

# **Lackawanna County**

**2003**

**Financial Statement Audit**

# **Independent audit**

- Required by Government Regulations**
- Unqualified Opinion on Financial Statements**
- Adopted New Standards (GASB 34)**
  - Focus on Long Term Financial Picture  
(Full accrual – Similar to Business)
  - Management's Discussion & Analysis (MD&A)  
(Narrative Overview by the County of its Financial Results)

County of Lackawanna  
Change in Fund Balance (Deficit)  
Short Term  
December 31, 2003

	<b>Total</b>
REVENUE & TRANSFERS IN	\$ 102,990,000
EXPENDITURES & TRANSFERS OUT	<u>(111,011,000)</u>
INCREASE IN DEFICIT	(8,021,000)
BEGINNING FUND DEFICIT, 1/1/03	<u>(1,069,000)</u>
ENDING FUND DEFICIT, 12/31/03	<u><u>\$ (9,090,000)</u></u>

County of Lackawanna  
Statement of Revenues and Expenditures  
December 31, 2003

Revenues:	December 31, 2003	December 31, 2002	Favorable (Unfavorable)
Taxes	\$ 37,679,000	\$ 36,341,000	1,338,000
Grants	14,773,000	15,141,000	(368,000)
Health and Human Services	33,873,000	34,320,000	(447,000)
County charges	11,698,000	12,303,000	(605,000)
Transfers from landfill trust	2,177,000	-	2,177,000
Transfers from other funds	397,000	191,000	206,000
Interfund balance adjustment		1,340,000	(1,340,000)
Other	2,393,000	3,492,000	(1,099,000)
<b>Total revenues</b>	<b>\$ 102,990,000</b>	<b>\$ 103,128,000</b>	<b>\$ (138,000)</b>

County of Lackawanna  
 General Fund Expenditure Comparison  
 December 31, 2003

	<u>General Fund</u> <u>December 31, 2003</u>	<u>General Fund</u> <u>December 31, 2002</u>	<u>Increase</u> <u>(Decrease)</u>
<b><u>Expenditures:</u></b>			
General government-administrative	\$ 11,041,000	\$ 10,101,000	\$ 940,000
General government-judicial	10,058,000	9,936,000	122,000
Public safety-corrections	20,919,000	20,103,000	816,000
Public works and enterprises	4,630,000	4,393,000	237,000
Health and Human services	50,034,000	51,091,000	(1,057,000)
Culture and recreation	3,973,000	3,006,000	967,000
Conservation and development	760,000	698,000	62,000
Other	1,414,000	1,759,000	(345,000)
Transfer out to Montage	1,220,000	2,531,000	(1,311,000)
Transfer out Debt service	5,750,000	1,646,000	4,104,000
Transfers out to others	1,212,000	1,721,000	(509,000)
	<u>111,011,000</u>	<u>106,985,000</u>	<u>4,026,000</u>
Total expenditures	<u>\$ 111,011,000</u>	<u>\$ 106,985,000</u>	<u>\$ 4,026,000</u>

County of Lackawanna  
Statement of Net Assets  
December 31, 2003

**Assets:**

Cash	\$ 12,188,000
Investments	6,271,000
Real estate taxes receivable, net	5,836,000
Due from other Governments	10,258,000
Other current assets	<u>196,000</u>
 Total current assets	 <u>34,749,000</u>
 Capital assets, net	 74,138,000
Other	<u>2,065,000</u>
 TOTAL ASSETS	 <u><u>\$ 110,952,000</u></u>

**Liabilities:**

Current liabilities:	
Accounts payable & accrued expenses	23,606,000
Tax Anticipation note payable	7,132,000
Current portion long term debt	4,063,000
Net pension obligation	3,775,000
Other current liabilities	<u>1,637,000</u>
Total current liabilities	40,213,000
 Long term debt:	
Bonds & note payable	84,975,000
Capital leases	255,000
Compensated absences	<u>4,304,000</u>
 TOTAL LIABILITIES	 <u><u>\$ 129,747,000</u></u>

**Net assets (deficit)**

Invested in capital assets, net	(11,831,000)
Restricted	8,375,000
Unrestricted	<u>(15,339,000)</u>
 TOTAL NET ASSETS (DEFICIT)	 <u><u>\$ (18,795,000)</u></u>

**County of Lackawanna  
Real Estate Taxes**

	<u>12/31/2003</u>	<u>12/31/2002</u>
Millage		
General	27.6293	27.6293
Library	<u>2.1000</u>	<u>2.1000</u>
Total Millage	29.7293	29.7293
Assessed Valuation	<u>1,396,000,000</u>	<u>1,346,000,000</u>
Tax Levy	<u>38,698,000</u>	<u>37,201,093</u>
Total Current Collections	<u>32,518,000</u>	<u>31,870,000</u>
Total Current Collections to Tax Levy	<u>84.03%</u>	<u>85.67%</u>
Current	32,518,000	31,870,000
Delinquent	<u>5,159,000</u>	<u>4,470,000</u>
Total Collections:	<u>37,677,000</u>	<u>36,340,000</u>
Unpaid Delinquent Real Estate Taxes	<u>\$ 13,052,000</u>	<u>\$ 12,532,000</u>

County of Lackawanna  
Debt Summary

	<u>December 31, 2003</u>	<u>December 31, 2002</u>
<b><u>Primary Government:</u></b>		
Pension obligation	\$ 3,775,000	\$ 1,407,000
Compensated absences	4,781,000	5,150,000
Montage	8,243,000	9,125,000
General obligation bonds	80,200,000	82,578,000
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Total expenditures	<u>\$ 96,999,000</u>	<u>\$ 98,260,000</u>
 <b><u>Component Units:</u></b>		
(Guarenteed by County)		
Lackawanna River Basin Sewer Authority	\$ 5,090,000	
Lackawanna Performing Arts Center Authority	7,552,000	
Multi-Purpose Stadium Authority of Lackawanna County	6,986,000	
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Total expenditures	<u>\$ 19,628,000</u>	



County of Lackawanna  
2004 Bond Issues

Summary of 2004 Bond Issues:

Series A of 2004	10,110,000
Series B of 2004	29,270,000
Series C of 2004	4,210,000
Series D of 2004	<u>20,145,000</u>

Total 63,735,000

Uses of 2004 Bond Issues:

To fund unpaid bills	20,145,000
To fund accrued pension	4,210,000
To refinance montage debt	8,625,000
To fund capital projects	<u>30,755,000</u>

Total 63,735,000

Bonds Outstanding at 12/31/04 133,000,000

Preliminary Projected  
Accumulate Deficit of  
General Fund  
(Short Term Focus) at  
December 31, 2004

Actual Deficit 12/31/03      \$(9,000,000)

Projected Loss for 2004      (11,000,000)

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Projected Deficit 12/31/04      (20,000,000)

Proceeds from Bond Issue      \$20,000,000

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Adjusted Deficit 12/31/04      (\$-0-)