Excess (deficiency) of revenues over expenditures	361,650	588,679	227,029
OTHER FINANCING SOURCES (USES)			
Transfer out	(250,000)	(250,000)	-
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	111,650	338,679	227,029
Fund balance at beginning of year	1,050,000	1,067,533	17,533
Fund balance (deficit) at end of year	<u>\$ 1,161,650</u>	<u>\$ 1,406,212</u>	<u>\$ 244,562</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EMERGENCY MANAGEMENT AGENCY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 5,876	\$ 11,752	\$ 5,876
Miscellaneous revenues	-	1,150	1,150
Total revenues	<u>5,876</u>	<u>12,902</u>	<u>7,026</u>
EXPENDITURES			
Public safety	<u>5,876</u>	<u>8,731</u>	<u>(2,855)</u>
Total expenditures	<u>5,876</u>	<u>8,731</u>	<u>(2,855)</u>
Excess (deficiency) of revenues over expenditures	-	4,171	4,171
Fund balance at beginning of year	10,399	7,891	(2,508)
Fund balance at end of year	<u>\$ 10,399</u>	<u>\$ 12,062</u>	<u>\$ 1,663</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
HIGHWAY SAFETY GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 97,369	\$ 71,242	\$ (26,127)
Total revenues	<u>97,369</u>	<u>71,242</u>	<u>(26,127)</u>
EXPENDITURES			
Public safety			
2016-2017 Highway safety	72,056	71,242	814
2017-2018 Highway safety	<u>25,313</u>	<u>-</u>	<u>25,313</u>
Total public safety	<u>97,369</u>	<u>71,242</u>	<u>26,127</u>
Total expenditures	<u>97,369</u>	<u>71,242</u>	<u>26,127</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
LIQUID FUELS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 2,548,050	\$ 736,655	\$ (1,811,395)
Investment earnings	400	2,078	1,678
Total revenues	<u>2,548,450</u>	<u>738,733</u>	<u>(1,809,717)</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	366,000	239,448	126,552
Approved projects	150,000	96,089	53,911
Capital outlay	<u>2,115,000</u>	<u>319,445</u>	<u>1,795,555</u>
Total public works	<u>2,631,000</u>	<u>654,982</u>	<u>1,976,018</u>
Total expenditures	<u>2,631,000</u>	<u>654,982</u>	<u>1,976,018</u>
Excess (deficiency) of revenues over expenditures	(82,550)	83,751	166,301
Fund balance at beginning of year	566,600	529,214	(37,386)
Fund balance at end of year	<u>\$ 484,050</u>	<u>\$ 612,965</u>	<u>\$ 128,915</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
ACT 44 BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 31,000	\$ 30,390	\$ (610)
Investment earnings	50	346	296
Total revenues	<u>31,050</u>	<u>30,736</u>	<u>(314)</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	15,000	-	15,000
Capital outlay	<u>68,000</u>	<u>-</u>	<u>68,000</u>
Total expenditures	<u>83,000</u>	<u>-</u>	<u>83,000</u>
Excess (deficiency) of revenues over expenditures	(51,950)	30,736	82,686
Fund balance at beginning of year	100,000	99,805	(195)
Fund balance at end of year	<u>\$ 48,050</u>	<u>\$ 130,541</u>	<u>\$ 82,491</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
ACT 89 BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 53,000	\$ 57,511	\$ 4,511
Investment earnings	100	441	341
Total revenues	<u>53,100</u>	<u>57,952</u>	<u>4,852</u>
EXPENDITURES			
Public works			
Administration, inspections and repairs	-	-	-
Approved projects	-	-	-
Capital outlay	<u>49,000</u>	<u>3,956</u>	<u>45,044</u>
Total expenditures	<u>49,000</u>	<u>3,956</u>	<u>45,044</u>
Excess (deficiency) of revenues over expenditures	4,100	53,996	49,896
Fund balance at beginning of year	<u>100,000</u>	<u>110,735</u>	<u>10,735</u>
Fund balance at end of year	<u>\$ 104,100</u>	<u>\$ 164,731</u>	<u>\$ 60,631</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
COMMUNITY DEVELOPMENT BLOCK GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 318,470	\$ 348,296	\$ 29,826
Total revenues	<u>318,470</u>	<u>348,296</u>	<u>29,826</u>
EXPENDITURES			
Public works			
2013 grant	92,872	9,114	83,758
2014 grant	80,992	61,588	19,404
2015 grant	144,606	243,874	(99,268)
2016 grant	-	33,720	(33,720)
Total public works	<u>318,470</u>	<u>348,296</u>	<u>(29,826)</u>
Total expenditures	<u>318,470</u>	<u>348,296</u>	<u>(29,826)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
EDPS FLOOD MITIGATION PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 740,415	\$ 685,667	\$ (54,748)
Miscellaneous revenues	-	(3,310)	(3,310)
Total revenues	<u>740,415</u>	<u>682,357</u>	<u>(58,058)</u>
EXPENDITURES			
Public works			
Flood mitigation	745,154	686,176	58,978
Hazard mitigation buyouts	-	(953)	953
Total public works	<u>745,154</u>	<u>685,223</u>	<u>59,931</u>
Total expenditures	<u>745,154</u>	<u>685,223</u>	<u>59,931</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	4,739	2,866	(1,873)
Total other financing sources (uses)	<u>4,739</u>	<u>2,866</u>	<u>(1,873)</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 ENVIRONMENTAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 86,500	\$ 29,481	\$ (57,019)
Total revenues	<u>86,500</u>	<u>29,481</u>	<u>(57,019)</u>
EXPENDITURES			
Public works			
EDPS environmental division	86,500	29,481	57,019
Total public works	<u>86,500</u>	<u>29,481</u>	<u>57,019</u>
Total expenditures	<u>86,500</u>	<u>29,481</u>	<u>57,019</u>
Excess (deficiency) of revenues over expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfer in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	-	-	-
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) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 1,565,146	\$ 1,026,191	\$ (538,955)
Total revenues	<u>1,565,146</u>	<u>1,026,191</u>	<u>(538,955)</u>
EXPENDITURES			
Public works			
Economic development	1,579,871	1,032,718	547,153
Total public works	<u>1,579,871</u>	<u>1,032,718</u>	<u>547,153</u>
Total expenditures	<u>1,579,871</u>	<u>1,032,718</u>	<u>547,153</u>
Excess (deficiency) of revenues over expenditures	(14,725)	(6,527)	8,198
OTHER FINANCING SOURCES (USES)			
Transfer in	14,725	6,527	(8,198)
Total other financing sources (uses)	<u>14,725</u>	<u>6,527</u>	<u>(8,198)</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
 GROWING GREENER TRUST
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Investment earnings	\$ 1,500	\$ 3,102	\$ 1,602
Total revenues	<u>1,500</u>	<u>3,102</u>	<u>1,602</u>
EXPENDITURES			
Conservation & development	-	8,957	(8,957)
Total expenditures	<u>-</u>	<u>8,957</u>	<u>(8,957)</u>
Excess (deficiency) of revenues over expenditures	<u>1,500</u>	<u>(5,855)</u>	<u>(7,355)</u>
Fund balance at beginning of year	913,750	916,557	2,807
Fund balance at end of year	<u>\$ 915,250</u>	<u>\$ 910,702</u>	<u>\$ (4,548)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
FARM EASEMENT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 10,000	\$ 8,587	\$ (1,413)
Charge for services	6,700	7,974	1,274
Total revenues	<u>16,700</u>	<u>16,561</u>	<u>(139)</u>
EXPENDITURES			
Conservation & development	<u>125,000</u>	<u>61,786</u>	<u>63,214</u>
Total expenditures	<u>125,000</u>	<u>61,786</u>	<u>63,214</u>
Excess (deficiency) of revenues over expenditures	<u>(108,300)</u>	<u>(45,225)</u>	<u>63,075</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total other financing sources (uses)	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(83,300)</u>	<u>(20,225)</u>	<u>63,075</u>
Fund balance at beginning of year	314,400	210,429	(103,971)
Fund balance at end of year	<u>\$ 231,100</u>	<u>\$ 190,204</u>	<u>\$ (40,896)</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
NUTRIENT TRADING PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Miscellaneous revenues	\$ 40,000	\$ 10,206	\$ (29,794)
Total revenues	<u>40,000</u>	<u>10,206</u>	<u>(29,794)</u>
EXPENDITURES			
Conservation & development	31,000	7,300	23,700
Total expenditures	<u>31,000</u>	<u>7,300</u>	<u>23,700</u>
Excess (deficiency) of revenues over expenditures	<u>9,000</u>	<u>2,906</u>	<u>(6,094)</u>
Fund balance at beginning of year	52,000	73,715	21,715
Fund balance at end of year	<u>\$ 61,000</u>	<u>\$ 76,621</u>	<u>\$ 15,621</u>

**COUNTY OF LYCOMING, PENNSYLVANIA
 MISCELLANEOUS SPECIAL REVENUE GRANTS
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 5,150	\$ 14,905	\$ 9,755
Total revenues	<u>5,150</u>	<u>14,905</u>	<u>9,755</u>
EXPENDITURES			
Judicial	5,150	14,905	(9,755)
Total expenditures	<u>5,150</u>	<u>14,905</u>	<u>(9,755)</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
PASS THRU GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) TO ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Intergovernmental revenues	\$ 3,527,050	\$ 3,313,899	\$ (213,151)
Total revenues	<u>3,527,050</u>	<u>3,313,899</u>	<u>(213,151)</u>
EXPENDITURES			
Human services	3,527,050	3,313,899	213,151
Total expenditures	<u>3,527,050</u>	<u>3,313,899</u>	<u>213,151</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>

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 costs to the County of Lycoming.

**COUNTY OF LYCOMING, PENNSYLVANIA
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2017**

EXPENDITURES	<u>Debt Service</u>
Debt service	
Principal retirement	
PIB Note	\$ 361,686
Huntington Bank Note	248,500
2010 Bonds	74,670
2011 LCRA Bonds	255,000
2012 Bonds	203,857
2014 Bonds	210,000
2015 Bonds	5,000
Total principal	<u>1,358,713</u>
Interest expense	
PIB Note	32,984
Huntington Bank Note	31,949
2010 Bonds	544,143
2011 LCRA Bonds	95,146
2012 Bonds	174,705
2014 Bonds	202,640
2015 Bonds	323,992
Total interest	<u>1,405,559</u>
Total debt service	<u>2,764,272</u>
Total expenditures	<u>2,764,272</u>
Excess (deficiency) of revenues over expenditures	<u>(2,764,272)</u>
OTHER FINANCING SOURCES (USES)	
Transfer in	<u>2,764,272</u>
Total other financing sources (uses)	<u>2,764,272</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, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES			
Debt service			
Principal retirement			
PIB Note	\$ 454,002	\$ 361,686	\$ 92,316
Huntington Bank Note	248,500	248,500	-
Line of Credit	192,087	-	192,087
2010 Bonds	74,670	74,670	-
2011 LCRA Bonds	255,000	255,000	-
2012 Bonds	203,857	203,857	-
2014 Bonds	210,000	210,000	-
2015 Bonds	5,000	5,000	-
Total principal	<u>1,643,116</u>	<u>1,358,713</u>	<u>284,403</u>
Interest expense			
PIB Note	49,746	32,984	16,762
Huntington Bank Note	31,949	31,949	-
Line of Credit	18,246	-	18,246
2010 Bonds	663,759	544,143	119,616
2011 LCRA Bonds	95,155	95,146	9
2012 Bonds	174,705	174,705	-
2014 Bonds	202,640	202,640	-
2015 Bonds	323,992	323,992	-
Total interest	<u>1,560,192</u>	<u>1,405,559</u>	<u>154,633</u>
Total expenditures	<u>3,203,308</u>	<u>2,764,272</u>	<u>439,036</u>
Excess (deficiency) of revenues over expenditures	<u>(3,203,308)</u>	<u>(2,764,272)</u>	<u>439,036</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>3,203,308</u>	<u>2,764,272</u>	<u>(439,036)</u>
Total other financing sources (uses)	<u>3,203,308</u>	<u>2,764,272</u>	<u>(439,036)</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>

ENTERPRISE FUNDS

These funds are 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.

Lycoming County Recreation Authority: The County operates the White Deer Golf Course through this blended component unit.

**COUNTY OF LYCOMING, PENNSYLVANIA
 RESOURCE MANAGEMENT SERVICES
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - BUDGET (GAAP BASIS) TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
OPERATING REVENUES			
Charge for services	\$ 12,013,800	\$ 10,494,478	\$ (1,519,322)
Sales	5,172,636	5,452,293	279,657
Miscellaneous revenues	189,435	174,122	(15,313)
Total revenues	<u>17,375,871</u>	<u>16,120,893</u>	<u>(1,254,978)</u>
OPERATING EXPENSES			
Public works			
Salaries & wages	3,232,418	3,150,645	81,773
Material and supplies	466,825	411,940	54,885
Operating expenses	5,681,611	4,608,012	1,073,599
Maintenance and repairs	1,523,638	1,424,451	99,187
Depreciation expense	4,120,464	4,041,327	79,137
Other post employment benefit expense	540,000	514,534	25,466
Fringe & indirect expense	2,257,346	2,639,744	(382,398)
Total operating expenses	<u>17,822,302</u>	<u>16,790,653</u>	<u>1,031,649</u>
Income (loss) from operations	<u>(446,431)</u>	<u>(669,760)</u>	<u>(223,329)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment earnings (loss)	1,443,819	1,356,947	(86,872)
Intergovernmental revenues	135,000	426,799	291,799
Net gain (loss) on sale of assets	(196,925)	(187,725)	9,200
Issuance costs	(19,237)	(154,867)	(135,630)
Interest expenses	(677,102)	(717,538)	(40,436)
Total non-operating revenues (expenses)	<u>685,555</u>	<u>723,616</u>	<u>38,061</u>
Income (loss) before transfer	239,124	53,856	(185,268)
Transfer in (out)	<u>(1,954,750)</u>	<u>(1,950,200)</u>	<u>4,550</u>
Change in net position	<u>(1,715,626)</u>	<u>(1,896,344)</u>	<u>(180,718)</u>
NET POSITION, BEGINNING			
Total net position-beginning	47,100,000	47,089,774	(10,226)
Total net position-ending	<u>\$ 45,384,374</u>	<u>\$ 45,193,430</u>	<u>\$ (190,944)</u>

Agency Funds

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

Delinquent Taxes

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

Municipal Taxes

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

Welfare Burial Fund

Accounts for funds to bury indigent persons

Cost and Fines

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

Lycoming County Health Care Plan

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

Escheats Fund

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

Public Relations Fund

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

Domestic Relations Child Support

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

Juvenile Restitution Fund

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

Adult Restitution Fund

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

Register and Recorder Adoption Fund

Accounts for the collection and distribution of funds to support adoptions

County Row Offices

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

Prison and Pre-Release Commissary

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

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2017

	Balance at January 1, 2017	Additions	Deductions	Balance at December 31, 2017
<u>Delinquent Taxes</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 766,070	\$ 10,254,195	\$ 10,035,353	\$ 984,912
Receivables				
Accounts receivable - NSF	967	29,258	967	29,258
Delinquent taxes	4,289,733	11,005,102	10,693,928	4,600,907
Total assets	<u>\$ 5,056,770</u>	<u>\$ 21,288,555</u>	<u>\$ 20,730,248</u>	<u>\$ 5,615,077</u>
<u>Liabilities:</u>				
Due to other governments	\$ 767,037	\$ 10,096,317	\$ 9,849,664	\$ 1,013,690
Escrow	4,289,733	10,884,050	10,572,396	4,601,387
Total liabilities	<u>\$ 5,056,770</u>	<u>\$ 20,980,367</u>	<u>\$ 20,422,060</u>	<u>\$ 5,615,077</u>
<u>Municipal Taxes</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 142,616	\$ 5,898,485	\$ 5,882,354	\$ 158,747
Accounts receivable	-	13,147,219	13,147,219	-
Total assets	<u>\$ 142,616</u>	<u>\$ 19,045,704</u>	<u>\$ 19,029,573</u>	<u>\$ 158,747</u>
<u>Liabilities:</u>				
Accounts payable	\$ 142,616	\$ 1,443,823	\$ 1,427,692	\$ 158,747
Due to other funds	-	4,454,662	4,454,662	-
Escrow	-	12,997,422	12,997,422	-
Total liabilities	<u>\$ 142,616</u>	<u>\$ 18,895,907</u>	<u>\$ 18,879,776</u>	<u>\$ 158,747</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	\$ 216,079	\$ 3,080,094	\$ 3,086,906	\$ 209,267
Accounts receivable	12,748,373	24,308,435	23,390,169	13,666,639
Total assets	<u>\$ 12,964,452</u>	<u>\$ 27,388,529</u>	<u>\$ 26,477,075</u>	<u>\$ 13,875,906</u>
<u>Liabilities:</u>				
Due to other funds	\$ -	\$ 8,251	\$ 8,251	\$ -
Escrow	12,964,452	13,838,059	12,926,605	13,875,906
Total liabilities	<u>\$ 12,964,452</u>	<u>\$ 13,846,310</u>	<u>\$ 12,934,856</u>	<u>\$ 13,875,906</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

	Balance at January 1, 2017	Additions	Deductions	Balance at December 31, 2017
<u>Lyc. Cnty. Health Care Plan</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 14,143	\$ 1,265,097	\$ 1,216,542	\$ 62,698
Total assets	<u>\$ 14,143</u>	<u>\$ 1,265,097</u>	<u>\$ 1,216,542</u>	<u>\$ 62,698</u>
<u>Liabilities:</u>				
Account payable	\$ 2,333	\$ 1,257,341	\$ 1,207,872	\$ 51,802
Escrow fund	5,810	1,275,660	1,276,574	4,896
Interfund loans	6,000	-	-	6,000
Total liabilities	<u>\$ 14,143</u>	<u>\$ 2,533,001</u>	<u>\$ 2,484,446</u>	<u>\$ 62,698</u>
<u>Escheats Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 56,124	\$ 17,872	\$ 16,055	\$ 57,941
Due from other funds	36	166	36	166
Total assets	<u>\$ 56,160</u>	<u>\$ 18,038</u>	<u>\$ 16,091</u>	<u>\$ 58,107</u>
<u>Liabilities:</u>				
Account payable	\$ -	\$ 16,055	\$ 16,055	\$ -
Escrow fund	56,160	18,002	16,055	58,107
Total liabilities	<u>\$ 56,160</u>	<u>\$ 34,057</u>	<u>\$ 32,110</u>	<u>\$ 58,107</u>
<u>Public Relations Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 4,068	\$ 4,233	\$ 2,246	\$ 6,055
Total assets	<u>\$ 4,068</u>	<u>\$ 4,233</u>	<u>\$ 2,246</u>	<u>\$ 6,055</u>
<u>Liabilities:</u>				
Account payable	\$ -	\$ 2,192	\$ 2,097	\$ 95
Escrow fund	4,068	6,639	4,747	5,960
Total liabilities	<u>\$ 4,068</u>	<u>\$ 8,831</u>	<u>\$ 6,844</u>	<u>\$ 6,055</u>
<u>Domestic Relations Child Support</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 13,223	\$ 846,190	\$ 849,862	\$ 9,551
Total assets	<u>\$ 13,223</u>	<u>\$ 846,190</u>	<u>\$ 849,862</u>	<u>\$ 9,551</u>
<u>Liabilities:</u>				
Escrow fund	\$ 13,223	\$ 846,190	\$ 849,862	\$ 9,551
Total liabilities	<u>\$ 13,223</u>	<u>\$ 846,190</u>	<u>\$ 849,862</u>	<u>\$ 9,551</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

	Balance at January 1, 2017	Additions	Deductions	Balance at December 31, 2017
<u>Juvenile Restitution Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 48,754	\$ 6,573	\$ 22,270	\$ 33,057
Total assets	<u>\$ 48,754</u>	<u>\$ 6,573</u>	<u>\$ 22,270</u>	<u>\$ 33,057</u>
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ 22,270	\$ 22,270	\$ -
Escrow fund	48,754	6,573	22,270	33,057
Total liabilities	<u>\$ 48,754</u>	<u>\$ 28,843</u>	<u>\$ 44,540</u>	<u>\$ 33,057</u>
<u>Adult Restitution Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 178,446	\$ 53,117	\$ 2,691	\$ 228,872
Total assets	<u>\$ 178,446</u>	<u>\$ 53,117</u>	<u>\$ 2,691</u>	<u>\$ 228,872</u>
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ 4,490	\$ 4,490	\$ -
Escrow fund	178,446	54,916	4,490	228,872
Total liabilities	<u>\$ 178,446</u>	<u>\$ 54,916</u>	<u>\$ 4,490</u>	<u>\$ 228,872</u>
<u>Register & Recorder Adoption Fund</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 43,575	\$ 1,450	\$ -	\$ 45,025
Due from other funds	750	-	750	-
Total assets	<u>\$ 44,325</u>	<u>\$ 1,450</u>	<u>\$ 750</u>	<u>\$ 45,025</u>
<u>Liabilities:</u>				
Escrow fund	\$ 44,325	\$ 1,450	\$ 750	\$ 45,025
Total liabilities	<u>\$ 44,325</u>	<u>\$ 1,450</u>	<u>\$ 750</u>	<u>\$ 45,025</u>
<u>County Row Offices</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 713,104	\$ 13,170,108	\$ 13,194,141	\$ 689,071
Total assets	<u>\$ 713,104</u>	<u>\$ 13,170,108</u>	<u>\$ 13,194,141</u>	<u>\$ 689,071</u>
<u>Liabilities:</u>				
Due to other funds	\$ 786	\$ 2,428	\$ 3,048	\$ 166
Due to other governments	319,302	9,415,892	9,434,906	300,288
Escrow	393,016	3,751,788	3,756,187	388,617
Total liabilities	<u>\$ 713,104</u>	<u>\$ 13,170,108</u>	<u>\$ 13,194,141</u>	<u>\$ 689,071</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED DECEMBER 31, 2017
(CONTINUED)

	Balance at January 1, 2017	Additions	Deductions	Balance at December 31, 2017
<u>Prison & Pre-Release Commissary</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 287,519	\$ 98,245	\$ 147,885	\$ 237,879
Due from other funds	15,786	45,879	57,768	3,897
Total assets	<u>\$ 303,305</u>	<u>\$ 144,124</u>	<u>\$ 205,653</u>	<u>\$ 241,776</u>
<u>Liabilities:</u>				
Accounts payable	\$ 80,228	\$ 52,697	\$ 62,108	\$ 70,817
Escrow fund	217,577	107,922	160,040	165,459
Interfund loan	5,500	-	-	5,500
Total liabilities	<u>\$ 303,305</u>	<u>\$ 160,619</u>	<u>\$ 222,148</u>	<u>\$ 241,776</u>
<u>Total All Agency Funds</u>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 2,503,882	\$ 34,695,659	\$ 34,456,305	\$ 2,743,236
Receivables				
Due from other funds	16,572	46,045	58,554	4,063
Accounts receivable	967	13,176,477	13,148,186	29,258
Delinquent taxes (non county)	4,289,733	11,005,102	10,693,928	4,600,907
Cost & fines (non county)	12,748,373	24,308,435	23,390,169	13,666,639
Total assets	<u>\$ 19,559,527</u>	<u>\$ 83,231,718</u>	<u>\$ 81,747,142</u>	<u>\$ 21,044,103</u>
<u>Liabilities:</u>				
Accounts payable	\$ 225,177	\$ 2,794,378	\$ 2,738,094	\$ 281,461
Due to other funds	786	4,465,341	4,465,961	166
Due to other governments	1,086,339	19,512,209	19,284,570	1,313,978
Escrow funds	18,235,725	43,788,671	42,587,398	19,436,998
Interfund loans	11,500	-	-	11,500
Total liabilities	<u>\$ 19,559,527</u>	<u>\$ 70,560,599</u>	<u>\$ 69,076,023</u>	<u>\$ 21,044,103</u>

COUNTY OF LYCOMING, PENNSYLVANIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION
GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	January 1, 2017	Additions / Transfers	Disposals / Transfers	December 31, 2017
General Government	\$ 28,693,012	\$ 905,607	\$ 305,654	\$ 29,292,965
Judicial	1,545,867	19,816	55,677	1,510,006
Public Safety	23,951,303	723,069	3,123,997	21,550,375
Public Works	11,540,085	323,400	-	11,863,485
Human Services	2,129,616	-	-	2,129,616
Culture & Recreation	4,184,600	768,320	167,869	4,785,051
Conservation & Dev.	2,940,544	13,882	5,296	2,949,130
	<u>\$ 74,985,027</u>	<u>\$ 2,754,094</u>	<u>\$ 3,658,493</u>	<u>\$ 74,080,628</u>

ENDING BALANCE IS COMPOSED OF

	Land	Construction in Progress	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
General Government	\$ 177,726	\$ 56,419	\$ 22,408,775	\$ 518,186	\$ 5,691,779	\$ 440,080	\$ 29,292,965
Judicial	-	-	210,709	-	1,299,297	-	1,510,006
Public Safety	266,811	423,703	8,540,037	-	12,306,694	13,130	21,550,375
Public Works	-	770,828	-	-	13,327	11,079,330	11,863,485
Human Services	-	-	2,124,041	-	5,575	-	2,129,616
Culture & Recreation	2,310,922	-	1,136,542	819,806	263,264	254,517	4,785,051
Conservation & Dev.	96,000	-	1,613,684	750,663	283,467	205,316	2,949,130
	<u>\$ 2,851,459</u>	<u>\$ 1,250,950</u>	<u>\$ 36,033,788</u>	<u>\$ 2,088,655</u>	<u>\$ 19,863,403</u>	<u>\$ 11,992,373</u>	<u>\$ 74,080,628</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, 2017

	January 1, 2017	Additions / Transfers	Disposals / Transfers	December 31, 2017
Public Works	\$ 121,108,516	\$ 3,276,829	\$ 873,911	\$ 123,511,434
Culture & Recreation	2,156,308	-	2,742	2,153,566
	<u>\$ 123,264,824</u>	<u>\$ 3,276,829</u>	<u>\$ 876,653</u>	<u>\$ 125,665,000</u>

ENDING BALANCE IS COMPOSED OF

	Land	Intangibles	Construction in Progress	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
Public Works	\$ 2,455,840	\$ 2,081,316	\$ 11,335,369	\$ 18,184,905	\$ 53,278,497	\$ 34,282,800	\$ 1,892,707	\$ 123,511,434
Culture & Recreation	-	-	-	-	-	2,153,566	-	2,153,566
	<u>\$ 2,455,840</u>	<u>\$ 2,081,316</u>	<u>\$ 11,335,369</u>	<u>\$ 18,184,905</u>	<u>\$ 53,278,497</u>	<u>\$ 36,436,366</u>	<u>\$ 1,892,707</u>	<u>\$ 125,665,000</u>

STATISTICAL SECTION

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

Financial Trends

Financial trends information is provided to help the reader realize and evaluate how the County's financial situation has changed over time. (Tables 1 – 4)

Revenue Capacity

Revenue capacity information is provided to assist the reader with understanding and evaluating the factors affecting the County's ability to produce its own revenues (mainly taxes). (Tables 5 – 9)

Debt Capacity

Debt capacity information is provided to assist the reader with understanding and evaluating the County's debt burden and the County's ability to issue other debt. (Tables 10 – 12)

Demographic and Economic Statistics

Demographic and economic statistics are provided to help the reader in understanding the County by giving socioeconomic trend and comparison information. (Tables 13 – 14)

Operating Indicators

Operating indicators are provided to provide the reader with contextual information for evaluating the County's financial statement information. (Tables 15 – 17)

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Primary Government - Governmental Activities										
Net investment in capital assets	\$ 19,481,290	\$ 18,482,948	\$ 9,023,986	\$ 10,380,450	\$ 7,731,186	\$ 6,992,711	\$ 3,924,877	\$ 4,156,925	\$ 3,974,580	\$ 3,889,424
Restricted	5,270,442	5,275,984	4,627,026	4,128,905	4,143,823	11,859,734	11,854,101	16,255,966	19,121,341	19,860,087
Unrestricted	<u>30,199,159</u>	<u>29,252,432</u>	<u>38,211,494</u>	<u>33,823,834</u>	<u>31,271,310</u>	<u>17,379,988</u>	<u>8,327,628</u>	<u>(17,984,750)</u>	<u>(19,615,747)</u>	<u>(21,007,068)</u>
Total net position	<u>\$ 54,950,891</u>	<u>\$ 53,011,364</u>	<u>\$ 51,862,506</u>	<u>\$ 48,333,189</u>	<u>\$ 43,146,319</u>	<u>\$ 36,232,433</u>	<u>\$ 24,106,606</u>	<u>\$ 2,428,141</u>	<u>\$ 3,480,174</u>	<u>\$ 2,742,443</u>
Primary Government - Business Type Activities										
Net investment in capital assets	\$ 30,152,920	\$ 29,678,668	\$ 28,327,055	\$ 38,232,153	\$ 38,103,503	\$ 34,594,653	\$ 35,447,624	\$ 32,765,201	\$ 26,253,989	\$ 24,666,052
Restricted	16,466,373	16,269,733	24,309,139	23,983,182	20,983,182	21,146,160	21,146,160	21,233,368	21,426,310	21,428,811
Unrestricted	<u>19,232,376</u>	<u>19,142,537</u>	<u>11,511,149</u>	<u>1,449,510</u>	<u>2,540,414</u>	<u>220,199</u>	<u>(3,497,011)</u>	<u>(2,197,713)</u>	<u>(3,998,876)</u>	<u>(4,577,596)</u>
Total net position	<u>\$ 65,851,669</u>	<u>\$ 65,090,938</u>	<u>\$ 64,147,343</u>	<u>\$ 63,664,845</u>	<u>\$ 61,627,099</u>	<u>\$ 55,961,012</u>	<u>\$ 53,096,773</u>	<u>\$ 51,800,856</u>	<u>\$ 43,681,423</u>	<u>\$ 41,517,267</u>
Total Primary Government										
Net investment in capital assets	\$ 49,634,210	\$ 48,161,616	\$ 37,351,041	\$ 48,612,603	\$ 45,834,689	\$ 41,587,364	\$ 39,372,501	\$ 36,922,126	\$ 30,228,569	\$ 28,555,476
Restricted	21,736,815	21,545,717	28,936,165	28,112,087	25,127,005	33,005,894	33,000,261	37,489,334	40,547,651	41,288,898
Unrestricted	<u>49,431,535</u>	<u>48,394,969</u>	<u>49,722,643</u>	<u>35,273,344</u>	<u>33,811,724</u>	<u>17,600,187</u>	<u>4,830,617</u>	<u>(20,182,463)</u>	<u>(23,614,623)</u>	<u>(25,584,664)</u>
Total net position	<u>\$ 120,802,560</u>	<u>\$ 118,102,302</u>	<u>\$ 116,009,849</u>	<u>\$ 111,998,034</u>	<u>\$ 104,773,418</u>	<u>\$ 92,193,445</u>	<u>\$ 77,203,379</u>	<u>\$ 54,228,997</u>	<u>\$ 47,161,597</u>	<u>\$ 44,259,710</u>

Note: During 2016, the County added a blended component unit to business-type activities. Prior fund balances were not restated.

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

Expenses	Fiscal Years									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
General government	\$ 10,983,485	\$ 10,525,125	\$ 10,865,973	\$ 11,840,228	\$ 14,592,375	\$ 13,802,847	\$ 12,434,475	\$ 13,342,690	\$ 12,859,993	\$ 11,503,434
Judicial	10,145,257	9,785,388	10,310,591	10,568,264	11,505,811	12,334,926	13,173,247	13,360,344	13,531,610	13,375,119
Public safety	19,159,875	18,762,923	19,261,214	20,410,325	22,408,635	22,932,896	24,403,625	25,906,364	23,930,293	23,463,148
Public works	2,900,479	3,420,647	3,479,963	2,778,025	3,959,163	5,760,527	8,083,405	4,013,153	5,136,244	4,824,678
Human services	22,897,286	22,150,709	19,634,287	17,240,235	22,070,679	12,771,967	13,434,011	12,072,663	13,318,322	12,357,747
Culture & recreation	4,652,234	5,930,528	1,489,466	1,325,339	1,372,692	1,383,038	5,223,251	1,352,014	1,238,343	1,247,246
Conservation & development	758,201	1,252,589	1,457,247	1,622,042	2,279,492	1,609,158	1,356,323	673,364	740,098	1,735,616
Interest on long-term debt	2,092,950	1,737,958	1,659,983	1,729,389	1,746,267	2,046,232	1,785,304	1,657,808	1,675,242	1,742,750
Total governmental activities expenses	<u>73,589,767</u>	<u>73,565,867</u>	<u>68,158,724</u>	<u>67,513,847</u>	<u>79,935,114</u>	<u>72,641,591</u>	<u>79,893,641</u>	<u>72,378,400</u>	<u>72,430,145</u>	<u>70,249,738</u>
Business-type activities:										
Public works	16,078,503	15,022,049	16,463,882	17,081,669	18,114,037	17,150,114	17,171,348	16,638,071	15,912,583	17,663,058
Culture & recreation	-	-	-	-	-	-	-	-	1,832,598	1,673,532
Total business-type activities expenses	<u>16,078,503</u>	<u>15,022,049</u>	<u>16,463,882</u>	<u>17,081,669</u>	<u>18,114,037</u>	<u>17,150,114</u>	<u>17,171,348</u>	<u>16,638,071</u>	<u>17,745,181</u>	<u>19,336,590</u>
Total primary government expenses	<u>\$ 89,668,270</u>	<u>\$ 88,587,916</u>	<u>\$ 84,622,606</u>	<u>\$ 84,595,516</u>	<u>\$ 98,049,151</u>	<u>\$ 89,791,705</u>	<u>\$ 97,064,989</u>	<u>\$ 89,016,471</u>	<u>\$ 90,175,326</u>	<u>\$ 89,586,328</u>
Program Revenues										
Governmental activities:										
Charge for services										
General government	\$ 4,849,321	\$ 3,390,765	\$ 3,490,385	\$ 3,948,710	\$ 7,171,714	\$ 3,265,973	\$ 3,469,706	\$ 3,299,841	\$ 3,550,589	\$ 2,868,847
Judicial	2,596,075	2,532,726	2,721,862	2,629,715	2,681,318	2,782,585	2,545,473	2,599,340	2,969,047	2,732,663
Public safety	3,539,942	2,793,836	3,424,581	3,398,243	1,042,120	3,528,899	3,619,181	3,708,393	4,755,278	4,316,310
Public works	104,138	33,556	137,880	89,011	335,739	179,846	78,256	14,786	168,423	47,587
Human services	458	20	-	10	9	115	810	2,563	9,632	849
Culture & recreation	-	-	-	-	-	123	448	887	879	36,472
Conservation & development	224,242	201,110	73,729	160,558	193,073	165,112	121,052	87,601	246,945	65,391
Interest on long term debt	-	-	-	-	7	-	-	-	-	-
Operating grants & contributions	31,577,067	32,436,673	26,280,114	22,335,269	32,579,829	23,852,911	27,265,770	23,150,969	23,063,650	22,690,214
Capital grants & contributions	148,463	659,181	1,335,086	1,293,672	48,280	250,000	395,112	156,391	294,241	183,127
Total governmental activities program revenues	<u>43,039,706</u>	<u>42,047,867</u>	<u>37,463,637</u>	<u>33,855,188</u>	<u>44,052,089</u>	<u>34,025,564</u>	<u>37,495,808</u>	<u>33,020,771</u>	<u>35,058,684</u>	<u>32,941,460</u>

(Continued)

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

	Fiscal Years									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-type activities:										
Charge for services	\$ 15,839,053	\$ 14,038,858	\$ 15,150,510	\$ 16,183,636	\$ 15,492,798	\$ 15,847,513	\$ 14,636,180	\$ 15,620,142	\$ 15,973,216	\$ 17,241,241
Operating grants & contributions	1,009,877	130,680	624,804	431,142	213,404	187,569	147,740	297,719	378,442	521,945
Total business-type activities program revenues	<u>16,848,930</u>	<u>14,169,538</u>	<u>15,775,314</u>	<u>16,614,778</u>	<u>15,706,202</u>	<u>16,035,082</u>	<u>14,783,920</u>	<u>15,917,861</u>	<u>16,351,658</u>	<u>17,763,186</u>
Total primary government program revenues	<u>\$ 59,888,636</u>	<u>\$ 56,217,405</u>	<u>\$ 53,238,951</u>	<u>\$ 50,469,966</u>	<u>\$ 59,758,291</u>	<u>\$ 50,060,646</u>	<u>\$ 52,279,728</u>	<u>\$ 48,938,632</u>	<u>\$ 51,410,342</u>	<u>\$ 50,704,646</u>
Net (expense)/revenue										
Governmental activities	\$ (30,550,061)	\$ (31,518,000)	\$ (30,695,087)	\$ (33,658,659)	\$ (35,883,025)	\$ (38,616,027)	\$ (42,397,833)	\$ (39,357,629)	\$ (37,371,461)	\$ (37,308,278)
Business-type activities	770,427	(852,511)	(688,568)	(466,891)	(2,407,835)	(1,115,032)	(2,387,428)	(720,210)	(1,393,523)	(1,573,404)
Total primary government net expense	<u>\$ (29,779,634)</u>	<u>\$ (32,370,511)</u>	<u>\$ (31,383,655)</u>	<u>\$ (34,125,550)</u>	<u>\$ (38,290,860)</u>	<u>\$ (39,731,059)</u>	<u>\$ (44,785,261)</u>	<u>\$ (40,077,839)</u>	<u>\$ (38,764,984)</u>	<u>\$ (38,881,682)</u>
General Revenues and Other										
Changes in Net Position										
Governmental activities:										
Property taxes	\$ 26,021,245	\$ 26,325,959	\$ 26,559,939	\$ 27,188,124	\$ 27,235,490	\$ 27,295,551	\$ 27,417,561	\$ 33,071,183	\$ 33,333,963	\$ 33,800,012
Unrestricted investment earnings	1,506,693	735,524	395,286	-	425,448	396,499	375,489	274,830	274,542	245,918
Grants, contributions and other revenues not restricted to specific programs.	424,359	435,135	436,036	410,000	408,069	414,521	419,280	414,844	420,744	574,417
Transfers	2,495,167	2,081,856	2,154,967	2,531,218	2,627,148	4,174,773	2,059,676	1,987,601	4,394,245	1,950,200
Total governmental activities	<u>30,447,464</u>	<u>29,578,474</u>	<u>29,546,228</u>	<u>30,129,342</u>	<u>30,696,155</u>	<u>32,281,344</u>	<u>30,272,006</u>	<u>35,748,458</u>	<u>38,423,494</u>	<u>36,570,547</u>
Business-type activities:										
Unrestricted investment earnings	3,078,280	2,173,636	1,899,940	2,515,611	2,997,237	(55,888)	1,582,865	1,411,894	682,442	1,359,448
Transfers	(2,495,167)	(2,081,856)	(2,154,967)	(2,531,218)	(2,627,148)	(4,174,773)	(2,059,676)	(1,987,601)	(4,394,245)	(1,950,200)
Total business-type activities	<u>583,113</u>	<u>91,780</u>	<u>(255,027)</u>	<u>(15,607)</u>	<u>370,089</u>	<u>(4,230,661)</u>	<u>(476,811)</u>	<u>(575,707)</u>	<u>(3,711,803)</u>	<u>(590,752)</u>
Total primary government	<u>\$ 31,030,577</u>	<u>\$ 29,670,254</u>	<u>\$ 29,291,201</u>	<u>\$ 30,113,735</u>	<u>\$ 31,066,244</u>	<u>\$ 28,050,683</u>	<u>\$ 29,795,195</u>	<u>\$ 35,172,751</u>	<u>\$ 34,711,691</u>	<u>\$ 35,979,795</u>
Change in Net Position										
Governmental activities	\$ (102,597)	\$ (1,939,526)	\$ (1,148,859)	\$ (3,529,317)	\$ (5,186,870)	\$ (6,334,683)	\$ (12,125,827)	\$ (3,609,171)	\$ 1,052,033	\$ (737,731)
Business-type activities	1,353,540	(760,731)	(943,595)	(482,498)	(2,037,746)	(5,345,693)	(2,864,239)	(1,295,917)	(5,105,326)	(2,164,156)
Total primary government	<u>\$ 1,250,943</u>	<u>\$ (2,700,257)</u>	<u>\$ (2,092,454)</u>	<u>\$ (4,011,815)</u>	<u>\$ (7,224,616)</u>	<u>\$ (11,680,376)</u>	<u>\$ (14,990,066)</u>	<u>\$ (4,905,088)</u>	<u>\$ (4,053,293)</u>	<u>\$ (2,901,887)</u>

Note: During 2016, the County added a blended component unit to business-type activities. Prior fund balances were not restated.

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General fund										
Reserved	\$ 19,242,123	\$ 8,011,808	\$ 8,603,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, undesignated	28,608,193	29,873,367	40,626,179	-	-	-	-	-	-	-
Non-Spendable				12,041,166	13,300,650	13,910,210	8,984,969	7,888,168	7,440,465	5,499,296
Restricted				9,270,378	6,258,351	1,323,426	1,003,915	977,040	538,088	24,372
Assigned				6,243,182	9,476,751	8,889,127	609,487	889,327	1,612,973	1,039,964
Unassigned				20,240,097	17,103,683	15,858,934	23,982,408	21,901,736	20,988,748	23,888,173
Total general fund	<u>\$ 47,850,316</u>	<u>\$ 37,885,175</u>	<u>\$ 49,229,300</u>	<u>\$ 47,794,823</u>	<u>\$ 46,139,435</u>	<u>\$ 39,981,697</u>	<u>\$ 34,580,779</u>	<u>\$ 31,656,271</u>	<u>\$ 30,580,274</u>	<u>\$ 30,451,805</u>
All other governmental funds										
Reserved										
Special revenue funds	\$ 5,252,199	\$ 738,142	\$ 424,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, designated										
Special revenue funds	-	3,909,812	3,856,604	-	-	-	-	-	-	-
Unreserved, undesignated	37,090	37,090	37,090	-	-	-	-	-	-	-
Restricted										
Special revenue funds				4,197,487	8,231,494	11,738,806	14,042,080	15,952,207	18,881,210	19,639,036
Assigned										
Special revenue funds				13,684	13,684	288,480	314,575	337,558	284,144	266,825
Total other governmental funds	<u>\$ 5,289,289</u>	<u>\$ 4,685,044</u>	<u>\$ 4,318,675</u>	<u>\$ 4,211,171</u>	<u>\$ 8,245,178</u>	<u>\$ 12,027,286</u>	<u>\$ 14,356,655</u>	<u>\$ 16,289,765</u>	<u>\$ 19,165,354</u>	<u>\$ 19,905,861</u>

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

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

	Fiscal Years									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$ 25,953,820	\$ 26,202,134	\$ 26,520,552	\$ 27,384,947	\$ 27,270,594	\$ 27,302,944	\$ 27,545,342	\$ 32,920,360	\$33,016,004	\$ 33,790,184
Licenses & permits	46,527	46,590	42,330	46,817	43,402	46,350	45,854	45,112	43,465	46,025
Intergovernmental revenues	32,103,363	33,484,400	28,008,905	23,992,182	32,992,778	24,471,083	28,034,308	23,677,094	23,737,317	23,401,732
Charge for services	6,100,977	5,276,030	5,972,053	6,114,661	6,263,551	6,340,973	6,188,156	6,256,990	6,832,843	6,897,060
Court cost & fines	86,345	1,740,563	1,376,936	1,014,444	1,328,268	1,902,866	1,946,702	1,874,572	1,871,526	1,527,153
Investment earnings	1,627,679	784,844	410,957	472,745	466,875	413,912	388,435	301,601	320,826	329,757
Sale of assets	2,804,188	79,192	109,483	113,359	124,401	110,889	291,430	84,966	78,988	76,505
Miscellaneous	2,203,180	2,352,380	2,317,254	2,502,834	3,702,409	1,681,446	1,728,889	1,484,547	2,776,242	1,463,871
Total revenues	70,926,079	69,966,133	64,758,470	61,641,989	72,192,278	62,270,463	66,169,116	66,645,242	68,677,211	67,532,287
Expenditures										
General government	8,320,767	7,666,980	7,653,044	8,033,355	8,064,721	9,101,794	8,599,292	9,422,509	8,481,302	7,849,729
Judicial	7,847,315	7,420,019	7,404,312	7,296,310	7,887,638	8,095,378	8,830,440	8,742,398	8,796,692	8,840,232
Public safety	14,766,037	14,554,859	14,167,835	14,939,017	16,338,861	16,150,482	17,307,101	20,190,634	17,348,599	17,269,751
Public works	2,612,391	2,733,577	3,130,368	2,208,068	3,565,956	5,385,679	5,571,539	3,677,756	4,607,721	4,460,198
Human services	22,784,862	22,036,293	19,496,416	17,106,934	21,935,284	12,654,518	13,306,447	11,923,206	13,179,640	12,240,684
Culture & recreation	4,538,253	5,825,612	1,381,512	1,217,386	1,260,601	1,273,912	3,551,685	1,487,888	1,377,367	1,325,303
Conservation & development	515,730	993,298	1,163,421	1,315,989	2,014,930	1,343,633	1,091,869	398,031	465,827	1,523,252
Miscellaneous	5,575,290	5,807,991	6,266,489	7,127,655	8,322,240	9,279,127	9,246,793	10,320,733	9,895,726	9,890,444
Debt service-principal	1,750,618	12,281,411	980,017	1,094,408	1,076,775	1,737,890	9,134,339	1,948,590	2,271,430	1,632,909
-interest	1,763,967	1,687,087	1,495,785	1,724,109	1,605,906	1,785,106	2,355,003	1,408,371	1,347,923	1,405,559
Capital outlay	2,084,825	1,365,940	3,340,642	3,651,955	1,297,357	1,793,320	1,276,255	281,469	2,629,212	2,432,387
Total expenditures	72,560,055	82,373,067	66,479,841	65,715,186	73,370,269	68,600,839	80,270,763	69,801,585	70,401,439	68,870,448
Excess of revenues over (under) expenditures	(1,633,976)	(12,406,934)	(1,721,371)	(4,073,197)	(1,177,991)	(6,330,376)	(14,101,647)	(3,156,343)	(1,724,228)	(1,338,161)
Other financing sources (uses)										
Transfer in	6,841,543	23,853,302	4,987,280	5,555,041	10,560,356	5,923,448	13,941,846	14,175,221	5,599,276	5,748,865
Transfer out	(4,346,377)	(22,015,753)	(2,832,313)	(3,023,824)	(7,933,208)	(3,668,702)	(11,882,169)	(12,187,620)	(3,425,242)	(3,798,666)
Debt proceeds	-	-	10,645,289	-	8,078,867	1,700,000	9,021,700	8,375,000	1,349,786	-
Payment to refunding agent	-	-	-	-	(4,927,460)	-	-	(8,124,447)	-	-
Bond issuance discount	-	-	(101,130)	-	(102,066)	-	(51,278)	(73,210)	-	-
Forgiveness of debt	-	-	-	-	(2,185,593)	-	-	-	-	-
Total other financing sources (uses)	2,495,166	1,837,549	12,699,126	2,531,217	3,490,896	3,954,746	11,030,099	2,164,944	3,523,820	1,950,199
Net change in fund balance	\$ 861,190	\$(10,569,385)	\$ 10,977,755	\$(1,541,980)	\$ 2,312,905	\$(2,375,630)	\$(3,071,548)	\$ (991,399)	\$ 1,799,592	\$ 612,038
Debt service as a percentage of noncapital expenditures	4.99%	17.24%	3.92%	4.54%	3.72%	5.27%	14.54%	4.83%	5.34%	4.57%

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

Fiscal Year	Real Estate Taxes	Hotel Room Rental Tax	Total
2008	\$ 25,492,281	\$ 461,539	\$ 25,953,820
2009	25,610,940	591,194	26,202,134
2010	25,888,594	631,958	26,520,552
2011	26,372,093	1,012,854	27,384,947
2012	26,277,637	992,957	27,270,594
2013	26,411,189	851,739	27,262,928
2014	26,762,851	782,491	27,545,342
2015	32,165,832	754,529	32,920,361
2016	32,295,363	720,641	33,016,004
2017	32,733,517	1,056,667	33,790,184

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

Fiscal Year	Real Estate Taxes	Hotel Room Rental Tax	Total
2013	\$ 26,443,813	\$ 851,739	\$ 27,295,552
2014	26,635,070	782,491	27,417,561
2015	32,316,655	754,529	33,071,184
2016	32,613,322	720,641	33,333,963
2017	32,743,345	1,056,667	33,800,012

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

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

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

Fiscal Year Ended <u>December 31</u>	Tax Exempt <u>Property</u>	Taxable Commercial <u>Property</u>	Taxable Residential <u>Property</u>	Total Taxable Assessed <u>Value</u>	Total Direct Tax <u>Rate</u>	Estimated Actual Taxable <u>Value</u>	Percent Assessed/ <u>Actual</u>
2008	\$ 970,702	\$ 1,822,672	\$ 3,596,702	\$ 5,345,165	4.75	\$ 5,345,165	100.0%
2009	977,489	1,791,321	3,612,209	5,403,531	4.75	5,403,531	100.0%
2010	984,241	1,825,314	3,617,064	5,442,378	4.75	5,442,378	100.0%
2011	968,349	952,201	3,558,902	5,493,950	4.75	5,493,950	100.0%
2012	992,131	1,153,251	4,360,547	5,513,798	4.75	5,513,798	100.0%
2013	1,004,036	1,168,684	4,390,283	5,558,967	4.75	5,558,967	100.0%
2014	1,016,912	1,186,769	4,412,235	5,599,004	4.75	5,599,004	100.0%
2015	1,032,513	1,203,043	4,434,385	5,637,428	5.75	5,637,428	100.0%
2016	1,041,324	1,205,064	4,478,181	5,683,245	5.75	5,683,245	100.0%
2017	1,030,879	1,216,681	4,480,454	5,697,135	5.75	5,697,135	100.0%

Source: Lycoming County Assessment Office

Notes: Estimated Actual Value - 100% of Market Value of Personal Property

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
County Direct Rate	4.750	4.750	4.750	4.750	4.750	4.750	4.750	5.750	5.750	5.750
School District Rates										
Canton Area	12.019	12.019	12.235	13.323	13.323	14.789	14.789	14.435	14.435	14.942
East Lycoming Area	10.930	10.930	11.330	11.530	11.530	12.050	12.050	12.760	12.760	13.500
Jersey Shore Area	14.022	14.022	15.133	15.266	15.266	15.621	15.621	16.414	16.414	17.374
Loyalsock Area	13.000	13.000	13.000	13.000	13.000	13.250	13.250	13.870	13.870	14.420
Montgomery Area	11.000	11.000	11.000	11.920	11.920	12.490	12.490	13.640	13.640	14.860
Montoursville Area	12.720	12.720	13.190	13.310	13.310	13.510	13.510	14.210	14.210	14.850
Muncy Area	11.500	11.500	11.500	13.000	13.000	13.280	13.280	13.950	13.950	15.500
South Williamsport Area	13.800	13.800	12.300	13.300	13.300	13.900	13.900	14.600	14.600	14.600
Southern Tioga Area	13.131	13.131	13.794	14.070	14.070	14.288	14.288	15.586	15.586	16.460
Wellsboro Area	14.698	14.698	14.275	14.283	14.283	13.797	13.797	13.984	13.984	18.196
Williamsport Area	13.350	13.350	13.850	14.130	14.130	14.816	14.816	15.470	15.470	16.160
Borough Rates										
DuBoistown	3.930	3.930	3.930	3.930	3.930	3.930	3.930	4.430	4.930	4.930
Hughesville	4.500	4.500	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000
Jersey Shore	4.338	4.338	4.338	4.338	4.838	6.838	7.088	7.338	7.838	8.338
Montgomery	3.742	3.742	4.742	4.742	4.742	5.242	6.242	6.242	6.242	7.242
Montoursville	2.300	2.300	2.300	2.300	2.300	2.300	3.000	3.000	3.000	3.300
Muncy	3.000	3.000	3.000	3.000	3.500	3.500	3.500	4.500	4.700	4.800
Picture Rocks	1.555	1.555	1.555	1.555	1.555	1.555	1.555	1.555	1.555	1.555
Salladasburg	0.592	0.592	0.592	0.592	0.592	0.592	0.592	0.592	0.592	0.592
South Williamsport	3.970	3.970	3.970	4.300	4.300	4.300	4.300	4.300	4.300	4.480
City Rate										
Williamsport	9.180	10.180	10.180	10.180	10.580	11.580	11.580	12.580	14.470	14.720
Township Rates										
Anthony	1.128	1.128	1.128	1.128	1.280	1.280	1.280	1.280	1.128	1.128
Armstrong	0.747	0.747	0.747	2.000	2.000	2.000	2.000	2.000	2.000	2.000
Bastress	0.147	0.090	0.090	0.090	0.090	0.090	0.090	0.090	0.090	0.090
Brady	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Brown	1.571	1.571	1.571	1.571	1.571	1.571	1.321	1.321	1.321	1.250
Cascade	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050	1.050
Clinton	1.898	1.898	1.898	1.898	1.898	1.898	1.898	1.898	1.898	1.898
Cogan House	0.416	0.416	0.550	0.550	0.550	0.550	0.550	0.550	0.550	0.550

(Continued)

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

	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Township Rates, continued										
Cummings	0.586	0.586	0.586	0.736	0.736	0.736	0.000	0.000	0.000	0.000
Eldred	0.546	0.546	0.546	3.930	0.546	0.546	0.546	0.359	0.359	0.359
Fairfield	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Franklin	0.320	0.320	0.320	0.400	0.400	0.400	0.400	0.400	0.400	0.400
Gamble	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807
Hepburn	1.287	1.287	1.287	1.287	1.287	1.287	1.287	1.287	1.287	1.287
Jackson	0.380	0.380	0.380	0.380	0.380	0.380	0.380	0.000	0.000	0.000
Jordon	0.315	0.315	0.315	0.400	0.400	0.400	0.400	0.400	0.400	0.400
Lewis	1.392	1.392	1.392	1.392	1.392	1.392	1.392	1.392	1.392	1.392
Limestone	0.141	0.141	0.141	0.141	0.141	0.141	0.141	0.141	0.191	0.191
Loyalsock	1.400	1.400	1.400	1.400	1.400	1.400	0.700	0.700	0.700	0.700
Lycoming	0.432	0.432	0.432	0.432	0.432	0.432	0.432	0.432	0.432	0.432
McHenry	1.226	1.226	1.226	1.226	1.226	1.226	1.226	0.000	0.000	0.000
McIntyre	0.634	0.634	0.634	0.634	0.634	0.634	0.634	0.634	0.634	0.634
McNett	1.785	1.883	2.883	2.883	2.883	2.883	3.630	3.630	3.630	3.630
Mifflin	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174	1.174
Mill Creek	0.630	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950
Moreland	0.450	0.500	0.600	0.700	0.700	0.900	0.900	0.900	1.020	1.020
Muncy Creek	0.694	0.694	0.694	0.694	0.694	0.694	0.694	0.694	1.000	1.000
Muncy	1.000	1.000	1.000	1.000	1.000	1.500	1.500	1.500	1.500	2.000
Nippenose	1.500	1.500	1.500	1.500	1.500	1.500	2.000	2.000	2.000	2.000
Old Lycoming	3.841	3.841	3.841	3.841	4.341	4.341	4.341	5.341	5.341	5.341
Penn	0.312	0.312	0.312	0.312	0.312	0.312	0.312	0.312	0.312	0.312
Piatt	0.669	0.669	0.852	1.176	1.176	1.176	1.176	1.176	1.176	1.176
Pine	0.340	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Plunketts Creek	1.282	1.282	1.282	1.282	1.282	1.500	1.500	1.500	1.500	1.500
Porter	3.233	3.233	3.233	3.233	5.233	5.233	5.233	5.983	5.983	5.983
Shrewsbury	1.760	2.260	2.260	2.510	2.510	2.510	2.510	2.510	2.510	2.510
Susquehanna	0.991	0.991	1.111	1.111	1.111	1.111	1.111	1.111	1.111	1.611
Upper Fairfield	0.061	0.061	0.061	0.061	0.061	0.061	0.061	0.500	0.500	0.500
Washington	1.234	1.234	1.234	1.234	1.234	1.234	1.234	1.234	1.839	1.839
Watson	1.090	1.090	1.090	1.090	1.090	1.090	1.090	1.090	1.090	1.090
Wolf	0.661	0.840	0.525	0.525	0.525	0.661	0.661	0.661	0.661	0.661
Woodward	0.514	0.380	0.839	0.984	0.984	0.984	0.984	0.984	0.984	0.984

Source: Lycoming County Assessment Office

County of Lycoming, Pennsylvania
Principal Taxpayers
December 31, 2017
Table #8

Taxpayer	2017			2008		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Lycoming Mall Realty Holding, LLC	\$ 47,136,200	1	0.83%			
BRE RC Loyal Plaza PA, LP	15,791,430	2	0.28%			
Weis Markets, Inc.	15,025,720	3	0.26%	\$ 18,677,740	4	0.30%
Grizzly Industrial Inc.	14,925,360	4	0.26%	19,722,470	2	0.31%
Wal Mart Stores, Inc.	12,785,240	5	0.22%	11,592,760	5	0.18%
4 Girton Dr, LP	10,385,200	6	0.18%			
Williamsport Hospitality, LLC	8,730,250	7	0.15%			
Paul G. Enterprises	8,662,060	8	0.15%			
VIWY, LP	8,576,490	9	0.15%			
Chartwell	8,279,870	10	0.15%			
PR Financing LTD Partnership				57,619,710	1	0.91%
Loyal Plaza Associates, LP				15,791,430	3	0.25%
Williamsport Properties, Inc.				10,636,730	6	0.17%
Target, Co.				8,941,320	7	0.14%
Rose View Manor, Inc.				8,489,690	8	0.13%
Valley Heights LTD Partnership				7,923,000	9	0.13%
LC Realty, Inc.				7,061,360	10	0.11%
Totals	<u>\$ 150,297,820</u>		<u>2.64%</u>	<u>\$ 166,456,210</u>		<u>2.64%</u>
Total assessed valuation of taxables:	<u>\$ 5,697,134,716</u>			<u>\$ 6,315,866,440</u>		

Sources:

Lycoming County Assessment Office: Lycoming County Top 100 Taxable Parcels Report

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

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy
		Amount	Percentage of Levy			
2008	\$ 25,389,637	\$ 23,201,933	91.38%	\$ 2,166,273	\$ 25,368,206	99.92%
2009	25,767,804	23,561,583	91.44%	2,186,324	25,747,907	99.92%
2010	25,978,616	23,409,996	90.11%	2,531,163	25,941,159	99.86%
2011	26,238,272	23,950,032	91.28%	1,859,708	25,809,740	98.37%
2012	26,358,699	24,022,717	91.14%	1,359,384	25,382,101	96.29%
2013	26,553,503	24,552,603	92.46%	1,370,408	25,923,011	97.63%
2014	26,791,256	24,832,163	92.69%	1,294,129	26,126,292	97.52%
2015	32,579,515	30,293,160	92.98%	1,481,574	31,774,734	97.53%
2016	32,911,490	30,470,898	92.58%	740,893	31,211,791	94.84%
2017	32,952,388	30,594,437	92.84%	-	30,594,437	92.84%

Sources: 2008 to 2017 - Lycoming County R/E Taxes Consolidated Cash Report - Infocon
2008 to 2017 - Lycoming County R/E Taxes Consolidated Settlement Report - Infocon
2008 to 2016 - Lycoming County R/E Taxes Summary of Claims Due Report - Infocon

County of Lycoming, Pennsylvania
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Table #10

Fiscal Year	Population	Assessed Value	General Bonded Debt			Other Governmental Activities Debt		Business Type Activities			Per Capita	Percentage of Personal Income
			General Obligation Bonds	Ratio Debt/Value	Per Capita	General Obligation Notes	Capital Lease	General Obligation Bonds	Notes Payable	Total Primary Government		
2008	116,670	\$ 5,345,164,920	\$ 37,668,971	0.70%	\$ 322.87	\$ -	\$ -	\$ 6,226,029	\$ -	\$ 43,895,000	\$ 376.23	1.11%
2009	116,840	5,403,530,840	25,482,560	0.47%	218.10	-	-	6,112,440	-	31,595,000	270.41	0.71%
2010	116,111	5,442,377,270	35,147,832	0.65%	302.71	-	-	11,050,292	-	46,198,124	397.88	1.03%
2011	116,747	5,493,949,820	34,053,424	0.62%	291.69	-	-	10,761,262	-	44,814,686	383.86	0.97%
2012	117,168	5,558,966,890	34,469,614	0.62%	294.19	1,772,333	-	22,170,386	-	58,412,333	498.53	1.22%
2013	116,754	5,558,966,890	33,199,037	0.60%	284.35	3,245,020	-	21,640,963	-	58,085,020	497.50	1.25%
2014	116,508	5,599,004,260	31,630,656	0.56%	271.49	4,940,131	-	21,143,246	-	57,714,033	495.37	1.25%
2015	116,048	5,637,427,540	31,004,041	0.55%	267.17	4,354,003	-	20,380,928	-	55,738,972	480.31	1.20%
2016	115,248	5,683,245,016	29,873,142	0.53%	259.21	3,753,043	1,096,786	23,024,554	1,386,108	59,133,633	513.10	1.28%
2017	113,841	5,697,134,716	29,403,680	0.52%	258.29	3,142,856	822,589	31,602,827	1,386,108	66,358,060	582.90	1.43%

Sources: Lycoming County Assessment Office: General Tax Base Summary
Lycoming County Fiscal Services Department - Comprehensive Annual Financial Reports

County of Lycoming, Pennsylvania
Direct and Overlapping Governmental Activities Debt
As of December 31, 2017
Table #11

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
School Districts			
East Lycoming Area	\$10,545,000	100%	\$ 10,545,000
Jersey Shore Area	32,244,000	100%	32,244,000
Loyalsock Township	20,060,000	100%	20,060,000
Montgomery Area	12,613,000	100%	12,613,000
Montoursville Area	48,360,000	100%	48,360,000
Muncy Area	28,005,000	100%	28,005,000
South Williamsport Area	5,055,000	100%	5,055,000
Williamsport Area	69,133,650	100%	69,133,650
Boroughs			
Duboistown	\$ 2,009,250	100%	\$ 2,009,250
Hughesville	177,500	100%	177,500
Jersey Shore	7,426,026	100%	7,426,026
Montgomery	6,226,285	100%	6,226,285
Montoursville	-	100%	-
Muncy	17,814,008	100%	17,814,008
Picture Rocks	11,282	100%	11,282
Salladasburg	-	100%	-
South Williamsport	11,379,732	100%	11,379,732
City			
Williamsport	\$23,710,000	100%	\$ 23,710,000
Townships			
Anthony	\$ -	100%	\$ -
Armstrong	-	100%	-
Bastress	-	100%	-
Brady	564,281	100%	564,281
Brown	-	100%	-
Cascade	-	100%	-
Clinton	5,181,768	100%	5,181,768
Cogan House	-	100%	-
Cummings	-	100%	-
Eldred	-	100%	-
Fairfield	-	100%	-
Franklin	-	100%	-
Gamble	-	100%	-
Hepburn	-	100%	-
Jackson	-	100%	-
Jordan	-	100%	-
Lewis	-	100%	-
Limestone	-	100%	-
Loyalsock	6,535,980	100%	6,535,980

(Continued)

County of Lycoming, Pennsylvania
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2017

Table #11
 (Continued)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Townships, continued			
Lycoming	\$ 74,760	100%	\$ 74,760
McHenry	-	100%	-
McIntyre	-	100%	-
McNett	92,392	100%	92,392
Mifflin	-	100%	-
Mill Creek	-	100%	-
Moreland	-	100%	-
Muncy Creek	3,565,163	100%	3,565,163
Muncy	316,205	100%	316,205
Nippenose	3,151,329	100%	3,151,329
Old Lycoming	7,762,233	100%	7,762,233
Penn	60,000	100%	60,000
Piatt	-	100%	-
Pine	-	100%	-
Plunketts Creek	-	100%	-
Porter	2,426,309	100%	2,426,309
Shrewsbury	-	100%	-
Susquehanna	-	100%	-
Washington	-	100%	-
Watson	250,965	100%	250,965
Wolf	177,500	100%	177,500
Woodward	3,135,480	100%	3,135,480
Subtotal, overlapping debt			<u>\$ 328,064,098</u>
County of Lycoming direct debt			<u>32,546,536</u>
Total direct and overlapping debt			<u><u>\$ 360,610,634</u></u>

Sources:

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

Note:

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

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

	Fiscal Years									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Borrowing Base Revenues										
Two years prior	\$ 82,342,206	\$ 84,720,787	\$ 84,440,265	\$ 80,856,229	\$ 82,433,724	\$ 80,772,378	\$ 90,824,535	\$ 78,111,331	\$ 82,535,901	\$ 83,974,996
Prior year	84,720,787	84,440,265	80,856,229	82,433,724	80,772,378	90,824,535	78,111,331	82,535,901	83,974,996	85,711,311
Current year	84,440,265	80,856,229	82,433,724	80,772,378	90,824,535	78,111,331	82,535,901	83,974,996	85,711,311	86,654,921
Total borrowing base revenues	<u>\$ 251,503,258</u>	<u>\$ 250,017,281</u>	<u>\$ 247,730,218</u>	<u>\$ 244,062,331</u>	<u>\$ 254,030,637</u>	<u>\$ 249,708,244</u>	<u>\$ 251,471,767</u>	<u>\$ 244,622,228</u>	<u>\$ 252,222,208</u>	<u>\$ 256,341,228</u>
Average borrowing base revenues	<u>\$ 83,834,419</u>	<u>\$ 83,339,094</u>	<u>\$ 82,576,739</u>	<u>\$ 81,354,110</u>	<u>\$ 84,676,879</u>	<u>\$ 83,236,081</u>	<u>\$ 83,823,922</u>	<u>\$ 81,540,743</u>	<u>\$ 84,074,069</u>	<u>\$ 85,447,076</u>
Limit for non-electoral debt										
Average borrowing base revenues	\$ 83,834,419	\$ 83,339,094	\$ 82,576,739	\$ 81,354,110	\$ 84,676,879	\$ 83,236,081	\$ 83,823,922	\$ 81,540,743	\$ 84,074,069	\$ 85,447,076
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>251,503,257</u>	<u>250,017,282</u>	<u>247,730,217</u>	<u>244,062,330</u>	<u>254,030,637</u>	<u>249,708,243</u>	<u>251,471,766</u>	<u>244,622,229</u>	<u>252,222,207</u>	<u>256,341,228</u>
Total amount of debt applicable to debt limit	<u>68,578,684</u>	<u>58,436,562</u>	<u>70,458,124</u>	<u>94,399,686</u>	<u>86,912,333</u>	<u>85,475,020</u>	<u>97,255,359</u>	<u>94,502,707</u>	<u>95,748,905</u>	<u>102,349,234</u>
Legal debt margin	<u>\$ 182,924,573</u>	<u>\$ 191,580,720</u>	<u>\$ 177,272,093</u>	<u>\$ 149,662,644</u>	<u>\$ 167,118,304</u>	<u>\$ 164,233,223</u>	<u>\$ 154,216,407</u>	<u>\$ 150,119,522</u>	<u>\$ 156,473,302</u>	<u>\$ 153,991,994</u>
Total net debt applicable to the limit as a percentage of debt limit	27.27%	23.37%	28.44%	38.68%	34.21%	34.23%	38.67%	38.63%	37.96%	39.93%
Limit for non-electoral debt and lease rental debt										
Average borrowing base revenues	\$ 83,834,419	\$ 83,339,094	\$ 82,576,739	\$ 81,354,110	\$ 84,676,879	\$ 83,236,081	\$ 83,823,922	\$ 81,540,743	\$ 84,074,069	\$ 85,447,076
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>335,337,676</u>	<u>333,356,376</u>	<u>330,306,956</u>	<u>325,416,440</u>	<u>338,707,516</u>	<u>332,944,324</u>	<u>335,295,688</u>	<u>326,162,972</u>	<u>336,296,276</u>	<u>341,788,304</u>
Total amount of debt applicable to debt limit	<u>68,578,684</u>	<u>58,436,562</u>	<u>70,458,124</u>	<u>94,399,686</u>	<u>86,912,333</u>	<u>85,475,020</u>	<u>97,255,359</u>	<u>94,502,707</u>	<u>95,748,905</u>	<u>102,349,234</u>
Legal debt margin	<u>\$ 266,758,992</u>	<u>\$ 274,919,814</u>	<u>\$ 259,848,832</u>	<u>\$ 231,016,754</u>	<u>\$ 251,795,183</u>	<u>\$ 247,469,304</u>	<u>\$ 238,040,329</u>	<u>\$ 231,660,265</u>	<u>\$ 240,547,371</u>	<u>\$ 239,439,070</u>
Total net debt applicable to the limit as a percentage of debt limit	20.45%	17.53%	21.33%	29.01%	25.66%	25.67%	29.01%	28.97%	28.47%	29.95%

County of Lycoming, Pennsylvania
Demographic and Economic Statistics
Last Ten Fiscal Years
Table #13

<u>Fiscal Year</u>	<u>Population</u>	<u>Median Household Income in dollars (estimates) *1</u>	<u>Personal Income (Amounts Expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>School Enrollment *2</u>	<u>Local Unemployment Rate</u>
2008	116,671	\$ 35,932	\$ 3,671,830	\$ 31,472	39	21,515	7.6%
2009	116,840	31,738	3,727,150	31,900	39	21,528	9.7%
2010	116,111	41,856	3,949,632	34,016	40.3	20,933	9.8%
2011	116,747	40,007	3,724,229	31,900	41.1	21,178	7.3%
2012	117,168	43,788	3,954,935	22,301	38.4	17,993	8.2%
2013	116,754	44,557	4,480,329	22,808	41.2	17,829	7.3%
2014	116,508	45,430	4,480,329	22,987	41.2	17,492	5.0%
2015	116,048	45,877	4,633,100	23,531	41.3	17,505	5.7%
2016	115,248	47,313	4,777,800	24,194	41.4	17,814	6.2%
2017	113,841	48,731	4,631,242	24,855	41.2	17,623	5.6%

Notes:

- *1 Estimates were made by the Census Bureau with a 90% confidence interval.
- *2 Southern Tioga School District enrollment is not entirely in Lycoming County.

Sources:

US Census Bureau
The PA Dept of Labor And Industry
US Bureau of Economic Analysis

County of Lycoming, Pennsylvania
Principal Employers
December 31, 2017
Table #14

Employer	Number of Employees	2017 Rank	Number of Employees	2008 Rank
UPMC Susquehanna	*1	1	*1	1
Commonwealth of Pennsylvania	*1	2	*1	2
Pennsylvania College of Technology	*1	3	*1	3
Williamsport Area School District	*1	4	*1	4
Weis Markets, Inc.	*1	5	*1	6
County of Lycoming	*1	6	*1	
West Pharmaceutical Services, Inc.	*1	7	*1	7
Aramark Facility Services, LLC	*1	8	*1	
CS Group Payroll Services, LLC	*1	9	*1	
Textron Lycoming	*1	10	*1	10
Spring Window Fashions			*1	5
Brodart Company			*1	8
Shop Vac Corporation			*1	9
Total County employment:		<u>53,400</u>		<u>55,218</u>

Sources:
PA Department of Labor & Industry

Notes:

*1 All data that is traced to a specific employer by the Center for Workforce Information & Analysis is considered confidential, thus the number of employees for each employer cannot be represented.

All employer Information is as of September 30th for each respective year.

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Assessment	0	0	0	0	17	16	7	6	6	6
Commissioners	6	6	6	6	6	6	7	6	6	6
Controller	4	5	5	5	5	5	4	5	5	5
County Buildings	21	18	21	22	19	22	22	23	24	23
County Farm	2	0	0	0	0	0	0	0	0	0
Dept of Public Safety	33	37	35	32	30	31	31	32	31	31
Fiscal Affairs	9	9	9	8	8	8	9	9	10	9
Haz Mat	1	1	1	1	1	1	1	1	1	1
Human Resources	5	5	5	5	4	3	4	5	5	5
Information Services	1	1	1	1	1	1	1	1	1	1
Management Information	21	21	21	21	21	19	18	18	18	17
Military Affairs	1	1	1	2	2	3	3	3	3	3
Planning and Comm. Dev.	21	22	21	20	20	21	21	20	23	20
Print/Microfilm	2	2	2	2	2	2	2	3	2	2
Resource Management Svcs	68	73	67	67	66	67	67	69	67	62
Treasurer	5	5	5	5	5	5	5	5	5	5
Voter Services	4	4	4	3	4	4	4	3	4	4
Zoning	1	1	1	2	2	2	2	2	0	2
Subtotal	<u>205</u>	<u>211</u>	<u>205</u>	<u>202</u>	<u>213</u>	<u>216</u>	<u>208</u>	<u>211</u>	<u>211</u>	<u>202</u>
Court System and Corrections										
Adult Probation	19	19	21	21	22	22	22	25	25	26
Central Collections	10	9	10	10	10	9	9	8	7	7
Coroner	3	3	3	3	3	4	4	4	4	4

(Continued)

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Court System and Corrections										
Courts	23	24	24	24	23	21	21	21	21	21
District Attorney	17	21	20	20	22	24	29	27	30	27
District Justices	18	18	18	18	18	17	17	17	18	17
Domestic Relations	26	26	23	23	23	23	21	19	22	20
Jury Commissioners	2	2	2	2	2	2	0	0	0	0
Juvenile Probation	18	18	17	17	17	17	16	15	15	16
Pre-Release Center	35	42	35	36	36	36	40	38	39	36
Prison	74	85	80	82	80	81	82	83	82	83
Prothonotary	9	8	8	8	8	10	11	12	10	10
Public Defender	9	9	9	8	9	10	9	11	10	11
Register and Recorder	8	8	7	8	8	8	8	8	8	7
Sheriff	13	18	15	16	16	19	20	23	23	21
Subtotal	<u>284</u>	<u>310</u>	<u>292</u>	<u>296</u>	<u>297</u>	<u>303</u>	<u>309</u>	<u>311</u>	<u>314</u>	<u>306</u>
Public Works										
Ag Extension	3	3	3	3	3	3	3	3	2	3
Soil Conservation	7	8	7	7	7	7	7	7	6	7
Subtotal	<u>10</u>	<u>11</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>8</u>	<u>10</u>
Total	<u>499</u>	<u>532</u>	<u>507</u>	<u>508</u>	<u>520</u>	<u>529</u>	<u>527</u>	<u>532</u>	<u>533</u>	<u>518</u>

Note: All figures represent full time employees as of the end of December for each respective year.

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

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Fiscal Affairs										
Transfers/deeds recorded	3,145	2,790	2,568	3,028	3,146	3,129	2,991	3,133	2,955	3,039
Subdivisions for municipalities under County SLDO approved	117	98	98	127	66	59	57	62	53	57
Subdivision and land development reviews	132	69	39	68	133	108	99	93	106	95
Building, occupancy and zoning permits	3,988	4,085	3,872	3,754	4,002	3,869	3,418	3,322	3,218	3,109
Administration										
General election information										
Registered voters	72,342	70,593	70,714	65,891	68,070	65,596	65,851	64,998	69,215	67,441
Votes cast	51,022	18,758	35,354	17,493	47,919	16,606	43,335	39,926	52,056	18,618
Percent of votes cast	70.53%	26.57%	50.00%	26.55%	70.40%	25.32%	65.81%	61.43%	75.21%	27.61%
Court System and Corrections										
Court Services										
New criminal cases received	1,965	1,928	1,733	1,747	2,175	2,148	2,057	2,170	2,223	2,084
New civil cases received	151	138	105	101	842	953	1,013	274	769	872
Protection from abuse cases filed	278	214	251	225	279	302	292	271	311	306
Wills recorded	460	454	502	490	422	424	466	466	462	420
Marriage licenses issued	740	747	718	776	762	744	784	694	738	655
Child adoptions	53	58	46	36	9	32	69	33	41	44
Child relinquishments/terminations	32	32	19	36	8	30	9	11	31	41

(Continued)

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Court Administration										
Criminal jury trials	32	41	36	31	40	24	22	24	35	16
Criminal pleas	1,489	1,467	1,352	1,340	1,042	1,233	1,700	1,480	1,969	1,603
Accelerated rehabilitative disposition (ARD) cases	323	265	241	61	85	219	219	199	184	177
Civil jury trials	12	3	9	5	2	5	5	4	2	4
Civil cases settled	117	86	75	24	27	10	338	320	309	182
District judge case filings	22,540	24,395	23,060	23,539	22,456	21,213	19,680	19,897	19,294	19,667
Domestic relations active cases	3,975	3,825	3,757	3,696	3,625	3,545	3,404	3,356	3,272	3,237
Juvenile delinquency cases filed	616	565	488	489	555	464	390	335	314	362
Adult Probation										
Caseload	1,534	1,960	1,806	1,803	1,878	1,899	1,946	1,860	2,365	2,221
Presentence investigations	89	37	42	40	61	100	87	89	128	98
Corrections										
Average daily population (males and females at prison and prerelease)	314	339	392	337	374	377	394	405	377	357
Human Services										
Children, Youth and Families										
*1 Children served	4,272	4,343	5,143	5,681	5,757	4,620	3,895	3,092	2,956	3,323
*1 Placement days	58,636	45,881	34,750	29,715	29,994	12,067	8,185	7,752	12,276	13,751
Child abuse reports	184	181	139	182	254	246	277	633	532	555

(Continued)

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Mental Health *2										
Emergency/crisis										
Intervention hours	*	1,451	1,218	5,918	1,845	1,287	1,855	1,581	1,274	702
Community residential days	9,583	7,965	8,324	8,534	4,791	6,088	2,524	6,069	5,216	5,515
Service case management hours	*	21,833	18,967	18,501	22,291	20,077	21,576	20,049	20,681	21,315
Day treatment hours	19,767	13,099	1,030 **	522	0	0	803	217	755	213
Outpatient hours	5,130	3,598	1,454 **	5,252	1,415	1,671	365	1,350	132	86
Family based hours	*	1,035	2**	30	0	0	0	0	0	0
Intellectual Disabilities *2										
Community habilitation days	27,012	28,827	280 **	419	397	548	418	738	844	569
Pre-vocational days	31,216	40,765	1243 **	1,421	543	700	402	251	281	411
Supported employment hours	46,801	30,951	6932 **	2,486	1,768	5,691	2,218	732	363	325
Residential services clients	188	214	0 **	0	0	0	0	0	0	0
Early intervention clients	362	306	310	267	390	289	278	243	273	312
Family support services	188	117	92	68	72	59	0 **	0	0	0

Sources:

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

Notes:

- * Information is not available
- ** Decreases due to funding from State to County or no longer provide the service
- *1 Includes Juvenile Probation
- *2 All Mental Health / Intellectual Disabilities figures are for Lycoming and Clinton Counties

County of Lycoming, Pennsylvania
 Capital Asset Statistics by Function
 Last Ten Fiscal Years
 Table #17

Function	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Government, Courts and Corrections										
Commissioners										
Motor vehicles	1	1	1	1	1	1	1	1	1	1
Tax Assessment										
Motor vehicles	0	0	0	0	0	0	0	0	0	1
Planning and Community Development										
Motor vehicles	1	1	1	1	1	1	1	1	1	0
Public Safety										
Motor vehicles	4	4	4	4	3	3	3	3	2	2
County Farm										
Motor vehicles	2	2	2	2	2	2	2	2	2	1
Soil Conservation										
Motor vehicles	1	1	1	2	1	1	1	1	1	2
Resource Management Services (Landfill)										
Motor vehicles *1	108	113	119	119	58	61	62	63	66	64
Adult Probation										
Motor vehicles	4	4	4	4	4	4	5	5	5	4
Juvenile Probation										
Motor vehicles	1	1	1	2	1	1	1	1	2	1
Domestic Relations										
Motor vehicles	1	1	1	1	1	1	1	1	1	1
Prison/Pre-Release										
Motor vehicles	12	12	12	12	11	12	14	14	13	11
Coroner										
Motor vehicles	1	2	2	2	2	2	2	2	2	2
District Attorney										
Motor vehicles	7	7	7	7	6	8	11	13	13	4
Sheriff										
Motor vehicles	6	6	6	7	9	9	9	10	11	10

(Continued)

County of Lycoming, Pennsylvania
 Capital Asset Statistics by Function
 Last Ten Fiscal Years
 Table #17
 (Continued)

Function	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Public Works										
Bridges										
County-owned bridges	15	15	15	15	15	15	15	15	15	15
Motor vehicles *2	0	0	0	0	0	0	0	0	0	0
Parks										
Number of parks	57	57	57	57	57	57	57	57	57	57
Park acreage	2958	2958	2958	2958	2958	2958	2958	2958	2958	2958
Motor vehicles *3	0	0	0	0	0	0	0	0	0	0
Maintenance and Administration										
Motor vehicles	1	1	1	2	2	3	3	3	3	3
Office buildings *4	9	9	9	9	9	9	10	10	10	10
Storage or maintenance buildings	0	0	0	0	0	0	0	0	0	0

Notes:

- *1 This figure does not include special over the road equipment or non-licensed vehicles listed on the county's insurance.
- *2 Inspection of bridges is contracted out and an insurance ticket is obtained.
- *3 Lycoming County does not have any vehicles that maintain the parks.
- *4 This figure includes the County Courthouse.

Sources:

Various County Departments