COUNTY OF INDIANA, PENNSYLVANIA

INDIANA, PENNSYLVANIA

FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025

COUNTY OF INDIANA, PENNSYLVANIA
YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

County Commissioners
County of Indiana
Indiana, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Indiana, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise County of Indiana's basic financial statements as listed in the table of contents.

We did not audit the financial statements of Highridge Water Authority which represent 22 percent, 27 percent, and 20 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units listed above, is based solely on the report of the other auditors.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Indiana, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*GAGAS*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County of Indiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. Highridge Water Authority was not audited in accordance with *Government Auditing Standards.*

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about County of Indiana's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of County of Indiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about County of Indiana's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of net pension liability and related ratios – last 10 years, pension contributions – last 10 years and investment returns (as listed in the table of contents as required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for

consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of Indiana's basic financial statements. The other supplemental information in the financial section (as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplemental information in the financial section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information in the financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2026, on our consideration of the County of Indiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Indiana's internal control over financial reporting and compliance.

Zelenkofske Axelrod LLC

ZELENKOFSKE AXELROD LLC

September 9, 2026
Pittsburgh, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

The COUNTY OF INDIANA, hereafter referred to as the "COUNTY", is pleased to present its financial statements developed in compliance with Statement of Governmental Accounting Standard No. 34, entitled "Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments (hereafter "GASB 34"), and related standards. GASB 34 enhances information provided to the users of its financial statements. This section of the financial reporting package presents our discussion and analysis of the COUNTY's financial performance during the year that ended on December 31, 2025. Please read this Management Discussion and Analysis in conjunction with the COUNTY's financial statements that follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of the following four parts:

- Management's discussion and analysis (this section)
- Basic financial statements (including notes)
- Required supplementary information
- Other supplementary information

Management's discussion and analysis is a guide to reading the financial statements and provides related information to help the reader to better understand the COUNTY's government. The basic financial statements include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements. Required supplementary information is provided on the COUNTY's budget to actual figures for the general fund, schedule of changes in the net pension liability and related ratios, schedule of employer contributions- last 10 years and schedule of investment returns.

The basic financial statements present two different views of the COUNTY.

- *Government-wide financial statements*, the first two statements, provide information about the COUNTY's overall financial status as well as the financial status of the County's component units.
- *Fund financial statements,* the remaining statements, focus on individual parts of the COUNTY's government. They provide more detail on operations than the government-wide statements. There are three types of fund financial statements:
    - *Governmental funds statements* show how general government services such as public safety, human services, public works, culture and recreation, and conservation and development are financed in the short term, as well as what remains for future spending.
    - *Proprietary fund statements* offer short-term and long-term financial information about the activities the COUNTY operates like a business, like the Communities at Indian Haven.
    - *Fiduciary funds statements* reflect activities involving resources that are held by the COUNTY as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support the COUNTY's programs.

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

Table A-1: Organization of the County's annual financial report

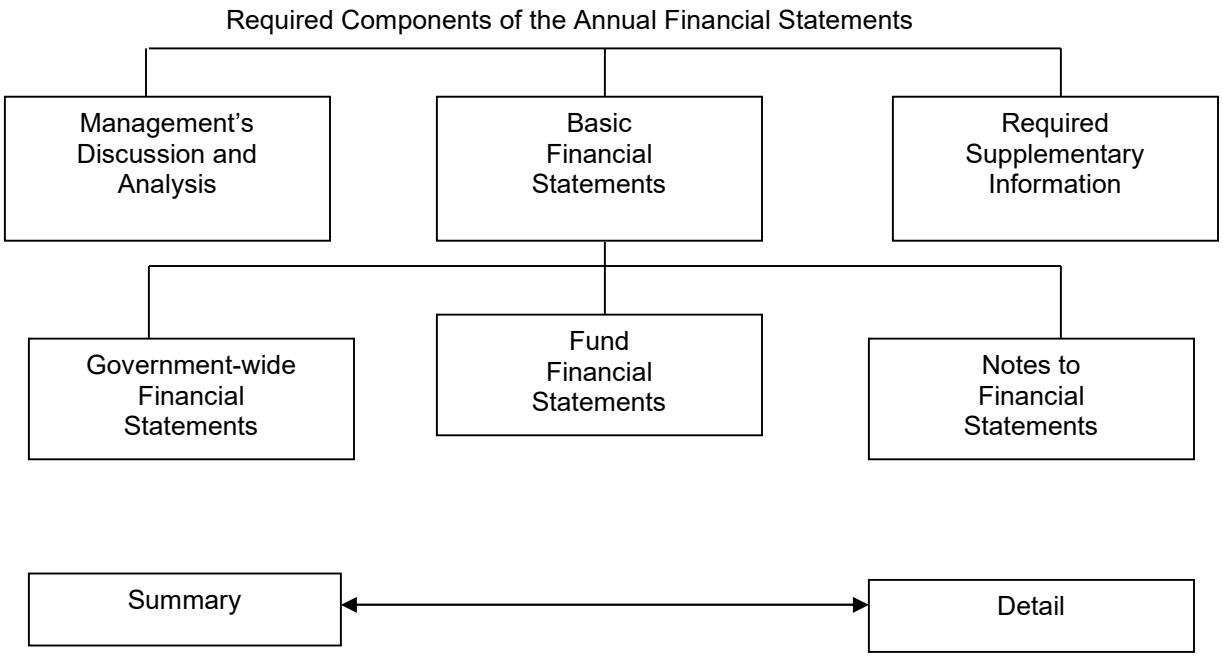


Table A-2 summarizes the major features of the County's financial statements, including the area of the County's activities they cover and the types of information they contain.

Table A-2: Major features of the government-wide and fund financial statements

		Fund Financial Statements		
	Government-wide Statements	**Governmental**	**Proprietary**	**Fiduciary**
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the County, such as public safety and courts	The activities of the County, such as the Communities at Indian Haven	Instances in which the County administers resources on behalf of others
Required Financial Statements	-Statement of net position -Statement of activities	-Balance sheet -Statement of revenues, expenditures and changes in fund balances	-Statement of net position -Statement of revenues, expenses and changes in net position -Statement of cash flows	-Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual and economic resources focus	Modified Accrual and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset and liability information	All assets and liabilities, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, short-term and long-term	All assets and liabilities, short-term and long-term
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenue for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

The remainder of the overview explains the structure and contents of the government-wide and fund financial statements.

Government-wide financial statements

Government-wide financial statements report information about the COUNTY as a whole using accounting methods similar to those used by private-sector companies.

- The statement of net position includes all the COUNTY's assets and liabilities, except fiduciary funds, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business.

- The statement of activities focuses on how the COUNTY's net position changed during the year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program has to rely on local taxes for funding.

All changes to net position are reported using the economic resources measurement focus and the accrual basis of accounting, which requires that revenues be reported when they are earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.

Net position is one way to measure the COUNTY's financial position. Over time, increases or decreases in the COUNTY's net position are one indicator of whether the COUNTY's financial position is improving or deteriorating. However, other non-financial factors such as changes in the COUNTY's property tax base and general economic conditions must be considered to assess the overall position of the COUNTY.

The primary government and its component units are included in the government-wide financial statements. The component units reflect the activities of the legally separate government entities over which the COUNTY can exercise influence and/or be obligated to provide financial support. The COUNTY has two discretely presented component units that it reports in the financial statements – Indiana County Municipal Services Authority and Highridge Water Authority. The County also reports one blended component unit, the Communities at Indian Haven. Complete and detailed financial statements for these component units can be obtained from their administrative offices (see Note 1, Notes to the financial statements).

There are two categories of activities for the primary government:

- *Governmental activities* include the COUNTY's basic services such as general government, judicial, public safety, public works, human services, culture and recreation, and conservation and development.

- *Business-type activities* such as the Communities at Indian Haven charge a fee to customers to help cover the costs of services.

Net position of the governmental activities differ from the governmental fund balances because governmental fund level statements only report transactions using or providing current financial resources. Also, capital assets in the fund level statements are reported as expenditures when financial resources (money) are expended to purchase or build assets. Likewise, the financial resources that may have been borrowed are considered revenue when they are received. The principal and interest payments are both considered expenditures when paid. Depreciation is not calculated as it does not provide or reduce current financial resources. Finally, capital assets and long-term debt do not affect fund balances.

Government wide statements are reported on the accrual basis of accounting that involves the following steps to format the statement of net position:

- Capitalize current outlays for capital assets
- Report long-term debt as a liability
- Depreciate capital assets and allocate the depreciation to the proper program/activities
- Allocate net position balances as follows:
    - Net investment in capital assets
    - Restricted net position are those with constraints placed on the use by external sources (creditors, grantors, contributors, or laws or regulations of governments) or imposed by law through constitutional provisions or enabling legislation
    - Unrestricted net position is net position that does not meet any of the above restrictions

Fund Financial Statements

Fund financial statements provide more detailed information on the COUNTY's most significant funds, not the COUNTY as a whole. Funds are accounting devices, i.e., a group of related accounts, the COUNTY uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law. Other funds are established to control and manage resources designated for specific purposes. Fund financial statements are reported using the modified accrual basis of accounting.

The COUNTY has three kinds of funds:

- *Governmental funds* include most of the COUNTY's basic services and focus on: (1) the flow in and out of cash and other financial assets that can readily be converted into cash, and: (2) the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting.

  The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.

  The COUNTY adopts an annual budget for the general fund, as required by state law. The County also adopts a budget for the capital projects and liquid fuels funds. A budgetary comparison of the COUNTY's general fund is presented as required supplementary information.

- *Proprietary Funds* report business-type programs and activities that charge fees designed to recover the cost of providing services. The proprietary fund reports using the accrual basis of accounting.

- *Fiduciary Funds* are for which the COUNTY is the trustee or fiduciary. These include certain custodial agency funds, or clearing accounts for assets held by the COUNTY in its role as custodian until the funds are allocated to the private parties, organizations or government agencies to which they belong. The COUNTY is responsible to ensure the assets reported in these funds are used for their intended purposes. This fiduciary activity is reported in a separate statement of fiduciary net position. These funds are excluded from the COUNTY's government-wide financial statements because the COUNTY cannot use these assets to finance its operations. The fiduciary funds are reported using the accrual basis of accounting.

MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

The COUNTY's total assets were $145,084,248 at December 31, 2025. Of this amount, $81,304,649 were capital assets.

GASB No. 34 required that all capital assets, including infrastructure, be valued and reported within the governmental activities column of the government-wide financial statements, but allowed infrastructure to be added over several years. The COUNTY adopted the provisions of GASB 34 related to infrastructure on the retroactive basis.

Condensed Statement of Net Position – 2025/2024

	2025 Governmental Activities	2024 Governmental Activities	2025 Business-type Activities	2024 Business-type Activities	2025 Total	2024 Total
Capital Assets	$ 80,308,129	$ 72,454,797	$ 996,520	$1,115,793	$ 81,304,649	$ 73,570,590
Other Assets	55,393,279	54,837,783	8,386,320	5,211,063	63,779,599	60,048,846
Total Assets	$ 135,701,408	$ 127,292,580	$9,382,840	$6,326,856	$145,084,248	$133,619,436
Deferred Outflows	$ 33,740	$ 3,947,075	$ 9,296	$1,087,460	$ 43,036	$ 5,034,535
Current Liabilities	$ 16,958,974	$ 17,704,506	$1,952,743	$ 356,386	$ 18,911,717	$ 18,060,892
Long-term Liabilities	34,440,703	38,797,883	-	-	34,440,703	38,797,883
Total Liabilities	$ 51,399,677	$ 56,502,389	$1,952,743	$ 356,386	$ 53,352,420	$ 56,858,775
Deferred Inflows	$ 3,497,047	$ 4,333,778	$ 963,472	$1,194,000	$ 4,460,519	$ 5,527,778
Net Position: Net Investment In Capital Assets	$ 36,930,943	$ 24,679,336	$ 996,520	$1,115,793	$ 37,927,463	$ 25,795,129
Restricted Net Position	23,141,657	20,075,986	1,143,262	176,860	24,284,919	20,252,846
Unrestricted Net Position	20,765,824	25,648,166	4,336,139	4,571,277	25,101,963	30,219,443
Total Net Position	$ 80,838,424	$ 70,403,488	$6,475,921	$5,863,930	$ 87,314,345	$ 76,267,418

Change in Net Position

The following statement of activities represents the change in net position for the years ended December 31, 2025 and 2024. It shows revenues by source and expenses by function for governmental activities, business-type activities and the government as a whole.

Condensed Statement of Activities

	2025 Governmental Activities	2024 Governmental Activities	2025 Business-type Activities	2024 Business-type Activities	2025 Total	2024 Total
Program Revenues:						
Charges for Services	$10,161,413	$10,417,934	$ 12,540,054	$ 11,793,856	$22,701,467	$22,211,790
Grants and Contributions	25,617,203	25,739,627	-	-	25,617,203	25,739,627
General Revenues:						
Property Taxes	29,036,778	27,296,544	-	-	29,036,778	27,296,544
Hotel Taxes	898,790	688,039	-	-	898,790	688,039
Unrestricted Investment Earnings	1,428,308	693,076	78,620	57,138	1,506,928	750,214
Transfers	132,000	132,000	(132,000)	(132,000)	-	-
Miscellaneous Revenue	828,367	58,794	-	-	828,367	58,794
Total Revenues	$68,102,859	$65,026,014	$ 12,486,674	$ 11,718,994	$80,589,533	$76,745,008
Expenses:						
General Government - Administrative	$ 8,603,437	$ 8,057,542	$ -	$ -	$ 8,603,437	$ 8,057,542
General Government - Judicial	7,250,711	7,251,287	-	-	7,250,711	7,251,287
Public Safety	19,758,875	22,516,418	-	-	19,758,875	22,516,418
Public Works	2,240,128	2,627,982	-	-	2,240,128	2,627,982
Human Services	13,414,196	12,126,106	11,874,683	11,015,839	25,288,879	23,141,945
Culture and Recreation	2,152,870	1,779,276	-	-	2,152,870	1,779,276
Conservation and Development	2,437,224	4,224,487	-	-	2,437,224	4,224,487
Interest on Long-Term Debt	955,641	976,534	-	-	955,641	976,534
Other expenses	854,841	830,131	-	-	854,841	830,131
Total Expenses	57,667,923	60,389,763	11,874,683	11,015,839	69,542,606	71,405,602
Change in Net Position	10,434,936	4,636,251	611,991	703,155	11,046,927	5,339,406
Net Position - January 1	70,403,488	65,767,237	5,863,930	5,160,775	76,267,418	70,928,012
Net Position - December 31	$80,838,424	$70,403,488	$ 6,475,921	$ 5,863,930	$87,314,345	$76,267,418

Net Program Expenses

Net program expenses indicate the amount of support required from taxes and other general revenues for a program of the government. In 2025, property taxes brought in $29,036,778.

MANAGEMENT DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

Net Cost of Governmental and Business-type Activities

	2025 Total Cost of Services	2024 Total Cost of Services	2025 Net Cost of Services	2024 Net Cost of Services
Program:				
General Government-Administrative	$ 8,603,437	$ 8,057,542	$ (464,406)	$ 1,741,580
General Government-Judicial	7,250,711	7,251,287	(3,751,560)	(3,667,156)
Public Safety	19,758,875	22,516,418	(11,126,236)	(13,177,879)
Public Works	2,240,128	2,627,982	2,132,278	(1,827,002)
Human Service	13,414,196	12,126,106	(4,651,919)	(3,813,677)
Culture and Recreation	2,152,870	1,779,276	(1,707,703)	(1,697,262)
Conservation and Development	2,437,224	4,224,487	(509,279)	15,859
Miscellaneous	854,841	830,131	(854,841)	(830,131)
Interest on Long-Term Debt	955,641	976,534	(955,641)	(976,534)
Communities at Indian Haven	11,874,683	11,015,839	665,371	778,017
Total	$69,542,606	$71,405,602	$(21,223,936)	$ (23,454,185)

The COUNTY relied on property taxes and other general revenues to fund 30.5% of its governmental and business-type activities in 2025.

Capital Assets

The COUNTY's investment in capital assets at December 31, 2025, net of accumulated depreciation, was $81,304,649. Capital assets consist primarily of land, buildings and equipment. The following is a summary of capital assets at December 31, 2025 and 2024:

Capital Assets

	2025 Governmental Activities	2024 Governmental Activities	2025 Business-type Activities	2024 Business-type Activities	2025 Total	2024 Total
Land	$ 2,085,470	$ 2,085,470	$ -	$ -	$ 2,085,470	$ 2,085,470
Building and Improvements	84,281,854	81,940,033	4,940,836	4,928,657	89,222,690	86,868,690
Right of Use Buildings and Space	3,064,209	3,064,209	-	-	3,064,209	3,064,209
Equipment and machinery	39,545,864	37,028,760	4,644,477	4,590,647	44,190,341	41,619,407
Right of Use Equipment and Vehicles	3,555,263	3,337,998	-	-	3,555,263	3,337,998
Right of Use Software	3,476,500	3,219,043	-	-	3,476,500	3,219,043
Construction in Progress	9,150,080	817,960	2,282	-	9,152,362	817,960
Infrastructure	25,121,342	24,524,616	-	-	25,121,342	24,524,616
Accumulated Depreciation	(89,972,453)	(83,563,292)	(8,591,075)	(8,403,511)	(98,563,528)	(91,966,803)
Total Net Capital Assets	$ 80,308,129	$ 72,454,797	$ 996,520	$ 1,115,793	$ 81,304,649	$ 73,570,590

Detailed information about the COUNTY's capital assets can be found in Note 6, Notes to the Financial Statements.

Debt Administration

At December 31, 2025, the COUNTY had $44,213,459 of debt outstanding. Debt decreased 9.12% from the previous year. The following is a summary of debt obligations for the 2025 year:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable:					
General Obligation Notes	$39,979,109	$ 754,493	$ (3,934,905)	$ 36,798,697	$8,499,550
Bond Premium	1,657,826	-	(207,229)	1,450,597	207,229
Total Bonds and Notes Payable	41,636,935	754,493	(4,142,134)	38,249,294	8,706,779
Other Liabilities:					
Operating Leases	6,138,526	474,722	(1,485,356)	5,127,892	1,273,206
Compensated Absences	875,535	-	(39,262)	836,273	-
Total Other Liabilities	7,014,061	474,722	(1,524,618)	5,964,165	1,273,206
Governmental Activities Long-Term Liabilities	$48,650,996	$ 1,229,215	$ (5,666,752)	$ 44,213,459	$9,979,985

See Note 10 for more information regarding long-term debt.

GOVERNMENTAL FUNDS

The COUNTY uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The COUNTY's governmental funds include the general fund and various special revenue funds. The general fund is the chief operating fund for the COUNTY. Special revenue funds are restricted to specific legislated use. The major funds are shown on the statement of revenues, expenditures and changes in fund balances in the financial statements.

GOVERNMENTAL FUND REVENUES

Governmental fund revenues by source at December 31, 2025 and 2024 were as follows:

	2025	2024
Revenues:		
Taxes	$28,868,114	$27,867,287
Intergovernmental Revenues	26,399,522	23,907,511
Departmental Charges	8,563,160	8,818,161
Charges for Services	1,598,253	1,599,773
Interest	1,448,430	700,002
Other	828,367	58,794
Debt Proceeds	1,229,215	1,434,435
Amounts Received from Loans	998,531	872,520
Operating Transfers In	578,228	4,785,948
Total Revenues	$70,511,820	$70,044,431

There are several factors relating to increases/decreases in revenues from 2025 to 2024. The county tax millage rate increased from 5.705 in 2024 to 6.105 in 2025, which resulted in an increase in real estate taxes in 2025. The county had an increase in intergovernmental revenues in 2025 due to the County receiving more Federal and State reimbursement funds for the Airport Construction project than in 2024 . The Intergovernmental Revenue for this project is offset by Public Works Expenditures related to the project in 2025. The County had a decrease in operating transfer in which was from 2024 balance having a larger interfund activity than what occurred in 2025. The operating transfers in were offset by the corresponding operating transfers out.

GOVERNMENTAL FUND EXPENDITURES

Governmental fund expenditures by function at December 31, 2025 and 2024 were as follows:

	2025	2024
Expenditures:		
General Government- Administrative	$14,308,059	$13,096,057
General Government-Judicial	8,779,060	8,566,459
Public Safety	19,226,778	19,134,439
Public Works	5,001,330	1,248,985
Human Services	13,538,714	12,089,856
Culture and Recreation	2,292,594	1,475,374
Conservation and Development	2,237,503	3,923,895
Other	730,756	830,133
Debt Service	4,687,263	4,669,317
Capital Outlay	603,095	1,281,910
Amounts Loaned to Others	77,970	-
Operating Transfers Out	446,228	4,653,948
Total Expenditures	$71,929,350	$70,970,373

The increase in Public Works expenditures was driven by the Airport Construction project. The expenditures for this project are offset by Intergovernmental Revenue reimbursed for the project in 2025. The increase in expenditures was offset by a decrease in operating transfers out which was from 2024 balance having a larger interfund activity than what occurred in 2025. The operating transfers out were offset by the corresponding operating transfers in and expenditures by function were offset by corresponding revenue in 2025.

GOVERNMENTAL FUND BALANCES AND PROPRIETARY FUND NET POSITION

Ending balances for governmental funds and net position for proprietary funds at December 31, 2025 and 2024 were as follows:

Fund	2025 Governmental Funds	2024 Governmental Funds	2025 Proprietary Funds	2024 Proprietary Funds
General Fund	$ 18,266,484	$ 21,164,253	$ -	$ -
Community Program for Restoration	309,111	275,117	-	-
Revolving Loan	2,319,843	1,837,766	-	-
Nonmajor Governmental Funds	8,429,720	7,465,552	-	-
Communities at Indian Haven	-	-	6,475,921	5,863,930
Total	$ 29,325,158	$ 30,742,688	$6,475,921	$5,863,930

The reasons for the changes in governmental fund balances are explained above in the governmental funds revenues and expenditures sections.

BUDGETARY HIGHLIGHTS

The County adopts an annual appropriated budget for its general fund, capital improvements fund, and liquid fuels fund. Detailed information about the COUNTY's general fund budget can be found in Required Supplemental Information.

Overall the County general fund actual revenue had a deficit of the budget of $5,822,674. The general fund expenditures had a positive variance from the actual budget of $2,324,746. This showed a deficit of revenue over expenditures of $3,497,928. Other financing sources and uses showed a surplus in budget of $696,354 as a result of debt transactions. Numerous factors went into these results including the management of the Commissioners on the oversite of the budget and multiple major capital projects in progress. Intergovernmental grants were under budget due to an anticipated RACP grant not being received in 2025 and ACT 148 grants for CYS not being received due to underutilization. The County expects to receive the RACP grant in a future year. Expenditures were under budget due to the budgeted early payoff of a debt obligation for a capital project not occurring in response to the RACP grant not being received in 2025. Additionally, expenditures were less than budgeted at the jail due to less inmates.

ECONOMIC CONDITIONS AND NEXT YEAR'S BUDGET

The 2026 budget was completed for the general fund, the liquid fuels, and the capital improvement fund. The general fund budget in 2026 had an operating deficit of $386,968. The real estate tax rate was 6.105 mills; .89 mills applied to debt and the remaining 5.215 mills applied to general obligations.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

County of Indiana
County Commissioners
825 Philadelphia Street
Indiana, PA 15701

Phone: 724-465-3805

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Cash and Cash Equivalents	$ 21,625,238	$ 5,856,280	$ 27,481,518	$ 3,393,415
Investments	2,331,498	-	2,331,498	-
Restricted Assets				
Cash and Cash Equivalents	-	596	596	1,233,669
Resident's Cash	-	33,096	33,096	-
Receivables (Net, where applicable, of Allowance for Uncollectibles)				
Accounts	9,114,184	1,361,296	10,475,480	1,809,677
Taxes	3,131,366	-	3,131,366	-
Loans	7,098,226	-	7,098,226	-
Grants	7,553,419	-	7,553,419	1,371,887
Notes (current)	-	-	-	157,502
Prepaid Assets	-	22,682	22,682	82,994
Inventory	-	-	-	251,045
Net Pension Asset	4,147,455	1,142,666	5,290,121	-
Other Assets	361,597	-	361,597	230,118
Internal Balances	30,296	(30,296)	-	-
Intangible Assets	-	-	-	489,235
Note Receivable Less Current Portion	-	-	-	913,321
Capital Assets: (Net)				
Depreciable	69,072,579	996,520	70,069,099	118,167,903
Non-depreciable	11,235,550	-	11,235,550	-
Total Assets	135,701,408	9,382,840	145,084,248	128,100,766
Deferred Outflow of Resources				
Deferred amounts related to pension	$ 33,740	$ 9,296	$ 43,036	$ -
Liabilities				
Accounts Payable	$ 6,260,188	$ 196,845	$ 6,457,033	$ 1,056,980
Accrued Expenses	719,093	151,938	871,031	361,888
Unearned Revenues	42,693	1,560,369	1,603,062	147,832
Due to Other Governments	50,007	-	50,007	-
Funds Held in Fiduciary Capacity	-	43,591	43,591	-
Accrued Interest Payable on Debt	114,237	-	114,237	113,599
Current Portions of Long-Term Liabilities:				
Bonds and Notes Payable	8,499,550	-	8,499,550	3,144,237
Lease Liability	1,273,206	-	1,273,206	-
Non-Current Portions of Long-Term Liabilities:				
Bonds and Notes Payable	29,749,744	-	29,749,744	39,161,789
Compensated Absences	836,273	-	836,273	95,563
Lease Liability	3,854,686	-	3,854,686	-
Total Liabilities	51,399,677	1,952,743	53,352,420	44,081,888
Deferred Inflow of Resources				
Deferred amounts related to pension	3,497,047	963,472	4,460,519	-
Net Position				
Net Investment in Capital Assets	36,930,943	996,520	37,927,463	76,091,995
Restricted Net Position				
Program Purposes	18,994,202	-	18,994,202	-
Bond Indenture	-	-	-	1,091,257
Pension asset	4,147,455	1,142,666	5,290,121	-
Capital projects	-	596	596	47,142
Unrestricted	20,765,824	4,336,139	25,101,963	6,788,484
Total Net Position	$ 80,838,424	$ 6,475,921	$ 87,314,345	$ 84,018,878

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Primary Government:								
Governmental Activities:								
General Government - Administrative	$ 8,603,437	$ 2,373,172	$ 5,765,859	$ -	$ (464,406)	$ -	$ (464,406)	
General Government - Judicial	7,250,711	1,943,151	1,556,000	-	(3,751,560)	-	(3,751,560)	
Public Safety	19,758,875	4,926,458	3,706,181	-	(11,126,236)	-	(11,126,236)	
Public Works	2,240,128	366,526	246,540	3,759,340	2,132,278	-	2,132,278	
Human Services	13,414,196	285,627	8,476,650	-	(4,651,919)	-	(4,651,919)	
Culture and Recreation	2,152,870	84,537	360,630	-	(1,707,703)	-	(1,707,703)	
Conservation and Development	2,437,224	181,942	1,746,003	-	(509,279)	-	(509,279)	
Miscellaneous	854,841	-	-	-	(854,841)	-	(854,841)	
Interest on Long-Term Debt	955,641	-	-	-	(955,641)	-	(955,641)	
Total Governmental Activities	57,667,923	10,161,413	21,857,863	3,759,340	(21,889,307)	-	(21,889,307)	
Business-Type Activities:								
Communities at Indian Haven	11,874,683	12,540,054	-	-	-	665,371	665,371	
Total Business-Type Activities	11,874,683	12,540,054	-	-	-	665,371	665,371	
			-					
Total Primary Government	$ 69,542,606	$ 22,701,467	$ 21,857,863	$ 3,759,340	$ (21,889,307)	$ 665,371	$ (21,223,936)	
Component Units:								
Indiana County Municipal Services Authority	$ 9,921,842	$ 8,725,584	$ -	$ 7,447,413				$ 6,251,155
Highridge Water Authority	4,286,033	3,949,429	-	122,191				(214,413)
Total Component Units	$ 14,207,875	$ 12,675,013	$ -	$ 7,569,604				$ 6,036,742
General Revenues:								
Taxes:								
Property					29,036,778	-	29,036,778	-
Hotel Taxes					898,790	-	898,790	-
Unrestricted investment earnings					1,428,308	78,620	1,506,928	77,436
Gain (loss) from sale of assets					-	-	-	6,600
Miscellaneous					828,367	-	828,367	-
Other expenses					-	-	-	-
Transfers					132,000	(132,000)	-	-
Total General Revenues					32,324,243	(53,380)	32,270,863	84,036
Change in Net Position					10,434,936	611,991	11,046,927	6,120,778
Net Position - Beginning					70,403,488	5,863,930	76,267,418	77,898,100
Net Position - Ending					$ 80,838,424	$ 6,475,921	$ 87,314,345	$ 84,018,878

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	Community Program for Restoration	Revolving Loan Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 9,438,484	$ 308,445	$ 2,320,795	$ 9,557,514	$ 21,625,238
Investments	2,107,344	-	-	224,154	2,331,498
Receivables:					
Taxes	3,131,366	-	-	-	3,131,366
Other governmental grants	4,887,627	-	-	2,665,792	7,553,419
Other	8,747,172	666	-	366,346	9,114,184
Loans	4,188,637	941,692	996,038	971,859	7,098,226
Due from other funds	362,247	-	-	122,217	484,464
Other assets	346,031	-	-	15,566	361,597
Total assets	$ 33,208,908	$ 1,250,803	$ 3,316,833	$ 13,923,448	$ 51,699,992
Liabilities					
Accounts Payable	$ 2,032,154	$ -	$ -	$ 4,228,034	$ 6,260,188
Accrued liabilities	645,721	-	950	72,422	719,093
Due to other funds	275,635	-	-	178,533	454,168
Due to other governments	49,820	-	-	187	50,007
Unearned revenues	-	-	-	42,693	42,693
Total liabilities	3,003,330	-	950	4,521,869	7,526,149
Deferred Inflows of Resources					
Unavailable Revenue - Opioid Settlement	5,159,871	-	-	-	5,159,871
Unavailable Loan Revenue	4,188,637	941,692	996,040	971,859	7,098,228
Unavailable Revenue - Property Taxes	2,590,586	-	-	-	2,590,586
Total Deferred Inflows of Resources	11,939,094	941,692	996,040	971,859	14,848,685
Fund Balances					
Nonspendable	346,031	-	-	15,566	361,597
Restricted	2,527,620	309,111	2,319,843	8,677,757	13,834,331
Assigned	10,636,456	-	-	-	10,636,456
Unassigned	4,756,377	-	-	(263,603)	4,492,774
Total fund balances	18,266,484	309,111	2,319,843	8,429,720	29,325,158
Total liabilities, deferred inflows and fund balances	$ 33,208,908	$ 1,250,803	$ 3,316,833	$ 13,923,448	$ 51,699,992

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total fund balances of governmental funds		$ 29,325,158
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $170,209,602 and the accumulated depreciation is $89,889,645.		80,308,129
Revenues not available to pay for current period expenditures and therefore reported as unavailable revenue in the funds:		
Loans Receivable	7,098,228	
Real estate taxes	2,590,586	
Opioid Settlement	5,159,871	14,848,685
Net pension assets are not reported in the funds:		4,147,455
Deferred outflow of resources related to pensions is not reported in the funds		33,740
Deferred inflows of resources related to pensions is not reported in the funds		(3,497,047)
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Both current and long-term liabilities are reported in the Statement of Net Position. Long-term liabilities at year-end consist of:		
Long-term debt	(38,249,294)	
Leases	(5,127,892)	
Accrued interest on long-term debt	(114,237)	
Compensated absences	(836,273)	(44,327,696)
		$ 80,838,424

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Community Program for Restoration	Revolving Loan Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes, Real estate	$ 27,969,324	$ -	$ -	$ -	$ 27,969,324
Taxes, Hotel	-	-	-	898,790	898,790
Intergovernmental revenue	12,278,046	-	-	14,121,476	26,399,522
Charges for services	417,001	712	30,822	1,149,718	1,598,253
Departmental charges	8,563,160	-	-	-	8,563,160
Interest income	1,229,078	5,005	30,950	183,397	1,448,430
Other revenue	820,933	-	-	7,434	828,367
Total Revenues	51,277,542	5,717	61,772	16,360,815	67,705,846
Expenditures					
Current operating:					
General government	9,997,311	-	-	4,310,748	14,308,059
Judicial	7,269,272	-	-	1,509,788	8,779,060
Public safety	15,967,320	-	-	3,259,458	19,226,778
Public works	830,335	-	-	4,170,995	5,001,330
Human services	13,089,247	-	-	449,467	13,538,714
Culture and recreation	1,274,492	-	-	1,018,102	2,292,594
Conservation and development	446,143	3,529	23,865	1,763,966	2,237,503
Other	730,756	-	-	-	730,756
Capital Outlay	603,095	-	-	-	603,095
Debt service					
Principal	3,614,202	-	-	-	3,614,202
Interest	1,073,061	-	-	-	1,073,061
Total Expenditures	54,895,234	3,529	23,865	16,482,524	71,405,152
Excess (deficiency) of revenues over expenditures	(3,617,692)	2,188	37,907	(121,709)	(3,699,306)
Other financing sources (uses)					
Proceeds from long-term debt	603,095	-	-	626,120	1,229,215
Amounts received from loans	426,806	31,806	521,420	18,499	998,531
Transfers in	132,000	-	-	446,228	578,228
Amounts loaned to others	-	-	(77,200)	(770)	(77,970)
Transfers out	(441,978)	-	(50)	(4,200)	(446,228)
Total other financing sources (uses)	719,923	31,806	444,170	1,085,877	2,281,776
Net change in fund balance	(2,897,769)	33,994	482,077	964,168	(1,417,530)
Fund balances, beginning of year	21,164,253	275,117	1,837,766	7,465,552	30,742,688
Fund balances, end of year	$ 18,266,484	$ 309,111	$ 2,319,843	$ 8,429,720	$ 29,325,158

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

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

Net Change in fund balances - total governmental funds		$ (1,417,530)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital purchases	14,262,493	
Depreciation expense	(6,409,161)	7,853,332
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.		
Proceeds from long term debt	(754,493)	
Change in interest payable on long-term debt	(89,809)	
Amortization of Bond Premium	207,229	
Principal repayments	3,934,905	3,297,832
The acquisition of assets through lease arrangements are presented as other financing sources on the governmental fund statements. Such transactions do not affect net position since they are liabilities equal to the assets acquired. This is the amount presented in the governmental fund statements.		
Lease Additions	(474,722)	
Lease Payments	1,485,356	1,010,634
Changes in loans receivable are reflected as an increase to revenue and expense in the fund statements, but shown as an increase or decrease to loans receivable on the statement of net position. The amortization of the discount on the loans receivable is reported as interest earnings in the statement of activities.		
Amounts loaned to others	77,970	
Amounts received from loans	(998,531)	(920,561)
Governmental funds do not report the changes in compensated absences:		39,262
Real estate taxes reported in the funds include receipt of prior year delinquent taxes and do not include revenue attributable to the current year's delinquent tax receivable. This amount is the net effect of these differences.		
Current year	2,590,586	
Prior year	(1,523,132)	1,067,454
Certain revenues are not available for use in the government funds.		
Opioid Settlement		
Current year	5,159,871	
Prior year	(5,962,312)	(802,441)
The change in the net pension asset and other pension related items does not require financial resources and is therefore not reported in the funds but is shown as an expense in the statement of activities.		306,954
Changes in net position of governmental activities		$ 10,434,936

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2025

	Business-Type Activities - Enterprise Fund
	The Communities at Indian Haven
Assets	
Current Assets:	
Cash and cash equivalents	$ 5,856,280
Resident's cash	33,096
Accounts receivable	1,361,296
Due from County	162,894
Prepaid expenses and other current assets	22,682
	7,436,248
Noncurrent assets:	
Cash, funded depreciation	596
Net pension asset	1,142,666
Capital assets (net of accumulated depreciation)	996,520
Total noncurrent assets	2,139,782
Total assets	$ 9,576,030
Deferred Outflow of Resources	
Deferred amounts from pension liability	$ 9,296
Liabilities	
Current liabilities:	
Accounts payable	196,845
Accrued liabilities	151,938
Due to County	193,190
Unearned revenue	1,560,369
Funds held in fiduciary capacity	43,591
Total current liabilities	2,145,933
Total liabilities	2,145,933
Deferred Inflow of Resources	
Deferred amounts from pension liability	$ 963,472
Net Position	
Net investment in capital assets	$ 996,520
Restricted: Pension asset	1,142,666
Restricted: Other	596
Unrestricted	4,336,139
Total net position	6,475,921
Total liabilities, deferred inflows of resources and net position	$ 9,585,326

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities - Enterprise Fund
	The Communities at Indian Haven
Operating Revenues	
Receipts from Providing Services	$ 12,540,054
Total Operating Revenues	12,540,054
Operating Expenses	
Human Services	11,687,119
Depreciation and amortization	187,564
Total Operating Expenses	11,874,683
Operating Income	665,371
Nonoperating Revenues (Expenses)	
Interest Income	78,620
Total Nonoperating Revenues (Expenses)	78,620
Total Income (Loss) Before Transfers	743,991
Transfers to other funds	(132,000)
Total Transfers	(132,000)
Change in Net Position	611,991
Net Position - Beginning of Year	5,863,930
Net Position - End of Year	$ 6,475,921

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities - Enterprise Fund The Communities at Indian Haven
Cash flows from operating activities	
Cash received from residents	$ 13,205,702
Cash paid for goods and services	(11,736,409)
Net cash provided by operating activities	1,469,293
Cash flows from investing activities	
Net (increase)decrease in cash, funded depreciation	(10)
Interest income	78,620
Net cash used in investing activities	78,610
Cash flows from capital and related financing activities	
Purchase of capital assets	(68,291)
Net cash used in capital and related financing activities	(68,291)
Cash flows from noncapital financing activities	
Transfers to other funds	(132,000)
Net cash used in financing activities	(132,000)
Net increase in cash and cash equivalents	1,347,612
Beginning cash and cash equivalents	4,508,668
Ending cash and cash equivalents	$ 5,856,280
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	$ 665,371
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	187,564
Decrease in pension liability	(966,392)
Change in deferred (inflows) outflows related to pension liability	847,636
Increase (decrease) in assets	
Decrease in accounts receivable, net of allowances	665,648
Prepaid expenses	778
Restricted cash	(17,762)
Increase(decrease) in liabilities	
Accounts payable	(15,368)
Accrued expenses	34,205
Funds held in a fiduciary capacity	17,151
Deferred revenue	15,371
Due to primary government	35,091
Net cash provided by operating activities	$ 1,469,293

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2025

	Employee Retirement Trust Fund	Custodial Fund
Assets		
Cash and Cash Equivalents	$ 346,452	$ 1,919,801
Investments	73,831,940	67,183
Total Assets	$ 74,178,392	$ 1,986,984
Liabilities		
Accounts payable	$ -	$ 246,203
Total Liabilities	-	246,203
Net Position Restricted for:		
Individuals, Organizations, and Other Governments	-	1,740,781
Employees' Pension Benefits	74,178,392	-
Total Net Position	$ 74,178,392	$ 1,740,781

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

Additions:	Employee Retirement Trust Fund	Custodial Fund
Property Taxes Collected for Other Governments	$ -	$ 6,931,431
Fees Collected for Other Governments	-	6,249,855
Inmate Account Collections	-	369,405
Fees and Fines Collected - Other	-	1,361,536
Contributions:		
Employee	1,229,659	-
County Contribution	713,424	-
	1,943,083	-
Investment Income:		
Interest and Dividends	1,847,011	14,181
Total Investment Income	1,847,011	14,181
Net increase in fair value of assets	7,169,854	-
Investment Expense	(142,131)	-
Net Investment Income	8,874,734	14,181
Total Additions	10,817,817	14,926,408
Deductions:		
Employee Benefits Paid	3,912,759	-
Administrative Expenses	96,478	-
Taxes Remitted for Other Governments	-	6,791,550
Payments to Other Individuals	-	1,566,151
Fees Remitted for Other Governments	-	6,476,378
Inmate Disbursements	-	383,500
Payments to Other Entities	-	10,384
Other expenses	41,796	99,034
Total Deductions	4,051,033	15,326,997
Net Increase	6,766,784	(400,589)
Restricted Net Position		
Beginning of Year	67,411,608	2,141,370
End of Year	$ 74,178,392	$ 1,740,781

The accompanying notes are an integral part of the financial statements.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the County's significant accounting policies consistently applied in the preparation of the accompanying financial statements is as follows:

The County of Indiana (the "County") was formed in 1803. The County operates under the direction of an elected three member Board of Commissioners and provides the following services: general administrative services, tax assessment and collections, judicial, public improvements, public safety, public works, human services, culture and recreation, and conservation and development. The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) applicable to governmental units, as prescribed by the Governmental Accounting Standards Board (“GASB”).

A) Reporting Entity

The County follows the criteria promulgated by the Governmental Accounting Standards Board ("GASB") No. 61 for purposes of determining the scope of its reporting entity. As required by accounting principles generally accepted in the United States of America, the financial statements include those of the County of Indiana (the “Primary Government”) and its Component Units. The Component Units discussed below are included in the County’s financial reporting entity because of their operational or financial relationship with the County.

1. Component Units

In conformity with GAAP, the financial statements of Component Units have been included in the financial reporting entity either as a Blended Component Unit or as a Discretely Presented Component Unit.

a. Blended Component Unit

Some component units, despite being legally separate from the primary government, are so intertwined with the primary government that they are, in substance, the same as the primary government and are reported as part of the primary government. The only component unit reported in this way is The Communities at Indian Haven, Inc.

The Communities at Indian Haven, Inc. (Indian Haven) is a 108 bed skilled nursing facility located in Indiana, Pennsylvania.

Indian Haven reports on a calendar year basis.

The Indiana County Employee’s Retirement Fund is considered a blended Fiduciary Component Unit under the Government Accounting Standards Board Statement No. 84.

b. Discretely Presented Component Units

In conformity with GAAP, the financial statements of the Component Units described below have been included in the financial reporting entity as discretely presented Component Units.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) Reporting Entity (Continued)

1. Component Units (Continued)

b. Discretely Presented Component Units (Continued)

The Highridge Water Authority (the "Water Authority") was created pursuant to the Municipal Authorities Act of 1945. The organizational meeting was held on April 25, 1991, at which time the By-laws were adopted. The purpose of the Water Authority is to acquire and provide water service to customers in the southern Indiana County and northeastern Westmoreland County areas. The County guarantees the debt of the Water Authority. A copy of the separate Financial Statements can be obtained at the Highridge Water Authority, 17 Maple Avenue, Blairsville, PA 15717.

The Water Authority operates on a calendar year basis.

The Indiana County Municipal Services Authority (the "Municipal Services Authority") is a body politic and corporate organized on April 23, 1972 under provisions of the Act of the General Assembly of the Commonwealth of Pennsylvania, approved May 2, 1945, P.L. 382, as amended and supplemented, known as the Municipality Authorities Act of 1945. The purpose of the Municipal Services Authority is to provide water and sewage service to areas of Indiana, Armstrong and Cambria Counties, Pennsylvania. The County guarantees the debt of the Municipal Services Authority. A copy of the separate Financial Statements can be obtained at the Indiana County Municipal Services Authority, 602 Kolter Drive, Indiana, PA 15701.

The Municipal Services Authority operates on a calendar year basis.

2. Related Organizations

The Board of County Commissioners is also responsible for appointing the members of the governing boards of other organizations, but the County's accountability for the organizations does not extend beyond making the appointments. These organizations include:

- Farmland Preservation
- Indiana County Airport Authority
- Indiana County Conservation District
- Indiana County Hospital Authority
- Indiana County Housing Authority
- Indiana County Redevelopment Authority
- Indiana County Solid Waste Authority
- Indiana County Transportation Authority
- Indiana County Development Corporation

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Joint Venture

The County participates in a joint venture with another governmental entity. Based upon the foregoing criteria, the County has determined that the joint venture should not be included in its financial reporting entity. The Armstrong-Indiana Behavioral and Developmental Health Program was created for the delivery of various human services activities to the counties of Indiana and Armstrong. The counties exercise joint control and both counties have an ongoing financial responsibility to the joint venture. However, neither county has an ongoing financial interest or equity interest in the joint venture.

B) Government-Wide and Fund Financial Statements

The Government-wide financial statements (i.e., statement of net position, and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component units. The effect of interfund 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 support. Likewise, the primary government is reported separately from its legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which direct expenses of a given function, or segment, are affected 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 instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund 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 fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

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 collected 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 365 days of the end of the current fiscal period with the exception of property taxes which must be received within 60 days of the year end to be deemed available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Licenses, operating and capital grants, and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during the period.

Because of their spending measurement focus, expenditure recognition for governmental fund types exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as other financing sources rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental funds:

- The General Fund is the primary government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues of this fund are primarily derived from real estate taxes, state and federal grants, and fees for services. Many of the basic activities of the County are accounted for in this fund including operation of general County government, boards, commissions, the court system, and health and welfare services.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

- Community Program for Restoration is used to account for a revolving loan program within the County which uses program income from several federal grant programs to make low interest loans to residents of the County for eligible projects such as house repairs or repairs of property damage.

- The Revolving Loan Fund is used to account for the revolving loan program the County administers to stimulate economic development within the County by granting loans with low interest rates to businesses in the County. The loan program was originally established in 1993 with grant funding from the United States Economic Development Administration.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expense. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than an expense.

The County reports the following major proprietary fund:

- The Communities at Indian Haven, an enterprise fund, is used to account for the operations of the County's nursing home.

The Communities at Indian Haven functions as a business-type activity, as defined by the Governmental Accounting Standards Board (GASB). Indian Haven's financial statements have been prepared using the economic resource focus and the accrual basis of accounting.

Additionally, the County reports the following fiduciary fund types:

- The Indiana County Employee's Retirement System Fund is a Pension Trust Fund used to account for the pension plan contributions of the County and its employees and the related benefit payments and other plan costs.

- The Custodial Fund is used to account for assets held by certain County offices that are subsequently disbursed to the County, other governments, and other activities for which is was collected.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Assets, Liabilities, and Net Position or Fund Balance

1. Cash and Cash Equivalents

The County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

2. Investments

Investments of the County are reported at fair value. Investments that do not have an established market value are reported at estimated values.

3. Interfund Transactions

The County affects a variety of transactions between funds to finance operations. Certain interfund transactions have not been paid or received as of December 31, 2025, and appropriate interfund receivables or payables have been established accordingly.

Any residual balances outstanding between the governmental activities and business-type activities are reported as internal balances in the government-wide financial statements.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activity column in the government-wide financial statements. Property, plant and equipment with initial, individual costs that equal or exceed $5,000 and estimated useful lives of over one year are recorded as capital assets. The County adopted the provisions of GASB 34 related to infrastructure on the retroactive basis. Capital assets are recorded at historical costs or estimated historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair 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 its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are completed.

Capital assets of the County are depreciated using the straight line method over the following intended useful lives:

Asset	Years
Buildings and Improvements	20-40
Equipment and Vehicles	5-15
Infrastructure	50

5. Allowance for Doubtful Accounts

Taxes receivable have been reported net of allowance for doubtful accounts of $494,644.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

6. Long-Term Obligations

In the government-wide financial statements, long-term debt is reported as liabilities in the Statement of Net Position and bond discounts and premiums are deferred and amortized over the life of the bonds using the straight line method.

In the fund financial statements, the face amount of debt issued is reported as other financing sources.

7. Compensated Absences

County policy permits employees to accumulate a limited amount of earned but unused vacation and sick leave time. These benefits are payable to employees upon separation of services. All leave pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is recorded. The computed liability is in compliance with GASB 101, *Compensated Absences*.

8. Leases

The County is a lessee of noncancelable leases of equipment, buildings and vehicles. The County recognizes a lease liability and an intangible right-of-use lease assets (lease asset) in the government-wide financial statements for each type of lease.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured at the initial amount of the lease liability, adjusted for lease payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the non-cancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease assets and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of debt position.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

9. Unearned Revenues

Unearned revenues are reported in the government-wide and enterprise fund financial statements. Unearned revenues represent unearned revenues or revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned revenues. The County deems revenues received within 365 days of year end to be available.

10. Net Position/Fund Balances

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted Net Position* – This category represents net position of the County, not restricted for any project or other purpose.

GASB Statement No. 54 establishes accounting and financial standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions as follows:

- Non-spendable – This classification consists of accounts that cannot be spent because they are not in spendable form or are legally required to be maintained intact.

- Restricted – This classification consists of amounts that are restricted to specific purposes. The County's restricted fund balances consist of external enabling legislation for the state, federal, or local government.

- Committed – This classification consists of amounts used for specific purposes imposed by formal action of the County's Board of Commissioners. The removal or modification of the use of committed funds can only be accomplished by a formal action of the Commissioners prior to fiscal year end.

- Assigned – This classification consists of amounts constrained by the County's intent to be used for specific purposes that are neither restricted or committed. The County Commissioners have delegated the authority to assign fund balance for specific purposes to the Financial Supervisor.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

10. Net Position/Fund Balances (Continued)

- Unassigned – This classification consists of amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund permitted to report a positive unassigned fund balance.

The County's GASB 54 policy is to first apply expenditures against any restricted fund balances, committed fund balances, assigned fund balances, and then unassigned fund balances, in that order.

11. Accounting 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 certain reported amounts and disclosures. Accordingly, actual amounts may differ from those estimates.

12. Deferred Inflows of Resources

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has four types of items that qualifies for reporting in this category:

Deferred inflows of resources related to pensions are described further in Note 8. The components of deferred inflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expense over a 4.3 year closed period, which reflects the weighted average remaining service life of all members of the plan beginning the year in which the deferred amount occurs (current year). The annual difference between the projected and actual earnings on plan investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year).

Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes, opioid settlement funds, and loan revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts becomes available.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Assets, Liabilities, and Net Position or Fund Balance (Continued)

13. Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has only one item that qualifies for reporting in this category:

Deferred outflows of resources related to pensions are described further in Note 8. The components of deferred outflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expense over a 4.3 year closed period, which reflects the weighted average remaining service life of all members of the plan beginning the year in which the deferred amount occurs (current year). The annual difference between the projected and actual earnings on plan investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year).

14. Adoption of Governmental Accounting Standards Board Statements

The County adopted the provisions of GASB issued Statement No. 102 “Certain Risk Disclosures”. The adoption of this Statement had no effect on the County’s financial statements.

15. Pending Changes in Accounting Principles

In April 2024, the GASB issued Statement No. 103 “Financial Reporting Model Improvements”. The County is required to adopt Statement No. 103 for its 2026 financial statements

In September 2024, the GASB issued Statement No. 104 “Disclosure of Certain Capital Assets”. The County is required to adopt Statement No. 104 for its fiscal year 2026 financial statements

In December 2025, the GASB issued Statement No. 105 “Subsequent Events”. The County is required to adopt Statement No. 105 for its fiscal year 2027 financial statements

The County has not completed the various analysis required to estimate the financial statement impact of these new pronouncements.

E) Component Unit – Summary of Significant Accounting Policies

Highridge Water Authority

Basis of Accounting

The financial statements of the Water Authority have been prepared on the accrual basis of accounting.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E) Component Unit – Summary of Significant Accounting Policies (Continued)

Highridge Water Authority (Continued)

Cash and Cash Equivalents

For purposes of the balance sheet, the Water Authority considers non-restricted, highly liquid short-term investments that have an original maturity of three months or less to be cash equivalents.

The Authority invests in Pennsylvania Local Government Investment Trust (PLGIT). An investment in PLGIT is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. As of December 31, 2025, the Authority had $762,960 invested in a PLGIT Portfolio.

Allowance for Uncollectible Accounts

Accounts are written-off when deemed to be uncollectible. An allowance for uncollectible accounts has been established based on the Authority's collection history in the amount of $89,100.

Property

Property is stated at cost. Depreciation is provided on a straight-line basis over the estimated useful life of the respective asset which lives range from 5 to 125 years. Maintenance and repairs are charged to income as incurred and renewals and betterments are capitalized. Depreciation expense was $1,373,889.

Goodwill

The excess acquisition cost over the fair market value of net position acquired is being amortized using the straight-line method over a period of 40 years. Amortization expense for 2025 amounted to $73,985.

Bond Issuance Costs

Costs associated with the note refinancing in 2020 of $61,000 are being amortized on a straight-line basis over the remaining life of the debt, plus the unamortized costs from the 2012 and 2006 bonds. Amortization expenses was $11,063 in 2025.

Bond Discount

In connection with the various bonds issued, a combined discount of $90,973 was realized. The discount is being amortized over the life of the debt. The bond discount was fully amortized as of December 31, 2025. Amortization expense was $6,263 in 2025.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E) Component Unit – Summary of Significant Accounting Policies (Continued)

Indiana County Municipal Services Authority

Basis of Accounting

The financial statements of the Municipal Services Authority have been prepared on the accrual basis of accounting.

Cash and Cash Equivalent

The Municipal Services Authority considers all liquid investments that are readily convertible to cash with an original maturity of three months or less to be cash equivalents.

Accounts Receivable – Trade

Accounts receivable – trade are reported at net realizable value. Accounts are charged to bad debt expense when deemed uncollectible based on a periodic review by management. The allowance for doubtful accounts is estimated based upon periodic review of individual accounts. The allowance for doubtful accounts was approximately $525,000.

Designated Assets

Designated assets consist of cash and money market accounts that are designed for the following purposes:

Debt Service Fund – Established to account for funds held for payment of principal and interest on water and sewer revenue bonds designated by bond indentures as debt service reserves.

Debt Service Reserve and Repair Fund – Established in compliance with requirements of the United States Department of Agriculture, Rural Utilities Service (“RUS”) notes to accumulate funds for the purpose of paying the cost of repairing or replacing any damage of the water system which may be caused by any unforeseen catastrophe.

Construction Fund – Established to control funds from various sources to be used for the purchase and renovation of water and sewage facilities.

Utility Plant

Utility plant is recorded at historical cost and consists of utility plant, equipment, furniture and fixtures. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Capital Grants and Contributions

The Municipal Services Authority receives capital grants from certain federal and state agencies to be used for various purposes connected with the planning and construction of water and sewage systems and equipment. Capital grants of the Municipal Services Authority are reported as revenue rather than contributed capital as required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E) Component Unit – Summary of Significant Accounting Policies (Continued)

Indiana County Municipal Services Authority (Continued)

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2: BUDGETARY DATA

Commonwealth of Pennsylvania statutes require that all County Governments establish budgetary systems and approve annual operating budgets. The County's annual budget relates to only the General Fund and the Liquid Fuels Fund, and is based on estimates of revenues and expenditures approved by the Board of County Commissioners. The County of Indiana adopted the 2025 budget on the same basis of accounting as reported in the fund financial statements. The County of Indiana follows these procedures in establishing the budgetary data reflected in the financial statements:

County Budget Process

1. During the fall, preliminary individual budgets are prepared by each department or agency and are reviewed by the Commissioners.

2. During November, the County Commissioners, or their designee, meet with the head of each department and agency to review proposed changes to the preliminary budget.

3. The Commissioners' Office then reassembles the preliminary budget data and prepares a final budget draft including all proposed expenditures and the financing plan, incorporating any revisions or adjustments evolving from the departmental meetings.

4. In early December, the final budget is presented at a public Commissioners' meeting. In accordance with statutes contained in the County Code, public notice is given that the proposed budget is available for inspection for a twenty-day period.

5. Prior to December 31, after the twenty-day inspection period, the County Commissioners, at a public meeting properly announced, the final budget is adopted by resolution.

6. Formal budgeting integration is employed as a planning device. The budget adopted is on the modified accrual basis. Budget amounts are as originally adopted, or as amended by the County Commissioners.

- Level of Control

The County maintains budgeting control at the individual fund level.

NOTE 2: BUDGETARY DATA (CONTINUED)

- Lapsing of Appropriations

Unexpended appropriations lapse at year-end.

Management Amendment Authority

During the course of the year, departmental needs may change, emergencies may occur, or additional revenue sources may arise. As a result, funds are occasionally transferred between line items of the department's budget or additional revenue may need to be budgeted for a specific project or grant. Adjustments to the budget are made on a line item basis during the year and are approved by the County Commissioners. Financial analysis is provided monthly to management showing spending levels in comparison to the current budget. The budget is also reviewed by management with other departments.

NOTE 3: DEPOSIT AND INVESTMENT RISK

As of December 31, 2025, the County had the following investments:

	Market
Governmental Funds	
General Fund	
Certificates of Deposit	$ 2,107,344
Nonmajor Governmental Funds	
Certificates of Deposit	224,154
Total Governmental Funds	2,331,498
Fiduciary Funds	
Custodial Funds	
Certificates of Deposit	67,183
Retirement Fund	
Fixed Income Securities	20,382,552
Domestic Equities	32,888,257
International Equities	8,614,673
Real Estate/Alternative	11,946,458
Total Fiduciary Funds	73,899,123
Total Investments	$ 76,230,621

Interest Rate Risk − The County does not have a formal investment policy for the County's operating funds that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The County's Retirement Fund investment policy states that the trustees exercise good judgment in the selection of securities or in the selection of a plan administrator.

Credit Risk − The County has no formal investment policy for its operating funds that addresses credit risk. As of December 31, 2025, the County's operating investments were all maintained in Certificates of Deposit.

NOTE 3: DEPOSIT AND INVESTMENT RISK (CONTINUED)

Custodial Credit Risk − For deposits and investments, 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 investment or collateral securities that are in the possession of an outside party. As of December 31, 2025, the County's cash balances for its governmental activities, business-type activities and custodial fund were $29,435,011 and its bank balances were $29,606,052. Of these bank balances, $28,606,052 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. The entire cash and cash equivalent balance in the Retirement Fund of $346,452 was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents, but not in the County's name. None of the County's retirement investments were exposed to custodial credit risk at December 31, 2025 because the custodians hold the securities in an account that designates the County as the owner of the securities.

Concentration of Credit Risk − The County has no formal investment policy for operating investments pertaining to the concentration of credit risk. At December 31, 2025, the County is not subject to concentration of credit risk.

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

At December 31, 2025, the County had the following recurring fair value measurements:

Investments measured by fair value level	12/31/25	Fair Value Measurements Using Level 1	Level 2	Level 3
Certificates of Deposit	$ 2,398,681	$ 2,398,681	$ -	$ -
Fixed Income Securities	20,382,552	20,382,552	-	-
Common Stock	32,888,257	32,888,257	-	-
International Stock	8,614,673	8,614,673	-	-
Total investments by fair value level	64,284,163	64,284,163	-	-
Total investments reported at net asset value	11,946,458			
Total investments	$ 76,230,621			

Component Unit

Indiana County Municipal Services Authority

At December 31, 2025, the carrying amount of the Authority's cash deposits was $2,626,191 and the bank balance was $2,280,322. Of the bank balance, $1,733,180 was not covered by federal depository insurance. The Authority grants credit without collateral to its customers. The Authority's service area is located in portions of Indiana, Armstrong, and Cambria Counties, Pennsylvania. The Authority charges residents within its service area based upon usage and connection charges. The ability of each of the Authority's customers to honor their obligations to the Authority is dependent upon economic and other factors affecting the customers.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025

NOTE 4: PROPERTY TAXES

Real Estate Property Taxes

Real estate property taxes for the calendar year are levied on March 1 of each year. Any unpaid real estate taxes attach as an enforceable lien on property as of January 1 of the following year. Taxes are levied on March 1 and payable with a 2% discount to April 30, with no discount or penalty to June 30, and with a 10% penalty from July 1 to December 31. In some instances certain tax collectors have been allowed to extend the discount and face value periods due to unusual office hours of these tax collectors by a few days. The County bills these taxes which are collected by local tax collectors.

The County is permitted by the County Code of the Commonwealth of Pennsylvania to levy real estate taxes up to 30 mills on every dollar of adjusted valuation for general County purposes exclusive of the requirements for the payment of interest and principal on bonded or funded debt. In 2025 the County had total millage of 6.105, of which .91 mill was reserved for principal and interest on debt, and 5.195 mills for general county purposes.

The County's 2025 real estate taxes are based on assessed values established by the County's Bureau of Assessments. The County had a complete reassessment from 2015 to 2018 with assessed valuation of $4,860,733,387 in 2016 to $4,763,924,406 in 2020.

Assessed values of real property are generally 100% of the market value as determined by the Indiana County Tax Assessment Office. The total 2025 real estate taxes levied was $28,956,107 based on a total County assessed valuation of $4,743,015,008. Based on the 2025 levy of 6.105 mills, a property owner would pay $6.105 per $1,000 of assessed valuation.

NOTE 5: LOANS RECEIVABLE

The County has various loans outstanding that are used for multiple purposes within the County. The County has 6 revolving loan programs in which the County loans money to local small businesses or home owners for various reasons - home repairs, working capital for the businesses, new equipment for the businesses, etc. These loans are reported in the Enterprise Zone, Community Program for Restoration, Revolving Loan, Emergency Repair, Community Revitalization Program, and Affordable Housing Funds and had a total balance of $2,909,589 as of December 31, 2025. All loans are fully deferred at the fund level.

The County also contracts with the Indiana County Development Corporation (ICDC) in which the County obtains loans and immediately loans that money to ICDC with the same terms. The activity on these loans is reported in the General Fund. All loans are fully deferred in the General Fund at the fund level.

The County also has a loan with the Kovalchick Convention and Athletic Complex.

A summary of the long-term General Fund receivables is shown as follows:

	Balance at December 31, 2024	Payments Received from Others	Amounts Loaned to Others	Discounts	Balance at December 31, 2025
KCAC Project	$ 473,919	$ -	$ -	$ -	$ 473,919
Indian Springs Multi-Tenant Building Loan	4,141,524	426,806	-	-	3,714,718
Total	$ 4,615,443	$ 426,806	$ -	$ -	$ 4,188,637

NOTE 6: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

GOVERNMENTAL ACTIVITIES	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets, Not Being Depreciated:					
Land	$ 2,085,470	$ -	$ -	$ -	$ 2,085,470
Construction in Progress	817,960	9,123,317	-	(791,197)	9,150,080
Total Capital Assets, Not Being Depreciated	2,903,430	9,123,317	-	(791,197)	11,235,550
Capital Assets, Being Depreciated:					
Building and Improvements	81,940,033	1,550,624	-	791,197	84,281,854
Right of Use - Buildings and Space	3,064,209	-	-	-	3,064,209
Equipment and Vehicles	37,028,760	2,517,104	-	-	39,545,864
Right of Use - Equipment and Vehicles	3,337,998	217,265	-	-	3,555,263
Right of Use - Software	3,219,043	257,457	-	-	3,476,500
Infrastructure	24,524,616	596,726	-	-	25,121,342
Total Capital Assets, Being Depreciated	153,114,659	5,139,176	-	791,197	159,045,032
Less Accumulated Depreciation For:					
Buildings and Improvements	(38,714,242)	(2,601,439)	-	-	(41,315,681)
Right of Use - Buildings and Space	(1,197,561)	(451,429)	-	-	(1,648,990)
Equipment and Vehicles	(30,810,037)	(1,701,416)	-	-	(32,511,453)
Right of Use - Equipment and Vehicles	(1,822,055)	(648,606)	-	-	(2,470,661)
Right of Use - Software	(1,025,393)	(562,766)	-	-	(1,588,159)
Infrastructure	(9,994,004)	(443,505)	-	-	(10,437,509)
Total Accumulated Depreciation	(83,563,292)	(6,409,161)	-	-	(89,972,453)
Total Capital Assets, Being Depreciated, Net	69,551,367	(1,269,985)	-	791,197	69,072,579
Governmental Activities Capital Assets, Net	$ 72,454,797	$7,853,332	$ -	$ -	$ 80,308,129

BUSINESS-TYPE ACTIVITIES	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital Assets, Not Being Depreciated:					
Construction in Progress	$ -	$ 2,282	$ -	$ -	$ 2,282
Total Capital Assets, Not Being Depreciated	-	2,282	-	-	2,282
Capital Assets, Being Depreciated:					
Building and Improvements	4,928,657	12,179	-	-	4,940,836
Equipment and Vehicles	4,590,647	53,830	-	-	4,644,477
Total Capital Assets, Being Depreciated	9,519,304	66,009	-	-	9,585,313
Less Accumulated Depreciation	(8,403,511)	(187,564)	-	-	(8,591,075)
Total Capital Assets, Being Depreciated, Net	1,115,793	(121,555)	-	-	994,238
Business-Type Activities Capital Assets, Net	$ 1,115,793	$ (119,273)	$ -	$ -	$ 996,520

NOTE 6: CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government-Administrative	$ 1,316,921
General Government-Judicial	210,849
Public Safety	2,421,776
Public Works	1,853,752
Human Services	27,108
Culture and Recreation	318,518
Conservation and Development	260,237
Total Depreciation Expense-Governmental Activities	$ 6,409,161
Business-Type Activities:	
Human Services	$ 187,564
Total Depreciation Expense-Business-Type Activities	$ 187,564

Component Unit – Capital Assets

Highridge Water Authority

Capital assets and accumulated depreciation as of December 31, 2025 is as follows:

Highridge Water Authority	
Buildings	$41,693,984
Land and improvements	14,250,678
Total	55,944,662
Less accumulated depreciation	31,475,080
Capital Assets, net	$24,469,582

NOTE 6: CAPITAL ASSETS (CONTINUED)

Component Unit – Capital Assets (Continued)

Indiana County Municipal Services Authority

Capital assets and accumulated depreciation as of December 31, 2025 is as follows:

	Indiana County Municipal Services Authority
Fixed equipment	$ 153,482,209
Moveable equipment	938,487
Vehicles	1,249,004
Construction in progress	12,406,698
Total	168,076,398
Less accumulated depreciation	74,378,077
Capital Assets, net	$ 93,698,321

NOTE 7: RESTRICTED ASSETS

Business Type Activities

The County has restricted cash of $596 in the business type activities which is restricted for capital purchases and repairs to existing capital assets.

The County also has restricted cash of $33,096 that is owed to residents of the nursing home.

Component Unit – Designated Assets

Indiana County Municipal Services Authority

Restricted Assets at December 31, 2025 are as follows:

Debt Service Fund	$ 413,666
Debt Service Reserve and Repair Fund	677,591
Construction Fund	47,142
Total	$ 1,138,399

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND

The Indiana County Employee's Retirement System (the "Plan") is a single-employer defined benefit pension plan that covers all full time employees of the County. The Plan provides retirement, disability and death benefits to Plan members and their beneficiaries. The Plan is part of the County's financial reporting entity and is included in the County's financial statements as a Pension Trust Fund.

Summary of Significant Accounting Policies

Method used to value investments. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. An independent appraisal should be obtained once every year to determine the fair market value of the real estate assets.

Description of Plan

Plan Administration. The Retirement Board administers the Plan. The Plan is governed by the 1971 County Pension Law, Act 96, of the General Assembly of the Commonwealth of Pennsylvania, as amended (the "Act"). Benefit and contribution provisions of the Plan are established and can be amended as provided by the Act. Cost of living adjustments are provided at the discretion of the County Retirement Board.

Management of the Plan is vested in the Board, which consists of five members - three elected County Commissioners, the treasurer, and the chief clerk.

Plan membership. For the 2025 measurement period, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	285
Inactive plan members entitled to but not yet receiving benefits	77
Active plan members	397
	759

Benefits provided. The Plan provides retirement, disability, and death benefits. Retirement benefits for Plan members are calculated as a percent of the member's highest 3-year average salary times the member's years of service depending on class basis. Plan members with 20 years of service are eligible to retire at age 55. Plan members that have attained age 60 are eligible to retire. All Plan members are eligible for disability benefits after 5 years of service if disabled while in service and unable to continue as a County employee. Disability retirement benefits are equal to 25% of highest average salary at time of retirement. Death benefits for a member who dies with 10 years of service prior to retirement is the total present value of member's retirement paid in a lump sum. A Plan member who leaves County service with less than 5 years of service may withdraw his or her contributions, plus any accumulated interest.

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Contributions. The Retirement Board establishes contribution rates based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2025, the minimum required active member contribution rate was 5 percent of annual pay and the County's average contribution rate was 3.52 percent of annual payroll.

Per Act 96 of 1971, as amended, contribution requirements of the Plan members and the County may be amended by the General Assembly of the Commonwealth of Pennsylvania. Interest is credited each year in an amount allowed by the County Retirement Board to each member’s account.

Administrative costs of the Plan may be financed through investment earnings. The Act makes no provision for termination of the Plan. The County does not issue a separate financial report for the Plan.

Legally Required Reserves

At December 31, 2025, the County has a balance of $13,686,383 in the Members’ Annuity Reserve Account. This account is the total of the contributions deducted from the salaries of the active and terminated vested members of the retirement system and the IRC 414(h)(2) pickup contributions together with the interest additions as of December 31, 2025. Since these accumulations represent the present value as of December 31, 2025 of future benefits, the reserve balance and liability are identical.

The County has a balance of $10,582,371 in the County Annuity Reserve Account as of December 31, 2025. This balance and the amounts expected to be credited in the future, plus investment earnings, represent the reserves set aside for the payment of the County’s share of the retirement allowances and this reserve is fully funded.

This is the account out of which regular interest is credited to the member’s annuity and retired members’ reserve account, administrative expenses may be paid and the pension obligations of the County are funded.

When a County annuity is scheduled to commence for a particular member, sufficient monies are transferred from the County annuity reserve account to the retired members’ reserve account to provide for such County annuities actually entered into.

The Retired Members’ Reserve Account is the account out of which monthly retirement allowances, including cost-of-living adjustments and death benefits are paid. The balance in this account was $33,493,311 as of December 31, 2025. The corresponding liability for those annuitants on the roll is identical.

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Plan Reporting

Net Pension Liability of the County

The total pension liability was based on an actuarial valuation dated January 1, 2025 and update procedures were used to rollforward the total pension liability to the December 31, 2025 measurement date. The components of the net pension liability of the County for the 2025 measurement period were as follows:

Total Pension Liability	$ 68,888,271
Plan Fiduciary Net Position	74,178,392
Net Pension Liability/(Asset)	$ (5,290,121)
Plan Fiduciary net position as a percentage of the total pension liability	107.68%

The net pension liability breakdown for governmental activities and business type activities was as follows:

	Governmental Activities	Business Type Activities
Net Pension Liability/(Asset)	$ (4,147,455)	$ (1,142,666)

Changes in the County's net pension liability for the plan for the year ended December 31, 2025 were as follows:

	Increase/(Decrease)		
	Total Pension Liability (a)	Pan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at 12/31/2024	$ 66,595,523	$ 67,411,608	$ (816,085)
Service Cost	1,572,321	-	1,572,321
Interest Cost	4,636,861	-	4,636,861
Changes in Benefit Terms	-	-	-
Changes for Experience	(3,675)	-	(3,675)
Changes of Assumptions	-	-	-
Contributions - Employer	-	713,424	(713,424)
Contributions - Member	-	1,229,659	(1,229,659)
Net Investment Income	-	8,874,734	(8,874,734)
Benefit Payments, including Refunds of Member Contributions	(3,912,759)	(3,912,759)	-
Administrative Expenses	-	(96,478)	96,478
Other Changes	-	(41,796)	41,796
Net Changes	$ 2,292,748	$ 6,766,784	$ (4,474,036)
Balances at 12/31/2025	$ 68,888,271	$ 74,178,392	$ (5,290,121)

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Deferred (Inflows) Outflows of Resources

The total pension expense recognized in 2025 for the plan was $128,284 for governmental activities and $35,344 for business activities. At December 31, 2025, the County reported deferred outflows of resources related to the pension plan from the following sources:

	Governmental Activities		Business Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 33,740	$ (140,004)	$ 9,296	$ (38,572)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(3,357,043)	-	(924,900)
Total	$ 33,740	$ (3,497,047)	$ 9,296	$ (963,472)

The deferred inflows of resources will be recognized in pension expense as follows:

Year ended December 31:	Governmental Activities	Business Type Activities	Total
2026	$ (111,883)	$ (30,825)	$ (142,708)
2027	(1,647,988)	(454,037)	(2,102,025)
2028	(1,040,214)	(286,589)	(1,326,803)
2029	(663,222)	(182,725)	(845,947)
	$ (3,463,307)	$ (954,176)	$ (4,417,483)

The schedule of changes in the net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about the Plan.

Plan Actuarial Methods and Assumptions

Actuarial assumptions. The total pension liability was determined by an actuarial valuation for the 2025 measurement period, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 percent, average, including inflation
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PubG-2010 Mortality Tables for Males and Females set forward one year with generational mortality improvement using MP20.

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Plan Actuarial Methods and Assumptions (Continued)

The actuarial assumptions used in the valuation for the 2025 measurement period were based on past experience under the Plan and reasonable future expectations which represent our best estimate of anticipated experience under the Plan. An actuarial experience study was performed in 2016; however, no modifications to assumptions were made as a result.

Under the Act, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once every three years subsequent to the member's retirement date. The adjustment, should the Plan elect to give one, is a percentage of the change in the Consumer

Price Index. The Plan did not include an assumption for projected ad hoc postemployment benefit changes as they are not considered to be substantively automatic.

Investment policy. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes.

The following was the Board's asset allocation policy for the 2025 measurement period:

Asset Class	Target Allocation
Domestic equity	40%
International equity	10%
Fixed income	30%
Real Estate/Alternative	20%
Cash	0%
Total	100%

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation for the 2025 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.13%
International equity	5.93%
Fixed income	2.74%
Real Estate/Alternative	5.68%
Cash	0.94%

NOTE 8: EMPLOYEE RETIREMENT TRUST FUND (CONTINUED)

Plan Actuarial Methods and Assumptions (Continued)

Discount rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates in accordance with the County's recently adopted funding policy. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.00 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6 percent) or 1-percentage-point higher (8 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
County's net pension liability/(asset)	$2,255,313	($5,290,121)	$(11,627,209)

Rate of return. For the 2025 measurement period, the annual money-weighted rate of return on Plan investments, net of Plan investment expense, was 13.28 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Component Unit – Retirement Plan

Highridge Water Authority

The Water Authority adopted a retirement plan covering all eligible employees effective January 1, 1995. Terms of the plan require Authority contributions $1.80 per hour for union and 1.50 cents per hour for non union employees. Participants are 100% vested after 3 years. Contributions for 2025 amounted to $44,551.

Indiana County Municipal Services Authority

The Municipal Services Authority has a defined contribution retirement plan which provides retirement benefits for all full-time employees. The Authority contributed an amount equal to 8% of the full-time employees' gross salaries and 10% of the full-time non-union employees' gross salaries. The retirement plan has a vesting schedule, and an employee becomes fully vested after seven years of employment. Retirement expense was approximately $153,363.

NOTE 9: LINE OF CREDIT

Component Unit – Line of Credit

Indiana County Municipal Services Authority

The Municipal Services Authority has available a $250,000 unsecured line of credit with First Commonwealth Bank, which is due on demand, with interest at 75% of the prime rate (4.87% at December 31, 2025). There was no balance at December 31, 2025.

NOTE 10: LONG-TERM OBLIGATIONS

A summary of changes in long-term debt obligations for 2025 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable:					
General Obligation Bonds and Notes	$39,979,109	$ 754,493	$ (3,934,905)	$ 36,798,697	$ 8,499,550
Total Bonds and Notes Payable	39,979,109	754,493	(3,934,905)	36,798,697	8,499,550
			Plus Bond Premium	1,450,597	
			Total General Obligation Bonds and Notes	38,249,294	
Other Liabilities:					
Compensated Absences	875,535	-	(39,262)	836,273	-
Total Other Liabilities	875,535	-	(39,262)	836,273	-
Governmental Activities Long-Term Liabilities	$40,854,644	$ 754,493	$ (3,974,167)	$ 37,634,970	$ 8,499,550

An analysis of debt service requirements to maturity for the governmental and business-type activities on these obligations follows (with the exception of capital leases and compensated absences liability):

Governmental Activities

Year Ended December 31	Principal Requirements	Interest Requirements	Total Debt Service Requirements
2026	$ 8,499,550	$ 1,465,740	$ 9,965,290
2027	3,975,368	1,237,974	5,213,342
2028	4,559,543	1,011,001	5,570,544
2029	4,062,626	864,225	4,926,851
2030	4,147,873	509,746	4,657,619
2031-2035	9,349,737	1,061,030	10,410,767
2036-2040	1,524,000	308,256	1,832,256
2041-2045	473,000	64,950	537,950
2046-2047	207,000	8,174	215,174
Total	$36,798,697	$ 6,531,096	$ 43,329,793

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Pertinent information regarding long-term debt obligations outstanding is presented below:

Governmental Activities

Issuance	Amount of Original Issue	Purpose	Balance Outstanding December 31, 2025
2006	$ 2,610,000	To finance the construction of a multi-tenant building on Indian Springs Road. The note has an interest rate of 2.75% per annum and a final maturity of July 2033. The note was loaned to ICDC under the same terms.	$ 1,883,406
2006	$ 2,586,000	To finance the construction of a multi-tenant building on Indian Springs Road. The note has an interest rate of 3.50% per annum and a final maturity of July 2033. The note was loaned to ICDC under the same terms.	$ 1,831,312
Series A of 2013	$ 3,500,000	To refinance GON, Series B of 2010. The note has an interest rate of 3.31% with a final maturity in December 2025.	$ -
Series B of 2018	$ 7,200,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 1.993% with a final maturity in October of 2028.	$ 2,117,054
Series D of 2018	$ 4,125,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 1.918% with a final maturity in October of 2026.	$ 413,797
Series A of 2020	$ 5,709,000	To finance the construction of the Westmoreland County Community College/Challenger building in addition to capital and renovation projects at the Courthouse. The note has an interest rate of 2.62% with a final maturity date of December of 2047.	$ 4,616,000
Series B of 2020	$ 4,918,000	To finance the construction of the Westmoreland County Community College/Challenger building. This loan is a grant anticipation loan and will be paid off when the grant is received. The note has an interest rate of 2.67% not to exceed an interest rate of 4.17% with a final maturity date of June 2026.	$ 4,557,908
Series C of 2020	$ 710,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 2.91% with a final maturity in December of 2026.	$ 294,000
Series D of 2020	$ 4,286,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 2.7% with a final maturity in December of 2031.	$ 4,286,000
Series A of 2021	$15,665,000	To refinance and consolidate existing outstanding debt. The note has an interest rate of 2.0% through 2023, 3% through 2026, 4% through 2030, and 3% through 2032 with a final maturity in December of 2032.	$ 12,480,000
Series A of 2022	$ 3,575,000	To finance the Courthouse capital projects including Courthouse HVAC update, Jail Boilers Update, and Jail security update.	$ 3,000,000
Series A of 2025	$ 2,500,000	To finance the construction of the Airport Terminal, taxiway, and hangars project. The note has an interest rate of 4.05% with final maturity in June 2028.	$ 68,774
Series B of 2025	$ 5,000,000	To finance the construction of the Airport Terminal, taxiway, and hangars project. The note has an interest rate of 4.45% with final maturity in December 2040.	$ 557,346
Various	$ 693,100	Financed purchases of various County equipment.	$ 693,100
			$ 36,798,697

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Component Units

In addition to the long-term debt above, the County also guarantees debt for the Indiana County Municipal Services Authority and the Highridge Water Authority. This schedule summarizes the activity on this debt for 2025.

Highridge Water Authority

An analysis of debt service requirements to maturity on these obligations follows:

	Balance as of December 31, 2024	Additions	Reductions	Balance as of December 31, 2025
Debt Guaranteed by Indiana County:				
Water Revenue Bonds, Series of 2020	$ 4,426,000	$ -	$ (812,000)	$ 3,614,000
Other Long-Term Debt:				
PennVest Loan	949,080	-	(99,746)	849,334
Total Long-Term Debt	$ 5,375,080	$ -	$ (911,746)	$ 4,463,334

Year Ended December 31	Principal Payments
2026	$ 461,375
2027	469,029
2028	477,711
2029	486,720
2030	495,156
Thereafter	2,073,343
Total	$ 4,463,334

COUNTY OF INDIANA, PENNSYLVANIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Component Units (Continued)

Indiana County Municipal Services Authority

An analysis of debt service requirements to maturity on these obligations follows:

	Balance as of 2025
Debt Guaranteed by Indiana County:	
Sewage Renovation I	$ 3,350,000
Sewage Renovation III	746,425
Sewage Renovation IV	-
Sewage Renovation VI	578,851
Crooked Creek Water Project	5,451,598
Cherry Tree Water System Project	410,372
Other Long-Term Debt:	
WR XVIII Interim Financing	4,253,588
Pennvest WB XX	1,328,897
PennVest Water Bond XV	536,216
PennVest Water Bond XVI	1,123,188
PennVest Water Bond XXII	1,826,924
Water Bond XI	1,775,843
Water Bond XII	3,068,859
Water Bond XIII	2,482,409
Water Bond XVIII	2,634,732
Vehicle Loan III	3,580
Vehicle Loan IV	2,312
Vehicle Loan VI	10,862
Vehicle Loan VII	26,114
Vehicle Loan VIII	43,460
Vehicle Loan IX	36,972
Vehicle Loan XI	205,340
Vehicle Loan XII	10,929
Vehicle Loan XIII	112,967
Vehicle Loan XIV	80,143
Sewer Revenue Bonds, Series 2022	5,740,000
Sewage Renovation V	26,247
Sewage Renovation X	1,138,553
Sewage Renovation IX - Alverda	505,214
Total Bonds and Notes	37,510,595
Bond Premium	332,097
Total Debt	$ 37,842,692

NOTE 10: LONG-TERM OBLIGATIONS (CONTINUED)

Component Units (Continued)

Indiana County Municipal Services Authority (Continued)

Year Ended December 31	Principal Payments
2026	$ 2,682,862
2027-2030	11,214,503
2031-2035	13,040,732
2036-2040	7,344,527
2041-2045	2,269,598
2046-2050	851,476
Thereafter	106,897
Total	$ 37,510,595

NOTE 11: LEASE OBLIGATIONS

A summary of changes in lease obligations for 2025 is as follows:

	Beginning Balance	Lease Additions	Lease Payments	Ending Balance	Current Portion
Governmental Activities	$ 6,138,526	$ 474,722	$ 1,485,356	$ 5,127,892	$ 1,273,206

Pertinent information regarding the leases is as follows:

The County leases space for various County agencies and departments from external parties. The leases mature from 2026 through 2032 and have an imputed interest rate of 4.31%. The beginning balance of the lease liability for building as of January 1, 2025, was $2,008,884. During 2025, there were no additions to the lease liability. The outstanding lease liability is $1,592,945 as of December 31, 2025. A corresponding right of use asset was recorded in the amount of $3,064,209 and there was $1,648,990 of accumulated amortization as of December 31, 2025.

The County leases copiers from external parties. The leases mature from 2026 through 2028 and have an imputed interest rate of 4.31%. The beginning balance of the lease liability for copiers as of January 1, 2025, was $31,483. During 2025, there were additions of $46,311 to the lease liability. The outstanding lease liability is $58,205 as of December 31, 2025. A corresponding right of use asset was recorded in the amount of $122,728 and there was $71,783 of accumulated amortization as of December 31, 2025.

The County leases equipment for various County agencies from external parties. The leases mature from 2026 through 2028 and have an imputed interest rate of 4.31%. The beginning balance of the lease liability for equipment as of January 1, 2025, was $189,309. During 2025, there were additions of $69,614 to the lease liability. The outstanding lease liability is $186,499 as of December 31, 2025. A corresponding right of use asset was recorded in the amount of $427,661 and there was $252,160 of accumulated amortization as of December 31, 2025.

NOTE 11: LEASE OBLIGATIONS (CONTINUED)

The County leases tower for various County agencies from external parties. The leases mature from 2026 through 2035 and have an imputed interest rate of 4.31%. The beginning balance of the lease liability for towers as of January 1, 2025, was $771,164. During 2025, there were additions of $101,338 to the lease liability. The outstanding lease liability is $605,232 as of December 31, 2025. A corresponding right of use asset was recorded in the amount of $1,592,432 and there was $1,116,695 of accumulated amortization as of December 31, 2025.

The County leases vehicles for various County agencies and departments from external parties. The leases mature from 2026 through 2029 and have an imputed interest rate of 4.31%. The beginning balance of the lease liability for vehicles as of January 1, 2025, was $857,584. During 2025, there were no additions to the lease liability. The outstanding lease liability is $661,352 as of December 31, 2025. A corresponding right of use asset was recorded in the amount of $1,412,442 and there was $1,030,023 accumulated amortization as of December 31, 2025.

The County leases software for various County agencies and departments from external parties. The leases mature in 2026 through 2033 and have an imputed interest rate of 4.31%. The beginning balance of the lease liability for building as of January 1, 2025, was $2,280,102. During 2025, there were additions of $257,459 to the lease liability. The outstanding lease liability is $2,023,659 as of December 31, 2025. A corresponding right of use asset was recorded in the amount of $3,476,500 and there was $1,588,159 of accumulated amortization as of December 31, 2025.

Future maturities of lease obligations are as follows:

	Governmental Activities		
Year ended December 31	Principal	Interest	Total
2026	$ 1,273,206	$ 189,256	$ 1,462,462
2027	1,026,102	140,223	1,166,325
2028	859,837	101,224	961,061
2029	750,804	66,535	817,339
2030	470,810	40,457	511,267
2031-2035	747,133	35,418	782,551
	$ 5,127,892	$ 573,113	$ 5,701,005

NOTE 12: GUARANTEES OF COMPONENT UNITS

The County has agreed to guarantee the Municipal Services Authority's indebtedness. The Municipal Services Authority is required to repay the County for any payments the County makes pursuant to the guarantee. The County has not made any payments on behalf of the Municipal Services Authority as of December 31, 2025. A summary of all guaranteed debt is listed below.

In 2005, the County guaranteed the Municipal Services Authority $989,074 PennVest Cherry Tree Installment Note. This note matures in May 2037. As of December 31, 2025 the outstanding principal amount of the guarantee is $410,372.

In 2005, the County guaranteed the Municipal Services Authority $13,299,915 Crooked Creek Installment Note. This note matures in March 2037. As of December 31, 2025 the outstanding principal amount of the guarantee is $5,451,598.

NOTE 12: GUARANTEES OF COMPONENT UNITS (CONTINUED)

In 1999, the County guaranteed the Municipal Services Authority $6,258,000 Sewer Revenue Notes, Series 1999. These notes mature in December 2039. As of December 31, 2025 the outstanding principal amount of the guarantee is $3,350,000.

In 2001, the County guaranteed the Municipal Services Authority $2,770,000 Sewage Renovation III Installment Note. This note matures in March 2033. As of December 31, 2025 the outstanding principal amount of the guarantee is $746,425.

In 2002, the County guaranteed the Municipal Services Authority $1,351,200 Sewage Renovation VI Installment Note. This note matures in April 2037. As of December 31, 2025 the outstanding principal amount of the guarantee is $578,851.

In 2003, the County guaranteed the Municipal Services Authority $1,173,199 Sewage Renovation IV Installment Note. This note matured in June 2025.

The County has agreed to guarantee Highridge Water Authority's indebtedness. Highridge Water Authority is required to repay the County for any payments the County makes pursuant to the guarantee. The County has not made any payments on behalf of Highridge Water Authority as of December 31, 2025. A summary of all guaranteed debt is listed below:

In 2020, the County guaranteed Highridge Water Authority $6,540,000 Water Revenue Notes Series 2020. This note matures in April 2025. As of December 31, 2025 the outstanding principal amount of the guarantee is $3,614,000.

NOTE 13: INTERFUND RECEIVABLES AND PAYABLES

Certain funds have paid the expenditures of the other funds and the amounts have not been repaid at year end, resulting in interfund balances. Interfund receivable and payable balances of each major fund as of December 31, 2025, are as follows:

	Due From Other Funds	Due to Other Funds
Governmental Fund Types		
General Fund	$ 362,247	$ 275,635
Other Nonmajor Funds	122,217	178,533
Total Governmental Fund Types	484,464	454,168
Proprietary Fund		
Communities at Indian Haven	162,894	193,190
Total Proprietary Fund Type	162,894	193,190
Total Interfund Balances	$ 647,358	$ 647,358

The outstanding balances between the funds result mainly from the time lag between the dates that (1) interfund goods and services are provided, (2) reimbursable expenditures occur, and (3) payments between funds are made.

NOTE 14: INTERFUND OPERATING TRANSFERS

Interfund operating transfers are as follows:

	Transfers In	Transfers Out
Governmental Fund Types		
General Fund	$ 132,000	$ 441,978
Revolving Loan Fund	-	50
Other Nonmajor Funds	446,228	4,200
Total Governmental Fund Type	578,228	446,228
Proprietary Fund		
Communities at Indian Haven	-	132,000
Total Proprietary Fund Type	-	132,000
Total Interfund Transfers	$ 578,228	$ 578,228

Certain funds are required to fund a portion or all of the expenses of other funds or cover deficits in those funds. The County records operating transfers to account for these transactions.

NOTE 15: NET PATIENT SERVICE REVENUE

The Communities at Indian Haven, Inc.

Indian Haven has agreements with third-party payors that provide for payments to Indian Haven at amounts different from its established rates. A significant portion of Indian Haven's revenues are derived from third-party payor programs. A summary of the principal payment arrangements with third-party payors follows:

- Medical Assistance – Nursing services provided to Medical Assistance program beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident classification system that is based on clinical, diagnostic, and other factors and the reimbursement methodology is subject to various limitations and adjustments.

- Medicare – Nursing and ancillary services rendered to Medicare Part A beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident classification system that is based on clinical, diagnostic, and other factors, and the reimbursement methodology is subject to various limitations and adjustments.

  Indian Haven is reimbursed for therapy services provided to Medicare Part B beneficiaries at the lesser of a published fee schedule or actual charges.

As described above, the Medical Assistance and Medicare Part A rates are based on clinical, diagnostic, and other factors. Indian Haven is required to clinically assess its residents at predetermined periods throughout the year. The documented assessments are subject to review and adjustment by the Medical Assistance and Medicare Programs. Indian Haven also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to Indian Haven under these agreements includes prospectively determined rates per day or discounts from established charges.

NOTE 16: FUND BALANCES

Under GASB 54, fund balances are recorded as non-spendable, restricted, committed, assigned, and unassigned. The following fund balances are recorded on the fund level of the financial statements:

Fund:	Fund Balance:	Balances
Major Funds		
General Fund	Non-Spendable:	
	These amounts are other assets	$ 346,031
		346,031
	Restricted Funds:	
	These funds are restricted for Coroner Act 122	12,037
	These funds are restricted for Coroner Data	78,513
	These funds are restricted for Coroner Training	33,216
	These funds are restricted for Victim Services	13,458
	These funds are restricted for Act 13 Shale Impact	516,938
	These funds are restricted for Act 13 Greenways Rehab	156,286
	These funds are restricted for Opioid Settlement	1,639,560
	These funds are restricted for Airport Construction	77,612
		2,527,620
	Assigned Funds:	
	These funds are assigned for Rt 22 Ped Bridge	374,252
	These funds are assigned for Suicide Task Force	17,785
	These funds are assigned for CYS Special Fund	12,096
	These funds are assigned for Employee Vending Fund	4,160
	These funds are assigned for Sheriff Civil Acct	2,173
	These funds are assigned for Healthcare Fully Insured	3,746,015
	These funds are assigned for American Rescue Plan	5,450,411
	These funds are assigned for Bar Association Donations	6,863
	These funds are assigned for Capital Projects	1,022,701
		10,636,456
Community Program for Restoration	Restricted Funds:	
	These funds are restricted for the Community Program Restoration.	309,111
Revolving Loan	Restricted Funds:	
	These funds are restricted for the Revolving Loan Program.	2,319,843
Non-Major Governmental Funds		
Special Revenue Funds	Non-Spendable:	
	These amounts are prepaid expenses.	15,566
	Restricted Funds:	
	These funds are restricted within the departments of the General Government.	2,494,267
	These funds are restricted within the Judicial System.	2,107,690
	These funds are restricted within the Public Safety programs.	396,166
	These funds are restricted within the Human Service programs.	20,941
	These funds are restricted within the Public Works programs.	2,050,155
	These funds are restricted within the Culture and Recreation programs.	311,874
	These funds are restricted within the Conservation and Development programs.	1,296,664
		$ 8,677,757

NOTE 17: LITIGATION

The County is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the County's financial statements.

NOTE 18: RISK MANAGEMENT

The County participates in the Pennsylvania Counties' Workers' Compensation Trust (the "Trust") insurance pool for workers' compensation insurance. Insurance premiums are developed based on employee job descriptions, rate factors, and payroll costs for the year. The Trust has an audit performed each year and the County may be required to pay an additional premium as a result of the audit, or, the County may be entitled to a refund as a result of the audit. For the year ended December 31, 2025, the County paid insurance premiums of $244,016 to the Trust.

NOTE 19: SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 9, 2026, the date the financial statements were available to be issued.

REQUIRED

SUPPLEMENTAL

INFORMATION

COUNTY OF INDIANA, PENNSYLVANIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Revenues				
Taxes, Real estate	$ 28,506,049	$ 28,506,049	$ 27,969,324	$ (536,725)
Intergovernmental grants	18,986,013	19,434,076	12,278,046	(7,156,030)
Charges for services	471,000	456,146	417,001	(39,145)
Departmental charges	8,586,097	8,632,637	8,563,160	(69,477)
Interest income	30,508	29,308	1,229,078	1,199,770
Other revenue	42,000	42,000	820,933	778,933
Total Revenues	56,621,667	57,100,216	51,277,542	(5,822,674)
Expenditures				
Current operating:				
General government	7,672,155	7,626,129	9,997,311	(2,371,182)
Judicial	7,935,996	7,909,063	7,269,272	639,791
Public safety	17,079,440	17,170,794	15,967,320	1,203,474
Public works	279,651	373,053	830,335	(457,282)
Human services	13,645,935	13,645,936	13,089,247	556,689
Culture and recreation	947,343	1,067,725	1,274,492	(206,767)
Conservation and development	309,345	488,238	446,143	42,095
Miscellaneous	(305,500)	(279,675)	730,756	(1,010,431)
Capital outlay	-	-	603,095	(603,095)
Debt service	9,218,717	9,218,717	4,687,263	4,531,454
Total Expenditures	56,783,082	57,219,980	54,895,234	2,324,746
Excess (deficiency) of revenues over expenditures	(161,415)	(119,764)	(3,617,692)	(3,497,928)
Other financing sources (uses)				
Proceeds from long term debt	-	-	603,095	603,095
Amounts received from loans	-	-	426,806	426,806
Transfers in	132,000	132,000	132,000	-
Transfers out	(66,780)	(108,431)	(441,978)	(333,547)
Total other financing sources (uses)	65,220	23,569	719,923	696,354
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ (96,195)	$ (96,195)	$ (2,897,769)	$ (2,801,574)

COUNTY OF INDIANA, PENNSYLVANIA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total pension liability										
Service Cost	$ 1,505,842	$ 1,519,127	$ 1,382,786	$ 1,384,446	$ 1,441,239	$ 1,395,959	$ 1,336,839	$ 1,459,712	$ 1,473,893	$ 1,572,321
Interest	2,983,894	3,163,224	3,345,611	3,545,607	3,719,355	4,076,619	4,164,676	4,309,198	4,472,980	4,636,861
Differences between expected and actual experience	(164,293)	(125,284)	(39,350)	202,191	(110,141)	449,560	(1,029,538)	(119,227)	78,898	(3,675)
Changes of assumptions	-	-	993,400	-	-	4,144,182	-	-	-	-
Benefits payments, including refunds of member contributions	(1,991,410)	(1,964,563)	(2,014,674)	(2,338,347)	(2,627,087)	(2,922,560)	(3,336,341)	(3,548,370)	(3,495,231)	(3,912,759)
Net change in total pension liability	2,334,033	2,592,504	3,667,773	2,793,897	2,423,366	7,143,760	1,135,636	2,101,313	2,530,540	2,292,748
Total pension liability - beginning	39,872,701	42,206,734	44,799,238	48,467,011	51,260,908	53,684,274	60,828,034	61,963,670	64,064,983	66,595,523
Total pension liability - ending (a)	$ 42,206,734	$ 44,799,238	$ 48,467,011	$ 51,260,908	$ 53,684,274	$ 60,828,034	$ 61,963,670	$ 64,064,983	$ 66,595,523	$ 68,888,271
Plan fiduciary net position										
Contributions - employer	$ 500,000	$ 652,173	$ 525,933	$ 500,000	$ 500,000	$ 891,623	$ 625,654	$ 792,056	$ 732,541	$ 713,424
Contributions - employee	886,553	903,146	918,025	957,060	991,006	1,048,477	1,074,282	1,185,900	1,217,984	1,229,659
Net investment income	3,336,471	5,714,759	(2,391,937)	6,831,698	5,706,610	8,164,365	(6,092,636)	7,733,060	6,742,900	8,874,734
Benefit payments, including refunds of employee contributions	(1,991,410)	(1,964,563)	(2,014,674)	(2,338,347)	(2,627,087)	(2,922,560)	(3,336,341)	(3,548,370)	(3,495,231)	(3,912,759)
Administrative expense	(48,112)	(71,893)	(78,734)	(67,614)	(75,798)	(61,709)	(103,161)	(77,878)	(86,452)	(96,478)
Other	-	-	(17,399)	(8,172)	-	(138,324)	(9,508)	(24,488)	(24,441)	(41,796)
Net change in plan fiduciary position	2,683,502	5,233,622	(3,058,786)	5,874,625	4,494,731	6,981,872	(7,841,710)	6,060,280	5,087,301	6,766,784
Plan fiduciary net position - beginning	41,896,171	44,579,673	49,813,295	46,754,509	52,629,134	57,123,865	64,105,737	56,264,027	62,324,307	67,411,608
Plan fiduciary net position - ending (b)	$ 44,579,673	$ 49,813,295	$ 46,754,509	$ 52,629,134	$ 57,123,865	$ 64,105,737	$ 56,264,027	$ 62,324,307	$ 67,411,608	$ 74,178,392
County's net pension liability (asset) - ending (a) - (b)	$ (2,372,939)	$ (5,014,057)	$ 1,712,502	$ (1,368,226)	$ (3,439,591)	$ (3,277,703)	$ 5,699,643	$ 1,740,676	$ (816,085)	$ (5,290,121)
Plan fiduciary net position as a percentage of the total pension liability	105.62%	111.19%	96.47%	102.67%	106.41%	105.39%	90.80%	97.28%	101.23%	107.68%
Covered - employee payroll	$ 16,789,363	$ 17,153,570	$ 17,504,938	$ 16,751,771	$ 17,904,426	$ 18,498,187	$ 17,465,816	$ 18,430,342	$ 18,966,220	$ 20,273,528
County net pension liability as a percentage of covered - employee payroll	-14.13%	-29.23%	9.78%	-8.17%	-19.21%	-17.72%	32.63%	9.44%	-4.30%	-26.09%

COUNTY OF INDIANA, PENNSYLVANIA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS - LAST 10 YEARS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 682,497	$ 652,173	$ 525,933	$ 734,293	$ 875,063	$ 891,623	$ 625,654	$ 792,056	$ 732,541	$ 713,424
Contributions in relation to the actuarially determined contribution	500,000	652,173	525,933	500,000	500,000	891,623	625,654	792,056	732,541	713,424
Contribution deficiency (excess)	$ 182,497	$ -	$ -	$ 234,293	$ 375,063	$ -	$ -	$ -	$ -	$ -
Covered - employee payroll	16,789,363	17,153,570	17,504,938	16,751,771	17,904,426	18,498,187	17,465,816	18,430,342	18,966,220	20,273,528
Contributions as a percentage of covered - employee payroll	2.98%	3.80%	3.00%	2.98%	2.79%	4.82%	3.58%	4.30%	3.86%	3.52%
Notes to Schedule										
Valuation date:	January 1, 2016	January 1, 2017	January 1, 2018	January 1, 2019	January 1, 2020	January 1, 2021	January 1, 2022	January 1, 2023	January 1, 2024	January 1, 2025

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar
Remaining amortization period	15 years
Asset valuation method	Market value adjusted for unrecognized gains and losses from prior years
Inflation	3.00%
Salary increases	3.50 average, including inflation
Investment rate of return	7% net of pension plan investment expense, including inflation
Retirement age	Age 60 or 55 with 20 years' service
Mortality	PubG-2010 Mortality Table for males and females set forward on year with generational mortality improvement using MP20

COUNTY OF INDIANA, PENNSYLVANIA
REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE OF INVESTMENT RETURNS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual money-weighted rate of return, net of investment expense	**8.26%**	**13.01%**	**-4.69%**	**16.80%**	**10.57%**	**14.60%**	**-9.54%**	**14.60%**	**11.08%**	**13.28%**

OTHER

SUPPLEMENTAL

INFORMATION

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Capital Improvements Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 86,045	$ 9,471,469	$ 9,557,514
Investments	-	224,154	224,154
Receivables:			
Other governmental grants	-	2,665,792	2,665,792
Other	-	366,346	366,346
Loans	-	971,859	971,859
Due from other funds	-	122,217	122,217
Prepaid expenses	-	15,566	15,566
Total assets	$ 86,045	$ 13,837,403	$ 13,923,448
Liabilities			
Accounts payable	3,791	4,224,243	4,228,034
Accrued Liabilities	-	72,422	72,422
Due to other governments	-	187	187
Due to other funds	-	178,533	178,533
Unearned revenue	-	42,693	42,693
Total liabilities	3,791	4,518,078	4,521,869
Liabilities			
Unavailable Loan Revenue	-	971,859	971,859
Total deferred inflows of resournces	-	971,859	971,859
Fund Balance			
Fund balance:			
Nonspendable	-	15,566	15,566
Restricted	82,254	8,595,503	8,677,757
Unassigned	-	(263,603)	(263,603)
Total fund balance	82,254	8,347,466	8,429,720
Total liabilities, deferred inflows and fund balance	$ 86,045	$ 13,837,403	$ 13,923,448

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Capital Improvements Fund	Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
Revenues			
Taxes, Hotel	$ -	$ 898,790	$ 898,790
Intergovernmental revenue	-	14,121,476	14,121,476
Charges for services	-	1,149,718	1,149,718
Interest income	1,195	182,202	183,397
Other revenue	-	7,434	7,434
Total Revenues	1,195	16,359,620	16,360,815
Expenditures			
Current operating:			
General government	21,609	4,289,139	4,310,748
Judicial	-	1,509,788	1,509,788
Public safety	-	3,259,458	3,259,458
Public works	-	4,170,995	4,170,995
Human services	-	449,467	449,467
Culture and recreation	-	1,018,102	1,018,102
Conservation and development	-	1,763,966	1,763,966
Total Expenditures	21,609	16,460,915	16,482,524
Excess (deficiency) of revenues over expenditures	(20,414)	(101,295)	(121,709)
Other financing sources (uses)			
Proceeds from long-term debt	-	626,120	626,120
Amounts loaned to others	-	(770)	(770)
Amounts received from loans	-	18,499	18,499
Disposal of fixed assets	-	-	-
Transfers in	24,564	421,664	446,228
Transfers out	-	(4,200)	(4,200)
Total other financing sources (uses)	24,564	1,061,313	1,085,877
Net change in fund balance	4,150	960,018	964,168
Fund balance, beginning of year	78,104	7,387,448	7,465,552
Fund balance, end of year	$ 82,254	$ 8,347,466	$ 8,429,720

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	Liquid Fuels	Human Services Development	Planning Fund	Airport Construction	Children's Advisory Commission	Enhanced 911	Hazardous Materials	Indiana County Code Division
Assets								
Cash and cash equivalents	$ 592,947	$ 20,713	$ 344,132	$ 3,105	$ 11,573	$ 535,372	$ 15,106	$ 343,188
Investments	9,131	-	-	-	-	-	-	-
Receivables:								
Other governmental grants	88,475	-	15,574	1,423,151	-	685,651	41,544	-
Other	-	-	-	260,684	-	-	1,542	-
Loans	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	15,444	-
Total assets	$ 690,553	$ 20,713	$ 359,706	$ 1,686,940	$ 11,573	$ 1,221,023	$ 73,636	$ 343,188
Liabilities								
Accounts payable	$ 29,408	$ 16,019	$ 15,574	$ 1,683,836	$ 7	$ 1,455,619	$ 2,353	$ 279,137
Accrued liabilities	42,661	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	187
Due to other funds	-	-	2,217	-	-	-	67,500	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	72,069	16,019	17,791	1,683,836	7	1,455,619	69,853	279,324
Deferred Inflows of Resources								
Unavailable Loan Revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resournces	-	-	-	-	-	-	-	-
Fund Balance								
Fund balance:								
Nonspendable	-	-	-	-	-	-	15,444	-
Restricted	618,484	4,694	341,915	3,104	11,566	-	-	63,864
Unassigned	-	-	-	-	-	(234,596)	(11,661)	-
Total fund balance	618,484	4,694	341,915	3,104	11,566	(234,596)	3,783	63,864
Total liabilities, deferred inflows and fund balance	$ 690,553	$ 20,713	$ 359,706	$ 1,686,940	$ 11,573	$ 1,221,023	$ 73,636	$ 343,188

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	Keystone Communities	Jail Commissary	Register of Wills Ck of Orphan Ct	County Record's Improvement	Register and Recorder Records Improvement	Assessment Uniform Parcel ID	Recorder's Uniform Parcel ID	Domestic Relations
Assets								
Cash and cash equivalents	$ 158	$ 375,592	$ 38,578	$ 87,349	$ 171,746	$ 51,399	$ 89,161	$ 1,486,222
Investments	-	-	-	-	-	-	-	100,000
Receivables:								
Other governmental grants	-	-	-	-	-	-	-	344,020
Other	-	32,521	-	1,466	-	1,416	1,416	976
Loans	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	111,580
Prepaid expenses	-	122	-	-	-	-	-	-
Total assets	$ 158	$ 408,235	$ 38,578	$ 88,815	$ 171,746	$ 52,815	$ 90,577	$ 2,042,798
Liabilities								
Accounts payable	$ -	$ 11,947	$ -	$ -	$ -	$ -	$ -	$ 16,808
Accrued liabilities	-	-	-	12,301	-	-	-	16,084
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	101,557
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	-	11,947	-	12,301	-	-	-	134,449
Deferred Inflows of Resources								
Unavailable Loan Revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resournces	-	-	-	-	-	-	-	-
Fund Balance								
Fund balance:								
Nonspendable	-	122	-	-	-	-	-	-
Restricted	158	396,166	38,578	76,514	171,746	52,815	90,577	1,908,349
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	158	396,288	38,578	76,514	171,746	52,815	90,577	1,908,349
Total liabilities, deferred inflows and fund balance	$ 158	$ 408,235	$ 38,578	$ 88,815	$ 171,746	$ 52,815	$ 90,577	$ 2,042,798

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	Drug Task Force	DA Special Investigations	Health and Human Services Sub-Committee	Sheriff Public Safety Training	Prothonotary Automation	Adoption Counseling	Hotel Tax	Parks Gas Lease
Assets								
Cash and cash equivalents	$ 13,653	$ 82,876	$ 4,929	$ 25,303	$ 12,048	$ 24,760	$ 88,855	$ 15,925
Investments	-	-	-	-	-	-	-	-
Receivables:								
Other governmental grants	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	57,423	1,350
Loans	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	1,161	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	$ 13,653	$ 82,876	$ 4,929	$ 26,464	$ 12,048	$ 24,760	$ 146,278	$ 17,275
Liabilities								
Accounts payable	$ 841	$ 216	$ 260	$ 287	$ -	$ -	$ 146,043	$ -
Accrued liabilities	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	841	216	260	287	-	-	146,043	-
Deferred Inflows of Resources								
Unavailable Loan Revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resournces	-	-	-	-	-	-	-	-
Fund Balance								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	12,812	82,660	4,669	26,177	12,048	24,760	235	17,275
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	12,812	82,660	4,669	26,177	12,048	24,760	235	17,275
Total liabilities, deferred inflows and fund balance	$ 13,653	$ 82,876	$ 4,929	$ 26,464	$ 12,048	$ 24,760	$ 146,278	$ 17,275

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	Parks Enterprise	Farmlands Preservation	Community Development Block Grant	HOME Investment	Escrow Fund	Affordable Housing and Act 137	Emergency Repair	Emergency Shelter Grant
Assets								
Cash and cash equivalents	$ 294,364	$ 43,006	$ 161,595	$ 4,957	$ -	$ 76,317	$ 1,365	$ 134
Investments	-	-	-	-	-	115,023	-	-
Receivables:								
Other governmental grants	-	4,381	29,645	-	-	-	-	7,259
Other	-	-	-	-	1,050	3,640	-	-
Loans	-	-	-	-	-	46,538	42,817	-
Due from other funds	-	-	2,217	-	-	7,259	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	$ 294,364	$ 47,387	$ 193,457	$ 4,957	$ 1,050	$ 248,777	$ 44,182	$ 7,393
Liabilities								
Accounts payable	$ -	$ 6,250	$ 167,481	$ 5,074	$ -	$ 6,754	$ -	$ 122
Accrued liabilities	-	-	599	777	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	7,259
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	-	6,250	168,080	5,851	-	6,754	-	7,381
Deferred Inflows of Resources								
Unavailable Loan Revenue	-	-	-	-	-	46,538	42,817	-
Total deferred inflows of resournces	-	-	-	-	-	46,538	42,817	-
Fund Balance								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	294,364	41,137	25,377	-	1,050	195,485	1,365	12
Unassigned	-	-	-	(894)	-	-	-	-
Total fund balance	294,364	41,137	25,377	(894)	1,050	195,485	1,365	12
Total liabilities, deferred inflows and fund balance	$ 294,364	$ 47,387	$ 193,457	$ 4,957	$ 1,050	$ 248,777	$ 44,182	$ 7,393

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	Community Development Fund	Community Revitalization Program	General Economic Development	Homeless Assistance Program	Enterprise Zone	DA Forfeitures Account	WHR	DA Victim Services
Assets								
Cash and cash equivalents	$ 162,377	$ 110	$ 9,468	$ 18,736	$ 508,166	$ 21	$ 52,863	$ 26,341
Investments	-	-	-	-	-	-	-	-
Receivables:								
Other governmental grants	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	2,112
Loans	-	150,000	-	-	732,504	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Total assets	$ 162,377	$ 150,110	$ 9,468	$ 18,736	$ 1,240,670	$ 21	$ 52,863	$ 28,453
Liabilities								
Accounts payable	$ -	$ -	$ 114	$ 35,188	$ -	$ -	$ -	$ 1,408
Accrued liabilities	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	42,693	-
Total liabilities	-	-	114	35,188	-	-	42,693	1,408
Deferred Inflows of Resources								
Unavailable Loan Revenue	-	150,000	-	-	732,504	-	-	-
Total deferred inflows of resournces	-	150,000	-	-	732,504	-	-	-
Fund Balance								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	162,377	110	9,354	-	508,166	21	10,170	27,045
Unassigned	-	-	-	(16,452)	-	-	-	-
Total fund balance	162,377	110	9,354	(16,452)	508,166	21	10,170	27,045
Total liabilities, deferred inflows and fund balance	$ 162,377	$ 150,110	$ 9,468	$ 18,736	$ 1,240,670	$ 21	$ 52,863	$ 28,453

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	Act 44 Fund	Act 89 Program	Act 13 Program	EIGP	Rt 22 Ped Bridge	Act 48	VTF	Total
Assets								
Cash and cash equivalents	$ 789,363	$ 613,112	$ 1,636,059	$ 257,871	$ 370,016	$ 10,519	$ 19	$ 9,471,469
Investments	-	-	-	-	-	-	-	224,154
Receivables:								
Other governmental grants	-	26,092	-	-	-	-	-	2,665,792
Other	-	-	-	-	-	750	-	366,346
Loans	-	-	-	-	-	-	-	971,859
Due from other funds	-	-	-	-	-	-	-	122,217
Prepaid expenses	-	-	-	-	-	-	-	15,566
Total assets	$ 789,363	$ 639,204	$ 1,636,059	$ 257,871	$ 370,016	$ 11,269	$ 19	$ 13,837,403
Liabilities								
Accounts payable	$ -	$ -	$ -	$ 103,468	$ 240,029	$ -	$ -	$ 4,224,243
Accrued liabilities	-	-	-	-	-	-	-	72,422
Due to other governments	-	-	-	-	-	-	-	187
Due to other funds	-	-	-	-	-	-	-	178,533
Unearned revenue	-	-	-	-	-	-	-	42,693
Total liabilities	-	-	-	103,468	240,029	-	-	4,518,078
Deferred Inflows of Resources								
Unavailable Loan Revenue	-	-	-	-	-	-	-	971,859
Total deferred inflows of resources	-	-	-	-	-	-	-	971,859
Fund Balance								
Fund balance:								
Nonspendable	-	-	-	-	-	-	-	15,566
Restricted	789,363	639,204	1,636,059	154,403	129,987	11,269	19	8,595,503
Unassigned	-	-	-	-	-	-	-	(263,603)
Total fund balance	789,363	639,204	1,636,059	154,403	129,987	11,269	19	8,347,466
Total liabilities, deferred inflows and fund balance	$ 789,363	$ 639,204	$ 1,636,059	$ 257,871	$ 370,016	$ 11,269	$ 19	$ 13,837,403

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Liquid Fuels	Human Services Development	Planning Fund	Airport Construction	Children's Advisory Commission	Enhanced 911	Hazardous Materials	Indiana County Code Division
Revenues								
Taxes, Hotel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenue	326,280	88,584	351,804	3,372,012	-	2,891,841	47,502	-
Charges for services	-	-	-	-	6,738	-	24,817	66,289
Interest income	8,726	115	2,045	883	200	13,766	347	4,737
Other revenue	-	-	-	-	-	-	250	-
Total Revenues	335,006	88,699	353,849	3,372,895	6,938	2,905,607	72,916	71,026
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	79,822
Judicial	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	2,899,293	117,497	-
Public works	172,661	-	-	3,998,334	-	-	-	-
Human services	-	75,247	-	-	6,418	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	-	-	44,675	-	-	-	-	-
			-					
Total Expenditures	172,661	75,247	44,675	3,998,334	6,418	2,899,293	117,497	79,822
Excess (deficiency) of revenues over expenditures	162,345	13,452	309,174	(625,439)	520	6,314	(44,581)	(8,796)
Other financing sources (uses)								
Proceeds from long-term debt	-	-	-	626,120	-	-	-	-
Amounts loaned to others	-	-	-	-	-	-	-	-
Amounts received from loans	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	52,000	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	626,120	-	-	52,000	-
Net change in fund balance	162,345	13,452	309,174	681	520	6,314	7,419	(8,796)
Fund balance, beginning of year	456,139	(8,758)	32,741	2,423	11,046	(240,910)	(3,636)	72,660
Fund balance, end of year	$ 618,484	$ 4,694	$ 341,915	$ 3,104	$ 11,566	$ (234,596)	$ 3,783	$ 63,864

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Keystone Communities Program	Jail Commissary	Register of Wills Ck of Orphan Ct	County Record's Improvement	Register and Recorder Records Improvement	Assessment Uniform Parcel ID	Recorder's Uniform Parcel ID	Domestic Relations
Revenues								
Taxes, Hotel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenue	52,368	-	-	-	-	-	-	822,094
Charges for services	-	183,899	4,210	16,606	24,780	12,554	12,554	543,293
Interest income	3	5,478	4	1,744	16	979	1,421	21,506
Other revenue	-	-	-	-	-	-	-	-
Total Revenues	52,371	189,377	4,214	18,350	24,796	13,533	13,975	1,386,893
Expenditures								
Current operating:								
General government	-	-	553	21,076	2,345	24,193	-	-
Judicial	-	-	-	28,000	-	-	-	1,289,148
Public safety	-	242,668	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	52,368	-	-	-	-	-	-	-
Total Expenditures	52,368	242,668	553	49,076	2,345	24,193	-	1,289,148
Excess (deficiency) of revenues over expenditures	3	(53,291)	3,661	(30,726)	22,451	(10,660)	13,975	97,745
Other financing sources (uses)								
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Amounts loaned to others	-	-	-	-	-	-	-	-
Amounts received from loans	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balance	3	(53,291)	3,661	(30,726)	22,451	(10,660)	13,975	97,745
Fund balance, beginning of year	155	449,579	34,917	107,240	149,295	63,475	76,602	1,810,604
Fund balance, end of year	$ 158	$ 396,288	$ 38,578	$ 76,514	$ 171,746	$ 52,815	$ 90,577	$ 1,908,349

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Drug Task Force	DA Special Investigations	Health and Human Services Sub-Committee	Sheriff Public Safety Training	Prothonotary Automation	Adoption Counseling	Hotel Tax	Parks Gas Lease
Revenues								
Taxes, Hotel	$ -	$ -	$ -	$ -	$ -	$ -	$ 898,790	$ -
Intergovernmental revenue	72,500	-	-	-	-	-	-	-
Charges for services	-	33,207	400	35,349	12,153	1,125	-	5,121
Interest income	-	9	104	289	2	420	524	306
Other revenue	-	-	-	-	-	-	-	-
Total Revenues	72,500	33,216	504	35,638	12,155	1,545	899,314	5,427
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	-
Judicial	61,505	50,224	-	22,918	6,605	-	-	-
Public safety	-		-	-	-	-	-	-
Public works	-		-	-	-	-	-	-
Human services	-	-	2,531	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	906,453	8,059
Conservation and development	-	-	-	-	-	-	-	-
Total Expenditures	61,505	50,224	2,531	22,918	6,605	-	906,453	8,059
Excess (deficiency) of revenues over expenditures	10,995	(17,008)	(2,027)	12,720	5,550	1,545	(7,139)	(2,632)
Other financing sources (uses)								
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Amounts loaned to others	-	-	-	-	-	-	-	-
Amounts received from loans	-	-	-	-	-	-	-	-
Transfers in	-	-	-	1,161	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	1,161	-	-	-	-
Net change in fund balance	10,995	(17,008)	(2,027)	13,881	5,550	1,545	(7,139)	(2,632)
Fund balance, beginning of year	1,817	99,668	6,696	12,296	6,498	23,215	7,374	19,907
Fund balance, end of year	$ 12,812	$ 82,660	$ 4,669	$ 26,177	$ 12,048	$ 24,760	$ 235	$ 17,275

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Parks Enterprise	Farmlands Preservation	Community Development Block Grant	HOME Investment	Escrow Fund	Affordable Housing and Act 137	Emergency Repair	Emergency Shelter Grant
Revenues								
Taxes, Hotel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenue	-	4,381	541,820	546,272	-	-	-	53,747
Charges for services	77,957	3,895	-	-	-	41,379	-	-
Interest income	9,148	806	-	-	-	4,652	56	-
Other revenue	7,184	-	-	-	-	-	-	-
Total Revenues	94,289	9,082	541,820	546,272	-	46,031	56	53,747
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	53,786
Culture and recreation	103,590	-	-	-	-	-	-	-
Conservation and development	-	9,769	521,387	551,346	-	35,729	24,531	-
Total Expenditures	103,590	9,769	521,387	551,346	-	35,729	24,531	53,786
Excess (deficiency) of revenues over expenditures	(9,301)	(687)	20,433	(5,074)	-	10,302	(24,475)	(39)
Other financing sources (uses)								
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Amounts loaned to others	-	-	-	-	-	-	(770)	-
Amounts received from loans	-	-	-	-	-	2,520	2,000	-
Transfers in	-	-	-	-	-	-	4,200	-
Transfers out	-	-	-	-	-	(4,200)	-	-
Total other financing sources (uses)	-	-	-	-	-	(1,680)	5,430	-
Net change in fund balance	(9,301)	(687)	20,433	(5,074)	-	8,622	(19,045)	(39)
Fund balance, beginning of year	303,665	41,824	4,944	4,180	1,050	186,863	20,410	51
Fund balance, end of year	$ 294,364	$ 41,137	$ 25,377	$ (894)	$ 1,050	$ 195,485	$ 1,365	$ 12

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Community Development Fund	Community Revitalization Program	General Economic Development	Homeless Assistance Program	Enterprise Zone	DA Forfeitures Account	WHR	DA Victim Services
Revenues								
Taxes, Hotel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenue	150,000	-	45,000	283,417	-	29,148	256,835	-
Charges for services	-	-	-	-	3,752	-	-	28,390
Interest income	2,753	3	210	113	8,818	-	1,064	-
Other revenue	-	-	-	-	-	-	-	-
Total Revenues	152,753	3	45,210	283,530	12,570	29,148	257,899	28,390
Expenditures								
Current operating:								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	29,127	-	22,261
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Human services	-	-	-	311,485	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	204,232	-	51,010	-	11,020	-	257,899	-
Total Expenditures	204,232	-	51,010	311,485	11,020	29,127	257,899	22,261
Excess (deficiency) of revenues over expenditures	(51,479)	3	(5,800)	(27,955)	1,550	21	-	6,129
Other financing sources (uses)								
Proceeds from long-term debt	-	-	-	-	-	-	-	-
Amounts loaned to others	-	-	-	-	-	-	-	-
Amounts received from loans	-	-	-	-	13,979	-	-	-
Transfers in	-	-	50	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	50	-	13,979	-	-	-
Net change in fund balance	(51,479)	3	(5,750)	(27,955)	15,529	21	-	6,129
Fund balance, beginning of year	213,856	107	15,104	11,503	492,637	-	10,170	20,916
Fund balance, end of year	$ 162,377	$ 110	$ 9,354	$ (16,452)	$ 508,166	$ 21	$ 10,170	$ 27,045

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Act 44 Fund	Act 89 Program	Act 13 Program	EIGP	Rt 22 Ped Bridge	Act 48 Fund	VTF	Total
Revenues								
Taxes, Hotel	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 898,790
Intergovernmental revenue	46,365	85,795	90,126	254,807	3,693,778	-	15,000	14,121,476
Charges for services	-	-	-	-	-	11,250	-	1,149,718
Interest income	12,871	9,399	60,099	2,356	6,192	19	19	182,202
Other revenue	-	-	-	-	-	-	-	7,434
Total Revenues	59,236	95,194	150,225	257,163	3,699,970	11,269	15,019	16,359,620
Expenditures								
Current operating:								
General government	-	-	-	211,914	3,934,236	-	15,000	4,289,139
Judicial	-	-	-	-	-	-	-	1,509,788
Public safety	-	-	-	-	-	-	-	3,259,458
Public works	-	-	-	-	-	-	-	4,170,995
Human services	-	-	-	-	-	-	-	449,467
Culture and recreation	-	-	-	-	-	-	-	1,018,102
Conservation and development	-	-	-	-	-	-	-	1,763,966
Total Expenditures	-	-	-	211,914	3,934,236	-	15,000	16,460,915
Excess (deficiency) of revenues over expenditures	59,236	95,194	150,225	45,249	(234,266)	11,269	19	(101,295)
Other financing sources (uses)								
Proceeds from long-term debt	-	-	-	-	-	-	-	626,120
Amounts loaned to others	-	-	-	-	-	-	-	(770)
Amounts received from loans	-	-	-	-	-	-	-	18,499
Transfers in	-	-	-	-	364,253	-	-	421,664
Transfers out	-	-	-	-	-	-	-	(4,200)
Total other financing sources (uses)	-	-	-	-	364,253	-	-	1,061,313
Net change in fund balance	59,236	95,194	150,225	45,249	129,987	11,269	19	960,018
Fund balance, beginning of year	730,127	544,010	1,485,834	109,154	-	-	-	7,387,448
Fund balance, end of year	$ 789,363	$ 639,204	$ 1,636,059	$ 154,403	$ 129,987	$ 11,269	$ 19	$ 8,347,466

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
December 31, 2025

	Indiana County Municipal Services Authority	Highridge Water Authority	Total Component Units
Assets			
Current Assets:			
Cash and cash equivalents	$ 1,392,522	$ 2,000,893	$ 3,393,415
Restricted cash and cash equivalents	1,233,669	-	1,233,669
Accounts Receivable	1,456,734	352,943	1,809,677
Grant Receivable	1,371,887	-	1,371,887
Note Receivable - current	157,502	-	157,502
Prepaid expenses and other current assets	-	82,994	82,994
Inventories	-	251,045	251,045
	5,612,314	2,687,875	8,300,189
Noncurrent assets:			
Capital Assets (net of accumulated depreciation)	93,698,321	24,469,582	118,167,903
Note Receivable less current portion	913,321	-	913,321
Intangible assets	-	489,235	489,235
Other assets	230,118	-	230,118
Total noncurrent assets	94,841,760	24,958,817	119,800,577
Total assets	$ 100,454,074	$ 27,646,692	$ 128,100,766
Liabilities			
Current liabilities:			
Accounts payable	$ 1,013,181	$ 43,799	$ 1,056,980
Accrued Expenses	344,103	17,785	361,888
Accrued Interest Payable	95,738	17,861	113,599
Current portion of long-term debt	2,682,862	461,375	3,144,237
Customer Deposits	96,088	51,744	147,832
Total current liabilities	4,231,972	592,564	4,824,536
Compensated absences	-	95,563	95,563
Long-term debt	35,159,830	4,001,959	39,161,789
Total noncurrent liabilities	35,159,830	4,097,522	39,257,352
Total Liabilities	39,391,802	4,690,086	44,081,888
Net Position			
Net investment in capital assets	56,085,747	20,006,248	76,091,995
Restricted per bond indenture	1,091,257	-	1,091,257
Restricted for construction	47,142	-	47,142
Unrestricted	3,838,126	2,950,358	6,788,484
Total net position	61,062,272	22,956,606	84,018,878
Total liabilities and net position	$ 100,454,074	$ 27,646,692	$ 128,100,766

COUNTY OF INDIANA, PENNSYLVANIA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Indiana County Municipal Services Authority	Highridge Water Authority	Total Component Units
Operating Revenues			
Charges for services	$ 8,533,676	$ 3,152,875	$ 11,686,551
Other revenue	191,908	761,105	953,013
Total Operating Revenues	8,725,584	3,913,980	12,639,564
Operating Expenses			
General and administration	442,374	612,367	1,054,741
Operating costs	4,768,515	2,123,350	6,891,865
Depreciation and amortization	4,195,887	1,447,874	5,643,761
Total Operating Expenses	9,406,776	4,183,591	13,590,367
Operating Income	(681,192)	(269,611)	(950,803)
Nonoperating Revenues (Expenses)			
Interest Income	71,248	64,240	135,488
Tap fees	-	35,449	35,449
Amorization of bond discount and issuance costs	(15,339)	(17,326)	(32,665)
Interest expense	(499,727)	(85,116)	(584,843)
Loss on investment	(58,052)	-	(58,052)
Gain on sale of asset	2,500	4,100	6,600
Grants for construction	7,447,413	122,191	7,569,604
Total Nonoperating Revenues (Expenses)	6,948,043	123,538	7,071,581
Changes in Net Position	6,266,851	(146,073)	6,120,778
Net Position - Beginning of Year	54,795,421	23,102,679	77,898,100
Net Position - End of Year	$ 61,062,272	$ 22,956,606	$ 84,018,878