MaherDuessel
Certified Public Accountants

County of Washington, Pennsylvania

Single Audit

2009

COUNTY OF WASHINGTON, PENNSYLVANIA

2009 SINGLE AUDIT

DIRECTORY

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COUNTY OF WASHINGTON, PENNSYLVANIA

2009 SINGLE AUDIT

DIRECTORY
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Independent Auditor's Report

Board of County Commissioners
County Controller
County of Washington, Pennsylvania

We have audited the accompanying primary government financial statements (financial statements) of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Washington, Pennsylvania (County), as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the County's primary government as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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. We believe that our audit provides a reasonable basis for our opinions.

The financial statements referred to above include only the primary government of the County, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the County's legal entity. The financial statements do not include financial data for the County's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the County's primary government. As a result, the financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the County, as of December 31, 2009, and the changes in its financial position, and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, the Health Choices, Mental Health/Mental Retardation, and Human Services Special Revenue Funds, and Debt Service Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 1, 2010 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages i through xi and the pension and OPEB information on pages 53 through 57 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The additional information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is also not a required part of the basic financial statements. Similarly, the accompanying schedule of Department of Public Welfare expenditures is presented for purposes of additional analysis as required by the Commonwealth of Pennsylvania Department of Public Welfare and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
July 1, 2010

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) of Washington County's (County) financial statements provides an overview of the financial performance for the year ended December 31, 2009. It is recommended that it be read in conjunction with the basic financial statements and the accompanying notes to those statements.

The MD&A is designed to focus on the current year's activities and resulting changes in the County's financial position.

Financial Highlights

The General Fund reported an ending fund balance of $13,504,372, an increase of $216,864 from 2008.

The County had $51,718,495 of general obligation debt as of December 31, 2009. This represents a decrease of $1,403,169 from 2008.

The County had $16.8 million in unrestricted net assets as of December 31, 2009, a decrease of $2.9 million from the previous year.

The County has a bond rating of A+ from Standard & Poor's.

The County's real estate millage remained at 21.4 mills.

Overview of the Financial Statements

The MD&A is intended to serve as an introduction to the County's basic financial statements, which consist of three components:

1) Government-wide financial statements
2) Fund financial statements
3) Notes to the financial statements

The basic financial statements present two different views of the County and will be explained in more detail later in this narrative. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the County.

Government-wide Financial Statements

Government-wide financial statements provide information on governmental and business-type activities in a manner similar to the private sector. The two government-wide financial statements are the Statement of Net Assets and the Statement of Activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The Statement of Net Assets presents all of the County's assets and liabilities, recording the difference between the two as net assets. Over time, increases or decreases in net assets measure whether the County's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during 2009. Because it separates program revenue from general revenue, it shows to what extent each program relies on real estate taxes, charges for services, and intergovernmental revenues for funding.

All changes in net assets are reported using the accrual basis of accounting, similar to the method used by most private-sector companies. The accrual basis of accounting requires that revenues be reported when they are earned and expenses when goods and services are received.

Both statements report the following activities:

Governmental Activities - Most of the County's basic services are in this category, including General Government, Judicial, Public Safety and Human Services. Real estate taxes, charges for services, and intergovernmental revenue primarily fund these programs.

Business-type Activities - These include the County Health Center and 911 operations, and intend to recover their costs of operations primarily through user charges.

Fund Financial Statements

Fund financial statements provide more detailed information about the County's funds with an emphasis on major funds, not the County as a whole. A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities.

The County has three types of funds:

Governmental Funds: These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on expendable resources available at the end of the year.

Governmental fund statements provide a detailed short-term view of financial resources available in the near future to finance County programs.
The County maintains a multitude of individual governmental funds. The following are listed as major funds:

General Fund
Mental Health/Mental Retardation Fund
Health Choices Fund
Debt Service Fund
Human Services Fund

These have been identified as major funds based on criteria set forth in Government Accounting Standards Board (GASB) Statement No. 34. Financial data for remaining governmental funds are combined into a single presentation labeled Other Governmental Funds.

Proprietary Funds: Proprietary funds are financed and operated in a manner similar to private business enterprises in which costs are recovered primarily through user charges. The type of proprietary fund that the County uses for its Health Center and 911 operations is an Enterprise Fund.

Fiduciary Funds: The County is the trustee, or fiduciary, for its employees' pension plan. In addition, the County is also responsible for agency funds, which represent clearing accounts for assets held by the County in its role as custodian until funds are allocated to private parties, organizations, or government agencies to which they belong. Fiduciary activities are reported in a similar manner to proprietary funds in a Statement of Fiduciary Net Assets and a Statement of Changes in Fiduciary Net Assets. All fiduciary activities are excluded from the County's government-wide financial statements because the assets of these funds are not available to support County programs.

Notes to the Financial Statements

Notes to the basic financial statements provide additional information essential to a full understanding of the detail provided in the government-wide and fund financial statements. The notes begin on page 17 of this report.

Required Supplementary Information

Following the basic financial statements is additional Required Supplementary Information (RSI) that further explains and supports information in the financial statements.

Government-wide Statement of Net Assets

The following table summarizes the Statement of Net Assets as of December 31, 2009, and compares it to 2008.

Summary of Net Assets

	Governmental Activities		Business-type Activities	
	2009	2008	2009	2008
Assets:				
Current and other assets	$ 39,014,925	$ 46,596,038	$ 9,715,811	$ 11,250,471
Capital assets	59,448,124	58,324,638	13,020,991	12,561,172
Total Assets	$ 98,463,049	$ 104,920,676	$ 22,736,802	$ 23,811,643
Liabilities:				
Current liabilities	$ 17,639,123	$ 20,937,796	$ 5,916,022	$ 7,755,286
Other liabilities	47,561,803	48,708,783	675,000	880,000
Total Liabilities	65,200,926	69,646,579	6,591,022	8,635,286
Net Assets:				
Invested in capital assets, net of related debt	12,190,694	12,787,942	12,140,991	11,453,327
Restricted	4,249,165	2,802,374	-	-
Unrestricted	16,822,264	19,683,781	4,004,789	3,723,030
Total Liabilities and Net Assets	$ 98,463,049	$ 104,920,676	$ 22,736,802	$ 23,811,643

NET ASSETS:

For 2009, net assets of government activities decreased by $2,011,974 to $33,262,123. Unrestricted net assets, funds available for operations or payment of long-term debt, decreased by $2,861,517. The decrease was largely due to the recognition of the County's other post-employment benefits obligation per GASB Statement No. 45.

Infrastructure Assets

The County's total assets at December 31, 2009 were $121,199,851. Of this amount, $72,469,115 is in capital assets, which includes infrastructure. Historically, infrastructure has not been reported or depreciated in governmental financial statements.

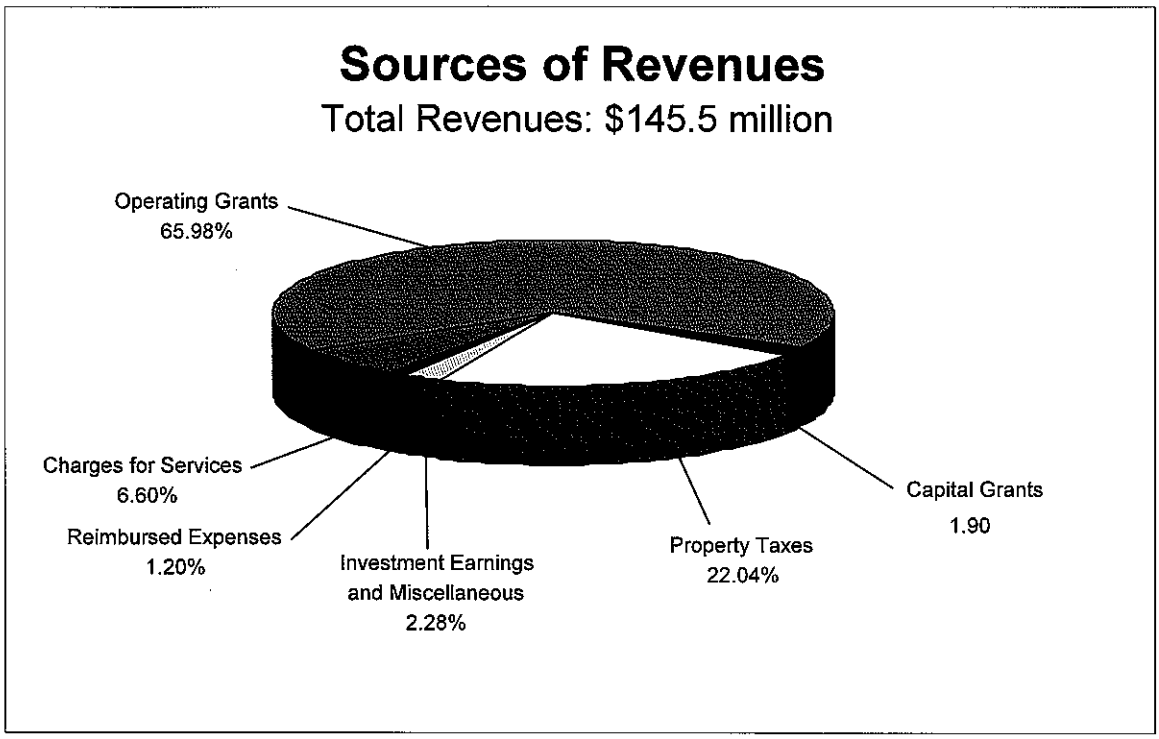
GASB Statement No. 34 requires that all capital assets, including infrastructure, be valued and reported within the governmental activities column of the government-wide financial statement. This statement does permit reporting in two stages. Prospective reporting of infrastructure (Stage #1) is required during the first year, with retroactive reporting (Stage #2) required by the year ended December 31, 2006. The County elected to implement both Stage #1 and Stage #2 in 2003.

Summary of Changes in Net Assets
For the Years Ended December 31, 2009 and 2008

	Governmental Activities		Business-type Activities	
	2009	2008	2009	2008
Revenues:				
Program Revenues:				
Charges for services	$ 9,591,123	$ 9,388,354	$ 25,762,926	$ 25,099,316
Operating grants and contributions	95,992,164	102,504,267	-	31,545
Capital grants and contributions	2,762,909	3,830,633	3,605,861	1,873,653
General Revenues:				
Property taxes	32,064,316	31,753,282	-	-
Investment earnings	227,179	1,033,273	49,755	166,061
Reimbursed expenses	1,747,785	1,776,932	-	-
Miscellaneous	3,095,753	4,225,433	-	-
Total Revenues	145,481,229	154,512,174	29,418,542	27,170,575
Expenses:				
General Government	14,951,256	10,765,861	-	-
Judicial	14,798,246	16,616,794	-	-
Public Safety	17,095,393	14,938,605	5,164,041	3,729,122
Public Works	1,567,194	30,600	-	-
Human Services	92,587,087	100,353,259	24,097,578	23,485,636
Culture and Recreation	284,996	2,241,861	-	-
Conservation and Development	2,750,386	308,561	-	-
Interest on long-term debt	2,646,145	2,757,994	-	-
Total Expenses	146,680,703	148,013,535	29,261,619	27,214,758
Excess (deficiency) of revenues over expenses before transfers	(1,199,474)	6,498,639	156,923	(44,183)
Transfers	(812,500)	(1,000,000)	812,500	1,000,000
Change in Net Assets	(2,011,974)	5,498,639	969,423	955,817
Net assets - beginning	35,274,097	29,775,458	15,176,357	14,220,540
Net assets - ending	$ 33,262,123	$ 35,274,097	$ 16,145,780	$ 15,176,357

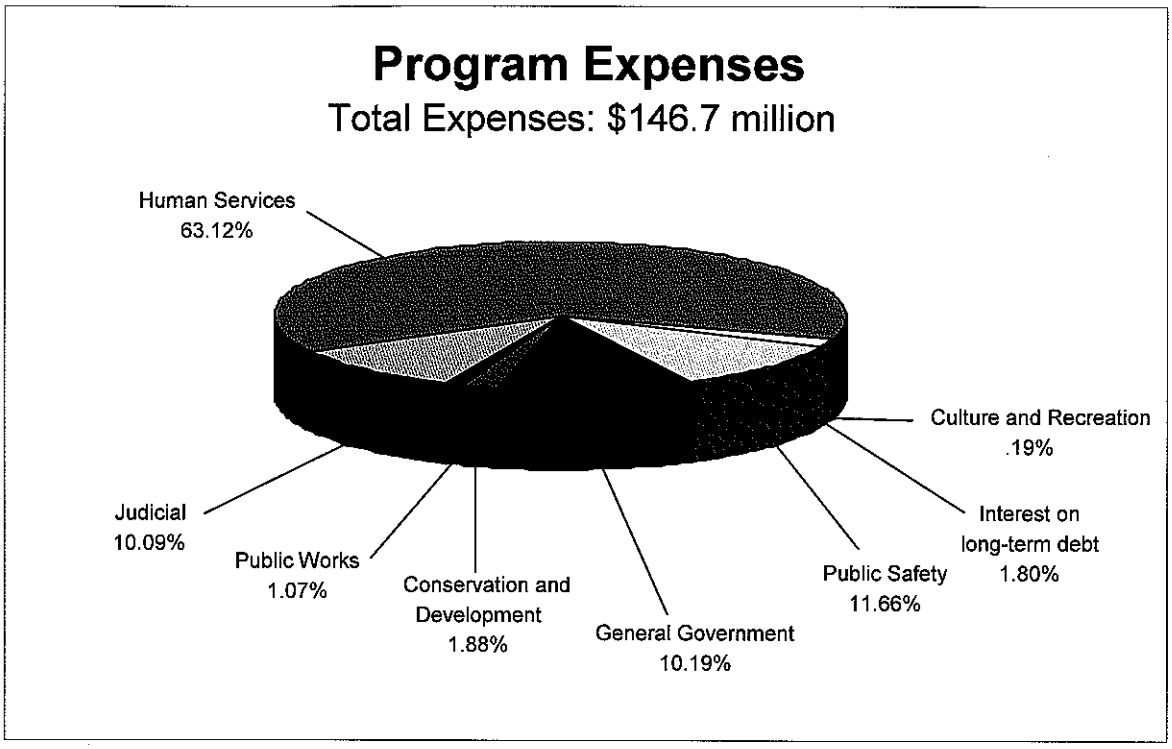
Governmental Activities

The following chart shows the composition of revenues for the year ended December 31, 2009:



Total government-wide revenues of $145.5 million were derived primarily from program-based operating grants, representing 65.98% of the total. Real estate taxes made up the second largest source of revenue at 22.04%.

The following chart graphically depicts the government-wide program expenses for the year ended December 31, 2009:



Net Cost of Government Activities

The following table presents a summary of expenses, program revenues and the net cost of services before taxes, investment earnings, and other income. Total expenses were $146.7 million with a net cost of services of $38.3 million.

Net Cost of Washington County's Governmental Activities
For the Years Ended December 31, 2009 and 2008

	Expenses		Program revenues		Net cost of services	
	2009	2008	2009	2008	2009	2008
General Government	$ 14,951,256	$ 10,765,861	$ 2,817,897	$ 2,875,332	$ 12,133,359	$ 7,890,529
Judicial	14,798,246	16,616,794	6,825,011	6,247,930	7,973,235	10,368,864
Public Safety	17,095,393	14,938,605	1,542,244	1,414,893	15,553,149	13,523,712
Public Works	1,567,194	30,600	2,834,360	3,972,941	(1,267,166)	(3,942,341)
Human Services	92,587,087	100,353,259	94,122,475	101,035,275	(1,535,388)	(682,016)
Culture and Recreation	284,996	2,241,861	151,581	176,883	133,415	2,064,978
Conservation and Development	2,750,386	308,561	52,628	-	2,697,758	308,561
Debt service	2,646,145	2,757,994	-	-	2,646,145	2,757,994
Totals	$ 146,680,703	$ 148,013,535	$ 108,346,196	$ 115,723,254	$ 38,334,507	$ 32,290,281

Financial Analysis of County's Funds

The County uses fund accounting to ensure compliance with finance-related legal requirements.

Governmental Funds

For the year ended December 31, 2009, the County had combined ending fund balances of $22,647,485, a decrease of $547,279 from 2008.

The following funds made up the County's major funds for 2009:

General Fund
Mental Health/Mental Retardation Fund
Health Choices Fund
Debt Service Fund
Human Services

The General Fund is the chief operating fund of the County. Unless otherwise required by statute, contractual agreement, or policy, all County revenues and expenditures are recorded in the General Fund. At the end of 2009, the total General Fund balance was $13,504,372, an increase of $216,864 from 2008. An increase in real estate tax revenues and intergovernmental revenues were the primary causes for the increase in fund balance.

General Fund revenues increased by $1,524,626 during 2009, from $59,024,319 to $60,548,945, while expenditures in the fund increased from $55,517,300 to $57,962,051. Public Safety and pension-related costs were the two largest increases.

The Mental Health/Mental Retardation special revenue fund had a year-end balance of $0. All funds received were expended to provide services to MH/MR clients. Revenues in this fund decreased to $26,875,610 from $34,253,348 and expenditures decreased from $34,623,348 to $27,245,610. The 21% decrease in both categories is a result of the state takeover of mental retardation waiver services.

The Health Choices program was designed to introduce an integrated and coordinated health care delivery system to serve medical assistance recipients requiring medical, psychiatric, and substance abuse services through a capitated, mandatory managed-care program. The Health Choices Fund had a year-end balance of $3,257,810, an increase of $455,436 from 2008.

The Debt Service Fund is used for the payment of long-term debt not associated with the proprietary funds. The year-end fund balance increased by $149,026 to $1,850,534.

The Human Services Fund provides social services to eligible County residents and is funded by state and federal grants. The 2009 fund balance increased by $15,569 to $991,355.

Proprietary Fund

The County maintains two proprietary funds, both Enterprise Funds, to finance the County Health Center and 911 operations. These Enterprise Funds provide the same type of information found in government-wide financial statements, but in greater detail.

Total net assets of the Washington County Health Center at December 31, 2009 were $9,019,178, an increase of $167,575 from 2008. Revenues exceeded expenses for a fourth consecutive year. The occupancy rate was once again over 95% in the 288-bed facility.

Total net assets of Emergency Communication 911 operations were $7,126,602, an increase of $801,848 from 2008. The increase was due to wireless plan revenues received for the purpose of enabling the County to be Phase II compliant. This phase will give the 911 center the ability to track the location of incoming wireless calls.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund Changes in Budget

This section summarizes the major factors involved in the variances in revenue and expenditure budgets. Variances are between the original and final amended budget and the final amended budget and actual General Fund amounts.

The annual budget is adopted in accordance with the County Code of the Commonwealth of Pennsylvania. Budgets are adopted on a departmental basis. During the course of the year, circumstances may occur which require a departmental budget to be increased. The Board of Commissioners, at a public meeting, must approve any adjustment that changes a department's total budget.

Expenditures and Other Financing Uses Variances

At the final meeting of the year, $2,855,000 was allocated to departments anticipated to exceed their original budgets. Of this amount, the largest adjustment was for Juvenile Probation placement costs. The overall variance between the actual expenditures and the final budget was a positive variance of $3,015,383.

Revenue Variances

Variances between actual revenue and budgeted revenue for the year reflected a positive variance in the amount of $3,140,625. This was due to increases in real estate tax collections and intergovernmental revenues.

Capital Assets and Debt Administration

The County's investment in capital assets, net of accumulated depreciation, amounted to $72,469,115 as of December 31, 2009.

Summary of Capital Assets

	Governmental Activities		Business-type Activities		Balances as of December 31	
	2009	2008	2009	2008	2009	2008
Land	$ 4,189,266	$ 4,553,759	$ -	$ -	$ 4,189,266	$ 4,553,759
Buildings and improvements	26,337,418	24,773,836	5,015,340	4,850,495	31,352,758	29,624,331
Furniture, fixtures, and equipment	5,788,746	5,097,869	7,886,728	7,677,832	13,675,474	12,775,701
Infrastructure	21,725,619	20,789,860	-	-	21,725,619	20,789,860
Construction in progress	1,407,075	3,109,314	118,923	32,845	1,525,998	3,142,159
Total	$ 59,448,124	$ 58,324,638	$ 13,020,991	$ 12,561,172	$ 72,469,115	$ 70,885,810

Highlights of amounts expended in 2009 for major capital assets include:

- $828,000 for renovations to County buildings.
- $1,154,000 for an upgrade to the County's 911 system.
- $546,000 for improvements to the County Airport.
- $1,412,000 for improvements to County Bridges.

Long-Term Debt

As of December 31, 2009, the County had outstanding debt of $51,718,495. This was a decrease of $1,403,169 from the previous year.

Outstanding Debt as of December 31, 2009 and 2008

	Governmental Activities		Business-type Activities		Totals	
	2009	2008	2009	2008	2009	2008
General obligation bonds	$ 40,171,218	$ 40,670,979	$ 880,000	$ 1,075,000	$ 41,051,218	$ 41,745,979
Lease rental debt	10,667,277	11,375,685	-	-	10,667,277	11,375,685
Total	$ 50,838,495	$ 52,046,664	$ 880,000	$ 1,075,000	$ 51,718,495	$ 53,121,664

Economic Factors and the 2010 Budget

The real estate tax rate for 2010 was increased by 3.5 mills.

The County's 2010 annual required contribution to the Retirement Fund is $3,581,228.

The $170 million consolidated budget for 2010 represents a 9.9% decrease from 2009.

Contacting the County's Financial Management

This financial report is designed to provide citizens, taxpayers, investors, customers, and creditors with a general overview of Washington County's finances and to demonstrate accountability for the funds it receives. Questions concerning the report or requests for additional information should be directed to:

Washington County Controller's Office
Courthouse Square, Suite 403
100 West Beau Street
Washington, PA 15301

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF NET ASSETS

DECEMBER 31, 2009

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	$ 19,229,864	$ 5,705,773	$ 24,935,637
Residents' and other restricted funds	-	169,755	169,755
Receivables:			
Taxes receivable, net of allowance	2,050,284	-	2,050,284
Internal balances	30,523	(30,523)	-
Due from other governments	12,073,734	2,579,751	14,653,485
Interest and other	2,499,018	1,234,073	3,733,091
Loans receivable	2,422,403	-	2,422,403
Prepaid assets and other	234,515	56,982	291,497
Fixed assets not being depreciated	710,934	118,923	829,857
Fixed assets, net of accumulated depreciation	35,919,930	12,902,068	48,821,998
Infrastructure assets not being depreciated	1,091,641	-	1,091,641
Infrastructure assets, net of accumulated depreciation	21,725,619	-	21,725,619
Deferred bond issue costs	474,584	-	474,584
Total Assets	98,463,049	22,736,802	121,199,851
Liabilities			
Accounts payable	8,983,265	1,199,654	10,182,919
Accrued payroll and related liabilities	1,740,292	1,093,392	2,833,684
Accrued interest payable	522,614	-	522,614
Unearned revenue	1,356,857	1,574,777	2,931,634
Net other post-employment benefits obligation	2,966,095	1,673,444	4,639,539
Residents' and other restricted funds	-	169,755	169,755
Bonds payable:			
Amount due within one year	2,070,000	205,000	2,275,000
Amount due in more than one year	48,768,495	675,000	49,443,495
Net discount on bonds	(5,539)	-	(5,539)
Deferred refunding loss	(1,201,153)	-	(1,201,153)
Net bonds payable	49,631,803	880,000	50,511,803
Total Liabilities	65,200,926	6,591,022	71,791,948
Net Assets			
Invested in capital assets, net of related debt	12,190,694	12,140,991	24,331,685
Restricted for:			
Human services	4,249,165	-	4,249,165
Unrestricted	16,822,264	4,004,789	20,827,053
Total Net Assets	$ 33,262,123	$ 16,145,780	$ 49,407,903

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2009

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Assets: Primary Government: Governmental Activities	Net (Expense) Revenue and Change in Net Assets: Primary Government: Business-type Activities	Net (Expense) Revenue and Change in Net Assets: Primary Government: Total
Primary Government:							
Governmental activities:							
General government - administration	$ 14,951,256	$ 2,745,425	$ -	$ 72,472	$ (12,133,359)	$ -	$ (12,133,359)
General government - judicial	14,798,246	4,680,609	2,144,402	-	(7,973,235)	-	(7,973,235)
Public safety	17,095,393	780,118	762,126	-	(15,553,149)	-	(15,553,149)
Public works and enterprises	1,567,194	231,148	61,208	2,542,004	1,267,166	-	1,267,166
Human services	92,587,087	1,098,047	93,024,428	-	1,535,388	-	1,535,388
Culture and recreation	284,996	55,776	-	95,805	(133,415)	-	(133,415)
Conservation and development	2,750,386	-	-	52,628	(2,697,758)	-	(2,697,758)
Interest on long-term debt	2,646,145	-	-	-	(2,646,145)	-	(2,646,145)
Total governmental activities	146,680,703	9,591,123	95,992,164	2,762,909	(38,334,507)	-	(38,334,507)
Business-type activities:							
Washington County Health Center	24,097,578	24,161,548	-	70,222	-	134,192	134,192
Emergency Communication 911	5,164,041	1,601,378	-	3,535,639	-	(27,024)	(27,024)
Total business-type activities	29,261,619	25,762,926	-	3,605,861	-	107,168	107,168
Total Primary Government	$ 175,942,322	$ 35,354,049	$ 95,992,164	$ 6,368,770	(38,334,507)	107,168	(38,227,339)
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net of uncollectibles					32,064,316	-	32,064,316
Hotel tax					908,214	-	908,214
Interest					227,179	49,755	276,934
Rents and royalties					1,093,193	-	1,093,193
Payments in lieu of taxes					117,770	-	117,770
Reimbursed expenses					1,747,785	-	1,747,785
Miscellaneous					976,576	-	976,576
Transfers					(812,500)	812,500	-
Total general revenues					36,322,533	862,255	37,184,788
Change in Net Assets					(2,011,974)	969,423	(1,042,551)
Net Assets:							
Beginning of year					35,274,097	15,176,357	50,450,454
End of year					$ 33,262,123	$ 16,145,780	$ 49,407,903

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

BALANCE SHEET - GOVERNMENTAL FUNDS

DECEMBER 31, 2009

	General	Health Choices	Mental Health/ Mental Retardation	Human Services	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 7,662,035	$ 3,621,839	$ 1,701,263	$ 907,097	$ 1,769,695	$ 3,567,935	$ 19,229,864
Receivables:							
Taxes receivable, net of allowance	1,853,876	-	-	-	196,408	-	2,050,284
Due from other governments	8,212,695	-	350,672	2,048,902	75,000	709,360	11,396,629
Interest and other	1,469,735	503,808	304,301	100	-	221,074	2,499,018
Loans receivable	-	-	-	-	2,422,403	-	2,422,403
Total receivables	11,536,306	503,808	654,973	2,049,002	2,693,811	930,434	18,368,334
Due from other funds	715,027	-	-	-	-	69,622	784,649
Prepaids and other	234,220	-	-	-	-	295	234,515
Interfund advances receivable	493,623	-	-	-	-	-	493,623
Total Assets	$ 20,641,211	$ 4,125,647	$ 2,356,236	$ 2,956,099	$ 4,463,506	$ 4,568,286	$ 39,110,985
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	$ 3,570,631	$ 867,837	$ 1,699,592	$ 1,950,451	$ -	$ 894,754	$ 8,983,265
Accrued payroll and related liabilities	1,559,609	-	37,369	13,722	-	129,592	1,740,292
Deferred revenue	1,936,977	-	619,275	-	2,612,972	75	5,169,299
Due to other funds	69,622	-	-	571	-	6,828	77,021
Advances due to other funds	-	-	-	-	-	493,623	493,623
Total Liabilities	7,136,839	867,837	2,356,236	1,964,744	2,612,972	1,524,872	16,463,500
Fund Balance:							
Reserved for:							
Encumbrances	53,015	-	-	-	-	170,684	223,699
Prepaids	234,220	-	-	-	-	295	234,515
Capital projects	-	-	-	-	-	2,209,196	2,209,196
Debt service	-	-	-	-	1,850,534	-	1,850,534
Advances	493,623	-	-	-	-	-	493,623
Human services	-	3,257,810	-	991,355	-	-	4,249,165
Unreserved, reported in:							
General Fund	12,723,514	-	-	-	-	-	12,723,514
Special Revenue Funds	-	-	-	-	-	663,239	663,239
Total Fund Balance	13,504,372	3,257,810	-	991,355	1,850,534	3,043,414	22,647,485
Total Liabilities and Fund Balance	$ 20,641,211	$ 4,125,647	$ 2,356,236	$ 2,956,099	$ 4,463,506	$ 4,568,286	$ 39,110,985

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS

DECEMBER 31, 2009

Total Fund Balance - Governmental Funds		$ 22,647,485
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets including infrastructure is $93,126,021 and the accumulated depreciation is $33,677,897.		59,448,124
Property taxes receivable will be collected next year but are not considered available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.		1,989,349
Amounts loaned that will be collected in future years but are not considered available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.		2,422,403
Government funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of net assets.		1,681,276
Government funds report the effect of proceeds received from a swaption contract when the swaption occurred, net of any swaption related expenses, whereas these amounts are deferred in the statement of net assets.		(599,310)
Long-term liabilities, including bonds payable, accrued interest, and net post-employment benefits obligation, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds payable	$ (50,838,495)	
Accrued interest on bonds	(522,614)	
Net post-employment benefits obligation	(2,966,095)	(54,327,204)
Total Net Assets - Governmental Activities		$ 33,262,123

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2009

	General	Health Choices	Mental Health/ Mental Retardation	Human Services	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	$ 29,054,141	$ -	$ -	$ -	$ 2,940,660	$ -	$ 31,994,801
Intergovernmental	19,807,290	34,859,449	25,951,898	14,050,803	-	4,705,589	99,375,029
Charges for services	8,786,503	-	883,207	-	-	398,000	10,067,710
Fines and forfeits	112,164	-	-	-	-	-	112,164
Interest	123,605	43,845	29,224	7,699	9,255	33,851	247,479
Other	2,665,242	-	11,281	7,870	554,965	371,581	3,610,939
Total revenues	60,548,945	34,903,294	26,875,610	14,066,372	3,504,880	5,509,021	145,408,122
Expenditures:							
Current:							
General government - administration	9,786,758	-	-	-	-	-	9,786,758
General government - judicial	10,427,542	-	-	-	-	2,562,234	12,989,776
Public safety	14,988,727	-	-	-	-	81,556	15,070,283
Public works and enterprises	-	-	-	-	-	2,307,566	2,307,566
Human services	16,513,528	34,447,858	27,245,610	14,050,803	-	-	92,257,799
Culture and recreation	193,555	-	-	-	-	-	193,555
Conservation and development	315,508	-	-	-	-	-	315,508
Other	5,736,433	-	-	-	-	-	5,736,433
Debt service:							
Principal	-	-	-	-	2,010,000	-	2,010,000
Interest and fiscal charges	-	-	-	-	1,742,025	-	1,742,025
Capital projects	-	-	-	-	-	2,981,722	2,981,722
Total expenditures	57,962,051	34,447,858	27,245,610	14,050,803	3,752,025	7,933,078	145,391,425
Excess (Deficiency) of Revenues Over Expenditures	2,586,894	455,436	(370,000)	15,569	(247,145)	(2,424,057)	16,697
Other Financing Sources (Uses):							
Sale of capital assets	3,592	-	-	-	-	-	3,592
Real estate refunds	(151,239)	-	-	-	-	-	(151,239)
Loan repayment	-	-	-	-	396,171	-	396,171
Operating transfers in	160,117	-	370,000	-	-	1,200,919	1,731,036
Operating transfers out	(2,382,500)	-	-	-	-	(161,036)	(2,543,536)
Total other financing sources (uses)	(2,370,030)	-	370,000	-	396,171	1,039,883	(563,976)
Net Change in Fund Balance	216,864	455,436	-	15,569	149,026	(1,384,174)	(547,279)
Fund Balance:							
Beginning of year	13,287,508	2,802,374	-	975,786	1,701,508	4,427,588	23,194,764
End of year	$ 13,504,372	$ 3,257,810	$ -	$ 991,355	$ 1,850,534	$ 3,043,414	$ 22,647,485

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2009

Net Change in Fund Balance - Governmental Funds		$ (547,279)
Amounts reported for governmental activities in the statement of activities are different because:		
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 as depreciation expense.		
Capital outlays (net of deletions)	$ 3,904,088	
Less: Depreciation expense	(2,780,602)	1,123,486
Some taxes will not be collected for several months after the County of Washington's year-end, they are not considered as "available" revenues in the governmental funds. Deferred revenues increased by this amount during the year.		69,515
Loan repayments that will be collected in future years and, therefore, are not considered as "available" revenues in the governmental funds. Deferred revenues decreased by this amount during the year.		(396,171)
The issuance of long-term obligations (e.g., bonds, leases, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.		1,100,947
Adjustment of accounting for prior year loan pool payments.		(2,434,878)
Amounts to fund post-employment benefits are not due and payable in the current period and, therefore, are not reported in the funds.		(932,527)
Interest on long-term obligations in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The change in accrued interest is shown here.		4,933
Change in Net Assets of Governmental Activities		$ (2,011,974)

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Taxes	$ 28,197,528	$ 28,197,528	$ 29,054,141	$ 856,613
Intergovernmental	19,263,092	19,263,092	19,807,290	544,198
Charges for services	7,118,500	7,118,500	8,786,503	1,668,003
Fines and forfeits	120,000	120,000	112,164	(7,836)
Interest	500,000	500,000	123,605	(376,395)
Other	2,209,200	2,209,200	2,665,242	456,042
Total revenues	57,408,320	57,408,320	60,548,945	3,140,625
Expenditures:				
Current:				
General government - administration	10,405,453	10,460,453	9,786,758	673,695
General government - judicial	10,762,811	10,772,811	10,427,542	345,269
Public safety	14,112,071	15,462,071	14,988,727	473,344
Human services	17,669,882	18,069,882	16,513,528	1,556,354
Culture and recreation	193,705	193,705	193,555	150
Conservation and development	318,512	318,512	315,508	3,004
Other	5,060,000	5,700,000	5,736,433	(36,433)
Total expenditures	58,522,434	60,977,434	57,962,051	3,015,383
Excess (Deficiency) of Revenues Over Expenditures	(1,114,114)	(3,569,114)	2,586,894	6,156,008
Other Financing Sources (Uses):				
Sale of capital assets	6,000	6,000	3,592	(2,408)
Real estate refunds	(200,000)	(200,000)	(151,239)	48,761
Operating transfers in	-	-	160,117	160,117
Operating transfers out	(2,570,000)	(2,570,000)	(2,382,500)	187,500
Total other financing sources (uses)	(2,764,000)	(2,764,000)	(2,370,030)	393,970
Net Change in Fund Balance	$ (3,878,114)	$ (6,333,114)	$ 216,864	$ 6,549,978

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL HEALTH CHOICES SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance With Final Budget
Revenues:			
Intergovernmental:			
State grant	$ 32,200,000	$ 33,602,973	$ 1,402,973
Reinvestment	800,000	1,256,476	456,476
Interest	71,000	43,845	(27,155)
Total revenues	33,071,000	34,903,294	1,832,294
Expenditures:			
Human services	34,325,097	34,447,858	(122,761)
Excess (Deficiency) of Revenues Over Expenditures	$ (1,254,097)	$ 455,436	$ 1,709,533

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL MENTAL HEALTH/MENTAL RETARDATION SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance
Revenues:			
Intergovernmental	$ 33,953,400	$ 25,951,898	$ (8,001,502)
Charges for services	1,506,000	883,207	(622,793)
Interest	230,000	29,224	(200,776)
Other	-	11,281	11,281
Total revenues	35,689,400	26,875,610	(8,813,790)
Expenditures:			
Human services	36,070,395	27,245,610	8,824,785
Excess (Deficiency) of Revenues Over Expenditures	(380,995)	(370,000)	10,995
Other Financing Source:			
Operating transfer in	370,000	370,000	-
Net Change in Fund Balance	$ (10,995)	$ -	$ 10,995

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL HUMAN SERVICES SPECIAL REVENUE FUND

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance
Revenues:			
Intergovernmental:			
Federal grant - CCIS daycare	$ 4,986,333	$ 4,966,501	$ (19,832)
Federal grants - other human services	2,425,542	3,337,406	911,864
State grants - transportation	1,830,401	1,850,855	20,454
State grant - HSDF	588,449	556,507	(31,942)
State grant - CCIS daycare	2,928,482	2,921,623	(6,859)
State grants - other human services	587,499	417,911	(169,588)
Total intergovernmental	13,346,706	14,050,803	704,097
Interest	41,000	7,699	(33,301)
Other	15,000	7,870	(7,130)
Total revenues	13,402,706	14,066,372	663,666
Expenditures:			
Human services:			
CCIS daycare	7,914,815	7,899,658	15,157
Transportation	3,453,587	3,382,848	70,739
HSDF	588,449	553,355	35,094
Other	1,394,855	2,214,942	(820,087)
Total expenditures	13,351,706	14,050,803	(699,097)
Excess (Deficiency) of Revenues Over Expenditures	$ 51,000	$ 15,569	$ (35,431)

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance
Revenues:			
Taxes	$ 2,844,182	$ 2,940,660	$ 96,478
Interest	40,000	9,255	(30,745)
Other	726,445	554,965	(171,480)
Total revenues	3,610,627	3,504,880	(105,747)
Expenditures:			
Debt service:			
Principal retirement	2,205,000	2,010,000	195,000
Interest and fiscal charges	1,795,716	1,742,025	53,691
Total expenditures	4,000,716	3,752,025	248,691
Excess (Deficiency) of Revenues Over Expenditures	(390,089)	(247,145)	142,944
Other Financing Sources (Uses):			
Loan repayment	250,000	396,171	146,171
Total other financing sources (uses)	250,000	396,171	146,171
Net Change in Fund Balance	$ (140,089)	$ 149,026	$ 289,115

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS

DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds		
	Washington County Health Center	Emergency Communication 911	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 4,522,848	$ 1,182,925	$ 5,705,773
Residents' and other restricted funds	169,755	-	169,755
Receivables due from other funds	8,812	-	8,812
Receivables due from other governments	2,579,751	-	2,579,751
Receivables - interest and other	1,071,987	162,086	1,234,073
Prepaid assets and other	56,005	977	56,982
Total current assets	8,409,158	1,345,988	9,755,146
Fixed assets not being depreciated	118,923	-	118,923
Fixed assets, net of accumulated depreciation	6,346,355	6,555,713	12,902,068
Total Assets	14,874,436	7,901,701	22,776,137
Liabilities			
Current liabilities:			
Accounts payable	1,187,610	12,044	1,199,654
Accrued payroll and related liabilities	972,719	120,673	1,093,392
Due to other funds	37,940	1,395	39,335
Deferred revenue	1,129,778	444,999	1,574,777
Residents' and other restricted funds	169,755	-	169,755
Current portion of long-term debt	205,000	-	205,000
Total current liabilities	3,702,802	579,111	4,281,913
Long-term liabilities:			
Net other post-employment benefits obligation	1,477,456	195,988	1,673,444
Long-term debt	675,000	-	675,000
Total long-term liabilities	2,152,456	195,988	2,348,444
Total Liabilities	5,855,258	775,099	6,630,357
Net Assets			
Invested in capital assets, net of related debt	5,585,278	6,555,713	12,140,991
Unrestricted	3,433,900	570,889	4,004,789
Total Net Assets	$ 9,019,178	$ 7,126,602	$ 16,145,780

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds		
	Washington County Health Center	Emergency Communication 911	Total
Operating Revenues:			
Charges for services and fees	$ 24,161,548	$ 1,601,378	$ 25,762,926
Operating Expenses:			
Patient/client services	23,532,784	-	23,532,784
Public safety	-	2,404,073	2,404,073
Depreciation	515,304	1,113,563	1,628,867
Total operating expenses	24,048,088	3,517,636	27,565,724
Operating Income (Loss)	113,460	(1,916,258)	(1,802,798)
Non-Operating Revenues (Expenses):			
Wireless 911 grant revenue	-	2,948,656	2,948,656
Wireless 911 grant expenses	-	(1,646,405)	(1,646,405)
State grant revenue	70,222	-	70,222
Interest expense	(48,481)	-	(48,481)
Interest income	33,383	16,372	49,755
Loss on disposal of fixed assets	(1,009)	-	(1,009)
Total non-operating revenues (expenses)	54,115	1,318,623	1,372,738
Income (Loss) Before Fund Transfers	167,575	(597,635)	(430,060)
Capital contributions	-	586,983	586,983
Fund transfers in	520,000	812,500	1,332,500
Fund transfers out	(520,000)	-	(520,000)
Change in Net Assets	167,575	801,848	969,423
Net Assets:			
Beginning of year	8,851,603	6,324,754	15,176,357
End of year	$ 9,019,178	$ 7,126,602	$ 16,145,780

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds		
	Washington County Health Center	Emergency Communication 911	Total
Cash Flows From Operating Activities:			
Cash received from customers	$ 24,384,510	$ 1,578,110	$ 25,962,620
Cash payments for patient and client services	(22,800,724)	(2,661,645)	(25,462,369)
Net cash provided by (used in) operating activities	1,583,786	(1,083,535)	500,251
Cash Flows From Capital and Related Financing Activities:			
Purchases of fixed assets	(740,200)	(762,512)	(1,502,712)
Payments for wireless expenses and capital purchases	-	(1,646,405)	(1,646,405)
Grant revenue	-	601,270	601,270
Interest payments on bonds	(48,481)	-	(48,481)
Principal payments on bonds	(195,000)	-	(195,000)
Net cash provided by (used in) capital and related financing activities	(983,681)	(1,807,647)	(2,791,328)
Cash Flows From Non-Capital Financing Activities:			
Operating transfers in	520,000	812,500	1,332,500
Operating transfers out	(520,000)	-	(520,000)
Net cash provided by (used in) non-capital financing activities	-	812,500	812,500
Cash Flows From Investing Activities:			
Interest received on investments	33,383	16,372	49,755
Net cash provided by (used in) investing activities	33,383	16,372	49,755
Net Increase (Decrease) in Cash and Cash Equivalents	633,488	(2,062,310)	(1,428,822)
Cash and Cash Equivalents:			
Beginning of year	3,889,360	3,245,235	7,134,595
End of year	$ 4,522,848	$ 1,182,925	$ 5,705,773
Cash Flows From Operating Activities:			
Operating income (loss)	$ 113,460	$ (1,916,258)	$ (1,802,798)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and net amortization	515,304	1,113,563	1,628,867
Change in:			
Accounts receivable	(151,972)	(23,268)	(175,240)
Due from other governments	375,462	-	375,462
Other current assets	(10,050)	(58)	(10,108)
Accounts payable	284,250	(328,495)	(44,245)
Due from other funds	(528)	-	(528)
Due to other funds	(45,211)	(1,829)	(47,040)
Net other post-employment benefits obligation	463,059	61,032	524,091
Accrued salaries/benefits	40,012	11,778	51,790
Net cash provided by (used in) operating activities	$ 1,583,786	$ (1,083,535)	$ 500,251
Non-Cash Investing, Capital, and Financing Activities:			
Contributions of capital assets	$ -	$ 586,983	$ 586,983

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

DECEMBER 31, 2009

	Pension Trust Fund	Agency Funds
Assets		
Cash and cash equivalents	$ 3,047,280	$ 8,515,651
Investments (at fair value):		
U.S. government and related obligations	13,778,908	-
Common stock and other	61,681,295	-
Corporate debt	8,415,293	-
Mortgage and other asset-backed securities	796,405	-
Receivables:		
Interest	251,077	-
Total Assets	87,970,258	8,515,651
Liabilities		
Accounts payable	82,516	-
Due to other funds	-	677,105
Due to other governments	-	1,614,236
Escrow liability	-	6,224,310
Total Liabilities	82,516	8,515,651
Net Assets Held in Trust for Pension Benefits	$ 87,887,742	$ -

The notes to the primary government financial statements are an integral part of this statement.

COUNTY OF WASHINGTON, PENNSYLVANIA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2009

Additions:		
Contributions:		
Employer	$	2,407,359
Employee		2,895,080
Total contributions		5,302,439
Investment income (loss):		
Net appreciation in fair value of investments		14,273,334
Interest and dividends		1,844,981
		16,118,315
Investment expense		(415,440)
Net investment income (loss)		15,702,875
Total additions		21,005,314
Deductions:		
Benefits		4,364,626
Refunds of contributions		794,920
Administrative expense		2,055
Total deductions		5,161,601
Change in Plan Net Assets		15,843,713
Fund Balance - Reserved for Employees' Pension Benefits (Plan Net Assets):		
Beginning of year		72,044,029
End of year	$	87,887,742

The notes to the primary government financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Washington (County), a fourth class County, originally founded in 1781, is located in western Pennsylvania, to the south of the City of Pittsburgh. The County, operating under an elected three-member Board of Commissioners (Commissioners), provides services in many areas to its residents, including various general government, public safety, and health and welfare services.

The primary government financial statements (financial statements) of the County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

A. Reporting Entity

The reporting entity for the County includes the accounts of all County operations, including administrative and judicial government, corrections, and health and welfare. These financial statements include the Primary Government (the County, a general purpose local government, and all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from the County) and do not reflect all component units that meet the criteria for inclusion under GASB Statement No. 39, *"Determining Whether Certain Organizations Are Component Units."*

Consistent with applicable guidance, the criteria used by the County to evaluate the inclusion of potential component units within its reporting entity are financial accountability and the nature and significance of the relationship. The County is financially accountable for:

1. Organizations that make up the legal County entity.

2. Legally separate organizations if the Commission appoints 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.

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

b. Financial Benefit or Burden - Exists if the County (1) is entitled to the organization's resources, (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 approval by the County.

Component Units:

The following separately administered organizations meet the criteria for inclusion in the County's reporting entity. However, as described in Note 1, these financial statements include only the primary government.

Washington County Authority

The Authority was created, pursuant to the Municipality Authorities Act of 1945, primarily as a financing vehicle for County projects. The Authority's officers are appointed by the Commissioners. Debt issued by the Authority on behalf of the County is subject to guarantee by the County. Payments equal to related debt service are made by the County under the terms of a lease agreement. Separately issued audited financial statements of the Authority's Administrative Fund are available through the Authority's administrative offices.

Washington County Tourist Promotion Agency

The Washington County Tourist Promotion Agency (Agency) was designed to stimulate and increase the volume of tourism within the County. The Agency's Board is appointed by the Commissioners. The Agency operates autonomously from the County and is responsible for the designation of management. Debt issued by the Agency on behalf of the County is subject to guarantee by the County. Separately issued financial statements are available through the Agency's administrative offices.

Related Organizations:

Following are organizations that have the majority of their governing board appointed by the Commissioners, without the County being financially accountable for the organization:

Washington County Housing Authority

The Washington County Housing Authority (Housing County) administers HUD's Section 8 housing program for the County and is funded through federal grants. The Housing Authority's Board is appointed by the County and operates independently of any ongoing involvement of the Commissioners. The Commissioners must approve the concept of any major capital expansion project, but are not financially accountable for the Housing Authority.

Washington County Industrial Development Authority

The Washington County Industrial Development Authority (IDA) issues low interest, tax-exempt bonds and uses the proceeds to finance projects intended to stimulate economic growth in the County. The IDA's Board is appointed by the County and the IDA operates independently of any ongoing involvement of the County. The Commissioners must approve the concept of any major bond issue of the IDA but only in relation to the benefit to the County of the projects that will be funded through the debt proceeds. The County has no legal responsibility for IDA debt.

Washington County Redevelopment Authority

The Washington County Redevelopment Authority (RDA) administers state and federal grant programs intended to stimulate urban revitalization and growth in the County. The RDA's Board is appointed by the County and the RDA operates independently of any ongoing involvement of the County except that the County is a contractual recipient of federal financial assistance under agreements with the U.S. Department of Housing and Urban Development (HUD). The County has authorized HUD to transmit funds under these programs directly to the RDA. HUD recognizes RDA as the representative agency with program oversight responsibility. These transactions do not meet the criteria for inclusion in the County's financial statements.

Washington County Hospital Authority

The Washington County Hospital Authority (Hospital Authority) issues low interest, tax-exempt bonds to enable capital financing for hospitals and nursing homes. The five members of the Hospital Authority's Board are appointed by the County. The Hospital Authority operates independently of any ongoing involvement of the County. The Commissioners must approve the concept of any major project of the Hospital Authority, but are not

financially accountable for the Hospital Authority. The County has no legal responsibility for Hospital Authority debt.

Washington County Conservation District

The Washington County Conservation District (Conservation District), whose Board is appointed by the County, provides services and programs intended to address the conservation of the County's natural resources. The Conservation District operates independently of any ongoing involvement of the County.

Washington County Drug and Alcohol Program - Single County

The Washington County Drug and Alcohol Program - Single County (D&A Program) was established to provide treatment services through federal and state funded programs to eligible residents of the County. The D&A Program Board of Directors is comprised of eleven members. The County does not exercise significant control over the D&A Program, and the D&A Program is independent of the County regarding fiscal accountability, scope of public service, and financial assistance program relationships.

Washington/Greene County Job Training Agency

The Washington/Greene County Job Training Agency (Training Agency) was established as a separate non-profit entity as of September 1, 1995 to provide job-training services through federal and state funded programs to eligible residents of Washington and Greene Counties. The Training Agency's Board of Directors is comprised of seventeen members, all of whom are subject to final approval prior to appointment, by the Commissioners of the participating counties. No one County exercises significant control over the Training Agency and the Training Agency is independent of the counties regarding fiscal accountability, scope of public service, and financial assistance program relationships. The Training Agency remains independent of the County.

Washington County Fair Board

The Washington County Fair Board (Fair Board) is an eleven-member Board elected from the general membership of the Washington County Agriculture Fair, Inc. The Fair Board manages the annual agriculture fair as well as the maintenance and upkeep of the grounds and facilities under a lease agreement with the County.

Southwest Behavioral Health Management, Inc.

Southwest Behavioral Health Management, Inc. (SBHM) is a private, non-profit corporation incorporated for the purpose of monitoring the behavioral health services of the Health Choices program. SBHM operates primarily under funding administered through six counties, one of which being the County, that jointly formed the corporation.

Washington County Transportation Authority

The Washington County Transportation Authority (Transportation Authority) was created in November 2001, pursuant to the Municipality Authorities Act of 1945, to oversee County transportation operations. The Authority assumed responsibility for services previously provided by the Human Services Authority and the County. The Transportation Authority's Board is appointed by the Commissioners and one commissioner serves as an advisory member of the Board. The Transportation Authority's Board operates autonomously from the County and is responsible for the designation of management.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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. Expenses reported for functional activities include allocated indirect expenses.

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 governmental 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 related cash flows. Property taxes are recognized as revenues in the year for which they are levied to the extent collectible. Grants and similar items are recognized as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the current financial resources 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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Property taxes are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as soon as all eligibility requirements imposed by the grantor have been met. All other revenue items are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments are recorded only when payment is due.

The Washington County Health Center patient revenue is reported at the estimated net realizable amounts from the residents and third-party payers. Revenue under third-party payer agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payer settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued and ultimate final settlements are reported as adjustments become known.

The accounts of the County are organized on the basis of funds. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity.

The County reports the following major governmental funds:

The *General Fund* is the principal operating fund of the County, which is used to account for all financial transactions except those required to be accounted for in other funds.

The *Health Choices Fund* accounts for expenditures and reimbursement of Commonwealth of Pennsylvania Medical Assistance revenue related to the provision of a mandatory Behavioral Managed Care Program.

The *Mental Health/Mental Retardation Fund* accounts for expenditures and reimbursement of revenue related to providing treatment services to individuals who suffer from mental disabilities.

The *Human Services Fund* accounts for the provision of various social services to eligible County residents. These services are funded by various federal and state grants.

The *Debt Service Fund* accounts for the servicing of general long-term debt not being financed by proprietary funds.

The County reports the following major proprietary funds:

The *Washington County Health Center* operations, which are conducted on a fee-for-service basis in a manner similar to commercial enterprises, are accounted for as an Enterprise Fund. The County's intent is that the costs (expenses, including depreciation) of services to the general public be recovered primarily through user charges or cost reimbursement plans.

The *Emergency Communication 911 Fund*, an Enterprise Fund, accounts for the operations of the County's emergency communication system, which is funded by phone user charges, County contributions, and State reimbursement for wireless expenses.

The County also reports the following other governmental funds:

Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special Revenue Funds utilized to account for those financial activities include:

- The *Airport Operating Fund* accounts for the operation of the County Airport.

- The *Liquid Fuels Fund* accounts for state aid revenues used for building and improving roads and bridges.

- The *Hazardous Materials Emergency Response Fund* accounts for funds earmarked for the handling of emergency situations involving hazardous materials.

- The *Domestic Relations Fund* accounts for expenditures and reimbursement of revenue related to the operation of the County's child support enforcement program, which is funded by Federal and County funds.

Capital Projects Funds

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. Capital Projects Funds utilized by the County include:

- The *Airport Capital Projects Fund* accounts for construction and renovation projects to the County Airport.

- The *Capital Expenditures Fund* accounts for capital projects funded by the County's General Fund and bond proceeds.

Additionally, the County reports the following fund types:

Trust and Agency Funds

Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. These include the Employees' Retirement Fund and Agency Funds.

The *Employees' Retirement Fund* is used to account for the pension plan for County employees. The fund is a Pension Trust Fund and is accounted for in essentially the same manner as a proprietary fund, since capital maintenance is critical.

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 (Recorder of Deeds, Register of Wills, Prothonotary, Clerk of Courts, and Sheriff) and

other County offices that are subsequently disbursed to the County General Fund, other governments, or individuals for whom it was collected.

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 GASB. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

D. Revenue Classification on Government-Wide Statement of Activities

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 as program revenues. Likewise, general revenues include real estate taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Washington County Health Center Enterprise Fund is patient charges and the Emergency Communications 911 Enterprise Fund is funded from charges to customers for services and State grants. Operating expenses for the Enterprise Funds include 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.

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

E. Deposits and Investments

For the purposes of the statement of cash flows, the County'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.

Investments are stated at fair value.

F. Interfund Transactions

Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. Non-current portions of long-term interfund loans receivable (reported as "Interfund advances receivable" in the General Fund) are equally offset by a fund balance reserve account, which indicates that they do not constitute "available spendable resources" because they are not a component of net current assets.

G. Prepaid Items

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

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. These costs are charged to operations when incurred.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	5 - 50 years
Buildings and improvements	10 - 40 years
Infrastructure (bridges)	60 years
Infrastructure (other)	50 years
Furniture and equipment	5 - 20 years

Inventories, principally supplies, are accounted for as expenditures when purchased. The amount of inventory at December 31, 2009 is not significant.

I. Long-Term Liabilities

In the government-wide statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as a well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. With the implementation of GASB Statement No. 34, *"Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,"* costs prior to January 1, 2003 have not been included in the County's statement of net assets as there was no requirement to account for them retroactively, only prospectively.

In accordance with GASB Statement No. 23, *"Accounting and Reporting for Refunding of Debt for Proprietary Activities,"* the excess of the reacquisition price over the net carrying amount of refunded debt is recorded as a reduction to long-term debt on the statement of net assets and amortized over the shorter of the term of the refunding issue or refunded bonds.

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

J. Compensated Absences

Accumulated unpaid vacation pay is generally earned in the year prior to use. The amount of accumulated vacation expected to be paid within twelve months is recorded as a fund liability. The County converts unpaid accumulated sick leave to a termination benefit provided certain restrictive criteria are met. The ultimate amounts to be paid have not been determined; however, such payments have been, and are expected to continue to be, immaterial. Accordingly, no liability for accumulated sick leave has been recorded.

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Reserved

Reserved is used to denote that portion of fund balance that is not available for expenditure appropriation or is legally segregated for a specific purpose.

Unreserved

Unreserved is used to denote that portion of the fund balance that is available for appropriation.

L. Net Assets

The government-wide and proprietary fund financial statements are required to report three components of net assets:

- Invested in capital assets, net of related debt - This component of net assets consists of capital assets net of accumulated depreciation and is reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted - This component of net assets consists of constraints placed on net asset use through external restrictions.

- Unrestricted - This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

M. Budgets and Budgetary Accounting

Formal budgetary accounting is employed as a management control for all governmental funds of the County. The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During August and September, the department/agency management uses current financial status reports to develop financial projections for their programs for the ensuing year, which are then reviewed with the budget staff.

2. The Commissioners then review the submitted budgets with management.

3. Upon consolidation of the department and agency expenditure projections, the Commissioners ascertain the most viable financing method.

4. Subsequently, the finance department assembles the preliminary projections of revenues and expenditures into a final budget incorporating any revisions or adjustments resulting from the aforementioned Commissioners' review.

5. By early December, the final budget is presented to the Commissioners. Pursuant to budgetary requirements as set forth in the County Code, public notice is given that the final budget is available for inspection for a period of 20 days.

6. After the 20-day inspection period, but no later than December 31, the Commissioners adopt the final budget by enacting an appropriate resolution.

The Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand or estimated to be received within the fiscal year and not otherwise appropriated, including the proceeds of any borrowing now or hereafter authorized by law. The Commissioners may authorize the transfer of any unencumbered balance of any appropriation item or any portion thereof. The legal level of required Commissioner approval of budget amendments is the individual fund level. The Commissioners made several supplementary budgetary appropriations throughout the year. These budget changes are reflected in the applicable budget to actual statements in the final budget amounts.

The Health Choices Special Revenue, Human Services Special Revenue, and Airport Operating Special Revenue incurred actual expenditures that exceeded budgeted appropriations. The excess appropriations were funded primarily by surplus revenue and then by available fund balance.

N. Encumbrance Accounting

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

O. Health Choices Reinvestment Reserves

In accordance with Department of Public Welfare (DPW) regulations, capitation revenues in excess of distributions and expenses may be used for reinvestment planning or risk and contingency. These funds must be segregated from other capitation funds and each kept in a separate account. The balance in the reinvestment account at December 31, 2009 is $1,495,497. The balance in the Risk and Contingency account at December 31, 2009 is $1,700,141.

P. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ than those estimates.

Q. Pending Pronouncements

In June 2008, GASB issued Statement No. 53, *"Accounting and Financial Reporting for Derivative Instruments."* This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. This Statement is intended to improve how state and local governments report information about derivative instruments - financial arrangements used by governments to manage specific risks or make investments - in their financial statements. The Statement specifically requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the accrual basis of accounting. The guidance in this Statement also addresses hedge accounting requirements and will be effective for the County's financial statements for the year ended December 31, 2010. The effect of implementation of this statement has not yet been determined.

The GASB has issued Statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions."* This Statement will be effective for financial statement periods beginning after June 15, 2010 (the County's 2011 calendar year). The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The current fund balance classifications of reserved, unreserved, and designated will be

replaced with five new classifications, of nonspendable, restricted, committed, assigned, and unassigned. Management of the County will consider the impact these changes will have on its funds and fund balance classifications. Certain classifications are dependent on formal action by the Board prior to the end of the year of implementation.

R. Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

2. DEPOSITS AND INVESTMENTS

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for investment purposes.

In addition to the investments authorized for governmental funds, fiduciary fund investments may also be made in corporate stocks and bonds, real estate, and other investments consistent with sound business practice.

The deposit and investment policy of the County adheres to state statutes and prudent business practice. Deposits of the governmental funds are either maintained in demand deposits, savings accounts, and/or certificates of deposit. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the County.

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

Custodial Credit Risk - For a deposit, custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2009, $1,303,098 of the County's $21,117,091 bank balance was insured by the Federal Deposit Insurance Corporation. The remaining bank balance of $19,813,993 was exposed to custodial credit 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. These deposits have carrying amounts of $17,328,851 as of December 31, 2009 and are classified as cash and cash equivalents in the statement of net assets.

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 its investments or collateral securities that are in the possession of an outside entity. The County does not have a formal investment policy for custodial credit risk.

The County's cash equivalent investments are held with state investment pools (PLGIT and INVEST). The fair value of the County's position in the external investment pools is the same as the value of the pool shares. The underlying securities in these pools are held by either the counterparty or its custodial agent in a nominee name for the pool. These investments are not evidenced by specific securities relating to the County's shares or units in the pool. All investments in PLGIT and INVEST, which are not SEC-registered, are subject to oversight by the Commonwealth of Pennsylvania. As of December 31, 2009, the bank balances of the investments in PLGIT and INVEST are $6,282,960 and $153,650, respectively. The carrying value of the investments in PLGIT and INVEST of $6,282,961 and $153,725, respectively, is considered to be a cash equivalent for presentation on the statement of net assets and governmental fund balance sheet.

In addition, included in cash and cash equivalents, the County also has money market investments with a carrying amount of $1,170,100 which are invested in short term U.S. treasury instruments and government agencies. The bank balance of the investments in money market funds is $1,170,096, which was exposed to custodial credit risk.

Credit risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations 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. As of December 31, 2009, the County's investments in PLGIT and INVEST have received an AAAm rating from Standard & Poor's.

Interest Rate Risk - The County has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments in PLGIT and INVEST have an average maturity of less than one year.

Agency Funds

The County maintains bank accounts for the elected row officers and other County offices. The balance of these accounts is reflected in the statement of fiduciary net assets. Receipts and disbursements for these programs were $58,689,822 and $55,489,796, respectively, for the year December 31, 2009. The carrying amount of deposits for the row offices and other County offices was $8,515,651 and the bank balance was $8,705,321. Of the bank balance, $446,902 was covered by federal depository insurance. The remaining balance of $8,258,419 was collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and has the collateral held by an approved custodian in the institution's name.

Pension Trust Fund

The Pension Trust Funds' investments are held separately from those of other County Funds. Investments were consistent with those authorized.

As of December 31, 2009, the County had the following cash and investments in its Pension Trust Funds:

Cash or Investment Type	Fair Market Value	Investment Maturities from December 31, 2009: Less than 1 year	1-5 Years	6-10 Years	11-15 Years	16 or more Years
U.S. government and related obligations	$ 13,778,908	$ -	$ 7,023,502	$ 3,682,970	$ 1,458,764	$ 1,613,672
Corporate debt	8,415,293	-	4,231,184	3,807,081	377,028	-
Mortgage and other asset-backed securities	796,405	-	229,066	139,540	172,915	254,884
Total debt securities	22,990,606	$ -	$ 11,483,752	$ 7,629,591	$ 2,008,707	$ 1,868,556
Cash and cash equivalents	3,047,280					
Common stock	43,824,800					
Mutual funds	12,505,057					
Other investments	5,351,438					
Total cash and investments reported on statement of fiduciary net assets	$ 87,719,181					

The following is a description of the Pension Trust Funds' 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 Pension Trust Funds have no formal investment policy that would limit its investment choices based on credit ratings by nationally

recognized statistical rating organizations. As of December 31, 2009, the Pension Trust Funds' investments in cash and cash equivalents have received a rating of Aaa from Moody's. As of December 31, 2009, the Pension Trust Funds' investments in fixed income bonds have received the following ratings from Moody's:

Credit Quality Distribution for Securities with Credit Exposure

Investment Type	Moody's Rating	Market Value	Percentage of Total Pension Trust Fund Bonds
Fixed Income Bonds	Aaa	$ 10,337,014	45.0%
Fixed Income Bonds	Aa1	381,329	1.7%
Fixed Income Bonds	Aa2	1,262,735	5.5%
Fixed Income Bonds	Aa3	214,348	0.8%
Fixed Income Bonds	Unrated	10,795,180	47.0%
		$ 22,990,606	100%

Custodial Credit Risk - Custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the Pension Trust Funds will not be able to recover the value of their deposits or investments or collateral securities that are in the possession of an outside entity. The Pension Trust Funds do not have a formal deposit or investment policy for custodial credit risk. As of December 31, 2009, the County's pension investment balance of $75,214,124 (bank and book balance) was exposed to custodial credit risk. Pension Trust Fund investments in mutual funds are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk - The County places no limit on the amount the County may invest in any one issuer. At December 31, 2009, the County had 4.88% of pension funds invested in Evergreen Special Values Fund Class I with a market value of $4,276,808, 5.18% of pension funds invested in the Dodge & Cox International Stock Fund with a market value of $4,543,217, and 6.10% of pension funds invested in the Artio International Equity II Group Trust Fund with a market value of $5,351,437.

Interest Rate Risk - The Pension Trust Funds do not have a formal deposit or investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

3. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The General Fund is reimbursed by other funds for expenses paid on behalf of the other funds by the General Fund. The due from/to balances at year-end represent payments not yet made. All balances are expected to be paid within one year.

Individual funds receivable and payable balances at year-end and transfers at December 31, 2009 were as follows:

Fund	Interfund Receivables	Interfund Payables
Major Funds:		
General	$ 715,027	$ 69,622
Health Choices	-	-
Mental Health/Mental Retardation	-	-
Human Services	-	571
Washington County Health Center	8,812	37,940
Emergency Communication 911	-	1,395
Other governmental funds	69,622	6,828
Agency Funds	-	677,105
	$ 793,461	$ 793,461

Fund	Transfer In	Transfer Out
Major Funds:		
General	$ 160,117	$2,382,500
Health Choices	-	-
Mental Health/Mental Retardation	370,000	-
Human Services	-	-
Washington County Health Center	520,000	520,000
Emergency Communication 911	812,500	-
Other governmental funds	1,200,919	161,036
Agency Funds	-	-
	$ 3,063,536	$3,063,536

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009 was as follows:

	Balance at January 1, 2009	Increases	Decreases	Balance at December 31, 2009
Governmental Activities:				
Land and improvements	$ 8,269,329	$ -	$ -	$ 8,269,329
Buildings and improvements	42,814,144	2,632,157	-	45,446,301
Infrastructure	25,007,899	1,410,241	-	26,418,140
Furniture and equipment	11,186,085	1,592,296	1,193,205	11,585,176
Construction in progress	3,109,314	1,186,449	2,888,688	1,407,075
	90,386,771	6,821,143	4,081,893	93,126,021
Less accumulated depreciation for:				
Land and improvements	3,715,570	364,493	-	4,080,063
Buildings and improvements	18,040,308	1,068,575	-	19,108,883
Infrastructure	4,218,039	474,482	-	4,692,521
Furniture and equipment	6,088,216	873,052	1,164,838	5,796,430
	32,062,133	2,780,602	1,164,838	33,677,897
Governmental activities capital assets, net	$ 58,324,638	$ 4,040,541	$ 2,917,055	$ 59,448,124

	Balance at January 1, 2009	Increases	Decreases	Balance at December 31, 2009
Business-type Activities:				
Buildings and improvements - Health Center	$ 12,551,812	$ 454,362	$ -	$ 13,006,174
Permanent fixtures - Health Center	1,177,506	4,597	70,341	1,111,762
Movable equipment - Health Center	3,056,783	162,318	35,719	3,183,382
Emergency management building	489,688	-	-	489,688
Emergency management equipment	9,885,748	1,382,340	726	11,267,362
Construction in progress	32,845	118,923	32,845	118,923
	27,194,382	2,122,540	139,631	29,177,291
Less accumulated depreciation for:				
Buildings and improvements - Health Center	7,701,317	289,517	-	7,990,834
Movable equipment - Health Center	2,844,119	225,787	105,777	2,964,129
Emergency management	4,087,774	1,113,563	-	5,201,337
	14,633,210	1,628,867	105,777	16,156,300
Business-type activities capital assets, net	$ 12,561,172	$ 493,673	$ 33,854	$ 13,020,991

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

Governmental Activities:	
General government - administration	$ 1,312,854
General government - judicial	325,154
Public safety	589,469
Public works and enterprises	480,971
Human services	46,944
Culture and recreation	25,210
Total depreciation expense - governmental activities	$ 2,780,602

Business-type Activities:	
Washington County Health Center	$ 515,304
Emergency Communication 911	1,113,563
Total depreciation expense - business-type activities	$ 1,628,867

5. WASHINGTON COUNTY EMPLOYEES' RETIREMENT SYSTEM

Plan Description

The Washington County Retirement System (plan) is a single employer defined benefit pension plan governed by the County Pension Law Act 96 of 1971 (Act), as amended, enacted by the General Assembly of the Commonwealth of Pennsylvania. All County employees become eligible to become plan participants immediately upon becoming an employee. Membership in the plan is optional for elected officials. The plan requires each member to contribute a percentage of their salary to the plan. 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 Washington County Employees' Retirement Board. Separate stand-alone financial statements are issued for the plan and may be obtained from the County Controller's Office.

At January 1, 2010, the date of the most recent valuation, participants in the plan were as follows:

Participants:	
Retirees and beneficiaries	536
Deferred vested	57
Active plan members:	
Vested	694
Nonvested	352
Total	1,639

Summary of Significant Accounting Policies

Financial information of the County's plan is presented on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due as required by the Act. Benefits and refunds are recognized when due and payable in accordance with the terms of the individual plan.

Investments of the plan 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. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair value.

Contributions and Funding Policy

The plan's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the aggregate actuarial funding method and the same actuarial assumptions used to calculate the pension benefit calculation.

As a condition of participation, employees are to contribute between 7% to 17% (currently 7%) of their salary as stipulated in the Act. Interest is credited to employee accounts each year at the annual rate of 5.5% as voted upon by the County Retirement Board.

The County's annual required contribution to the Fund for 2009 was $2,407,359.

The County's annual pension cost and related information for the plan is as follows:

Annual pension cost	$ 2,407,359
Contributions made	$ 2,407,359
Actuarial valuation date	1/1/2009
Amortization method	Level Percentage Closed
Amortization period	30 years Closed
Actuarial cost method	Entry Age
Asset valuation method	Five-Year Smoothed Market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	4.00%
Underlying inflation rate	3.00%

Effective January 1, 2010, the salary assumption has been changed. The effect of changing the salary assumption from 4.0% to 3.5% is that the actuarial accrued liability has decreased by $1,578,169. The County recognizes the fact that the resulting lower annual required contribution in 2010 may be at the expense of higher future annual required contributions.

Trend Information

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
12/31/2007	$ 1,489,947	100.0%	-
12/31/2008	91,925	100.0%	-
12/31/2009	2,407,359	100.0%	-

Funded Status

The County's funded status and related information for each plan as of the latest actuarial valuation date, January 1, 2010, is as follows:

Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Excess of Assets Over (Under) AAL	Funded Ratio	Covered Payroll	Excess (Deficiency) as a Percentage of Covered Payroll
$ 90,805,227	$ 112,823,135	$ (22,017,908)	80.48%	$ 40,609,970	(54.22)%

The required schedule of funding progress included as required supplementary information immediately following the notes to the primary government financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The pension trust funds are invested in various types of financial instruments. This diversification of the investment portfolio serves to assist in mitigating the various types of risks associated with different types of financial instruments. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments could occur and that such a change could materially affect the amount reported on the statement of fiduciary net assets. During 2009, the pension trust funds experienced a significant increase in market value due to changing market conditions which partially offset significant declines in market value recognized in the past couple of year.

6. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

In addition to the pension benefits described in Note 5, the County provides post-retirement health care benefits to certain retired employees, in accordance with the various union contracts and other employment agreements. The County funds all County contributions on a pay-as-you-go basis. The benefit limits, funding policy, and employee and employer contributions are established and amended through union contracts or the County's Board of Commissioners. The plan is not accounted for as a trust fund, an irrevocable trust has not been established, and the plan does not issue a separate report.

Plan Description. The County Post-Employment Benefit Plan is a single-employer defined benefit healthcare plan that covers all employees of the County whose employment commenced before April 1, 2004. The plan provides healthcare coverage to plan members and their dependents.

Funding Policy. The County's contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2009, total cash disbursements for other post-retirement benefit for current retirees or their dependents totaled $1,678,360. Active employees' contributions for medical, dental, or vision insurances vary per contract and position.

Annual OPEB Cost. The County's annual OPEB cost (expense) for the plan is calculated based on the annual required contribution of *the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include economic assumptions about the discount rate and the health care cost trend rates, medical assumptions, and demographic assumptions. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the primary government financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plans, and changes in the County's net OPEB obligations, as well as the assumptions used to calculate the net OPEB obligation:

Annual required contribution	$	3,182,921
Interest on net OPEB obligation		159,144
Adjustment to annual required contribution		(207,087)
Annual OPEB cost		3,134,978
Contributions made		1,678,360
Increase (decrease) in net OPEB obligation		1,456,618
Net OPEB obligation (asset), beginning of year		3,182,921
Net OPEB obligation (asset), end of year	$	4,639,539

Actuarial valuation date	1/1/2008
Actuarial cost method	Projected Unit Credit
Amortization method	Level dollar, open
Asset valuation method	Market Value
Remaining amortization period	30 years
Actuarial assumptions:	
Projected salary inflation	3.0%
Investment rate of return	5.0%
Health care inflation rates	12% initial, 5% ultimate

The County is required to have an actuarial valuation report performed biennially. The County does not plan to fund the actuarial accrued liability nor is it required to be recorded as a liability under current GASB standards.

The schedule of funding progress as of the latest actuarial valuation date, January 1, 2008, for the postemployment healthcare benefits is as follows:

Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Accrued Liability (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b)-(a)]/(c)
$ -	$ 40,769,744	$ 40,769,744	0.0%	$ 38,272,892	106.5%

Three-Year Trend Information

Year Ending	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
December 31, 2009	$ 3,134,978	54%	$ 4,639,539
December 31, 2008	4,596,579	31%	3,182,921
December 31, 2007	N/A	N/A	N/A

N/A - Not Applicable; 2008 is implementation year for GASB Statement No. 45

7. REAL ESTATE TAXES

The County's property tax is levied each January 1 on the assessed values as of the prior November 15 for all real property located in the County. The assessed value at December 16, 2009, upon which the 2009 levy was based, was $1,513,571,464.

The County is limited by the laws of the Commonwealth of Pennsylvania to levy taxes up to $25.00 per $1,000 of assessed valuation for General Government Services, and limited to $10.00 per $1,000 of valuation for payment of rentals to any municipality and is unlimited for the payment of principal and interest on long-term debt. The tax rate to finance General Government Services other than the payment of principal and interest on long-term debt for the year ended December 31, 2009, was 19.35 mills per $1,000. The tax rate to finance the payment of principal and interest on long-term debt for the year ended December 31, 2009 was 2.05 mills per $1,000.

Taxes for 2009 were billed in January 2009 and were due on the following schedule: at two percent discount if paid by March 31, 2009; at face value if paid between April 1, 2009 and June 30, 2009; and at 10 percent penalty if paid between July 1, 2009 and January 15, 2010.

The County placed liens on all property for which the 2009 tax was not paid by January 15, 2010. Current tax collections for the year ended December 31, 2009, were 95 percent of the tax levy.

Taxes receivable are reflected on the statement of net assets net of an allowance for doubtful accounts of $683,435.

8. LONG-TERM DEBT

The following is a summary of changes in long-term obligations of the County for the year ended December 31, 2009:

	Balance at December 31, 2008	Additions and Accretion	Payments	Balance at December 31, 2009	Due within one year
Governmental Activities:					
Guaranteed Lease Revenue Bonds, Series of 1992	$ 11,375,685	$ 691,592	$ 1,400,000	$ 10,667,277	$ 1,340,000
General Obligation Bonds, Series of 1998*	(1,075,000)	-	(195,000)	(880,000)	(160,000)
General Obligation Bonds, Series of 2002A	11,795,000	-	5,000	11,790,000	5,000
General Obligation Bonds, Series of 2003	4,935,000	-	45,000	4,890,000	45,000
General Obligation Bonds, Series of 2003A	6,505,000	-	570,000	5,935,000	590,000
General Obligation Bonds, Series of 2007A	14,590,979	110,239	35,000	14,666,218	95,000
General Obligation Bonds, Series of 2007B	3,920,000	-	150,000	3,770,000	155,000
Total Long-Term Debt	$ 52,046,664	$ 801,831	$ 2,010,000	$ 50,838,495	$ 2,070,000
Business-type Activities:					
General Obligation Bonds, Series of 1998*	$ 1,075,000	$ -	$ 195,000	$ 880,000	$ 205,000

* The refunding of the General Obligation Bonds, Series of 1998 was applied against the governmental activities portion of the debt as payment terms from the Washington County Health Center to the County remained unchanged as a result of the County's refunding payments. These excess amounts will be applied by the County to other debt service.

General obligation debt payable at December 31, 2009, is composed of the following individual issues:

Guaranteed Lease Revenue Bonds, Series of 1992

The County has guaranteed the Series of 1992 Revenue Bonds (1992 Authority Bonds) of the Washington County Authority (Authority), with an original principal amount of $17,162,970. These 1992 Authority Bonds were issued primarily to finance capital projects. Portions of the 1992 Authority Bonds were refunded by the Guaranteed Lease Revenue Refunding Bonds, Series A of 1993, which were later retired, and by the General Obligation Bonds, Series 2002. Another portion of the bonds, $4,777,357, was advance refunded with the General Obligation Bonds, Series 2007A. After consideration of the refundings, the 1992 Authority Bonds consist currently of Capital Appreciation Bonds with an aggregate original issuance amount of $11,852,970 with maturity values of $350,000 to $1,865,000 annually through 2020 issued to yield rates from 6.35% to 6.85%. The Capital Appreciation Bonds accrue and compound interest on a semi-annual basis and are carried at cost plus accrued interest. Total maturity value of the Capital Appreciation Bonds is $29,190,000.

General Obligation Bonds, Series of 1998

At December 31, 2009, the balance of the 1998 Bonds payable was $0, as the bonds were currently refunded with the proceeds of General Obligation Bonds, Series 2007A.

General Obligation Bonds, Series of 2002A and B

On March 1, 2002, the County issued General Obligation Bonds, Series of 2002A of $13,925,000, and General Obligation Taxable Bonds, Series of 2002B of $1,650,000 totaling $15,575,000 for the purpose of providing funds for the advance refunding of the County's 1992 Bonds, a portion of the Guaranteed Lease Revenue Bonds, Series of 1992, and the 1998 Bonds, and to fund various capital projects. A portion of the 2002A Bonds, $1,925,000, was advance refunded with the General Obligation Bonds, Series 2007A.

Interest payments are payable semi-annually on March 1 and September 1 with rates ranging from 4.70% to 5.125% until maturity on the general obligation bonds. The 2002 Bonds have a final maturity date on September 1, 2027. The 2002 Bonds that mature on and after September 1, 2013 are subject to redemption prior to maturity, at the option of the County, on September 1, 2012 or on any date thereafter, as specified in the 2002 Bonds issuance offering statement.

General Obligation Bonds, Series of 2003

On March 15, 2003, the County issued $8,125,000 of General Obligation Bonds, Series of 2003 (2003 Bonds). The proceeds of the 2003 Bonds were used to currently refund the County's Guaranteed Lease Revenue Refunding Bonds, Series A of 1993. A portion of the 2003 Bonds, $825,000, was advance refunded with the General Obligation Bonds, Series 2007C.

Interest payments are payable semi-annually on June 1 and December 1 with rates ranging from 4% to 5% until maturity. The 2003 Bonds have a final maturity date on June 1, 2022. The 2003 Bonds that mature on and after June 1, 2022 are subject to redemption prior to maturity, at the option of the County, on December 1, 2013 or on any date thereafter, as specified in the 2003 Bonds issuance offering statement.

General Obligation Bonds, Series of 2003A

On July 1, 2003, the County issued $8,305,000 of General Obligation Bonds (2003A Bonds). The proceeds of the 2003A Bonds were used to advance refund $7,400,000 principal amount of the County's 1998 Bonds.

Interest payments are payable semi-annually on March 1 and September 1 with rates ranging from 1.50% to 4.20% until maturity. The 2003A Bonds have a final maturity date on September 1, 2022. The 2003A Bonds that mature on and after September 1, 2014 are subject to redemption prior to maturity, at the option of the County, on September 1, 2013 or on any date thereafter.

Washington County Note Payable

The County borrowed $6 million from the Authority out of the proceeds of the Authority's Series 1999 Capital Funding Revenue Bonds (Authority Bonds) for the purpose of creating a pool of funds for various local municipalities' infrastructure projects within the County. A portion of the note was repaid with proceeds from the General Obligation Bonds, Series 2007B and the remaining balance was paid in full during 2008.

During 2007, a sinking fund was established by the County related to loans previously reported in the County loan pool. Monthly principal and interest payments made by the local municipalities are deposited into the County's sinking fund, the balance of which, together with any investment earnings, is used to pay amounts due on the General Obligation Bonds,

Series 2007B. The sinking fund balance at December 31, 2009 totaled $1,170,100 and is reported as cash and cash equivalents on the balance sheet.

General Obligation Bonds, Series of 2007A, B, and C

On May 17, 2007, the County issued $18,630,219 in General Obligation Bonds and $1,080,000 in General Obligation Taxable Bonds to advance refund portions of the 1992, 2002A, and 2003 bond issuances, to current refund a portion of the 1998 bond issuance, to fund a capitalized interest deposit, to pay off a portion of the loan pool discussed above, and to fund various capital projects. Interest payments are payable semi-annually on March 1 and September 1 with rates ranging from 4.00% to 5.29% until maturity.

A portion of the Series 2007A Bonds consist of Capital Appreciation Bonds with an aggregate original issuance amount of $2,215,220 with maturity values of $3,475,000 and $3,425,000 which mature in 2031 and 2032, respectively, issued to yield rates of 4.65% and 4.66%, respectively. The Capital Appreciation Bonds accrue and compound interest on a semi-annual basis and are carried at cost plus accrued interest. The 2007C Series was paid in full during 2008.

Annual debt service requirements are as follows:

	Governmental Activities		Business-type Activities	
Years	Principal	Interest	Principal	Interest
2010	$ 2,070,000	$ 1,748,591	$ 205,000	$ 42,510
2011	2,095,000	1,727,626	215,000	32,875
2012	2,120,000	1,704,779	225,000	22,663
2013	2,135,000	1,680,801	235,000	11,750
2014	2,185,000	1,646,379	-	-
2015-2019	10,680,000	7,852,590	-	-
2020-2024	11,905,000	6,436,709	-	-
2025-2029	16,880,000	3,300,431	-	-
2030-2032	4,970,220	4,831,301	-	-
	55,040,220	30,929,207	880,000	109,798
Accreted interest	(4,201,725)	4,201,725	-	-
	$ 50,838,495	$ 35,130,932	$ 880,000	$ 109,798

At December 31, 2009, the County has $13,435,000 of defeased debt outstanding relating to the various debt issuances.

9. CONTINGENCIES

At year-end, various claims have been paid and closed where others are outstanding relating to workers' compensation injuries under existing insurance policies. Provisions are recorded in the General and Enterprise funds for benefit claims incurred but unpaid at December 31, 2009.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County has been ordered by the court to conduct a reassessment of properties commencing no later than October 11, 2010 as a result of a filing by local school districts. Costs of complying with the court order are estimated to be as much as $7 million. The County anticipates issuing debt in order to conduct the reassessment. As of the date of this report, no new debt has been issued.

There are various other matters of pending litigation in which the County is involved. The County believes it has meritorious defenses and intends to contest these matters. The amount of liability, if any, related to these matters is not subject to determination. Accordingly, the financial statements do not include any adjustment for possible effects.

10. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. There have been no significant changes in insurance coverage since the prior year.

11. GUARANTEE OF DEBT

The County guarantees the debt service payments of the Fair Board bank loan. The original amount borrowed by the Fair Board was $600,000. For the year ended December 31, 2009, principal and interest payments totaled $75,133. The balance outstanding was approximately $276,849 at December 31, 2009, with an interest rate of 6.0%. During 2009, the County made no contributions to the Fair Board. County management does not anticipate any contributions being required in the future. The loan has a maturity date of September 1, 2016.

12. SWAPTION

In May 2005, the County entered into a swaption contract that provided the County an up-front payment of $866,000. As a synthetic refunding of its 2002 General Obligation Bonds, this payment represents the present-value, risk-adjusted savings of a refunding as of June 1, 2012, without issuing refunding bonds at May 2005. The swaption gave the counterparty the option to make the County enter into a pay-fixed, receive-variable interest rate swap on the first day of each month during the period commencing on, and including, October 1, 2012 and terminating on, September 1, 2027. This contract was amended, effective September 21, 2006. It was amended a second time, effective May 16, 2007, due to issuance of the General Obligation Bonds 2007 Series. As of December 31, 2009, the swaption had a fair market value of ($1,473,000).

If the option is exercised, the County will current refund the existing 2002 General Obligation Bonds as of the exercise date and will issue Variable Rate Refunding Bonds (Refunding Bonds). The intention of the swap is to effectively change the County's variable interest rate on the Refunding Bonds to a synthetic fixed rate of 4.874%.

Per the amended swap agreement, the County would receive interest at the variable rate of 59.10% of the 10-year ISDA swap rate while paying a fixed rate of 4.874%. The 10-year ISDA swap rate is designed to approximate the 10 year LIBOR (London Interbank Offered Rate) rate. The interest payments are calculated based on a notional amount of $11,775,000, which reduces beginning on September 1, 2012 so that the notional amount approximates the principal outstanding on the Refunding Bonds. The swap would expire on September 1, 2027 consistent with the last anticipated principal payment on the Refunding Bonds.

During 2007, the County paid a swap termination fee of $200,500 in order to terminate the portion of the swap in conjunction with the General Obligation Bonds 2007 Series bond issue.

If the option is exercised, the County would make net swap payments as required by the terms of the contract, that is, receiving a variable rate as noted above for the term of the swap from the counterparty and making a fixed rate payment to the counterparty.

The swap agreement requires the County to post collateral in the event its credit rating falls below Baa1 as issued by Moody's Investors Service or BBB+ as issued by Standard & Poor's. If the County does not post collateral, the swap may be terminated by the counterparty. The County's credit rating is A+; therefore, no collateral has been posted at December 31, 2009.

Through the use of derivative instruments such as this swaption, the County is exposed to a variety of risks, including credit risk, interest rate risk, termination risk, market-access risk, and basis risk.

- Credit risk is the risk that a counterparty will not fulfill its obligations. Although the underlying swap exposes the County to credit risk should the swap be executed, the swaption itself does not expose the County to credit risk. On December 31, 2009, the swaption counterparty is rated AA- by Standard & Poor's, a nationally recognized statistical rating organization. If the option was exercised and the counterparty failed to perform according to the terms of the swap agreement, there is some risk of loss to the County, up to the fair market value of the swaption. Performance of the counterparty as it relates to this transaction is guaranteed by the counterparty's parent company.

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the County's financial instruments or the County's cash flows. If the option is exercised, the County could be exposed to interest rate risk if the long-term interest rates are less than 4.874%.

- Termination risk is the risk that a derivative's unscheduled end will affect the County's asset/liability strategy or will present the County with potentially significant unscheduled termination payments to the counterparty. The counterparty to the transaction does not have the ability to voluntarily terminate the swaption; however, the County is exposed to termination risk in the event that the counterparty defaults.

- Market-access risk is the risk that the County will not be able to enter credit markets or that credit will be more costly. If the option is exercised, the County would be subject to market-access risk in the event that they are unable to obtain variable rate financing or that the financing is more expensive than anticipated. To reduce this exposure, the County has obtained insurance from a third party to cover payment of principal and

interest on the Refunding Bonds if they are issued. The County is still exposed to market-access risk to the extent that the credit quality of the third party deteriorates.

- Tax risk results from changes in marginal income tax rates. Tax risk is caused by the reduction or elimination in the benefits of the tax exemption for tax exempt bonds. If the option is exercised by the counterparty and the swap becomes effective, the transaction will expose the County to tax risk as a percentage of a taxable index (variable rate received by the County from the Counterparty per the swap agreement) will be used to hedge tax-exempt cash flows on the Refunded bonds.

- Basis risk is the risk that arises when variable interest rates on a derivative and an associated bond or other interest-paying financial instrument are based on different indexes. If the option is exercised, the County would be subject to basis risk if the interest index on the variable rate arm of the swap is based on the 10-year ISDA swap rate and the variable interest rate on the Refunding Bonds is based on a different index, such as a tax-exempt index. Relationships between different indexes vary and that variance could adversely affect the County's calculated payments, and as a result cost savings or synthetic interest rates may not be realized.

Required Supplementary Information

COUNTY OF WASHINGTON, PENNSYLVANIA

SCHEDULE OF FUNDING PROGRESS
FOR THE PENSION TRUST FUND

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Excess (Deficiency) of Assets Over (Under) AAL	Funded Ratio	Covered Payroll	Excess (Deficiency) as a Percentage of Covered Payroll
1/1/2010	$ 90,805,227	$ 112,823,135	$ (22,017,908)	80.48%	$ 40,609,970	(54.22%)
1/1/2009	95,604,856	107,377,133	(11,772,277)	89.04%	40,348,624	(29.18%)
1/1/2008	109,901,392	101,474,649	8,426,743	108.30%	38,272,892	22.02%

Source: Actuarial reports

See accompanying notes to supplementary schedules.

COUNTY OF WASHINGTON, PENNSYLVANIA

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYERS AND OTHER CONTRIBUTING ENTITIES FOR THE PENSION TRUST FUND

Annual Calendar Year	Required Contributions	Percentage Contributed
2004	$ 1,845,700	100%
2005	2,041,325	100%
2006	1,833,433	100%
2007	1,489,946	100%
2008	91,925	100%
2009	2,407,359	100%

The information presented above was determined as part of the actuarial valuations for the dates indicated.

See accompanying notes to supplementary schedules.

COUNTY OF WASHINGTON, PENNSYLVANIA

NOTES TO SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2009

1. PENSION INFORMATION

The information presented in the required supplementary pension schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial valuation date	1/1/2010
Actuarial cost method	Entry Age
Amortization method	Level Percentage Closed
Amortization period	30 years Closed
Asset valuation method	Five-Year Smoothed Market
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases	3.50%
Underlying inflation rate	3.00%

2. OPEB INFORMATION

The information presented in the required supplementary OPEB schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial Data:

Valuation Date:	1/1/2008
Actuarial Cost Method:	Projected Unit Credit
Amortization Method:	Level dollar, open
Amortization period:	30 years

Economic Assumptions:

Projected salary inflation	3.00%
Investment rate of return:	5.00%
Health care inflation rates	12% initial, 5% ultimate

COUNTY OF WASHINGTON, PENNSYLVANIA

SCHEDULE OF FUNDING PROGRESS
FOR OTHER POST-EMPLOYMENT BENEFIT PLANS

Actuarial Valuation Date	(a) Actuarial Value of Asset	(b) Actuarial Accrued Liability	(Overfunded) Unfunded Actuarial Accrued Liability	(a/b) Funded Ratio	(c) Covered Payroll	(Overfunded)/Unfunded Actuarial Accrued Liability (b-a) as a Percentage of Covered Payroll ((b-a)/c)
1/1/2008	$ -	$ 40,769,744	$ 40,769,744	0.0%	$ 38,272,892	106.5%

Note: Actuarial valuation as of 01/01/08 represents the initial valuation for the plan as required under GASB Statement No. 45 (implemented in 2008). Actuarial valuation reports are only performed on a biennial basis for other post-employment benefit plans.

See accompanying notes to supplementary schedules.

Additional Information

County of Washington, Pennsylvania

Combining and Individual Fund Financial Statements

Year Ended December 31, 2009

COUNTY OF WASHINGTON, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2009

	Special Revenue Funds					Capital Projects Funds			
	Airport Operating	Liquid Fuels	Hazardous Materials Emergency Response	Domestic Relations	Total	Airport Capital Projects	Capital Expenditures	Total	Total Other Governmental Funds
Assets									
Cash and cash equivalents	$ 6,653	$ 652,518	$ 78,603	$ 144,300	$ 882,074	$ -	$ 2,685,861	$ 2,685,861	$ 3,567,935
Due from other governments	2,692	160,378	7,676	407,383	578,129	119,406	11,825	131,231	709,360
Interest and other	-	3,500	-	9,218	12,718	748	207,608	208,356	221,074
Due from other funds	-	31,847	-	37,775	69,622	-	-	-	69,622
Prepaids and other	-	-	-	295	295	-	-	-	295
Total Assets	$ 9,345	$ 848,243	$ 86,279	$ 598,971	$ 1,542,838	$ 120,154	$ 2,905,294	$ 3,025,448	$ 4,568,286
Liabilities and Fund Balance									
Liabilities:									
Accounts payable	$ 15,333	$ 215,975	$ 710	$ 16,357	$ 248,375	$ 120,154	$ 526,225	$ 646,379	$ 894,754
Accrued payroll and related liabilities	11,834	27,542	1,225	88,991	129,592	-	-	-	129,592
Deferred revenue	-	-	75	-	75	-	-	-	75
Due to other funds	5,158	1,417	253	-	6,828	-	-	-	6,828
Advances due to other funds	-	-	-	493,623	493,623	-	-	-	493,623
Total Liabilities	32,325	244,934	2,263	598,971	878,493	120,154	526,225	646,379	1,524,872
Fund Balance:									
Reserved for:									
Encumbrances	811	-	-	-	811	-	169,873	169,873	170,684
Prepaid expenses	-	-	-	295	295	-	-	-	295
Capital projects	-	-	-	-	-	-	2,209,196	2,209,196	2,209,196
Unreserved, undesignated	(23,791)	603,309	84,016	(295)	663,239	-	-	-	663,239
Total Fund Balance	(22,980)	603,309	84,016	-	664,345	-	2,379,069	2,379,069	3,043,414
Total Liabilities and Fund Balance	$ 9,345	$ 848,243	$ 86,279	$ 598,971	$ 1,542,838	$ 120,154	$ 2,905,294	$ 3,025,448	$ 4,568,286

COUNTY OF WASHINGTON, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2009

	Special Revenue Funds					Capital Projects Funds			
	Airport Operating	Liquid Fuels	Hazardous Materials Emergency Response	Domestic Relations	Total	Airport Capital Projects	Capital Expenditures	Total	Total Other Governmental Funds
Revenues:									
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	1,976,260	28,265	1,958,427	3,962,952	544,744	197,893	742,637	4,705,589
Charges for services	171,151	-	71,687	155,162	398,000	-	-	-	398,000
Interest	-	8,259	123	-	8,382	-	25,469	25,469	33,851
Other	-	-	4,500	8,762	13,262	-	358,319	358,319	371,581
Total revenues	171,151	1,984,519	104,575	2,122,351	4,382,596	544,744	581,681	1,126,425	5,509,021
Expenditures:									
Current:									
General government - judicial	-	-	-	2,562,234	2,562,234	-	-	-	2,562,234
Public safety	-	-	81,556	-	81,556	-	-	-	81,556
Public works and enterprises	285,478	2,022,088	-	-	2,307,566	-	-	-	2,307,566
Capital projects	-	-	-	-	-	545,663	2,436,059	2,981,722	2,981,722
Total expenditures	285,478	2,022,088	81,556	2,562,234	4,951,356	545,663	2,436,059	2,981,722	7,933,078
Excess (Deficiency) of Revenues Over Expenditures	(114,327)	(37,569)	23,019	(439,883)	(568,760)	(919)	(1,854,378)	(1,855,297)	(2,424,057)
Other Financing Sources (Uses):									
Operating transfers in	100,000	-	-	600,000	700,000	919	500,000	500,919	1,200,919
Operating transfers out	-	-	-	(160,117)	(160,117)	-	(919)	(919)	(161,036)
Total financing sources (uses)	100,000	-	-	439,883	539,883	919	499,081	500,000	1,039,883
Net Change in Fund Balance	(14,327)	(37,569)	23,019	-	(28,877)	-	(1,355,297)	(1,355,297)	(1,384,174)
Fund Balance:									
Beginning of year	(8,653)	640,878	60,997	-	693,222	-	3,734,366	3,734,366	4,427,588
End of year	$ (22,980)	$ 603,309	$ 84,016	$ -	$ 664,345	$ -	$ 2,379,069	$ 2,379,069	$ 3,043,414

COUNTY OF WASHINGTON, PENNSYLVANIA

SPECIAL REVENUE FUNDS

AIRPORT OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	
	Original	Final	Amounts	Variance
Revenues:				
Charges for services	$ 208,500	$ 208,500	$ 171,151	$ (37,349)
Total revenues	208,500	208,500	171,151	(37,349)
Expenditures:				
Public works and enterprises	259,418	284,418	285,478	(1,060)
Excess (Deficiency) of Revenues Over Expenditures	(50,918)	(75,918)	(114,327)	(38,409)
Other Financing Source:				
Operating transfer in	100,000	100,000	100,000	-
Net Change in Fund Balance	$ 49,082	$ 24,082	$ (14,327)	$ (38,409)

COUNTY OF WASHINGTON, PENNSYLVANIA

SPECIAL REVENUE FUNDS

LIQUID FUELS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual	Variance
Revenues:			
Intergovernmental:			
State liquid fuels tax	$ 3,790,000	$ 1,976,260	$ (1,813,740)
Interest	10,000	8,259	(1,741)
Total revenues	3,800,000	1,984,519	(1,815,481)
Expenditures:			
Public works and enterprises:			
Highways and bridges	3,746,656	2,022,088	1,724,568
Excess (Deficiency) of Revenues Over Expenditures	53,344	(37,569)	(3,540,049)
Other Financing Sources (Uses):			
Operating transfer in	50,000	-	50,000
Net Change in Fund Balance	$ 103,344	$ (37,569)	$ (3,490,049)

COUNTY OF WASHINGTON, PENNSYLVANIA

SPECIAL REVENUE FUNDS

HAZARDOUS MATERIALS EMERGENCY RESPONSE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance
Revenues:			
Intergovernmental:			
Federal grant	$ -	$ 14,517	$ 14,517
State grant	20,000	13,748	(6,252)
Charges for services	40,000	71,687	31,687
Interest	6,000	123	(5,877)
Other	11,000	4,500	(6,500)
Total revenues	77,000	104,575	27,575
Expenditures:			
Public safety	96,326	81,556	14,770
Excess (Deficiency) of Revenues Over Expenditures	$ (19,326)	$ 23,019	$ 42,345

COUNTY OF WASHINGTON, PENNSYLVANIA

SPECIAL REVENUE FUNDS

DOMESTIC RELATIONS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance
Revenues:			
Intergovernmental:			
Department of Public Welfare - IV-D funds	$ 1,500,000	$ 1,551,967	$ 51,967
Department of Public Welfare - incentive	275,000	406,460	131,460
Charges for services	200,000	155,162	(44,838)
Other	16,654	8,762	(7,892)
Total revenues	1,991,654	2,122,351	130,697
Expenditures:			
General government - judicial	2,686,936	2,562,234	124,702
Excess (Deficiency) of Revenues Over Expenditures	(695,282)	(439,883)	255,399
Other Financing Sources (Uses):			
Operating transfer in	600,000	600,000	-
Operating transfer out	-	(160,117)	(160,117)
Total financing sources (uses)	600,000	439,883	(160,117)
Net Change in Fund Balance	$ (95,282)	$ -	$ 95,282

COUNTY OF WASHINGTON, PENNSYLVANIA

CAPITAL PROJECTS FUNDS

AIRPORT CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance
Revenues:			
Intergovernmental:			
Federal grant	$ 1,317,000	$ 544,744	$ (772,256)
State grant	-	-	-
Total revenues	1,317,000	544,744	(772,256)
Expenditures:			
Capital projects	1,377,000	545,663	831,337
Excess (Deficiency) of Revenues over Expenditures	(60,000)	(919)	59,081
Other Financing Sources:			
Operating transfer in	60,000	919	(59,081)
Net Change in Fund Balance	$ -	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

CAPITAL PROJECTS FUNDS

CAPITAL EXPENDITURES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2009

	Original and Final Budgeted Amounts	Actual Amounts	Variance
Revenues:			
Intergovernmental	$ 100,000	$ 197,893	$ 97,893
Interest	100,000	25,469	(74,531)
Other	50,000	358,319	308,319
Total revenues	250,000	581,681	331,681
Expenditures:			
Capital projects	2,835,000	2,436,059	398,941
Excess (Deficiency) of Revenues Over Expenditures	(2,585,000)	(1,854,378)	730,622
Other Financing Sources (Uses):			
Operating transfers in	500,000	500,000	-
Operating transfers out	(60,000)	(919)	59,081
Total other financing sources (uses)	440,000	499,081	59,081
Net Change in Fund Balance	$ (2,145,000)	$ (1,355,297)	$ 789,703

COUNTY OF WASHINGTON, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING BALANCE SHEET

DECEMBER 31, 2009

	Treasurer	Recorder of Deeds	Register of Wills	Prothonotary	Clerk of Courts	Court Administrator - Supervision Fees
Assets						
Cash and cash equivalents	$ 43,133	$ 1,191,881	$ 148,218	$ 3,329,132	$ 624,507	$ 638,040
Liabilities						
Due to other funds	$ -	$ -	$ -	$ -	$ -	$ 638,040
Due to other governments	43,133	1,191,881	148,218	-	-	-
Escrow liability	-	-	-	3,329,132	624,507	-
Total Liabilities	$ 43,133	$ 1,191,881	$ 148,218	$ 3,329,132	$ 624,507	$ 638,040

	CYS Services	Tax Claim	Domestic Relations	Prison Commissary	Sheriff's Office	Total
Assets						
Cash and cash equivalents	$ 15,706	$ 1,724,752	$ 51,044	$ 310,961	$ 438,277	$ 8,515,651
Liabilities						
Due to other funds	$ -	$ 39,065	$ -	$ -	$ -	$ 677,105
Due to other governments	-	231,004	-	-	-	1,614,236
Escrow liability	15,706	1,454,683	51,044	310,961	438,277	6,224,310
Total Liabilities	$ 15,706	$ 1,724,752	$ 51,044	$ 310,961	$ 438,277	$ 8,515,651

COUNTY OF WASHINGTON, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2009

	Balance at January 1, 2009	Additions	Deletions	Balance at December 31, 2009
Treasurer:				
Assets				
Cash and cash equivalents	$ 63,191	$ 371,537	$ 391,595	$ 43,133
Liabilities				
Due to other governments	$ 63,191	$ 371,537	$ 391,595	$ 43,133
Recorder of Deeds:				
Assets				
Cash and cash equivalents	$ 949,665	$ 12,058,472	$ 11,816,256	$ 1,191,881
Liabilities				
Due to other governments	$ 949,665	$ 12,058,472	$ 11,816,256	$ 1,191,881
Register of Wills:				
Assets				
Cash and cash equivalents	$ 131,676	$ 9,433,168	$ 9,416,626	$ 148,218
Liabilities				
Due to other governments	$ 131,676	$ 9,433,168	$ 9,416,626	$ 148,218

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2009
(Continued)

	Balance at January 1, 2009	Additions	Deletions	Balance at December 31, 2009
Prothonotary:				
Assets				
Cash and cash equivalents	$ 1,135,264	$ 18,705,980	$ 16,512,112	$ 3,329,132
Liabilities				
Escrow liability	$ 1,135,264	$ 18,705,980	$ 16,512,112	$ 3,329,132
Clerk of Courts:				
Assets				
Cash and cash equivalents	$ 742,740	$ 3,044,120	$ 3,162,353	$ 624,507
Liabilities				
Escrow liability	$ 742,740	$ 3,044,120	$ 3,162,353	$ 624,507
Court Administrator				
Assets				
Cash and cash equivalents	$ 395,408	$ 477,632	$ 235,000	$ 638,040
Liabilities				
Due to other funds	$ 395,408	$ 477,632	$ 235,000	$ 638,040

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2009
(Continued)

	Balance at January 1, 2009	Additions	Deletions	Balance at December 31, 2009
CYS Services:				
Assets				
Cash and cash equivalents	$ 11,369	$ 17,146	$ 12,809	$ 15,706
Liabilities				
Escrow liability	$ 11,369	$ 17,146	$ 12,809	$ 15,706
Tax Claim:				
Assets				
Cash and cash equivalents	$ 1,220,409	$ 10,051,992	$ 9,547,649	$ 1,724,752
Liabilities				
Due to other funds	$ 77,518	$ 2,136,536	$ 2,174,989	$ 39,065
Due to other governments	210,241	7,104,335	7,083,572	231,004
Escrow liability	932,650	811,121	289,088	1,454,683
	$ 1,220,409	$ 10,051,992	$ 9,547,649	$ 1,724,752
Domestic Relations:				
Assets				
Cash and cash equivalents	$ 46,186	$ 1,501,992	$ 1,497,134	$ 51,044
Liabilities				
Escrow liability	$ 46,186	$ 1,501,992	$ 1,497,134	$ 51,044

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

DECEMBER 31, 2009
(Continued)

	Balance at January 1, 2009	Additions	Deletions	Balance at December 31, 2009
Prison Commissary:				
Assets				
Cash and cash equivalents	$ 243,706	$ 362,616	$ 295,361	$ 310,961
Liabilities				
Escrow liability	$ 243,706	$ 362,616	$ 295,361	$ 310,961
Sheriff's Office:				
Assets				
Cash and cash equivalents	$ 376,011	$ 2,665,167	$ 2,602,901	$ 438,277
Liabilities				
Escrow liability	$ 376,011	$ 2,665,167	$ 2,602,901	$ 438,277

(Concluded)

County of Washington, Pennsylvania

Grant and Program Information

COUNTY OF WASHINGTON, PENNSYLVANIA

YEAR ENDED DECEMBER 31, 2009

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COUNTY OF WASHINGTON, PENNSYLVANIA

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COUNTY OF WASHINGTON, PENNSYLVANIA

AGING SERVICES
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
PROGRAM - FUNDED CONTRACTS

YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance
Personnel Services:			
Salaries	$ 873,368	$ 872,476	$ 892
Fringe benefits	331,008	309,251	21,757
Total personnel services	1,204,376	1,181,727	22,649
Operating:			
Occupancy	103,021	96,806	6,215
Communications	40,500	32,062	8,438
Supplies	90,640	103,090	(12,450)
Transportation	43,800	45,155	(1,355)
Contracted services	5,500	5,500	-
Other	3,750	3,666	84
Total operating	287,211	286,279	932
Total Expenditures	$ 1,491,587	$ 1,468,006	$ 23,581

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-WASHINGTON COUNTY STOP GRANT PROGRAM SUBGRANT NO. 2007/2008-VA-06-19231

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR END JUNE 30, 2009

	Budget	Actual	Variance
Revenues:			
Federal	$ 39,826	$ 39,826	$ -
Existing appropriation	47,114	47,114	-
Total revenues	86,940	86,940	-
Expenditures:			
Personnel	86,940	86,940	-
Employee benefits	-	-	-
Travel	-	-	-
Supplies and other operating expenditures	-	-	-
Total expenditures	86,940	86,940	-
Excess of Revenues Over Expenditures	$ -	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-SERVICES TO VICTIMS OF JUVENILE OFFENDERS SUBGRANT NO. 2008/2009/2010-VJ/VS-ST-19604

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED DECEMBER 31, 2009

	Budget	Actual	Variance
Revenues:			
State	$ 48,893	$ 43,660	$ (5,233)
Expenditures:			
Personnel	33,066	32,356	710
Employee benefits	8,379	9,712	(1,333)
Travel	2,225	218	2,007
Supplies and other operating expenditures	3,126	1,374	1,752
Other	2,097	-	2,097
Total expenditures	48,893	43,660	5,233
Excess of Revenues Over Expenditures	$ -	$ -	$ -

* Budget amounts represent first year of two year grant award.

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-
FAST TRACK/INTERMEDIATE PUNISHMENT PROGRAM
SUBGRANT NO. 2006/2007/2008-IP-ST-17072

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance
Revenues:			
State	$ 123,810	$ 123,810	$ -
New appropriation	181,257	185,678	4,421
Total revenues	305,067	309,488	4,421
Expenditures:			
Personnel	305,067	309,488	(4,421)
Employee benefits	-	-	-
Travel	-	-	-
Supplies and other operating expenditures	-	-	-
Total expenditures	305,067	309,488	(4,421)
Excess of Revenues Over Expenditures	$ -	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-
RIGHTS AND SERVICES FOR VICTIMS TO CRIME
SUBGRANT NO. 2009-VS-ST-19589

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED DECEMBER 31, 2009

	Budget	Actual	Variance
Revenues:			
State	$ 106,900	$ 97,708	$ (9,192)
Expenditures:			
Personnel	66,704	62,749	3,955
Employee benefits	24,213	24,568	(355)
Travel	3,089	1,407	1,682
Supplies and other operating expenditures	8,470	8,984	(514)
Other	4,424	-	4,424
Total expenditures	106,900	97,708	9,192
Excess of Revenues Over Expenditures	$ -	$ -	$ -

* Budget amounts represent first year of two year grant award.

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-VICTIM SERVICES WITHIN THE JUVENILE JUSTICE SYSTEM AND TO UNDERSERVED POPULATION
SUBGRANT NO. 2006-VF-05-17804

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance
Revenues:			
Federal	$ 115,656	$ 91,989	$ (23,667)
In-kind match	28,920	67,437	38,517
Total revenues	144,576	159,426	14,850
Expenditures:			
Personnel	94,998	115,857	(20,859)
Employee benefits	23,197	23,332	(135)
Travel	5,159	2,207	2,952
Supplies and other operating expenditures	5,502	4,865	637
Consultants	15,720	13,165	2,555
Total expenditures	144,576	159,426	(14,850)
Excess of Revenues Over Expenditures	$ -	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-
OFFENDER DAY PARTIAL TREATMENT
SUBGRANT NO. 2008-DA-ST-19187

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR ENDED JUNE 30, 2009

	Budget	Actual	Variance
Revenues:			
State	$ 347,475	$ 347,475	$ -
Expenditures:			
Personnel	5,924	4,339	1,585
Travel	3,283	853	2,430
Supplies and other operating expenditures	26,663	12,383	14,280
Consultants	311,605	329,900	(18,295)
Total expenditures	347,475	347,475	-
Excess of Revenues Over Expenditures	$ -	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-
FURLOUGH INTO SERVICE PROGRAM EXPANSION
SUBGRANT NO. 2005-JG-04-18965

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR END JUNE 30, 2009

	Budget	Actual	Variance
Revenues:			
Federal	$ 46,085	$ 12,638	$ (33,447)
New appropriation	15,362	4,212	(11,150)
Total revenues	61,447	16,850	(44,597)
Expenditures:			
Personnel	30,000	5,445	24,555
Employee benefits	13,762	920	12,842
Travel	4,500	-	4,500
Equipment	5,685	5,895	(210)
Supplies and other operating expenditures	4,500	3,151	1,349
Other	3,000	1,439	1,561
Total expenditures	61,447	16,850	44,597
Excess of Revenues Over Expenditures	$ -	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY-CRIMINAL JUSTICE ADVISORY BOARDS ESTABLISHMENT PROJECT SUBGRANT NO. 2005-JG-05-18050-2

SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

FOR THE PROGRAM YEAR END JUNE 30, 2009

	Budget	Actual	Variance
Revenues:			
Federal	$ 14,868	$ 14,290	$ (578)
Existing appropriation	14,868	14,290	(578)
Total revenues	29,736	28,580	(1,156)
Expenditures:			
Personnel	-	-	-
Employee benefits	-	-	-
Travel	-	-	-
Equipment	-	-	-
Supplies and other operating expenditures	28,486	28,580	(94)
Consultants	1,250	-	1,250
Construction	-	-	-
Other	-	-	-
Total expenditures	29,736	28,580	1,156
Excess of Revenues Over Expenditures	$ -	$ -	$ -

County of Washington, Pennsylvania

Schedule of Expenditures of Federal Awards
and Schedule of Department of Public
Welfare Financial Assistance

Year Ended December 31, 2009

COUNTY OF WASHINGTON, PENNSYLVANIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2009

Federal Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Payments Received	Expenditures
U.S. Department of Health and Human Services				
Passed Through the Pennsylvania Department of Public Welfare:				
Promoting Safe and Stable Families	93.556		$ 20,000	$ 20,000
Temporary Assistance for Needy Families	93.558		306,574	725,925
Temporary Assistance for Needy Families - Maximum Participation Project	93.558		11,257	34,380
Temporary Assistance for Needy Families - CCIS Day Care	93.558	DC08-639992	96,913	108,136
Subtotal 93.558			414,744	868,441
Child Support Enforcement	93.563	ME 3332114063	1,476,790	1,551,967
Child Support Enforcement - Incentive on Welfare Collections	93.563	001-021-684-6-1140-20211-632	236,978	383,387
Subtotal 93.563			1,713,768	1,935,354
Child Welfare Services - State Grants - Title IV (B) - Children and Youth	93.645		49,648	49,648
Foster Care - Title IV-E - Children and Youth	93.658		1,616,425	2,306,165
ARRA Foster Care - Title IV-E - Children and Youth	93.658		112,700	138,947
Subtotal 93.658			1,729,125	2,445,112
Adoption Assistance	93.659		1,136,766	1,124,272
ARRA Adoption Assistance	93.659		57,984	116,625
Subtotal 93.659			1,194,750	1,240,897
Social Services Block Grant - Title XX - Children and Youth	93.667		166,755	166,755
Social Services Block Grant - Medicaid - Children and Youth	93.667		-	6,853
Social Services Block Grant - Mental Health/Mental Retardation	93.667		155,116	155,116
Social Services Block Grant - CCIS Day Care	93.667	ME 9992-11670 and ME 9992-01670	519,033	565,482
Subtotal 93.667			840,904	894,206
Child Care and Development Block Grant	93.575	DC08-639992	2,225,672	2,317,526
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	DC08-639992	1,875,804	1,875,804
Chafee Foster Care Independence Program	93.674		67,198	94,077
Medical Assistance Program	93.778	ME 6300229863	1,255,544	1,589,938
Medical Assistance Program - Mental Health/Mental Retardation	93.778		1,950,052	5,342,735
ARRA Medical Assistance Program - Mental Health/Mental Retardation	93.778		1,634,401	1,634,401
Subtotal 93.778			4,839,997	8,567,074
Block Grants for Community Mental Health Services	93.958		607,184	629,684
National Bioterrorism Hospital Preparedness Program	93.889		2,645	2,645
Total U.S. Department of Health and Human Services			15,468,739	20,940,468
U.S. Department of Housing and Urban Development				
Passed Through Pennsylvania Department of Community and Economic Development:				
Emergency Shelter Grants Program - HUD DCED	14.231	C000029345	79,998	19,660
Emergency Shelter Grants Program	14.231	S07-UC-420011/S08-UC-420011 S09-UC-420011		209,728
Subtotal 14.231				229,388
Community Development Block Grants/Entitlement Grants - HUD	14.218	CD09-33		16,400
Supportive Housing Program - HUD SNAPS XII	14.235	PA28B601026		12,530
Supportive Housing Program - HUD SNAPS XIII	14.235	PA28B701007, PA28B701013 PA28B701003, PA28B701010 PA28B701021, PA28B701017 PA28B701002, PA28B701030		548,646
Supportive Housing Program - HUD SNAPS XIV	14.235	PA0277B35E010801/PA0282B3E010801 PA0291B35E010801/PA0294B3E010801 PA0295B35E010801/PA0300B3E010801 PA0302B35E010801		515,577
Subtotal 14.235				1,076,753
Shelter Plus Care - HUD SNAPS VII (S+C II)	14.238	PA28C105001		45,471
Shelter Plus Care - HUD SNAPS XIII (S+C II)	14.238	PA28C701034		26,060
Shelter Plus Care - HUD SNAPS XIV (S+C II)	14.238	PA0296C3E010801		55,921
Subtotal 14.238				127,452
Passed Through Pennsylvania Department of Community and Economic Development: ARRA Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	14.257	C000046183	-	8,680
ARRA Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	14.257	S-09-UY-42-0011		178,083
Subtotal 14.257				186,763
Total U.S. Department of Housing and Urban Development				1,636,756
U.S. Department of Agriculture				
Passed Through the Pennsylvania Department of Public Welfare: State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	DC-08-639992	92,483	99,553
Passed Through Pennsylvania Department of Agriculture:				
Emergency Food Assistance Program (Administrative Costs)	10.568	ME 4100036582		40,902
ARRA Temporary Emergency Food Assistance Program (Administrative Costs)	10.568	ME 446649-01		480
Emergency Food Assistance Program (Food Commodities)	10.569	8-04-63-131		289,513
Total U.S. Department of Agriculture				430,448

(Continued)

See notes to schedule of expenditures of federal awards.

COUNTY OF WASHINGTON, PENNSYLVANIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2009
(Continued)

Federal Grantor/Program Title (continued)	Federal CFDA Number	Pass-Through Grantor's Number	Payments Received	Expenditures
U.S. Department of Transportation				
Passed Through the Pennsylvania Department of Transportation:				
Highway Planning and Construction	20.205			145,557
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703			9,812
Total U.S. Department of Transportation				155,369
U.S. Department of the Interior				
Historic Preservation Fund Grants-in-Aid	15.904	42-07-PA-3070		4,779
Total U.S. Department of Interior				4,779
U.S. Department of Justice				
Passed Through the Pennsylvania Commission on Crime and Delinquency:				
Crime Victim Assistance	16.575	2006-VF-05-17804/2010-VF-05-19976		64,314
Edward Byrne Formula Grant Program - Treatment Court	16.579	2005-DC-BX-0020		128,915
Violence Against Women Formula Grants	16.588	2007/2008-VA-06-19231		39,827
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2005-JG-05-18050-2/2006-JG-05-18050-		9,428
Edward Byrne Memorial Justice Assistance Grant Program	16.738			62,343
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2005-JG-04-18965		21,476
ARRA Edward Byrne Memorial Justice Assistance Grant Program/Grants to Units of Local Government (Recovery Act Funded)	16.804	2009-SB-B9-2038/2009-DJ-BX-0619		121,105
Total U.S. Department of Justice				447,408
U.S. Department of Homeland Security				
Passed Through the Pennsylvania Emergency Management Agency (PEMA):				
Emergency Management Performance Grants	97.042			85,885
Total Federal Emergency Management				85,885
U.S. Department of Energy				
ARRA Energy Efficiency and Conservation Block Grant	81.128	DE-SC0001396		25,349
Total Department of Energy				25,349
U.S. Department of Education				
Passed Through the Pennsylvania Department of Public Welfare:				
Special Education - Grants for Infants and Families	84.181		99,964	133,285
U.S. General Services Administration				
Passed Through the PEMA:				
Donation of Federal Surplus Personal Property	39.003			583
U.S. Department of Transportation, Federal Aviation Administration				
Airport Improvement Program	20.106			518,079
Passed Through the Pennsylvania Department of Transportation:				
Airport Improvement Program	20.106			25,746
Total Department of Transportation, Federal Aviation Administration				543,825
Total Federal Financial Assistance per Washington County's primary government financial statements				24,404,155
U.S. Department of Housing and Urban Development				
Direct federal payments to a subrecipient (See Note 1):				
Community Development Block Grant Program				
Entitlement Grants	14.218			4,303,712
HOME Investment Partnerships Program	14.239			491,867
Passed Through Pennsylvania Department of Community and Economic Development:				
Community Development Block Grant Program/State's Program	14.228		-	-
Total U.S. Department of Housing and Urban Development				4,795,579
Total Federal Financial Assistance				$ 29,199,734

(Concluded)

See notes to schedule of expenditures of federal awards.

COUNTY OF WASHINGTON, PENNSYLVANIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2009

(1) The County of Washington, Pennsylvania (County) is a contractual recipient of federal financial awards under agreements with the U.S. Department of Housing and Urban Development (HUD). The County has authorized HUD to transmit funds under these agreements directly to the Washington County Redevelopment Authority (RDA), which is the representative agency with program oversight responsibility. This information is included in the County's schedule of expenditures of federal awards for informational purposes, although it has been excluded from the County's primary government financial statements (see Note 1 to the County's primary government financial statements). The RDA has submitted, for their fiscal year ending June 30, 2009, a Single Audit Report to the County covering $1,800,400 of the expenditures shown on the previous pages. The remaining $2,995,179 of expenditures, representing the period July 1, 2009 through December 31, 2009, will be covered in the RDA's Single Audit Report of June 30, 2010.

(2) This schedule is prepared in accordance with the modified accrual basis of accounting.

(3) By program, the following amounts were passed-through to subrecipients:

Program	CFDA	$ Passed-through
Emergency Shelter Grants Program	14.231	$ 108,720
Supportive Housing Program - HUD		
SNAPS VII, XIII, and XIV	14.238	136,787
SNAPS XII, XIII, and XIV	14.235	1,043,229
Temporary Assistance for Needy Families	93.558	725,925
Emergency Food Assistance Program - (Food Commodities)	10.569	40,902
Foster Care - Title IV-E / Adoption Assistance	93.658 / 93.659	2,617,559
Medical Assistance Transportation	93.778	1,577,793
CDBG/Entitlement Grants - HUD	14.218	16,400
Emergency Shelter Grants Program - DCED SPLAS	14.231	19,660

(4) Cash receipts are shown on the schedule on the cash basis of accounting as required by the Pennsylvania Department of Public Welfare and the Department of Community and Economic Development.

COUNTY OF WASHINGTON, PENNSYLVANIA

SCHEDULE OF DEPARTMENT OF PUBLIC WELFARE FINANCIAL ASSISTANCE

DECEMBER 31, 2009

Program	Combined Federal/ State Expenditures	
Child Support Enforcement Program	$ 1,935,354	*
County Children and Youth Programs:		
Adoption Assistance	1,240,897	
Temporary Assistance for Needy Families	725,925	*
Other County Children and Youth Programs	13,428,335	
Medical Assistance Transportation Program	3,444,954	*
Human Services Development Fund	556,507	
County Child Care Information Services		
for Subsidized Child Day Care	7,888,124	*
Mental Health/Mental Retardation	23,368,673	*
Promoting Safe and Stable Families	20,000	
Health Center - Rehabilitation Wing	70,222	
Combined Homeless Assistance Programs:		
Social Services Block Grant - Emergency Shelter Program	148,679	
Bridge Housing Program	35,071	
Housing Assistance Program	80,610	
Case Management Program for the Homeless	61,806	
	$ 53,005,157	

* Denotes major programs for DPW testing purpose. Temporary Assistance for Needy Families in the amount of $868,441 was a major DPW program in 2009 and is included in the County Child Care Information Services, County Children and Youth Programs, and Mental Health/Mental Retardation totals above. The 2009 dollar threshold used to distinguish between type A and type B was $732,125. The amount expended under major DPW programs for the year ended December 31, 2009 is $37,363,030.

County of Washington, Pennsylvania

DPW – Funded Financial Assistance
Program Exhibits

MaherDuessel
Certified Public Accountants

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Independent Accountant's Report on "Agreed-Upon Procedures" for Department of Public Welfare Funded Financial Assistance Programs, Schedules, and Exhibits

Board of County Commissioners
County Controller
County of Washington, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania Department of Public Welfare (DPW), and the County of Washington solely to assist you with respect to the financial schedules and exhibits required by the DPW Single Audit Supplement. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the DPW. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The procedures and associated findings are as follows:

a. We have verified by comparison of the amounts and classifications that the supplemental financial schedules and exhibits listed below, which summarize amounts reported to DPW for fiscal year ended June 30, 2009, have been accurately compiled and reflect the audited books and records of the County of Washington. We have also verified by comparison to the example schedules and exhibits that these schedules are presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

Program Name	Exhibit Number	Referenced Schedules/Exhibits
Title IV-D Child Support	A-1 (a)	Summary of Expenditures
	A-1 (b)	Child Support Enforcement - PACSES OCSE 157 Data Reliability Validation
Medical Assistance Transportation	III	Schedule of Revenues and Expenditures
MH/MR	IV (a) MH	Schedule of Revenues, Expenditures, and Carryover Funds
	IV (b) MH	Report of Income and Expenditures Single Audit Supplement
	IV (c) MR	Schedule of Revenues, Expenditures, and Carryover Funds Single Audit Supplement
	IV (d) MR	Report of Income and Expenditures Single Audit Supplement
	IV (e)	Cost Settlement Report (CSR)
	V (a) EI	Schedule of Revenues, Expenditures, and Carryover Funds Single Audit Supplement

	V (b) EI	Report of Income and Expenditures
		Single Audit Supplement
Human Services Development Fund	X	Schedule of Revenues and Expenditures
CCIS Daycare	VIII (b)	Schedule of Child Care Information Services Recap for Fiscal Year 2009
	XVIII (a)	Schedule of Revenues and Expenditures - Administrative Budget - Fund A
	XVIII (b)	Schedule of Revenues and Expenditures - Administrative Budget - Fund C
	XVIII (c)	Schedule of Revenues and Expenditures - Administrative Budget - TANF
	XVIII (d)	Year-to-Date Administrative Expenditures Fund A (screenshot)
	XVIII (e)	Year-to-Date Administrative Expenditures Fund C (screenshot)
	XVIII (f)	Year-to-Date Administrative Expenditures TANF (screenshot)
	XVIII (g)	Year-to-Date Administration/Family Support Services Budget Summary (screenshot)
	XVIII (h)	Recap Report Summary (CCMIS) (screenshot)
(Combined) Homeless Assistance Programs	XIX	Revenues and Expenses

b. We have inquired of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to DPW for the period in question.

c. The processes detailed in paragraphs (a) and (b) above disclosed no adjustments and/or findings.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

* * * * * * * * * *

This report is intended solely for the use of the Department of Public Welfare and should not be used by those who have not agreed to the procedures, and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Maher Duessel

Pittsburgh, Pennsylvania
July 1, 2010

COUNTY OF WASHINGTON, PENNSYLVANIA

TITLE IV - D CHILD SUPPORT ENFORCEMENT PROGRAM
COMPARISON OF SINGLE AUDIT EXPENDITURES WITH THE REPORTED EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Exhibit A-1 (a)

	Single Audit Expenditures					Report Expenditures					Single Audit Over (Under) Reported				
Quarter Ending: 9/30/08	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid
1. Salary & Overhead	$ 602,246	$ 24,957	$ 53,130	$ 524,159	$ 345,945	$ 602,246	$ 24,957	$ 53,130	$ 524,159	$ 345,945	$ -	$ -	$ -	$ -	$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	27,459	1,145	-	26,314	17,367	27,459	1,145	-	26,314	17,367	-	-	-	-	-
4. Blood Testing Fees	4,202	-	-	4,202	2,773	4,202	-	-	4,202	2,773	-	-	-	-	-
5. Blood Testing Costs	3,600	-	-	3,600	2,376	3,600	-	-	3,600	2,376	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	$ 574,185	$ 23,812	$ 53,130	$ 497,243	$ 328,181	$ 574,185	$ 23,812	$ 53,130	$ 497,243	$ 328,181	$ -	$ -	$ -	$ -	$ -
Quarter Ending: 12/31/08	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid
1. Salary & Overhead	$ 615,572	$ 26,088	$ -	$ 589,484	$ 389,059	$ 615,572	$ 26,088	$ -	$ 589,484	$ 389,059	$ -	$ -	$ -	$ -	$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	32,850	1,409	-	31,441	20,751	32,850	1,409	-	31,441	20,751	-	-	-	-	-
4. Blood Testing Fees	4,198	-	-	4,198	2,771	4,198	-	-	4,198	2,771	-	-	-	-	-
5. Blood Testing Costs	9,105	-	-	9,105	6,009	9,105	-	-	9,105	6,009	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	$ 587,629	$ 24,679	$ -	$ 562,950	$ 371,546	$ 587,629	$ 24,679	$ -	$ 562,950	$ 371,546	$ -	$ -	$ -	$ -	$ -
Quarter Ending: 3/31/09	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid
1. Salary & Overhead	$ 590,243	$ 25,043	$ -	$ 565,200	$ 373,032	$ 590,243	$ 25,043	$ -	$ 565,200	$ 373,032	$ -	$ -	$ -	$ -	$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	35,413	1,515	-	33,898	22,373	35,413	1,515	-	33,898	22,373	-	-	-	-	-
4. Blood Testing Fees	2,375	-	-	2,375	1,568	2,375	-	-	2,375	1,568	-	-	-	-	-
5. Blood Testing Costs	4,400	-	-	4,400	2,904	4,400	-	-	4,400	2,904	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	$ 556,855	$ 23,528	$ -	$ 533,327	$ 351,995	$ 556,855	$ 23,528	$ -	$ 533,327	$ 351,995	$ -	$ -	$ -	$ -	$ -
Quarter Ending: 6/30/09	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid
1. Salary & Overhead	$ 678,236	$ 27,353	$ -	$ 650,883	$ 429,583	$ 678,236	$ 27,353	$ -	$ 650,883	$ 429,583	$ -	$ -	$ -	$ -	$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	56,353	2,300	-	54,053	35,675	56,353	2,300	-	54,053	35,675	-	-	-	-	-
4. Blood Testing Fees	1,598	-	-	1,598	1,055	1,598	-	-	1,598	1,055	-	-	-	-	-
5. Blood Testing Costs	7,205	-	-	7,205	4,755	7,205	-	-	7,205	4,755	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	$ 627,490	$ 25,053	$ -	$ 602,437	$ 397,608	$ 627,490	$ 25,053	$ -	$ 602,437	$ 397,608	$ -	$ -	$ -	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

TITLE IV-D CHILD SUPPORT PROGRAM -
CHILD SUPPORT ENFORCEMENT
PACSES OCSE 157 DATA RELIABILITY VALIDATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Exhibit A-1(b)

County: Washington **Year Ended: 6/30/09**

OCSE 157 Report Line Number		Number of Cases Reviewed	Case Problems Found
Line #1	IV-D cases open at the end of the fiscal year.	4.00	-
Line #2	IV-D cases open at the end of the fiscal year with support orders established.	4.00	-
Line #5	Children in IV-D cases open at the end of the fiscal year that were born out of wedlock.	4.00	-
Line #6	Children in IV-D cases open at the end of the fiscal year who were born out of wedlock with paternity resolved.	4.00	-
Line #21	Cases open at the end of the fiscal year in which medical support is ordered	4.00	-
Line #23	Cases open at the end of the fiscal year where health insurance is provided as ordered	4.00	-
Line #24	Total amount of current support due for the fiscal year for IV-D cases, excluding emancipated children	4.00	1.00
Line #25	Total amount of support disbursed as current support during the fiscal year for IV-D cases, excluding emancipated children	4.00	-
Line #28	Cases with arrears due during the fiscal year (10/01/08 - 9/30/09)	4.00	-
Line #29	Cases with Disbursements on arrears during the fiscal year (10/01/08 - 9/30/09)	4.00	-

COUNTY OF WASHINGTON, PENNSYLVANIA

MEDICAL ASSISTANCE TRANSPORTATION PROGRAM
SCHEDULE OF REVENUES AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit III

	Reported	Actual
Service Data		
Expenditures:		
Group I Clients	$ 2,774,516	$ 2,774,516
Group II Clients	577,248	577,248
Total expenditures	$ 3,351,764	$ 3,351,764
Allocation Data		
Revenues:		
Department of Public Welfare	$ 3,344,405	$ 3,344,405
Interest income	7,359	7,359
Total revenues	3,351,764	3,351,764
Funds Expended:		
Operating costs	3,128,189	3,128,189
Administrative costs	223,575	223,575
Total funds expended	3,351,764	3,351,764
Excess of Revenues Over Expenditures	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL HEALTH SERVICES
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (a) MH

Source of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation	Balance of Funds	Grant Fund Adjustments	CSR State Grant Fund Adjustments	CSR - Promise Adjustments	TOTAL FUND BALANCE
	Carryover (1)	Allotment (2)	Total Allocation (3)	(4)	(5)	(6A)	(6B)	(6C)	(7)
A. MH Services	$ 869,160	$ 6,784,046	$ 7,653,206	$ 7,506,315	$ 146,891	$ 72,997	$ -	$ -	$ 219,888
B. OTHER STATE FUNDS									
1. Spec. Res.	-	-	-	-	-	-	-	-	-
2. BH Initiative	-	462,681	462,681	462,681	-	-	-	-	-
3. BH IGT	-	34,453	34,453	34,453	-	-	-	-	-
4. New Directions	-	-	-	-	-	-	-	-	-
5. Personal Care Homes	-	-	-	-	-	-	-	-	-
6. County Assistance Offices									
7. Facility and Services Enhancements	75,000	-	75,000	75,000	-	-	-	-	-
8. Reserved	-	-	-	-	-	-	-	-	-
9. Total Other State	75,000	497,134	572,134	572,134	-	-	-	-	-
C. SSBG	-	62,162	62,162	62,162	-	-	-	-	-
D. CMHSBG	-	674,684	674,684	674,684	-	-	-	-	-
E. OTHER FEDERAL FUNDS									
1. Maximizing Participation Project	-	45,029	45,029	45,029	-	-	-	-	-
2. PATH Homeless	-	-	-	-	-	-	-	-	-
3. Capitalization of POMS	-	-	-	-	-	-	-	-	-
4. MH Systems Transformation	-	-	-	-	-	-	-	-	-
5. Federal SSBG - Hurricane Katrina	-	-	-	-	-	-	-	-	-
6. Terrorism Related Disaster Relief	-	-	-	-	-	-	-	-	-
7. Bioterrorism Hosp Prep/Pub Hth Prep Rsp	16,946	-	16,946	-	16,946	-	-	-	16,946
8. Medical Assistance/TTI	-	-	-	-	-	-	-	-	-
9. Client Level Reporting Project	-	-	-	-	-	-	-	-	-
10. Youth Suicide Prevention	-	-	-	-	-	-	-	-	-
11. Reserved	-	-	-	-	-	-	-	-	-
12. Total Other Federal	16,946	45,029	61,975	45,029	16,946	-	-	-	16,946
F. TOTAL	$ 961,106	$ 8,063,055	$ 9,024,161	$ 8,860,324	$ 163,837	$ 72,997	$ -	$ -	$ 236,834

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL HEALTH PROGRAM
REPORT OF INCOME AND EXPENDITURES

SINGLE AUDIT SUPPLEMENT
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (b) MH

	Administrator's Office	Community Services	Intensive Case Management	Outpatient	Day Treatment (Part. Hosp.)
I. TOTAL ALLOCATION	$ -	$ -	$ -	$ -	$ -
II. TOTAL EXPENDITURES	1,946,033	607,617	401,517	681,325	120,045
III. Costs Over Allocation					
A. County Funded Eligible	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-
C. Other Eligible	-	-	-	-	-
D. Other Ineligible	-	509	-	-	812
E. Total Costs Over Allocation	-	509	-	-	812
IV. REVENUES					
A. Program Service Fees	-	-	-	-	1,194
B. Private Insurance Fees	-	-	-	388,959	-
C. Medical Assistance	-	-	19,870	4,328	-
D. Medical Assistance - MA 325	-	-	-	-	-
E. Room and Board	-	-	-	-	-
F. Earned Interest	32,025	-	-	-	-
G. Other	962,360	260	-	-	-
H. Total Revenue	994,385	260	19,870	393,287	1,194
V. DPW REIMBURSEMENT					
A. Base Allocation 90%	290,959	275,396	-	64,166	-
B. Base Allocation 100%	-	-	288,213	-	118,039
C. DPW Categorical Funding 90% Subtotal	-	-	-	-	-
D. DPW Categorical Funding 100% Subtotal	457,682	290,853	93,434	133,403	-
E. SSBG 90% Adult	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-
SSBG 100% Adult	-	-	-	-	-
SSBG 100% Child	-	-	-	-	-
F. CMHSBG Non-Categorical Funding 90%	-	-	-	-	-
CMHSBG Non-Categorical Funding 100%	80,677	10,000	-	83,340	-
CMHSBG Categorical Funding	90,000	-	-	-	-
VI. COUNTY MATCH					
10% County Match	32,330	30,599	-	7,129	-
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	951,648	606,848	381,647	288,038	118,039
VIII. TOTAL CARRYOVER	$ -	$ -	$ -	$ -	$ -

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL HEALTH PROGRAM
REPORT OF INCOME AND EXPENDITURES

SINGLE AUDIT SUPPLEMENT
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (b) MH, Continued

	Crisis Intervention	Community Employment	Vocational Rehabilitation	Soc Rehab Services	Family Support Svcs	Community Res. Services	Family Based Services
I. TOTAL ALLOCATION	$ -	$ -	$ -	$ -	$ -	$ -	$ -
II. TOTAL EXPENDITURES	1,082,977	199,197	111,217	497,458	19,869	3,102,363	56,553
III. Costs Over Allocation							
A. County Funded Eligible	-	-	-	-	-	-	-
B. County Funded Ineligible	7,711	-	-	-	-	-	-
C. Other Eligible	-	-	-	-	-	-	-
D. Other Ineligible	-	-	-	174	-	211	-
E. Total Costs Over Allocation	7,711	-	-	174	-	211	-
IV. REVENUES							
A. Program Service Fees	-	-	-	-	-	-	-
B. Private Insurance Fees	259,111	-	-	-	-	-	-
C. Medical Assistance	183	-	-	-	-	-	25,568
D. Medical Assistance - MA 325	-	-	-	-	-	-	-
E. Room and Board	-	-	-	-	-	283,743	-
F. Earned Interest	-	435	190	-	-	560	-
G. Other	1,499	56,545	26,316	15,397	-	1,316	-
H. Total Revenue	260,793	56,980	26,506	15,397	-	285,619	25,568
V. DPW REIMBURSEMENT							
A. Base Allocation 90%	139,587	95,210	62,189	143,414	11,885	214,127	-
B. Base Allocation 100%	36,000	-	-	-	-	-	30,985
C. DPW Categorical Funding 90% Subtotal	-	-	-	-	-	-	-
D. DPW Categorical Funding 100% Subtotal	623,376	36,428	15,612	322,538	6,664	2,578,614	-
E. SSBG 90% Adult	-	-	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-	-	-
SSBG 100% Adult	-	-	-	-	-	-	-
SSBG 100% Child	-	-	-	-	-	-	-
F. CMHSBG Non-Categorical Funding 90%	-	-	-	-	-	-	-
CMHSBG Non-Categorical Funding 100%						-	
CMHSBG Categorical Funding	-	-	-	-	-	-	-
VI. COUNTY MATCH	-	-	-	-	-	-	-
10% County Match	15,510	10,579	6,910	15,935	1,320	23,792	-
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	814,473	142,217	84,711	481,887	19,869	2,816,533	30,985
VIII. TOTAL CARRYOVER	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL HEALTH PROGRAM
REPORT OF INCOME AND EXPENDITURES

SINGLE AUDIT SUPPLEMENT
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (b) MH, Continued

	Comm Trtmnt Teams	Admin Management	Emerg Svcs	Hsng Suppt Svcs	Psych Rehab	Total
I. TOTAL ALLOCATION	$ -	$ -	$ -	$ -	$ -	$ 9,024,161
II. TOTAL EXPENDITURES	180,024	1,098,297	466,129	674,372	198,172	11,443,165
III. Costs Over Allocation						
A. County Funded Eligible	-	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-	7,711
C. Other Eligible	-	-	-	-	-	-
D. Other Ineligible	-	11,565	2,144	64	-	15,479
E. Total Costs Over Allocation	-	11,565	2,144	64	-	23,190
IV. REVENUES						
A. Program Service Fees	-	-	-	-	-	1,194
B. Private Insurance Fees	-	-	-	-	-	648,070
C. Medical Assistance	-	-	-	-	-	49,949
D. Medical Assistance - MA 325	-	-	-	-	-	-
E. Room and Board	-	-	-	9,727	-	293,470
F. Earned Interest	-	1,365	76,583	-	-	111,158
G. Other	-	22,000	2,600	161,774	750	1,250,817
H. Total Revenue	-	23,365	79,183	171,501	750	2,354,658
V. DPW REIMBURSEMENT						
A. Base Allocation 90%	-	186,885	211,823	149,295	-	1,844,936
B. Base Allocation 100%	-	-	-	-	83,136	556,373
C. DPW Categorical Funding 90% Subtotal	-	-	-	-	-	-
D. DPW Categorical Funding 100% Subtotal	180,024	467,288	65,043	336,924	114,286	5,722,169
E. SSBG 90% Adult	-	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-	-
SSBG 100% Adult	-	62,162	-	-	-	62,162
SSBG 100% Child	-	-	-	-	-	-
F. CMHSBG Non-Categorical Funding 90%	-	-	-	-	-	-
CMHSBG Non-Categorical Funding 100%		326,267	84,400			584,684
CMHSBG Categorical Funding	-	-	-	-	-	90,000
VI. COUNTY MATCH						-
10% County Match	-	20,765	23,536	16,588	-	204,993
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	180,024	1,063,367	384,802	502,807	197,422	9,065,317
VIII. TOTAL CARRYOVER	$ -	$ -	$ -	$ -	$ -	$ 163,837

(Concluded)

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL RETARDATION SERVICES
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS
SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (c) MR

Sources of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation	Balance of Funds	Grant Fund Adjustments	CSR State Grant Fund Adjustments	CSR Promise Adjustments	Total Fund Balance
	Carryover Funds (1)	Allotment (2)	Total Allocation (3)	(4)	(5)	(6A)	(6B)	(6C)	(7)
A. MR Services									
1. Community (NR/Res)	$ 264,413	$ 1,011,953	$ 1,276,366	$ 1,159,188	$ 117,178	$ -	$ -	$ -	$ 117,178
2. SSBG	-	92,954	92,954	92,954	-	-	-	-	-
3. Reserved	-	-	-	-	-	-	-	-	-
4. Subtotal MR Services	264,413	1,104,907	1,369,320	1,252,142	117,178	-	-	-	117,178
B. Waiver									
1. Consolidated Waiver Services	235,602	21,695,486	21,931,088	21,559,129	371,959	3,102	-	-	375,061
2. Waiver Administration	792	184,620	185,412	184,269	1,143	-	-	-	1,143
3. P/FDS Waiver Services	216,966	1,452,875	1,669,841	1,625,393	44,448	-	-	-	44,448
4. Reserved	-	-	-	-	-	-	-	-	-
5. Subtotal Waiver	453,360	23,332,981	23,786,341	23,368,791	417,550	3,102	-	-	420,652
C. Other									
1. Elwyn	-	-	-	-	-	-	-	-	-
2. Pennhurst Dispersal	-	-	-	-	-	-	-	-	-
3. Pennhurst Dispersal (Cons Waiver)	-	-	-	-	-	-	-	-	-
4. Money Follows the Person	-	-	-	-	-	-	-	-	-
5. Visions for Equality	-	-	-	-	-	-	-	-	-
6. Reserved	-	-	-	-	-	-	-	-	-
7. Subtotal Other	-	-	-	-	-	-	-	-	-
D. TOTAL	$ 717,773	$ 24,437,888	$ 25,155,661	$ 24,620,933	$ 534,728	$ 3,102	$ -	$ -	$ 537,830

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL RETARDATION PROGRAM
REPORT OF INCOME AND EXPENDITURES

SINGLE AUDIT SUPPLEMENT
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (d) MR

	Administrator's Office	Home & Comm Services	Community Habilitation
I. TOTAL ALLOCATION	$ -	$ -	$ -
II. TOTAL EXPENDITURES	297,961	1,436,369	2,424,094
III. Costs Over Allocation			
A. County Funded Eligible	-	-	-
B. County Funded Ineligible	-	-	-
C. Other Eligible	-	-	-
D. Other Ineligible	-	238	-
E. Total Costs Over Allocation	-	238	-
IV. REVENUES			
A. Program Service Fees	-	34,728	210,192
B. Private Insurance Fees	-	-	-
C. Medical Assistance	-	-	-
D. Medical Assistance-Administrative Claim	5,336	-	-
E. Room and Board	-	-	-
F. Interest	-	600	-
G. Other	11,280		58,342
H. Total Revenue	16,616	35,328	268,534
V. DPW REIMBURSEMENT			
A. Base Allocation 90%	82,566	-	12,777
B. Base Allocation 100%	-	-	-
C. DPW Categorical Funding 90%	-	-	-
D. DPW Categorical Funding 100%	189,605	1,400,803	2,141,363
E. SSBG 90% Adult	-	-	-
SSBG 90% Child	-	-	-
SSBG 100 % Adult	-	-	
SSBG 100% Child	-	-	-
	-	-	-
VI. COUNTY MATCH			
10% County Match	9,174	-	1,420
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	281,345	1,400,803	2,155,560
VIII. TOTAL CARRYOVER	$ -	$ -	$ -

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL RETARDATION PROGRAM
REPORT OF INCOME AND EXPENDITURES

SINGLE AUDIT SUPPLEMENT
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (d) MR, Continued

	Supports Coordination	Employment	Transportation	Pre-Vocational Services
I. TOTAL ALLOCATION	$ -	$ -	$ -	$ -
II. TOTAL EXPENDITURES	897,760	144,907	103,792	1,321,289
III. Costs Over Allocation				
A. County Funded Eligible	-	-	-	-
B. County Funded Ineligible	-	-	-	-
C. Other Eligible	-	-	-	-
D. Other Ineligible	6,415	-	-	-
E. Total Costs Over Allocation	6,415	-	-	-
IV. REVENUES				
A. Program Service Fees	248	198	-	27,116
B. Private Insurance Fees	-	-	-	-
C. Medical Assistance	561,905	-	-	-
D. Medical Assistance-Administrative Claims	-	-	-	-
E. Room and Board	-	-	-	-
F. Interest	51	41	-	623
G. Other	-	34,617	-	134,278
H. Total Revenue	562,204	34,856	-	162,017
V. DPW REIMBURSEMENT				
A. Base Allocation 90%	-	1,263	-	40,830
B. Base Allocation 100%	-	-	-	-
C. DPW Categorical Funding 90%	296,227	-	-	-
D. DPW Categorical Funding 100%	-	73,018	103,792	1,054,225
E. SSBG 90% Adult	-	-	-	21,206
SSBG 90% Child	-	-	-	-
SSBG 100% Adult	-	35,630	-	36,118
SSBG 100% Child	-	-	-	-
VI. COUNTY MATCH				
10% County Match	32,914	140	-	6,893
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	329,141	110,051	103,792	1,159,272
VIII TOTAL CARRYOVER	$ -	$ -	$ -	$ -

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

MENTAL RETARDATION PROGRAM
REPORT OF INCOME AND EXPENDITURES

SINGLE AUDIT SUPPLEMENT
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit IV (d) MR, Continued

	FD/FS	Community Residential	Total
I. TOTAL ALLOCATION	$ -	$ -	$ 25,155,661
II. TOTAL EXPENDITURES	230,774	20,000,533	26,857,479
III. Costs Over Allocation			
A. County Funded Eligible	-	-	-
B. County Funded Ineligible	-	-	-
C. Other Eligible	-	-	-
D. Other Ineligible	-	2,289	8,942
E. Total Costs Over Allocation	-	2,289	8,942
IV. REVENUES			
A. Program Service Fees	-	19,788	292,270
B. Private Insurance Fees	-	-	-
C. Medical Assistance	-	-	561,905
D. Medical Assistance-Administrative Claims	-	-	5,336
E. Room and Board	-	992,776	992,776
F. Interest	-	2,889	4,204
G. Other	-	79,026	317,543
H. Total Revenue	-	1,094,479	2,174,034
V. DPW REIMBURSEMENT			
A. Base Allocation 90%	27,263	-	164,699
B. Base Allocation 100%	-	692,926	692,926
C. DPW Categorical Funding 90%	-	-	296,227
D. DPW Categorical Funding 100%	200,482	18,210,839	23,374,127
E. SSBG 90% Adult	-	-	21,206
SSBG 90% Child	-	-	-
SSBG 100% Adult	-	-	71,748
SSBG 100% Child	-	-	-
VI. COUNTY MATCH			
10% County Match	3,029	-	53,570
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	230,774	18,903,765	24,674,503
VIII TOTAL CARRYOVER	$ -	$ -	$ 534,728

(Concluded)

COUNTY OF WASHINGTON, PENNSYLVANIA
MENTAL HEALTH/MENTAL RETARDATION PROGRAM

TARGETED SERVICES MANAGEMENT (TSM)/SUPPORTS COORDINATION (SC)
COST SETTLEMENT REPORT

Exhibit IV (e)

COUNTY/JOINDER/ADMINISTRATIVE ENTITY:	Washington	FISCAL YEAR:	2008 - 2009
PROVIDER NAME:	Washington County MH/MR		
MASTER PROVIDER INDEX (MPI):	100227296		
SERVICE LOCATION:	0006		

Total Approved Budget Expenditures	$	342,386

		Actual Units	Budget Units	Approved Rate	Revised Approved Rate
1.	**Service Delivery Analysis:**				
	MA Eligible Units:				
	a. SC/Consolidated and PFDS (W7210)	12,892	12,600	$ 17.29	$ -
	b. TSM/TSM (T1017)	24	24	$ 17.29	$ -
	Non-MA Units (Non FFP):				
	c. Base/Case Management	6,896	6,500	$ 17.29	$ -
	Combined Units	19,812	19,124		

		Expenditures	Allocation	Lower Alloc/Expend
2.	**Expenditures:**			
	Total Program Expenditures	$ 342,386	$ 405,359	$ 342,386
	Waiver - Con & P/FDS (W7210)	$ 222,796	$ 267,074	$ 222,796
	TSM (T1017)	$ 415	$ 509	$ 415
	Base (CM)	$ 119,175	$ 137,776	$ 119,175

		Revenues	Lower Alloc/Expend	Underpayment/(Overpayment)
3.	**Revenues:**			
	a. PROMISe Revenue			
	Waiver - Con & P/FDS (W7210)	$ 222,903	$ 222,796	$ (107)
	TSM (T1017)	$ 415	$ 415	$ -
	b. Revenues supporting Non-MA Units Base/ Case Management	$ 119,169	$ 119,175	$ 6
	c. Total program revenues	$ 342,487		

		MA Funding	Non-MA Funding
4.	**Lower of Allocation or Expenditures minus Revenues**	$ (107)	$ 6

Underpayment/(Overpayment)

		Actual Units	Actual Rate	Reconciled Revenues
5.	**Service Delivery:**			
	a. MA Eligible units (W7210 & T1017)	12,916		
	b. Non-MA units	6,896		
	c. Combined units	19,812	$ 17.29	
			Total	-
6.	**Reconciliation:**			
	a. FFP			$ (107)
	b. Non-FFP			$ 6
			Total amount	$ (101)

Underpayment/ (Overpayment)

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA
MENTAL HEALTH/MENTAL RETARDATION PROGRAM

TARGETED SERVICES MANAGEMENT (TSM)/SUPPORTS COORDINATION (SC)
COST SETTLEMENT REPORT

Exhibit IV (e), (Continued)

		Yes/No	Amount
7.	**Reconciliation Recap:**		
	Overpayment		
	a. PROMISe Adjustment Request	Yes	$ (107)
	Underpayment		
	b. PROMISe Gross Adjustment requested to initiate payment	No	
	c. No PROMISe Gross Adjustment requested	Yes	$ 6

CSR Summary:			
A.	Total Program Expenditures	$	342,386
B1.	Reported PROMISe Revenue	$	223,318
B2.	PROMISe Gross Adjustment requested	$	(107)
B.	Total adjusted MA Revenue	$	223,211
C.	Other revenue	$	-

(Concluded)

COUNTY OF WASHINGTON, PENNSYLVANIA

EARLY INTERVENTION SERVICES
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS
SINGLE AUDIT SUPPLEMENT

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit V (a) EI

Sources of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation	Balance of Funds	Grant Fund Adjustments	Total Fund Balance
	Carryover Funds (1)	Allotment (2)	Total Allocation (3)	(4)	(5)	(6A)	(7)
A Early Intervention							
1. State Early Intervention	$ 131,536	$ 871,951	$ 1,003,487	$ 776,529	$ 226,958	$ -	$ 226,958
2. State Early Intervention - Training	-	6,170	6,170	6,170	-	-	-
3. EI Administration	29,363	59,379	88,742	88,742	-		-
4. Infants & Toddlers w/ Disabilities (Part C)	-	133,285	133,285	133,285	-	-	-
5. IT&F Waiver Serv.	63,448	556,760	620,208	600,161	20,047	-	20,047
6. IT&F Waiver Admin.	-	28,632	28,632	28,632	-	-	-
7. Reserved	-	-	-	-	-	-	-
							-
8 TOTAL	$ 224,347	$ 1,656,177	$ 1,880,524	$ 1,633,519	$ 247,005	$ -	$ 247,005

COUNTY OF WASHINGTON, PENNSYLVANIA

EARLY INTERVENTION SERVICES
REPORT OF INCOME AND EXPENDITURES

SINGLE AUDIT SUPPLEMENT
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit V (b) EI

	Administrator's Office	Early Intervention	Supports Coordination	Totals
I. TOTAL ALLOCATION	$ -	$ -	$ -	$ 1,880,524
II. TOTAL EXPENDITURES	127,234	1,763,821	307,888	2,198,943
III. Costs Over Allocation				
A. County Funded Eligible	-	-	-	-
B. County Funded Ineligible	-	-	-	-
C. Other Eligible	-	-	-	-
D. Other Ineligible	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-
IV. REVENUES				
A. Program Service Fees	-	-	-	-
B. Private Insurance Fees	-	-	-	-
C Medical Assistance - MA EI	-	266,585	187,203	453,788
D Medical Assistance - Administrative Claims	-	-	-	-
E. Interest	-	-	-	-
F. Other	-	-	-	-
G Total Revenue	-	266,585	187,203	453,788
V. DPW REIMBURSEMENT				
A. Base Allocation 90%	-	-	-	-
B. Base Allocation 100%	-	-	-	-
C. DPW Categorical Funding 90%	88,742	807,368	108,616	1,004,726
D. DPW Categorical Funding 100%	28,632	600,161	-	628,793
VI. COUNTY MATCH				
10% County Match	9,860	89,707	12,069	111,636
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	127,234	1,497,236	120,685	1,745,155
VIII. TOTAL CARRYOVER	$ -	$ -	$ -	$ 247,005

COUNTY OF WASHINGTON, PENNSYLVANIA

HUMAN SERVICES DEVELOPMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit X

	Budget	Actual
Revenues:		
Pennsylvania Department of Public Welfare	$ 569,873	$ 569,873
Interest income	-	1,584
Other funds	-	-
Total revenues	569,873	571,457
Expenditures:		
Adult Services	39,300	33,803
Aging Services	75,000	94,770
Children and Youth Services	267,000	274,016
Mental Retardation Services	60,000	60,000
Generic Services	45,000	39,743
Specialized Services	11,000	11,000
Service Coordination	16,573	9,934
County Administration	56,000	48,191
Total expenditures	569,873	571,457
Excess of Revenues Over Expenditures	$ -	$ -

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
SCHEDULE OF CHILD CARE INFORMATION SERVICES
RECAP FOR FISCAL YEAR 2009

Exhibit VIII (b)

CONTRACTOR	Washington Co. Board of Commissioners	COUNTY	Washington
FEDERAL ID NO:	25-60010-430	PREPARED BY	Gina Embert
CONTRACT NO:	DC08-639992	PHONE NO.:	724-250-4010

	LOW INCOME		FORMER TANF		LI & FT
	ADMIN	SERVICE	ADMIN	SERVICE	TOTAL
REVENUE					
DPW Funds	$ 470,499	$ 5,459,231	$ 89,458	$ 1,105,638	$ 7,124,826
Interest		6,213		1,291	7,504
Audit Adjustments	-		-		-
Other (e.g., Penalties)	-		-		-
		-		-	-
		-		-	-
		-		-	-
		-		-	-
		-		-	-
TOTAL REVENUE	$ 470,499	$ 5,465,444	$ 89,458	$ 1,106,929	$ 7,132,330
EXPENDITURES					
Final Report Totals	$ 502,015	$ 5,479,343	$ 94,078	$ 1,114,294	$ 7,189,730
		-		-	-
		-		-	-
		-		-	-
		-		-	-
		-		-	-
TOTAL EXPENDITURES	$ 502,015	$ 5,479,343	$ 94,078	$ 1,114,294	$ 7,189,730
TOTAL DUE DPW	$ (31,516)	$ (13,899)	$ (4,620)	$ (7,365)	$ (57,400)

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
SCHEDULE OF CHILD CARE INFORMATION SERVICES
RECAP FOR FISCAL YEAR 2009

Exhibit VIII(b), Continued

CONTRACTOR	Washington Co. Board of Commissioners	COUNTY	Washington
FEDERAL ID NO:	25-60010-430	PREPARED BY	Gina Embert
CONTRACT NO:	DC08-639992	PHONE NO.:	724-250-4010

	TANF	TANF					STATE	SERVICE		STATE	FOOD STAMPS		
	FSS	Training	WS - Training	Working	WS-Working	TOTAL	MOE/GA FSS	State Moe	Genl Assist/WS2	MOE/GA TOTAL	FSS	Service	Total
REVENUE													
DPW Funds	$ 88,842	$ 169,740	$ 55,947	$ 119,707	$ 19,791	$ 454,027	$ 1,642	$ 6,508	$ -	$ 8,150	$ 44,592	$ 168,576	$ 213,168
Interest		161	48	161	24	394		8	-	8		161	161
Audit Adjustments	-					-	-			-	-		
Other (e.g., Penalties)	-					-	-			-	-		
		-	-	-	-	-		-	-	-			-
		-	-	-	-	-		-	-	-			-
TOTAL REVENUE	$ 88,842	$ 169,901	$ 55,995	$ 119,868	$ 19,815	$ 454,421	$ 1,642	$ 6,516	$ -	$ 8,158	$ 44,592	$ 168,737	$ 213,329
EXPENDITURES													
Final Report Totals	$ 95,688	$ 190,659	$ 57,744	$ 119,273	$ 19,170	$ 482,534	$ 1,769	$ 12,832	$ -	$ 14,601	$ 48,028	$ 174,655	$ 222,683
		-	-	-	-	-		-	-	-		-	-
		-	-	-	-	-		-	-	-		-	-
		-	-	-	-	-		-	-	-		-	-
		-	-	-	-	-		-	-	-		-	-
TOTAL EXPENDITURES	95,688	190,659	57,744	119,273	19,170	482,534	1,769	12,832	-	14,601	48,028	174,655	222,683
TOTAL DUE DPW	$ (6,846)	$ (20,758)	$ (1,749)	$ 595	$ 645	$ (28,113)	$ (127)	$ (6,316)	$ -	$ (6,443)	$ (3,436)	$ (5,918)	$ (9,354)

(Concluded)

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
SCHEDULE OF REVENUES AND EXPENDITURES
ADMINISTRATIVE BUDGET - FUND A

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (a)

	Budget	Actual
Revenues:		
Pennsylvania Department of Public Welfare	$ 544,586	$ 544,586
Expenditures:		
Personnel:		
Salaries and wages	264,419	262,821
Employee benefits	129,071	109,848
Total personnel	393,490	372,669
Operations:		
Occupancy	29,000	27,888
Communications:		
Telephone	5,158	3,797
Advertising	8,598	4,932
Printing	2,279	1,080
Postage	8,458	6,042
Total communications	24,493	15,851
Supplies	6,286	4,143
Equipment (under $5,000)	14,870	9,189
Travel	2,979	1,870
Educational training	-	-
Audit	1,889	1,889
Other:		
Insurance	2,250	1,196
Miscellaneous	13,661	11,653
Total other	15,911	12,849
Indirect costs	55,668	55,667
Total operations	151,096	129,346
Equipment (over $5,000)	-	-
Total expenditures	544,586	502,015
Excess (Deficiency) of Revenues Over Expenditures	$ -	$ 42,571

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
SCHEDULE OF REVENUES AND EXPENDITURES
ADMINISTRATIVE BUDGET - FUND C

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (b)

	Budget	Actual
Revenues:		
Pennsylvania Department of Public Welfare	$ 99,133	$ 99,133
Expenditures:		
Personnel:		
Salaries and wages	53,686	53,686
Employee benefits	22,307	22,307
Total personnel	75,993	75,993
Operations:		
Occupancy	4,000	4,000
Communications:		
Telephone	1,282	811
Advertising	1,608	410
Printing	1,140	585
Postage	1,282	1,282
Total communications	5,312	3,088
Supplies	1,922	652
Equipment (under $5,000)	1,422	1,422
Travel	1,140	326
Audit	570	328
Educational training	-	-
Other:		
Insurance	550	45
Miscellaneous	729	729
Total other	1,279	774
Indirect costs	7,495	7,495
Total operations	23,140	18,085
Equipment (over $5,000)	-	-
Total expenditures	99,133	94,078
Excess of Revenues Over Expenditures	$ -	$ 5,055

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
SCHEDULE OF REVENUES AND EXPENDITURES
ADMINISTRATIVE BUDGET - TANF

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (c)

	Budget	Actual
Revenues:		
Pennsylvania Department of Public Welfare	$ 163,388	$ 163,388
Expenditures:		
Personnel:		
Salaries and wages	72,105	72,105
Employee benefits	35,477	35,477
Total personnel	107,582	107,582
Operations:		
Occupancy	4,000	4,000
Communications:		
Telephone	3,760	2,416
Advertising	5,521	1,457
Printing	1,880	522
Postage	3,760	3,760
Other	-	-
Total communications	14,921	8,155
Supplies	6,490	2,752
Equipment (under $5,000)	5,641	3,354
Travel	1,881	823
Audit	940	513
Other:		
Insurance	2,000	741
Other	5,788	3,420
Indirect Costs	14,145	14,145
Total operations	55,806	37,903
Total expenditures	163,388	145,485
Excess of Revenues Over Expenditures	$ -	$ 17,903

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
YEAR-TO-DATE ADMINISTRATIVE EXPENDITURES - FUND A
SCREENSHOT

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (d)

pennsylvania PELICAN Child Care Works — *Pennsylvania's Enterprise to Link Information for Children Across Networks*

Help | Logout

Home | R&R | Provider | Case | Payments | Reports | Correspondence | **Administration**

Funds Home | Funding Streams | Allocations | Available Funds | MCCA | **Admin/Fam Sup Svcs**

Budgets

Administration/Family Support Services Budget Detail — Select. . . GO

Fiscal Year	Funding Source	County	Allocation Amount	Unallocated Funds
FY 2008-09	Low Income - Fund A	Washington	$544,586.00	$0.00

Budget Information Detail for Washington

Administration/Family Support Services Budget

Budget Category	Budget Amount	Expenditures YTD	Last Updated Date
Personnel			
Salaries	$264,419.00	$262,820.51	07/13/2009
Benefits	$129,071.00	$109,848.39	07/13/2009
Personnel Sub Total	**$393,490.00**	**$372,668.90**	
Occupancy	$29,000.00	$27,888.16	07/13/2009
Communications			
Telephone	$5,158.00	$3,797.19	07/13/2009
Advertising	$8,598.00	$4,931.84	05/05/2009
Printing	$2,279.00	$1,079.94	05/05/2009
Postage	$8,458.00	$6,042.01	07/13/2009
Communications Sub Total	**$24,493.00**	**$15,850.98**	
Supplies	$6,286.00	$4,143.11	07/13/2009
Equipment	$14,869.62	$9,189.08	08/12/2009
Travel	$2,979.00	$1,870.26	07/13/2009
Audit	$1,889.00	$1,888.60	05/05/2009
Other			
Insurance	$2,250.00	$1,196.32	05/05/2009
Legal Costs	$7,713.00	$7,712.53	05/05/2009
Other	$2,881.00	$873.00	07/13/2009
Uncollected Overpayments	$3,067.38	$3,067.38	08/12/2009
Other Sub Total	**$15,911.38**	**$12,849.23**	
Indirect Costs	$55,668.00	$55,667.06	07/13/2009
Totals YTD	**$544,586.00**	**$502,015.38**	

NEW EXPENDITURES TRANSFERS HISTORY RETURN TO SUMMARY

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Production

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
YEAR-TO-DATE ADMINISTRATIVE EXPENDITURES - FUND C
SCREENSHOT

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (e)

Help | Logout

pennsylvania PELICAN Child Care Works *Pennsylvania's Enterprise to Link Information for Children Across Networks*

Home | R&R | Provider | Case | Payments | Reports | Correspondence | **Administration**

Funds Home | Funding Streams | Allocations | Available Funds | MCCA | **Admin/Fam Sup Svcs**

Budgets

Administration/Family Support Services Budget Detail

Select. . . GO

Fiscal Year	Funding Source	County	Allocation Amount	Unallocated Funds
FY 2008-09	Former TANF - Fund C	Washington	$99,133.00	$0.00

Budget Information Detail for Washington

Administration/Family Support Services Budget

Budget Category	Budget Amount	Expenditures YTD	Last Updated Date
Personnel			
Salaries	$53,686.00	$53,686.00	07/13/2009
Benefits	$22,307.00	$22,307.00	07/13/2009
Personnel Sub Total	**$75,993.00**	**$75,993.00**	
Occupancy	$4,000.00	$4,000.00	07/13/2009
Communications			
Telephone	$1,282.00	$810.89	06/08/2009
Advertising	$1,608.00	$409.56	06/08/2009
Printing	$1,140.00	$584.95	05/12/2009
Postage	$1,282.00	$1,282.00	07/13/2009
Communications Sub Total	**$5,312.00**	**$3,087.40**	
Supplies	$1,922.00	$652.46	06/08/2009
Equipment	$1,422.00	$1,422.00	07/13/2009
Travel	$1,140.00	$325.75	06/08/2009
Audit	$570.00	$328.10	10/07/2008
Other			
Insurance	$550.00	$45.42	03/06/2009
Legal Costs	$500.00	$500.00	01/14/2009
Other	$229.00	$229.00	07/13/2009
Other Sub Total	**$1,279.00**	**$774.42**	
Indirect Costs	$7,495.00	$7,495.00	07/13/2009
Totals YTD	**$99,133.00**	**$94,078.13**	

NEW EXPENDITURES TRANSFERS HISTORY RETURN TO SUMMARY

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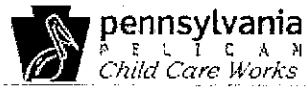
COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
YEAR-TO-DATE ADMINISTRATIVE EXPENDITURES - TANF
SCREENSHOT

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (f)



Pennsylvania's Enterprise to Link Information for Children Across Networks

Help | Logout

Home | R&R | Provider | Case | Payments | Reports | Correspondence | **Administration**

Funds Home | Funding Streams | Allocations | Available Funds | MCCA | **Admin/Fam Sup Svcs**

Budgets

Administration/Family Support Services Budget Detail

Select. . . GO

Fiscal Year	Funding Source	County	Allocation Amount	Unallocated Funds
FY 2008-09	TANF	Washington	$163,388.00	$0.00

Budget Information Detail for Washington

Administration/Family Support Services Budget

Budget Category	Budget Amount	Expenditures YTD	Last Updated Date
Personnel			
Salaries	$72,105.00	$72,105.00	07/13/2009
Benefits	$35,477.00	$35,477.00	07/13/2009
Personnel Sub Total	**$107,582.00**	**$107,582.00**	
Occupancy	$4,000.00	$4,000.00	07/13/2009
Communications			
Telephone	$3,760.00	$2,416.38	06/08/2009
Advertising	$5,521.00	$1,457.02	07/13/2009
Printing	$1,880.00	$521.50	07/13/2009
Postage	$3,760.00	$3,760.00	07/13/2009
Communications Sub Total	**$14,921.00**	**$8,154.90**	
Supplies	$6,490.00	$2,751.68	06/08/2009
Equipment	$5,641.00	$3,353.92	07/13/2009
Travel	$1,881.00	$822.62	06/08/2009
Audit	$940.00	$512.62	09/10/2008
Other			
Insurance	$2,000.00	$741.42	07/13/2009
Legal Costs	$2,500.00	$2,500.00	01/14/2009
Other	$3,288.00	$920.39	07/13/2009
Other Sub Total	**$7,788.00**	**$4,161.81**	
Indirect Costs	$14,145.00	$14,145.00	07/13/2009
Totals YTD	**$163,388.00**	**$145,484.55**	

NEW EXPENDITURES TRANSFERS HISTORY RETURN TO SUMMARY

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COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
YEAR-TO-DATE ADMINISTRATION/FAMILY SUPPORT SERVICES BUDGET SUMMARY SCREENSHOT

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (g)

pennsylvania PELICAN Child Care Works — *Pennsylvania's Enterprise to Link Information for Children Across Networks*

Help | Logout

Home | R&R | Provider | Case | Payments | Reports | Correspondence | **Administration**

Funds Home | Funding Streams | Allocations | Available Funds | MCCA | **Admin/Fam Sup Svcs**

Budgets

Administration/Family Support Services Budget Summary

Fiscal Year
FY 2008-09

Agency
Commonwealth

Administration/Family Support Services Allocation Information

Office Washington **FY** 2008-09 **GO**

CCIS	County	Funding Source	Admin/Fam Sup Svcs Allocation	Expenditures YTD
Washington	Washington	Low Income - Fund A	$544,586.00	$502,015.38
		Former TANF - Fund C	$99,133.00	$94,078.13
		TANF	$163,388.00	$145,484.55
		General Assistance/Work Support 2	$0.00	$0.00

Page 1 of 1

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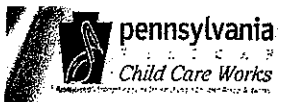
COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
RECAP REPORT SUMMARY (CCMIS)

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (h)



RE417-Payment Recap Report
CCIS: Washington

Funding Fiscal Year: 2008-09
Provider: ALL

	Expenditures	Overpayments	Total
Washington			
Washington			
Low Income (Fund A) - Regular			
Total Low Income (Fund A) - Regular	$5,430,399.80	($3,127.36)	$5,433,527.16
Low Income (Fund A) - Teen Parent			
Total Low Income (Fund A) - Teen Parent	$48,943.04	$0.00	$48,943.04
Former TANF (Fund C) - Regular			
Total Former TANF (Fund C) - Regular	$1,114,294.35	$0.00	$1,114,294.35
TANF Training - Regular			
Total TANF Training - Regular	$190,659.12	$0.00	$190,659.12
TANF Work Support - Training - Regular			
Total TANF Work Support - Training - Regular	$57,744.09	$0.00	$57,744.09
TANF Working - Regular			
Total TANF Working - Regular	$119,273.48	$0.00	$119,273.48
TANF Work Support - Working - Regular			
Total TANF Work Support - Working - Regular	$19,169.57	$0.00	$19,169.57
TANF State MOE - Regular			
Total TANF State MOE - Regular	$12,831.82	$0.00	$12,831.82
Food Stamps - Regular			
Total Food Stamps - Regular	$174,654.19	$0.00	$174,654.19
Washington Total	$7,167,969.46	($3,127.36)	$7,171,096.82
Washington Total	$7,167,969.46	($3,127.36)	$7,171,096.82

Washington County Funding Source Totals:

Low Income (Fund A)	$5,479,342.84	($3,127.36)	$5,482,470.20
Former TANF (Fund C)	$1,114,294.35	$0.00	$1,114,294.35
TANF Training	$190,659.12	$0.00	$190,659.12
TANF Work Support - Training	$57,744.09	$0.00	$57,744.09

(Continued)

COUNTY OF WASHINGTON, PENNSYLVANIA

CCIS DAYCARE
RECAP REPORT SUMMARY (CCMIS)

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XVIII (h)

pennsylvania
Child Care Works

RE417-Payment Recap Report
CCIS: Washington

Funding Fiscal Year: 2008-09
Provider: ALL

		Expenditures	Overpayments	Total
	TANF Working	$119,273.48	$0.00	$119,273.48
	TANF Work Support - Working	$19,169.57	$0.00	$19,169.57
	TANF State MOE	$12,831.82	$0.00	$12,831.82
	Food Stamps	$174,654.19	$0.00	$174,654.19
	Washington County Total:	$7,167,969.46	($3,127.36)	$7,171,096.82
CCIS Funding Source Totals:				
	Low Income (Fund A)	$5,479,342.84	($3,127.36)	$5,482,470.20
	Former TANF (Fund C)	$1,114,294.35	$0.00	$1,114,294.35
	TANF Training	$190,659.12	$0.00	$190,659.12
	TANF Work Support - Training	$57,744.09	$0.00	$57,744.09
	TANF Working	$119,273.48	$0.00	$119,273.48
	TANF Work Support - Working	$19,169.57	$0.00	$19,169.57
	TANF State MOE	$12,831.82	$0.00	$12,831.82
	Food Stamps	$174,654.19	$0.00	$174,654.19
CCIS Grand Total:		$7,167,969.46	($3,127.36)	$7,171,096.82

(Concluded)

COUNTY OF WASHINGTON, PENNSYLVANIA

(COMBINED) HOMELESS ASSISTANCE PROGRAMS
REVENUES AND EXPENSES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2009

Exhibit XIX

I. SOURCES OF FUNDING		TOTAL AVAILABLE FUNDS
DPW Allocation	A	$ 311,015
Client Contributions	B	-
Other	C	-
Interest Earned	D	515
TOTAL HAP FUNDING (A+B+C+D=E)	E	311,530

II. EXPENSES	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Innovative Supportive Housing Services	TOTAL EXPENSES	
On Behalf of Clients	-		32,049	-	-	F	32,049
Personnel	-	36,141	30,805		-	G	66,946
Operating	20,211	1,247	8,681	151,156	-	H	181,295
Fixed Assets\Equipment	-	392	-		-	I	392
SUBTOTAL	20,211	37,780	71,535	151,156	-	J	280,682

County Administration (Max Total 10% HAP Funding	K	30,848
Total HAP Expenses (J+K=L)	L	$ 311,530
Total Unexpended Funds (E-L=)		$ -

County of Washington, Pennsylvania

Independent Auditor's Reports in Accordance with OMB Circular A-133

Year Ended December 31, 2009

MaherDuessel
Certified Public Accountants

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Primary Government Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of County Commissioners
County Controller
County of Washington, Pennsylvania

We have audited the primary government financial statements (financial statements) of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Washington, Pennsylvania (County), as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the County in a separate letter dated July 1, 2010.

* * * * * * * * * *

This report is intended solely for the information and use of the Board of County Commissioners, County Controller, audit committee, management, others within the County, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Maher Duessel

Pittsburgh, Pennsylvania
July 1, 2010

MaherDuessel
Certified Public Accountants

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Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal and Pennsylvania Department of Public Welfare (DPW) Program and on Internal Control over Compliance in Accordance with OMB Circular A-133 and the DPW Compliance Supplement

Board of County Commissioners
County Controller
County of Washington, Pennsylvania

Compliance

We have audited the compliance of the County of Washington, Pennsylvania (County), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the Pennsylvania Department of Public Welfare (DPW) *Compliance Supplement* that are applicable to each of its major federal and DPW programs for the year ended December 31, 2009. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. The County's major DPW programs are identified on the Schedule of DPW Financial Assistance. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and DPW programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and the DPW *Compliance Supplement.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and DPW programs for the year ended December 31, 2009.

Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and DPW programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal and DPW program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over

compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or DPW program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or DPW program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

* * * * * * * * * *

This report is intended solely for the information and use of the Board of Commissioners, County Controller, audit committee, management, others within the County, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Maher Duessel

Pittsburgh, Pennsylvania
July 1, 2010

COUNTY OF WASHINGTON, PENNSYLVANIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2009

1. Summary of Auditor's Results:

   i. The auditor's report expresses an unqualified opinion on the primary government financial statements of the County.

   ii. There were no significant deficiencies or material weaknesses in internal controls that were disclosed by the audit of the primary government financial statements.

   iii. There were no instances of noncompliance material to the primary government financial statements of the County, which would be required to be reported in accordance with *Government Auditing Standards*, disclosed during the audit.

   iv. There were no significant deficiencies or material weaknesses in internal control over major federal programs disclosed during the audit.

   v. The auditor's report on compliance for each of its major federal programs expresses an unqualified opinion.

   vi. The audit did not disclose any audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.

   vii. The programs tested as major programs include:

a.	Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	CFDA Number: 14.257
b.	Edward Byrne Memorial Justice Assistance Grant Program/Grants to Units of Local Government (Recovery Act Funded)	CFDA Number: 16.804
c.	Temporary Assistance for Needy Families	CFDA Number: 93.558
d.	Child Support Enforcement	CFDA Number: 93.563
e.	Child Care and Development Block Grant	CFDA Number: 93.575
f.	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CFDA Number: 93.596
g.	Medical Assistance Program (Medicaid; Title XIX)	CFDA Number: 93.778

   viii. The dollar threshold used to distinguish between type A and type B programs was $732,125.

   ix. The County of Washington, Pennsylvania (County), did not qualify as a low-risk auditee.

2. Findings related to primary government financial statements that are required to be reported in accordance with GAGAS.

No matters were reported.

3. Findings and questioned costs for federal and DPW awards.

No matters were reported.

COUNTY OF WASHINGTON, PENNSYLVANIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2009

FINDING: 2008-1- Internal Control Over Financial Accounting and Reporting

Condition: During the audit process, various adjustments are made to the County records, in order that the financial statements can be prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP financials"). Then using the information provided by management, the auditors prepare the GAAP financials, which are subsequently reviewed by management. Adjustments primarily related to the following: Loan Pool Fund activity, fixed assets, and other post-employment benefits for the 911 and Health Center Funds, reversal of prior year voucher payable in the General Fund, defer grant revenue in the Health Center Fund, and accounts receivable and payable related entries in the Health Center and 911 Funds, respectively.

Criteria: Under current auditing standards, more emphasis has been placed on determining an entity's ability to fully prepare their own external financial statements, including the posting of all adjustments necessary to present GAAP financials, and evaluating the need for all necessary financial statement disclosures.

Effect: Adjustments were required to be recorded in order that the financial statements were prepared in accordance with GAAP.

Cause: While the County maintains the information necessary to record all adjustments, these adjustments were not posted to the County general ledger prior to the audit.

Recommendation: We recommend that management record all adjustments required to ensure that the County records are maintained in accordance with GAAP.

Status: The recommendations were adopted by the County during the year. No further matters were noted for the year ended December 31, 2009.