

# COUNTY OF LYCOMING

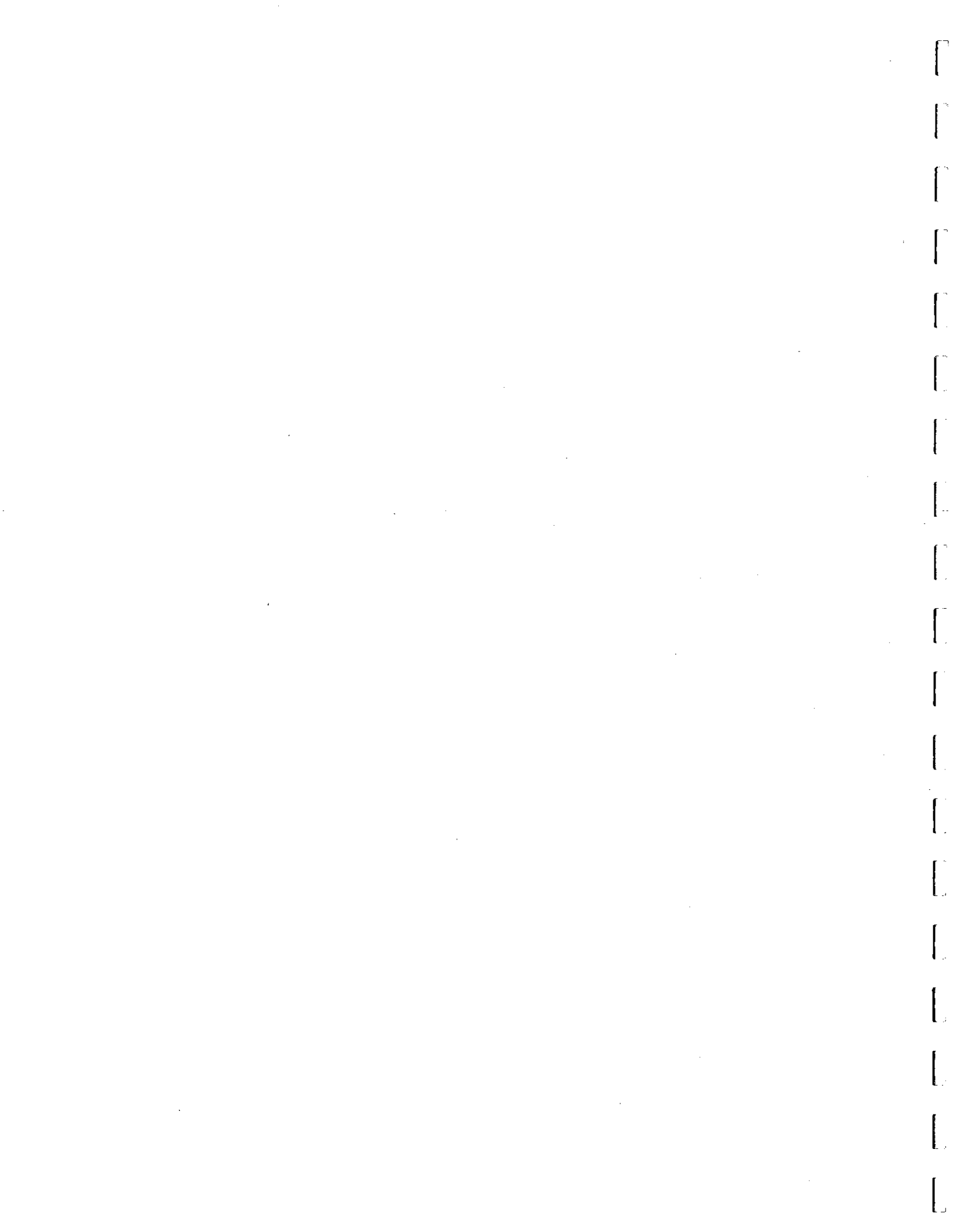
PENNSYLVANIA

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Year Ended  
December 31, 2005**



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



# COUNTY OF LYCOMING, PENNSYLVANIA COMPREHENSIVE ANNUAL FINANCIAL REPORT For the year ended December 31, 2005

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## **INTRODUCTORY SECTION**

**COUNTY OF LYCOMING, PENNSYLVANIA  
EXECUTIVE PLAZA BUILDING  
48 WEST THIRD STREET  
WILLIAMSPORT, PA. 17701-6536**

**Controller's Office**  
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**Department of Fiscal Services**  
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**June 28, 2006**

To the Citizens of the County of Lycoming, Pennsylvania:

We are pleased to present the 2005 Comprehensive Annual Financial Report (CAFR) for the County of Lycoming, Pennsylvania. The Comprehensive Annual Financial Report was prepared as a joint effort of the Controller's Office, and the Department of Fiscal Services in conjunction with the independent certified public accounting firm of Thomas B. Keller, whose opinion accompanies the basic financial statements contained in the Financial Section of this report.

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

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes the transmittal letter, a list of the County's principal officials, the County's organizational chart and the Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2004. The financial section for 2005 is in compliance with the new reporting requirements of GASB #34. It includes the management discussion and analysis, the basic financial statements (county-wide and fund financial statements), required notes



to the financial statements and the independent auditor's report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

It is recommended that readers of the financial report in addition to reviewing the basic financial statements also review the County's Management Discussion and Analysis which is intended to provide a narrative overview and analysis of the financial activities of the County for the year ended December 31, 2005.

This report includes all funds and activities of the County and reflects all services provided to the taxpayers of Lycoming County ranging from but not limited to general administration, judicial, public safety, public works, human services and cultural and recreational activities. This report also contains limited information on the various component units of the County.

## **County of Lycoming, Pennsylvania**

Founded in 1795, the County of Lycoming operates under the County Code of Pennsylvania, a compilation of pertinent constitutional and statutory laws passed by the General Assembly of Pennsylvania. It is a fifth class county under the classification set forth in that code. The County estimated 2005 population of 118,395 reflects a slight decrease from the 2000 census count of 120,044. Geographically, Lycoming County is the largest county in the state covering 1,215.5 square miles.

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

## **Economic Condition and Outlook**

Known as the home of Little League Baseball, Lycoming County is located in the north central region of Pennsylvania. Originally founded in 1795, the county has shifted from a lumber capital to a primarily manufacturing, retail and service industry area.

Williamsport, the county seat, is 90 miles north of Harrisburg, Pennsylvania's capital. More the 70 million people live within 300 miles of Williamsport. North Central Pennsylvania is nearly surrounded by urbanizing regions, with the coastal metropolitan areas of New York, Philadelphia, Baltimore and Washington to the east and Pittsburgh, the Great Lakes and the Mohawk River Valley urban complexes to the west and north.

The surrounding region exerts important effects on the economy, the demand for resources such as lumber and coal and the use of county lands for recreation activities.

During the past few years there has been an intensified focus on the revitalization of downtown Williamsport. There is also expansion of the retail and recreation areas located in Muncy. These expansions are ongoing and should be fully realized in the next 5 years.

The top 5 employers in Lycoming County are Susquehanna Health System, PA state government offices, Shop Vac, Springs Window Fashions and Pennsylvania College of Technology.

Lycoming County has prominent, major institutions of higher education which serve students from across the nation. Pennsylvania College of Technology is the premier technical college in the Commonwealth of Pennsylvania, providing hands-on skill development and real world work experience. Lycoming College is one of the top liberal arts colleges in the United States, offering a broad based education in liberal arts and sciences with an emphasis on critical thinking skills, effective communication and strong values. The Newport Business Institute offers students small classes and hands-on experience in the area of specialized business degrees.

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

A study conducted by Lycoming College indicated that in several standard industrial classification codes, the Lycoming County workforce ranked at or near the top in relative efficiency compared to their counterparts in the state of Pennsylvania, in the immediate contiguous states and in the Midwest; evidence that this labor force is not only cost-effective, but also highly productive.

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

## **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**

#### General Government:

#1-Help America Vote Act: To meet the new Federal requirement, the County has completed the grant applications necessary to purchase electronic voting systems and organized a team responsible for reviewing equipment and making recommendations in order to meet the May 16, 2006 primary election.

#2-CNET: The County has continued to provide support to various police departments in the County in utilizing the state developed and supported police records management system.

#### Public Safety

#3-It's Time to Call 911, What to do in an Emergency: The County completed a two-year public education project, which provided instructions on the use of the 911 system to 4,5 and 6 year olds. With the use of private donations, a book, ( Its time to Call 911, What to do in an Emergency) was purchased and distributed to pre-schools, kindergarten, first grades and local libraries. The project was well received by the community and garnered publicity in the local paper.

#4-911 Wireless: The County continues to enhance its 911 system to include wireless coverage with participating carriers in the county. Planning and preparation was completed this year for testing and deployment is scheduled in 2006.

#5-Emergency Management Resource Database Development: This project consists of building a database of all resources, personnel, equipment and facilities that would permit the County to quickly recall from the computer system various information concerning where to obtain equipment or certain data about a vulnerable facility. The benefit to county residents includes a more rapid response time to emergency events and saving lives through coordinated dispatching of equipment & personnel.

## Economic & Community Development

**#6-Central Business District Revitalization Project:** During 2005 the feasibility study was completed and request for proposals for the expansion of the Trade and Transit Center, Church Street Transportation Center and the Conference Center were released and are currently being reviewed. Governor Rendell pledged \$6 million in support for the projects and Federal legislators were approached to gain their support for additional funding.

**#7-Hall Station Area Sewer System:** Construction was completed on the Halls Station Sewer System which provides public sewer service for the area surrounding the Lycoming Mall including the Muncy Industrial Park Phase II, Keystone Opportunity Zone to the west of the mall and the village of Pennsdale at a cost of \$3.4 million.

**#8-Brownfields for Housing:** The County in conjunction with Habitat for Humanity and Lycoming-Clinton Counties for Community Action, STEP has continued its effort to provide new housing and home modifications to benefit the elderly, disabled and low income families throughout the County. For 2005 Habitat for Humanity has completed several homes and STEP has completed over 16 home modifications.

## Public Works

**#9-Landfill Permit Boundary Expansions:** In order to file a permit boundary expansion application with DEP, (to include the recycling center, wood grinding and other areas on the overall landfill permit boundary), we completed the purchase or waivers of local homeowners within 900' of the permit boundary and filed the completed permit in December 2005.

**#10-Expanded Drop Off Recycling Services:** The County constructed and opened a drop off facility in Franklin Township to provide services to the townships of Franklin, Moreland and Unityville. Also completed was a drop off agreement with Snyder County Solid Waste Management Authority to develop a partnership to provide recycling services to Selinsgrove Borough, Middleburg Borough, Penn Township, Chapman Township and Middlecreek Township.

## Conservation

**#11-Farm Easement Program:** The County continues its commitment to preserve farmland in the County and has been an active participant in the Farm Easement Program for many years. The County currently has forty eight easements and expects to acquire additional easements in 2006.

## **For the Future**

### **General Government:**

**#1-Help America Vote Act:** In 2006, the County will purchase the new electronic voting equipment and begin training both election personnel and the general public on the use of the new equipment in time for the May 16, 2006 primary election.

**#2-CNET:** The County plans to provide assistance to an additional four police departments in the use of the state police records management system.

### **Public Safety**

**#3-911 Wireless:** In 2006, the County will conduct testing and deployment of the system with participating carriers.

**#4-Haz-Mat:** The County is currently working with member counties and participating agencies to comply with the National Incident Management System mandated by the Federal government. This involves the creation of databases, the purchase of equipment and training of personnel to enable the County to effectively respond to terrorism and disasters in the North Central part of the state.

### **Economic & Community Development**

**#5-Central Business District Revitalization Project:** The County will continue providing support for the projects within the city including the Market Street Bridge, Transportation Center, Movie Theatre Complex, retail, housing and other initiatives.

**#6-Lower Lycoming Creek Flood Damage Reduction Report:** Feasibility study for the lower Lycoming Creek flood protection project will evaluate all possible flood protection for the area.

**#7-Industrial Park Development:** The County will conduct feasibility studies to develop two industrial parks within Lycoming County. The two parks are the Timber Run Industrial Park and Phase II and III of the Muncy Industrial Park.

### **Public Works**

**#8-Alternative Energies:** The County has been meeting with representatives of the Federal Bureau of Prisons to firm up plans for the County to provide energy and or heated water to them for their electrical and heating needs. Also in conjunction, we have discussed alternative use of the landfill gas for a biodiesel fuel source with Mack Acron and have discussed this alternative strategy with the Prison Bureau.

#9-Green Technology: Planning is underway in the County for the anaerobic digestion process "green tech" pilot plant to utilize organic waste from municipal solid waste. This has several important benefits to the County which includes the generation of energy, the creation of a soil amendment product and most importantly, the extension of the life of the landfill.

## **Office of the Controller**

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

## **Internal Control**

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

## **Single Audit**

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

## **Budgeting Controls**

The County maintains budgetary controls whose objectives are to ensure compliance with the legal provisions embodied in the annual appropriated budgets approved by the County Commissioners. Activities of all funds are included in the annual appropriated budget. As indicated in the financial section of this report, the County has complied with such budgetary controls for the year ended December 31, 2005.

## **Pension and other Post-employment Benefits**

The County maintains a single employer contributory defined benefit pension with mandatory membership for all full-time County employees. Participants in the plan contribute from 7 to 8 percent of their gross pay, with an optional additional contribution of up to 10 percent. Additional information on the County's pension arrangements and post employment benefits can be found under Notes 17 and 18 in the notes to the financial statements.

## **Cash Management**

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

## **Risk Management**

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

Each year member counties make their payment to PCoRP in April. The two major components of the payment are the insurance cost relating to provisions of the coverage through PCoRP, and a Loss Fund contribution. Loss Fund moneys stay with PCoRP and are invested and used to pay claims up to the self-insured retention (SIR) limit of the loss fund which is currently \$100,000. Each member share of the Loss Fund is determined based on their past year's claims history. Payments for amounts of claims above the \$100,000 layer are made by PCoRP's reinsurer. Also the entire Loss Fund for each policy is reinsured for \$1,000,000. As of the latest PCoRP audited financial statement dated December 31, 2005, the County has had no additional assessments to the Loss Fund.

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

The County has had no major insurance claims filed as of December 31, 2005.

## **Independent Audit**

The accounting firm of Thomas B. Keller, Certified Public Accountant, was selected to perform an annual audit of the County's basic financial statements and determine the County's compliance with requirements of the Federal Single Audit Act Amendments of 1996, and related OMB Circular A-133. The goal of the audit was to provide reasonable assurances the financial statements of the County for the year ended December 31, 2005, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; and evaluating the overall financial presentation. The auditor concluded there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the year ended December 31, 2005, are fairly presented in conformity with GAAP. The independent auditor's report is presented in the Financial Section of this report. The independent auditor's reports relating specifically to the single audit are presented in a separate report.

## **Controller's and Director of Fiscal Services Closing Remarks**

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

## **Certificate of Achievement For Excellence In Financial Reporting Award.**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lycoming County for its comprehensive annual financial report for the fiscal year ended December 31, 2004. This was the fourteenth consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

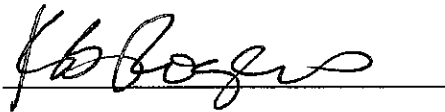


The Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

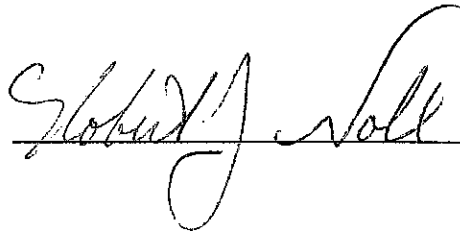
## **Acknowledgments**

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

Krista B. Rogers  
Controller

A handwritten signature in cursive script, appearing to read 'KR Rogers', written over a horizontal line.

Robert J. Noll  
Director Fiscal Services

A handwritten signature in cursive script, appearing to read 'Robert J. Noll', written over a horizontal line.

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Lycoming,  
Pennsylvania

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2004

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



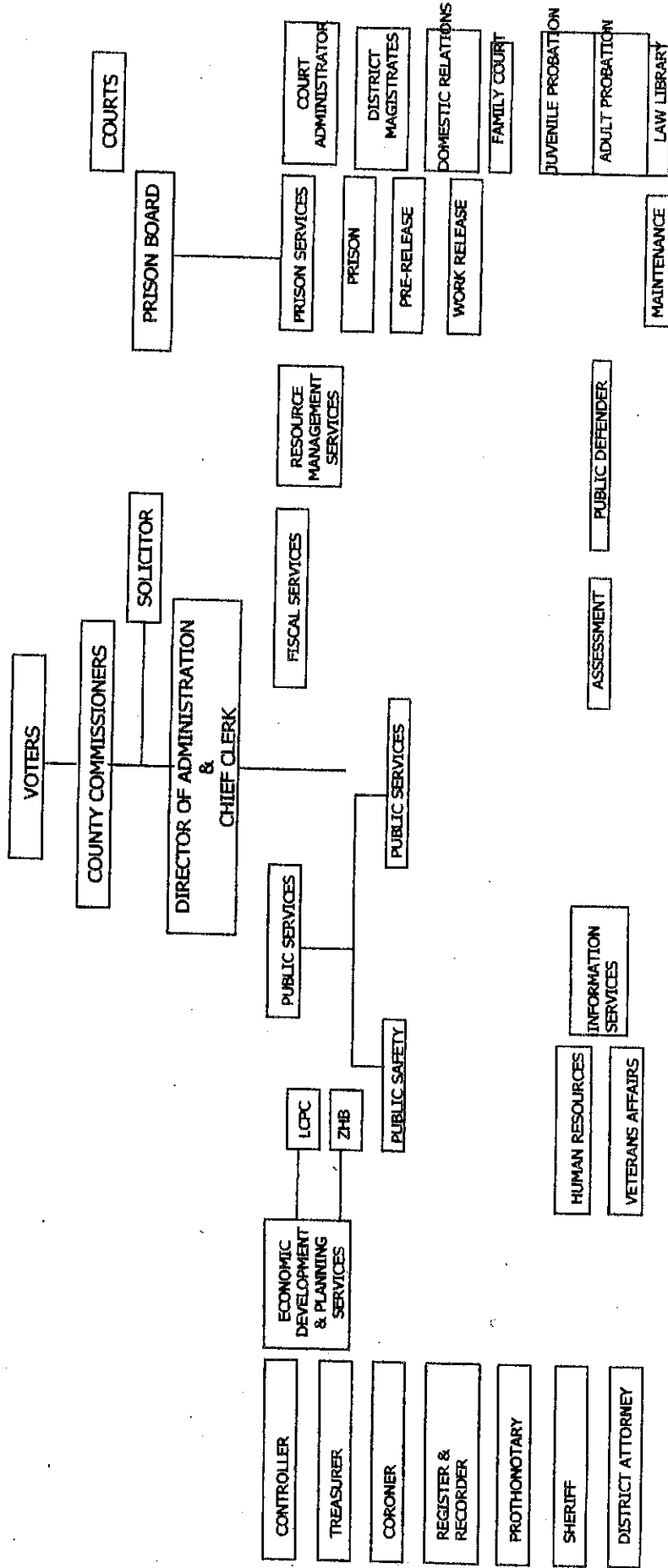
*Carla E. Fudge*

President

*Jeffrey R. Enos*

Executive Director

# LYCOMING COUNTY ORGANIZATION CHART



LEGEND  
Support Lines  
Coordination

# **COUNTY OF LYCOMING, PENNSYLVANIA PRINCIPAL OFFICIALS**

## **COMMISSIONERS**

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

## **ROW OFFICES**

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

## **JUDICIARY**

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

## **JURY COMMISSIONERS**

Samuel R. Hoff  
James W. Myers

## **FINANCIAL SECTION**

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Thomas B. Keller  
Certified Public Accountant

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401 Broad Street  
Montoursville, PA 17754

Member of American and  
Pennsylvania Institutes of  
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

To the Board of County Commissioners  
County of Lycoming, Pennsylvania

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units except as noted below, each major fund, and the aggregate remaining fund information of the County of Lycoming, Pennsylvania, as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. My responsibility is to express opinions on these financial statements based on my audit. I did not audit the component unit financial statements of the Lycoming County Industrial Development Authority, Lycoming County Recreation Authority, Lycoming County Water and Sewer Authority, and the Williamsport Municipal Airport Authority which in total comprise 99% of assets, 99% of liabilities, 99% of net assets, 82% of revenues and 82% of expenses of the aggregate discretely presented component unit information. Those financial statements were audited by other auditors whose reports have been furnished to me, and my opinion on the basic financial statements, insofar as it relates to the amounts included for these discretely presented component units, is based solely on the reports of the other auditors.

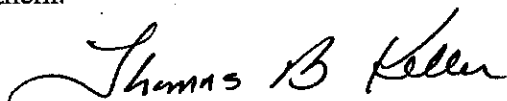
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I plan and perform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

In my opinion, based on my audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Lycoming, Pennsylvania as of December 31, 2005, and the respective changes in financial position and cash flows where applicable for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 28, 2006 on my consideration of the County's internal control structure over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters in a separate issued report titled Single Audit Report for the Federal and State DPW Funded Financial Assistance Programs. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report in considering the results of my audit.

The management's discussion and analysis and the required supplemental information on pages 19 through 33 and through 99 and 102, respectively, are not a required part of the basic financial statements but are supplemental information required by the accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, I did not audit the information and express no opinion on it.

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



June 28, 2006



## **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, 2005. It is recommended that readers consider the information presented here in conjunction with the accompanying basic financial reports, notes to financial statements and the letter of transmittal to obtain a thorough understanding of the County's financial position at December 31, 2005. Unless otherwise noted, component units are not included in this discussion.

### **Financial Highlights**

The overall assets of the County of Lycoming exceeded its liabilities at the close of the most recent fiscal year by \$105,332,678 (*net assets*). Of this amount, \$31,033,108 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

Assets of the governmental activities for the current year exceeded its liabilities by \$44,864,189 while providing \$20,926,070 in unrestricted net assets. The total net assets increased by \$6,508,040 over the previous year.

Assets of the business type activities for the current year also exceeded its liabilities by \$60,468,489 while providing \$10,107,038 in unrestricted net assets. The total net assets increased by \$32,535 over the previous year.

At the close of the current fiscal year the County of Lycoming governmental funds reported a combined ending fund balance of \$46,450,825 and unreserved fund balances of \$19,052,564, an increase of \$7,822,794 over the previous year balance of \$11,229,770. The general fund ended the year with a fund balance of \$41,429,462 and unreserved funds of \$19,052,564, an increase of \$7,822,794.

### **Overview Of the Financial Statements**

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

### **Government-wide financial statements**

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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

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

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

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

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate component units for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 36-37 of this report.

**Fund financial statements.**

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

**Governmental funds.**

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

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

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

The County maintains 28 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 2005, major funds include the general fund and the special revenue County pass-thru grant fund. Data from the other 26 governmental funds are combined into a single, aggregated presentation captioned "Other Governmental Funds". Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statement can be found on pages 38-41 of this report.

**Proprietary funds.**

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

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

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

**Fiduciary funds.**

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

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

**Budgetary Highlights-General Fund**

The 2005 general fund budget of \$39,642,433 reflect a modest increase of \$273,284 over the 2004 budget of \$39,369,149. The largest increase in 2005 was capital expenditures with an increase of \$1,171,458 over 2004. This was a direct result of the County anticipated purchase of electronic voting equipment under the Federal Help America Vote Act. Miscellaneous expenditures also increased by \$364,694 as health care cost continue to increase. Helping to offset these increases was a reduction in general government expenditures of \$1,234,386. This reduction in expenditures was a result of the decrease in the County's contingency fund of \$875,531 and the completion of the Tax Equalization project.

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

**Notes to the financial statements.**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 52-97 of this report.

**Other information.**

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information which is designed to further enhance the reader's understanding of the financial report. Required and other supplementary information can be found on pages 100-161 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceed liabilities by \$105,332,678 at the close of the most recent fiscal year.

The total net assets of the County increased by \$6,540,575 (about 6.61%) from \$98,792,103 to \$105,332,678. The increase in net assets was a result of an increase of \$6,508,040 in net assets of governmental activities and a increase of \$32,535 in net assets related to business-type activities.

By far the largest portion of the County's net assets (48.4 percent) reflects its investment in capital assets (i.e., land, buildings and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

An additional portion of the County's net assets (22.1 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance on the unrestricted net assets (\$31,033,000) may be used to meet the government's ongoing obligations to citizens and creditors.

COUNTY OF LYCOMING - Net Assets  
(amounts in thousands)

	Governmental activities		Business-type activities		Total	
	2005	2004	2005	2004	2005	2004
Current and other assets	\$54,538	\$48,205	\$66,303	\$63,484	\$120,841	\$111,689
Capital assets	21,956	23,246	34,987	35,101	56,943	58,347
Total Assets	<u>76,494</u>	<u>71,451</u>	<u>101,290</u>	<u>98,585</u>	<u>177,784</u>	<u>170,036</u>
Long term liabilities outstanding	23,665	26,022	38,221	35,990	61,886	62,012
Other liabilities	7,965	7,073	2,601	2,159	10,566	9,232
Total Liabilities	<u>31,630</u>	<u>33,095</u>	<u>40,822</u>	<u>38,149</u>	<u>72,452</u>	<u>71,244</u>
Net assets:						
Invested in capital assets, net of related debt	18,917	18,871	32,086	31,910	51,003	50,781
Restricted	5,021	4,044	18,275	19,133	23,296	23,177
Unrestricted	20,926	15,441	10,107	9,393	31,033	24,834
Total net assets	<u>\$44,864</u>	<u>\$38,356</u>	<u>\$60,468</u>	<u>\$60,436</u>	<u>\$105,332</u>	<u>\$98,792</u>

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

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

The following table presents the County's changes in net assets for the fiscal years ended December 31, 2005 and 2004.

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

	Governmental activities		Business-type activities		Total	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
<b>Revenues:</b>						
Program revenues						
Charge for services	\$ 7,678	\$ 6,892	\$ 13,917	\$ 13,773	\$ 21,595	\$ 20,665
Operating grants and contributions	30,023	28,809	559	303	30,582	29,112
Capital grants and contributions	649	820	-	944	649	1,764
General revenues:						
Taxes	24,885	24,515	-	-	24,885	24,515
Unrestricted investment income	1,637	1,381	2,219	2,509	3,856	3,890
Grants and contributions not restricted to specific programs	234	-	-	-	234	-
Total revenues	65,106	62,417	16,695	17,529	81,801	79,946
<b>Expenses:</b>						
General governmental	6,870	7,701	-	-	6,870	7,701
Judicial	7,751	7,670	-	-	7,751	7,670
Public safety	18,378	16,905	-	-	18,378	16,905
Public works	4,639	2,961	14,089	13,421	18,728	16,382
Human services	20,072	20,502	-	-	20,072	20,502
Culture & recreation	1,251	1,124	-	-	1,251	1,124
Conservation & development	850	720	-	-	850	720
Interest on long term debt	1,361	1,401	-	-	1,361	1,401
Total expenses	61,172	58,984	14,089	13,421	75,261	72,405
Increase (decrease) in net assets before transfers	3,934	3,433	2,606	4,108	6,540	7,541
Transfers	2,574	2,587	(2,574)	(2,587)	-	-
Increase (decrease) in net assets	6,508	6,020	32	1,521	6,540	7,541
Net assets - beginning	38,356	32,336	60,436	58,915	98,792	91,251
Net assets - ending	\$ 44,864	\$ 38,356	\$ 60,468	\$ 60,436	\$ 105,332	\$ 98,792

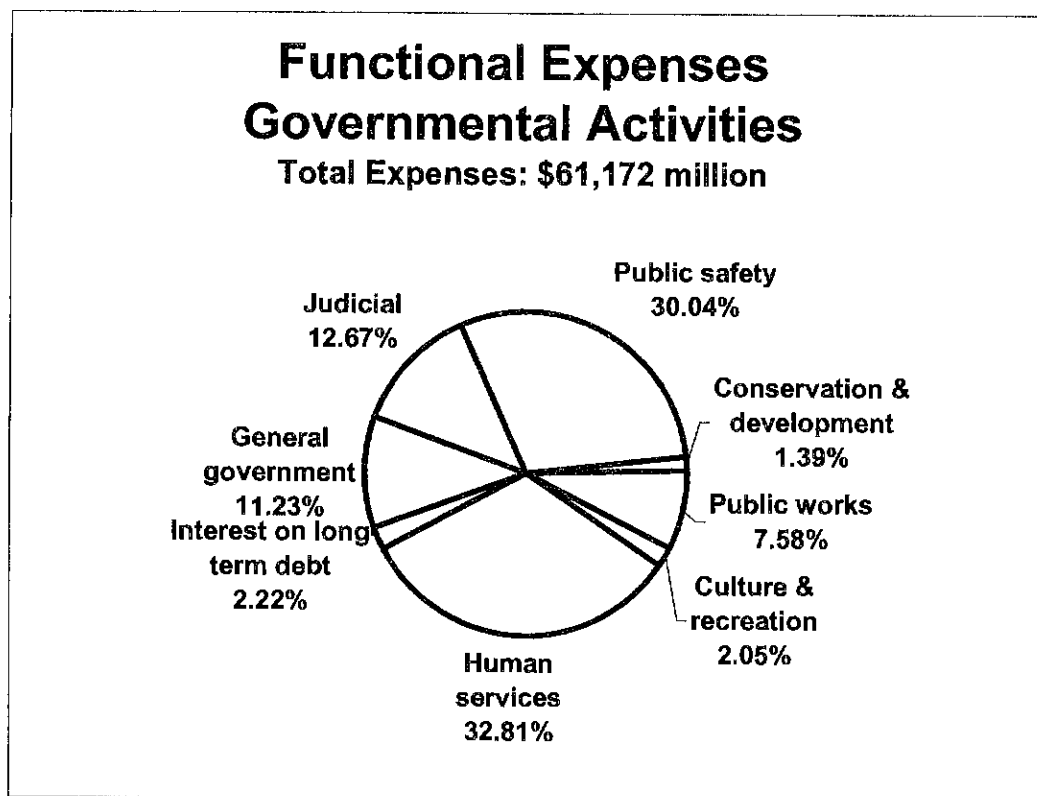
**County of Lycoming, Pennsylvania**  
**Management Discussion and Analysis (Continued)**

**Governmental Activities Net Assets:** Total governmental net assets for 2005 were \$44,864,189, an increase of \$6,508,040 over the prior year. Key elements of this increase are as follows:

#1-The 2004 tax increase continues to provide additional revenues in 2005 to offset the growth in expenditures.

#2-Grant revenues increased by \$1,240,553 in 2005.

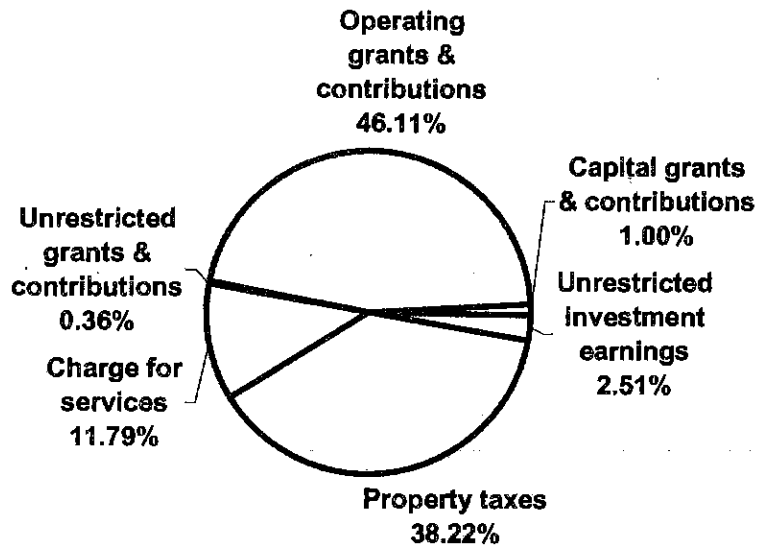
#3-Charge for services increased \$760,076 in 2005.



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

**Source of Revenues**  
**Governmental Activities**

**Total Revenues: \$65,106 million**



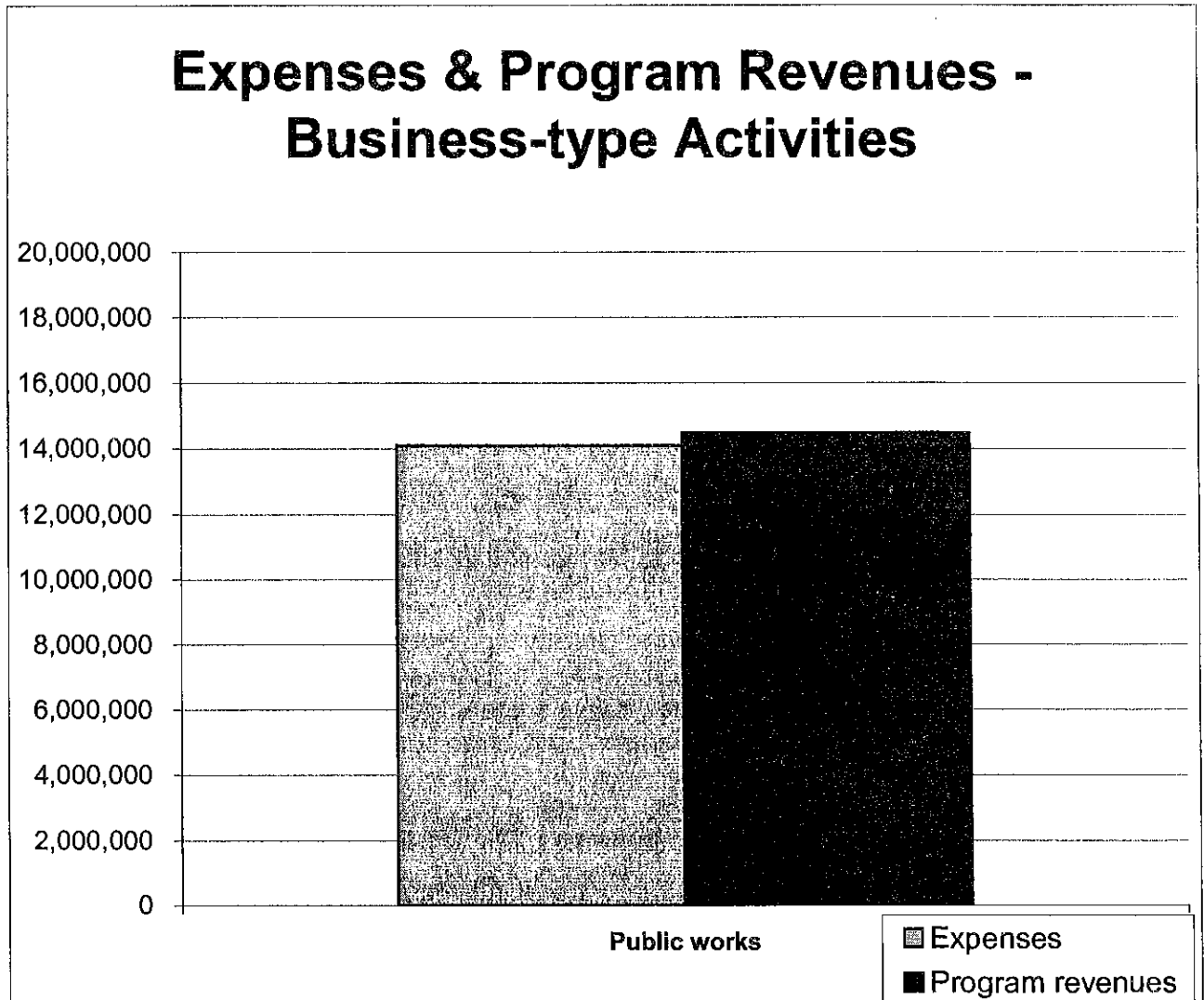


**County of Lycoming, Pennsylvania**  
**Management Discussion and Analysis (Continued)**

**Business-type activities.** Business-type activities increased the County's net assets by \$32,535 for 2005. Key elements of this modest increase are as follows:

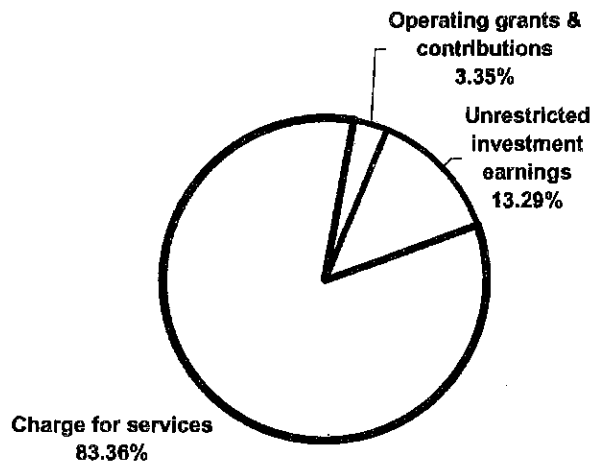
#1-With the completion of several capital projects being funded by grants, intergovernmental revenues decreased by \$740,827.

#2-An increase in operating expenses also reduced net assets an additional \$672,938.



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

**Revenue by Sources -  
Business-type Activities**



**Financial Analysis of the Government's Funds**

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$46,450,825, an increase of \$7,881,380 over the prior year. Of the total fund balance \$19,052,564 represents the unreserved fund balance, which is available for spending at the government discretion. The remainder of the fund balance is reserved to indicate that it is not available to meet current obligations because it has already been committed for:

- #1-Non-current loans \$22,268,850.
- #2-Restricted program expenditures and encumbrances \$5,021,363.
- #3-Other \$108,048.

Governmental fund revenues for the current fiscal period increased by \$3,171,648 or 5.14 percent while expenditures also increased over the same period by \$1,276,247 or 2.09 percent. For 2005, major funds included the general fund and the special revenue fund County Pass-Thru Grants.

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

## **Major Funds**

### **Governmental Fund Types – General Fund**

The General fund is the chief operating fund of the County. At the end of the current fiscal year, the unreserved fund balance was \$19,052,564, an increase of \$7,822,794 over the prior year. The total fund balance also increased \$6,820,357 from \$34,609,105 to \$41,429,462 in 2005. As a measure of the general fund liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 49 percent of the total general fund expenditures while the total fund balance represents 106.97 percent of the same amount.

General fund revenues increased \$1,554,234 from \$42,833,247 to \$44,387,481 or 3.6 percent over the prior year. Expenditures increased \$796,140 from \$37,933,695 to \$38,729,835 or 2.09 percent.

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

#1-The main factor in the increase of the general fund unreserved fund balance was the increase in real estate tax millage in 2004 which continues to generate additional revenues. The increase in the unreserved fund balance enabled the county to replenish its reserves used to fund prior year deficits.

### **Governmental Fund Types – County Pass-Thru Grants**

The County receives various Federal and State grants that it believes can be more effectively administered by local agencies. The County has contracted with these agencies to administer the moneys in accordance with the terms of the grant. In 2005 a total of \$12,785,842 was received from the funding sources and disbursed to these agencies.

### **Proprietary Fund Types – Resource Management Services**

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

The unrestricted net assets of the Lycoming County Resource Management Services at year-end amounted to \$10,107,038. The change in net assets for the fund was an increase of \$32,535. Other factors concerning the finances of the fund have already been discussed in the analysis of the County's business type activities.

### **General Fund Budgetary Highlights**

The difference of \$118,760 between the original budget of \$39,523,673 and the final amended budget of \$39,642,433 was a result of transfers from the Capital Project Fund and can be briefly summarized as follows:

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

- #1- \$37,458-Roof replacements at the Prison and Lysock complexes.
- #2 -\$35,000 - Trial expenses Public Defenders Office.
- #3 -\$9,476 - Coroners office move.
- #4 -\$3,500 - Human Resources Medicare Part D.
- #5 -\$8,580 - Pave Court street lot.
- #6 -\$7,871 - Prison medical expenses.
- #7 -\$16,875 - Inventory & capital purchases.

**Capital Assets and Debt Administration**

The County's investment in capital assets for its governmental and business type activities as of December 31, 2005, net of accumulated depreciation amounted to \$56,942,920. This represents a decrease of \$1,404,045 or 2.4 percent under the prior year total of \$58,346,965. For the current fiscal year governmental activities investment in capital assets decreased 5.5 percent and business-type decreased .3 percent. Capital assets consist primarily of land and improvements, buildings and improvements, machinery and equipment, construction under progress and infrastructure. The following is a summary of capital assets at December 31, 2005.

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

	Governmental activities		Business-type activities		Total	
	2005	2004	2005	2004	2005	2004
Land	\$493	\$436	\$2,308	\$1,834	\$2,801	\$2,270
Improvements	730	723	7,847	9,003	8,577	9,726
Building & improvements	8,339	8,788	12,738	13,373	21,077	22,161
Machinery & equipment	6,247	6,907	10,953	9,731	17,200	16,638
Construction in progress	-	-	-	-	-	-
Infrastructure	6,147	6,392	1,141	1,160	7,288	7,552
Total Assets	\$ 21,956	\$ 23,246	\$ 34,987	\$ 35,101	\$ 56,943	\$ 58,347

For 2005 there were several major additions to capital assets.

Governmental Fund Types:

- #1-Purchase Court street property at a cost of \$56,776.
- #2-Replacement of prison roof at a cost of \$169,489.
- #3-Continued development of the police information systems at a cost of \$86,346.

Proprietary Fund Types:

- #4-Completion of the sediment removal system at a cost of \$1,047,908.

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

#5-Purchase of equipment – 836H Compactor, L330E Loader, D8T Dozer 345CI Excavator and 40 ton Haul Truck at a cost of \$2,675,147.

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

### **Long-Term Debt**

At December 31, 2005, the County had \$28,614,039 of general obligation bonds outstanding. This was a decrease of \$2,853,853 or 9.06 percent over the previous year.

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

	Governmental activities		Business-type activities		Total	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
General Obligation Bonds	<u>\$25,714</u>	<u>\$28,277</u>	<u>\$2,900</u>	<u>\$3,191</u>	<u>\$28,614</u>	<u>\$31,468</u>
Beginning balance 12/31/04		\$	31,467,892			
Debt issued				-		
Less principal payments			<u>2,853,853</u>			
Ending balance 12/31/05		<u>\$</u>	<u>28,614,039</u>			

The County currently has an AAA Bond Rating

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

### **Economic Factors and Next Year's Budget and Rates**

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

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

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

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

The adopted 2006 budget has overall expenditures increasing from the 2005 budget of \$80,552,421 to \$88,558,713, an increase of \$8,006,292 or 9.94 percent. The budget for the governmental fund types also increased \$6,637,261 or 10.03% from \$66,179,342 to \$72,816,603 while the business-types also increased \$1,369,031 or 9.52 percent to \$15,742,110.

2005 / 2006 Budget Comparisons

	2005 Approved Budget	2006 Approved Budget	Variance Increase (Decrease)	Percentage Increase (Decrease)
<u>Governmental Fund Types</u>				
General Fund	\$ 39,638,029	\$ 41,327,601	\$ 1,689,572	4.26%
Special Revenue Funds	21,364,718	21,457,926	93,208	0.44%
Debt service Funds	3,824,951	3,671,440	(153,511)	-4.01%
Capital Project Funds	1,351,644	6,359,636	5,007,992	370.51%
Total Governmental Funds	66,179,342	72,816,603	6,637,261	10.03%
<u>Business Fund Types</u>				
Enterprise Funds	14,373,079	15,742,110	1,369,031	9.52%
Total County Budget	<u>\$ 80,552,421</u>	<u>\$ 88,558,713</u>	<u>\$ 8,006,292</u>	<u>9.94%</u>

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

**Request for information**

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

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

**County of Lycoming, Pennsylvania**  
**Management Discussion and Analysis**

**Request for information – Component Units**

Questions concerning any of the component unit's financial information or request for additional information should be directed to:

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

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

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

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

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

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

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## **BASIC FINANCIAL STATEMENTS**

**STATEMENT OF NET ASSETS  
DECEMBER 31, 2005**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 20,004,363	\$ 11,822,007	\$ 31,826,370	\$ 2,613,036
Investments at cost	-	7,970,217	7,970,217	
Investments at fair value	-	24,572,373	24,572,373	23,700
Receivables (net of allowances)				
Taxes	2,778,004	-	2,778,004	-
Accounts receivable trade	171,091	1,460,187	1,631,278	6,138,270
Interest receivable	1,666,682	1,122,593	2,789,275	9,099
Cost & fines	2,633,150	-	2,633,150	-
Due from agency funds	11,500	-	11,500	-
Due from other governments	2,735,871	61,695	2,797,566	263,517
Due from Component Units	155,308	-	155,308	-
Loans	23,243,760	1,019,322	24,263,072	-
Inventory	12,085	-	12,085	103,873
Prepaid items	95,963	-	95,963	64,063
Deferred Charges				
Issuance Cost	1,029,980	-	1,029,980	1,427,652
Interest cost	-	-	-	1,479,477
Restricted assets				
Cash and cash equivalents	-	3,000,000	3,000,000	1,843,118
Investments at cost	-	15,275,100	15,275,100	204,943
Due from other governments	-	-	-	34,708
Capital assets (Net of accumulated depreciation)				
Land	492,737	2,308,211	2,800,948	1,324,464
Improvements	730,425	7,846,889	8,577,314	7,060,021
Building & improvements	8,339,522	12,737,541	21,077,063	9,314,803
Machinery & equipment	6,247,004	10,952,957	17,199,961	17,019,267
Infrastructure	6,146,563	1,141,071	7,287,634	14,969,744
Construction in progress	-	-	-	3,897,432
Capitalized interest	-	-	-	1,214,155
Total assets	76,493,998	101,290,163	177,784,161	69,005,360
<b>LIABILITIES</b>				
Accounts payable	3,172,266	1,869,377	5,041,643	678,969
Payroll and related payables	711,673	99,555	811,228	48,283
Accrued interest payable	238,541	-	238,541	-
Due to agency funds	3,346	-	3,346	491,206
Due to primary government	-	-	-	154,731
Unearned revenues	949,334	-	949,334	969,454
Escrow funds payable	92,357	206,499	298,856	29,103
Long term liabilities				-
Due within one year	2,797,143	425,485	3,222,628	4,402,652
Due in more than one year	23,665,148	38,220,758	61,885,906	32,304,882
Total liabilities	31,629,808	40,821,674	72,451,482	39,079,280
<b>NET ASSETS</b>				
Investments in capital assets (net of related debt)	18,916,755	32,086,351	51,003,106	25,326,398
Restricted for:				
Judicial	1,669,446	-	1,669,446	-
Public safety	1,260,942	-	1,260,942	-
Public works	870,607	18,275,100	19,145,707	886,656
Conservation & development	1,183,279	-	1,183,279	130,433
Capital project funds	37,090	-	37,090	-
Debt service & admin. exp.	-	-	-	1,665,073
Unrestricted	20,926,070	10,107,038	31,033,108	1,917,520
Total net assets	\$ 44,864,189	\$ 60,468,489	\$ 105,332,678	\$ 29,926,080

See Notes to Financial Statement

COUNTY OF LYCOMING, PENNSYLVANIA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005

Function / Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Operating		Primary Government		Component Units
		Charge for Services	Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Primary government						
Governmental activities						
General government	\$ 6,870,008	\$ 848,206	\$ 22,015	\$ 13,046	\$ (5,986,741)	\$ (5,986,741)
Judicial	7,751,039	2,515,069	1,741,359	-	(3,494,611)	(3,494,611)
Public safety	18,378,191	3,859,089	5,663,533	631,726	(8,223,843)	(8,223,843)
Public works	4,638,746	25,665	3,725,179	-	(887,902)	(887,902)
Human services	20,072,182	352,900	18,871,255	-	(848,027)	(848,027)
Culture & recreation	1,251,352	-	-	-	(1,251,352)	(1,251,352)
Conservation & development	849,610	77,481	-	4,122	(768,007)	(768,007)
Interest on long-term debt	1,360,638	-	-	-	(1,360,638)	(1,360,638)
Total governmental activities	61,171,766	7,678,410	30,023,341	648,894	(22,821,121)	(22,821,121)
Business-type activities						
Waste Management	14,088,774	13,916,960	559,565	-	387,751	387,751
Total business-type activities	14,088,774	13,916,960	559,565	-	387,751	387,751
Total primary government	\$ 75,260,540	\$ 21,595,370	\$ 30,582,906	\$ 648,894	(22,821,121)	(22,433,370)
Component units:						
Governmental activities	\$ 1,436,284	\$ 1,230,968	\$ 205,275	-	-	(41)
Business-type activities	7,531,422	6,071,952	391,701	1,170,312	-	102,543
Total component units	\$ 8,967,706	\$ 7,302,920	\$ 596,976	\$ 1,170,312	-	102,502
General revenues:						
Property Taxes					24,884,901	24,884,901
Unrestricted investment earnings					1,636,430	3,855,188
Grants contributions and other revenues not restricted to specific programs					233,856	233,856
Transfers					2,573,974	0
Total general revenues and transfers					29,329,161	28,973,945
Changes in net assets					6,508,040	6,540,575
Net assets - beginning					38,356,149	98,792,103
Net assets - ending					\$ 44,864,189	\$ 105,332,678

See notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2005**

	General	County Pass-Thru Grants	Other Governmental Funds	Total
<b>ASSETS</b>				
Cash & cash equivalents	\$ 14,544,227	\$ 3,035	\$ 5,457,101	\$ 20,004,363
Receivables				
Taxes	2,778,004	-	-	2,778,004
Accounts	2,639,895	-	164,345	2,804,240
Interest	1,666,682	-	-	1,666,682
Due from other funds	308,443	-	7,496	315,939
Due from other governments	2,037,022	10,106	688,743	2,735,871
Due from component units	149,716	-	5,593	155,309
Loans				
Interfund	11,500	-	-	11,500
Non-profit organizations	6,471,783	-	-	6,471,783
Component units	16,771,967	-	-	16,771,967
Inventory	12,085	-	-	12,085
Prepaid items	95,963	-	-	95,963
Total assets	<u>\$ 47,487,287</u>	<u>\$ 13,141</u>	<u>\$ 6,323,278</u>	<u>\$ 53,823,706</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 2,406,498	\$ 13,141	\$ 752,627	\$ 3,172,266
Payroll payable	708,708	-	2,965	711,673
Due to other funds	7,143	-	312,143	319,286
Deferred revenues				
Taxes	2,127,965	-	-	2,127,965
Intergovernmental	708,546	-	234,180	942,726
Other	6,608	-	-	6,608
Escrow funds	92,357	-	-	92,357
Total liabilities	<u>6,057,825</u>	<u>13,141</u>	<u>1,301,915</u>	<u>7,372,881</u>
Fund Balances (Deficits)				
Reserved for:				
Non-current loans	22,268,850	-	-	22,268,850
Inventory	12,085	-	-	12,085
Prepaid items	95,963	-	-	95,963
Encumbrances	-	-	510,219	510,219
Restricted programs expenditures	-	-	-	-
Special revenue funds	-	-	4,113,666	4,113,666
Capital project funds	-	-	37,090	37,090
Unreserved, designated for reported in:				
Special revenue funds	-	-	360,388	360,388
Undesignated	19,052,564	-	-	19,052,564
Total fund balances	<u>41,429,462</u>	<u>-</u>	<u>5,021,363</u>	<u>46,450,825</u>
Total liabilities and fund balances	<u>\$ 47,487,287</u>	<u>\$ 13,141</u>	<u>\$ 6,323,278</u>	<u>\$ 53,823,706</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**RECONCILIATION OF GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2005**

<b>Total Fund Balance-Governmental Funds</b>	<b>\$ 46,450,825</b>
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in the governmental activities are not financial resources and therefore are not reported as assets in the governmental funds	21,956,251
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	<u>(23,542,887)</u>
<b>Net assets of governmental activities</b>	<b><u>\$ 44,864,189</u></b>

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, 2005**

	General	County Pass-Thru Grants	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 24,605,980	\$ -	\$ -	\$ 24,605,980
Licenses & permits	47,163	-	-	47,163
Intergovernmental revenues	12,585,785	12,785,842	5,487,302	30,858,929
Charge for services	3,563,799	-	1,941,046	5,504,845
Sale of assets	60,432	-	-	60,432
Investment earnings	1,636,431	-	131,785	1,768,216
Court cost & fines	1,202,483	-	65,094	1,267,577
Miscellaneous income	685,408	-	30,893	716,301
Total revenues	<u>44,387,481</u>	<u>12,785,842</u>	<u>7,656,120</u>	<u>64,829,443</u>
<b>EXPENDITURES</b>				
Current				
General government	5,863,852	-	800	5,864,652
Judicial	5,915,896	-	310,126	6,226,022
Public safety	13,068,539	75,993	2,494,477	15,639,009
Public works	337,090	250,000	3,785,163	4,372,253
Human services	7,528,680	12,459,849	-	19,988,529
Culture & recreation	1,060,173	-	141,869	1,202,042
Conservation & development	680,068	-	6,681	686,749
Miscellaneous	3,812,258	-	-	3,812,258
Debt service	-	-	3,864,294	3,864,294
Capital outlay	463,279	-	233,987	697,266
Total expenditures	<u>38,729,835</u>	<u>12,785,842</u>	<u>10,837,397</u>	<u>62,353,074</u>
Excess (deficiency) of revenues over expenditures	<u>5,657,646</u>	<u>-</u>	<u>(3,181,277)</u>	<u>2,476,369</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	2,573,974	-	4,535,217	7,109,191
Transfer out	(4,242,300)	-	(292,916)	(4,535,216)
Total other financing sources (uses)	<u>(1,668,326)</u>	<u>-</u>	<u>4,242,301</u>	<u>2,573,975</u>
Net Change in fund balances	3,989,320	-	1,061,024	5,050,344
Fund balances-beginning	34,609,105	-	3,960,339	38,569,444
Prior period adjustment	2,831,037	-	-	2,831,037
Fund balances-ending	<u>\$ 41,429,462</u>	<u>\$ -</u>	<u>\$ 5,021,363</u>	<u>\$ 46,450,825</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, 2005**

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

Net change in fund balances-total governmental funds (page 36)	\$ 5,050,344
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.	(1,287,421)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales trade-ins, and donations) is to increase net assets.	(2,531)
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.	278,921
The issuance of long-term debt (e.g., bonds & leases) provide current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net assets.	2,528,680
Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	(83,183)
Interest expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	23,230
Change in net assets of governmental activities (page 33)	<u>\$ 6,508,040</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA  
ENTERPRISE FUND  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2005**

	<b>Resource Management Services</b>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 11,822,007
Investments at cost	7,970,217
Investments at fair value	24,572,373
Receivables (net of allowances)	
Accounts receivable - trade	1,460,187
Interest receivable	1,122,593
Due from other governments	61,695
Total current assets	<u>47,009,072</u>
Noncurrent assets	
Loans component unit	<u>1,019,322</u>
Restrictive assets	
Cash and cash equivalents	3,000,000
Investments at cost	<u>15,275,100</u>
Total restricted assets	<u>18,275,100</u>
Capital assets	
Land	2,308,211
Improvements	7,846,889
Building and improvements	12,737,541
Machinery and equipment	10,952,957
Infrastructure	<u>1,141,071</u>
Total capital assets	<u>34,986,669</u>
Total noncurrent assets	<u>54,281,091</u>
Total assets	<u>\$ 101,290,163</u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	\$ 1,869,377
Payroll	99,555
Escrow funds	206,499
Compensated absences payable	80,257
Long term debt	<u>345,228</u>
Total current liabilities	<u>2,600,916</u>

(Continued)



**COUNTY OF LYCOMING, PENNSYLVANIA**  
**ENTERPRISE FUND**  
**STATEMENT OF FUND NET ASSETS**  
**DECEMBER 31, 2005**  
**(CONTINUED)**

	<b>Resource Management Services</b>
Long term liabilities	
Compensated absences payable	\$ 60,645
Estimated reclamation cost for field and final closure	35,605,023
Long term debt	2,555,090
Total long term liabilities	<u>38,220,758</u>
 Total liabilities	 <u>40,821,674</u>
 <b>NET ASSETS</b>	
Investment in property & equipment net of related debt	32,086,351
Restricted for:	
State-insurance & closure requirements	18,275,100
Unrestricted	10,107,038
Total net assets	<u><u>\$ 60,468,489</u></u>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA  
ENTERPRISE FUNDS  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Resource Management Services</b>
<b>OPERATING REVENUES</b>	
Charge for services	\$ 12,256,360
Sales	1,620,265
Miscellaneous revenues	33,568
	<hr/>
Total operating revenues	13,910,193
	<hr/>
<b>OPERATING EXPENSES</b>	
Salaries and wages	2,599,622
Material and supplies	304,101
General operating	4,585,910
Maintenance and repairs	905,354
Depreciation expense	4,279,763
Fringe & indirect expense	1,303,041
Total operating expenses	13,977,791
	<hr/>
Operating Income (loss)	(67,598)
	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Investment earnings	2,218,758
Intergovernmental revenues	559,565
Net proceeds on sale of assets	
Net gain (Loss)	6,767
Interest expense	(110,983)
Total non-operating revenues (expenses)	2,674,107
	<hr/>
Income (loss) before transfers	2,606,509
	<hr/>
Transfer - out	(2,573,974)
	<hr/>
Change in net assets	32,535
	<hr/>
Total net assets-beginning	60,435,954
Total net assets-ending	\$ 60,468,489
	<hr/>

See Notes to Financial Statements

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**ENTERPRISE FUNDS**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Resource Management Services</u>
Cash Flows From Operating Activities	
Receipt from customers	\$ 13,849,285
Payments to suppliers	(3,160,415)
Payment to employees	(3,574,302)
Other receipts	33,568
Net cash provided by operating activities	<u>7,148,136</u>
Cash Flows From Noncapital Financing Activities	
Subsidies to other funds	(2,573,974)
Federal & State Operating Grants	504,882
Net cash provided (used) by noncapital financing activities	<u>(2,069,092)</u>
Cash Flow From Capital and Related Financing Activities	
Proceeds from sale of capital assets	697,280
Acquisition of capital assets	(4,856,181)
Principal paid on capital debt	(290,244)
Interest paid on capital debt	(110,983)
Net cash provided (used) by capital and related financing activities	<u>(4,560,128)</u>
Cash Flow From Investing Activities	
Interest & Dividends	1,517,363
Sales of investments	32,663,469
Purchase of investments	(32,109,776)
Net cash provided (used) by investing activities	<u>2,071,056</u>
Net increase (decrease) in cash	2,589,972
Cash and cash equivalents beginning of year	12,232,035
Cash and cash equivalents end of year	<u>\$ 14,822,007</u>

Continued

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**ENTERPRISE FUNDS**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

**Resource  
Management  
Services**

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

Operating income (loss)	\$ (67,598)
Adjustments to reconcile operating loss to net cash provided (used) in operating activities	
Depreciation expense	4,279,763
Changes in assets and liabilities	
(Increase) decrease accounts trade receivables	(27,341)
Increase (decrease) accounts payable	164,924
Increase (decrease) payroll	1,640
Increase (decrease) compensated absences	9,083
Increase (decrease) escrow accounts	2,787,664
Total Adjustments	<u>7,215,733</u>
Net cash provided (used) by operating activities	<u><u>7,148,135</u></u>

Cash and cash equivalents-End of year

Unrestricted	11,822,007
Restricted	
State insurance funds	3,000,000
Total Cash	<u><u>\$ 14,822,007</u></u>

Non-cash investing, capital and financing activities:

Net increase (decrease) in fair value of investments	<u>(47,197)</u>
Total non-cash investing, capital and financing activities	<u><u>\$ (47,197)</u></u>

See Notes to Financial Statements

**COUNTY OF LYCOMING**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**DECEMBER 31, 2005**

	<u>Pension Trust Fund</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,478,018	\$ 2,476,626
Investments at fair value		
Government securities	17,943,856	-
Corporate bonds	3,636,146	-
Equities	34,709,010	-
Mutual funds	9,149,797	-
Accounts receivable (net of allowance)	-	10,067
Delinquent non-county taxes	-	3,174,961
Cost & fines (non county)		6,264,186
Interest receivable	169,961	-
Due from other funds	-	3,481
Inventory	-	5,887
Total assets	<u>\$ 68,086,788</u>	<u>\$ 11,935,208</u>
<b>LIABILITIES</b>		
Accounts payable	\$ -	\$ 31,048
Due to other funds	-	134
Due to other governments	-	1,481,620
Escrow	-	10,410,906
Interfund loans	-	11,500
Total liabilities	<u>-</u>	<u>11,935,208</u>
<b>NET ASSETS</b>		
Held in trust for pension benefits	<u>\$ 68,086,788</u>	<u>\$ -</u>

See Notes to Financial Statements

**COUNTY OF LYCOMING**  
**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Pension Trust Fund</u>
<b>ADDITIONS</b>	
Contributions	
Employees	\$ 1,488,200
Employer	250,000
Miscellaneous	280
Total contributions	<u>1,738,480</u>
Investment earnings	
Net appreciation in fair value of investments	2,792,803
Interest & dividends	1,651,851
	<u>4,444,654</u>
Less: Investment management fees	409,665
Total investment income - net	<u>4,034,989</u>
Total additions	<u>5,773,469</u>
 <b>DEDUCTIONS</b>	
Benefit payments	1,673,351
Refunds of employee contributions	282,413
Death benefits	106
Other	279
Total deductions	<u>1,956,149</u>
Net increase in plan assets	3,817,320
Plan net assets at beginning of year	<u>64,269,468</u>
Plan net assets at end of year	<u>\$ 68,086,788</u>

See Notes to Financial Statements

COUNTY OF LYCOMING, PENNSYLVANIA  
STATEMENT OF NET ASSETS  
COMPONENT UNITS  
DECEMBER 31, OR JUNE 30, 2005

	Governmental Activities		Business-Type Activities					Total
	Soil Conservation 12/31/2005	Industrial Development Authority 12/31/2005	Planning Commission 06/30/05	Recreation Authority 12/31/2005	Water & Sewer Authority 12/31/2005	Airport Authority 12/31/2005		
<b>ASSETS</b>								
Cash and cash equivalents	\$ 247,234	\$ 309	\$ 43,602	\$ 81,626	\$ 2,121,906	\$ 118,359	\$ 2,613,036	
Investments at fair value	23,700	-	-	-	-	-	23,700	
Receivables (net of allowances)								
Accounts receivable	54	5,598,242	269,564	120	240,568	29,722	6,138,270	
Interest receivable	-	-	-	-	9,099	-	9,099	
Due from other governments	72,595	-	-	-	183,302	7,620	263,517	
Inventory	-	-	-	103,873	-	-	103,873	
Prepaid items	-	-	-	-	18,974	45,109	64,083	
Deferred Charges								
Issuance Cost	-	-	-	381,408	1,046,244	-	1,427,652	
Interest cost	-	-	-	-	1,479,477	-	1,479,477	
Restricted assets								
Cash and cash equivalents	-	-	-	9,471	1,460,130	373,517	1,843,118	
Investments at fair value	-	-	-	204,943	-	-	204,943	
Due from other governments	-	-	-	-	-	34,706	34,706	
Capital assets:								
Land	-	-	-	57,853	127,985	1,138,626	1,324,464	
Improvements	-	-	-	2,853,222	2,798,884	1,407,915	7,060,021	
Building & improvements	-	-	-	766,165	4,803,466	3,745,172	9,314,803	
Machinery & equipment	-	-	-	521,356	1,150,315	15,347,596	17,019,267	
Infrastructure	-	-	-	-	14,969,744	-	14,969,744	
Construction in progress	-	-	-	-	3,607,755	289,677	3,897,432	
Capitalized interest	-	-	-	134,135	1,080,020	-	1,214,155	
Total assets	\$ 343,583	\$ 5,598,551	\$ 313,166	\$ 5,114,172	\$ 35,097,869	\$ 22,538,019	\$ 69,005,360	
<b>LIABILITIES</b>								
Accounts payable	\$ 10,974	\$ -	\$ 67,990	\$ 25,136	\$ 508,931	\$ 65,938	\$ 678,969	
Payroll and related payables	-	-	-	15,139	20,820	12,324	48,283	
Accrued interest payable	-	-	-	376,899	114,307	-	491,206	
Due to primary government	14,721	-	140,010	-	-	-	154,731	
Unearned revenues	246,906	-	360	308,836	66,081	347,271	969,454	
Escrow funds payable	-	-	-	9,471	-	19,632	29,103	
Continued								

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**STATEMENT OF NET ASSETS**  
**COMPONENT UNITS**  
**DECEMBER 31, OR JUNE 30, 2005**  
**(CONTINUED)**

	Governmental Activities		Business-Type Activities					Total
	Soil Conservation 12/31/2005	Industrial Development Authority 12/31/2005	Planning Commission 06/30/05	Recreation Authority 12/31/2005	Water & Sewer Authority 12/31/2005	Airport Authority 12/31/2005		
Long term liabilities								
Due within one year	\$ -	\$ 813,242	\$ -	\$ 80,281	\$ 3,509,129	\$ -	\$ 4,402,652	
Due in more than one year	-	4,785,000	-	8,999,213	18,520,669	-	32,304,882	
Total liabilities	272,601	5,598,242	208,360	9,814,975	22,739,937	445,165	39,079,280	
<b>NET ASSETS</b>								
Investments in capital assets (net of related debt)	\$ -	\$ -	\$ -	\$ (4,746,763)	\$ 8,450,187	\$ 21,622,974	\$ 25,326,398	
Restricted for:								
Public works	-	-	-	-	886,656	-	886,656	
Conservation & Development	70,982	-	59,451	-	-	-	130,433	
Debt service & admin. exp.	-	-	-	204,943	1,460,130	-	1,665,073	
Unrestricted	-	309	45,355	(158,983)	1,560,959	469,880	1,917,520	
Total net assets	\$ 70,982	\$ 309	\$ 104,806	\$ (4,700,803)	\$ 12,357,932	\$ 22,092,854	\$ 29,926,080	

See Notes to Financial Statements



COUNTY OF LYCOMING, PENNSYLVANIA

STATEMENT OF ACTIVITIES

COMPONENT UNITS

FOR THE YEAR ENDED DECEMBER 31, OR JUNE 30, 2005

Function / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets						
	Expenses	Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Soil Conservation	Industrial Development Authority	Planning Commission	Recreation Authority	Sewer Authority	Airport Authority	Total
Governmental Activities											
Conservation & development											
Soil Conservation	\$ 232,366	\$ 27,393	\$ 205,275	\$ -	\$ 302	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 302
Industrial Development Authority	1,203,918	1,203,575	-	-	-	(343)	-	-	-	-	(343)
Total governmental activities	1,436,284	1,230,968	205,275	-	302	(343)	-	-	-	-	(41)
Business-type activities											
Planning Commission	\$ 1,394,123	\$ 1,157,271	\$ 265,358	\$ -	\$ -	\$ -	\$ 28,506	\$ -	\$ -	\$ -	\$ 28,506
Recreation Authority	2,087,114	1,700,479	-	-	-	-	-	(386,635)	-	-	(386,635)
Water & Sewer Authority	2,448,617	2,382,109	-	438,927	-	-	-	-	372,419	-	372,419
Airport Authority	1,601,568	832,093	126,343	731,385	-	-	-	-	-	88,253	88,253
Total business-type activities	7,531,422	6,071,952	391,701	1,170,312	-	-	28,506	(386,635)	372,419	88,253	102,543
Total Component Units	\$ 8,967,706	\$ 7,302,920	\$ 596,976	\$ 1,170,312	302	(343)	28,506	(386,635)	372,419	88,253	102,502
General revenues:											
Unrestricted investment earnings				1,560				11,404	125,988	2,513	141,465
Grants, contributions and other revenues not restricted to specific programs											
Total general revenues and transfers				1,560				11,404	125,988	18,606	160,071
Changes in net assets											
Net assets - beginning				1,862		(343)	28,506	(375,231)	498,407	109,372	262,573
Net assets - ending				69,120		652	76,300	(4,325,572)	11,859,525	21,983,482	29,663,507
				\$ 70,982	\$ 309	\$ 309	\$ 104,806	\$ (4,700,803)	\$ 12,357,932	\$ 22,092,854	\$ 29,926,080

See Notes to Financial Statement

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**1. Summary of Significant Accounting Policies**

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

**A. Financial Reporting Entity**

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

Component Units – Consistent with the guidelines contained in GASB No. 34 “The Financial Reporting Entity”, the County has evaluated all related entities (Authorities, Boards, Councils and etc.) to determine the financial accountability for possible inclusion in the financial report. In determining financial accountability in a given case, the County reviews the following criteria:

The County is financially accountable for:

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

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

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

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

Based on the preceding criteria, the reporting entity has been defined to include all the fund types for which the County is financially accountable or for which there is a significant relationship. Specific information on the nature of the various potential components units and a description of how the aforementioned criteria has been considered in the determination of whether to include or exclude such units in the County’s financial statements are provided in

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

the following paragraphs. Separately published audit reports of the component units and joint ventures are available for inspection in the Controller's office.

**Discretely Presented Component Units**

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

Lycoming County Industrial Development Authority  
Lycoming County Recreation Authority  
Lycoming County Airport Authority  
Lycoming County Planning Commission  
Lycoming County Soil Conservation  
Lycoming County Water & Sewer Authority

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

**Related Organizations**

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

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

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

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**B. Government-Wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

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

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

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

The government reports the following major Governmental Funds:

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

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

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

The government reports the following major Proprietary Funds:

The Enterprise Fund is the only major Proprietary Fund.

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

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

As a general rule, the effects of inter-fund activity has been eliminated from the government-wide financial statements. Elimination of these charges prevents the distortion of direct cost and program revenues reported for the various functions concerned. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

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

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

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

## **2. Assets, Liabilities and Net Assets or Equity**

### ***Cash and Cash Equivalents***

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

All investments of the County are carried at fair value. Premiums and discounts on the Pension Trust Fund bonds and notes are not amortized and are not material except for government mortgage securities, which are amortized. Except for the Pension Trust Fund, all investments are money market funds, certificate of deposit, or investments in federal or state instruments with financial institutions.

### ***Receivables and Payables***

Activity between funds that are representative of lending / borrowing arrangement outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e., the current portion of the interfund loan) or, "advances to / from other funds" (i.e., the non current portion of the interfund loan). All other outstanding balances between funds are reported as "due to / from other funds".

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

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

Property taxes levied each year are based on the assessed value of the property and are divided into three billing periods (current year and two interim billings). The first interim billing

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

is in February and is for properties not billed in the prior year. The second interim billing is in August and captures any new properties not on the current year assessments billed in March.

***Inventories and Prepaid Items***

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

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

***Interfund Transactions***

In the course of the county operation there exist a variety of transactions between funds to finance operations. Accordingly, to the extent that certain interfund transactions have not been paid or received as of December 31, 2005, appropriate interfund receivables or payables have been established.

***Restricted Assets***

Restricted assets represent resources set aside for liquidation of specific obligations. The largest share of restricted assets resides in the enterprise fund and are set aside for closure and insurance requirements established by the state.

***Capital Assets***

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5000 or more and an estimated useful life in excess of 18 months. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value as of the date of donation.

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

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

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

***Compensated Absences***

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

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

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

***Unearned / Deferred Revenues***

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

***Long-Term Liabilities***

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

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



**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

***Use of Estimates***

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

***Fund Equity***

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

**3. Reconciliation of Government-Wide and Fund Financial Statements**

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

The government fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets – governmental activities as reported in the government-wide statements of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$23,542,887 difference are as follows:

Bonds payable	\$25,713,721
Less: Deferred charges for issuance cost (to be amortized over life of debt)	(1,029,980)
Accrued interest payable	238,541
Compensated absences	748,570
Deferred current year taxes	<u>(2,127,965)</u>
 Net adjustment to reduce fund balance – total governmental funds to arrive at net assets governmental activities	 <u>\$23,542,887</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Government funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

allocated over their estimated useful lives and reported as depreciation expense." The details of this \$1,287,421 difference are as follows:

2005 capital asset purchases	\$710,705
Depreciation expense	<u>(1,998,126)</u>
Net adjustment to the decrease net changes in fund balances-total governmental funds to arrive at changes in net assets of governmental activities	<u>(\$1,287,421)</u>

Another element of that reconciliation states that "The Net effect of the various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net assets." The details of this \$2,531 difference are as follows:

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in the net assets differs from the change in fund balance by the cost of the capital asset sold. (\$2,631)

The statement of activities report gains arising from trade-in of existing capital assets to acquire new capital assets. Conversely, government funds do not report any gain or loss on a trade-in of capital assets 100

Net adjustment to decrease net change in fund balance-total governmental funds to arrive at the changes in net assets of governmental activities (\$2,531)

Another element of that reconciliation states "the issuance of long-term debt (i.e. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any direct effect on net assets. Also, governmental funds report the effect of the issuance cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$2,528,680 difference are as follows:

Debt issued or incurred Issuance general obligation bonds	(\$0)
Principal payments General obligation debt	2,563,608
Long-term compensated absences	<u>(34,928)</u>
Net adjustment to increase net changes in fund balance total governmental funds to arrive at changes in net assets of governmental activities	<u>\$2,528,680</u>

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

#### **4. Budget and Budgetary Accounting**

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

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

The County maintains budgetary control on the departmental level. Management with the approval of Fiscal Services may amend their departmental budgets as long as they do not exceed the approved budget for their departments. Transfers between department or supplemental appropriations require Commissioner approval. Expenditures cannot legally exceed the appropriations at the budgetary control level described above. There were no additional supplemental budgetary appropriations for the overall budget for 2005. Appropriations lapse at the end of each year and must be reappropriated.

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

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

On occasion, unbudgeted funds may be created to meet special circumstances that have developed during the year. During 2005, there were four cases as shown below:

Special Revenue Funds

    #1 Special Projects

    #2 911 Wireless

Capital Project Funds

    #1 Help America Vote Act

    #2 Law Enforcement Records Management System

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**5. Excess of Expenditures over Appropriations**

For the year ended December 31, 2005 expenditures exceed appropriations for the funds listed below. No remedial action was necessary or planned since fund resources were sufficient to provide for excess expenditures.

Special Revenue Funds:	
#1 DA Investigative Funds	\$30,397
#2 Prothonotary Automation Fund	\$779
#3 E.M.S. Council	\$149,509
#4 E.M.A. Grant	\$42,488
#5 Highway Safety Grant	\$2,836
#6 JAIBG / Aftercare Grants	\$15,089
#7 E.D.S Environmental Projects	\$49,379
#8 Pass-Thru Grants	\$237,444
Debt service Funds	\$39,343

**6. Cash and Investments**

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

**A. Deposits and Investments**

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

Deposit – Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the County's deposit may not be returned. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2005, \$291,690 of the County's \$34,034,769 bank balance was insured by the Federal Depository Insurance Corporation. The remaining bank balance of \$33,743,079 was exposed to custodial risk, which is collateralized in accordance with ACT 72 of the Pennsylvania State Legislature which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

**Investments**

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

As of December 31, 2005 the Statement of Net Assets had the following investments:

Cash or Investment Type	Fair Market Value	Investment Maturities from December 31, 2005			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
U.S. treasury bills	\$ 11,357,360	\$ 9,878,450	\$ 1,478,910	\$ -	\$ -
Government & related agency debt	8,255,013	-	8,255,013	-	-
Guaranteed investment contracts	4,960,000	-	-	-	4,960,000
Total debt securities	24,572,373	9,878,450	9,733,923	-	4,960,000
Long-Term certificate of deposit	23,245,317	15,335,317	7,910,000	-	-
	<u>\$ 47,817,690</u>	<u>\$ 25,213,767</u>	<u>\$ 17,643,923</u>	<u>\$ -</u>	<u>\$ 4,960,000</u>

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

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

#1 The County currently has \$19,612,373 in U.S. Treasury bills and related agency debt with an AAA rating from Standards & Poor's.

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

#3 The County currently has \$23,245,317 in long-term certificates of deposit with local banking institutions. Of that amount, \$400,000 is covered by FDIC Insurance with the balance of \$22,845,317 being collateralized in accordance with Act 72 of the Pennsylvania Legislature.

**Custodial risk** – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of the investment or collateral securities that are in the possession of an outside entity. The County does not have a formal investment policy for custodial risk.

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

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

### **Agency Fund Deposits**

The County maintains bank accounts for various escrowed funds. As of December 31, 2005, the bank balance was \$3,940,110 with \$242,891 being insured by the Federal Depository Insurance Corporation. The remaining balance \$3,697,219 was exposed to custodial risk, which is collateralized in accordance with Act 72 of the Pennsylvania State Legislature which requires the institutions to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution name.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**Pension Trust Fund Deposits and Investments**

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

As of December 31, 2005 the Retirement Board had the following cash and investments in its Pension Trust Fund:

Cash or Investment Type	Fair Market Value	Investment Maturities from December 31, 2005			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
U.S. treasury bills	\$ 4,293,574	\$ 701,967	\$ 655,263	\$ 2,125,853	\$ 810,491
Government & related agency debt	10,922,454	1,443,578	3,038,558	3,989,274	2,451,044
Corporate debt	3,636,146	104,353	1,067,650	1,184,891	1,279,252
FNMA,GNMA &FHLMC mortgage pools	2,727,828	-	-	-	-
Total debt securities	<u>21,580,002</u>	<u>\$ 2,249,898</u>	<u>\$ 4,761,471</u>	<u>\$ 7,300,018</u>	<u>\$ 4,540,787</u>
Cash & cash equivalents	2,478,018				
Stocks	34,709,010				
Mutual Funds	9,149,797				
Total cash and other investments	<u>46,336,825</u>				
Total cash and investment reported on the Pension Trust Fund Statement of Net Assets	<u>\$ 67,916,827</u>				

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

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

**#1 Fixed income securities** – This includes domestic fixed and variable rate bonds and notes issued by the U.S. Government and its Agencies, U.S. Corporations, debt obligations of publicly traded REITS, Yankee bonds and notes(bonds or notes issued by non-U.S. based corporations and governments but traded in the U.S.), securitized mortgages(e.g. GNMA's FNMA's, FHLMC's, 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.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

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, 2005 investment in corporate bonds have received the following ratings from Standard and Poor's:

Credit Quality Distribution for Securities with Credit Exposure as a  
Percentage of the Total Pension Trust Fund Cash and Investments

<u>Investment Type</u>	<u>Standards &amp; Poor's Rating</u>	<u>Percentage of Total Pension Trust Fund Corporate Bonds</u>
Corporate Bonds	AAA	13.85%
Corporate Bonds	AA	3.15%
Corporate Bonds	AA-	8.66%
Corporate Bonds	A	16.67%
Corporate Bonds	A+	11.39%
Corporate Bonds	A-	11.96%
Corporate Bonds	BBB	11.36%
Corporate Bonds	BBB+	10.93%
Corporate Bonds	BBB-	5.50%
Corporate Bonds	Unrated	6.53%
		<u>100.00%</u>

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

As of December 31, 2005, the book value of the Pension Trust Fund's cash and deposits was \$2,478,018 and the Merrill Lynch balance was \$2,137,069. Of the entire Merrill Lynch balance of \$2,137,069, \$100,000 was covered by SPIC, \$1,900,000 was covered by a Certificate of Protection through First City underwritten by Lloyds of London leaving \$137,069 uncollateralized as of December 31, 2005.

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

<u>Asset Allocation</u>	<u>Target Avg.</u>	<u>Range</u>
Domestic Large / Medium Capitalization Stocks	48%	36% - 60%
International Stocks	12%	9% - 15%
Total Equity	60%	45% - 75%
Domestic Fixed Incomes	40%	25% - 55%
Cash and Cash Equivalents	0%	0% - 15%
	100%	

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

**Equity investment managers:**

#1 – Investment in any one individual equity security should not exceed approximately 8% of the market value of the equity portion on the investment manager’s portfolio.

#2 – The maximum allocation to any single economic sector in the equity portion of the portfolio should not exceed the greater of 15% of the market value of the investment manager’s portfolio or twice the economic sector’s weighting in the S&P 500 Stock Index or the investment manager’s primary equity policy index.

#3 – Holding of any single issue in this portfolio should not exceed more than 5% of the total outstanding market capitalization of the common stock of any one company.

**Fixed income managers:**

#1 – 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.

#2 – 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.

#3 – The maximum effective maturity of any single fixed income security is 30 years.

#4 – Mortgage backed securities may be purchased on a “when issued” or “TBA” basis. A short-term investment can back a “when issued” commitment as long as its effective duration does not exceed 180 days.

#5 – Collateralized mortgages backed securities are limited to 10% of the market value of the fixed income portion of the investment manager’s portfolio.

#6 – No more than 20% of the market value of the fixed income portfolio may be invested in zero coupon bonds.

**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.

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



**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

The volatility of the portfolios, as measured by standard deviation of the quarterly returns, is expected to be similar to the policy index outlined above.

The portfolio is expected to exceed the passive index return and the real return target each measured on a compound annual return basis after the deduction of investment management fees, annualized over a three- to five-year rolling time period, or a full market cycle, whichever occurs first.

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

### C. Restricted deposits and investments

#### RMS insurance funds

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

At December 31, 2005, the balance in the related investments were as follows:

	<u>Liability Insurance</u>	<u>Environmental Insurance</u>
Mandated	\$1,000,000	\$2,000,000
Interest	<u>115,011</u>	<u>287,066</u>
	<u>\$1,115,011</u>	<u>\$2,287,066</u>

#### Collateral bonds held by state of Pennsylvania

The Department of Environmental Protection regulation Title 25, Section 2711 requires all landfills to post a bond with the Treasurer of the Commonwealth of Pennsylvania. The purpose of the bond is to insure that there will be money available to close the landfill if the operator does not fulfill closure requirements. In 2002, the County submitted an updated closure calculation that was completed and submitted on June 28, 2002. The updated calculation increased the closure requirements for the landfill from \$6,392,225 to \$15,103,766 or an increase of \$8,711,541 while the transfer station remained at \$8,459. Under the current state regulations the transfer station must be funded at the minimum bonding requirement of

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

\$10,000. The County currently has \$15,129,407 (fair value) on deposit with the state with the current balances as of December 31, 2005:

<u>Current Funding</u>	<u>Maturity Date</u>	<u>Par Value</u>	<u>Fair Value</u>
<u>Landfill</u>			
2005 C/D	4/8/2006	\$8,711,541.00	\$8,711,541.00
2004 C/D	4/8/2006	\$3,700,000.00	\$3,700,000.00
2001 C/D	6/1/2006	\$2,707,866.00	\$2,707,866.00
<u>Transfer Station</u>			
2005 C/D	5/27/2010	\$10,000.00	\$10,000.00
		<u>\$15,129,407.00</u>	<u>\$15,129,407.00</u>

**Growing Greener Trust**

With the enactment of the Environmental Stewardship and Watershed Protection Act (Act 68) all funds deposited previously into the state closure trust fund now come under new regulations. The County can utilize the trust for funding of the County Conservation District, protecting farmlands, acid mine drainage cleanup, rehabilitation of state parks and forests, improving water quality and waste water treatment. During 2005, the County expended \$22,916 on projects leaving a balance as of December 31, 2005 of \$1,018,119.

**7. Receivables**

Receivables as of year-end for the governmental and business-type activities, including the applicable allowance for uncollectible accounts of \$3,054,134 are as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>type</u> <u>Activities</u>	<u>Total</u>
Receivables:			
Taxes	\$ 2,778,004	\$ -	\$ 2,778,004
Accounts	2,804,240	1,460,187	4,264,427
Interest	1,666,682	1,122,593	2,789,275
Component Units	155,309	-	155,309
Intergovernmental	2,735,871	61,695	2,797,566
Loans	23,243,750	1,019,322	24,263,072
Total receivables	<u>\$33,383,856</u>	<u>\$ 3,663,797</u>	<u>\$ 37,047,653</u>

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

Lycoming County has provided interest and non-interest bearing loans to component unit government and non-profit organizations. As of December 31, 2005 the balances of the loans are as follows:

Loans Receivable

General Fund

Non-Profit Organizations:

Tiadaghton Gardens	\$294,500
Industrial Property Corporation	4,000
Mary Slaughter Home	180,601
Y.M.C.A.	156,682
Lycoming County Nursing Home Association	5,840,000

Component Units:

Recreation Authority	130,000
Lycoming County Water & Sewer Authority	16,637,967
	<u>\$23,243,750</u>

Enterprise Fund:

Component Units

Recreation Authority	<u>\$1,019,322</u>
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Total Loans	<u><u>\$ 24,263,072</u></u>
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## **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 2005 was \$5,146,665,730 and the total assessed value was \$5,146,665,730.

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 2005 real estate millage was set at 4.75 mills which means a property owner will pay \$4.75 for every \$1,000 of assessed valuation.

Property taxes for 2005 is attached as an enforceable lien on property as of January 1, and are levied on March 1. The County bills these taxes which are collected by 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.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

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 2005, tax liens exist for 2004, 2003 and 2002 delinquent taxes.

**9. Capital Assets**

**Capital Assets**

Capital assets activity for the year ended December 31, 2005 are as follows:

**A. Primary Government**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental activities</b>				
Capital assets not being depreciated:				
Land	\$ 435,961	\$ 56,776	\$ -	\$ 492,737
Total capital assets not being depreciated	435,961	56,776	-	492,737
Capital assets being depreciated:				
Buildings	20,061,419	198,024	46,279	20,213,164
Improvements other than buildings	827,637	25,445	-	853,082
Machinery & Equipment	14,547,643	395,286	227,645	14,715,284
Infrastructure	8,511,715	35,272	-	8,546,987
Total capital assets being depreciated	43,948,414	654,027	273,924	44,328,517
Less accumulated depreciation for:				
Buildings	11,273,922	645,999	46,279	11,873,642
Improvements other than buildings	104,281	18,376	-	122,657
Machinery & Equipment	7,640,425	1,052,870	225,015	8,468,280
Infrastructure	2,119,544	280,881	-	2,400,425
Total accumulated depreciation	21,138,172	1,998,126	271,294	22,865,004
Total capital assets, being depreciated, (net)	22,810,242	(1,344,099)	2,630	21,463,513
Governmental activities capital assets (net)	<u>\$23,246,203</u>	<u>\$ (1,287,323)</u>	<u>\$ 2,630</u>	<u>\$ 21,956,250</u>

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

<b>Business-type activities</b>	<b>Beginning <u>Balance</u></b>	<b><u>Increases</u></b>	<b><u>Decreases</u></b>	<b>Ending <u>Balances</u></b>
Capital assets not being depreciated:				
Land	\$ 1,834,117	\$ 474,094	\$ -	\$ 2,308,211
Total capital assets not being depreciated	1,834,117	474,094	-	2,308,211
Capital assets being depreciated:				
Buildings	18,231,895	28,946	-	18,260,841
Improvements other than buildings	31,884,829	640,383	-	32,525,212
Machinery & Equipment	16,959,032	4,655,522	3,242,053	18,372,501
Infrastructure	1,867,769	17,122	-	1,884,891
Total capital assets being depreciated	68,943,525	5,341,973	3,242,053	71,043,445
Less accumulated depreciation for:				
Buildings	4,858,887	664,413	-	5,523,300
Improvements other than buildings	22,881,845	1,796,478	-	24,678,323
Machinery & Equipment	7,227,813	1,783,386	1,591,655	7,419,544
Infrastructure	708,334	35,486	-	743,820
Total accumulated depreciation	35,676,879	4,279,763	1,591,655	38,364,987
Total capital assets, being depreciated, (net)	33,266,646	1,062,210	1,650,398	32,678,458
Business-type activities capital assets (net)	<u>\$ 35,100,763</u>	<u>\$ 1,536,304</u>	<u>\$ 1,650,398</u>	<u>\$ 34,986,669</u>

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

Governmental activities:	
General government	\$574,478
Judicial	138,762
Public works	848,886
Public safety	278,594
Human services	61,781
Conservation & development	95,625
Total depreciation expense- governmental activities	<u>\$1,998,126</u>
Business-type activities:	
Waste disposal	<u>\$4,279,763</u>

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**B. Component Units Capital Assets**

**Water & Sewer Authority**

Property, plant and equipment by category at December 31, 2005 are as follows:

	<u>2005</u>	<u>2004</u>	Change	
			Amount	%
Land	\$ 127,985	\$ 127,985	\$ -	0.00%
Land & Improvements	3,423,736	3,423,736	-	0.00%
Pump Stations	927,272	927,272	-	0.00%
Force Mains	479,191	479,191	-	0.00%
Interceptor	664,969	664,969	-	0.00%
Collection Systems	9,662,291	9,662,291	-	0.00%
Waste Water Treatment Facility	5,196,939	5,162,740	34,199	0.66%
Processing Equipment	1,570,905	1,570,905	-	0.00%
Other Equipment	49,972	49,972	-	0.00%
Office Equipment	50,916	46,835	4,081	8.71%
Laborator Equipment	38,373	38,373	-	0.00%
Vehicles	147,959	94,061	53,898	57.30%
Tules Run Facility	560,832	560,832	-	0.00%
Capitalized Interest	1,322,473	1,322,473	-	0.00%
Armstrong Twp.	1,128,892	1,128,892	-	0.00%
Hall Station	4,182,480	4,182,480	-	0.00%
	<u>\$ 29,535,185</u>	<u>\$ 29,443,007</u>	<u>\$ 92,178</u>	<u>0.31%</u>
Construction in progress	3,607,755	331,615	3,276,140	987.93%
	<u>33,142,940</u>	<u>29,774,622</u>	<u>3,368,318</u>	<u>11.31%</u>
Less: Accumulated Depreciation	<u>(4,604,771)</u>	<u>(3,863,912)</u>	<u>(740,859)</u>	<u>19.17%</u>
	<u><u>\$ 28,538,169</u></u>	<u><u>\$ 25,910,710</u></u>	<u><u>\$ 2,627,459</u></u>	<u><u>10.14%</u></u>

Depreciation expense for the year ending December 31, 2005 was \$740,859.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**Recreation Authority**

Property, plant and equipment by category at December 31, 2005 are as follows:

Land	\$ 57,853
Land & improvements	4,245,620
Buildings	1,745,384
Equipment	1,521,308
Capitalized interest	319,986
Total	<u>7,890,151</u>
Accumulated Depreciation	<u>(3,557,420)</u>
Capital Assets, net	<u><u>\$ 4,332,731</u></u>

Depreciation expense for the year ending December 31, 2005 was \$292,922.

A summary of changes in capital assets is as follows:

	Balance 12/31/2004	Additions	Deletions	Balance 12/31/2005
Land	\$ 57,853	\$ -	\$ -	\$ 57,853
Land & improvements	4,237,748	7,872		4,245,620
Buildings	1,736,584	8,800		1,745,384
Equipment	1,452,551	68,757	-	1,521,308
Capitalized interest	319,986	-	-	319,986
Total	<u>7,804,722</u>	<u>85,429</u>	<u>-</u>	<u>7,890,151</u>
Accumulated Depreciation	<u>(3,264,498)</u>	<u>(292,922)</u>	<u>-</u>	<u>(3,557,420)</u>
Capital Assets, net	<u><u>\$ 4,540,224</u></u>	<u><u>\$ (207,493)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,332,731</u></u>

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**Williamsport Municipal Airport Authority**

At December 31, 2005 property plant, equipment and accumulated depreciation consist of the following:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Land & Improvements	\$ 19,435,876	\$ 2,490,702	\$ 16,945,174
Building Improvements	4,682,760	937,588	3,745,172
Furniture, fixtures and equipment	1,901,126	952,163	948,963
Construction in progress	289,677		289,677
	<u>\$ 26,309,439</u>	<u>\$ 4,380,453</u>	<u>\$ 21,928,986</u>

Depreciation expense for the year ended December 31, 2005 was \$660,268

Property, plant and equipment by category at December 31, 2005 are as follows:

	<u>Balance 01/01/05</u>	<u>Additions</u>	<u>Transfers / Deletions</u>	<u>Balance 12/31/05</u>
Land & Improvements	\$ 17,394,521	\$ 2,948	\$ 2,038,407	\$ 19,435,876
Building Improvements	4,624,745	58,015		4,682,760
Furniture, fixtures and equipment	1,719,592	10,817	170,717	1,901,126
Construction in progress	1,736,599	765,127	(2,212,049)	289,677
	<u>\$ 25,475,457</u>	<u>\$ 836,907</u>	<u>\$ (2,925)</u>	<u>\$ 26,309,439</u>



**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**10. Interfund Receivables, Payables and Transfers**

Interfund receivables and payables balances as of December 31, 2005 are as follows:

<u>Due To / From Other funds</u> <u>Fund</u>	<u>Due From</u> <u>Other Funds</u>	<u>Due To</u> <u>Other Funds</u>
Major Funds:		
General Fund	\$ 308,443	\$ 7,143
Non-Major Funds:		
Domestic Relations IV-D	3,797	11,338
E.M.S.	-	20,514
Haz-Mat	-	38,055
911 Phone Tariff	-	34,149
E.M.A. Grant	-	3,468
Highway Safety	-	16,218
Community Development Block Grant	-	3,619
EDPS Flood Mitigation	-	62,623
EDPS Environmental Projects	2,410	89,470
Water Supply Grant	-	25,943
EDPS Economic Development Fund	1,289	-
Growing Greener	-	3,700
HAVA	-	3,046
Trust and Agency Funds	3,481	134
Total	<u>\$ 319,420</u>	<u>\$ 319,420</u>

<u>Advances To / From Other Funds</u> <u>Fund</u>	<u>Advances From</u> <u>Other Funds</u>	<u>Advances To</u> <u>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</u> <u>Fund</u>	<u>Due From</u> <u>Other Funds</u>	<u>Due To</u> <u>Other Funds</u>
Primary Government:		
General Fund	\$ 155,308	\$ -
Component Units:		
Soil Conservation		14,721
Planning Commission	-	140,010
Total	<u>\$ 155,308</u>	<u>\$ 154,731</u>

The difference in the Component Units interfund receivables / payables is because of the Planning Commission fiscal year of June 30, 2005.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

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

**Interfund Transfer & Other Financing Sources & Uses**

Other Financing Sources / Uses Interfund Transfers			
Funds	Transfer In	Transfer Out	
Major Funds:			
General Fund	\$ 2,573,974	\$ 4,242,300	
Resource Management Services	-	2,573,974	
Non-Major Funds:			
911 Phone Tariff	-	270,000	
J.A.I.B.G.	42,356	-	
Flood Mitigation	266,766	-	
EDPS Environmental Fund	27,307	-	
EDPS Economic Development Fund	211,308	-	
Growing Greener	-	22,916	
Farm Easement Program	50,000	-	
Special Projects	24,183	-	
Debt Service Funds	3,864,294	-	
L.E.R.M.S.	8,635	-	
C.A.D.	29,506	-	
Industrial Park	10,861	-	
Total	<u>\$ 7,109,190</u>	<u>\$ 7,109,190</u>	

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**11. Commitments**

Operating leases

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

All of these leases are classified as operating leases with expiration dates extending from 2005 through 2009.

The following is a schedule of future minimum payments for operating leases with initial or remaining terms in excess of one year as of December 31, 2005.

Year Ended December 31,

2006	\$75,082
2007	55,582
2008	36,811
2009	<u>36,811</u>
	<u>\$204,286</u>

**12. LEASES**

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

2006	\$148,472
2007	55,314
2008	40,307
2009	32,322
Thereafter	<u>30,705</u>
Total	<u>\$307,120</u>

The portion of the cost and carrying value of the leased facilities is \$730,504 and the depreciation expense is \$23,166.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**13. Long-Term Liabilities**

**A. General Obligation Bonds and Notes**

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

1. 1998 General Obligation Bond - Proceeds used to do a partial refunding of the 1997 General Obligation Bonds.
2. 2001 General Obligation Bond - Proceeds were used to refinance several capital leases and to refund the 1996 General Obligation Bond.
3. 2003 General Obligation Bond – Proceeds used to refund the 1993 General Obligation Bonds.
4. Washington County Bond Pool – The bond pool is used by the County governmental and proprietary funds to finance economic development and public works projects. The County as a revolving line of credit in the amount of \$5,699,353 and as of December 31, 2005 has borrowed \$4,634,039.

**County of Lycoming General Obligation Bonds**

	Interest Rates	Final Maturity	Amount of Original Issue	Outstanding Balance 12/31/05
<b>Governmental activities</b>				
1998 Bond Issue	3.60 - 5.00	2022	\$21,845,000	\$15,925,000
2001 Bond Issue	3.65 - 4.25	2010	6,832,000	2,215,000
2003 Bond Issue	2.65 - 5.00	2016	6,610,000	5,840,000
Washington Cnty Bond Pool	Variable	2014	3,181,850	1,733,721
			<u>\$38,248,850</u>	<u>\$25,713,721</u>
<b>Business-type activities</b>				
Washington Cnty Bond Pool	Variable	2015	3,425,822	2,900,318
			<u>\$3,425,822</u>	<u>\$2,900,318</u>

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

**B. Changes in Long Term Debt**

The following summary reflects the changes in the long-term obligations payable for the year ended December 31, 2005.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

	Balance 12-31-2004	Additions	Reductions	Balance 12-31-2005	Due Within One Year
<u>Governmental activities:</u>					
Bonds payable:					
1998 Bond Issue	\$16,530,000	\$ -	\$ 605,000	\$15,925,000	\$ 635,000
2001 Bond Issue	3,150,000	-	935,000	2,215,000	970,000
2003 Bond Issue	6,230,000	-	390,000	5,840,000	415,000
Washington County Bond Pool	2,367,330	-	633,609	1,733,721	358,495
Total bonds payable	<u>28,277,330</u>	<u>-</u>	<u>2,563,609</u>	<u>25,713,721</u>	<u>2,378,495</u>
Compensated absences	<u>713,642</u>	<u>1,758,875</u>	<u>1,723,946</u>	<u>748,571</u>	<u>418,648</u>
Governmental activity long-term liabilities	<u>\$28,990,972</u>	<u>\$ 1,758,875</u>	<u>\$ 4,287,555</u>	<u>\$26,462,292</u>	<u>\$ 2,797,143</u>
<u>Business-type activities:</u>					
Washington County Bond Pool	<u>3,190,562</u>	<u>-</u>	<u>290,244</u>	<u>2,900,318</u>	<u>345,228</u>
	<u>3,190,562</u>	<u>-</u>	<u>290,244</u>	<u>2,900,318</u>	<u>345,228</u>
County Vacation/ Holiday Accrual	131,819	300,240	291,156	140,903	80,257
Long term Post & Field Closure liabilities	<u>33,023,859</u>	<u>2,581,164</u>	<u>-</u>	<u>35,605,023</u>	<u>-</u>
Business-type activities long-term liabilities	<u>\$36,346,240</u>	<u>\$ 2,881,404</u>	<u>\$ 581,400</u>	<u>\$38,646,244</u>	<u>\$ 425,485</u>

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

### C. Amortization of General Obligation Bonds

The requirements to amortize the County general obligation bonds outstanding as of December 31, 2005, including interest payments for the next five years and for five year periods thereafter are as follows:

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

Year Ending December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2006	\$ 2,378,495	\$ 1,217,850	\$ 345,228	\$ 120,441
2007	1,844,093	1,123,465	345,228	117,855
2008	1,728,480	1,048,141	345,228	107,624
2009	1,793,480	943,537	399,912	93,660
2010	1,418,480	889,497	374,992	75,486
2011-2015	7,745,693	3,360,772	1,089,730	108,548
2016-2020	6,190,000	1,542,500	-	-
2021-2022	2,615,000	197,750	-	-
	<u>\$ 25,713,721</u>	<u>\$ 10,323,512</u>	<u>\$ 2,900,318</u>	<u>\$ 623,614</u>

**Governmental Activities**

Years	1998 Bonds Principal Governmental Funds	2001 Bonds Principal Governmental Fund	2003 Bonds Principal Governmental Fund	Washington Cnty. Bond Pool Principal Governmental Fund
2006	\$ 635,000	\$ 970,000	\$ 415,000	\$ 358,495
2007	660,000	400,000	430,000	354,093
2008	690,000	415,000	455,000	168,480
2009	720,000	430,000	475,000	168,480
2010	750,000	-	500,000	168,480
2011-2015	4,335,000	-	2,895,000	515,693
2016-2020	5,520,000	-	670,000	-
2021-2022	2,615,000	-	-	-
Total	<u>\$ 15,925,000</u>	<u>\$ 2,215,000</u>	<u>\$ 5,840,000</u>	<u>\$ 1,733,721</u>

	1998 Bonds Interest Governmental Funds	2001 Bonds Interest Governmental Fund	2003 Bonds Interest Governmental Fund	Washington Cnty. Bond Pool Interest Governmental Fund
2006	\$ 769,395	\$ 89,328	\$ 290,318	\$ 68,809
2007	742,090	51,498	270,605	59,272
2008	713,380	35,498	249,750	49,513
2009	683,020	18,274	227,000	15,243
2010	650,620	-	203,250	35,627
2011-2015	2,691,120	-	615,500	54,152
2016-2020	1,509,000	-	33,500	-
2021-2022	197,750	-	-	-
Total	<u>\$ 7,956,375</u>	<u>\$ 194,598</u>	<u>\$ 1,889,923</u>	<u>\$ 282,616</u>

(Continued)

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

Business-type activities

	Washington Cnty. Bond Pool Principal Enterprise Funds	Washington Cnty. Bond Pool Interest Enterprise Funds
2006	\$ 345,228	\$ 120,441
2007	345,228	117,855
2008	345,228	107,624
2009	399,912	93,660
2010	374,992	75,486
2011-2015	1,089,730	108,548
	<u>\$ 2,900,318</u>	<u>\$ 623,614</u>

Interest rates on the Washington County Bond Pool are adjusted weekly.

For reporting on this schedule the County is using estimated rates of 4.16% to 6.5% which will be adjusted annually.

**D. Guaranty Agreement**

Under a Guaranty Agreement dated May 1, 1988, between the County and the Lycoming County Recreation Authority, the County agreed to guarantee the debt of the Authority and if necessary to assist them in their debt obligations. On January 15, 1998, the Authority refinanced their 1991 bond issue with the County guarantee of the new debt of the Authority in the amount of \$8,385,000. As of December 31, 2005, the balance of the bonds outstanding is \$8,155,000.

Under a Guaranty Agreement dated August 16, 1999 between the County and the Montoursville Water and Sewer Authority, the County agreed to guarantee a Revenue note from Penn Vest not to exceed \$274,758. The balance as of December 31, 2005 was \$99,343.

**E. Advance Refundings**

In prior years, the County defeased some of its outstanding bond issues. Accordingly, the various trust account assets and defeased bond liabilities are not included in the County's financial statements. The principal balance of defeased bonds outstanding as of December 31, 2005 are as follows:

<u>Refunded Bond Series</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
1997 Bonds	\$18,525,000	\$0
2003 Bonds	\$ 5,840,000	\$0

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**Partial In Substance Defeasance**

**1997 & 1998 Bonds**

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

**F. Legal Debt Limit**

The County's legal debt margin at December 31, 2005, computed in accordance with the Commonwealth of Pennsylvania's Local Government Unit Debt Act of 1972, as amended, is approximately \$191,914,239 for general obligation bonds. The County is in compliance with all applicable debt covenants at December 31, 2005.

**G. Component Units Debt**

**Water & Sewer Authority**

The following is a summary of changes in long-term debt for the year ended December 31, 2005

	Balance 12/31/2004	Additions	Reductions	Balance 12/31/2005	Due Within One Year
98 County loan	\$ 13,245,000	\$ -	\$ 485,000	\$ 12,760,000	\$ 510,000
Cnty capacity	3,877,967	-	-	3,877,967	-
Penn vest	106,094	-	6,751	99,343	6,818
Lines of credit					
Hall Station	862,607	-	19,696	842,911	22,211
Woodard Twp	335,739	-	335,739	-	-
Interim Financing	-	2,970,100	-	2,970,100	2,970,100
Total	<u>\$ 18,427,407</u>	<u>\$ 2,970,100</u>	<u>\$ 847,186</u>	<u>\$ 20,550,321</u>	<u>\$ 3,509,129</u>

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



**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

As of December 31, 2005 the balance of the 1998 loan was \$12,760,000. Principal and interest payments on the 1998 loan for the next five years and for five-year periods thereafter are as follows.

1998 Loan

	Principal	Interest	Total
2006 \$	510,000	\$ 616,472	\$ 1,126,472
2007	530,000	594,543	1,124,543
2008	555,000	571,487	1,126,487
2009	575,000	547,068	1,122,068
2010	600,000	521,192	1,121,192
2011-2015	3,470,000	2,156,245	5,626,245
2016-2020	4,425,000	1,210,000	5,635,000
2021-2022	2,095,000	158,500	2,253,500
Total	<u>\$ 12,760,000</u>	<u>\$ 6,375,507</u>	<u>\$ 19,135,507</u>

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

The principal balance outstanding for the excess capacity loan as of December 31, 2005 was \$3,877,967 and cumulative interest accrued as a liability for the outstanding loan balance was \$1,479,477.

Penn Vest Loan

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

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**Penn Vest Loan**

	Principal	Interest	Total
2006	\$ 6,818	\$ 962	\$ 7,780
2007	6,886	894	7,780
2008	6,955	825	7,780
2009	7,025	755	7,780
2010	7,095	685	7,780
2011-2015	36,563	2,337	38,900
2016-2019	28,001	527	28,528
Total	<u>\$ 99,343</u>	<u>\$ 6,985</u>	<u>\$ 106,328</u>

**Lines of Credit**

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

**Hall Station Loan**

	Principal	Interest	Total
2006	\$ 22,211	\$ 31,240	\$ 53,451
2007	23,608	29,843	53,451
2008	24,497	28,954	53,451
2009	772,595	25,732	798,327
Total	<u>\$ 842,911</u>	<u>\$ 115,769</u>	<u>\$ 958,680</u>

**Woodward Township Project** – On July 12, 2005 the Authority entered into a loan agreement with the North Wales water Authority to borrow \$2,970,100 at an interest rate of 4.0% with principal and accrued interest due on or before September 1, 2006. As of December 31, 2005, the loan has an outstanding principal balance of \$2,970,100 of which \$322,955 is on deposit with the loan trustee for payment of construction expenses. As of December 31, 2005 the accrued interest balance is \$35,971.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**Recreation Authority**

The following is a summary of changes in long-term debt for the year ended December 31, 2005

	Balance 12/31/2004	Additions	Reductions	Balance 12/31/2005	Due Within One Year
Bonds payable	\$ 8,180,000	\$ -	\$ 25,000	\$8,155,000	\$ 25,000
Notes payable	1,305,583	-	56,922	1,248,661	55,281
Subtotal	9,485,583	-	81,922	9,403,661	80,281
Less: Loss on refinancing	(350,406)		26,239	(324,167)	-
Total	<u>\$ 9,135,177</u>	<u>\$ -</u>	<u>\$ 108,161</u>	<u>\$9,079,494</u>	<u>\$ 80,281</u>

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

	Principal	Interest	Total
2006	\$ 80,281	\$ 410,577	\$ 490,858
2007	186,119	407,309	593,428
2008	242,939	399,259	642,198
2009	255,000	387,250	642,250
2010	265,000	374,500	639,500
2011-2015	1,550,000	1,658,750	3,208,750
2016-2020	3,119,322	1,231,500	4,350,822
2021-2025	2,515,000	687,000	3,202,000
2026-2027	1,190,000	90,000	1,280,000
	<u>\$ 9,403,661</u>	<u>\$ 5,646,145</u>	<u>\$ 15,049,806</u>

The balance of long-term debt as of December 31, 2005 consist of:

Bonds payable:

#1 Guaranteed revenue bond series of 1998 due in varying semi-annual installments including interest at 5% per annum, maturing December 15, 2027 with an outstanding balance of \$8,180,000.

Notes payable:

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

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

#3 Note payable to Muncy Bank and Trust Company in monthly installments of \$2,666 including interest @ 4.505% per annum with final payment due April 2007. The note is secured by equipment and has an outstanding balance of \$43,936.

#4 Note payable to M&T Bank in monthly installments of \$2,374 including interest at 3.64% per annum with final payment due January 2008. The note is secured by equipment and has an outstanding balance of \$55,403.

**Industrial Development Authority**

The following is a summary of changes in long-term debt for the year ended December 31, 2005.

	Balance 12/31/2004	Additions	Reductions	Balance 12/31/2005	Due Within One Year
1998 bond	\$ 4,855,000	\$ -	\$ 440,000	\$4,415,000	\$ 440,000
Revenue bonds	1,526,484	-	343,242	1,183,242	343,242
Total	<u>\$ 6,381,484</u>	<u>\$ -</u>	<u>\$ 783,242</u>	<u>\$5,598,242</u>	<u>\$ 783,242</u>

**Mortgages and Notes Payable**

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

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

**Bonds Payable**

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

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

Series of 1998

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ 470,000	\$ 177,337	\$ 647,337
2007	505,000	155,926	660,926
2008	535,000	132,907	667,907
2009	230,000	108,334	338,334
2010	245,000	99,848	344,848
2011-2015	1,405,000	354,769	1,759,769
2016-2018	1,025,000	79,934	1,104,934
Total	<u>\$ 4,415,000</u>	<u>\$ 1,109,055</u>	<u>\$ 5,524,055</u>

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

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

Revenue Notes  
Series of 2001

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ 343,242	\$ 56,950	\$ 400,192
2007	168,000	40,479	208,479
2008	168,000	32,438	200,438
2009	168,000	24,390	192,390
2010	168,000	16,335	184,335
2011	168,000	8,290	176,290
Total	<u>\$ 1,183,242</u>	<u>\$ 178,882</u>	<u>\$ 1,362,124</u>

#### **14. Estimated Reclamation Cost for Field and Post Closure**

The Lycoming County landfill operations has a total estimated capacity of 8,750,800 tons with the total estimated capacity used of 6,876,300 tons (78.58%) leaving as of December 31, 2005 an estimated remaining tonnage of 1,874,500 tons per the consulting engineering 2005 annual report.

##### **A. Estimated Reclamation Cost for Landfill Field Closure**

The estimated cost of reclamation in connection with landfill operations is accrued on the units-of-production method as the estimated landfill tonnage capacity is utilized. These reclamation costs are the capping expenses of fields 1 to 10 based on a three-foot native clay soil cover, topsoil and seeding of 34 acres as estimated by the consulting engineers.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

State and Federal laws and regulations require that the County of Lycoming must place a final cover on fields 1 to 10 on or before site closure. In addition to operating expenses related to the current activities of the landfill, an expense provision and a related liability are being recognized based on the future field closure cost that will be incurred near or after the date the landfill no longer accepts waste. Based on the 2005 engineer's report, the County will need an estimated \$18,554,911 to meet its field closure requirements. The estimated liability for landfill field closure as of 12/31/2005 is projected to be \$13,510,133 with the remaining balance of the liability estimated at \$5,044,778 to be recognized as field closure expenses between 2006 and the estimated site closure in 2011. The County currently uses the units of production method to record the annual liability and expense which is calculated at \$2.69 per ton of waste processed at the site using the estimated remaining tonnage of 1,874,500 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 \$18,337,457 (\$18,337,457 fair value) toward field closure. The remaining portion of the unfunded liability in the amount of \$217,454 (\$217,454 fair value) will be financed with investment earnings and user fees of \$.12 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.

<b><u>Field Closure Cost</u></b>	<b>12/31/2005</b>		
	<b><u>Accrued Liability</u></b>	<b><u>Liability Being Funded At Cost</u></b>	<b><u>Fair Value</u></b>
Required Liability / Funding to March 2011	\$ 18,554,911	\$ 18,554,911	\$ 18,554,911
Accrued Liability 12/31/05	13,510,133	13,510,133	13,510,133
Cash and Investments at 12/31/05	-		
County Closure Cash	-	3,016,927	3,016,927
County Closure U.S. Government Securities	-	10,893,780	10,893,780
County Closure Short Term C/D	-	4,026,750	4,026,750
County Closure Long Term C/D	-	400,000	400,000
Total Current G/L Balances 12/31/05	-	<u>18,337,457</u>	<u>18,337,457</u>
Over/(Under) as of 12/31/2005		<u>4,827,324</u>	<u>4,827,324</u>
Over/(Under) as of March 2011	<u>\$ (5,044,778)</u>	<u>\$ (217,454)</u>	<u>\$ (217,454)</u>

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

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

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

State and Federal laws and regulations require that the County of Lycoming must maintain and monitor the landfill site for a period of thirty years after closure. In addition to operating expenses related to the current activities of the landfill an expense provision and a related liability are being recognized based on the future post closure costs that will be incurred near or after the date the landfill no longer accepts waste. Based on the 2005 engineer's report, the County will need an estimated \$31,368,000 to meet its future post closure requirements. The estimated liability for landfill post closure as of 12/31/2005 is projected to be \$22,094,890 with the remaining balance of the liability estimated at \$9,273,110 to be recognized as post closure expenses between 2006 and the estimated site closure in 2011. The County currently uses the units of production method to record the annual liability and expense which is calculated at \$4.95 per ton of waste processed at the site using the estimated remaining tonnage of 1,874,500 tons of waste products.

The County is funding the post closure liability by utilizing a combination of user fees and investment earnings. At the close of the current fiscal year the County has accumulated \$30,270,054 (\$30,270,054 fair value) toward post closure. The remaining portion of the unfunded liability in the amount of \$1,097,946 (\$1,097,946 fair value) will be financed with investment earnings and user fees of \$.59 per ton over the remaining site life. Any additional cost that may arise from inflation or changes in field closure requirements will be covered by increases in future landfill user fees, taxpayer subsidies or both.

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

<b><u>Post Closure Cost</u></b>	<b>12/31/2005</b>		
	<b>Accrued Liability</b>	<b>Liability Being Funded At Cost</b>	<b>Fair Value</b>
Required Liability / Funding to March 2011	\$ 31,368,000	\$ 31,368,000	\$ 31,368,000
Accrued Liability 12/31/05	22,094,890	22,094,890	22,094,890
Cash and Investments at 12/31/05			
County Closure 1997 GIC	-	4,960,000	4,960,000
County Closure U.S. Government Securities	-	7,440,397	7,440,397
County Closure C/D #4	-	2,750,250	2,750,250
State Closure C/D #1	-	2,707,866	2,707,866
State Closure C/D #2	-	8,711,541	8,711,541
State Closure C/D #3	-	3,700,000	3,700,000
Total Current G/L Balances 12/31/05	-	30,270,054	30,270,054
Over/(Under) as of 12/31/2005		8,175,164	8,175,164
Over/(Under) as of March 2011	\$ (9,273,110)	\$ (1,097,946)	\$ (1,097,946)

## **15. Joint Ventures**

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



**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**Statement of Net Assets**

**Assets:**

Cash and cash equivalents	\$ 3,363,669
Receivables (net of allowance)	1,662,515
Loan receivable	867
Capital assets (net of depreciation)	884,023
Building under capital lease (net of depreciation)	490,000
Total assets	<u>6,401,074</u>

**Liabilities:**

Accounts payable	2,672,635
Payroll taxes payable	82,051
Deferred revenues	2,258,826
Long term liabilities	
Due within one year	133,384
Due within more than one year	948,270
Total liabilities	<u>6,095,166</u>

**Net Assets**

Investment in capital assets net of related debt	583,027
Unrestricted	<u>(277,119)</u>
	<u>\$ 305,908</u>

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

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**16. Risk Management**

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, error and omission, injuries to employees and natural disasters which have in the past been covered by a combination of private carriers and County self insurance. In 1997 the County became a member PCoRP (Pennsylvania County Risk Pool) which was created in the mid-1980's by the County Commissioners Association of Pennsylvania. Lycoming County coverage under PCoRP consist of the following:

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

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

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

There have been no significant reductions in insurance coverage over the last several years; and settled claims have not exceeded the commercial coverage in those years. As of the latest PCoRP financial statements dated December 31, 2005 the County has had no additional assessments to the loss fund. However, PCoRP member's equity is a deficit of (\$1,315,819) which has improved over last year's deficit of (\$1,755,469). In the event PCoRP's assets are not sufficient to meet its obligations to pay its member's claims, PCoRP, as a public entity risk pool has the ability to retroactively assess its member's additional premiums to cover any short fall.

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

The Commonwealth of Pennsylvania Department of Environmental Protections regulations require all landfills maintain liability and environmental insurance. To comply with these

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

regulations the County has set aside \$1,000,000 for liability insurance and \$2,000,000 for environmental insurance.

**17 Retirement Benefits**

**A. Plan Description**

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

At January 1, 2006, the retirement system membership consisted of retirees and beneficiaries receiving benefits	222
Terminated employees entitled to benefits but not yet receiving them	30
Active plan Members	458
Total Membership of Plan	<u>710</u>
Number of Participating Employers	1

Monthly benefit payments under the retirement system are determined for each individual according to the retirement option selected and the age and length of service at retirement. Under normal retirement (attaining the age of 60 or at age 55 with 20 years of service) the retirement benefit is equal to one of the following:

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

**Monthly Pension**

**Class**

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

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

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

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**B. Summary of Significant Accounting Policies**

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

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

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

**C. Contributions**

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

Employees are required to contribute between the following percentages:

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

For 2005 an annual contribution by the County was required based on the January 1, 2005 actuarial valuation using the aggregated actuarial cost method.

Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of seven-and-one-half percent per year compounded annually, (b) projected salary increases of three percent to four-and-one-half percent; graduated .25% increments over six years per year compounded annually with no seniority/merit increases, (c) cost of living increases are reviewed by the Salary Board at least once every three years, (d) no disability rates are used, (e) mortality, withdrawal, and retirement age estimates based on

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

tables furnished by the actuary, (f) assets at cost value adjusted by the past five-year average of the market to cost ratio of assets, (g) no post retirement benefit increases, and (h) annual inflation rate of three percent. Plans that use the aggregated actuarial cost method are not required to present a schedule of funding progress. Separate determination and amortization of the unfunded actuarial liability are not part of the aggregated actuarial cost method and are not required when that method is used.

**D. Legally Required Reserves.**

**Member Annuity Reserve Account** - The balance of \$19,369,759 in this account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of January 1, 2006. Since the accumulations represent the present value as of January 1, 2006 of future benefits, the reserve balance and liability are identical.

**Retired Members' Reserve Account** - This is the account that monthly retirement allowances including cost-of-living increases and death benefits are paid. The assets allocated to this reserve account as of January 1, 2006 amount to \$15,513,785. The corresponding liability for those annuitants on the role is identical.

**County Annuity Reserve Account** - The balance of \$33,203,244 in this account as of January 1, 2006 and the amounts expected to be credited in the future, plus investment earnings thereon, represents the reserves set aside for the payment of the County's share of the retirement allowance. This is the account that is credited with the realized investments earnings and which the regular interest is applied to the annuity reserve accounts. The excess of realized investment earnings over the required regular earnings may be used to offset administrative expenses, offset actuarial adjustments, offset future adverse investment experience, or may be used as a credit to fund the pension obligations of the County.

**E. Annual Pension Cost and Net Pension Obligations**

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

Annual Required Contribution	\$58,718
Interest on Net Pension Obligation	0
Adjustment to Annual Required Contribution	0
Annual Pension Cost	58,718
Contributions made	250,000
Increase (Decrease) in Net Pension Obligation	(191,282)
Net Pension Obligation, Beginning of Year	0
Net Pension Obligation, End of Year (Over funded)	\$(191,282)

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**F. Trend Information**

<u>Fiscal Year Ending</u>	<u>Annual Pension Costs</u>	<u>Percentage of APC contributed</u>	<u>(Over Funded) Net Pension Obligation</u>
12/31/98	\$0	0%	\$0
12/31/99	0	0%	0
12/31/00	0	0%	0
12/31/01	0	0%	0
12/31/02	0	0%	0
12/31/03	0	0%	0
12/31/04	0	0%	0
12/31/05	\$58,718	425.76%	(\$191,282)

**G. The Lycoming County Employees' Retirement Report**

The Lycoming County Employees' Retirement Report on 2006 actuarial valuation including determination of County annual required contribution for 2006 is prepared by the Hay Group and is available in the Lycoming County Controller's Office.

**18. Post-Retirement Benefits-Other than Pension Benefits**

In addition to the pension benefits described in Note 17, the County provides post- retirement health care benefits to all employees who retire from the County on or after attaining age 60 or at age 55 with 20 years service. Currently, 141 retirees meet eligibility requirements.

The County pays the premium for medical and hospitalization insurance for the retirees on a pay as you go basis amounting to \$328,964 for the current year. Once a retiree becomes eligible for Medicare the County changes the insurance coverage to a Medicare supplemental insurance. The County continues to pay the premium for the retirees.

**19. Litigation**

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

**County of Lycoming, Pennsylvania**  
**Notes to the Financial Statements**

**20. Period Prior Adjustments**

In response to a finding from the GFOA on the 2004 report the County needed to reclass various agency fund activity to the Fund Financial Statements in the amount of \$2,831,037. This included delinquent tax and cost & fines receivables.

**21. Pending Governmental Accounting Standards Board Pronouncements**

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

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

GASB has also issued Statement No. 46, "Net Assets Restricted by Enabling Legislation." This statement indicates a legally enforceable enabling legislation restriction is one that a party external to a government – such as citizens, public interest groups, or the judiciary – can compel a government to honor. The statement discloses the legal enforceability of an enabling legislation restriction should be reevaluated if any of the resources raised by the enabling legislation are used for a purpose not specified by the legislation or if a government has other cause for reconsideration. This statement is effective for periods beginning after June 15, 2005. The effect of this statement has not yet been determined.

GASB has also issued Statement No. 47, "Accounting for Termination Benefits." This statement establishes accounting standards for termination benefits. Currently, the County recognizes costs of termination benefits on a pay-as-you-go basis in the Governmental Fund and as an estimated liability in the government-wide statements. This statement is effective for periods beginning after June 15, 2005. The effect of implementation of this statement has not yet been determined.

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## **REQUIRED SUPPLEMENTAL INFORMATION**

### **Schedule of Employer Contribution**

<b>Fiscal Year <u>Ending</u></b>	<b>Annual Required <u>Contribution</u></b>	<b>County <u>Contribution</u></b>
12/31/1998		
12/31/1999	\$0	\$0
12/31/2000	\$0	\$0
12/31/2001	\$0	\$0
12/31/2002	\$0	\$0
12/31/2003	\$0	\$0
12/31/2004	\$0	\$0
12/31/2005	\$58,718	\$250,000

### **Schedule of Funding Progress**

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

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 24,125,285	\$ 24,125,285	\$ 24,605,980	\$ 480,695
Licenses & permits	49,600	49,600	47,163	(2,437)
Intergovernmental	11,859,633	11,859,633	12,585,785	726,152
Charge for services	3,189,158	3,189,158	3,563,799	374,641
Sale of county products	39,150	39,150	60,432	21,282
Investment earnings	1,273,376	1,273,376	1,636,431	363,055
Cost & Fines	827,900	827,900	1,202,483	374,583
Micellaneous	607,693	607,693	685,408	77,715
Total revenues	<u>41,971,795</u>	<u>41,971,795</u>	<u>44,387,481</u>	<u>2,415,686</u>
<b>EXPENDITURES</b>				
Current				
General government	5,988,747	5,929,292	5,863,852	65,440
Judicial	5,897,201	5,965,383	5,915,896	49,487
Public safety	12,599,506	12,601,948	13,068,539	(466,591)
Public works	323,043	323,043	337,090	(14,047)
Human services	6,875,701	6,875,701	7,528,680	(652,979)
Culture & recreation	979,214	979,214	1,060,173	(80,959)
Conservation & development	680,093	690,712	680,068	10,644
Miscellaneous	4,711,823	4,719,694	3,812,258	907,436
Capital outlay	1,468,345	1,557,446	463,279	1,094,167
Total expenditures	<u>39,523,673</u>	<u>39,642,433</u>	<u>38,729,835</u>	<u>912,598</u>
Excess of revenues over expenditures	<u>2,448,122</u>	<u>2,329,362</u>	<u>5,657,646</u>	<u>3,328,284</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	5,853,730	5,853,730	2,573,974	(3,279,756)
Transfer out	<u>(8,363,179)</u>	<u>(8,294,189)</u>	<u>(4,242,300)</u>	<u>4,051,889</u>
Total other financing sources (uses)	<u>(2,509,449)</u>	<u>(2,440,459)</u>	<u>(1,668,326)</u>	<u>772,133</u>
Net change in fund balance	(61,327)	(111,097)	3,989,320	4,100,417
Fund balances-beginning	34,609,105	34,609,105	34,609,105	-
Prior year adjustment	-	-	2,831,037	2,831,037
Fund balances-ending	<u>\$ 34,547,778</u>	<u>\$ 34,498,008</u>	<u>\$ 41,429,462</u>	<u>\$ 6,931,454</u>

Budgets are prepared on the modified accrual basis of accounting

**COUNTY OF LYCOMING, PENNSYLVANIA  
COMBINED COUNTY PASS-THRU GRANTS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 12,548,398	\$ 12,548,398	\$ 12,785,842	\$ 237,444
Total revenues	<u>12,548,398</u>	<u>12,548,398</u>	<u>12,785,842</u>	<u>237,444</u>
<b>EXPENDITURES</b>				
Public Safety	95,609	95,609	75,993	19,616
Public Works	299,023	299,023	250,000	49,023
Human services	12,153,766	12,153,766	12,459,849	(306,083)
Total human services	<u>12,548,398</u>	<u>12,548,398</u>	<u>12,785,842</u>	<u>(237,444)</u>
Total expenditures	<u>12,548,398</u>	<u>12,548,398</u>	<u>12,785,842</u>	<u>(237,444)</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgets are prepared on the modified accrual basis of accounting

## **OTHER SUPPLEMENTAL INFORMATION**

**COUNTY OF LYCOMING, PENNSYLVANIA  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2005**

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total</b>
<b>ASSETS</b>			
Cash & cash equivalents	\$ 5,332,480	\$ 124,621	\$ 5,457,101
Receivables			
Accounts	164,345	-	164,345
Due from other funds	7,496	-	7,496
Due from other governments	685,697	3,046	688,743
Due from component units	5,593	-	5,593
Total assets	<u>\$ 6,195,611</u>	<u>\$ 127,667</u>	<u>\$ 6,323,278</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 739,295	\$ 13,332	\$ 752,627
Payroll payable	2,965	-	2,965
Due to other funds	309,097	3,046	312,143
Deferred revenues	159,981	74,199	234,180
Total liabilities	<u>1,211,338</u>	<u>90,577</u>	<u>1,301,915</u>
Fund Balances (Deficits)			
Reserved for:			
Encumbrances	510,219	-	510,219
Restricted programs expenditures			
Special revenue funds	4,113,666	-	4,113,666
Capital Project funds	-	37,090	37,090
Unreserved, designated for reported in:			
Special revenue funds	360,388	-	360,388
Total fund balances	<u>4,984,273</u>	<u>37,090</u>	<u>5,021,363</u>
Total liabilities and fund balances	<u>\$ 6,195,611</u>	<u>\$ 127,667</u>	<u>\$ 6,323,278</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Special Revenues</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>REVENUES</b>				
Intergovernmental revenues	\$ 5,408,583	\$ -	\$ 78,719	\$ 5,487,302
Charge for services	1,941,046	-	-	1,941,046
Investment earnings	129,747	-	2,038	131,785
Court cost & fines	65,094	-	-	65,094
Miscellaneous income	30,618	-	275	30,893
	<u>7,575,088</u>	<u>-</u>	<u>81,032</u>	<u>7,656,120</u>
<b>EXPENDITURES</b>				
Current				
General government	-	-	800	800
Judicial	310,126	-	-	310,126
Public safety	2,494,477	-	-	2,494,477
Public works	3,785,163	-	-	3,785,163
Culture & recreation	141,869	-	-	141,869
Conservation & development	6,681	-	-	6,681
Debt service	-	3,864,294	-	3,864,294
Capital outlay	103,952	-	130,035	233,987
	<u>6,842,268</u>	<u>3,864,294</u>	<u>130,835</u>	<u>10,837,397</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>732,820</u>	<u>(3,864,294)</u>	<u>(49,803)</u>	<u>(3,181,277)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	621,920	3,864,294	49,003	4,535,217
Transfer out	<u>(292,916)</u>	<u>-</u>	<u>-</u>	<u>(292,916)</u>
Total other financing sources (uses)	<u>329,004</u>	<u>3,864,294</u>	<u>49,003</u>	<u>4,242,301</u>
Net Change in fund balances	1,061,824	-	(800)	1,061,024
Fund balances at beginning of year	3,922,449	-	37,890	3,960,339
Fund balances at end of year	<u>\$ 4,984,273</u>	<u>\$ -</u>	<u>\$ 37,090</u>	<u>\$ 5,021,363</u>

## **GENERAL FUND**

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



**COUNTY OF LYCOMING, PENNSYLVANIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Taxes	\$ 24,125,285	\$ 24,605,980	\$ 480,695
Licenses & permits	49,600	47,163	(2,437)
Intergovernmental	11,859,633	12,585,785	726,152
Charge for services	3,189,158	3,563,799	374,641
Sale of county products	39,150	60,432	21,282
Investment earnings	1,273,376	1,636,431	363,055
Cost & Fines	827,900	1,202,483	374,583
Miscellaneous	607,693	685,408	77,715
Total revenues	<u>41,971,795</u>	<u>44,387,481</u>	<u>2,415,686</u>
<b>EXPENDITURES</b>			
General government			
Commissioners	380,536	385,938	(5,402)
Solicitors	116,000	145,438	(29,438)
Executive Plaza	221,856	224,131	(2,275)
Courthouse	502,789	514,868	(12,079)
Lysock Complex	126,343	111,613	14,730
Bethume Dogulas	10,000	1,592	8,408
Voters Registration	96,799	102,408	(5,609)
Conduct of Elections	131,432	129,055	2,377
Tax Assessment	566,780	584,819	(18,039)
Treasurer	190,058	192,350	(2,292)
Controller	177,822	165,461	12,361
Fiscal Services	500,498	446,072	54,426
Tax Collector	238,342	221,726	16,616
Central Collections	346,325	312,597	33,728
Inventory Outlay	74,248	74,346	(98)
Contingency fund	-	-	-
E.D.P.S. Planning Commission	561,046	627,933	(66,887)
E.D.P.S. County Zoning	68,019	95,458	(27,439)
E.D.P.S. G.I.S.	56,604	130,319	(73,715)
Management Information	1,195,015	1,177,764	17,251
Central Telephone	52,442	52,489	(47)
Mail Services	52,049	45,622	6,427
Micro-filming	76,874	67,342	9,532
Record Retention	-	-	-
Human Resources	187,415	179,220	8,195
Gen. Gov Agency	-	(124,709)	124,709
Total general government	<u>5,929,292</u>	<u>5,863,852</u>	<u>65,440</u>
Judicial			
Register & Recorder	338,048	336,050	1,998
Sheriff	554,707	567,398	(12,691)
Coroner	119,336	123,937	(4,601)

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**  
**(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Judicial (Continued)			
Prothonotary	\$ 247,170	\$ 260,130	\$ (12,960)
Domestic Relations	979,952	975,477	4,475
Public Defenders	452,295	400,540	51,755
District Attorney	910,767	889,981	20,786
Law Library	19,712	10,104	9,608
Courts	1,339,379	1,331,482	7,897
Jury Commissioners	34,330	35,026	(696)
Constables	154,000	155,360	(1,360)
District Magistrate 29-1-01	142,532	110,627	31,905
District Magistrate 29-1-02	104,258	105,042	(784)
District Magistrate 29-3-04	129,921	131,005	(1,084)
District Magistrate 29-3-02	139,203	145,161	(5,958)
District Magistrate 29-3-03	119,534	122,555	(3,021)
District Magistrate 29-3-01	124,575	124,953	(378)
Inventory Outlay	55,664	43,484	12,180
Gen. Gov Agency	-	47,584	(47,584)
Total judicial	<u>5,965,383</u>	<u>5,915,896</u>	<u>49,487</u>
Public safety			
Adult Probation	813,512	810,030	3,482
Juvenile Probation	1,061,919	1,057,135	4,784
Juvenile Placements	4,215,850	4,421,820	(205,970)
County Prison	3,784,319	3,817,476	(33,157)
Pre-Release Center	1,566,845	1,557,620	9,225
D.U.I Center	68,977	92,622	(23,645)
Act 198	-	-	-
Communications	593,513	550,768	42,745
Emergency Management Agency	245,520	245,091	429
L.E.R.M.S.	84,548	79,818	4,730
Emergency Medical Services	34,723	34,577	146
S.A.R.A. Title III (Haz-Mat)	45,617	32,933	12,684
Inventory Outlay	49,605	43,658	5,947
Gen. Gov Agency	-	296,991	(296,991)
Outside Agencies			
Fire Departments	36,000	27,000	9,000
Lyc. Cnty. Fire Police	1,000	1,000	-
Total public safety	<u>12,601,948</u>	<u>13,068,539</u>	<u>(466,591)</u>
Public works			
Airport	80,000	80,000	-
Airport ATC Services	218,043	232,090	(14,047)
Wmspt. Bureau of Transpotation	25,000	25,000	-
Total public works	<u>323,043</u>	<u>337,090</u>	<u>(14,047)</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**  
**(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Human services			
Children & Youth	\$ 6,458,619	\$ 7,111,406	\$ (652,787)
Military affairs	106,771	106,963	(192)
Outside Agencies			
Mental Health	281,811	281,811	-
Camp Cadet	3,000	3,000	-
Library Bookmobile	10,000	10,000	-
Senior Citizen	10,000	10,000	-
Wmspt. / Lyc. Flag Committee	500	500	-
Liberty House	5,000	5,000	-
Total human services	<u>6,875,701</u>	<u>7,528,680</u>	<u>(652,979)</u>
Culture & Recreation			
Outside Agencies			
Library	944,214	989,909	(45,695)
Lycoming Historical Society	10,000	10,000	-
S.P.C.A.	25,000	25,000	-
Gen. Gov Agency	-	35,264	(35,264)
Total culture & recreation	<u>979,214</u>	<u>1,060,173</u>	<u>(80,959)</u>
Conservation & development			
County farm	78,502	72,241	6,261
Cooperative Extension	151,595	148,650	2,945
Soil Conservation	91,307	78,885	12,422
Inventory Outlay	5,300	5,103	197
Outside Agencies			
IPC Economic Development	324,000	335,180	(11,180)
S.E.D.A.	24,008	24,009	(1)
Regional Marketing	13,500	13,500	-
Seed	2,000	2,000	-
Alliance 2000	500	500	-
Total conservation & development	<u>690,712</u>	<u>680,068</u>	<u>10,644</u>
Miscellaneous expenditures			
Non government rev. & exp.	(454,534)	(441,533)	(13,001)
Employee benefits			
Employee fringe	6,455,895	5,696,380	759,515
Reimb. fringe benefits	(1,521,667)	(1,651,376)	129,709
Insurance	240,000	208,787	31,213
Total miscellaneous expenditures	<u>4,719,694</u>	<u>3,812,258</u>	<u>907,436</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE -BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005  
(CONTINUED)**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Capital Outlay			
General Government	\$ 1,149,677	\$ 137,654	\$ 1,012,023
Judicial	117,200	71,980	45,220
Public Safety	259,492	222,568	36,924
Conservation & Development	31,077	31,077	-
	<u>1,557,446</u>	<u>463,279</u>	<u>1,094,167</u>
 Total expenditures	 <u>39,642,433</u>	 <u>38,729,835</u>	 <u>912,598</u>
 Excess (deficiency) revenues over expenditures	 <u>2,329,362</u>	 <u>5,657,646</u>	 <u>3,328,284</u>
 <b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	5,853,730	2,573,974	(3,279,756)
Transfer out	<u>(8,294,189)</u>	<u>(4,242,300)</u>	<u>4,051,889</u>
Total other financing sources (uses)	<u>(2,440,459)</u>	<u>(1,668,326)</u>	<u>772,133</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>(111,097)</u>	 <u>3,989,320</u>	 <u>4,100,417</u>
 Fund balance beginning of year	 34,609,105	 34,609,105	 -
Prior period adjustment	-	2,831,037	2,831,037
Fund balance at end of year	<u>\$ 34,498,008</u>	<u>\$ 41,429,462</u>	<u>\$ 6,931,454</u>

## **SPECIAL REVENUE FUNDS**

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

### **Domestic Relations**

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

### **D.A. Investigative Funds**

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

### **DARE Grant**

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

### **Register & Recorder- Capital Fund & Act 137**

Accounts for moneys 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 homebuyers.

### **Prothonotary Automation Fund**

Accounts for moneys used to support the automation of the Prothonotary office.

### **Emergency Management Services**

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

### **Haz-Mat**

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

### **911 Emergency Phone Tariff**

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

### **911 Wireless**

Account for moneys received from users to finance the operation and improvements of the County 911 telephone system to include wireless phones.

### **Emergency Management Agency**

Account for moneys received to support emergency planning and training for County emergencies.

### **Highway Safety Grants**

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

### **J.A.I.B Grant**

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

### **Liquid Fuels Fund**

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

### **Community Development Grants**

Accounts for moneys received to finance community development project within the county.

### **Flood Mitigation Grants**

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

### **Environmental Projects**

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

### **Water Supply Grant**

Accounts for State grants to survey and map water supplies.

### **Economic Development Projects**

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

### **Growing Greener Trust**

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

### **Farm Easements**

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

### **Miscellaneous Special Revenue Projects**

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

**COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005**

	<b>Domestic Relation Fund</b>	<b>D.A. Investigative Fund</b>	<b>D.A.R.E. Grant</b>	<b>Register &amp; Recorder Capital Fund</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 883,140	\$ 89,523	\$ 1,263	\$ 668,129
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Due from other funds	3,797	-	-	-
Due from other governments	1,955	-	-	-
Due from component units	-	-	-	-
Total assets	<u>\$ 888,892</u>	<u>\$ 89,523</u>	<u>\$ 1,263</u>	<u>\$ 668,129</u>
<b>LIABILITIES &amp; FUND EQUITY</b>				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payroll payable	-	-	-	-
Due to other funds	11,338	-	-	-
Deferred revenues	-	-	1,263	-
Total liabilities	<u>11,338</u>	<u>-</u>	<u>1,263</u>	<u>-</u>
Fund equity				
Fund balances				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program				
expenditures	877,554	89,523	-	668,129
Unreserved				
Designated for subsequent				
years expenditures	-	-	-	-
Total fund equity	<u>877,554</u>	<u>89,523</u>	<u>-</u>	<u>668,129</u>
Total liabilities and				
fund equity	<u>\$ 888,892</u>	<u>\$ 89,523</u>	<u>\$ 1,263</u>	<u>\$ 668,129</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005  
CONTINUED**

	<b>Prothonotary Automation Fund</b>	<b>E.M.S.</b>	<b>Haz-Mat</b>	<b>911 Emergency Phone Tariff</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 34,239	\$ 50,588	\$ 128,174	\$ 445,962
Receivables (net of allowance)				
Accounts receivable trade	-	5,268	525	86,448
Due from other funds	-	-	-	-
Due from other governments	-	9,287	92,502	-
Due from component units	-	-	-	-
Total assets	<u>\$ 34,239</u>	<u>\$ 65,143</u>	<u>\$ 221,201</u>	<u>\$ 532,410</u>
<b>LIABILITIES &amp; FUND EQUITY</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 5,057	\$ 37,831	\$ 3,689
Payroll payable	-	-	2,965	-
Due to other funds	-	20,514	38,055	34,149
Deferred revenues	-	-	126,411	-
Total liabilities	<u>-</u>	<u>25,571</u>	<u>205,262</u>	<u>37,838</u>
<b>Fund equity</b>				
<b>Fund balances</b>				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program expenditures	34,239	39,572	15,939	494,572
<b>Unreserved</b>				
Designated for subsequent years expenditures	-	-	-	-
Total fund equity	<u>34,239</u>	<u>39,572</u>	<u>15,939</u>	<u>494,572</u>
<b>Total liabilities and fund equity</b>	<u>\$ 34,239</u>	<u>\$ 65,143</u>	<u>\$ 221,201</u>	<u>\$ 532,410</u>

(Continued)



**COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005  
CONTINUED**

	911 Wireless	E.M.A. Grant	Highway Safety	J.A.I.B.G./ Aftercare Grant
<b>ASSETS</b>				
Cash and cash equivalents	\$ 710,843	\$ -	\$ -	\$ 30,196
Receivables (net of allowance)				
Accounts receivable trade	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	4,097	19,043	-
Due from component units	-	-	-	-
Total assets	<u>\$ 710,843</u>	<u>\$ 4,097</u>	<u>\$ 19,043</u>	<u>\$ 30,196</u>
<b>LIABILITIES &amp; FUND EQUITY</b>				
Liabilities				
Accounts payable	\$ -	\$ 499	\$ 2,514	\$ 15,209
Payroll payable	-	-	-	-
Due to other funds	-	3,468	16,218	-
Deferred revenues	-	114	311	14,987
Total liabilities	<u>-</u>	<u>4,081</u>	<u>19,043</u>	<u>30,196</u>
Fund equity				
Fund balances				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program expenditures	710,843	16	-	-
Unreserved				
Designated for subsequent years expenditures	-	-	-	-
Total fund equity	<u>710,843</u>	<u>16</u>	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 710,843</u>	<u>\$ 4,097</u>	<u>\$ 19,043</u>	<u>\$ 30,196</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005  
CONTINUED**

	<b>Liquid Fuel</b>	<b>Community Development Block Grant</b>	<b>E.D.P.S Flood Mitigation</b>	<b>E.D.P.S Environmental Projects</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 972,271	\$ 1,000	\$ 36,322	\$ 476
Receivables (net of allowance)				
Accounts receivable trade	-	-	42,227	2,302
Due from other funds	-	-	-	2,410
Due from other governments	4,763	6,361	93,970	345,359
Due from component units	5,593	-	-	-
Total assets	<u>\$ 982,627</u>	<u>\$ 7,361</u>	<u>\$ 172,519</u>	<u>\$ 350,547</u>
<b>LIABILITIES &amp; FUND EQUITY</b>				
Liabilities				
Accounts payable	\$ 112,020	\$ 3,742	\$ 109,796	\$ 261,077
Payroll payable	-	-	-	-
Due to other funds	-	3,619	62,623	89,470
Deferred revenues	-	-	100	-
Total liabilities	<u>112,020</u>	<u>7,361</u>	<u>172,519</u>	<u>350,547</u>
Fund equity				
Fund balances				
Reserve for encumbrances	510,219	-	-	-
Reserve for restricted program expenditures	-	-	-	-
Unreserved				
Designated for subsequent years expenditures	360,388	-	-	-
Total fund equity	<u>870,607</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 982,627</u>	<u>\$ 7,361</u>	<u>\$ 172,519</u>	<u>\$ 350,547</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005  
CONTINUED**

	<b>Water Supply Grant</b>	<b>Economic Development Grant</b>	<b>Growing Greener</b>	<b>Farm Easements</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 76,387	\$ 1,018,119	\$ 168,914
Receivables (net of allowance)				
Accounts receivable trade	27,575	-	-	-
Due from other funds	-	1,289	-	-
Due from other governments	-	72,946	-	-
Due from component units	-	-	-	-
Total assets	<u>\$ 27,575</u>	<u>\$ 150,602</u>	<u>\$ 1,018,119</u>	<u>\$ 168,914</u>
<b>LIABILITIES &amp; FUND EQUITY</b>				
Liabilities				
Accounts payable	1,632	133,807	-	54
Payable payable	-	-	-	-
Due to other funds	25,943	-	3,700	-
Deferred revenues	-	16,795	-	-
Total liabilities	<u>27,575</u>	<u>150,602</u>	<u>3,700</u>	<u>54</u>
Fund equity				
Fund balances				
Reserve for encumbrances	-	-	-	-
Reserve for restricted program expenditures	-	-	1,014,419	168,860
Unreserved				
Designated for subsequent years expenditures	-	-	-	-
Total fund equity	<u>-</u>	<u>-</u>	<u>1,014,419</u>	<u>168,860</u>
Total liabilities and fund equity	<u>\$ 27,575</u>	<u>\$ 150,602</u>	<u>\$ 1,018,119</u>	<u>\$ 168,914</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005  
CONTINUED**

	<b>Special Projects</b>	<b>Total</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 16,954	\$ 5,332,480
Receivables (net of allowance)		
Accounts receivable trade	-	164,345
Due from other funds	-	7,496
Due from other governments	35,414	685,697
Due from component units	-	5,593
Total assets	<u>\$ 52,368</u>	<u>\$ 6,195,611</u>
<b>LIABILITIES &amp; FUND EQUITY</b>		
Liabilities		
Accounts payable	\$ 52,368	\$ 739,295
Payroll payable	-	2,965
Due to other funds	-	309,097
Deferred revenues	-	159,981
Total liabilities	<u>52,368</u>	<u>1,211,338</u>
Fund equity		
Fund balances		
Reserve for encumbrances	-	510,219
Reserve for restricted program expenditures	-	4,113,666
Unreserved		
Designated for subsequent years expenditures	-	360,388
Total fund equity	<u>-</u>	<u>4,984,273</u>
Total liabilities and fund equity	<u>\$ 52,368</u>	<u>\$ 6,195,611</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
DECEMBER 31, 2005**

	Domestic Relation Fund	D.A. Investigative Fund	D.A.R.E. Grant	Register & Recorder Capital Fund
<b>REVENUES</b>				
Intergovernmental revenues	\$ 162,917	\$ 98,500	\$ 2,972	\$ -
Charge for services	-	-	-	224,530
Investment earnings	25,068	1,434	-	19,068
Court Cost, Fines & Forfeits	-	65,094	-	-
Miscellaneous income	-	30,362	-	-
Total Revenues	<u>187,985</u>	<u>195,390</u>	<u>2,972</u>	<u>243,598</u>
<b>EXPENDITURES</b>				
Current				
Judicial	23,828	175,397	2,972	102,103
Public safety	-	-	-	-
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	21,555	-	-	-
Total Expenditures	<u>45,383</u>	<u>175,397</u>	<u>2,972</u>	<u>30,315</u>
				<u>132,418</u>
Excess (deficiency) of revenues over expenditures	<u>142,602</u>	<u>19,993</u>	<u>-</u>	<u>111,180</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	142,602	19,993	-	111,180
Fund balance at beginning of year	734,952	69,530	-	556,949
Fund balance at end of year	<u>\$ 877,554</u>	<u>\$ 89,523</u>	<u>\$ -</u>	<u>\$ 668,129</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**DECEMBER 31, 2005**  
**CONTINUED**

	Prothonotary Automation Fund	E.M.S.	Haz-Mat	911 Emergency Phone Tariff
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 469,403	\$ 958,432	\$ -
Charge for services	9,840	196	23,975	963,516
Investment earnings	-	1,599	3,244	14,457
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>9,840</u>	<u>471,198</u>	<u>985,651</u>	<u>977,973</u>
<b>EXPENDITURES</b>				
Current				
Judicial	5,779	-	-	-
Public safety	-	464,695	982,328	728,528
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>5,779</u>	<u>464,695</u>	<u>982,328</u>	<u>728,528</u>
Excess (deficiency) of revenues over expenditures	<u>4,061</u>	<u>6,503</u>	<u>3,323</u>	<u>249,445</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Transfer in	-	-	-	-
Transfer out	-	-	-	(270,000)
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(270,000)</u>
Net change in fund balances	4,061	6,503	3,323	(20,555)
Fund balance at beginning of year	30,178	33,069	12,616	515,127
Fund balance at end of year	<u>\$ 34,239</u>	<u>\$ 39,572</u>	<u>\$ 15,939</u>	<u>\$ 494,572</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
DECEMBER 31, 2005  
CONTINUED

	911 Wireless Grant	E.M.A. Grant	Highway Safety	J.A.I.B.G./ Aftercare Grant
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 46,471	\$ 85,032	\$ 32,733
Charge for services	704,003	-	-	-
Investment earnings	7,706	-	-	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	209	-
Total Revenues	<u>711,709</u>	<u>46,471</u>	<u>85,241</u>	<u>32,733</u>
<b>EXPENDITURES</b>				
Current				
Judicial	-	-	-	-
Public safety	866	46,471	85,241	75,089
Public works	-	-	-	-
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>866</u>	<u>46,471</u>	<u>85,241</u>	<u>75,089</u>
Excess (deficiency) of revenues over expenditures	<u>710,843</u>	<u>-</u>	<u>-</u>	<u>(42,356)</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Transfer in	-	-	-	42,356
Transfer out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,356</u>
Net change in fund balances	710,843	-	-	-
Fund balance at beginning of year	-	16	-	-
Fund balance at end of year	<u>\$ 710,843</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**DECEMBER 31, 2005**  
**CONTINUED**

	<b>Liquid Fuel</b>	<b>Community Development Block Grant</b>	<b>E.D.P.S Flood Mitigation</b>	<b>E.D.P.S Environmental Projects</b>
<b>REVENUES</b>				
Intergovernmental revenues	\$ 514,754	\$ 191,883	\$ 427,285	\$ 2,080,718
Charge for services	-	-	-	-
Investment earnings	25,391	-	-	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>540,145</u>	<u>191,883</u>	<u>427,285</u>	<u>2,080,718</u>
<b>EXPENDITURES</b>				
Current				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	475,480	191,883	694,051	2,108,025
Culture & recreation	-	-	-	-
Conservation & development	-	-	-	-
Capital outlay	35,273	-	-	-
Total Expenditures	<u>510,753</u>	<u>191,883</u>	<u>694,051</u>	<u>2,108,025</u>
Excess (deficiency) of revenues over expenditures	<u>29,392</u>	<u>-</u>	<u>(266,766)</u>	<u>(27,307)</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Transfer in	-	-	266,766	27,307
Transfer out	-	-	-	-
Total other financial sources (uses)	<u>-</u>	<u>-</u>	<u>266,766</u>	<u>27,307</u>
Net change in fund balances	29,392	-	-	-
Fund balance at beginning of year	841,215	-	-	-
Fund balance at end of year	<u>\$ 870,607</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**  
**DECEMBER 31, 2005**  
**CONTINUED**

	Water Supply Grant	Economic Development Grant	Growing Greener	Farm Easements
<b>REVENUES</b>				
Intergovernmental revenues	\$ 27,575	\$ 218,710	\$ -	\$ 4,122
Charge for services	-	-	-	14,986
Investment earnings	-	-	31,780	-
Court Cost, Fines & Forfeits	-	-	-	-
Miscellaneous income	-	-	-	-
Total Revenues	<u>27,575</u>	<u>218,710</u>	<u>31,780</u>	<u>19,108</u>
<b>EXPENDITURES</b>				
Current				
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	27,575	288,149	-	-
Culture & recreation	-	141,869	-	-
Conservation & development	-	-	-	6,681
Capital outlay	-	-	-	16,809
Total Expenditures	<u>27,575</u>	<u>430,018</u>	<u>-</u>	<u>23,490</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(211,308)</u>	<u>31,780</u>	<u>(4,382)</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Transfer in	-	211,308	-	50,000
Transfer out	<u>-</u>	<u>-</u>	<u>(22,916)</u>	<u>-</u>
Total other financial sources (uses)	<u>-</u>	<u>211,308</u>	<u>(22,916)</u>	<u>50,000</u>
Net change in fund balances	-	-	8,864	45,618
Fund balance at beginning of year	-	-	1,005,555	123,242
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,014,419</u>	<u>\$ 168,860</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**DECEMBER 31, 2005**  
**CONTINUED**

	<b>Special Projects</b>	<b>Total</b>
<b>REVENUES</b>		
Intergovernmental revenues	\$ 87,076	\$ 5,408,583
Charge for services	-	1,941,046
Investment earnings	-	129,747
Court Cost, Fines & Forfeits	-	65,094
Miscellaneous income	47	30,618
Total Revenues	<u>87,123</u>	<u>7,575,088</u>
<b>EXPENDITURES</b>		
Current		
Judicial	47	310,126
Public safety	111,259	2,494,477
Public works	-	3,785,163
Culture & recreation	-	141,869
Conservation & development	-	6,681
Capital outlay	-	103,952
Total Expenditures	<u>111,306</u>	<u>6,842,268</u>
Excess (deficiency) of revenues over expenditures	<u>(24,183)</u>	<u>732,820</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>		
Transfer in	24,183	621,920
Transfer out	-	(292,916)
Total other financial sources (uses)	<u>24,183</u>	<u>329,004</u>
Net change in fund balances	-	1,061,824
Fund balance at beginning of year	-	3,922,449
Fund balance at end of year	<u>\$ -</u>	<u>\$ 4,984,273</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**DOMESTIC RELATIONS IV-D**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 168,697	\$ 162,917	\$ (5,780)
Investment earnings	8,000	25,068	17,068
Total revenues	<u>176,697</u>	<u>187,985</u>	<u>11,288</u>
<b>EXPENDITURES</b>			
Judicial	27,029	23,828	3,201
Capital outlay	23,000	21,555	1,445
Total expenditures	<u>50,029</u>	<u>45,383</u>	<u>4,646</u>
Excess (deficiency) of revenues over expenditures	126,668	142,602	15,934
Fund balance at beginning of year	734,952	734,952	-
Fund balance at end of year	<u>\$ 861,620</u>	<u>\$ 877,554</u>	<u>\$ 15,934</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
D.A. INVESTIGATIVE FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 93,000	\$ 98,500	\$ 5,500
Investment earnings	300	1,434	1,134
Court cost fines & forfeits	48,000	65,094	17,094
Miscellaneous revenues	12,910	30,362	17,452
Total revenues	<u>154,210</u>	<u>195,390</u>	<u>41,180</u>
<b>EXPENDITURES</b>			
Judicial	<u>145,000</u>	<u>175,397</u>	<u>(30,397)</u>
Total expenditures	<u>145,000</u>	<u>175,397</u>	<u>(30,397)</u>
Excess (deficiency) of revenues over expenditures	9,210	19,993	10,783
Fund balance at beginning of year	69,530	69,530	-
Fund balance at end of year	<u>\$ 78,740</u>	<u>\$ 89,523</u>	<u>\$ 10,783</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**SHERIFF DARE GRANT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 4,225	\$ 2,972	\$ (1,253)
Total revenues	<u>4,225</u>	<u>2,972</u>	<u>(1,253)</u>
<b>EXPENDITURES</b>			
Judicial	<u>4,225</u>	<u>2,972</u>	<u>1,253</u>
Total expenditures	<u>4,225</u>	<u>2,972</u>	<u>1,253</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
REGISTER & RECORDER CAPITAL IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charge for service	\$ 228,212	\$ 224,530	\$ (3,682)
Investment earnings	-	19,068	19,068
Total revenues	<u>228,212</u>	<u>243,598</u>	<u>15,386</u>
<b>EXPENDITURES</b>			
Judicial			
Capital improvement fund			
Register & Recorder	61,819	57,524	4,295
County	<u>34,127</u>	<u>44,579</u>	<u>(10,452)</u>
Total judicial	<u>95,946</u>	<u>102,103</u>	<u>(6,157)</u>
Public Works			
Act 137 A.H.E.	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total public works	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Capital	<u>51,904</u>	<u>30,315</u>	<u>21,589</u>
Total expenditures	<u>167,850</u>	<u>132,418</u>	<u>35,432</u>
Excess (deficiency) of revenues over expenditures	60,362	111,180	50,818
Fund balance at beginning of year	<u>556,949</u>	<u>556,949</u>	<u>-</u>
Fund balance at end of year	<u>\$ 617,311</u>	<u>\$ 668,129</u>	<u>\$ 50,818</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
PROTHONOTARY AUTOMATION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charge for service	\$ 5,000	\$ 9,840	\$ 4,840
Total revenues	<u>5,000</u>	<u>9,840</u>	<u>4,840</u>
<b>EXPENDITURES</b>			
Judicial	<u>5,000</u>	<u>5,779</u>	<u>(779)</u>
Total expenditures	<u>5,000</u>	<u>5,779</u>	<u>(779)</u>
Excess (deficiency) of revenues over expenditures	-	4,061	4,061
Fund balance at beginning of year	30,178	30,178	-
Fund balance at end of year	<u>\$ 30,178</u>	<u>\$ 34,239</u>	<u>\$ 4,061</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**EMERGENCY SERVICES**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 315,186	\$ 469,403	\$ 154,217
Charge for services	-	196	196
Investment earnings	610	1,599	989
Total revenues	<u>315,796</u>	<u>471,198</u>	<u>155,402</u>
<b>EXPENDITURES</b>			
Public safety	<u>315,186</u>	<u>464,695</u>	<u>(149,509)</u>
Total expenditures	<u>315,186</u>	<u>464,695</u>	<u>(149,509)</u>
Excess (deficiency) of revenues over expenditures	610	6,503	5,893
Fund balance at beginning of year	<u>33,069</u>	<u>33,069</u>	-
Fund balance at end of year	<u>\$ 33,679</u>	<u>\$ 39,572</u>	<u>\$ 5,893</u>



**COUNTY OF LYCOMING, PENNSYLVANIA**  
**HAZ-MAT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 1,699,800	\$ 958,432	\$ (741,368)
Charge for services	24,500	23,975	(525)
Investment earnings	100	3,244	3,144
Total revenues	<u>1,724,400</u>	<u>985,651</u>	<u>(738,749)</u>
<b>EXPENDITURES</b>			
Public safety	<u>1,725,961</u>	<u>982,328</u>	<u>743,633</u>
Total expenditures	<u>1,725,961</u>	<u>982,328</u>	<u>743,633</u>
Excess (deficiency) of revenues over expenditures	(1,561)	3,323	4,884
Fund balance at beginning of year	12,616	12,616	-
Fund balance at end of year	<u>\$ 11,055</u>	<u>\$ 15,939</u>	<u>\$ 4,884</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
EMERGENCY TELEPHONE TARIFF  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Charge for services	\$ 885,000	\$ 963,516	\$ 78,516
Investment earnings	5,000	14,457	9,457
Total revenues	<u>890,000</u>	<u>977,973</u>	<u>87,973</u>
<b>EXPENDITURES</b>			
Public safety	<u>730,000</u>	<u>728,528</u>	<u>1,472</u>
Total expenditures	<u>730,000</u>	<u>728,528</u>	<u>1,472</u>
Excess (deficiency) of revenues over expenditures	160,000	249,445	89,445
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer out	<u>(270,000)</u>	<u>(270,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(270,000)</u>	<u>(270,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(110,000)	(20,555)	89,445
Fund balance at beginning of year	<u>515,127</u>	<u>515,127</u>	<u>-</u>
Fund balance at end of year	<u>\$ 405,127</u>	<u>\$ 494,572</u>	<u>\$ 89,445</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**E.M.A. GRANT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 3,983	\$ 46,471	\$ 42,488
Investment earnings	-	-	-
Total revenues	<u>3,983</u>	<u>46,471</u>	<u>42,488</u>
<b>EXPENDITURES</b>			
Public safety	<u>3,983</u>	<u>46,471</u>	<u>(42,488)</u>
Total expenditures	<u>3,983</u>	<u>46,471</u>	<u>(42,488)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	16	16	-
Fund balance at end of year	<u>\$ 16</u>	<u>\$ 16</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
HIGHWAY SAFETY GRANT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 82,405	\$ 85,032	\$ 2,627
Miscellaneous revenues	-	209	209
Total revenues	<u>82,405</u>	<u>85,241</u>	<u>2,836</u>
<b>EXPENDITURES</b>			
Public safety			
2004-2005 Highway safety	63,388	66,198	(2,810)
2005-2006 Highway safety	19,017	19,043	(26)
Total public safety	<u>82,405</u>	<u>85,241</u>	<u>(2,836)</u>
Total expenditures	<u>82,405</u>	<u>85,241</u>	<u>(2,836)</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
P.C.C.D. J.A.I.B. / AFTERCARE GRANT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 10,000	\$ 32,733	\$ 22,733
Total revenues	<u>10,000</u>	<u>32,733</u>	<u>22,733</u>
<b>EXPENDITURES</b>			
Public Safety			
J.A.I.B.G.	60,000	57,824	2,176
Aftercare	-	17,265	(17,265)
Total expenditures	<u>60,000</u>	<u>75,089</u>	<u>(15,089)</u>
Excess (deficiency) of revenues over expenditures	(50,000)	(42,356)	7,644
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	50,000	42,356	(7,644)
Total other financing sources (uses)	<u>50,000</u>	<u>42,356</u>	<u>(7,644)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**LIQUID FUEL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 913,850	\$ 514,754	\$ (399,096)
Investment earnings	7,500	25,391	17,891
Total revenues	<u>921,350</u>	<u>540,145</u>	<u>(381,205)</u>
<b>EXPENDITURES</b>			
Public works			
Administration, inspections and repairs	242,900	290,093	(47,193)
Approved projects	300,000	185,387	114,613
Capital outlay	<u>442,000</u>	<u>35,273</u>	<u>406,727</u>
Total public works	<u>984,900</u>	<u>510,753</u>	<u>474,147</u>
Total expenditures	<u>984,900</u>	<u>510,753</u>	<u>474,147</u>
Excess (deficiency) of revenues over expenditures	(63,550)	29,392	92,942
Fund balance at beginning of year	841,215	841,215	-
Fund balance at end of year	<u>\$ 777,665</u>	<u>\$ 870,607</u>	<u>\$ 92,942</u>

**COMMUNITY DEVELOPMENT BLOCK GRANTS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 387,300	\$ 191,883	\$ (195,417)
Total revenues	<u>387,300</u>	<u>191,883</u>	<u>(195,417)</u>
<b>EXPENDITURES</b>			
Public works			
2002 grant	-	70,905	(70,905)
2003 grant	152,000	24,609	127,391
2004 grant	235,300	73,989	161,311
2005 grant	-	22,380	(22,380)
Total public works	<u>387,300</u>	<u>191,883</u>	<u>195,417</u>
Total expenditures	<u>387,300</u>	<u>191,883</u>	<u>195,417</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
EDPS FLOOD MITIGATION PROJECTS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 327,017	\$ 427,285	\$ 100,268
Total revenues	<u>327,017</u>	<u>427,285</u>	<u>100,268</u>
<b>EXPENDITURES</b>			
Public works	886,678	694,051	192,627
Total expenditures	<u>886,678</u>	<u>694,051</u>	<u>192,627</u>
Excess (deficiency) of revenues over expenditures	(559,661)	(266,766)	292,895
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	559,661	266,766	(292,895)
Total other financing sources (uses)	<u>559,661</u>	<u>266,766</u>	<u>(292,895)</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) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 1,986,356	\$ 2,080,718	\$ 94,362
Total revenues	<u>1,986,356</u>	<u>2,080,718</u>	<u>94,362</u>
<b>EXPENDITURES</b>			
Public works			
EPA storm / sewer	1,839,874	2,009,586	(169,712)
EDPS environmental division	218,772	98,439	120,333
Total public works	<u>2,058,646</u>	<u>2,108,025</u>	<u>(49,379)</u>
Total expenditures	<u>2,058,646</u>	<u>2,108,025</u>	<u>(49,379)</u>
Excess (deficiency) of revenues over expenditures	(72,290)	(27,307)	44,983
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	72,290	27,307	(44,983)
Total other financing sources (uses)	<u>72,290</u>	<u>27,307</u>	<u>(44,983)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**EDPS WATER SUPPLY GRANT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 500,000	\$ 27,575	\$ (472,425)
Total revenues	<u>500,000</u>	<u>27,575</u>	<u>(472,425)</u>
<b>EXPENDITURES</b>			
Public works	500,000	27,575	472,425
Total expenditures	<u>500,000</u>	<u>27,575</u>	<u>472,425</u>
Excess (deficiency) of revenues over expenditures	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>			
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) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 309,140	\$ 218,710	\$ (90,430)
Total revenues	<u>309,140</u>	<u>218,710</u>	<u>(90,430)</u>
<b>EXPENDITURES</b>			
Public works			
Economic development	207,288	100,115	107,173
Downtown revitalization	<u>305,000</u>	<u>188,034</u>	<u>116,966</u>
	512,288	288,149	224,139
Culture & Recreation	<u>124,569</u>	<u>141,869</u>	<u>(17,300)</u>
Total expenditures	<u>636,857</u>	<u>430,018</u>	<u>206,839</u>
Excess (deficiency) of revenues over expenditures	(327,717)	(211,308)	116,409
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	<u>327,717</u>	<u>211,308</u>	<u>(116,409)</u>
Total other financing sources (uses)	<u>327,717</u>	<u>211,308</u>	<u>(116,409)</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) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Investment earnings	\$ 25,658	\$ 31,780	\$ 6,122
Total revenues	<u>25,658</u>	<u>31,780</u>	<u>6,122</u>
Excess (deficiency) of revenues over expenditures	25,658	31,780	6,122
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer out	(60,000)	(22,916)	37,084
Total other financing sources (uses)	<u>(60,000)</u>	<u>(22,916)</u>	<u>37,084</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(34,342)	8,864	43,206
Fund balance at beginning of year	1,005,555	1,005,555	-
Fund balance at end of year	<u>\$ 971,213</u>	<u>\$ 1,014,419</u>	<u>\$ 43,206</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
FARM EASEMENT PROGRAM  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 24,640	\$ 4,122	\$ (20,518)
Charge for services	6,650	14,986	8,336
Total revenues	<u>31,290</u>	<u>19,108</u>	<u>(12,182)</u>
<b>EXPENDITURES</b>			
Conservation & development	18,300	6,681	11,619
Capital outlay	54,000	16,809	37,191
Total expenditures	<u>72,300</u>	<u>23,490</u>	<u>48,810</u>
Excess (deficiency) of revenues over expenditures	<u>(41,010)</u>	<u>(4,382)</u>	<u>36,628</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	50,000	50,000	-
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>-</u>
other financing sources over expenditures and other financing uses	8,990	45,618	36,628
Fund balance at beginning of year	123,242	123,242	-
Fund balance at end of year	<u>\$ 132,232</u>	<u>\$ 168,860</u>	<u>\$ 36,628</u>

## **DEBT SERVICE FUND**

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

**COUNTY OF LYCOMING, PENNSYLVANIA  
DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2005**

	<u>Debt Service</u>
<b>EXPENDITURES</b>	
Debt service	
Principal retirement	
1998 Bonds	\$ 605,000
Washington County Bond Pool	633,609
2001 Bonds	935,000
2003 Bonds	390,000
Total principal	<u>2,563,609</u>
Interest expense	
1998 Bonds	795,108
Washington County Bond Pool	72,540
2001 Bonds	124,390
2003 Bonds	308,647
Total interest	<u>1,300,685</u>
Total debt service	<u>3,864,294</u>
Total expenditures	<u>3,864,294</u>
Excess (deficiency) of revenues over expenditures	<u>(3,864,294)</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfer in	<u>3,864,294</u>
Total other financing sources (uses)	<u>3,864,294</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, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>EXPENDITURES</b>			
Debt Service			
Principal retirement			
1998 Bonds	\$ 605,000	\$ 605,000	\$ -
Washington County Bond Pool	583,609	633,609	(50,000)
2001 Bonds	935,000	935,000	-
2003 Bonds	390,000	390,000	-
Total principal	<u>2,513,609</u>	<u>2,563,609</u>	<u>(50,000)</u>
Interest expense			
1998 Bonds	795,108	795,108	-
Washington County Bond Pool	83,197	72,540	10,657
2001 Bonds	124,390	124,390	-
2003 Bonds	308,647	308,647	-
Total interest	<u>1,311,342</u>	<u>1,300,685</u>	<u>10,657</u>
Total expenditures	<u>3,824,951</u>	<u>3,864,294</u>	<u>(39,343)</u>
Excess (deficiency) of revenues over expenditures	(3,824,951)	(3,864,294)	(39,343)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	3,824,951	3,864,294	39,343
Total other financing sources (uses)	<u>3,824,951</u>	<u>3,864,294</u>	<u>39,343</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



## **CAPITAL PROJECT FUNDS**

### **Help America Vote Act**

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

### **97 Capital Project Fund**

Used to finance software upgrades to countywide financial system.

### **Law Enforcement Record Management System**

Funds allocated to develop a countywide police information system.

### **Computer Aided Dispatch**

Funds allocated to enhance emergency response throughout the County.

### **Industrial Park**

Funds allocated to the development of a County industrial park.

**COUNTY OF LYCOMING, PENNSYLVANIA  
CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2005**

	<b>H.A.V.A.</b>	<b>Capital Projects</b>	<b>L.E.R.M.S</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 24,046	\$ 90,384
Due from other governments	3,046	-	-
Total assets and other debits	<u>\$ 3,046</u>	<u>\$ 24,046</u>	<u>\$ 90,384</u>
<b>LIABILITIES &amp; FUND EQUITY</b>			
Liabilities			
Accounts payable	\$ -	\$ -	\$ 3,141
Due to other funds	3,046	-	-
Deferred revenues	-	-	74,199
Total liabilities	<u>3,046</u>	<u>-</u>	<u>77,340</u>
Fund equity			
Reserved for capital projects	-	24,046	13,044
Total fund equity	<u>-</u>	<u>24,046</u>	<u>13,044</u>
Total liabilities & fund equity	<u>\$ 3,046</u>	<u>\$ 24,046</u>	<u>\$ 90,384</u>
	<b>C.A.D.</b>	<b>Industrial Park</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,034	\$ 1,157	\$ 124,621
Due from other governments	-	-	3,046
Total assets and other debits	<u>\$ 9,034</u>	<u>\$ 1,157</u>	<u>\$ 127,667</u>
<b>LIABILITIES &amp; FUND EQUITY</b>			
Liabilities			
Accounts payable	\$ 9,034	\$ 1,157	\$ 13,332
Due to other funds	-	-	3,046
Deferred revenues	-	-	74,199
Total liabilities	<u>9,034</u>	<u>1,157</u>	<u>90,577</u>
Fund equity			
Reserved for capital projects	-	-	37,090
Total fund equity	<u>-</u>	<u>-</u>	<u>37,090</u>
Total liabilities & fund equity	<u>\$ 9,034</u>	<u>\$ 1,157</u>	<u>\$ 127,667</u>

**COUNTY OF LYCOMING, PENNSYLVANIA  
CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2005**

	<u>H.A.V.A.</u>	<u>97 Capital Projects</u>	<u>L.E.R.M.S</u>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 3,046	\$ -	\$ 75,673
Interest income	-	-	2,038
Miscellaneous revenues	-	-	-
Total revenues	<u>3,046</u>	<u>-</u>	<u>77,711</u>
<b>EXPENDITURES</b>			
Current			
General government	-	800	-
Capital outlay	<u>3,046</u>	<u>-</u>	<u>86,346</u>
Total capital projects	<u>3,046</u>	<u>800</u>	<u>86,346</u>
Total expenditures	<u>3,046</u>	<u>800</u>	<u>86,346</u>
Excess (deficiency) of revenues over expenditures	-	(800)	(8,635)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	<u>-</u>	<u>-</u>	<u>8,635</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>8,635</u>
Net change in fund balance	-	(800)	-
Fund balance at beginning of year	<u>-</u>	<u>24,846</u>	<u>13,044</u>
Fund balance end of year	<u>\$ -</u>	<u>\$ 24,046</u>	<u>\$ 13,044</u>

(Continued)

**COUNTY OF LYCOMING, PENNSYLVANIA  
CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2005  
(CONTINUED)**

	<b>C.A.D.</b>	<b>Industrial Park</b>	<b>Total</b>
<b>REVENUES</b>			
Intergovernmental revenues	\$ -	\$ -	\$ 78,719
Interest income	-	-	2,038
Miscellaneous revenues	-	275	275
Total revenues	-	275	81,032
<b>EXPENDITURES</b>			
Current			
General government	-	-	800
Capital outlay	29,506	11,137	130,035
Total capital projects	29,506	11,137	130,835
Total expenditures	29,506	11,137	130,835
Excess (deficiency) of revenues over expenditures	(29,506)	(10,862)	(49,803)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	29,506	10,862	49,003
Total other financing sources (uses)	29,506	10,862	49,003
Net change in fund balance	-	-	(800)
Fund balance at beginning of year	-	-	37,890
Fund balance end of year	\$ -	\$ -	\$ 37,090

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**97 CAPITAL CONSTRUCTION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>EXPENDITURES</b>			
General Government	\$ 25,000	\$ 800	\$ 24,200
Total expenditures	<u>25,000</u>	<u>800</u>	<u>24,200</u>
Excess (deficiency) of revenues over expenditures	(25,000)	(800)	24,200
Fund balance at beginning of year	28,617	24,846	(3,771)
Fund balance at end of year	<u>\$ 3,617</u>	<u>\$ 24,046</u>	<u>\$ 20,429</u>

**COUNTY OF LYCOMING, PENNSYLVANIA**  
**C.A.D**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>EXPENDITURES</b>			
Public safety	\$ -	\$ -	\$ -
Capital outlay	233,125	29,506	203,619
Total expenditures	<u>233,125</u>	<u>29,506</u>	<u>203,619</u>
Excess (deficiency) of revenues over expenditures	(233,125)	(29,506)	(203,619)
<b>OTHER FINANCIAL SOURCES (USES)</b>			
Transfer in	233,125	29,506	(203,619)
Total other financing sources (uses)	<u>233,125</u>	<u>29,506</u>	<u>(203,619)</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  
INDUSTRIAL PARK  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Miscellaneous revenues	\$ -	\$ 275	\$ 275
Total revenues	-	275	275
<b>EXPENDITURES</b>			
Capital outlay	1,089,115	11,137	1,077,978
Total expenditures	1,089,115	11,137	1,077,978
Excess (deficiency) of revenues over expenditures	(1,089,115)	(10,862)	(1,077,703)
<b>OTHER FINANCIAL SOURCES (USES)</b>			
Transfer in	1,089,115	10,862	(1,078,253)
Total other financing sources (uses)	1,089,115	10,862	(1,078,253)
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	\$ -	\$ -	\$ -

## **ENTERPRISE FUNDS**

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

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



**COUNTY OF LYCOMING, PENNSYLVANIA  
RESOURCE MANAGEMENT SERVICES  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS - BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED DECEMBER 31, 2005**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
<b>OPERATING REVENUES</b>			
Charge for services	\$ 12,091,301	\$ 12,256,360	\$ 165,059
Sales	1,365,850	1,620,265	254,415
Miscellaneous revenues	37,006	33,568	(3,438)
Total revenues	<u>13,494,157</u>	<u>13,910,193</u>	<u>416,036</u>
<b>OPERATING EXPENSES</b>			
Public works			
Salaries & wages	2,565,910	2,599,622	(33,712)
Material and supplies	449,078	304,101	144,977
Operating expenses	4,354,576	4,585,910	(231,334)
Maintenance and repairs	1,068,713	905,354	163,359
Depreciation expense	4,508,690	4,279,763	228,927
Cost allocation plan expenses	1,288,858	1,303,041	(14,183)
Total operating expenses	<u>14,235,825</u>	<u>13,977,791</u>	<u>258,034</u>
Income (loss) from operations	<u>(741,668)</u>	<u>(67,598)</u>	<u>674,070</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment earnings	2,092,679	2,218,758	126,079
Intergovernmental revenues	1,008,150	559,565	(448,585)
Net proceeds on sale of assets			
Net gain (Loss)	(162,880)	6,767	169,647
Interest expenses	(137,254)	(110,983)	26,271
Total non-operating revenues (expenses)	<u>2,800,695</u>	<u>2,674,107</u>	<u>(126,588)</u>
Income (loss) before transfer	2,059,027	2,606,509	547,482
Transfer in (out)			
Transfer - out	(2,470,400)	(2,573,974)	(103,574)
Net transfers	<u>(2,470,400)</u>	<u>(2,573,974)</u>	<u>(103,574)</u>
Net income (loss)	(411,373)	32,535	443,908
Total net assets-beginning	58,914,981	60,435,954	1,520,973
Total net assets-ending	<u>\$ 58,503,608</u>	<u>\$ 60,468,489</u>	<u>\$ 1,964,881</u>

## **Agency Funds**

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

COUNTY OF LYCOMING, PENNSYLVANIA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
YEAR ENDED DECEMBER 31, 2005

	Balance at January 1, 2005	Additions	Deductions	Balance at December 31, 2005
<b><u>Delinquent Taxes</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 1,089,484	\$ 5,484,174	\$ 5,343,824	\$ 1,229,834
Receivables				
Accounts receivable	-	1,509	-	1,509
Delinquent taxes	3,033,629	5,421,287	5,279,955	3,174,961
Total assets	<u>\$ 4,123,113</u>	<u>\$ 10,906,970</u>	<u>\$ 10,623,779</u>	<u>\$ 4,406,304</u>
<u>Liabilities:</u>				
Due to other governments	\$ 1,089,484	\$ 5,414,246	\$ 5,272,386	\$ 1,231,344
Escrow	3,033,629	5,292,466	5,151,135	3,174,960
Total liabilities	<u>\$ 4,123,113</u>	<u>\$ 10,706,712</u>	<u>\$ 10,423,521</u>	<u>\$ 4,406,304</u>
<b><u>Welfare Burial Fund</u></b>				
<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>
<b><u>Cost &amp; Fines</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 69,615	\$ 1,121,563	\$ 1,049,784	\$ 141,394
Accounts receivable	5,569,521	1,851,596	1,156,931	6,264,186
Total assets	<u>\$ 5,639,136</u>	<u>\$ 2,973,159</u>	<u>\$ 2,206,715</u>	<u>\$ 6,405,580</u>
<u>Liabilities:</u>				
Account Payable	\$ 40,560	\$ 148,111	\$ 188,671	\$ -
Escrow	5,598,576	2,244,385	1,437,381	6,405,580
Total liabilities	<u>\$ 5,639,136</u>	<u>\$ 2,392,496</u>	<u>\$ 1,626,052</u>	<u>\$ 6,405,580</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
YEAR ENDED DECEMBER 31, 2005  
(CONTINUED)

	Balance at January 1, 2005	Additions	Deductions	Balance at December 31, 2005
<b><u>Lyc. Cnty. Health Care Plan</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 9,764	\$ 231,821	\$ 229,583	\$ 12,002
Total assets	<u>\$ 9,764</u>	<u>\$ 231,821</u>	<u>\$ 229,583</u>	<u>\$ 12,002</u>
<u>Liabilities:</u>				
Account Payable	\$ 3,611	\$ 231,311	\$ 229,583	\$ 5,339
Escrow fund	153	232,300	231,790	663
Interfund loans	6,000	-	-	6,000
Total liabilities	<u>\$ 9,764</u>	<u>\$ 463,611</u>	<u>\$ 461,373</u>	<u>\$ 12,002</u>
 <b><u>Escheats Fund</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 84,706	\$ 10,615	\$ 13,435	\$ 81,886
Due from other funds	25	134	25	134
Total assets	<u>\$ 84,731</u>	<u>\$ 10,749</u>	<u>\$ 13,460</u>	<u>\$ 82,020</u>
<u>Liabilities:</u>				
Account Payable	\$ -	\$ 13,425	\$ 13,425	\$ -
Escrow fund	84,731	10,906	13,617	82,020
Total liabilities	<u>\$ 84,731</u>	<u>\$ 24,331</u>	<u>\$ 27,042</u>	<u>\$ 82,020</u>
 <b><u>Public Relation Fund</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 5,557	\$ 3,306	\$ 1,251	\$ 7,612
Total assets	<u>\$ 5,557</u>	<u>\$ 3,306</u>	<u>\$ 1,251</u>	<u>\$ 7,612</u>
<u>Liabilities:</u>				
Account Payable	\$ 59	\$ 1,241	\$ 1,276	\$ 24
Escrow fund	5,499	3,364	1,275	7,588
Total liabilities	<u>\$ 5,558</u>	<u>\$ 4,605</u>	<u>\$ 2,551</u>	<u>\$ 7,612</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
YEAR ENDED DECEMBER 31, 2005  
(CONTINUED)

	Balance at January 1, 2005	Additions	Deductions	Balance at December 31, 2005
<b><u>Domestic Relation Child Support</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 20,101	\$ 602,115	\$ 605,468	\$ 16,748
Total assets	<u>\$ 20,101</u>	<u>\$ 602,115</u>	<u>\$ 605,468</u>	<u>\$ 16,748</u>
<u>Liabilities:</u>				
Escrow fund	\$ 20,101	\$ 602,115	\$ 605,468	\$ 16,748
Total liabilities	<u>\$ 20,101</u>	<u>\$ 602,115</u>	<u>\$ 605,468</u>	<u>\$ 16,748</u>
<b><u>Juvenile Restitution Fund</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 68,010	\$ 31,032	\$ 17,957	\$ 81,085
Total assets	<u>\$ 68,010</u>	<u>\$ 31,032</u>	<u>\$ 17,957</u>	<u>\$ 81,085</u>
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ 19,857	\$ 17,957	\$ 1,900
Escrow fund	68,010	31,032	19,857	79,185
Total liabilities	<u>\$ 68,010</u>	<u>\$ 50,889</u>	<u>\$ 37,814</u>	<u>\$ 81,085</u>
<b><u>Register &amp; Recorder Adoption Fund</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 29,400	\$ 2,250	\$ -	\$ 31,650
Due from other funds	375	-	375	-
Total assets	<u>\$ 29,775</u>	<u>\$ 2,250</u>	<u>\$ 375</u>	<u>\$ 31,650</u>
<u>Liabilities:</u>				
Escrow fund	\$ 29,775	\$ 1,875	\$ -	\$ 31,650
Total liabilities	<u>\$ 29,775</u>	<u>\$ 1,875</u>	<u>\$ -</u>	<u>\$ 31,650</u>
<b><u>County Row Offices</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 791,071	\$ 13,384,365	\$ 13,467,972	\$ 707,464
Accounts receivable	135	7,137	135	7,137
Total assets	<u>\$ 791,206</u>	<u>\$ 13,391,502</u>	<u>\$ 13,468,107</u>	<u>\$ 714,601</u>
<u>Liabilities:</u>				
Due to other funds	\$ 401	\$ 3,635	\$ 3,902	\$ 134
Due to other governments	291,024	8,448,823	8,489,571	250,276
Escrow	499,781	4,939,044	4,974,634	464,191
Total liabilities	<u>\$ 791,206</u>	<u>\$ 13,391,502</u>	<u>\$ 13,468,107</u>	<u>\$ 714,601</u>

(Continued)

COUNTY OF LYCOMING, PENNSYLVANIA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
YEAR ENDED DECEMBER 31, 2005  
(CONTINUED)

	Balance at January 1, 2005	Additions	Deductions	Balance at December 31, 2005
<b><u>Prison &amp; Pre-Release Commissary</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 135,521	\$ 1,076,006	\$ 1,064,737	\$ 146,790
Due from other funds	2,943	43,849	43,445	3,347
Accounts receivable	55	4,509	3,143	1,421
Inventory of supplies	7,736	25,935	27,784	5,887
Total assets	<u>\$ 146,255</u>	<u>\$ 1,150,299</u>	<u>\$ 1,139,109</u>	<u>\$ 157,445</u>
<u>Liabilities:</u>				
Accounts payable	\$ 26,191	\$ 1,332,317	\$ 1,334,723	\$ 23,785
Due to other funds	-	1,042	1,042	-
Escrow fund	114,564	1,674,906	1,661,310	128,160
Interfund loan	5,500	15,292	15,292	5,500
Total liabilities	<u>\$ 146,255</u>	<u>\$ 3,023,557</u>	<u>\$ 3,012,367</u>	<u>\$ 157,445</u>
<b><u>Total All Agency Funds</u></b>				
<u>Assets:</u>				
Cash and cash equivalents	\$ 2,323,390	\$ 21,947,247	\$ 21,794,011	\$ 2,476,626
Receivables				
Due from other funds	3,343	43,983	43,845	3,481
Accounts receivable	190	13,155	3,278	10,067
Delinquent taxes (non county)	3,033,629	5,421,287	5,279,955	3,174,961
Cost & fines (non county)	5,569,521	1,851,596	1,156,931	6,264,186
Inventory of supplies	7,736	25,935	27,784	5,887
Total assets	<u>\$ 10,937,809</u>	<u>\$ 29,303,203</u>	<u>\$ 28,305,804</u>	<u>\$ 11,935,208</u>
<u>Liabilities:</u>				
Accounts payable	\$ 70,421	\$ 1,746,262	\$ 1,785,635	\$ 31,048
Due to other funds	401	4,677	4,944	134
Due to other governments	1,380,508	13,863,069	13,761,957	1,481,620
Escrow funds	9,474,980	15,032,393	14,096,467	10,410,906
Interfund loans	11,500	15,292	15,292	11,500
Total liabilities	<u>\$ 10,937,810</u>	<u>\$ 30,661,693</u>	<u>\$ 29,664,295</u>	<u>\$ 11,935,208</u>

COUNTY OF LYCOMING, PENNSYLVANIA  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION  
GOVERNMENTAL FUND TYPES  
FOR THE YEAR NEEDED DECEMBER 31, 2005

	January 1 2005	Additions / Transfers	Disposals / Transfers	December 31 2005
General Government	\$ 10,866,268	\$ 194,123	\$ 445,137	\$ 10,615,254
Judicial	2,438,448	105,214	57,430	2,486,232
Public Safety	16,857,590	722,367	157,016	17,422,941
Public Works	8,227,844	35,272	-	8,263,116
Human Services	2,124,041	-	-	2,124,041
Conservation & Dev.	3,870,183	45,487	6,000	3,909,670
	<u>\$ 44,384,374</u>	<u>\$ 1,102,463</u>	<u>\$ 665,583</u>	<u>\$ 44,821,254</u>

ENDING BALANCE IS COMPOSED OF

	Land	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
General Government	\$ 129,926	\$ 6,763,842	\$ 256,347	\$ 3,457,409	\$ 7,730	\$ 10,615,254
Judicial	-	74,660	-	2,411,572	-	2,486,232
Public Safety	266,811	8,442,425	-	8,700,575	13,130	17,422,941
Public Works	-	-	-	12,000	8,251,116	8,263,116
Human Services	-	2,124,041	-	-	-	2,124,041
Conservation & Dev.	96,000	2,808,196	596,735	133,728	275,011	3,909,670
	<u>\$ 492,737</u>	<u>\$ 20,213,164</u>	<u>\$ 853,082</u>	<u>\$ 14,715,284</u>	<u>\$ 8,546,987</u>	<u>\$ 44,821,254</u>

COUNTY OF LYCOMING, PENNSYLVANIA  
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION  
PROPRIETARY FUND TYPES (BUSINESS-TYPE ACTIVITIES)  
FOR THE YEAR NEEDED DECEMBER 31, 2005

	January 1 2005	Additions / Transfers	Disposals / Transfers	December 31 2005
Public Works	\$ 70,777,643	\$ 5,816,066	\$ 3,242,053	\$ 73,351,656
	<u>\$ 70,777,643</u>	<u>\$ 5,816,066</u>	<u>\$ 3,242,053</u>	<u>\$ 73,351,656</u>

ENDING BALANCE IS COMPOSED OF

	Land	Buildings and Improvements	Improvement Other than Buildings	Machinery and Equipment	Infrastructure	Total
Public Works	\$ 2,308,211	\$ 18,260,841	\$ 32,525,212	\$ 18,372,501	\$ 1,884,891	\$ 73,351,656
	<u>\$ 2,308,211</u>	<u>\$ 18,260,841</u>	<u>\$ 32,525,212</u>	<u>\$ 18,372,501</u>	<u>\$ 1,884,891</u>	<u>\$ 73,351,656</u>

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## **STATISTICAL SECTION**

Lycoming County  
Government-wide Expenses by Function  
Last Four Fiscal Years  
(amounts expressed in thousands)

Table 1

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Human Services	Culture and Recreation	Conservation and Development	Interest on Long-term Debt	Total
2002	\$7,378,809	\$7,693,707	\$16,047,763	\$5,055,378	\$15,558,396	\$897,781	\$732,412	\$1,735,212	\$55,099,458
2003	7,091,634	7,553,565	16,815,490	5,185,879	17,564,026	923,602	669,501	1,470,735	57,274,432
2004	7,701,208	7,669,795	16,904,989	2,961,030	20,501,895	1,123,540	719,886	1,401,254	58,983,597
2005	\$6,870,008	\$7,751,039	\$18,378,191	\$4,638,746	\$20,072,182	\$1,251,352	\$849,610	\$1,360,638	\$61,171,766

Note: Includes General, Special Revenue, Debt Service and Capital Project Funds

Source: Fiscal Services Department, County of Lycoming, Pennsylvania, Comprehensive Annual Financial Reports - Statement of Activities

Lycoming County commenced accountability for the funds in 2003 due to GASB#34 reporting requirements.

Lycoming County  
Government-wide Revenues  
Last Four Fiscal Years  
(amounts expressed in thousands)

Table 2

Fiscal Year	PROGRAM REVENUES			GENERAL REVENUES			
	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Grants and Contributions Not Restricted to Specific Programs	Unrestricted Investment Earnings	Miscellaneous	Total
2002	\$6,955,808	\$22,752,038	\$4,673,395	\$1,533,077	\$1,637,292	\$890,911	\$54,064,575
2003	7,469,325	27,227,961	1,336,177	147,340	1,385,149	0	53,332,579
2004	6,891,993	28,809,129	819,617	0	1,381,006	0	62,417,162
2005	\$7,678,410	\$30,023,341	\$648,894	\$233,856	\$1,636,430	\$0	\$65,105,832

Note: Includes General, Special Revenue, Debt Service and Capital Project Funds

Source: Fiscal Services Department, County of Lycoming, Pennsylvania, Comprehensive Annual Financial Reports - Statement of Activities

Lycoming County commenced accountability for the funds in 2003 due to GASB#34 reporting requirements.

County of Lycoming, Pennsylvania  
General Governmental Revenues by Source  
Last Ten Fiscal Years

Table 3

Fiscal Year	Property Taxes	Licenses and Permits	Inter-Governmental	Charges for Services	Court Costs And Fines	Investment Earnings	Sale of Assets	Miscellaneous	Total
1996	\$12,887,263	\$18,133	\$12,625,903	\$3,158,305	\$689,546	\$1,340,549	\$14,119	\$165,997	\$30,899,815
1997	14,168,532	28,440	14,077,932	3,405,733	746,900	2,436,694	15,813	860,645	35,740,689
1998	14,619,702	31,560	14,812,618	3,712,813	951,333	2,864,318	9,364	962,092	37,963,800
1999	14,729,812	44,805	17,910,299	3,729,344	909,484	2,786,561	12,800	992,095	41,115,200
2000	15,132,870	45,982	20,661,975	4,015,917	881,219	2,713,754	43,621	932,662	44,428,000
2001	15,293,932	44,814	28,834,906	4,210,681	921,736	2,224,091	58,730	1,104,935	52,693,825
2002	15,508,478	53,622	27,701,347	4,513,078	927,637	1,669,490	948,365	1,395,480	52,717,497
2003	15,858,863	52,937	28,711,180	4,480,491	906,506	1,385,147	54,910	1,584,575	53,034,609
2004	24,062,245	51,196	29,628,748	4,779,157	1,040,186	1,381,006	55,637	659,620	61,657,795
2005	\$24,605,980	\$47,163	\$30,858,929	\$5,504,845	\$1,267,577	\$1,768,216	\$60,432	\$716,301	\$64,829,443

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

Source: Fiscal Services Department, County of Lycoming, Pennsylvania, Comprehensive Annual Financial Reports - Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds.

County of Lycoming, Pennsylvania  
General Governmental Expenditures by Function  
Last Ten Fiscal Years

Table 4

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Human Services	Culture and Recreation	Conservation and Development	Miscellaneous	Debt Service	Capital Outlay	Total
1996	\$4,613,528	\$4,658,362	\$9,745,151	\$1,968,531	\$7,209,981	\$1,022,128	\$781,733	\$1,748,449	\$978,963	\$0	\$32,726,826
1997	5,277,565	5,380,295	10,390,047	1,402,767	8,360,856	769,264	650,900	1,570,431	2,133,501	0	35,935,626
1998	7,079,709	5,563,012	10,696,186	635,320	9,164,447	704,611	518,133	2,248,831	3,985,052	0	40,595,301
1999	7,078,884	5,792,350	11,970,519	1,782,809	11,838,962	749,284	671,656	2,678,005	3,575,499	0	46,137,968
2000	6,268,559	5,846,082	17,282,320	1,949,168	14,127,462	757,170	593,650	2,291,333	8,352,806	0	57,468,550
2001	6,580,997	5,980,499	12,521,388	8,996,143	15,386,240	766,265	697,055	2,644,741	3,525,242	0	57,098,570
2002	7,057,761	6,457,985	13,799,503	6,402,985	15,544,069	891,685	586,775	3,245,503	3,572,180	0	57,558,446
*2003	5,718,263	6,278,567	14,066,270	4,858,894	17,981,100	873,971	558,013	3,827,551	3,604,372	3,250,683	61,017,684
2004	6,421,366	6,220,477	14,240,343	2,695,808	20,417,222	1,074,076	558,104	3,767,314	3,730,946	1,951,171	61,076,827
2005	\$5,864,652	\$6,226,022	\$15,639,009	\$4,372,253	\$19,988,529	\$1,202,042	\$686,749	\$3,812,258	\$3,864,294	\$697,266	\$62,353,074

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

\*Beginning in 2003 the County created a new function Capital Outlay to record Capital Purchases.

Source: Fiscal Services Department, County of Lycoming, Pennsylvania, Comprehensive Annual Financial Reports - Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds.

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

Table 5

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy	Outstanding Taxes	Percentage of Outstanding Taxes to Total Tax Levy
Real Estate								
1996	\$12,295,317	\$11,219,117	91.25%	\$852,768	\$12,071,885	98.18%	\$1,076,200	8.75%
1997	14,433,242	13,201,392	91.47%	861,567	14,062,959	97.43%	1,325,105	9.18%
1998	14,733,660	13,547,150	91.95%	944,108	14,491,258	98.35%	1,384,655	9.40%
1999	14,701,228	13,601,560	92.52%	1,042,716	14,644,276	99.61%	1,326,317	9.02%
2000	14,970,165	13,556,332	90.56%	1,074,612	14,630,944	97.73%	1,413,833	9.44%
2001	15,058,181	13,732,051	91.19%	1,120,468	14,852,519	98.63%	1,326,130	8.81%
2002	15,263,606	13,913,949	91.16%	1,137,322	15,051,271	98.61%	1,349,657	8.84%
2003	15,482,617	14,232,146	91.92%	998,062	15,230,208	98.37%	1,250,471	8.08%
2004	24,326,733	22,356,650	91.90%	956,855	23,313,505	95.83%	1,970,083	8.10%
2005	\$24,467,974	\$22,493,331	91.93%	\$1,084,688	\$23,578,019	96.36%	\$1,974,643	8.07%

Sources: Fiscal Services Statement of Revenues and Expenditures

Lycoming County R/E Taxes Consolidated Settlement Report - RBA

2001 to 2005 - Pentamation: Year-To-Date Revenue Audit Trail

For the years 2000 through 2003, corrections have been made to the Total Tax Levy - Exonerations, Returns, and Refunds were not accounted for in past reports.

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

Table 6

Fiscal Year	Assessed Value	Estimated Actual Value	Exempt Property Value	Percent Assessed/Actual	Millage Rates
1996	\$2,013,079	\$2,684,105	\$285,540	75.0%	6.10
1997	2,049,576	2,732,768	286,566	75.0%	7.00
1998	3,006,868	4,009,140	504,009	75.0%	4.90
1999	3,000,249	4,000,315	523,915	75.0%	4.90
2000	3,030,871	4,041,161	528,346	75.0%	4.90
2001	3,103,641	4,138,189	525,726	75.0%	4.90
2002	3,105,127	4,140,152	554,598	75.0%	4.90
2003	3,149,620	4,199,493	617,004	75.0%	4.90
2004	3,189,705	4,252,923	625,356	75.0%	7.63
2005	\$5,146,666	\$5,146,666	\$946,505	100.0%	4.75

Sources: Lycoming County Assessment Office:  
1996-2001, Real Estate Market Value Summary Reports  
2002, 2004, & 2005 General Tax Base Summary Report  
2003 Real Estate Tax Supplements  
Real Estate Millage Rates Reports

Notes: Estimated Actual Value - 100% of Market Value of Personal Property  
Assessed Value = 75% of Market Value of Real Estate for 1996 through 2004 and 100% in 2005  
Countywide reassessment took place in 1998 & 2004  
Personal property was last assessed in 1996 and Abolished thereafter.

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

Table 7

Fiscal Year	County	Locality	School District	Total
1996	6.10	2.22	19.70	28.02
1997	7.00	2.36	19.50	28.86
1998	4.90	1.59	14.08	20.57
1999	4.90	1.63	14.29	20.82
2000	4.90	1.68	14.87	21.45
2001	4.90	1.71	15.12	21.73
2002	4.90	1.81	15.81	22.52
2003	4.90	1.80	16.58	23.28
2004	7.63	1.88	17.09	26.60
2005	4.75	1.20	11.57	17.52

Source: Lycoming County Assessment Office

Note: Township and school district millage rates given are  
the average of all 52 entities.

Starting in 2005, there was a reduction in the Millage rates  
due to Property Values being assessed at 100%  
of the Market Value as opposed to 75% in prior years.



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

Table 8

<u>Fiscal Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>General Obligation Debt</u>	<u>Ratio Debt/ Value</u>	<u>General Obligation Debt Per Capita</u>
1996	118,710	\$2,013,078,760	\$17,110,000	0.85%	\$144.13
1997	118,710	2,049,576,010	40,095,000	1.96%	337.76
1998	118,710	3,006,867,510	40,380,000	1.34%	340.16
1999	118,710	3,000,248,789	38,825,000	1.29%	327.06
2000	120,044	3,030,971,088	32,876,750	1.08%	273.87
2001	120,044	3,103,641,444	34,705,000	1.12%	289.10
2002	120,044	3,105,126,695	30,591,651	0.99%	254.84
2003	120,044	3,149,619,636	31,583,276	1.00%	263.10
2004	118,542	3,189,704,880	31,467,892	0.99%	265.46
2005	118,395	\$5,146,665,730	\$28,614,039	0.56%	\$241.68

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

County of Lycoming, Pennsylvania  
Computation of Legal Debt Margin  
Borrowing Base Revenues

Table 9

2003	69,136,833
2004	79,186,376
2005	81,524,726
Total Revenues	<u>\$ 229,847,935</u>
Average Borrowing Base Revenues	\$ 76,615,978
Debt Limit Percent	<u>300%</u>
Debt Limit	229,847,935
Total Amount of Debt Applicable to Debt Limit	<u>37,933,696</u>
Legal Debt Margin	<u>\$ 191,914,239</u>

Note:

The Total Amount of Debt Applicable to Debt Limit contains the General Fund Debt, the Guaranteed Debt of the Lycoming County Recreational Authority and the Lycoming County Water and Sewer Authority.

Sources:

Previous two years CAFRs  
Table 10 - Direct Debt of County & Related Entities  
Fiscal Services Department, Lycoming County, Pennsylvania:  
Comprehensive Annual Financial Reports/Enterprise Funds,  
Statement Of Revenues, Expenses and Changes in Fund  
Net Assets & The Statement of Revenues, Expenditures  
and Changes in Fund Balances, Governmental Funds.

County of Lycoming, Pennsylvania  
Computation of Direct and Overlapping Debt

Table 10

	Net Debt Outstanding
	<hr/>
Direct Debt of County and Related Entities	\$ 37,933,696
Overlapping Debt	
School Districts	150,375,810
City, Boroughs, Townships	222,711,708
	<hr/>
Total Overlapping Debt	<u>373,087,518</u>
Total Direct and Overlapping Debt	<u>\$ 411,021,214</u>

Notes:

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

County information is as of December 31, 2005.

School District information is as of June 30, 2005.

City, Borough, and Township information is as of December 31, 2003.

(Most current information available.)

Sources:

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

City, Borough and Township Information - D.C.E.D.'s website - [www.newpa.com](http://www.newpa.com)

School District Information - L.E.C.S. School Finance Division

County of Lycoming, Pennsylvania  
Demographic Statistics  
Last Ten Fiscal Years

Table 11

Fiscal Year	Population	Civilian Labor Force	Employed	Unemployed	Unemployment Rate
1996	118,710	58,741	54,837	3,904	6.6%
1997	118,710	59,060	55,281	3,779	6.4%
1998	118,710	58,219	54,862	3,357	5.8%
1999	118,710	57,486	54,580	2,906	5.1%
2000	120,044	59,250	56,677	2,573	4.3%
2001	120,044	60,059	56,844	3,215	5.4%
2002	120,044	59,902	56,174	3,728	6.2%
2003	120,044	59,154	55,589	3,565	6.0%
2004	118,542	60,339	56,637	3,702	6.1%
2005	118,395	59,813	56,558	3,255	5.4%

Sources: U.S. Census Bureau at <http://quickfacts.census.gov>  
U.S. Department of Labor, Bureau of Labor Statistics at <http://data.bls.gov>

County of Lycoming, Pennsylvania  
Ratio of Annual Debt Service Expenditures  
For General Bonded Debt to Total Governmental Expenditures  
Last Ten Fiscal Years

Table 12

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service 1</u>	<u>Total General Governmental Expenditures 2</u>	<u>Ratio of Debt Service to Governmental Expenditures</u>
1996	\$390,000	\$597,963	\$987,963	\$32,726,826	3.02%
1997	835,545	1,297,955	2,133,500	35,935,626	5.94%
1998	2,030,406	1,954,646	3,985,052	40,595,300	9.82%
1999	1,650,772	1,924,727	3,575,499	46,137,968	7.75%
2000	6,416,118	1,936,688	8,352,806	57,468,550	14.53%
2001	1,936,302	1,588,940	3,525,242	57,098,570	6.17%
2002	1,967,935	1,604,245	3,572,180	57,558,446	6.21%
2003	2,187,769	1,416,603	3,604,372	60,797,483	5.93%
2004	2,390,335	1,340,611	3,730,946	61,076,827	6.11%
2005	\$2,563,609	\$1,300,685	\$3,864,294	\$62,353,074	6.20%

Notes: 1 Debt Service contains General Fund Debt.

2 All government fund types

Source: Fiscal Services Department, County of Lycoming, Pennsylvania, Comprehensive Annual Financial Reports - Debt Service Fund, Statement of Revenues, Expenditures, and Changes in Fund Balances & Statement of Revenues, Expenditures and Changes in Fund Balances, Governmental Funds.

County of Lycoming, Pennsylvania  
Assessed Property Values, Construction and Bank Deposits  
Last Ten Fiscal Years  
(amounts expressed in thousands)

Table 13

Fiscal Year	Assessed Property Values			Commercial Construction		Residential Construction		Bank Deposits
	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value	
1996	\$586,397	\$1,444,095	\$2,030,492	19	\$10,922	282	\$25,689	\$1,236,710
1997	590,344	1,459,213	2,049,557	19	10,796	237	27,899	1,186,796
1998	996,599	2,010,257	3,006,856	28	14,308	150	15,326	1,330,310
1999	978,839	2,021,397	3,000,236	37	17,557	212	21,650	1,260,562
2000	982,148	2,048,723	3,030,871	103	45,964	153	15,376	1,322,939
2001	1,046,569	2,057,073	3,103,642	58	20,118	175	17,710	1,438,881
2002	1,060,687	2,083,725	3,144,412	76	7,157	289	22,580	1,499,260
2003	1,082,594	2,120,690	3,203,284	50	6,509	275	20,432	1,548,756
2004	1,087,689	2,155,754	3,243,443	38	15,906	167	14,376	1,562,761
2005	\$1,672,345	\$3,533,393	\$5,205,738	31	\$15,580	202	\$15,440	\$1,589,826

Sources: Lycoming County Assessment Office:  
1996 - 2000, Real Estate Market Value Summary Report Total Page  
2001 - present, Real Estate Tax Supplements  
1996 - present, New Commercial and New Residential Construction Reports  
Commonwealth of Pennsylvania - Department of Banking

Value = Assessed Values of New Commercial and New Residential Construction

Notes: County wide reassessment took place in 1998 & 2004.  
1996 & 1997 assessed values have been adjusted. Market values were inadvertently used in past reports  
2004 assessed values have been adjusted. February and August Interim Billings were inadvertently omitted last year.  
Assessed value in Lycoming County is 75% of estimated market value from 1996 through 2004, 100% starting in 2005.  
2001 - present, Assessed Property Values are Net of Exempt Property Values

County of Lycoming, Pennsylvania  
Principal Taxpayers  
For The Year 2005

Table 14

Taxpayer	Type Of Business	2005 Assessed Valuation	Percentage of Total Assessed Valuation
Crown American Financing	Shopping Mall	\$ 51,465,710	1.0000%
Loyal Plaza Associates LP	Strip Mall	15,791,430	0.3068%
Wal-Mart Stores, Inc.	Wholesaler/Retailer	14,027,750	0.2726%
Grizzly Industrial, Inc.	Retailer	10,890,300	0.2116%
The May Department Stores Co.	Department Store	7,987,800	0.1552%
Valley Heights LTD Partnership	Apartment Buildings	7,923,000	0.1539%
L C Realty, Inc. (Lowes)	Wholesaler/Retailer	7,061,360	0.1372%
High Industries, Inc.	Steel Manufacturer	7,046,500	0.1369%
T & C Plaza Associates	Office Building	7,015,670	0.1363%
Wegman's Food Markets, Inc.	Grocery Store	6,423,170	0.1248%
Totals		<u>\$ 135,632,690</u>	<u>2.6354%</u>
Total Assessed Valuation of Taxables:		\$5,146,665,730	

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

