

2015 COUNTY OF BEAVER, PENNSYLVANIA

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

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*FOR THE FISCAL YEAR ENDED*  
**DECEMBER 31, 2015**



*PREPARED BY DAVID A. ROSSI, CONTROLLER*

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**COUNTY OF BEAVER, PENNSYLVANIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

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# **INTRODUCTORY SECTION**

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DAVID A. ROSSI  
CONTROLLER



WILLIAM  
CALHOON  
DEPUTY CONTROLLER

ALBERT A.  
TORRENCE  
SOLICITOR

BEAVER COUNTY COURTHOUSE  
THIRD STREET – BEAVER, PENNSYLVANIA  
15009-2196  
TELEPHONE: Area Code 724-728-5700

June 30, 2016

## **TO THE CITIZENS OF BEAVER COUNTY**

I am pleased to present the 2015 Comprehensive Annual Financial Report (“CAFR”) for Beaver County, Pennsylvania (“the County”).

The CAFR consists of management’s representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements and in conformity with generally accepted accounting principles (“GAAP”). As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County’s 2015 CAFR contains the government-wide financial statements and fund financial statements of the County as well as the financial data of the Beaver County Transit Authority and the Community College of Beaver County, the “discretely presented component units” (as defined by GAAP) that are a part of the County’s reporting entity. The report is designed to provide information to various types of users, most importantly the residents of Beaver County, but also taxpayers, investors, creditors, governmental officials, and the general public. Its intent is to describe the County’s financial position and the financial results of its operations as of and for the year ended December 31, 2015.

The County's financial statements have been audited by the certified public accounting firm The Binkley Kanavy Group, LLC. The auditors have issued an unqualified opinion on the County's financial statements for the year ended December 31, 2015. The discretely presented component units have been audited by other auditors and the results of those audited financial statements are incorporated in summarized form in this report. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures presented in the financial statements, assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement estimates made by management, and evaluating the overall financial statement presentation.

The independent audit of the financial statements of the County is part of a broader, federally mandated "Single Audit" designed to meet the distinct needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and the legal requirements involving the administration of federal awards. These reports will be available in the County's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis ("MD&A"). This letter of transmittal is to complement the MD&A and it should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF BEAVER COUNTY**

The County was formulated on March 12, 1800, from parts of Washington and Allegheny Counties. It is 435 square miles in size and chartered as a fourth class county under the County Code as passed by the General Assembly of the Commonwealth of Pennsylvania. The current population of the County is approximately 169,400. Beaver County is comprised of thirty boroughs, five first class townships, seventeen second class townships, and two third class cities. Rich in natural resources, its location along the Ohio and Beaver rivers gave Beaver County the ability to develop economically as one of the major industrial sites worldwide with steel being its major product. Beaver County rapidly developed as one of the major headquarters for manufacturing in the United States. After the decline of the steel industry in the early 1980's, the County redirected its efforts to develop its riverfronts for recreational, as well as industrial and commercial uses. Its close proximity to the Pittsburgh International Airport enables the County to market itself as a center for manufacturing and service industries. Beaver County also has educational outlets for residents with the Community College of Beaver County, Geneva College, and Penn State University, Beaver Campus. The County also has medical facilities available to its residents through Heritage Valley Health System and Med Express Urgent Care.

## **PROFILE OF BEAVER COUNTY – (Continued)**

Beaver County's government structure consists of a three-member Board of Commissioners that performs all legislative and executive functions. The Treasurer is elected to collect taxes and invest County funds. The Court of Common Pleas is the judicial arm of county government. There are seven judges that preside over the Court of Common Pleas. Other court related Row Officers are the District Attorney, Clerk of Courts, Coroner, Prothonotary, Sheriff, Register of Wills, Clerk of the Orphans Court, Recorder of Deeds, and the Jury Commissioners.

All elected officials serve four-year terms with the exception of the Judges who are elected to ten-year terms and are subject to a retention vote upon nearing expiration of their term.

The County provides a full range of services to its citizens, ranging from health care to law enforcement and from the construction and maintenance of infrastructure to recreational activities and cultural events. The County also provides funding and aid to the Beaver County Transit Authority and the Community College of Beaver County, legally separate entities which have been included as an integral part of the County's financial statements. Additional information on these entities can be found in Note A of the financial statements. Smaller subsidies are also provided to numerous local benefic organizations.

Under the provisions of the Fourth Class County Code, the Controller is responsible for prescribing the method of financial reporting, auditing, and for payment of the County's financial obligations. The Controller is the supervisor of the budget and a member of the Prison Board, the Salary Board and the Retirement Board. As supervisor of the County's budget, the Controller is responsible for monitoring the departmental line items on a daily basis as well as preparing a preliminary budget for the Board of Commissioners' approval. The budget process begins during the summer with each department receiving a budget request form to formally request operating allocations for the following fiscal year. Each department is required to submit the completed budget forms in order for the Controller to prepare a preliminary budget for presentation. The Board of Commissioners reviews this preliminary budget with each department manager in open, public meetings. Once a final budget is prepared, it is publicly displayed for twenty days prior to final adoption by the Board of Commissioners. The date for final action on the budget's adoption must be made a matter of public notice for at least ten days prior to the Commissioners' approval at a public meeting.

## **PROFILE OF BEAVER COUNTY – (Continued)**

Beaver County's local employment figures improved somewhat, however the index is higher than the unemployment rates of Pennsylvania and the country overall. The area's seasonally adjusted unemployment rate for April 2016 is 6.0%, as compared to the national and the Commonwealth's unemployment rates of 5.0% and 5.3%, respectively. The decrease in the local unemployment rate over the past year stems in part from the dedicated effort of elected officials and committed citizens alike to attract business investments.

## **FINANCIAL PROFILE – COUNTY GOVERNMENT**

The County's government, on the other hand, faced one of its most challenging financial outcomes, as seen reflected on the General Fund's Statement of Revenues, Expenditures, and Changes in Fund Balance (page 43). The sale of Friendship Ridge in 2014 provided funds that were applied to the General Fund's 2015 operating budget, evidenced by the originally budgeted \$6.9 million deficit on pages 131-148 (Schedule of Revenues, Expenditures, and Changes in Fund Balance ó Budget and Actual ó General Fund). Reality proved to be more disconcerting than budgeted, with an actual net decrease in fund balance amounting to roughly \$9 million. The end of the year was particularly challenging, leaving County officials with little choice but to repay Huntington National Bank \$9.5 million plus interest for the outstanding balance of Tax and Revenue Anticipation Notes issued during 2015. As seen on the Balance Sheet ó Governmental Funds (page 41), the General Fund had checks outstanding in excess of any cash available by close to \$6 million (óbank overdraftsö). The causes of what led to this situation are explained in the MD&A.

Other funds of the County fared fairly well, not only financially, but also in its efforts to serve the citizens. The Commonwealth of Pennsylvania's budget impasse affected the financial aspects of some of the County's special revenue funds such as Behavioral Health and Children and Youth Services, however their operations were adjusted without affecting the services provided to clients. We can proudly state that no child, no elderly person, no ill or otherwise needy individual of Beaver County went unattended by our County government offices. Many departments have been consciously looking for new and innovative ways to receive additional funding, in ways of one-time, specific grants or an increase in funding at the local level by way of an intergovernmental agreement. Additionally, the County has implemented savings measures in 2016, the most notorious being a \$115 million bond refunding and an early retirement program for eligible employees.

In 2015, the County Commissioners, for the seventh consecutive year, did not raise the millage rate. Also during 2015, the assessed value of taxable real property grew by \$4 million to \$2.161 billion, according to assessment records. The County's estimated total real estate market value exceeds \$7.3 billion.

## **PRESENT ECONOMIC ACHIEVEMENTS**

Through the efforts of organizations such as the Beaver County Corporation for Economic Development (“CED”, which is partially funded by the County), the Redevelopment Authority of Beaver County (“RABC”, also partially funded by the County), and the Community Development Program of Beaver County (a County agency), projects have been undertaken that enhance the Beaver County economy. In each one of these projects the objective is always the same, to make Beaver County a better place to live in. Other organizations and individuals also actively participate in spurring the economic growth of the local region.

Summarized below are some of these activities along with the businesses involved in them.

### Shell Chemical Appalachia, LLC

Shell Chemical Appalachia, LLC has completed all significant steps in evaluating the feasibility of building a world-scale ethane cracker petrochemical complex plant in Potter Township. As a result, company officials announced on the morning of June 7, 2016, to the County’s Commissioners individually first and to the public later, the decision to build the first major ethane cracker plant outside the Gulf Coast in 20 years. Shell said construction will begin within 18 months and wrap up early in the next decade, employing about 6,000 workers during this period.

Shell had already been busy for about four years in determining feasibility of the subject site, while investing heavily in the region along the way. In May of 2015, shortly after the Pennsylvania Department of Environmental Protection announced the approval of an EPA air quality permit as well as approvals for stormwater discharge and wetland and stream encroachment permits, Shell acquired over 700 acres of the former Horsehead Corp. properties for \$13.5 million. The investment in the Potter Township site continued to grow, estimated now at about \$163 million. Roads were relocated, a vehicular bridge is getting built, and a municipality’s water treatment plant will be relocated.

This multi-billion dollar private sector investment -estimated in a range from \$6 to \$7 billion- is expected to directly create 400 jobs at this site and thousands more of indirect jobs from other industries drawn by readily available ethane byproducts, a versatile manufacturing feedstock.

### Columbia Gas of Pennsylvania

Columbia Gas of Pennsylvania has chosen a 13 acre site adjacent to the Beaver Valley Mall for a two phase expansion project. A private developer is constructing a 31,500 square foot operations center under a long term lease. This new center, which will replace a similar facility in Rochester Township, will house 35 employees performing engineering, customer service, and GIS operations, and serve as a dispatch center for company vehicles.

## **PRESENT ECONOMIC ACHIEVEMENTS – (Continued)**

This same site, which is also located adjacent to the Monaca/Shippingport Interchange of I-376, holds great potential for further development now that key infrastructure is available. The \$9.4 million Phase 1 project and \$1.5 million long-term gap loan that completed the needed financing was made possible by CED participation.

Additionally, Columbia Gas has plans for an adjacent regional training center that will serve Columbia's seven state service territory. Occupancy of the 21,000 square foot building is anticipated in 2016 and will employ up to 80, providing training for as many as 100 employees at a time.

### Col-Fin Specialty II, LLC

Col-Fin is an ISO 9001 certified manufacturer specializing in carbon steel shapes. The company was acquired by a new owner in February 2014, becoming Col-Fin Specialty II. The operation is based out of a 110,000 square foot facility serving the aircraft, appliance, automotive, and defense industries worldwide. In a move to facilitate growth and efficiency, Col-Fin was able to install a hydraulic impact shear to be integrated into their Schumag drawing precision cutting line. Through this investment, Col-Fin was able to retain 10 and create 3 additional positions as a result of the enhancement project.

### Metalwerks

Metalwerks is a high-technology vacuum smelter and processor of specialty metals. The company's Steel Street facility was largely destroyed by a fire in January 2014. Nearly \$4.5 million was spent to refurbish or rebuild portions of the facility and repair or replace damaged equipment. The rapid rebuild has allowed for employment growth for Metalwerks from 21 since the fire to 25 with future growth anticipated. Also, Master Halco, a regional wholesaler of fencing products and long term lessee at the Metalwerks site, has grown since reoccupying the refurbished space.

### Westgate Development

As a part of a recently implemented real estate initiative, CED is taking on a speculative development of a 14 acre site in its Westgate Business Park. An extensive cut and fill earthwork operation and public infrastructure to create two "flex" buildings upon a 75,000 square foot development pad is planned. The buildings will be appropriate for light manufacturing, distribution, or industrial services in sub-dividable bay areas as small as 5,000 square feet. The project is expected to cost \$3 million and will be funded by a combination of loan, grant, and CED funds for initial construction of a 30,000 square foot building.

## **PRESENT ECONOMIC ACHIEVEMENTS – (Continued)**

### U.S. Electrofused Minerals

U.S. Electrofused Minerals (“USEM”) is a Brazilian owned distributor of fused aluminum oxide abrasives products. USEM services flooring, ceramics, and welding industries equipment, and industrial processing users, with operations in warehousing, screening, repacking, and shipping. In 2001 the company invested \$2.7 million to acquire 10 acres in the Aliquippa Industrial Park and build an 80,000 square foot warehouse and distribution facility. In the past year USEM continued expanding by adding 50,000 square feet to the facility. This is to support the manufacturing of a new product line. The company currently houses 32 employees with 8 of these positions added recently and it expects to continue adding jobs as new products take hold in the market.

### Tin Mill Infrastructure

In 2002 Aliquippa Tin Mill LP acquired the 76 acre property of the former LTV Tin Mill with plans to redevelop this brownfield site. The 1 million square foot tin mill facility was not functional, and demolition was required to turn the property into a development ready site. The redevelopment project was difficult and expensive due to subsurface conditions such as huge foundations, vaults, and basements, accompanied by old infrastructure and flooding from storm water runoff of nearby properties. In late 2014 the PA Budget Office awarded a grant of \$3 million to assist in installing new public roadways, storm water and sanitary sewer facilities, public water, gas and electric services. The developer expects to add at least 45 new jobs and a significant tax base will result for the public/private partnership investment.

### Ralich Truck Center

This company started out with a single truck hauling coal, but after 35 years it now has an operating fleet of 20 trucks. In 2006, a new 10,000 square foot facility was added in the Aliquippa Industrial Park. The expansion was necessary due to the rapid expansion after the firm diversified and became a truck repair and service center. The firm expanded again in late 2014, adding 6,000 square feet of new repair bays. Ralich Truck Center now offers a range of repair services and a complete parts inventory at its eight-bay facility. This is accompanied by a team of mobile repair trucks providing on-the-road service.

## **PRESENT ECONOMIC ACHIEVEMENTS – (Continued)**

### New Pig Energy

New Pig Corp. is an industrial based absorbents manufacturer of secondary containment well pad liners based out of Tyrone, PA. They established natural gas drilling service business, New Pig Energy, in West Mayfield. The company specializes in design, permitting, and installation of pre-drill well pad containment systems and related systems for the fracking and hydraulic drilling industries. New Pig Energy leased the former B&W building, a 20,000 square foot building, in August 2014. The site was chosen due to Beaver County's central location within the Marcellus/Utica geological formations and is manned by 12 onsite and field staff members.

## **OTHER ECONOMIC DEVELOPMENTS**

### Infrastructure Construction and Renovation

The County invested more than \$1.1 million during 2015 in its renovation and expansion of recreational facilities, primarily restrooms and a year-round shelter. Also included is a comprehensive feasibility study on further improving the use of the County's recreational resources as well as enhance revenues from the use of such resources. This project is being partially funded by the Commonwealth's Department of Conservation and Natural Resources and most phases are concluded.

The Beaver County Planning Commission ("BCPC") reviews land developments for the County. During 2015, the BCPC was directly responsible for turning open or abandoned land into developed commercial, industrial, and residential sites at Center Township, North Sewickley Township, and East Rochester Borough.

The Community Development Program of Beaver County through its federally-funded Community Development Block Grant program has provided the resources and administration for several water management projects throughout the County. These are the City of Aliquippa Manhole Drain and Repair Project, the Ambridge Water Authority Treatment Plant Digester Cover Rehabilitation, and Freedom Borough Collection and Conveyance Authority Sanitary Sewer Repairs.

A comprehensive renovation of the County's Human Services Building began in 2015. The building currently houses the County's agencies for behavioral health, children and youth services, and services for the aging population. After work completes it will incorporate a district magistrate's office and an adult probation office, while leaving space for any other opportunities to consolidate physical facilities that may come up. The reconditioning project is budgeted at a total of \$700,000 and it is being partially funded by the County's Courtroom Improvement Fund.

## **OTHER ECONOMIC DEVELOPMENTS – (Continued)**

The aging heating and cooling system at the County's Courthouse has been overhauled at an investment of close to \$300,000.

Mostly funded by grants and recycling fees, the County's Department of Waste Management improved its vehicular fleet at a cost of about \$180,000. A roughly equal amount was spent in vehicle additions and improvements through the Liquid Fuels Fund. This fund provides for primarily federal pass-through financial support to aid with construction, repair, and maintenance of county-owned bridges and roads.

The Beaver County Jail acquired and implemented a new video surveillance and security system at a cost of \$138,000.

Across the County's offices, an investment in excess of \$410,000 was made in improving computer software and hardware. This was partially funded from restricted monies, such as records and automation improvement funds from user fees.

The County has collected close to \$700,000 in 2015 related to impact fees that result from gas and oil drilling activities within County boundaries. The use of this funding is reserved for a variety of activities, including public infrastructure, emergency preparedness and public safety, environmental programs, judicial services, and social services, among others.

### Marcellus Shale

In 2015, Beaver County received twenty Act 14 notifications related to gas drilling. Act 14, as amended, states that the Pennsylvania Department of Environmental Protection requires that all applicants for non-mining environmental permits give written notice to each municipality in which they are located. These notices are then forwarded to the Beaver County Planning Commission for review.

## **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to Beaver County for its comprehensive annual financial report for the fiscal year ended December 31, 2014, the eighteenth consecutive year this recognition has been granted. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. Additionally, the report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

## **CONTROLLER’S CLOSING REMARKS**

The information that is presented in this report reflects the cooperation and unified efforts of all elected and appointed officials and department heads to provide the best possible services to the residents of Beaver County. By exercising prudent business practices and fiscally responsible decision-making, the County is able to offer many programs and extend financial assistance to those individuals and organizations that qualify. The administration and management of the County are to accomplish a professional business environment while always keeping the needs of the citizens served in mind.

The County continues in its efforts to obtain outside funding available for mandated programs and services so as to avoid a local cost whenever possible. A determination to trim costs wherever possible while improving revenues is an ongoing effort of elected officials, department directors, and employees in general.

## ACKNOWLEDGEMENTS

The presentation of this report on a timely basis would not have been possible without the efficient and dedicated services of many individuals. I wish to extend appreciation to the County's other elected and appointed officials, department heads, and all members of the departments who assisted and contributed to this report. Lastly, I wish to express appreciation and gratitude towards my staff for their continued dedication in the preparation of this report. This report and additional County information may be reviewed online by visiting our website at <http://www.beavercountypa.gov/>.

Respectfully,

A handwritten signature in black ink that reads "David A. Rossi". The signature is written in a cursive, slightly slanted style.

David A. Rossi  
Beaver County Controller



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Beaver  
Pennsylvania**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

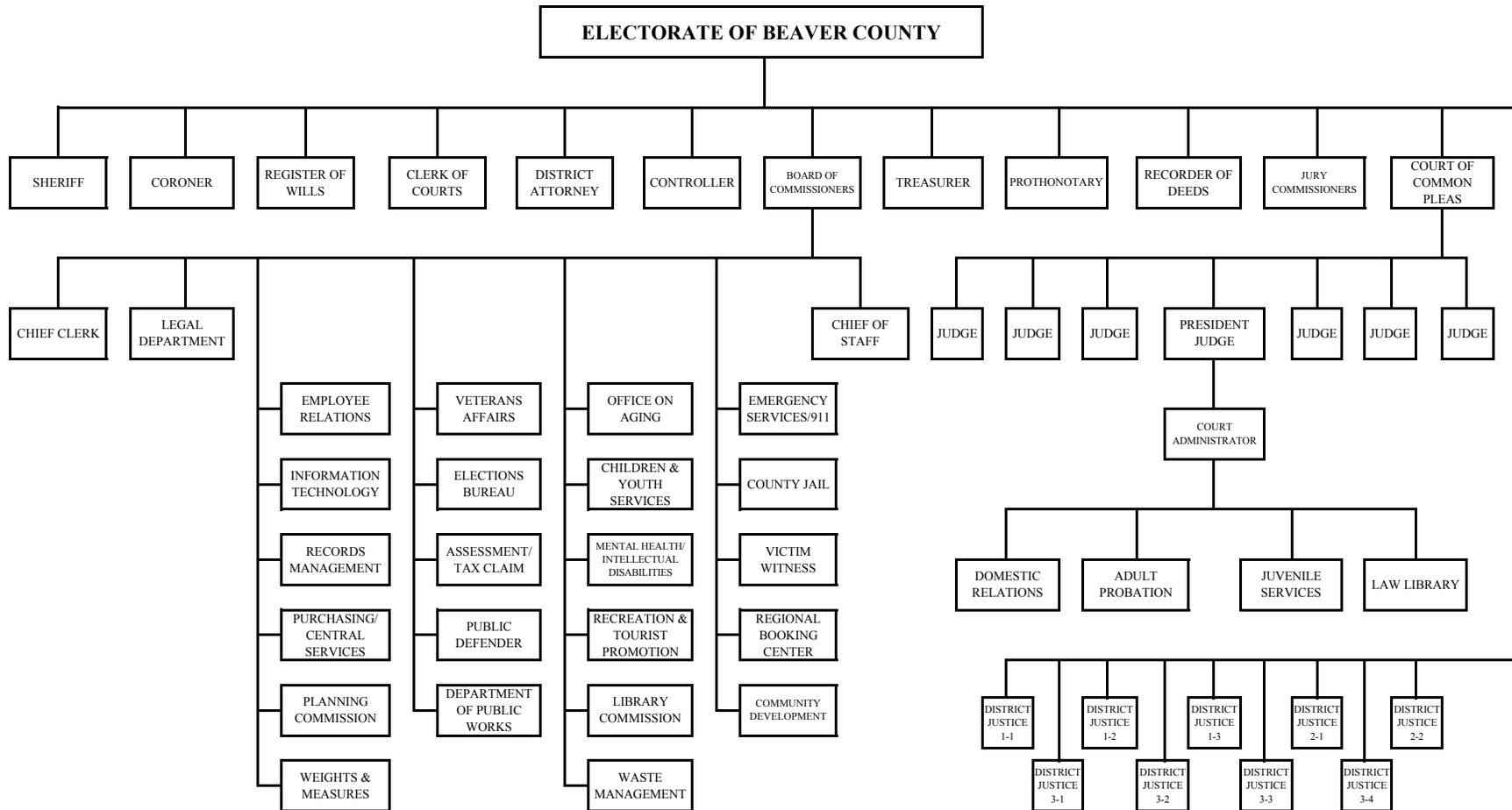
**December 31, 2014**

Executive Director/CEO

# COUNTY OF BEAVER, PENNSYLVANIA

## ORGANIZATION CHART

DECEMBER 31, 2015 AND JUNE 30, 2015



# COUNTY OF BEAVER, PENNSYLVANIA

## ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### Elected Officials

Board of Commissioners	Anthony Amadio, Chairman Joseph Spanik Dennis Nichols	
Clerk of Courts	Judy R. Enslin	
Controller	David A. Rossi	
Coroner	Teri Tatalovich	
Court of Common Pleas	Hon. John D. McBride Hon. C. Gus Kwidis Hon. Richard Mancini Hon. James J. Ross Hon. Deborah Kunselman Hon. Kim Tesla Hon. Harry Knafelc	
District Attorney	Anthony J. Berosh	
District Justices	Hon. Andrew M. Hladio Hon. William Livingston Hon. James DiBenedetto Hon. Edward C. Howe Hon. Tim Finn Hon. Dale Nicholson Hon. C. Douglas Loughner Hon. Joseph Schafer Hon. Janet Swihart	36-01-01 36-01-02 36-01-03 36-02-01 36-02-02 36-03-01 36-03-02 36-03-03 36-03-04
Jury Commissioners	Shelly Blythe Tamara Golletti	
Prothonotary	Nancy C. Werme	
Recorder of Deeds	Janice Jeschke Beall	
Register of Wills	Paula F. Boyd*	
Sheriff	George J. David	
Treasurer	Connie T. Javens	

\*Paula F. Boyd was named as provisional replacement following the death of Carol R. Fiorucci effective March 14, 2015

# COUNTY OF BEAVER, PENNSYLVANIA

## ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### Department Managers

Adult Probation	Don Neill
Assessment / Tax Claim	Michael Kohlman
Chief Clerk	Tracey Patton
Chief of Staff	Vince LaValle
Children & Youth Services	Dayna Revay
Community Development	Lisa Signore
County Jail	William Schouppe
Court Administrator	Richard DeFilippi
Department of Public Works	James Camp
Domestic Relations	Joe Signore
Elections Bureau	Dorene Mandity
Emergency Services / 911	Wes Hill
Employee Relations	Richard Darbut
Information Technology	Vince LaValle
Juvenile Services	Gary Rosatelli
Law Library	Judy Volkmar**
Legal Department	Bernard Rabik*
Library Commission	Jodi Oliver
Mental Health / Intellectual Disabilities	Gerard Mike
Office on Aging	Linda Hall***
Planning Commission	Frank Mancini
Public Defender	Paul Steff
Purchasing / Central Services	Vince LaValle
Records Management	Vince LaValle
Recreation & Tourist Promotion	Tim Ishman
Regional Booking Center	Jay Alstadt
Veterans Affairs	Kathy Nairn
Victim Witness	Steve Jurich
Waste Management	Holly Nicely
Weights & Measures	Ron Zuccaro

\*Effective January 8, 2015, Joseph Askar stepped down as department manager and was replaced by Bernard Rabik

\*\*In March 2015, Bette Dengel retired and Judy Volkmar became interim department manager

\*\*\*In April 2015, Beverly Sullivan retired and Linda Hall became the department manager

# COUNTY OF BEAVER, PENNSYLVANIA

## ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Elected Officials**

#### ***Board of Commissioners***

The Commissioners are the chief executive officers of the County. They are responsible for all legislative and administrative functions of the County.

#### ***Clerk of Courts***

The Clerk of Courts is the chief clerk of the Court of Common Pleas. The Clerk of Courts is responsible for maintaining court records and collecting all court related fines and fees.

#### ***Controller***

The Controller is the chief financial officer of the County who is responsible for supervising the budget, financial reporting, auditing and accounts payable. In addition, the Controller sits on several boards and is responsible for many administrative functions relating to those boards.

#### ***Coroner***

The Coroner is responsible for inquiries/inquests relating to wrongful and/or suspicious deaths for the County.

#### ***Court of Common Pleas***

There are seven judges that preside over the Court of Common Pleas within Beaver County. They are responsible for hearing cases and legal decisions in addition to overseeing the court system of Beaver County.

#### ***District Attorney***

The District Attorney is the chief prosecutor for the County.

#### ***District Justices***

There are nine District Justices within Beaver County that are established by district. They are responsible for arraignments, hearing minor claims, and traffic violations within Beaver County.

#### ***Jury Commissioners***

The Jury Commissioners are responsible for the jury selection process on behalf of the Court of Common Pleas.

## COUNTY OF BEAVER, PENNSYLVANIA

### ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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#### **Elected Officials - (Continued)**

##### ***Prothonotary***

The Prothonotary is responsible for maintaining court records and filings relating to divorce and other civil court cases, for filing financial statements and liens, and for issuing passports.

##### ***Recorder of Deeds***

The Recorder of Deeds is responsible for the official filing of all property transfers within the County. This includes recordation of mortgages as well as deeds for properties sold.

##### ***Register of Wills***

The Register of Wills is responsible for issuing marriage licenses, legal filings of estates and for collecting estate taxes.

##### ***Sheriff***

The Sheriff's Department supports law enforcement, offers internal protective services, assists with sales through real estate foreclosures, issues firearms and other permits, posts certain statutorily-required notices, transports prisoners, and offers several other services to the County's residents.

##### ***Treasurer***

The Treasurer is responsible for collecting taxes levied by the County, investing County funds and for issuing dog permits and licenses for small games of chance.

# COUNTY OF BEAVER, PENNSYLVANIA

## ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Department Descriptions**

#### ***Adult Probation***

This office administers the probation procedures as established by the court system. The office is responsible for monitoring adult individuals who are serving court-mandated probation in addition to administering state and federal grants that are received for such purposes.

#### ***Assessment / Tax Claim***

This office is responsible for enforcing taxes levied by the Board of Commissioners for real estate. It assesses all properties within the County and manages the tax system.

#### ***Chief Clerk***

The Chief Clerk is responsible for preparing and maintaining official records of the County.

#### ***Chief of Staff***

This individual is responsible for the preparation of the County's budget and for managing the County's financial processes.

#### ***Children & Youth Services***

This agency oversees the programs which the County provides under grants awarded by the Commonwealth and Federal governments for the welfare of children. The agency provides families, as well as children, with various services such as counseling and foster care.

#### ***Community Development***

This department is responsible for the administration of Federal and Commonwealth grants that are provided to the County for various programs. These programs assist in private and public development and improvement such as main street renovations and infrastructure repairs.

#### ***County Jail***

The jail serves as a detention center for individuals awaiting trial or sentenced to serve time for minor violations or on work release programs mandated by the court.

#### ***Court Administrator***

This administrative office of the court manages the court system within Beaver County. This entails all activities and responsibilities of the court system, as well as the offices that are responsible for those activities.

# COUNTY OF BEAVER, PENNSYLVANIA

## ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Department Descriptions - (Continued)**

#### ***Department of Public Works***

This department manages various County projects, parks, road maintenance, rodent control, buildings and grounds, and minor repairs.

#### ***Domestic Relations***

This court related office is responsible for providing and managing services that are under the auspices of the court system regarding domestic (family) problems and court-related situations.

#### ***Elections Bureau***

This office is responsible for all activities involving primary, general and special elections within Beaver County.

#### ***Emergency Services / 911***

This office is responsible for managing and administrating all activities that pertain to emergency situations affecting Beaver County. The 911 Center of Beaver County is under this jurisdiction.

#### ***Employee Relations***

This department is responsible for all activities pertaining to human resources for Beaver County. Included in this array of services are payroll, employee hiring, discharge, rehabilitation efforts, administrating Equal Employment Opportunities Commission compliance, and labor relations activities.

#### ***Information Technology***

This office is responsible for managing information services which are provided for the County. The department provides technical services and support for various hardware and software programs in operation as well as communication systems. The department also directs the central telephone system.

#### ***Juvenile Services***

This department is responsible for overseeing the probation activities relating to minors/juveniles ordered into probation programs through the court system.

#### ***Law Library***

This department is a Pennsylvania legal practice library. It is also equipped for federal practice.

# COUNTY OF BEAVER, PENNSYLVANIA

## ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Department Descriptions - (Continued)**

#### ***Legal Department***

This department acts as general legal counsel for the Board of Commissioners.

#### ***Library Commission***

The commission administers the library system of Beaver County. The system is composed of ten member libraries and a bookmobile. Each library is responsible for managing its own budget and is supported by Federal, Commonwealth, and County funds.

#### ***Mental Health / Intellectual Disabilities***

This agency provides services for individuals needing assistance due to dependencies or addictions to controlled substances and alcohol abuse. The services provided are mental health, intellectual disabilities, and drug and alcohol programs in forms of self-help and advocacy organizations. They also provide counseling, case management, prevention/intervention, outpatient and inpatient services, and treatment. The agency is able to provide such services through grants offered by Federal, Commonwealth and County funding.

#### ***Office on Aging***

This agency is responsible for administrating all programs provided by Beaver County to senior citizens. The types of services include but are not limited to: information and referral, care management, homemaker service, personal and attendant care, adult day care, respite care and ombudsman services. This agency is able to provide services through funding primarily provided by the Federal and Commonwealth governments.

#### ***Planning Commission***

This department is responsible for helping the public shape the kinds of communities desired. Part of this job is done through zoning, division of land into various uses to avoid nuisances and promote a healthy and orderly development. Zoning is a tool, but is not in itself planning. Planning involves many such tools, including economic and demographic analysis, natural and cultural resource evaluation, goal setting, land use regulation, and strategic planning.

#### ***Public Defender***

The Public Defender is responsible for providing legal services to indigent individuals as required by the Courts.

# COUNTY OF BEAVER, PENNSYLVANIA

## ELECTED OFFICIALS AND DEPARTMENT DESCRIPTIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Department Descriptions - (Continued)**

#### ***Purchasing / Central Services***

This department is responsible for all procurement for the County. In addition, it is responsible for maintaining all records for capital assets.

#### ***Records Management***

This department provides microfilming and electronic data scanning services as well as record maintenance assistance to all Beaver County offices.

#### ***Recreation & Tourist Promotion***

This department is responsible for administrating all recreational programs offered by the County, management of the County's recreational facilities, and promoting tourism within the County.

#### ***Regional Booking Center***

This department operates under the auspices of the Sheriff's Department. It serves the purpose of identifying and processing individuals/prisoners as well as issuing emergency protection from abuse orders. Fees collected are to be used solely for the operations and maintenance of the Regional Booking Center.

#### ***Veterans Affairs***

This department provides services and information to veterans and their families concerning benefits and it administers the Federal, Commonwealth, and County laws pertaining to burial of deceased veterans and their spouses.

#### ***Victim Witness***

This department operates under the auspices of the District Attorney's Office. It provides assistance to individuals that had been victimized by a crime or witnessed a crime.

#### ***Waste Management***

This department manages the recycling program for Beaver County.

#### ***Weights & Measures***

This department is responsible for the testing and review of all weighing and measuring devices both public and private within Beaver County and for offering the necessary certifications of compliance.

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# **FINANCIAL SECTION**

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

The Board of County Commissioners  
and the Beaver County Controller  
County of Beaver  
Beaver, Pennsylvania

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Beaver, Pennsylvania (the County), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

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

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Beaver County Transit Authority (BCTA) and the Community College of Beaver County (CCBC), which represent 100 percent of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for BCTA and CCBC is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Change in Accounting Principle**

As described in Notes A and G to the financial statements, the County and its component unit the Community College of Beaver County (CCBC) adopted Governmental Accounting Standards Board (GASB) Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date*", which require the County and CCBC to record its net pension liability and related items on the government-wide financial statements. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress pension trust fund, schedule of employer contributions pension trust fund, and budgetary comparison information, as listed in the table of contents as required supplemental information, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, other supplemental information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information as listed in the table of contents 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 by us. In our opinion, based on our audit, the procedures performed as described above, the other supplemental information in the financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

*The Binkley Kanavy Group, LLC*

Certified Public Accountants  
Pittsburgh, Pennsylvania  
June 30, 2016

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the County of Beaver (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

## Financial Highlights of the Year Ended December 31, 2015

- The Pension Trust Fund experienced a positive rate of return on investments for the seventh consecutive year. The fund's net position decreased, as contributions and investment returns combined were insufficient to offset the benefit outlay.
- The General Fund incurred a financial match responsibility of approximately 3.4 million for its human and community services funded primarily through state and federal grants and entitlements. The equivalent amount for 2014 was about \$3.9 million.
- The County issued a \$5 million Tax Revenue Anticipation Note on January 2, 2015 and a subsequent \$7 million Tax Revenue Anticipation Note on November 19, 2015, to provide for short-term financing needs, including those resulting from the Pennsylvania Commonwealth's budget impasse.
- The County's overall long-term debt was reduced by about \$5.1 million during the year. This marks the sixth consecutive year of reductions in long-term debt.
- Funding from intergovernmental sources continues to decline in certain areas. The Community Development Program of Beaver County recorded revenues 14.3% lower than in 2014. Despite the budgetary constraints, needs of the community have been met.
- The County invested roughly \$4.3 million in capital assets and infrastructure, allocated approximately as follows:
  - \$415,000 for the overhaul of the courthouse's heating and air conditioning system;
  - \$113,000 to start renovating the Human Services Building, which will accommodate new tenants in 2016;
  - \$1,300,000 in renovation of park facilities
  - \$330,000 for the addition of a cooling tower and related equipment at the Emergency Management Services facility
  - \$860,000 in bridge infrastructure improvements through the County's Liquid Fuels fund;
  - \$510,000 in vehicle purchases and major repairs - primarily at the Department of Public Works and Waste Management;
  - \$155,000 in computer hardware and software - for the most part at the Office of Behavioral Health and the Library Commission;
  - \$550,000 in various equipment purchases, primarily related to modernizing the County's court system.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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- Expenditures of the General Fund exceeded revenues by about \$6.2 million.
- Real estate taxes, the County's main source of local revenue, decreased by about \$1.2 million, or about 2.5% of 2014's real estate tax revenue.
- The excess of expenses over revenues, other than real estate taxes, of the primary government was close to \$55.4 million, or about \$2.7 million more than the equivalent measure for 2014.
- Due to the implementation of a governmental accounting standard, the County recorded a net pension liability of \$8.1 million on its government-wide Statement of Net Position. The same new accounting standard also precipitated to record deferred inflows of resources of \$15.2 million and deferred outflows of resources of about \$156,000, all related to activities of the County's employee retirement system.

## Overview of the Financial Statements

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

### Government-wide financial statements

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

The *Statement of Net Position* presents financial information on the entire County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County are general government; judicial; public safety; public works and enterprise; culture, recreation and conservation; human services; and economic development. The County has no business-type activity since the disposal of Friendship Ridge in 2014.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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The government-wide financial statements include not only the County itself (known as the *primary government*), but also two legally separate entities, the Beaver County Transit Authority and the Community College of Beaver County, for which the County provides subsidies and appoints their boards. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 39-40 of this report.

## **Fund financial statements**

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

### ***Governmental funds***

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Immediately following both the governmental funds' Balance Sheet and the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances, is a statement that provides a reconciliation to facilitate a comparison between *governmental funds* and *governmental activities*.

The County maintains nineteen individual governmental funds. Information is presented separately in the governmental funds' Balance Sheet and in the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund, Mental Health / Intellectual Disabilities, Children & Youth, Community Development, and the HealthChoices Fund, all of which are considered to be major funds. Data from the other fourteen governmental funds are combined into a single aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules. The County adopts an annual appropriated budget for each of its governmental funds.

The basic governmental funds' financial statements can be found on pages 41-44 of this report. The combining and individual fund schedules for the non-major governmental funds are presented following the required supplementary information. They can be found on pages 152-155 of this report.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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## ***Proprietary funds***

The County maintained two different types of proprietary funds. An *Enterprise fund* was used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County used an enterprise fund to account for the transactions and balances of Friendship Ridge, disposed of in 2014. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions.

The County uses Internal Service Funds to account for the medical benefits of the County's employees and to account for workers' compensation costs. Because this service predominantly benefits governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as is presented on the government-wide financial statements, only in more detail. The proprietary fund's financial statements also provide separate information for the County's Internal Service Funds.

The basic proprietary fund's financial statements can be found on pages 45-47 of this report. The combining financial statements for the internal service funds can be found on pages 170-172 of this report.

## ***Fiduciary funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the reporting government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 48-49 of this report.

## **Notes to the financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 50-119 of this report.

## **Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's pension liability, contributions, investment returns and other information and budgetary comparison schedules for the General Fund and other major governmental funds. Required supplementary information can be found on pages 121-129 of this report.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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## Government-wide Financial Analysis

This analysis focuses on the *primary government*, as defined on page 28. Separate financial statements for the County's component units, including their managements' discussion and analysis, can be obtained from the component units at the addresses disclosed in Note A.

## Analysis of Net Position

As noted earlier, net position is a useful indicator of a government's financial position. For the County's governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19,021,587 at December 31, 2015 and assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$27,983,275 at December 31, 2014, as restated.

The following is a summary of the County's Statement of Net Position (in thousands) as of December 31, 2015 and 2014:

	Governmental Activities 2015	2014*
<b>Assets:</b>		
Current and Other Assets	\$ 61,924	\$ 62,656
Capital Assets	114,935	116,323
<b>Total Assets</b>	<b>176,859</b>	<b>178,979</b>
<b>Deferred Outflows of Resources:</b>		
Deferred Charge on Refunding Debt	\$ 671	\$ 794
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	15,178	-
<b>Total Deferred Outflows of Resources</b>	<b>15,849</b>	<b>794</b>
<b>Liabilities:</b>		
Long-Term Liabilities	\$ 131,666	\$ 128,743
Other Liabilities	41,866	23,046
<b>Total Liabilities</b>	<b>173,532</b>	<b>151,789</b>
<b>Deferred Inflows of Resources:</b>		
Difference Between Expected and Actual Experience for Pension Plan	\$ 155	\$ -
<b>Total Deferred Inflows of Resources</b>	<b>155</b>	<b>-</b>
<b>Net Position:</b>		
Net Investment in Capital Assets	19,773	18,950
Restricted	25,606	25,855
Unrestricted	(26,358)	(16,821)
<b>Total Net Position</b>	<b>\$ 19,021</b>	<b>\$ 27,984</b>

\*As restated due to the adoption of GASB Statement No. 68, as further described in Note A.

A significant portion of the County's net position is largely restricted for programs of human services. Another major portion of net position is represented by the County's investment in capital assets.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## County of Beaver's Statement of Activities (in thousands)

The following summarizes the County's Statement of Activities for the years ended December 31, 2015 and 2014:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Program Revenues:</b>						
Fees and Charges	\$ 16,258	\$ 11,507	\$ -	\$ 7,145	\$ 16,258	\$ 18,652
Operating Grants and Contributions	83,048	86,422	-	-	83,048	86,422
<b>General Revenues:</b>						
Real Estate Taxes	46,246	47,448	-	-	46,246	47,448
Investment Income	169	93	-	-	169	93
<b>Total Revenues</b>	<u>145,721</u>	<u>145,470</u>	<u>-</u>	<u>7,145</u>	<u>145,721</u>	<u>152,615</u>
<b>Program Expenses:</b>						
General Government	13,406	12,409	-	-	13,406	12,409
Judicial	17,775	16,764	-	-	17,775	16,764
Public Safety	21,934	20,284	-	-	21,934	20,284
Public Works and Enterprises	6,291	5,655	-	-	6,291	5,655
Culture and Recreation	3,625	3,337	-	-	3,625	3,337
Human Services	80,911	80,551	-	-	80,911	80,551
Economic Development	4,480	5,205	-	-	4,480	5,205
Interest Expense	6,261	6,483	-	-	6,261	6,483
Friendship Ridge	-	-	-	8,445	-	8,445
<b>Total Expenses</b>	<u>154,683</u>	<u>150,688</u>	<u>-</u>	<u>8,445</u>	<u>154,683</u>	<u>159,133</u>
Excess (Deficiency) Before Other Items and Transfers	(8,962)	(5,218)	-	(1,300)	(8,962)	(6,518)
<b>Special Item:</b>						
Disposal of Friendship Ridge	-	13,246	-	-	-	13,246
Assignment of Capital Items and Long-Term Debt	-	2,027	-	(2,027)	-	-
Transfers	-	(1,367)	-	1,367	-	-
<b>Change in Net Position</b>	<u>(8,962)</u>	<u>8,688</u>	<u>-</u>	<u>(1,959)</u>	<u>(8,962)</u>	<u>6,729</u>
Net Position - Beginning	27,983	29,147	-	1,959	27,984	31,106
Adoption of GASB No.68	-	(9,852)	-	-	-	(9,852)
Net Position - Ending	<u>\$ 19,021</u>	<u>\$ 27,983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,022</u>	<u>\$ 27,984</u>

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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## **Changes in Net Position**

The County's net position for governmental activities decreased approximately \$9.0 million and increased approximately \$8.7 million, before restatement, for the years ended December 31, 2015 and 2014, respectively.

The County's expenses cover a wide range of services. The largest share of expenses continues to be incurred for Human Services.

## **Analysis of Changes in Net Position**

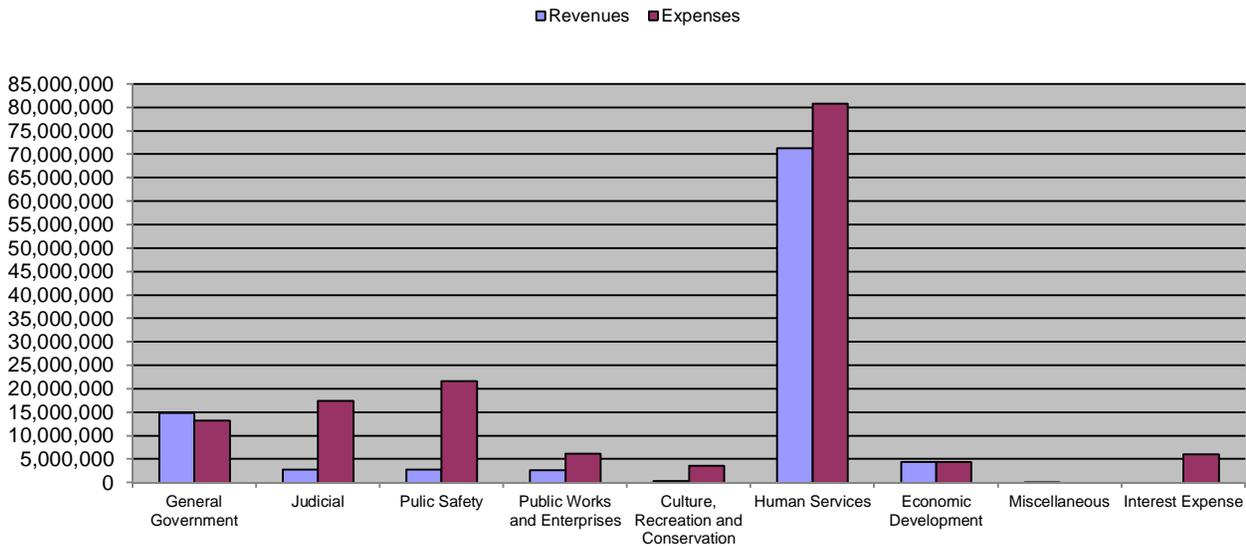
The County's total net position decreased approximately \$9.0 million during 2015 and it increased \$6.7 million for the year ended December 31, 2014. The County's financial doings are comprised entirely of governmental activities in 2015 as a result of the sale of Friendship Ridge in 2014. The current year's decrease in net position is explained in the discussion that follows below.

There are two primary reasons that explain the decrease in net position for the year ended December 31, 2015. The first reason is a steady increase in total expenses, primarily in wages and benefits, while maintaining a relatively steady workforce. Second, real estate tax revenues decreased slightly from the previous year and a \$1 million tax refund owed as a result of a tax appeal was recorded as part of the related tax revenue. In addition, operating grants and contributions declined about \$3.4 million as compared to 2014, due mostly to shrinking state and federal grant funding, along with the complications arising from the budget impasse at the Commonwealth of Pennsylvania. On the other hand, a pension-related gain allowed for increased revenues of about \$3.5 million recorded under fees and charges of the general government. A change in legislation also allowed the increased collection of 9-1-1 telephone fees by about \$1.3 million from 2014 revenue levels.

# MANAGEMENT’S DISCUSSION AND ANALYSIS

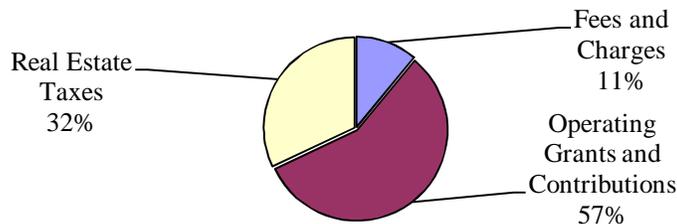
The table below depicts the behavior of the various governmental functions’ revenues and expenses described above:

**Expenses and Program Revenue - Governmental Activities**



The revenue mix of the County’s governmental activities remained fairly constant when compared with 2014. Approximately 57% of the County’s revenue originated from operating grants and contributions, 11% from fees and charges, and 32% from taxes on real estate during 2015. The corresponding figures for 2014 were roughly 59%, 8%, and 33%, respectively.

**Revenues by Source - Governmental Activities**



## Business-type Activities

As explained above, with the sale of Friendship Ridge the County ceased to report business-type activities. For the two months ended February 28, 2014, the business-type activities generated a net expense of \$1.3 million.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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## Financial Analysis of the County's Individual Funds

### *Governmental Funds*

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

At December 31, 2015, the County's governmental funds reported a combined ending fund balance of \$24,128,842, which represents a decrease of \$8,679,876 in comparison to the previous year. The ending fund balance is segregated into the following categories with its corresponding balances: non-spendable for prepaid assets, \$2,291,750; restricted, \$24,189,838; committed, \$1,637,838 and unassigned, \$(3,990,584). The terms used to classify fund balance and their significance are further described and defined in Note A to the financial statements. Also in Note A is presented a breakdown of restricted fund balance into specific programs.

The overall decrease in fund balance of the governmental funds is attributed primarily to the \$3.3 million in additional expenditures of the General Fund when compared to 2014. As explained in the Analysis of Changes in Net Position, this is the direct result of increased personnel compensatory factors. This increase in expenditures of the General Fund was not completely offset by augmented revenues caused by a pension-related gain also explained in the Analysis of Changes in Net Position. This year, there were no special items to record as was the case in 2014 with the disposal of Friendship Ridge. Transfers from the General Fund to other funds were significantly lower in 2015, due in large part to a lower match for reduced intergovernmental grants.

The Mental Health / Intellectual Disabilities fund experienced a continued reduction in revenues from state and federal grant sources while mandatory county matching revenue slightly increased during 2015. The overall decrease in revenues were offset by reductions in program expenditures resulting in an increase in fund balance by approximately \$536,000 as compared to the net increase in fund balance of \$133,000 experienced during 2014.

The Children & Youth fund continued the reversal in the decreasing trend of intergovernmental revenues. Along with a vigilant management of expenditures, the fund improved its fund balance by close to \$300,000 in 2015. As is generally the case for all human services agencies of the County, it is expected that gains realized in 2015 will have to be applied against expenditures of future years' operating budgets.

Community Development has experienced yet another year of intergovernmental funding cuts, about 14%, which comes in addition to approximately 17% lower revenues experienced in 2014. This is the result of planned budget reductions at the national level Department of Housing and Urban Development, the fund's major revenue source. The fund's management continues to adjust to the changing funding circumstances and it curtailed expenditures without affecting services and managing to only marginally decrease fund balance.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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HealthChoices has seen an increase in its program expenditures necessitated by community needs and it also expended a minimal amount in equipment. As such, in 2015, fund balance decreased by about \$78,000, leaving a fund balance of approximately \$11.7 million at December 31, 2015. This fund is separately audited each year based on the Commonwealth's Department of Human Services HealthChoices Examination Guide for the Behavioral Health Program. A complete report is submitted to the Commonwealth for approval.

The other governmental funds experienced a combined net decrease in fund balance of about \$251,000 as compared to the \$413,165 net increase in fund balance for the year 2014. This is mainly the result of roughly \$681,000 capital expenditures spending out of the Capital Projects Funds, in sharp contrast to the net increase in fund balance of \$274,184 experienced by the Capital Projects Funds in 2014.

## ***Proprietary Funds – Internal Service Funds***

The County's internal service funds contributed yet another year of net decreases in net position. This is the result of expenses ómedical claims, workers' compensation claims, insurance premiums, and administration costs- outpacing the level of related revenues designated for collection. For the year ended December 31, 2015, the net loss combined for the Medical Fund and the Workers' Compensation Fund amounted to near \$1.7 million. In the immediately preceding year this loss amounted to approximately \$1.9 million.

## ***Fiduciary Funds***

The County maintains fiduciary funds for the Pension Trust Fund and several Agency Funds. The Pension Trust Fund's net position decreased approximately \$11 million in 2015 and it decreased nearly \$76,000 in 2014. The depreciation in the fair value of investments of 2015 amounted to about \$3 million, generating a negative variance from the immediately preceding year of nearly \$16 million. This decrease in fair value of investments is, however, not out of line with the domestic investment performance for publicly traded securities in 2015. The Pension Trust Fund has a \$284 million balance in net position as of December 31, 2015.

## **General Fund Budgetary Highlights**

During any given year there are many factors that may change a budget from the *original* approved version to the *final* ending version. There may be changes in policies, revenue sources or unexpected events that have a financial impact upon the County and require that the budget be adjusted to reflect those circumstances.

# MANAGEMENT’S DISCUSSION AND ANALYSIS

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The General Fund’s budgeted revenues were held at about the same aggregate amount since the passing of the original 2015 budget in December of 2014. Actual revenues were about \$3.3 million lower than final amended budgeted revenues, principally due to lower than expected real estate taxes and intergovernmental grants. Budgeted expenditures were increased from the initial \$69.8 million to close to \$73.9 million, primarily to accommodate for higher than expected capital outlay and human services spending (subsidies). Despite the amendments in expenditures, the actual expenditures in the categories of general government, judicial, public safety, public works and enterprises, and culture, recreation, and conservation were a combined \$4.9 million lower than the final amended budgeted expenditures in those same categories. Overall, aggregate final amended expenditures exceeded actual expenditures of the General Fund by about \$5.3 million as consequence of failing to adjust for lower than expected expenditures in the categories described above. Transfers from other funds were much lower than budgeted because the internal service funds could not live up to the promise of repaying amounts for revenue shortfalls previously provided by the General Fund. Transfers from the General Fund to other funds were significantly lower than budgeted due to diminished intergovernmental grants requiring in turn a lower local revenue match.

Budgetary restrictions continue to be enforced across departments of the General Fund. Along with long-term debt restructuring and personnel retirement incentives, the County continues to search for new revenue sources in order to reverse its current financial trend.

## **County of Beaver’s Capital Assets** (in thousands and net of accumulated depreciation)

What follows is a summary of the County’s capital assets as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Assets not Being Depreciated	\$ 2,215	\$ 1,953
Buildings and Improvements	51,891	52,080
Vehicles	1,526	1,581
Furniture and Equipment	6,163	7,092
Infrastructure	<u>53,140</u>	<u>53,616</u>
<b>Total</b>	<b><u>\$ 114,935</u></b>	<b><u>\$ 116,322</u></b>

Additional information on the County’s capital assets can be found in Note F of this report.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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## Outstanding Debt at Year End

The following is a summary of the County's outstanding long-term debt, excluding the net pension liability, as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Governmental Activities:		
General obligation debt	\$ 63,180,000	\$ 65,065,000
Other long-term debt	61,606,581	64,985,403
Discount	(1,221,704)	(1,307,123)
<b>Total</b>	<u>\$ 123,564,877</u>	<u>\$ 128,743,280</u>

The County's general obligation bond rating from Standard and Poor's for its most recent issue is  $\text{-A-}$  resulting from its most recent issue, the General Obligation Bonds of 2016, Series A and B. This reflects a downgrade from the previous  $\text{-A}$  rating.

## Economic Factors

Budget cuts affecting the federal and the Commonwealth's governments as well as the possibility of another state-level budget impasse are likely to continue affecting the various departments and programs throughout the County during 2016. As disclosed in the *General Fund Budgetary Highlights*, the County has already implemented significant cost-cutting measures for 2016 and beyond. The multi-billion dollar investment expected from the construction of an ethane cracker plant and its subsequent operation within Beaver County is sure to enhance the County's revenues in more than one way. The County's management continues to actively address financial challenges into the future by searching for economic opportunities while optimizing the use of available resources.

## Requests for Information

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

Office of the Controller  
Beaver County Courthouse  
810 Third Street  
Beaver, Pennsylvania 15009-2196

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# **BASIC FINANCIAL STATEMENTS**

# COUNTY OF BEAVER, PENNSYLVANIA

## STATEMENT OF NET POSITION

DECEMBER 31, 2015 or JUNE 30, 2015

	Primary Government	Component Units	
	Governmental Activities	Beaver County Transit Authority as of June 30, 2015	Community College of Beaver County as of June 30, 2015
<b>Assets</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 19,781,497	\$ 3,220,369	\$ 1,800,508
Restricted Cash	8,108,269	-	-
Investments	-	-	704,901
Restricted Investments	6,622,456	-	-
Receivables	25,120,434	5,167,527	976,190
Supplies	-	316,573	27,883
Prepaid Items	2,291,750	93,078	573,713
<b>Total Current Assets</b>	<b>61,924,406</b>	<b>8,797,547</b>	<b>4,083,195</b>
Non-Current Assets:			
Land and Land Improvements	1,757,554	3,573,967	952,288
Buildings and Improvements	88,489,120	17,124,667	46,712,220
Construction in Progress	457,092	1,074,930	-
Vehicles	4,947,770	12,179,910	251,942
Furniture and Equipment	21,425,759	1,537,911	12,000,620
Infrastructure	67,821,583	-	-
Accumulated Depreciation	(69,963,645)	(16,793,123)	(28,290,862)
<b>Total Non-Current Assets</b>	<b>114,935,233</b>	<b>18,698,262</b>	<b>31,626,208</b>
<b>Total Assets</b>	<b>176,859,639</b>	<b>27,495,809</b>	<b>35,709,403</b>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding Debt	671,322	-	103,412
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	15,177,901	-	188,673
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 192,708,862</b>	<b>\$ 27,495,809</b>	<b>\$ 36,001,488</b>
<b>Liabilities</b>			
Current Liabilities:			
Notes and Interest Payable	\$ 9,545,995	\$ -	\$ -
Accounts Payable	15,267,173	148,421	685,292
Accrued Vacation	2,841,392	-	20,000
Accrued Interest	2,487,104	-	87,666
Accrued Other Liabilities	3,889,501	269,166	1,601,473
Unearned Revenues	4,716,298	7,080,367	550,590
Accrued Other Employee Benefits	818,404	102,921	132,851
Accrued HealthChoices Program Costs	2,300,000	-	-
Long-Term Debt	1,887,596	-	1,004,155
<b>Total Current Liabilities</b>	<b>43,753,463</b>	<b>7,600,875</b>	<b>4,082,027</b>
Non-Current Liabilities:			
Long-Term Debt	121,677,279	-	25,764,391
Net Pension Liability	8,101,613	-	2,335,000
<b>Total Non-Current Liabilities</b>	<b>129,778,892</b>	<b>-</b>	<b>28,099,391</b>
<b>Total Liabilities</b>	<b>173,532,355</b>	<b>7,600,875</b>	<b>32,181,418</b>
<b>Deferred Inflows of Resources</b>			
Difference Between Expected and Actual Experience for Pension Plan	154,920	-	167,000
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>173,687,275</b>	<b>-</b>	<b>32,348,418</b>
<b>Net Position</b>			
Net Investment in Capital Assets	19,773,652	18,698,262	6,048,470
Restricted for:			
Nonexpendable	-	-	842,420
Debt Service	6,622,456	-	-
Programs for Mental / Behavioral Health	10,546,828	-	-
Programs for Children & Youth	3,404,661	-	-
Programs for Community Development	232,756	-	-
Programs for Capital Projects	2,137,344	-	-
Programs for General Law Enforcement	987,871	-	-
Programs for Elderly Population	1,076,735	-	-
Programs for Office Improvements	488,119	-	-
Programs for Emergency Services / Tourism	109,264	-	-
Unrestricted	(26,358,099)	1,196,672	(3,237,820)
<b>Total Net Position</b>	<b>\$ 19,021,587</b>	<b>\$ 19,894,934</b>	<b>\$ 3,653,070</b>

The accompanying notes are an integral part of this financial statement.

# COUNTY OF BEAVER, PENNSYLVANIA

## STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2015 or JUNE 30, 2015

<b>Functions/Programs</b>	Program Revenues				Net (Expenses) Revenues and Change in Net Position		
	Expenses	Fees and Charges	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units	
					Governmental Activities	Beaver County Transit Authority as of June 30, 2015	Community College of Beaver County as of June 30, 2015
<b>Primary Government:</b>							
Governmental Activities:							
General Government	\$ 13,406,027	\$ 11,786,097	\$ 3,084,891	\$ -	\$ 1,464,961	\$ -	\$ -
Judicial	17,775,227	481,730	2,286,402	-	(15,007,095)	-	-
Public Safety	21,934,042	1,842,030	921,790	-	(19,170,222)	-	-
Public Works and Enterprises	6,290,725	19,230	2,662,330	-	(3,609,165)	-	-
Culture, Recreation and Conservation	3,625,299	327,437	-	-	(3,297,862)	-	-
Human Services	80,911,368	1,284,528	70,018,949	-	(9,607,891)	-	-
Economic Development	4,479,471	348,596	4,073,892	-	(56,983)	-	-
Miscellaneous	-	167,924	-	-	167,924	-	-
Interest Expense	6,260,859	-	-	-	(6,260,859)	-	-
<b>Total Governmental Activities</b>	<b>154,683,018</b>	<b>16,257,572</b>	<b>83,048,254</b>	<b>-</b>	<b>(55,377,192)</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 154,683,018</b>	<b>\$ 16,257,572</b>	<b>\$ 83,048,254</b>	<b>\$ -</b>	<b>\$ (55,377,192)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Component Units:</b>							
Beaver County Transit Authority	\$ 10,110,446	\$ 1,537,449	\$ 7,030,845	\$ 663,112	\$ -	\$ (879,040)	\$ -
Community College of Beaver County	28,195,344	10,983,776	16,015,063	-	-	-	(1,196,505)
<b>Total Component Units</b>	<b>\$ 38,305,790</b>	<b>\$ 12,521,225</b>	<b>\$ 23,045,908</b>	<b>\$ 663,112</b>	<b>\$ -</b>	<b>\$ (879,040)</b>	<b>\$ (1,196,505)</b>
					General Revenues:		
					\$ 46,246,341	\$ -	\$ -
					169,163	-	38,332
					-	(54,642)	-
					46,415,504	(54,642)	38,332
					(8,961,688)	(933,682)	(1,158,173)
					27,983,275	20,828,616	4,811,243
					<b>\$ 19,021,587</b>	<b>\$ 19,894,934</b>	<b>\$ 3,653,070</b>

The accompanying notes are an integral part of this financial statement.

# COUNTY OF BEAVER, PENNSYLVANIA

## BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2015

	General	Mental Health/ Intellectual Disabilities	Children & Youth	Community Development	HealthChoices	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and Cash Equivalents	\$ 3,387,106	\$ 719,391	\$ 422,993	\$ 1,084,856	\$ 7,107,025	\$ 6,825,125	\$ 19,546,496
Cash - Restricted	200,691	-	-	-	7,907,578	-	8,108,269
Investments - Restricted	6,622,456	-	-	-	-	-	6,622,456
Prepaid Items	171,446	124,000	35,130	2,121	1,939,496	19,557	2,291,750
Receivables	2,231,645	7,294,227	6,435,122	899,582	275,572	4,004,589	21,140,737
Interfund Receivable	7,671,825	2,821	-	-	805,891	191,651	8,672,188
<b>Total Assets</b>	<b>\$ 20,285,169</b>	<b>\$ 8,140,439</b>	<b>\$ 6,893,245</b>	<b>\$ 1,986,559</b>	<b>\$ 18,035,562</b>	<b>\$ 11,040,922</b>	<b>\$ 66,381,896</b>
<b>Liabilities:</b>							
Notes and Interest Payable	\$ 9,545,995	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,545,995
Accounts Payable	1,325,047	5,506,673	2,925,052	735,792	3,293,603	1,127,590	14,913,757
Interfund Payable	191,651	1,797,540	528,402	248,630	121,622	2,028,623	4,916,468
Accrued Wages and Payroll Costs	1,530,030	-	-	-	17,304	-	1,547,334
Accrued Other Liabilities	1,602,938	-	-	-	597,352	141,877	2,342,167
Accrued HealthChoices Program Costs	-	-	-	-	2,300,000	-	2,300,000
Unearned Revenue	2,411,115	132,274	-	767,260	-	1,405,649	4,716,298
<b>Total Liabilities</b>	<b>16,606,776</b>	<b>7,436,487</b>	<b>3,453,454</b>	<b>1,751,682</b>	<b>6,329,881</b>	<b>4,703,739</b>	<b>40,282,019</b>
<b>Deferred Inflows of Resources:</b>							
Unavailable Revenue	535,378	-	1,192,294	113,178	-	130,185	1,971,035
<b>Fund Balances (Deficits):</b>							
Non-Spendable: Prepaid items	171,446	124,000	35,130	2,121	1,939,496	19,557	2,291,750
Restricted:							
Debt Service	6,622,456	-	-	-	-	-	6,622,456
Programs for Mental / Behavioral Health	200,691	579,952	-	-	9,766,185	-	10,546,828
Programs for Children & Youth	-	-	2,212,367	-	-	-	2,212,367
Programs for Community Development	-	-	-	119,578	-	-	119,578
Other	-	-	-	-	-	4,688,609	4,688,609
Committed:							
Capital Projects	-	-	-	-	-	1,637,838	1,637,838
Unassigned:	(3,851,578)	-	-	-	-	(139,006)	(3,990,584)
<b>Total Fund Balances</b>	<b>3,143,015</b>	<b>703,952</b>	<b>2,247,497</b>	<b>121,699</b>	<b>11,705,681</b>	<b>6,206,998</b>	<b>24,128,842</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 20,285,169</b>	<b>\$ 8,140,439</b>	<b>\$ 6,893,245</b>	<b>\$ 1,986,559</b>	<b>\$ 18,035,562</b>	<b>\$ 11,040,922</b>	<b>\$ 66,381,896</b>

The accompanying notes are an integral part of this financial statement.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**RECONCILIATION OF GOVERNMENTAL FUND BALANCES**  
**TO THE STATEMENT OF NET POSITION**

DECEMBER 31, 2015

<b>Total Fund Balances - Governmental Funds</b>	\$	24,128,842
Receivables for real estate taxes not available to pay for current period expenditures, and therefore, are deferred in the funds.		3,978,802
Grant revenues not available to pay for current period expenditures, and therefore, are deferred in the funds.		1,971,035
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		
Land	1,757,554	
Buildings and improvements	88,489,120	
Vehicles	4,947,770	
Furniture and equipment	21,425,759	
Infrastructure	67,821,583	
Construction in Progress	457,092	
Accumulated depreciation	<u>(69,963,645)</u>	114,935,233
Accrued interest and accrued vacation payable are not recognized in the governmental funds.		
Accrued interest payable	(2,487,104)	
Accrued vacation payable	<u>(2,841,392)</u>	(5,328,496)
Non-current liabilities are not due nor payable in the current period, and therefore, are not reported in the funds. These liabilities consist of:		
General obligation bonds payable	(63,180,000)	
Other general long-term liabilities -		
PFA Series 2005 Bonds	(2,330,000)	
Pension Obligation Bond 2005	(10,615,000)	
PFA Series of 2012	(3,370,001)	
PFA Series 2013	(9,595,000)	
Pension Bond 2009	(19,010,000)	
DCED General Obligation Note	(33,359)	
Discount	1,221,704	
Capital Lease Obligation	(15,514,970)	
Accrued sick and early termination benefits payable	<u>(1,138,251)</u>	(123,564,877)
Deferred Charges on Refunding Debt		671,322
The net pension liability, and deferred inflows and outflows of resources for pension-related items are not recorded on the fund financial statements.		6,921,368
An internal service fund is used by management to account for medical benefits and workers compensation of the County employees. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.		<u>(4,691,642)</u>
<b>Total Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>19,021,587</u></b>

The accompanying notes are an integral part of this financial statement.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	General	Mental Health/ Intellectual Disabilities	Children & Youth	Community Development	HealthChoices	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Real Estate Taxes	\$ 46,920,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,920,546
Licenses and Permits	134,079	-	-	-	-	-	134,079
Interest and Rents	134,744	3,405	95	90	29,687	1,109	169,130
Intergovernmental Revenues	3,552,070	16,867,729	12,496,558	4,073,892	35,748,474	10,353,243	83,091,966
Departmental Earnings	11,507,295	1,228,019	43,791	348,596	-	2,943,092	16,070,793
Local Hotel Room Tax	-	-	-	-	-	308,262	308,262
Miscellaneous	130,496	-	-	-	-	37,428	167,924
<b>Total Revenues</b>	<b>62,379,230</b>	<b>18,099,153</b>	<b>12,540,444</b>	<b>4,422,578</b>	<b>35,778,161</b>	<b>13,643,134</b>	<b>146,862,700</b>
<b>Expenditures</b>							
Current:							
General Government	11,250,000	-	-	-	-	190,962	11,440,962
Judicial	13,844,384	-	-	-	-	3,024,677	16,869,061
Public Safety	16,372,803	-	-	-	-	2,820,964	19,193,767
Public Works and Enterprises	3,879,360	-	-	-	-	787,619	4,666,979
Culture, Recreation, and Conservation	2,762,717	-	-	-	-	354,860	3,117,577
Economic Development	-	-	-	4,506,303	-	-	4,506,303
Intergovernmental:							
Human Services	8,210,582	18,189,521	13,982,008	-	35,844,531	4,791,371	81,018,013
Debt Service:							
Principal	4,751,704	-	-	-	-	-	4,751,704
Interest	5,682,783	-	-	-	-	-	5,682,783
Other	10,035	-	-	-	-	-	10,035
Infrastructure Acquisition and Improvement	479	-	-	-	-	870,215	870,694
Capital Asset Acquisition and Improvement	1,854,043	100,951	76,944	-	11,350	1,371,410	3,414,698
<b>Total Expenditures</b>	<b>68,618,890</b>	<b>18,290,472</b>	<b>14,058,952</b>	<b>4,506,303</b>	<b>35,855,881</b>	<b>14,212,078</b>	<b>155,542,576</b>
<b>(Deficiency) of Revenues</b>							
<b>(Under) Expenditures</b>	<b>(6,239,660)</b>	<b>(191,319)</b>	<b>(1,518,508)</b>	<b>(83,725)</b>	<b>(77,720)</b>	<b>(568,944)</b>	<b>(8,679,876)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers from Other Funds	590,000	727,255	1,818,401	-	-	907,493	4,043,149
Transfers to Other Funds	(3,453,149)	-	-	-	-	(590,000)	(4,043,149)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,863,149)</b>	<b>727,255</b>	<b>1,818,401</b>	<b>-</b>	<b>-</b>	<b>317,493</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(9,102,809)</b>	<b>535,936</b>	<b>299,893</b>	<b>(83,725)</b>	<b>(77,720)</b>	<b>(251,451)</b>	<b>(8,679,876)</b>
Fund Balances - Beginning	12,245,824	168,016	1,947,604	205,424	11,783,401	6,458,449	32,808,718
Fund Balances - Ending	<u>\$ 3,143,015</u>	<u>\$ 703,952</u>	<u>\$ 2,247,497</u>	<u>\$ 121,699</u>	<u>\$ 11,705,681</u>	<u>\$ 6,206,998</u>	<u>\$ 24,128,842</u>

The accompanying notes are an integral part of this financial statement.

# COUNTY OF BEAVER, PENNSYLVANIA

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

FOR THE YEAR ENDED DECEMBER 31, 2015

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$	(8,679,876)
Revenue timing differences resulted in less revenue for real estate taxes in the Statement of Activities.		(674,205)
Revenue timing differences resulted in less grant revenue in the Statement of Activities due to the period of availability of the funds.		(750,693)
The differences due to capital assets are as follows:		
1. Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay and donated assets	\$ 4,568,906	
Depreciation expense	<u>(5,597,446)</u>	(1,028,540)
2. The effect of the disposals and transfers of capital assets is to change net position by the net book value of the disposed or transferred assets.		
Net book value of disposed assets		(358,620)
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.		
Changes in accrued interest payable	(30,184)	
Changes in accrued vacation payable	<u>(54,679)</u>	(84,863)
The difference due to non-current liabilities are as follows:		
1. The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		
Bond principal payments	4,640,770	
Capital lease obligation payments	<u>370,119</u>	5,010,889
2. Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Amortization of bond discounts		(85,419)
3. The expense for sick leave and early termination benefits does not require the use of current financial resources. These items are reported as a non-current liability in the Statement of Net Position.		
		252,933
The deferred amount on refunding		
2015 amortization		(123,125)
Changes in the net pension liability and related deferred inflows and outflows of resources do not affect current financial resources and therefore are not reflected on the fund statements.		
		(733,298)
An internal service fund is used by management to account for medical and workers' compensation benefits of the County employees. The net change in activity of the internal service fund is reported with governmental activities.		
		<u>(1,706,871)</u>
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>(8,961,688)</u></b>

The accompanying notes are an integral part of this financial statement.

# COUNTY OF BEAVER, PENNSYLVANIA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS

DECEMBER 31, 2015

	<u>Governmental Activities</u> <u>Internal Service Funds</u>
<b><u>Assets</u></b>	
Current Assets:	
Cash and Cash Equivalents	\$ 235,001
Receivables	895
Interfund Receivable	<u>211,300</u>
Total Current Assets	<u>447,196</u>
<b>Total Assets</b>	<b><u><u>\$ 447,196</u></u></b>
<b><u>Liabilities</u></b>	
Current Liabilities:	
Accounts Payable	\$ 353,418
Interfund Payable	3,967,016
Accrued Employee Benefits	<u>818,404</u>
Total Current Liabilities	<u>5,138,838</u>
<b>Total Liabilities</b>	<b><u>5,138,838</u></b>
<b><u>Net Position</u></b>	
Unrestricted	<u>(4,691,642)</u>
<b>Total Net Position</b>	<b><u><u>\$ (4,691,642)</u></u></b>

The accompanying notes are an integral part of this financial statement.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Governmental Activities
	Internal Service Funds
<b><u>Operating Revenues</u></b>	
Charges for Services	\$ 10,764,563
Total Operating Revenues	10,764,563
<b><u>Operating Expenses</u></b>	
Costs of Services	11,624,588
Administrative	846,879
Total Operating Expenses	12,471,467
<b>Operating (Loss)</b>	(1,706,904)
<b><u>Non-Operating Revenues</u></b>	
Investment Income	33
Total Non-Operating Revenues	33
<b>Change in Net Position</b>	(1,706,871)
Total Net Position - Beginning	(2,984,771)
Total Net Position - Ending	\$ (4,691,642)

The accompanying notes are an integral part of this financial statement.

# COUNTY OF BEAVER, PENNSYLVANIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2015

	Governmental Activities
	Internal Service Funds
<b><u>Cash Flows from Operating Activities:</u></b>	
Cash receipts for services provided	\$ 10,849,683
Cash payments to suppliers	(12,241,713)
Net Cash (Used in) Operating Activities	(1,392,030)
<b><u>Cash Flows from Non-Capital Financing Activities:</u></b>	
Proceeds from the loan provided by the County	1,490,837
Net Cash Provided by Non-Capital Financing Activities	1,490,837
<b><u>Cash Flows from Investing Activities:</u></b>	
Investment Income	33
Net Cash Provided by Investing Activities	33
Net Increase in Cash and Cash Equivalents	98,840
<b><u>Cash and Cash Equivalents:</u></b>	
Beginning of year	136,161
End of year	\$ 235,001
<b><u>Reconciliation of Operating (Loss) to</u></b>	
<b><u>Net Cash Provided by (Used in) Operating Activities:</u></b>	
Operating (Loss)	\$ (1,706,904)
Change in operating assets and liabilities:	
Accounts receivable	85,120
Prepaid items	109,494
Accounts payable	191,910
Accrued Liabilities	(71,650)
Net Cash Provided by (Used in) Operating Activities	\$ (1,392,030)

**Disclosure of Accounting Policy:**

For purposes of the Statement of Cash Flows, the Primary Government considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.

The accompanying notes are an integral part of this financial statement.

**COUNTY OF BEAVER, PENNSYLVANIA**

**STATEMENT OF NET POSITION  
FIDUCIARY FUNDS**

DECEMBER 31, 2015

	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
<b><u>Assets</u></b>		
Cash and Cash Equivalents	\$ 11,100,687	\$ 3,077,420
Cash and Cash Equivalents Held as Collateral	20,199,187	-
Interest and Dividends Receivable	542,018	-
Investments:		
Common and Preferred Stocks	159,604,615	-
Certificates of Deposit	4,488,195	-
U.S. and Local Government Obligations	28,026,584	-
Corporate Bonds	25,758,701	-
Other Debt Securities	4,945,371	-
Registered Investment Companies	14,406,516	-
Interest in Limited Partnership	6,256,002	-
Interest in Collective Trust	29,050,661	-
Total Investments	272,536,645	-
<b>Total Assets</b>	<b>\$ 304,378,537</b>	<b>\$ 3,077,420</b>
<b><u>Liabilities</u></b>		
Accounts Payable	\$ 319,033	\$ 3,077,420
Collateral Obligation	20,199,187	-
<b>Total Liabilities</b>	<b>20,518,220</b>	<b>3,077,420</b>
<b><u>Net Position</u></b>		
Net Position Restricted for Pensions	283,860,317	-
<b>Total Net Position</b>	<b>\$ 283,860,317</b>	<b>\$ -</b>

The accompanying notes are an integral part of this financial statement.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**STATEMENT OF CHANGES IN NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Pension Trust Fund</b>
<b><u>Additions</u></b>	
Contributions:	
Member	\$ 3,345,109
Employer	1,162,800
	4,507,909
Total Contributions	4,507,909
Investment Income:	
Net Depreciation in Fair Value of Investments	(2,956,794)
Interest and Dividends	5,344,587
Less: Investment Management and Actuarial Fees	(936,671)
	1,451,122
Net Income from Investment Activities (except for securities lending)	1,451,122
Security Lending Activities:	
Interest from Collateral	35,380
Security Lending Premiums	100,929
Less: Rebates and Fees	(29,216)
	107,093
Net Income from Security Lending Activities	107,093
Net Investment Income	1,558,215
Total Additions	6,066,124
<b><u>Deductions</u></b>	
Benefits Paid to Plan Members and Beneficiaries (including refunds of member contributions)	16,831,971
Administrative Expenses	229,206
	17,061,177
Total Deductions	17,061,177
Net Decrease in Net Position	(10,995,053)
<b><u>Net Position Restricted for Pensions</u></b>	
Beginning of Year	294,855,370
End of Year	\$ 283,860,317

The accompanying notes are an integral part of this financial statement.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Beaver, Pennsylvania (the County), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The significant accounting policies are described below.

#### 1. Organization and Reporting Entity

The organization of the County and the basis of the reporting entity are presented below to assist the reader in evaluating the financial statements and the accompanying notes.

The County was founded as a subdivision of the Commonwealth of Pennsylvania under Title XVI of the Pennsylvania Statutes. The County operates under an elected three member Board of Commissioners and it provides the following services as authorized by Pennsylvania's County Code: public safety, judicial, medical, human services, economic development, and culture and recreation.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, the County has evaluated all related entities (authorities, commissions, and affiliates) for possible inclusion in the financial reporting entity.

#### Discretely Presented Component Units

The component unit columns in the government-wide financial statements include individual financial data for the Beaver County Transit Authority (BCTA) and the Community College of Beaver County (CCBC). Financial information of these units is reported in separate columns to emphasize that they are legally separate from the County. They are component units because of the significance of their operations or financial relationships with the County. Their boards are appointed by the County Commissioners and they receive significant operating subsidies from the County. Complete and more detailed financial statements of these component units can be obtained from:

Beaver County Transit Authority  
200 W. Washington Street  
Rochester, PA 15074

Community College of Beaver County  
Controller's Office  
One Campus Drive  
Monaca, PA 15061

The reporting period for BCTA and CCBC is as of and for the year ended June 30, 2015.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

---

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 1. Organization and Reporting Entity - Continued

##### Summary of Significant Accounting Policies for BCTA

General Policy – The financial statements of BCTA have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Basis of Accounting – BCTA accounts for expenses using the accrual method of accounting. Grant revenue is recognized when the corresponding grant purpose expense is incurred. Grant monies received before the revenue recognition criteria have been met are reported as unearned revenue. BCTA's practice is to record grants as receivables and unavailable revenue at the time the grants are awarded. Passenger fares are recorded when received. All other revenues are recognized when earned. Assets are depreciated using the straight-line method over their estimated useful lives.

##### Summary of Significant Accounting Policies for CCBC

General Policy – CCBC prepares its financial statements in accordance with generally accepted accounting principles for public colleges and universities as outlined by GASB. In accordance with GASB, CCBC elects to report its financial activities as Business-Type Activities only. Inter-fund activity within CCBC has been eliminated in the preparation of the financial statements.

Basis of Accounting – CCBC prepares its financial statements using the accrual basis of accounting. Under this method, revenue is recognized when earned and expenses are recognized when the obligation to pay is incurred. Assets are depreciated using the straight-line method over their estimated useful lives.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 1. **Organization and Reporting Entity** - Continued

##### Related Organizations

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

- Beaver County Agricultural Land Preservation Board
- Beaver County Airport Authority
- Beaver County Conservation District
- Beaver County Economic Development Authority
- Beaver County Hospital Authority
- Beaver County Housing Authority
- Beaver County Industrial Development Authority
- Beaver County Job Training
- Beaver County Redevelopment Authority
- Pennsylvania Finance Authority
- Southwestern Pennsylvania Commission
- Workforce Investment Board

#### 2. **Government-Wide Financial Statements and Fund Financial Statements**

##### Government-Wide Statements:

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Activities of the internal service funds are eliminated to avoid “doubling up” revenues and expenses. The entire deficit of the internal service funds was recorded as an increase in expenses of the primary government. All other internal activities, such as interfund reimbursements, are treated as a reduction of the appropriate expense. Fiduciary funds are also excluded from the government-wide financial statements.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

---

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 2. Government-Wide Financial Statements and Fund Financial Statements - Continued

##### *Government-Wide Statements (continued):*

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the County and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financed or draws from the general revenues of the County. Certain indirect costs are included in the program expense reported for individual functions and activities.

Net position is reported as restricted when constraints placed on these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, laws, regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

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

##### *Fund Financial Statements:*

The fund financial statements provide information about the County's funds, including its fiduciary funds. 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. The emphasis of fund financial statements is on major governmental and enterprise funds, each of them displayed in a separate column.

Certain funds are required by GAAP to be presented as major funds of the County. The requirement to present a fund as "major" is based on the total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, and expenditures within the fund, with the exception of the General Fund, which must always be presented as a major fund. Additionally, the County has the option of voluntarily presenting any fund as major.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 2. Government-Wide Financial Statements and Fund Financial Statements - Continued

##### Fund Financial Statements (continued):

The County reports the following governmental funds as major:

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

*Mental Health / Intellectual Disabilities.* This fund is responsible for serving certain mental and behavioral health needs of the County's citizens. Revenues and other resources reported in this fund are derived from a variety of federal and state grants as well as from transfers for county matches from the General Fund.

*Children and Youth.* The purpose of this fund is to protect and care for children who have been abused, neglected, exploited, abandoned, adjudicated delinquent, or are without proper parental supervision. Revenues and other resources reported in this fund are derived from a variety of federal and state grants as well as from transfers for county matches from the General Fund.

*Community Development.* This fund accounts for the activities of the Community Development Program of Beaver County (CDP). The CDP's mission is two-fold: to improve the living conditions of low-income individuals and to aid in the elimination of slum and blight. The Community Development Fund is voluntarily reported as major by the County due to its significance within County operations. Revenues and other resources reported in this fund are derived from a variety of federal and state grants.

*HealthChoices.* HealthChoices is a program sponsored by the Commonwealth of Pennsylvania and administered by the County to meet the needs of low income individuals with behavioral health problems. Revenue and other resources reported in this fund are derived from a capitated arrangement through an intergovernmental contract.

All remaining governmental funds are aggregated and reported as non-major funds.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 3. Fund Types

In accordance with generally accepted accounting principles applicable to governmental units, the accounts of the County are organized and operated on the basis of individual funds. The operations of each fund are accounted for by providing a separate set of self-balancing accounts comprised by assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances or net position, revenues, and expenditures or expenses. The following describe the purpose and function of each type of fund presented in the accompanying financial statements.

#### Governmental Fund Types

The General Fund is used to account for all financial transactions not accounted for in the fund types listed below. This includes items such as the receipt and expenditure of the general tax levy and fees of general offices.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary fund types).

#### Proprietary Fund Type

Internal Service Funds account for operations that provide services to other departments or agencies of the County on a cost reimbursement basis. These funds account for the employees' self-insured medical health benefits and workers' compensation claims of the County.

#### Fiduciary Fund Types

Fiduciary Funds are used by the County to account for assets held on behalf of outside parties or on behalf of other funds. These funds currently include the pension trust fund and the agency funds.

The Pension Trust Fund is accounted for in essentially the same manner as a proprietary fund and it presents the activities of the Beaver County Employees' Pension Plan.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

---

### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 3. Fund Types - Continued

Agency Funds are custodial in nature and do not involve measuring results of operations. The funds are used to account for cash collected and disbursed by elected row officers such as the Clerk of Courts, Recorder of Deeds, Register of Wills, Sheriff, Prothonotary, and Treasurer; support payments collected by Domestic Relations; and delinquent real estate tax payments collected by Tax Claim.

#### 4. Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues, expenditures, expenses and transfers, and the related assets, deferred inflows and outflows of resources, and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, reconciling financial statements with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds are presented. The primary effect of internal activity has been eliminated from the government-wide financial statements.

All governmental fund types are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available to finance expenditures of the fiscal period. Revenues are considered available when they are expected to be collected within sixty days of year-end. As of December 31, 2015, the County delayed revenue recognition of \$1,971,035 because these monies were not yet considered available in accordance with GAAP. Expenditures and transfers out are generally recognized under the accrual basis of accounting when the related liability is incurred, except for compensated absences and financing costs/interest on general long-term debt, which are recorded when the payment is due.

The financial statements of fiduciary and proprietary funds are presented on the accrual basis of accounting. Under this method of accounting, all revenues are recorded when earned and all expenses are recorded when the liability is incurred.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 4. Basis of Accounting and Measurement Focus - Continued

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing and producing services in connection with a proprietary fund's ongoing revenues. The principal operating revenues of the County's proprietary funds are discussed in the next section. Operating expenses for internal service funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Pension Trust Fund and the agency funds' financial statements are also prepared using the accrual basis of accounting. Employee and employer contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the pension plan. Administrative costs from services provided by outside vendors are recorded when incurred. Investments are reported at fair value.

Certain other costs for services provided internally are not charged to and therefore not recorded on the financial statements of the Pension Trust Fund.

The Pension Trust Fund and the agency funds' investments are reported at fair value. Investments traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Other investments are valued based on their liquidation amounts as estimated by the investment fund's management. Investment income is recognized as earned. Gains and losses on sales and exchanges are recognized on the transaction date.

#### 5. Revenues

Property taxes collected by the Treasurer within sixty days subsequent to December 31, related to the prior year, are recorded as revenue on the Statement of Revenues, Expenditures and Changes in Fund Balance.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 5. Revenues - Continued

Federal and state grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the County is entitled to the grants. However, these grants are subject to audits and adjustments by grantor agencies. Revenues received after sixty days subsequent to year-end are recorded as unavailable revenue on the governmental funds' Balance Sheets and, for the period of collection, as revenue on the Statement of Revenues, Expenditures and Changes in Fund Balance. Grant revenues recognized for expenditures which are disallowed are repayable to the grantor. Management has presented these statements based upon its understanding of restrictions on the revenues recognized. Revenue recognized by HealthChoices is based on the number of eligible members within the County, paid monthly at a contracted rate with Pennsylvania's Department of Human Services.

#### 6. Unavailable and Unearned Revenues

Under the modified accrual basis of accounting, revenue is not recognized until it is available to liquidate liabilities of the current period; under full accrual accounting, revenue is recognized as soon as it is earned. Assets received on or prior to the financial statement date, for which the revenue recognition requirements have not been met, are posted as unearned revenue on the Statements of Net Position and the Balance Sheet for Governmental Funds. Certain payments received by the County are considered unearned and not subject to revenue recognition under either the full or the modified accrual basis.

#### 7. Expenditures

Capital asset purchases relating to non-proprietary fund type assets are included in current year expenditures in governmental funds and are capitalized on the government-wide Statement of Net Position. Interest on non-proprietary fund debt is recorded as an expenditure on the Statement of Revenues, Expenditures and Changes in Fund Balances when paid or when payment is due.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 8. Cash, Cash Equivalents, Restricted Cash, and Investments

The County maintains numerous checking accounts for depositing receipts and disbursing expenditures for all governmental fund types. In addition, the County maintains two accounts in the Pennsylvania Local Government Investment Trust (PLGIT), one account in the Pennsylvania Treasurer's Invest Program for Local Governments (Invest Program), and three commercial money market accounts which all earn interest. Funds are transferred to these accounts to utilize the surplus of cash, which would otherwise remain idle in the County's checking accounts. The balances maintained in these accounts represent the individual interest of each representative fund in the account and they are recorded at cost, which approximates fair value.

HealthChoices' restricted cash represents deposits the County is required to maintain in order to meet certain contractual provisions of grantor agencies.

For purposes of the accompanying Statement of Cash Flows, the County considers all highly liquid investments with a maturity of three months or less when acquired, including restricted cash, to be cash equivalents regardless of any restrictions.

#### 9. Prepaid Items

Prepaid items in the fund financial statements are recorded as assets in the specific governmental fund in which future benefits will be derived. The prepaid items in the fund financial statements are recognized under the consumption method and they consist primarily of prepaid insurance premiums in the General Fund and prepaid claim payments for HealthChoices.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 10. Capital Assets

The accounting and reporting applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets that have been acquired for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized in the government-wide Statement of Net Position. All capital assets are recorded at cost, if known, or at estimated historical cost. Donated capital assets are recorded at their estimated fair value on the date of the donation. The County uses a threshold of \$5,000 for recording substantially all capital assets. All infrastructure placed into service after 1980 is capitalized. Depreciation and related accumulated depreciation on capital assets is recorded in the government-wide statements and the proprietary fund financial statements and it is computed using the straight-line method over the estimated useful lives of the related assets.

Estimated useful lives for the County's classes of reported capital assets are as follows:

Infrastructure	50 years
Buildings and Land Improvements	40 years
Leasehold Improvements	10 years
Equipment	10 years
Computer Hardware	6 years
Computer Software	5 years
Vehicles	5 years
Furniture and Fixtures	5 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major renewals or betterments are capitalized as additions.

#### 11. Compensated Absences

The vacation policy for substantially all of the County's employees provides that vacation earned from the prior years' service, granted to employees on January 1, must be taken by December 31 of that same year. Therefore, the accrual in the government-wide Statement of Net Position represents what was earned through December 31, 2015, granted on January 1, 2016.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 11. Compensated Absences - Continued

Employees, other than those mentioned below, may accumulate up to 100 days of sick leave. Sheriff's deputies may accumulate up to a maximum of 150 days of sick leave. Jail guards receive nine days of sick leave per year with no limit on the maximum number of days that can be carried into the subsequent years. Children & Youth, Office on Aging, Mental Health / Intellectual Disabilities, and probation office employees receive paid time off. These employees may accumulate up to a maximum of 50 days of paid leave. Court-related employees may accrue up to 35 so-called "package days". "Package days" combine an employee's vacation, sick time, and personal time. If compensated absence time is not used, it is paid to retirement-eligible employees upon retiring at varying rates. Accumulated compensated absence time as of December 31, 2015, that is estimated to be paid to employees upon retirement has been recorded in the government-wide Statement of Net Position under Non-current Liabilities.

#### 12. Accrued HealthChoices Program Costs

The HealthChoices Program accrues an estimate of its medical service liability at the end of each accounting period. The estimate is developed using a process that accounts for the lag between the point in time that the payment is made for a service and the point in time that the County became liable for the service. The HealthChoices Program contracts with an independent actuary to certify this estimate. Subsequent payments are also reviewed to confirm the reasonableness of the estimate.

#### 13. Accrued Healthcare Costs

Accrued healthcare costs of the Internal Service Funds represent medical self-insurance claims and workers' compensation claims. The claims liability is calculated using a completion factor based on claims history and the historical time lag between dates of service and the dates of payment.

#### 14. Early Termination Benefits

Early termination benefits payable to former employees were recorded at their discounted present values using an annual discount rate of 2.5%.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 15. Pension

In the Government-Wide financial statements, the County recognizes pension expense in accordance with GASB Statements No. 68 and 71. Pension expenditures are recognized under the modified accrual basis within the Governmental Funds to the extent of County contributions. See Note G for further information.

#### 16. Budgets

The County Board of Commissioners (the “Commissioners”) annually adopts a formal budget for all of the Governmental Fund Types. The procedures described below are followed in establishing the budgetary data reflected in the financial statements.

The County Controller submits the proposed budget to the Commissioners no less than thirty days prior to the adoption of the budget for the year beginning the following January 1. The proposed budget is adopted no later than December 31, with certain exceptions. Notice of the availability of the proposed budget for public inspection is made at least twenty days prior to the adoption of the final budget.

The Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand or estimated to be received within the fiscal year and not otherwise appropriated, including proceeds of any borrowing. Appropriations lapse at year-end if not recorded in the financial statements.

Appropriated budgets are adopted and presented on a modified accrual basis consistent with GAAP by fund, department, and line-item. Line-items are department-specific revenues and expenditures, such as taxes, fees, salaries and supplies. This basis of accounting is the same as that used for the fund financial statements. Transfers of appropriations may be requested between line-items within a department or between departments within the same fund. All transfers of appropriations require the approval of the Commissioners. The legal level of control is exercised by fund and department, and management’s level of control is at each line-item.

Formal budgetary review is employed as a management control during the year for all Governmental Funds. Final budget amounts presented in the schedules and supplementary information accompanying the financial statements are as amended as of December 31, 2015.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 17. Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position, the Balance Sheet for Governmental Funds 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 two items that qualify for reporting in this category. They are the deferred charge on refunding and net difference between projected and actual earnings on pension plan investments, which are reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The net difference between projected and actual earnings on pension plan investments is based on an actuarial valuation as further described in Note G.

In addition to liabilities, the Statement of Net Position and/or the Balance Sheet for Governmental Funds 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 only has one type of item, which arises only under the modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the Governmental Funds Balance Sheet. The Governmental Funds report unavailable revenues from grant agreements. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government has another type, the difference between expected and actual experience for pension plan. This amount is also based on an actuarial valuation as further described in Note G.

#### 18. Fund Balance

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

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 18. Fund Balance - Continued

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

Restricted – This classification consists of amounts that are restricted to specific purposes, as imposed by external restrictions such as constitutional provisions or enabling legislation.

Committed – This classification consists of amounts used for specific purposes exclusively imposed by formal action of the County’s Board of Commissioners, the County’s highest level of decision-making authority. Only through execution of a resolution by the County’s Board of Commissioners prior to fiscal year-end can the County commit fund balance or remove or modify a previously committed fund balance.

Assigned – This classification consists of amounts constrained by the County’s intent to be used for specific purposes that are neither restricted nor committed. The policy in place allows for procedures of the Commissioners and the Controller to jointly assign amounts to be used for specific purposes before issuance of the audited financial statements.

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

It is the County’s policy, when more than one classification of fund balance is available for a particular purpose, to first apply expenditures against the restricted fund balance followed by committed, assigned, and then unassigned fund balance.

The governmental fund types use encumbrance accounting, under which open purchase orders are recorded. Open encumbrances do not constitute expenditures or liabilities since the obligations will be honored, re-appropriated and added to each department’s subsequent year’s budget. See Note M for additional encumbrance information.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**18. Fund Balance - Continued**

Amounts reported as restricted fund balance – other – on the Governmental Funds’ Balance Sheet have the following specific purposes:

For Emergency Services	\$ 80,946
For Capital Projects	2,026,620
For the Elderly Population	1,076,735
For Tourism Promotion	28,318
For Office Improvements and Records Automation	488,119
For General Law Enforcement	987,871
	<u>\$ 4,688,609</u>

*HealthChoices Program*

HealthChoices receives funds based on a contract between the County and the Commonwealth of Pennsylvania’s Department of Human Services (Commonwealth). Per the contract, the County must maintain a restricted reserve for equity and a plan of insolvency. As of December 31, 2015, the County has met the equity requirement by maintaining approximately \$1,800,000 in a separate bank account. Assets can be transferred from this account only with the permission of the Commonwealth. As of December 31, 2015, the County has also met the insolvency requirement determined by the Commonwealth by maintaining, at a minimum, the equivalent of sixty days’ worth of unpaid claims. The minimum, which was determined by the Commonwealth to be \$4,685,683 is maintained in a separate bank account.

The contract also allows the County to maintain a reserve for risk and contingency in an amount not to exceed seventy-five days of unpaid claims. The County has elected to have this reserve by restricting \$5,762,046 of cash and investments at December 31, 2015. Draw-down of these funds requires approval of the Commonwealth.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 19. Net Position

GASB Statement No. 63 requires a classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined below:

- Net investment in capital assets – This component consists of capital assets, net of accumulated depreciation, and reduced further by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- Restricted – This component of net position entails the balance subject to constraints placed on the use of resources through external restrictions, such as, constitutional provisions or enabling legislation.
- Unrestricted – This component consists of resources that do not meet the definition of “restricted” or “net investment in capital assets.”

The County’s policy is to apply expenses against restricted net position first, then unrestricted net position, when that choice is permitted.

#### 20. Adoption of Governmental Accounting Standards Board Pronouncement

The County adopted GASB Statement No. 68 “*Accounting and Financial Reporting for Pensions*” and GASB Statement No. 71 “*Pension Transition for Contributions Made Subsequent to the Measurement Date*”. These statements revise and establish reporting requirements for most governments that provide employees with pensions. The adoption of these statements necessitated an adjustment to January 1, 2015, net position. Ending net position for December 31, 2014, was previously reported as \$37,834,537. The adjustment of \$9,851,262, gives the County a restated net position of \$27,983,275.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

The GASB has issued Statement No. 72 "*Fair Value Measurement and Application*", effective for periods beginning after June 15, 2015. This statement is to address accounting and financial reporting issues related to fair value measurements, and to provide guidance related to fair value reporting and disclosures necessary for fair value measurements.

The GASB has issued Statement No. 76 "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*", effective for periods beginning after June 15, 2015. This statement is to identify the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with generally accepted accounting principles (GAAP) and the framework for selecting those principles.

The GASB has issued Statement No. 77 "*Tax Abatement Disclosures*", effective for periods beginning after December 15, 2015. This statement requires state and local governments, for the first time, to disclose information about tax abatement agreements, and is designed to provide financial statement users with essential information about these agreements and the impact that they have on the government's finances.

The GASB has issued Statement No. 80 "*Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*", effective for periods beginning after June 15, 2016. This statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units.

The GASB has issued Statement No. 82 "*Pension Issues an amendment of GASB Statements No. 67, No. 68, and No. 73*", effective for periods beginning after June 15, 2016. This statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*.

The County has not determined the impact, if any, the application of the aforementioned statements will have on the County's financial statements.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

#### 22. Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect reported amounts. Actual results could differ from those estimates.

### NOTE B - PROPERTY TAXES

Property tax millage rates are set by a resolution of the Commissioners prior to January 1 of the current year, with certain exceptions. Taxes are payable in the beginning of the current fiscal year through April of the following fiscal year as approved by the Commissioners. After that date, the properties are liened and legal action is required to sell real property for tax proceeds.

The County is permitted, by the County Code, to levy real property taxes up to a maximum of twenty-five mills on every dollar of adjusted valuation.

Property tax revenues for the year ended December 31, 2015, are recorded on the Statement of Activities net of discounts of approximately \$781,000 and inclusive of penalties amounting to approximately \$149,000. Property tax receivables are stated net of allowance for uncollectible accounts. At December 31, 2015 the balance in the allowance for uncollectible taxes is \$3,769,550.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE C - CASH DEPOSITS AND INVESTMENTS**

Beaver County has not adopted a formal investment policy other than that pertaining to the Pension Trust Fund; however, all investment decisions are based upon legally binding statutes determined by the County Code. Statutes allow the County to invest in the following:

- United States Treasury bills
- Short-term obligations of the United States Government or the Commonwealth of Pennsylvania
- Deposits in savings accounts or time deposits of institutions having a place of business in the Commonwealth of Pennsylvania and insured or collateralized in accordance with Act 72
- Certificates of deposit limited to twenty per centum of capital and surplus if purchased from a commercial bank and limited to twenty per centum of assets minus liabilities if purchased from a savings and loan association, or other investments, collateralized by the aforementioned federal government securities

#### **Cash Deposits**

Cash deposits are exposed to custodial credit risk, which is the risk that a government may not recover the funds it placed in the custody of a counterparty (such as if the counterparty would enter bankruptcy proceeding). The County does not have a formal deposit policy for custodial credit risk. At December 31, 2015, Beaver County's deposits were either insured or collateralized with assets held by the pledging bank's trust department and not in the County's name. At December 31, 2015, the bank balance of the County's cash deposits was approximately \$37 million, of which approximately \$1,250,000 was insured. The remaining uninsured bank balance was collateralized in accordance with Act 72 of the Commonwealth of Pennsylvania State Legislature, which states that a depository must pledge assets to secure state and municipal deposits. The pledged assets must be equal to at least the total amount of the public deposits at the depository and may be on a pooled basis.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE C - CASH DEPOSITS AND INVESTMENTS – (Continued)**

#### **Investments**

Substantially all of the County's investments (excluding the pension fund and restricted investments) are in certain Pooled Investment Funds which are managed by the Pennsylvania Local Government Investment Trust (PLGIT) and the Invest Program. The fair value of the position in the PLGIT and the Invest Program are the same as the value of the pools's shares.

Since these investments have maturities that are less than three months, these amounts are classified as cash equivalents on the Statement of Net Position which is pursuant to the County's accounting policy. An oversight committee headed by the Pennsylvania State Treasurer monitors the overall effectiveness of the Invest Program. PLGIT's Board of Trustees and its participants annually select an independent auditing firm to perform a financial audit of the Trust. The pools are composed of a diversified portfolio of short-term securities, repurchase agreements and certificates of deposit collateralized with U.S. Treasury securities, and obligations of the U.S. Government. The credit quality rating for PLGIT and the Invest Program were "AAA" according to Standard and Poor's.

#### **Restricted Investments**

Restricted investments are comprised of United States Treasury Obligations amounting to approximately \$6.6 million as of December 31, 2015. These investments are restricted and to be used for debt service related to Bonds issued where the proceeds were used for Friendship Ridge, the County's former long-term care facility which was disposed of in 2014. The weighted average to maturity of these investments is 3.12 years.

#### **Pension Trust Fund Investments**

The County has a policy in place to define the types and the mix of investments that are commensurate with the goals of the Pension Trust Fund. The policy applies certain limitations on the amounts of domestic equities, international equities, fixed income investments, and cash equivalents that the fund may hold at any one time. All assets of the County's Pension Trust Fund, except for its interest in the collective trusts and certain debt and equity securities, were either insured or collateralized with assets held in the custodian's trust department.

#### **Restricted Cash**

Restricted cash in the General Fund is restricted for human services.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE C - CASH DEPOSITS AND INVESTMENTS – (Continued)

#### **Pension Trust Fund Investments** ó Continued

Credit risk is the risk that investments may not be recovered from the counterparty due to bankruptcy, theft, or other occurrences. To mitigate this risk, the Beaver County Pension Trust Fund Investment Policy limits an investment in common stock in any one corporation to 5% of the total portfolio. For corporate bonds, the County's policy requires that bonds be rated at least "BBB" by the Standard and Poor's bond rating system.

Foreign currency risk is the risk that investments may lose value due to fluctuation of foreign currency exchange rates. All foreign equity investments are pooled investments managed by a single counterparty. As a result of the pooling of investments, the Pension Trust Fund does not own foreign securities but rather shares of the pooled investment fund.

#### **Securities Lending Transactions**

The County's pension investment policy allows the County's Pension Trust Fund to enter into security lending agreements with eligible borrowers. During 2015, the Pension Trust Fund, through the use of a security lending agent, engaged in several security lending transactions. All securities held by the pension trust fund, except those specifically identified by the County, are available for these loans. The fair value and carrying value of the securities on loan at December 31, 2015, is approximately \$19.8 million, which is almost entirely comprised of common stock.

Collateral on outstanding loans is calculated daily and equals 102% or 105% of the fair value of the securities on loan. Collateral can be accessed in the event the borrower is unable to repay the loan at maturity. The County has and exercises its ability to invest cash collected as collateral in certain investment accounts to enhance earnings. At December 31, 2015, the County had approximately \$19.8 million of common stock on loan to various borrowers. The County collected collateral of approximately \$20.2 million consisting entirely of cash which was subsequently deposited into a short term investment account in order to ensure that maturity of these investments match the maturities of the loans outstanding.

At December 31, 2015, the amount of collateral on hand exceeded the value of the securities on loan. The County has not recorded any losses resulting from default during the year ended December 31, 2015.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE C - CASH DEPOSITS AND INVESTMENTS – (Continued)

#### Pension Trust Fund Investments ó Continued

Custodial credit risk is that risk that, in the event of a failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the County's collateral holdings are exposed to custodial credit risk.

Credit risk is the risk that investments may not be recovered from the counterparty due to bankruptcy, theft, or other occurrences. To mitigate this risk, the Pension Trust Fund securities lending policy requires between 102% - 105% of market value to be held as collateral for each security lent. As of December 31, 2015, the Fund is not exposed to credit risk since the value of collateral exceeds the value of the securities on loan for every loan outstanding.

As of December 31, 2015, the Pension Trust Fund's investments and cash deposits consisted of:

<u>Investments</u>	
Common and Preferred Stocks	\$ 159,604,615
Interest in Collective Trust	29,050,661
Bonds and Notes:	
U.S. Government Notes	19,923,256
U.S. Government Agency Bonds	3,441,126
U.S. Government Mortgage Backed Securities	4,461,104
Municipal Bonds	201,098
Corporate Bonds	25,758,701
Registered Investment Company Securities	14,406,516
Certificates of Deposit	4,488,195
Interest in Limited Partnership	6,256,002
Other Debt Securities	4,945,371
Total Investments	<u>272,536,645</u>
Cash Deposits	11,100,687
Cash Deposits held as Collateral	20,199,187
Total Cash Deposits and Investments	<u>\$ 303,836,519</u>



# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE C - CASH DEPOSITS AND INVESTMENTS – (Continued)

#### Pension Trust Fund Investments – Continued

The bond ratings given to corporate bonds, except those explicitly guaranteed by the United States government and mortgage backed securities, whose credit ratings are not available, as determined by the Standard and Poor’s bond rating system along with the amount invested by the Pension Trust Fund at December 31, 2015, are as follows:

<b>TOTALS</b>	
<u>S&amp;P Rating</u>	<u>Market Value</u>
AAA	\$ 444,802
AA+	4,081,447
AA	588,449
AA-	878,533
A+	1,620,415
A	3,785,098
A-	5,206,710
BBB+	8,844,811
BBB	1,270,446
BBB-	1,892,835
BB	255,000
Unrated Securities	<u>4,993,485</u>
Total	<u>\$ 33,862,031</u>

#### Component Unit - BCTA

BCTA is authorized under State statutes to invest in:

- I. Obligations of the U.S. Treasury.
- II. Short-term obligations of the U.S. Government and federal agencies.
- III. Insured savings and checking accounts and certificates of deposit in banks, savings and loan associations and credit unions.
- IV. General obligation bonds of the federal government, the Commonwealth of Pennsylvania or any political subdivision of the Commonwealth of Pennsylvania, or any of their agencies.
- V. Shares of mutual funds whose investments are restricted to the above categories.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE C - CASH DEPOSITS AND INVESTMENTS – (Continued)**

**Component Unit – BCTA – Continued**

At June 30, 2015, BCTA’s cash and cash equivalents had a bank balance of \$3,357,945 and a book balance of \$3,220,369. The difference between the bank balance and the book balance represents year-end reconciling items such as deposits in transit and outstanding checks. The Federal Deposit Insurance Corporation (FDIC) coverage threshold for government accounts is \$250,000 per official custodian. This coverage includes checking and savings accounts, money market deposit accounts, and certificates of deposit.

Custodial credit risk is the risk that, in the event of a bank failure, BCTA’s deposits may not be returned. BCTA does not have a formal policy for custodial credit risk. As of June 30, 2015, \$2,607,945 of BCTA’s bank balance is exposed to custodial credit risk as this amount represents uninsured deposits collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in BCTA’s name.

At June 30, 2015, the cash deposits of BCTA consisted of:

Cash - FDIC Insured	
Huntington Bank	\$ 250,000
ESB Bank	250,000
First National Bank	250,000
Collateralized by securities pledged to a pooled public funds account with the Federal Reserve System	2,607,945
	<u>\$ 3,357,945</u>

These deposits are in accordance with Act Number 72-1971 Session of the Commonwealth of Pennsylvania.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE C - CASH DEPOSITS AND INVESTMENTS – (Continued)

#### Component Unit – CCBC

The Public School Code Section 440.1 authorizes CCBC to invest in:

- I. Obligations of the U.S. Treasury.
- II. Deposits in savings accounts, time deposits and share accounts of institutions insured by FDIC, Federal Savings & Loan Insurance Corporation, and National Credit Union Share Insurance Fund.
- III. Obligations of the United States, Pennsylvania, or any political subdivision of Pennsylvania, or any of their agencies or instrumentalities backed by the full faith and credit of these governmental units.
- IV. Shares of an investment company, registered under the Investment Company Act of 1940, are registered un the Securities Act of 1933.

Investments of the CCBC Foundation include equity, fixed, and mutual funds and money market funds held by the First National Wealth Management. Investments are stated at fair value.

At June 30, 2015, CCBC's cash and cash equivalents had a bank balance of \$2,312,659 and a book balance of \$1,800,508. The difference between the bank balance and the book balance represents year-end reconciling items such as deposits in transit and outstanding checks. The Federal Deposit Insurance Corporation (FDIC) coverage threshold for government accounts is \$250,000 per official custodian. This coverage includes checking and savings accounts, money market deposit accounts, and certificates of deposit.

CCBC does not have a formal policy for custodial credit risk. As of June 30, 2015, \$1,812,659 of CCBC's bank balance total is exposed to custodial credit risk as this amount represents uninsured deposits collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in CCBC's name.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

**NOTE C - CASH DEPOSITS AND INVESTMENTS – (Continued)**

**Component Unit – CCBC - Continued**

At June 30, 2015, the cash deposits of CCBC consisted of:

Cash - FDIC Insured	\$	250,000
Cash - CCBC Foundation - FDIC Insured		250,000
Collateralized by securities pledged to a pooled public funds account with the Federal Reserve System		1,812,659

These deposits are in accordance with Act Number 72-1971 Session of the Commonwealth of Pennsylvania.

CCBC’s investments at June 30, 2015 totaled \$704,901 and they were held by the CCBC Foundation.

**NOTE D – RECEIVABLES AND PAYABLES**

Receivables at December 31, 2015 were as follows:

	<u>Accounts Receivable</u>	<u>Taxes</u>	<u>Due From Other Governments</u>	<u>Other</u>	<u>Total Receivables</u>
Governmental Activities					
General Fund	\$ -	\$ 7,748,352	\$ 564,543	\$ 1,667,997	\$ 9,980,892
MH/ID	-	-	7,233,946	60,281	7,294,227
Children & Youth	-	-	6,432,321	2,801	6,435,122
Community Development	-	-	851,710	47,872	899,582
HealthChoices	-	-	275,544	28	275,572
Non-major Governmental Funds	-	-	3,062,296	942,293	4,004,589
	-	7,748,352	18,420,360	2,721,272	28,889,984
Allowance for Doubtful Accounts	-	(3,769,550)	-	-	(3,769,550)
Total - Governmental Activities	<u>\$ -</u>	<u>\$ 3,978,802</u>	<u>\$ 18,420,360</u>	<u>\$ 2,721,272</u>	<u>\$ 25,120,434</u>
Component Units					
BCTA	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,129,712</u>	<u>\$ 37,815</u>	<u>\$ 5,167,527</u>
CCBC	<u>\$ 523,127</u>	<u>\$ -</u>	<u>\$ 352,522</u>	<u>\$ 100,541</u>	<u>\$ 976,190</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

**NOTE E - INTERFUND BALANCES AND TRANSFERS – (Continued)**

Payables at December 31, 2015, consisted of amounts due to vendors, program providers, and grantees for goods, services, and grant-related obligations.

**Interfund Balances**

The County reports interfund balances among all of its funds. The balances for non-major governmental funds and proprietary funds are aggregated into a single column or row. The composition of interfund balances as of December 31, 2015, is as follows:

		Interfund Payable							
		General	Children &		Community	Health	Non-Major	Internal	Total
		Fund	Youth	MH/ID	Development	Choices	Governmental	Service	Assets
Interfund Receivable	General Fund	\$ -	\$ 460,604	\$ 923,884	\$ 239,630	\$ 114,788	\$ 1,965,903	\$ 3,967,016	\$ 7,671,825
	MH/ID	-	-	-	-	-	2,821	-	2,821
	Non-Major Governmental	191,651	-	-	-	-	-	-	191,651
	HealthChoices	-	-	805,891	-	-	-	-	805,891
	Internal Service Funds	-	67,798	67,765	9,000	6,834	59,899	-	211,296
	<b>Total Liabilities</b>	<b>\$ 191,651</b>	<b>\$ 528,402</b>	<b>\$ 1,797,540</b>	<b>\$ 248,630</b>	<b>\$ 121,622</b>	<b>\$ 2,028,623</b>	<b>\$ 3,967,016</b>	<b>\$ 8,883,484</b>

The following is a summary of the interfund payables and receivables outstanding at December 31, 2015:

- The General Fund’s balance due to the Non-Major Governmental Funds consists of the Driving Under the Influence Program’s revenue in excess of expenditures due to the Courtroom Improvement Fund and a loan from the Capital Bonds Fund for capital expenditures.
- Children & Youth’s balance due to the General Fund consists of the net of disbursements due for accounts payable, payroll and annual required contribution reimbursement.
- MHID’s balance due to the General Fund consists of the net of disbursements due for payroll, indirect cost allocation, and annual required contribution reimbursement.
- MHID’s balance due to HealthChoices is related to a loan during the State budget impasse.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE E - INTERFUND BALANCES AND TRANSFERS – (Continued)

#### Interfund Balances – Continued

- Community Development's balance due to the General Fund consists of the net of disbursements due for accounts payable, payroll, indirect cost allocation, and annual required contribution reimbursement.
- HealthChoices' balance due to the General Fund consists of the net of disbursements due for accounts payable, indirect cost allocation, and annual required contribution reimbursement.
- Non-Major Governmental Funds' balances due to MH/ID is the result of a deposit received by the Victim Witness Fund that belongs to MH/ID.
- Non-Major Governmental Funds' balances due to the General Fund consist of the net of disbursements due from EMS and Hazardous Materials, accounts payable, payroll, postage, external audit fee, indirect cost allocations, and annual required contribution reimbursement.
- The Internal Service Fund's balance due to the General Fund consists of a loan due when charges for employee health care services and workers' compensation are sufficient to cover the cost of services provided.
- Children & Youth, MH/ID, Community Development, HealthChoices, and Non-Major Governmental amounts due to the Internal Service Fund is due to retroactively adjusting the healthcare charge per employee.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

DECEMBER 31, 2015 AND JUNE 30, 2015

**NOTE E - INTERFUND BALANCES AND TRANSFERS – (Continued)**

**Interfund Transfers**

Interfund transfers for the year ended December 31, 2015, consisted of the following:

		Transfer From		
		General	Non-Major	
		Fund	Governmental	Total
Transfer To	General Fund	\$ -	\$ 590,000	\$ 590,000
	Children & Youth	1,818,401	-	1,818,401
	MH/ID	727,255	-	727,255
	Non-Major Governmental	907,493	-	907,493
	Total Liabilities	<u>\$ 3,453,149</u>	<u>\$ 590,000</u>	<u>\$ 4,043,149</u>

The following is a summary of transfers that occurred during the year ended December 31, 2015:

- The transfers from the General Fund to Children & Youth and MH/ID are for County Match obligations.
- The transfer from the County’s General Fund to the Non-Major Governmental Funds consists of the excess of revenues over expenditures in the Driving Under the Influence Program for the current year that are placed in the Courtroom Improvement Fund, as well as transfers to Domestic Relations and the Office on Aging for purposes of meeting County Match obligations.
- The transfer from Non-Major Governmental Funds to the County’s General Fund consists of the Offender’s Supervisory Fund transferring funds to Adult Probation as aid in funding various eligible expenditures.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE F - LAND, BUILDINGS, IMPROVEMENTS AND EQUIPMENT**

During 1996, the County contracted with an appraisal company to provide a detailed capital asset listing that included acquisition cost and acquisition year. The dates of acquisition and acquisition costs were either furnished by the County or estimated using reverse-trending techniques applied against the estimate of current replacement cost. The actual or estimated historical cost determined by the appraisal and transactions that occurred subsequent to the appraisal are reported in the government-wide Statement of Net Position.

Depreciation and amortization was charged to functions as follows:

Governmental Activities	
General Government	\$ 1,588,510
Judicial	300,684
Public Safety	1,734,303
Public Works and Enterprises	1,365,668
Curlutre, Recreation and Conservation	360,136
Human Services	242,596
Economic Development	5,549
Total	<u>\$ 5,597,446</u>

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

### NOTE F - LAND, BUILDINGS, IMPROVEMENTS AND EQUIPMENT – (Continued)

The following is a summary of changes in capital assets for Governmental Activities during 2015:

	Balance at January 1, 2015	Additions	Disposals & Transfers	Balance at December 31, 2015
Not being Depreciated:				
Land	\$ 1,757,554	\$ -	\$ -	\$ 1,757,554
Construction in Progress	195,663	261,429	-	457,092
	<u>1,953,217</u>	<u>261,429</u>	<u>-</u>	<u>2,214,646</u>
Other Capital Assets:				
Buildings and Improvements	86,539,266	1,955,219	(5,365)	88,489,120
Vehicles	4,518,774	512,527	(83,531)	4,947,770
Furniture and Equipment	23,156,187	969,037	(2,699,465)	21,425,759
Infrastructure	66,950,889	870,694	-	67,821,583
	<u>181,165,116</u>	<u>4,307,477</u>	<u>(2,788,361)</u>	<u>182,684,232</u>
Accumulated Depreciation:				
Buildings and Improvements	(34,458,915)	(2,141,785)	2,355	(36,598,345)
Vehicles	(2,938,351)	(566,837)	83,531	(3,421,657)
Furniture and Equipment	(16,064,035)	(1,542,107)	2,343,855	(15,262,287)
Infrastructure	(13,334,639)	(1,346,717)	-	(14,681,356)
	<u>(66,795,940)</u>	<u>(5,597,446)</u>	<u>2,429,741</u>	<u>(69,963,645)</u>
Net Other Capital Assets	<u>114,369,176</u>	<u>(1,289,969)</u>	<u>(358,620)</u>	<u>112,720,587</u>
Net Capital Assets	<u>\$ 116,322,393</u>	<u>\$ (1,028,540)</u>	<u>\$ (358,620)</u>	<u>\$ 114,935,233</u>

The above assets as of December 31, 2015, include \$18,311,443 relating to capitalized leases and \$7,082,541 of associated accumulated amortization.

Capital assets' additions displayed above include donated assets amounting to \$90,222. Capital asset's additions displayed above include assets found through physical inspection amounting to \$6,142, and other changes amounting to \$187,150. These assets are not included as expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

DECEMBER 31, 2015 AND JUNE 30, 2015

**NOTE F - LAND, BUILDINGS, IMPROVEMENTS AND EQUIPMENT – (Continued)**

**Component Unit- BCTA**

The following is a summary of BCTA’s property accounts as of June 30, 2015:

		<u>Estimated Useful Lives</u>
Land	\$ 3,573,967	N/A
Construction in Progress	1,074,930	N/A
Buildings and Improvements	17,124,667	30
Tangible Transit Operating Property	12,119,100	5-12
Other Property - MATP	60,810	4-5
Furniture and Equipment	<u>1,537,911</u>	4-5
	35,491,385	
Less Accumulated Depreciation	<u>(16,793,123)</u>	
	<u>\$ 18,698,262</u>	

Depreciation expense for the year ended June 30, 2015, amounted to \$1,527,343.

**Component Unit - CCBC**

The following is a summary of CCBC’s property accounts as of June 30, 2015:

		<u>Estimated Useful Lives</u>
Land	\$ 204,425	N/A
Land Improvements	747,863	20
Buildings and Improvements	46,712,220	25-50
Vehicles	251,942	8-10
Furniture and Equipment	<u>12,000,620</u>	5-20
	59,917,070	
Less Accumulated Depreciation	<u>(28,290,862)</u>	
	<u>\$ 31,626,208</u>	

Depreciation expense for the year ended June 30, 2015 amounted to \$1,716,437.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE G - EMPLOYEE RETIREMENT PLAN

#### 1. Summary of Significant Accounting Policies

##### Pensions

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Beaver County Employees' Pension Plan (the Plan), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

##### 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. By contract, an independent appraisal is obtained once every year to determine the fair market value of real estate assets.

#### 2. Plan Description

The County sponsors the Plan, a single-employer, defined benefit pension plan covering substantially all of its employees. The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Administration of the Plan is provided by the Beaver County Employees' Retirement Board (Retirement Board), consisting of the Board of County Commissioners, the County Controller, and the County Treasurer. Most administrative costs are incurred and paid by the Plan.

The Plan is established, administered, and funded under the authority of the "County Pension Law," Act 96 of 1971, as amended, enacted by the General Assembly of the Commonwealth of Pennsylvania. The Plan has no authority to establish or amend benefit terms with the exception of granting cost-of-living modifications and adjusting the rate of regular interest on member contribution accounts. The pension 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. There is no stand-alone financial report of the Plan and the Retirement Board does not issue a public report including the Plan.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)**

**3. Benefits Provided**

The Plan provides pension benefits for normal retirement at age sixty or at age fifty-five with twenty or more years of completed service. This is based on a formula including final average salary and years of credited service, in addition to the member's accumulated contribution to the Plan and interest earnings thereon. Early retirement is available at an earlier age as specified by the Plan. Members become vested after five years of service. 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 final average salary at the time of retirement. Death benefits for a member who dies with 10 years of service prior to retirement is the total present value of the member's retirement paid in a lump sum. A plan member who leaves the County service with less than 5 years of service may withdraw his or her contributions, plus accumulated interest.

On an ad hoc basis, cost-of-living adjustments to each member's allowance shall be reviewed at least once in every three years subsequent to the member's retirement date. The adjustment, should the County elect to give one, is a percentage of the change in the Consumer Price Index.

**4. Employees Covered by Benefit Terms**

As of January 1, 2016, the date of the last available actuarial report, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	1,200
Inactive plan members not yet receiving benefits	192
Active plan participants:	794
	<u>2,186</u>

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)**

#### **5. Contributions**

Members of the Plan are required to contribute no less than 9% and no more than 19% of their earnings while employed by the County. All full-time and part-time employees expected to complete 1,000 hours of service in a twelve-month period when employed are required to participate in the Plan.

The Plan funding policy provides for periodic employer contributions at actuarially determined rates that are necessary to accumulate sufficient assets to pay benefits when due. The annual pension cost for 2015 was determined as part of an actuarial valuation as of January 1, 2015, using the entry age method.

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. However, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In December 2005, the County issued the Federally Taxable General Obligation Pension Bond, Series of 2005, and in July 2009, the County issued the Federally Taxable General Obligation Pension Bonds, Series of 2009 (see Note J), to reduce volatility of future pension contributions. Because of this, the County carries an asset on its balance sheet equal to the actuarially determined remaining benefit of these proceeds.

An actuarially determined contribution is recommended by the plan 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 an unfunded accrued liability. For the 2015 measurement period, the active member contribution rate was 9.0 percent of annual pay, and the County average rate was 3.02 percent of annual payroll.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)

#### 6. Net Pension Liability (NPL)

The County's net pension liability (asset) was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016.

The following are the components of the Plan's net pension liability (asset) and their balances as of December 31, 2015:

Total Pension Liability	\$ 291,961,930
Plan Fiduciary Net Position	283,860,317
Net Pension Liability (Asset)	<u>\$ 8,101,613</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	<u>97.23%</u>

#### Actuarial Assumptions

The total pension liability was determined by an actuarial valuation for the 2015 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	7.50 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2013 Annuitant and Non-Annuitant Mortality Tables for Males and Females with no projected improvement.

The actuarial assumptions used in the valuation for the 2015 measurement period were based on past experience under the plan and reasonable future expectation which represent the best estimate of anticipated experience under the plan. An experience study has not been performed in the last five years.

There were no changes in actuarial assumptions in connection with the January 1, 2015 actuarial evaluation.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE G – EMPLOYEE RETIREMENT PLAN – (Continued)

#### 7. Long Term Expected Rate of Return

The long-term expected rate of return on pension 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 pension 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 pension plan's target asset allocation for the 2015 measurement period are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Range</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	50%	+/-10%	5.4 - 6.4%
International Equity	10%	+/-10%	5.5 - 6.5%
Fixed Income	28%	+/-10%	1.3 - 3.3%
Real Estate	12%	+/-5%	4.5 - 5.5%
Cash	0%	+3%	0.0 - 1.0%

#### 8. Discount Rate

The discount rate used to measure the total pension liability was 7.5%. 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. Based on those assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (i.e., no depletion date is projected to occur).

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

### NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)

#### 9. Changes in the Net Pension Liability

	Increase / (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liabilit (Asset) (a) - (b)
<b>Balances at 12/31/2014</b>	\$ 287,200,704	\$ 294,855,370	\$ (7,654,666)
<b>Changes for the year:</b>			
Service cost	1,906,785	-	1,906,785
Interest	19,872,317	-	19,872,317
Differences between expected and actual experience	(185,905)	-	(185,905)
Contributions - employer	-	1,162,800	(1,162,800)
Contributions - employee	-	3,345,109	(3,345,109)
Net investment income	-	1,558,215	(1,558,215)
Benefit payments, including refunds of employee contributions	(16,831,971)	(16,831,971)	-
Administrative expense	-	(229,206)	229,206
Other changes	-	-	-
<b>Net changes</b>	<u>4,761,226</u>	<u>(10,995,053)</u>	<u>15,756,279</u>
<b>Balances at 12/31/2015</b>	<u>\$ 291,961,930</u>	<u>\$ 283,860,317</u>	<u>\$ 8,101,613</u>

#### 10. Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the County calculated using the discount rate, as well as what the County's net pension liability (asset) would be if they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rates:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
	County's Net Pension Liability (Asset)	\$ 25,823,271	\$ 8,101,613

**COUNTY OF BEAVER, PENNSYLVANIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)**

**11. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Retirement Board report. A copy of the report may be obtained by writing to:

Beaver County Employees’ Retirement Board  
 Beaver Courthouse  
 810 Third St  
 Beaver, PA 15009-2196

**12. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2015, the County recognized pension expense of \$1,896,098 and reported deferred outflows of resources and deferred inflows of resources for pension related activities from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 154,920
Net difference between projected and actual earnings on pension plan investments	<u>15,177,901</u>	<u>-</u>
Total	<u>\$ 15,177,901</u>	<u>\$ 154,920</u>

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

Year ended December 31:

2016	\$	3,763,491
2017		3,763,491
2018		3,763,491
2019		3,763,491
2020		(30,983)

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)**

#### **13. Payable to the Pension Plan**

The County had no outstanding amount of contributions to the pension plan required for the year ended December 31, 2015.

#### **14. Reserves**

Under Act 96 of 1971, the Plan is required to maintain the following reserves:

**Member Annuity Reserve Account:** This reserve represents the total contributions deducted from the salaries of the active and terminated vested members of the retirement system together with accumulated interest additions. At January 1, 2016, the balance in this account was \$68,780,000 and it was fully funded.

**County Annuity Reserve Account:** This account represents the reserves set aside for the payment of the County's share of the retirement allowances. When a retirement annuity is scheduled to commence, sufficient monies are transferred from the County Annuity Reserve Account to the Retired Members' Reserve Account to provide for such an annuity. As of January 1, 2016, the balance in this account was \$34,889,640.

**Retired Members' Reserve Account:** This is the account from which monthly retirement allowances, including cost-of-living increases and death benefits, are paid. As of January 1, 2016, the balance in this account amounted to a fully funded \$126,457,684.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)

#### Component Unit - CCBC

CCBC participates in a cost sharing defined benefit multiple-employer Public School Employees' Retirement System (PSERS) established under and administered by the authority of the Public School Employees' Retirement Code Act No. 96 of October 2, 1975, as amended (24 Pa. C.S. 8101-8535). PSERS is a component unit of the Commonwealth of Pennsylvania. A brief summary of the plan's provisions are as follows:

**Pension Benefits** - Eligible participants are entitled to a normal retirement allowance totaling 2.5% of the participants' final average compensation, as defined, multiplied by the number of years of credited service. The defined benefit for a participant leaving employment before attaining retirement age but completing five years is vested and early retirement benefits may be elected. The plan provides for retirement, death and disability benefits, legislatively mandated ad hoc cost-of-living adjustments, and healthcare insurance premium assistance to qualifying annuitants.

**Retirement Age** - Participants may retire with normal benefits at age sixty-two, age sixty with thirty or more years of service, or with thirty-five years of service regardless of age.

**Death Benefits** - When a participant dies in active service after attaining age sixty-two or ten years of service, the beneficiary is entitled to a death benefit equal to the benefit which would have been effective if the member retired on the day before death.

**Disability Benefits** - A participant who becomes disabled after completing five years of credited service is eligible for an annuity totaling 2.5% of the final average salary, as defined, multiplied by the number of years of credited service, but not less than one-third of such salary, nor greater than the benefit the member would have had at normal retirement age.

The employer and employee obligations to contribute are established by authority of the aforementioned Public School Employees' Retirement Code and require contributions by active members, participating employers, and the Commonwealth.

Contributions required of employers are based upon an actuarial valuation. For the fiscal year ended June 30, 2015, the rate of employer contribution was 21.4% of covered payroll. This rate is comprised of a 0.90% rate for health insurance premium assistance and a pension contribution rate of 20.50%.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE G - EMPLOYEE RETIREMENT PLAN - (Continued)**

#### **Component Unit – CCBC – Continued**

Pension expense for CCBC for the year ended June 30, 2015, totaled \$148,208 based on a total covered payroll of \$1,395,000. Active members who joined the System prior to July 22, 1983, contribute at 5.25% (Member Class TC) or at 6.5% (Member Class TD) of the member's qualifying compensation. Members who joined the System on or after July 22, 1983, and who were active or inactive as of July 1, 2001, contribute at 6.25% (Member Class TC) or at 7.5% (Member Class TD) of the member's qualifying compensation. Members who joined the System after June 30, 2001, contribute at 7.5% (automatic Member Class TD). For all new hires and for members who elected Class TD membership, the higher contribution rates began with service rendered on or after January 1, 2002. Members who joined the System after June 30, 2011, contribute at 7.5% (Member Class TE) or at 10.3% (Member Class TF). CCBC employees contributed \$101,992 to the PSERS for the year ended June 30, 2015.

The PSERS issues a comprehensive annual financial report that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained by writing to Diane J. Wert, Office of Financial Management and Budget, Public School Employees' Retirement System, P.O. Box 125, Harrisburg, PA 17108-0125.

This publication is also available on the PSERS website at:  
<http://www.psers.state.pa.us/publications/general/cafr.htm>.

CCBC adopted GASB Statement No. 68 "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71 "*Pension Transition for Contributions Made Subsequent to the Measurement Date*". These statements revise and establishes reporting requirements for most governments that provide employees with pensions. The adoption of these statements necessitated an adjustment to January 1, 2015, net position. Ending net position for December 31, 2014, was previously reported as \$7,059,778. The adjustment of \$2,248,535, gives the County a restated net position of \$4,811,243.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE H - DEFERRED COMPENSATION PLAN**

The County offers its employees a deferred compensation plan established in accordance with Internal Revenue Code Section 457. The Beaver County, PA Deferred Compensation Plan No. 638001 (the Plan), a single employer defined contribution plan, is available to substantially all County employees, and it enables them to defer a portion of their compensation for purposes of retirement savings. The Plan's administrator is Rivers Edge and for the year ended December 31, 2015, total employee contributions amounted to \$378,539. There were no employer contributions for this same period. Participation in the Plan is optional. The deferred compensation is not available for withdrawal until termination, retirement, death or an unforeseeable emergency. During 1997, the County placed all assets of the Plan in a custodial account. As a result, and in accordance with GASB Statement No. 32, the Plan's assets have been removed from the County's Agency Fund.

#### **Component Unit – BCTA**

BCTA maintains two Simplified Employees' Pension Plans, a type of single-employer defined contribution plan, for salaried and hourly employees. BCTA is the plans' administrator and it agrees to contribute annually a percentage of the participants' salaries, but not exceeding the federally mandated maximum for such plans. All full-time employees who earn at least \$450 in any three of the last five calendar years are eligible to participate in the plans. Participants are not required to contribute to the plans. BCTA's contributions amounted to approximately \$128,560 for the year ended June 30, 2014.

#### **Component Unit - CCBC**

CCBC established a Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA-CREF), under Section 403 (b) of the Internal Revenue Code, for eligible employees. This TIAA-CREF is a single-employer defined contribution plan administered by CCBC. Under the plan, individual contracts are entered into for covered employees. Employees are fully vested, and the contract fully funded, in accordance with the terms of the contract. Employee contributions are 5% of covered compensation. Employer contributions vary according to compensation levels and the employees' position at CCBC. During the year ended June 30, 2015, CCBC contributed \$727,995 to this retirement plan.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE I – SHORT-TERM DEBT

On January 2, 2015, the County entered into a Tax and Revenue Anticipation Note (“TRAN”) with a financial institution for the purpose of meeting current expenditures ahead of expected revenues. The note provided for borrowings of \$5 million bearing interest at 1.20%. On November 19, 2015, the County entered into an additional TRAN to borrow \$7 million from a financial institution for the purpose of short-term financing needs.

Beginning Balance at January 1, 2015	Borrowings	Repayments	Interest Accrued	Ending Balance at December 31, 2015
-	12,000,000	(2,500,000)	45,995	9,545,995

The County issued checks on December 29, 2015, amounting to \$9,545,994.87, payable to Huntington Public Cap Corp to pay the then outstanding balance of the TRAN issued during 2015, as shown above. At December 31, 2015, the checks issued were in excess of the funds available in the bank account by approximately \$8.3 million. On January 4, 2016, the County and Huntington National Bank entered into the 2016 TRAN in the amount of \$13 million, which was wired into a County bank account used in conjunction with the bank account used to draw checks, mentioned above.

Management believes that it is not probable that the ultimate outcome of any possible uncertainties surrounding these transactions will have a negative impact on the County’s financial position.

#### **Component Unit - BCTA**

BCTA maintains two \$500,000 demand lines of credit with a financial institution. One credit facility is restricted to purposes of the Medical Assistance Transportation Program. The terms of the agreements call for interest to be charged based on a percentage of prime rate on any outstanding balance. There are no outstanding balances as of June 30, 2015.

#### **Component Unit - CCBC**

On August 21, 2009, CCBC entered into a working capital line of credit note for \$1,500,000. The terms of the note call for a per annum rate of interest equal to the London Interbank Offering Rate plus 150 basis points. The general revenues of CCBC serve as collateral on this note. There is no outstanding balance on this line of credit as of June 30, 2015.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

### NOTE J - LONG-TERM LIABILITIES

The following summarizes the long-term debt activity for the year ended December 31, 2015:

	Interest Rate	Issued	Maturity	Balance January 1, 2015	Additions	Reductions	Balance December 31, 2015	Due Within One Year
<u>Governmental Activities</u>								
General Obligation Bonds								
Series of 2009 Notes	2.50-5.55	02/12/2009	11/15/2031	\$ 65,065,000	\$ -	\$ (1,885,000)	\$ 63,180,000	\$ -
				<u>65,065,000</u>	<u>-</u>	<u>(1,885,000)</u>	<u>63,180,000</u>	<u>-</u>
Other General Long-Term Liabilities								
Pension Bond of 2005	4.75-5.65	12/22/2005	12/15/2030	11,065,000	-	(450,000)	10,615,000	-
PFA Series A of 2005	3.75-5.60	05/27/2005	10/01/2029	2,440,000	-	(110,000)	2,330,000	15,000
Pension Bond of 2009	3.86-6.50	07/08/2009	05/15/2032	19,035,000	-	(25,000)	19,010,000	-
DCED GOB	1.00	08/01/2011	07/01/2021	39,129	-	(5,770)	33,359	5,827
PFA Series of 2012	2.00-4.00	10/01/2012	10/01/2031	5,160,001	-	(1,790,000)	3,370,001	450,000
PFA Series of 2013	0.70-2.60	05/15/2013	11/15/2024	9,970,000	-	(375,000)	9,595,000	870,000
				<u>47,709,130</u>	<u>-</u>	<u>(2,755,770)</u>	<u>44,953,360</u>	<u>1,340,827</u>
Discount				(1,307,123)	-	85,419	(1,221,704)	-
Total Governmental Activities				<u>\$ 111,467,007</u>	<u>\$ -</u>	<u>\$ (4,555,351)</u>	<u>\$ 106,911,656</u>	<u>\$ 1,340,827</u>

The County issued new debt in May 2016 that refinanced several of the above listed debts thereby reducing their short-term liability that was due within one year to \$1,340,827. The chart appearing later in this note regarding future payments has also been updated to reflect the payment schedules following the issuance of this new debt.

The following is a brief description of the outstanding debt issues of the County:

#### Governmental

##### *Series of 2009 Notes*

In 1997, the County issued \$61,060,000 of General Obligation Bonds, Series of 1997 (the 1997 Bonds), for the purpose of refunding the General Obligation Bonds, Series of 1996. On November 1, 2007, the County issued \$59,200,000 in General Obligation Bonds, Series B of 2007 (the 2007 Bonds), which were used to defease the then remaining balance of the 1997 Bonds. The amount of debt refinanced and considered defeased as a result of this issuance was \$58,125,000. The interest on these bonds was variable and paid monthly as determined by a third party with the purpose of aligning the bonds' interest rate to market conditions. All of the 1997 Bonds previously defeased have been redeemed on or prior to December 31, 2012.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE J - LONG-TERM LIABILITIES – (Continued)**

On February 12, 2009, the County issued \$72,685,000, of General Obligation Notes, Series of 2009 at a discount of \$1,117,031, for the purpose of refunding the 2007 Bonds, terminating the 2006 Swap Agreement, and to finance various capital projects. From the proceeds of the issuance, approximately \$58.7 million was for the refunding of the 2007 Bonds, \$6.9 million was for the termination of the Swap Agreement, and \$4.8 million was for capital projects of the County. Interest is payable in semi-annual payments ranging in rates from 2.50% to 5.55%. Mandatory bond sinking fund payments, from \$600,000 to \$8,150,000 installments, take effect in 2010 and continue through bond maturity on November 15, 2031. This debt issue was shared with Friendship Ridge. As of December 31, 2014, all of the defeased 2007 Bonds have been redeemed.

#### *Pension Bond of 2005*

On December 22, 2005, the County issued \$13,675,000 of Federally Taxable General Obligation Pension Bonds, Series of 2005, with the intent of reducing volatility in annual required contributions to the County's retirement system. The proceeds of these bonds, net of issuance costs and discounts, were contributed to the County retirement system's trust fund. Interest is payable semi-annually in a range of rates between 4.75% and 5.65% per annum. Principal matures in installments starting in 2007 and throughout 2030. Principal payments range from \$320,000 to \$1,005,000. Mandatory bond sinking fund requirements take place for principal maturities after December 25, 2015.

#### *PFA Series A of 2005*

The County entered into a loan agreement with the PFA on May 27, 2005, in the amount of \$3,240,000. The majority of these proceeds were granted to a local performing arts center for construction purposes. The County's payments under this loan agreement equal the debt service requirements on the PFA's Federal Taxable Guaranteed Revenue Bonds, Series A of 2005, of which the County is a guarantor. The annual interest rates range from 3.75% through 5.60%. Mandatory bond sinking fund requirements for certain principal redemptions take effect starting in 2008. Effective October 1, 2015, and thereafter, the County has the right to extinguish any or all debt outstanding through this loan agreement with the PFA.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE J - LONG-TERM LIABILITIES – (Continued)**

#### *Pension Bond of 2009*

On July 8, 2009, the County issued \$19,135,000 of Federally Taxable General Obligation Pension Bonds, Series of 2009, at a discount of \$622,028, with the intent of reducing volatility in annual required contributions to the County's retirement system. The proceeds of these bonds, net of issuance costs and discounts, were contributed to the County retirement system's trust fund. The County allocated one half of this obligation to its governmental activities and the other half to Friendship Ridge. Interest is payable semi-annually in a range of rates between 3.86% and 6.50% per year. Mandatory bond sinking fund payments, ranging from \$5,000 to \$10,825,000, take effect in 2010 and continue through bond maturity on November 15, 2032.

#### *DCED General Obligation Note*

The County entered into a loan agreement as the maker of a general obligation note with the Commonwealth Finance Authority for \$58,403 to finance a portion of the expenses related to upgrading the lighting around the courthouse and magistrate offices. The interest rate is fixed at 1.00% per year. Payments began in August 2011 and will continue in monthly installments ranging from \$461 to \$560 through maturity in July 2021.

#### *PFA Series of 2012*

On May 1, 2012, the County executed two agreements with the PFA to refinance several debt obligations of the County, including Friendship Ridge. This generated the issuance of the Pennsylvania Finance Authority, County of Beaver Guaranteed Revenue Bonds, Series of 2012 (the "PFA Series of 2012"), at a face value of \$15,670,000.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE J - LONG-TERM LIABILITIES – (Continued)

#### *PFA Series of 2012 – Continued*

The debt refundings that took place are hereby depicted:

	Governmental Activities	Friendship Ridge
Issuance of debt - face value	\$ 7,958,208	\$ 301,792
Current refunding payments:		
Series A of 2005	(1,726,413)	-
PFA Series A of 2006	(3,040,135)	(290,970)
PFA 2006 Bonds	(3,029,155)	-

Additionally, \$7,410,000 of the PFA Series of 2012 was applied to refinance the Human Services Building Lease (see below) and \$217,143 remaining in proceeds was placed in the governmental Capital Bond fund restricted for purposes of capital assets investment. Debt proceeds available for refunding and capital projects were reduced by an original issue discount of \$35,127 and issuance costs of \$218,576. The refunding of the Series A of 2005, the PFA Series A of 2006, and the PFA 2006 Bonds generated \$523,660 in combined debt service savings over the repayment span of the PFA Series of 2012 and the transaction yielded an economic gain of \$353,084 for the governmental activities. A deferred amount on refunding of \$126,390 has been recognized for the governmental activities, which, as of December 31, 2015, is recorded in the government-wide Statement of Net Position with a balance of \$54,921. Amortization of this amount is recorded yearly as interest expense. Interest on this issue is payable semiannually at annual rates from 2.0% to 4.0%. Debt service payments started in October 2012 and end in October of 2025. Payments to satisfy the lease portion under the PFA Series of 2012 continue until October 2031. Combined yearly principal maturities range from \$360,000 to \$2,225,000. Mandatory bond sinking fund payments start in the year 2023. The bonds maturing after April 1, 2022, can be redeemed early at the option of the PFA upon the written direction of the County.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

### NOTE J - LONG-TERM LIABILITIES – (Continued)

#### *PFA Series of 2013*

In March of 2013, the County executed an agreement with the PFA to refinance the General Obligation Bonds, Series A of 2007, a debt obligation of the County, including Friendship Ridge. This generated the issuance of the Pennsylvania Finance Authority, County of Beaver Guaranteed Revenue Bonds, Series of 2013 (the “PFA Series of 2013”), at a face value of \$10,350,000. The advance refunding was accomplished by placing \$9,661,258 in a third-party trust fund. This resulted in a net economic gain of \$76,003 and net cash flow savings of \$435,935 over the term of the PFA Series of 2013, both recognized in total for the County. A total deferred amount on refunding of \$898,782 has been recorded as well in 2013. At December 31, 2015, the outstanding balance of unamortized deferred amount on refunding for this issue is \$616,401 and it is presented in the government-wide Statement of Net Position. Amortization of this amount is recorded yearly as interest expense. Interest is paid semiannually at annual coupon rates ranging from 0.7% to 2.6%. The bonds mature in annual installments ranging from \$190,000 to \$1,490,000 ending in 2024. Early redemption of the bonds is permitted starting in November 2021 as an option of the County.

Changes in the rate of interest payable on the various outstanding bonds are determined by the applicable bond indentures.

The aggregate amount of debt service requirements, which includes outstanding General Obligation Bonds, Other General Long-Term Liabilities, and approximately \$9.2 million of the 911 Center capital lease, during the next five years and thereafter is as follows:

	Governmental Activities	
	Principal	Interest
2016	\$ 1,340,827	\$ 3,850,378
2017	4,910,888	4,421,060
2018	6,660,948	4,331,760
2019	6,816,008	4,179,280
2020	6,981,069	4,008,956
2021-2025	38,153,618	16,777,839
2026-2030	45,125,000	9,823,417
2031-2035	20,665,000	1,313,907
	130,653,358	48,706,597
Unamortized Premium / Discount	(38,384)	38,384
	\$ 130,614,974	\$ 48,744,981

**COUNTY OF BEAVER, PENNSYLVANIA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND JUNE 30, 2015**

**NOTE J - LONG-TERM LIABILITIES - (Continued)**

The following summarizes other long-term obligation activity for the year ended December 31, 2015:

	Balance January 1, 2015	Additions	Reductions	Balance December 31, 2015	Due Within One Year
Governmental Activities					
Capital Lease Obligations	\$ 15,885,089	\$ -	\$ (370,119)	\$ 15,514,970	\$ 356,947
Compensated Absences	1,167,785	162,437	(191,971)	1,138,251	189,822
Early Termination Benefits	223,399	-	(223,399)	-	-
Total County-wide	<u>\$ 17,276,273</u>	<u>\$ 162,437</u>	<u>\$ (785,489)</u>	<u>\$ 16,653,221</u>	<u>\$ 546,769</u>

Typically, long-term liabilities reported by Governmental Activities, other than those arising from the issuance of bonds or other long-term debt agreements, are liquidated by the funds incurring such liabilities.

Capital Lease Obligations

The County has recorded the following leased assets in the government-wide Statement of Net Position:

	<u>Governmental Activities</u>
Land	\$ 392,984
Buildings	17,504,086
Equipment	81,604
Vehicles	332,769

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE J - LONG-TERM LIABILITIES - (Continued)**

#### Capital Lease Obligations – Continued

##### *Human Services Building Lease*

The County entered into a lease agreement with the PFA during 2002. The lease is for a building to consolidate office locations of the County's Human Services agencies. Construction of this building was financed by the PFA's issue of \$7,865,000 Guaranteed Lease Revenue Bonds, Series A of 2002. The County is the guarantor of this bond issue and of the minimum lease payments over the lease term. The monthly payment under this lease amounts to approximately \$44,000 through September 2031. The County shall have the right to acquire title to the property for no additional consideration at the earlier of the expiration of the lease or when the bond issue related to the financing of this building is no longer outstanding. This lease agreement was amended effective October 15, 2006, as a consequence of the refunding of the PFA's Guaranteed Lease Revenue Bonds, Series A of 2002, and again on May 1, 2012, through a portion of the PFA Series of 2012 issue. The amended lease payments cover the debt service on \$7,410,000 of the PFA Series of 2012, which the County guarantees. All other lease terms remain unchanged.

The outstanding balance of this capital lease obligation at December 31, 2015, is approximately \$5,630,000. This amount is recorded as a liability in the Statement of Net Position, Governmental Activities. The difference between the recorded amount and the face value of the issued debt consists of retired maturities on the lease and an amount treated as future interest costs when accounting for capital leases. The agreement also requires the County to pay for bond maintenance fees, real estate taxes, and other miscellaneous lease-related charges.

##### *Community Development Building Lease*

A second lease agreement was entered into in 2002 between the County and the city of Beaver Falls. The lease is for a building to house the Community Development Program of Beaver County and a parking lot. The outstanding balance of this capital lease obligation at December 31, 2015, is approximately \$260,600. Payments under this lease are due every three months at \$8,000 each, for a term ranging through September 2026. The building's title transfers to the County upon expiration of the lease at no additional cost.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE J - LONG-TERM LIABILITIES - (Continued)**

#### Capital Lease Obligations – Continued

##### *Land*

A land lease for the aforementioned Human Services building and related parking facilities is in effect with the PFA. The lease calls for monthly payments through September 2026, amounting to a total principal of approximately \$234,900 remaining as of December 31, 2015. Payments are due monthly at \$2,400 each. The County acquires title to the land upon expiration of the lease at no additional cost.

##### *Conservation Building Lease*

On May 15, 2005, the County entered into an agreement of lease and sublease with the PFA for a building known as the Conservation Building. The County received \$700,000 from the PFA as a prepayment of its lease obligation. The agreement further provides for the County to sublease the Conservation Building from the PFA. The outstanding balance of this sublease at December 31, 2015, amounts to approximately \$550,000 with semiannual installments ranging from \$2,006 to \$77,006. Any or all payments due on or after October 2015 may be prepaid at the option of the County. In addition, the County has leased this facility to another party. This transaction was recorded by the County as a disposal. Payments under this lease approximate the PFA's debt service requirements on its Federally Taxable Guaranteed Revenue Bonds, Series B of 2005. The County guarantees the payment of this bond issue.

##### *911 Center Lease*

The County entered into a capital lease agreement with the Beaver County Economic Development Authority in November 2008 for the acquisition of land and construction of a building to house the Beaver County 911 Center. This lease began in November 2008 and will continue through February 2025. A bargain purchase option is available to the County at the end of the lease term. The construction of the building was completed in 2009. The outstanding balance of this capital lease obligation at December 31, 2015, is approximately \$9,197,300. Semi-annual installments ranging from \$589,000 to \$1,531,875 are made on this obligation and they will continue through February 2025.

This lease was satisfied in May 2016 with proceeds from the issuance of General Obligation Bonds, Series A and B of 2016. See Note N for further information on the bond issuance.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE J - LONG-TERM LIABILITIES - (Continued)**

#### Capital Lease Obligations – Continued

##### *Equipment Leases*

In June 2012, the County entered into a capital lease agreement for computer software and hardware to be used throughout the County's facilities. This lease continued through June 2015, when the County took over ownership of this equipment.

The County entered into a capital lease contract in 2013 for additional computer hardware and software to be used throughout the County's facilities. The lease began in June 2013 and it will continue through June 2016. A bargain purchase option is available to the County at the end of the lease term. The outstanding balance of this lease at December 31, 2015, amounts to approximately \$21,200 with yearly installments of roughly \$20,400.

##### *Vehicle Leases*

The County entered into a capital lease agreement in 2006 for a motorcycle for the Sheriff's department at a cost of \$100 per month. The outstanding principal at December 31, 2015, on this lease is around \$17,000.

In 2013, the County entered into a capital lease arrangement for six new vehicles dedicated to the Sheriff's department, for a lease term of forty-eight months and a total amount financed of \$165,029 plus interest at an annual rate of 5.70%. The outstanding principal balance on this lease at December 31, 2015, is nearly \$42,300.

The County entered into a capital lease arrangement in 2014 for a total of eight new vehicles dedicated to the District Attorney's office for a total amount financed of \$147,963. The outstanding principal balance on this lease at December 31, 2015, is roughly \$111,600.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

DECEMBER 31, 2015 AND JUNE 30, 2015

**NOTE J - LONG-TERM LIABILITIES - (Continued)**

Capital Lease Obligations – Continued

The following schedule summarizes future minimum lease payments due:

	Governmental Activities			Total Minimum Lease Payments
	Buildings	Land	Other	
2016	\$ 2,088,548	\$ 28,800	\$ 97,979	\$ 2,215,327
2017	2,089,998	28,800	30,600	2,149,398
2018	2,087,453	28,800	30,600	2,146,853
2019	2,089,643	28,800	30,600	2,149,043
2020	2,086,506	28,800	30,601	2,145,907
2021-2025	10,185,480	144,000	6,885	10,336,365
2026-2030	2,666,040	21,600	6,000	2,693,640
2031-2035	527,988	-	6,000	533,988
2036-2040	-	-	1,200	1,200
	<u>23,821,656</u>	<u>309,600</u>	<u>240,465</u>	<u>24,371,721</u>
Less: Interest	<u>(8,733,777)</u>	<u>(74,691)</u>	<u>(48,283)</u>	<u>(8,856,751)</u>
Present Value	<u>\$ 15,087,879</u>	<u>\$ 234,909</u>	<u>\$ 192,182</u>	<u>\$ 15,514,970</u>

The interest rates used to calculate the amount representing interest costs were obtained from the individual lease agreements. The blended interest rate is approximately 4.5%.

Minimum lease payment amounts due within one year are reported as follows in the government-wide Statement of Net Position:

	Governmental Activities			Total Minimum Lease Payments
	Buildings	Land	Other	
2016 Payment	\$ 2,088,548	\$ 28,800	\$ 97,979	\$ 2,215,327
Less: Interest	<u>(1,834,678)</u>	<u>(11,766)</u>	<u>(11,936)</u>	<u>(1,858,380)</u>
Present Value	<u>\$ 253,870</u>	<u>\$ 17,034</u>	<u>\$ 86,043</u>	<u>\$ 356,947</u>

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE J - LONG-TERM LIABILITIES - (Continued)

#### Capital Lease Obligations – Continued

#### Summary

	<u>Governmental Activities</u>
Due within one year:	
Obligations under bond issuances	\$ 1,340,827
Obligations under capital leases	356,947
Compensated absences	189,822
Total	<u>\$ 1,887,596</u>
Due in more than one year:	
Obligations under bond issuances	\$ 106,792,532
Less: Bond Discount	(1,221,704)
Obligations under capital leases	15,158,022
Compensated absences	948,429
Total	<u>\$ 121,677,279</u>

Certain bond issuances of the County are subject to federal arbitrage regulations. The County does not believe that it is in violation of these arbitrage regulations. Additionally, Beaver County is subject to certain provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania which limits the amount of debt that the County can issue. As of December 31, 2015, the County's legal debt margin is approximately \$102 million for non-electoral debt and approximately \$228 million for non-electoral and lease rental debt combined.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE J - LONG-TERM LIABILITIES - (Continued)**

Liquidation of Long-term Liabilities

All outstanding long-term liabilities related to governmental activities have historically been liquidated as follows:

- Long-term debt, other than what is identified below, has been completely liquidated by the General Fund.
- Capital lease obligations have been liquidated by the funds that realize the benefit of the financed asset.
- The Human Services Building and land leases have been liquidated by the following funds: Mental Health / Intellectual Disabilities, Children & Youth, and Office on Aging.
- The 911 Center lease is paid through the Emergency Management Services Agency of the County, which is part of the General Fund.
- The Community Development Building and related parking lot lease has been fully liquidated by the Community Development Fund.
- All computer leases have been fully liquidated by the General Fund.
- Compensated absences have been liquidated according to the following chart. The amount paid by each fund is based on benefits earned by the employees of that fund.

<u>Fund</u>	<u>Liquidation %</u>
General Fund	67%
Mental Health / Intellectual Disabilities	13%
Children & Youth	9%
Community Development	1%
HealthChoices	1%
Other Governmental Funds	9%

- Early termination benefits have been mostly liquidated by the General Fund.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE J - LONG-TERM LIABILITIES - (Continued)**

#### **Component Unit – CCBC**

##### Outstanding Debt Issuances

In August of 2012, the Pennsylvania Finance Authority issued \$2,890,000 in College Revenue Bonds – Series of 2012. The bonds were issued to refund the outstanding amount of Community College Revenue Bonds – Series of 1998, and to pay for the costs of issuing the bonds. In connection with the issuance of the bonds, the Authority entered into a loan agreement with CCBC, whereby the Authority will loan the proceeds of the bonds to the College. The loan agreement requires CCBC to make loan repayments to the Authority in an amount sufficient to pay the debt service requirements of the bonds. The obligation of CCBC under the loan agreement is evidenced by a signed general obligation promissory note dated as of February 1, 1998. The Authority bonds were issued in denominations of \$5,000 with interest payable on June 1 and December 1 of each year through maturity. The interest rate on the bonds is 2% with the bonds scheduled to mature December 1, 2019. The bonds provide for early redemption options as detailed in the official statement of issue.

In April 2007, the PFA issued \$27,780,000 in College Revenue Bonds – Series of 2007 to finance new construction, additions and renovations on the campus of CCBC. In connection with the issuance of the Bonds, the PFA entered into a Loan Agreement with CCBC, whereby the PFA will loan the proceeds of the bonds to CCBC. The loan agreement requires CCBC to make loan payments to the PFA in an amount sufficient to pay the debt service requirements of the Bonds. The obligation of CCBC under the loan agreement is evidenced by a signed general obligation promissory note dated April 15, 2007. The PFA bonds were issued in denominations of \$5,000 with interest payable on May 15 and November 15 of each year through maturity. Interest rates range between 3.50% and 4.375% with the bonds scheduled to mature December 1, 2031. The bonds provide for early redemption options as detailed in the official statement of issue.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE J - LONG-TERM LIABILITIES - (Continued)

#### Component Unit – CCBC – Continued

CCBC has also advanced refunded the Series A of 1994 Community College Revenue Bonds. In doing so, the PFA entered into an irrevocable trust agreement with PNC Bank to purchase U.S. Government Securities in an amount sufficient to fully service the defeased 1994 Bond Issue debt as it matures or is called. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability of the CCBC.

In connection with the refunding, the excess of the reacquisition price over the net carrying amount of refunded debt is recorded as a reduction to long-term debt on the balance sheet and amortized over the shorter of the term of the refunding issue or the refunded bonds. CCBC incurred a deferred refunding loss of \$569,680 which is being amortized over the life of the refunding issue using the straight-line method. During the year ended June 30, 2015, CCBC amortized \$30,267 of this loss which is shown as part of interest expense. The unamortized balance of \$103,412 at June 30, 2015, is deducted from the long-term portion of notes payable.

A summary of CCBC's general obligation promissory notes outstanding, due to the PFA at June 30, 2015, is as follows:

<u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 825,000	1,051,988	\$ 1,876,988
2017	850,000	1,025,404	1,875,404
2018	875,000	997,678	1,872,678
2019	900,000	967,554	1,867,554
2020	940,000	935,629	1,875,629
2021-2025	7,590,000	3,838,967	11,428,967
2026-2030	9,410,000	2,017,916	11,427,916
2031-2035	4,375,000	193,485	4,568,485
	<u>\$ 25,765,000</u>	<u>\$ 11,028,621</u>	<u>\$ 36,793,621</u>

#### Capital Lease Obligations

In July of 2012, CCBC entered into a lease agreement with First National Bank Commercial Leasing in order to finance the purchase of technology equipment in the amount of \$484,546. Four annual payments of \$125,155 starting on August 10, 2012 through August 10, 2015, are due under this agreement. Interest on the outstanding balance accrues at the rate of 2.22%. The equipment acquired serves as collateral on the lease.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE J - LONG-TERM LIABILITIES - (Continued)**

#### **Component Unit – CCBC – Continued**

In September of 2013, CCBC entered into a lease agreement with First National Bank Commercial Leasing in order to finance the purchase of technology equipment in the amount of \$171,303. Three annual payments of \$58,654 starting on September 23, 2013 through September 23, 2016, are due under this agreement. Interest on the outstanding balance accrues at a rate of 2.15%. The equipment purchased serves as collateral on the lease.

Additionally, CCBC currently leases copier equipment from Xerox for use in its publications department. The terms of the lease agreement dated July 1, 2010, calls for monthly payments of \$12,600. Lease expense for the year ended June 30, 2014 was \$151,200. This lease terminated on June 30, 2015.

#### **Compensated Absences and Other Post-Employment Benefits**

The terms of the collective bargaining agreements between the CCBC and the Community College of Beaver County Society of the Faculty and Educational Support Personnel Association provide for the accumulation of sick and vacation days for eligible personnel based on employment status and length of service. As of June 30, 2015, accumulated compensated absences totaled \$678,189.

As per the terms of the collective bargaining agreements between CCBC and its collective bargaining units, CCBC continues to provide post-retirement healthcare benefits for eligible employees and the employees' spouses who elect early retirement. Per the collective bargaining agreements, these early retirement program benefits provide retired members with the option to pay his/her own insurance at group rates through CCBC.

Additionally, CCBC provides special one-time early retirement incentives to eligible members of the Beaver County Society of the Faculty, the amounts of which are dependent upon the collective bargaining agreement under which the eligible member retired. The terms of the current collective bargaining agreement provide for the payment of graduated amounts per year toward health insurance, depending on retirement age, up to a maximum of \$7,000 per year for a period of three years (commencing August 31, 2010). As of June 30, 2015, the total calculated liability for retiree health insurance benefits and early retirement incentives totaled \$562,058 and \$0, respectively.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### NOTE K - CONTINGENCIES

The County participates in a number of federal and state assisted grant programs. These grants are potentially subject to program compliance audits by the grantors. Such audits could result in expenditures being disallowed and funds being due back to the grantor agencies. The amount of expenditures that may be disallowed in the future, if any, cannot be determined at this time.

The County is party to exposure from various claims and other legal proceedings. They include, but are not limited to, employment, civil rights, medical malpractice, and personal injury matters. The County has also faced legal proceedings related to the failure to develop a storm water management plan in recent years.

Management has provided for certain matters, where considered necessary, in the financial statements. For other claims, management is of the opinion that these matters will not have a material effect on the County's financial position or it is too early in the litigation stage to evaluate the likelihood of an outcome or the range of potential loss.

#### 2006 Swap Agreement Termination

During September 2006, the County entered into an agreement with a counterparty that terminated two previous derivative instruments and replaced them with an interest rate management plan that extends over the life of the 1997 Bonds. Under this agreement (the 2006 Swap Agreement), the County terminated the derivative agreements that were outstanding in 2006 and refunded the total outstanding principal under the 1997 Bonds as of October 1, 2007, at a variable rate.

Certain events in the 2006 Swap Agreement are described as "events of default." The 2006 Swap Agreement also included termination provisions for the County.

In February 2009, the County informed the counterparty to the 2006 Swap Agreement that it wished to terminate the 2006 Swap Agreement due to the County's claims of an event of default per the terms of the agreement. The County paid the counterparty approximately \$7,000,000 to terminate the agreement. The County believes that the counterparty was paid an amount that was in accordance with the 2006 Swap Agreement to terminate the Agreement. While the County believes that this amount was fairly and reasonably calculated in accordance with the provisions of the 2006 Swap Agreement, no assurance can be given that it will not be contested by the counterparty. In such case, the amount may be substantially larger than calculated amount.

#### 2015 Countywide Tax Reassessment

In December 2015, a Complaint was filed against the County for a countywide reassessment. This matter is currently pending with the Court.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE K – CONTINGENCIES - (Continued)**

#### **Component Unit - BCTA**

BCTA's state and federally funded programs are subject to audit by various governmental agencies. BCTA is potentially liable for any expenses disallowed by the results of these audits. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenses.

#### **Component Unit - CCBC**

CCBC's state and federally funded programs are subject to audit by various governmental agencies. CCBC is potentially liable for any expenses disallowed by the results of these audits. The Commonwealth of Pennsylvania's Office of Labor, Education and Community Services conducts annual audits of CCBC's Claim for Subsidy Reimbursement submitted annually to the Commonwealth. Management is not aware of any items of noncompliance which would result in the disallowance of program expenses.

CCBC is potentially liable for any costs of program non-compliance, not covered by commercial insurance, incurred by its Police Technology Program as a result of a program audit conducted by the Commonwealth of Pennsylvania. CCBC recorded an initial estimated liability of \$150,000 during the 2003-2004 fiscal year to cover these potential costs. As of June 30, 2015, the remaining unused portion of this estimated liability was \$143,822.

### **NOTE L - RISK MANAGEMENT**

The County is exposed to various risks of loss including loss of property, torts, errors and omissions, use of County owned vehicles, workers' compensation incidents, and employee health benefits. The County handles exposure to these risks in various ways.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE L - RISK MANAGEMENT – (Continued)**

#### **Property/Casualty Exposures**

The County is a member of Pennsylvania Counties Risk Pool (PCoRP) which provides insurance coverage for general liability, public official's liability, law enforcement liability, property loss, vehicle usage, and crime. There have been no significant changes in PCoRP coverage in the past three years and settled claims have not exceeded the coverage provided in those years. PCoRP is a public entity risk pool exclusively for member counties of the County Commissioners Association of Pennsylvania. PCoRP was organized as a property/casualty self-insurer and it provides coverage through its self-insured retention fund of claims less than \$450,000 for liability, \$350,000 for crime, and \$250,000 for property. There is a deductible of \$50,000 for liability, \$25,000 for property, \$1,500 for equipment breakdown, and \$5,000 for crime, per occurrence. PCoRP purchases excess coverage for claims over that threshold up to a maximum limit of \$5,000,000 for liability, \$500,000,000 for property, \$100,000,000 for equipment breakdown, and \$1,000,000 for crime. Members pay premiums to cover the costs of administration, excess insurance, and loss control services. The premium is adjusted annually to reflect both the costs of excess insurance and the most recent five-year experience with members.

#### **HealthChoices Exposures**

The County has entered into an agreement with the Commonwealth of Pennsylvania's Department of Human Services (Commonwealth) for the HealthChoices Behavioral Health Program. Under the terms of the contract, the County is fully exposed to the risk that behavioral healthcare services provided under this program to eligible enrollees will exceed the revenue provided by the Commonwealth to the County.

The term of the current contract between the County and the Commonwealth is from January 1, 2014 through December 31, 2018. Under this contract either party has the option to terminate the agreement without cause upon one-hundred twenty days' notice to the other party.

The County accrues an estimate of its health care cost liability at the end of each accounting period. The estimate is developed using a process that accounts for the lag between the point in time that payment is made for a service and the point in time that the County became liable for the service. The County's estimated medical claims liability is reviewed and certified by an independent actuarial firm on a quarterly basis.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE L - RISK MANAGEMENT – (Continued)**

**HealthChoices Exposures - Continued**

The following table shows the changes in the actuarially certified estimated medical claims liability of the HealthChoices Program:

	<u>HealthChoices</u>
Liability balance - January 1, 2014	\$ 2,249,833
Incurred claims and estimates	28,997,166
Less: Claims paid during period	<u>28,846,999</u>
Liability balance - December 31, 2014	2,400,000
Incurred claims and estimates	26,282,280
Less: Claims paid during period	<u>26,382,280</u>
Liability balance - December 31, 2015	<u>\$ 2,300,000</u>

The County maintains a cash reserve that can be drawn upon in the event program expenditures exceed revenue. The balance of these reserve accounts is approximately \$7.7 million. This entire balance is available to cover potential losses in future periods.

**Employee Health Care and Workers' Compensation**

The County has elected to self-fund the health and prescription drug employee benefits. Under the self-funded arrangement, the County's third party administrators pay all claims for medical and prescription costs. The County reimburses the administrators for these charges and pays an administrative fee based on membership and/or utilization. The County is responsible for the first \$150,000 of medical claims for any member each year. A stop loss insurance policy has been purchased to provide for payment above the yearly individual limit. The policy includes \$1,000,000 of coverage if aggregate claims exceed the attachment point of \$10,224,434. During 2014, the County's attachment point for individual claims was \$150,000 and the attachment point for aggregate claims was \$15,540,127. The prescription drug coverage provided to employees is not covered by stop loss insurance.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE L - RISK MANAGEMENT – (Continued)**

**Employee Health Care and Workers’ Compensation – Continued**

The County has elected to largely self-insure its workers’ compensation claims. To mitigate excess exposure, the County purchased a commercial large-deductible insurance policy which began on January 1, 2004. The County is responsible for the first \$200,000 of any individual claim. The limits of policy coverage are defined by a Pennsylvania Statute and it includes limits of \$1,000,000 for employer’s liability for any individual claim, employee, and in aggregate for the annual policy period.

Changes in the estimate of the self-insured workers’ compensation and employee health benefits claims liability are as follows:

	<u>Governmental Activities</u>	<u>Friendship Ridge</u>
Liability balance - January 1, 2014	\$ 669,894	\$ 592,206
Incurred claims and estimates	11,032,868	1,493,505
Less: Claims paid during period	<u>10,812,708</u>	<u>2,085,711</u>
Liability balance - December 31, 2014	890,054	-
Incurred claims and estimates	12,273,620	-
Less: Claims paid during period	<u>12,345,270</u>	<u>-</u>
Liability balance - December 31, 2015	<u>\$ 818,404</u>	<u>\$ -</u>

All functions of the County estimate liabilities for unpaid claims based on a claims’ payment history.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE L - RISK MANAGEMENT – (Continued)**

#### **Risk Accounting**

The County has created two internal service funds within which transactions related to the self-funded programs of workers' compensation and the health insurance programs are recorded. Revenues expected to cover expenditures for each program are generated by an internal charge, based on either payroll by class or by membership, applied to all operating funds.

Management is currently in the process of evaluating both the employees' health care charge and the workers' compensation charge to more adequately address costs and the growing deficit of the funds' net position.

#### **Component Unit – BCTA**

BCTA is a member of the SAFTI Property and Liability Insurance Pool, which is an insurance pool that provides BCTA and other Pennsylvania Transit Properties insurance coverage for the following types of liabilities: automobile, employee benefit, public official, general, crime, property, boiler and machinery, and workers compensation. BCTA pays an annual premium each year that includes fixed costs and a loss funding. During the 2014-2015 fiscal year, BCTA paid premiums, excluding workers compensation, of \$83,481 for fixed costs and \$126,429 for loss funding. Premiums paid for workers compensation were \$51,191 for fixed costs and \$251,754 for loss funding less a dividend of \$37,942. This fund is self-insured but holds policies which provide excess coverage once a claim reaches a certain dollar level, which varies depending on the coverage. Insurance rates are based on individual performance, but all members of the pool share in or participate in the losses.

#### **Component Unit – CCBC**

CCBC is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

**COUNTY OF BEAVER, PENNSYLVANIA**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2015 AND JUNE 30, 2015**

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**NOTE M – COMMITMENTS**

The following are amounts encumbered in the governmental funds:

	General Fund	Children & Youth	Community Development	Other Governmental Funds
Restricted	\$ -	\$ 6,105	\$ 1,542	\$ 45,271

Encumbered amounts are for obligations related to unperformed (executory) contracts for goods and services.

At December 31, 2015, the County had one open letter of credit with a value totaling \$1,000,000, to cover excess costs of workers’ compensation claims if needed. At December 31, 2015, the letter had not been drawn.

The County, as the local sponsor of the Community College of Beaver County, is obligated to service payments for capital bonds. In 2007 and 2012, the College issued \$27,780,000 and \$2,890,000, respectively, in capital bonds that the County is including as part of its annual contribution to CCBC to subsidize the related debt service obligation.

The County is responsible for managing numerous programs and grants imposed by legislation as well as through mutual agreement with grantor bodies. Noncompliance with any particular item may be cause for penalties imposed on the County or refunds due to the grantor. Additionally, a change in legislation may impose a higher financial burden on the County for mandated programs. The County is not aware of any noncompliance with the provisions of grants or other agreements that may be cause for a penalty or refund of grant monies. Also, the County has not studied the potential outcomes of any pending or enacted legislation in order to determine the possible financial impact on the various programs it carries out for the community it serves.

**Component Unit – BCTA**

During the 2014-2015 fiscal year, BCTA continues to work toward completion of the automatic-vehicle-location contract entered into four years ago. While the first phase is being completed, the contract on the second phase was entered into. The remaining outstanding contract dollar commitments on these design and engineering agreements total \$356,776 at June 30, 2015.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE M - COMMITMENTS – (Continued)**

#### **Component Unit – CCBC**

On June 30, 2009 (as amended), CCBC entered into a deferred compensation agreement with CCBC's President. The terms of the deferred compensation agreement stipulated that the President would receive on June 30, 2011, \$12,000 and \$17,000 respectively, and \$25,000 on June 30, 2012 for services rendered during the years ended June 30, 2009, and June 30, 2011. The agreement was subsequently amended to provide the President's deferred compensation on June 30, 2014, for services rendered to CCBC for fiscal years ended June 30, 2012 through June 30, 2014 totaling \$100,000 with \$35,000 of the total payable on June 30, 2013 and the balance of \$35,000 payable on June 30, 2014. As of June 30, 2015, \$24,463 of this agreement is still due. In addition, \$4,000 has been accrued as a longevity bonus for the President.

### **NOTE N – SALE OF FRIENDSHIP RIDGE**

#### **Sale of Friendship Ridge and Subsequent Activity**

In 2014, the County entered into an agreement to sell its long-term healthcare facility ("Friendship Ridge"). The sales agreement provided for a sales price to be determined after selected obligations were both determined and satisfied. In addition, the agreements provided for the purchaser to have any collections of Friendship Ridge's accounts receivable subsequent to February 28, 2014, forwarded to the purchaser. As of the date of this report, the County has engaged an expert to calculate the amount it believes the County is owed from the sale of Friendship Ridge. After the transfer of operations and ownership took place the County collected certain Friendship Ridge accounts receivable and transferred most of it to the facility's owner. The County also paid during the period Friendship Ridge's accounts payable, as of February 28, 2014, including those on behalf of employees, as they came due.

Management believes that it is not probable that the ultimate outcome of any possible uncertainties surrounding this transaction will have any negative impact on the County's financial position.

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **NOTE O - LIQUIDITY**

Management believes that the County's General Fund faces a cash flow shortage in 2016 despite expense reductions amounting to about \$8 million resulting primarily from the refunding of several long-term debt obligations (see Note P to the financial statements). Significant revenue enhancements are also being realized in 2016. Management also believes that the improved financial performance, however, still leaves \$3 million or more of obligations due on or before December 31, 2016, that cannot be liquidated on time. Management plans to implement measures of liability postponement and loans from other of the County's funds to mitigate this short-term liquidity deficiency. Management expects that the County will continue to operate without disruption.

### **NOTE P – SUBSEQUENT EVENTS**

#### **Tax and Revenue Anticipation Note**

On January 4, 2016 the County and Huntington National Bank entered into the 2016 TRAN in the amount of \$13 million, which was wired into a County bank account.

#### **General Obligation Bonds, Series of 2016**

In May 2016, the County issued General Obligation Bonds, Series A and Series B of 2016, totaling \$114,640,000 to refinance PFA Series A and PFA Series B of 2005, Pension Bond Series of 2005, BCEDA Series of 2008, General Obligation Note of 2009, and Pension Bond Series of 2009 bonds.

#### **Component Unit – BCTA**

A labor agreement with the Amalgamated Transit Union (the "Union") expired on December 31, 2013. An agreement between BCTA and the Union was reached in December 2015 that took effect January 1, 2016.

#### **Component Unit – CCBC**

On October 21, 2015, CCBC signed documents with First National Bank to extend the total available line of credit by an additional \$3,500,000.

**REQUIRED SUPPLEMENTAL  
INFORMATION**

# COUNTY OF BEAVER, PENNSYLVANIA

## SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>		
Service Cost	\$ 1,906,785	\$ 2,777,080
Interest	20,032,456	19,456,120
Changes in benefit terms	-	-
Differences between expected and actual experience	(185,905)	5,885,751
Changes in assumption	-	-
Benefit payments, including refunds of member contribution	(16,685,010)	(24,703,033)
Net change in total pension liability	<u>5,068,326</u>	<u>3,415,918</u>
Total pension liability - beginning of year	<u>287,200,704</u>	<u>283,784,786</u>
Total pension liability - end of year (a)	<u><u>\$ 292,269,030</u></u>	<u><u>\$ 287,200,704</u></u>
<b>Plan Fiduciary Net Position</b>		
Contributions - employer	\$ 1,162,800	\$ 2,286,670
Contributions - member	3,345,109	3,789,064
Net investment income	1,718,354	18,832,383
Benefit payments, including refunds of member contribution	(16,685,010)	(24,703,033)
Administrative expense	(229,206)	(280,904)
Net change in plan fiduciary net position	<u>(10,687,953)</u>	<u>(75,820)</u>
Total plan fiduciary net position - beginning of year	<u>294,855,370</u>	<u>294,931,190</u>
Total plan fiduciary net position - end of year (b)	<u><u>\$ 284,167,417</u></u>	<u><u>\$ 294,855,370</u></u>
County's net pension liability (asset) - ending (a) - (b)	<u><u>\$ 8,101,613</u></u>	<u><u>\$ (7,654,666)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	<u>97.23%</u>	<u>102.67%</u>
Covered-employee payroll	<u>\$ 38,562,973</u>	<u>\$ 56,895,011</u>
County's net pension liability (asset) as a percentage of covered-employee payroll	<u>21.01%</u>	<u>(13.45%)</u>

See notes to Required Supplemental Schedules

# COUNTY OF BEAVER, PENNSYLVANIA

## SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

YEARS ENDED DECEMBER 31, 2015 AND 2014

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<u>Schedule of County's Contributions</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 1,162,800	\$ 2,286,670
Contributions in relation to the actuarially determined contribution	<u>1,162,800</u>	<u>2,286,670</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	<u>\$ 38,562,973</u>	<u>\$ 56,895,011</u>
Contributions as a percentage of covered- employee payroll	<u>3.02%</u>	<u>4.02%</u>
 <u>Investment Returns</u>		
Annual money-weighted rate of return, net of investment expense	<u>0.63%</u>	<u>7.07%</u>

See notes to Required Supplemental Schedules

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2015

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### PENSION INFORMATION

#### Actuarial Methods and Assumptions Used in Calculation of Actuarially Determined Contribution

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

Actuarial Valuation Dates:	January 1, 2015 for 2015 and January 1, 2014 for 2014
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market value adjusted for unrecognized gains and losses from prior years
Amortization Method:	Level Dollar
Remaining Amortization Period:	15 years
Actuarial Assumptions:	
Inflation Adjustment:	3.00%
Investment Rate of Return:	7.50%, net of pension plan investment expense, including inflation
Projected Salary Increase:	3.50% average, including inflation
Retirement Age:	Age 60 or 55 with 20 years' service
Mortality:	2013 RP Annuitant and Non-Annuitant Tables for Males and Females with no improvement

**COUNTY OF BEAVER, PENNSYLVANIA**

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

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Revenues</u></b>				
Real Estate Taxes	\$ 49,208,065	\$ 49,262,253	\$ 46,920,546	\$ (2,341,707)
Licenses and Permits	93,500	93,500	134,079	40,579
Interest and Rents	20,000	20,000	134,744	114,744
Intergovernmental Revenues	3,248,787	4,515,132	3,552,070	(963,062)
Departmental Earnings	9,912,233	11,299,807	11,507,295	207,488
Miscellaneous	3,293,665	490,596	130,496	(360,100)
<b>Total Revenues</b>	<b>65,776,250</b>	<b>65,681,288</b>	<b>62,379,230</b>	<b>(3,302,058)</b>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
General Government	13,029,197	12,247,667	11,250,000	(997,667)
Judicial	14,113,728	14,719,085	13,844,384	(874,701)
Public Safety	19,034,912	18,916,782	16,372,803	(2,543,979)
Public Works and Enterprises	3,475,737	3,972,384	3,879,360	(93,024)
Culture, Recreation and Conservation	3,005,830	3,234,419	2,762,717	(471,702)
<b>Intergovernmental:</b>				
Human Services	5,796,655	7,876,555	8,210,582	334,027
<b>Debt Service:</b>				
Principal	4,785,700	4,809,270	4,751,704	(57,566)
Interest	5,765,000	5,747,718	5,682,783	(64,935)
Other	-	16,570	10,035	(6,535)
<b>Capital Outlay:</b>				
Asset Acquisition & Improvements	777,000	2,359,671	1,854,043	(505,628)
Infrastructure	-	25,000	479	(24,521)
<b>Total Expenditures</b>	<b>69,783,759</b>	<b>73,925,121</b>	<b>68,618,890</b>	<b>(5,306,231)</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>				
	(4,007,509)	(8,243,833)	(6,239,660)	2,004,173
<b>Other Financing Sources (Uses):</b>				
Transfers From Other Funds	2,345,000	2,345,000	590,000	(1,755,000)
Transfers To Other Funds	(5,237,491)	(5,332,896)	(3,453,149)	1,879,747
<b>Total Other Financing Sources (Uses)</b>	<b>(2,892,491)</b>	<b>(2,987,896)</b>	<b>(2,863,149)</b>	<b>124,747</b>
<b>Net Change in Fund Balance</b>	<b>(6,900,000)</b>	<b>(11,231,729)</b>	<b>(9,102,809)</b>	<b>2,128,920</b>
Fund Balance (Deficits) - Beginning	6,900,000	10,774,838	12,245,824	1,470,986
Fund Balance (Deficits) - Ending	\$ -	\$ (456,891)	\$ 3,143,015	\$ 3,599,906

## COUNTY OF BEAVER, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL MENTAL HEALTH / INTELLECTUAL DISABILITIES

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Revenues</u></b>				
Intergovernmental	\$ 16,785,000	\$ 17,013,367	\$ 16,867,729	\$ (145,638)
Departmental Earnings	1,310,000	1,310,000	1,228,019	(81,981)
Interest	5,100	5,100	3,405	(1,695)
Miscellaneous	311,900	300,900	-	(300,900)
Total Revenues	<u>18,412,000</u>	<u>18,629,367</u>	<u>18,099,153</u>	<u>(530,214)</u>
<b><u>Expenditures</u></b>				
Salaries & Benefits	5,317,131	5,492,161	5,410,561	(81,600)
Personnel Expense	36,200	41,000	21,323	(19,677)
Consultant/Contracted Services	1,855,000	1,671,322	1,271,371	(399,951)
Sub Contracted Services	10,340,000	11,748,309	10,748,318	(999,991)
Occupancy	308,200	312,562	233,875	(78,687)
Communication	118,000	118,000	72,579	(45,421)
Supplies & Minor Equipment	232,900	240,653	73,341	(167,312)
Transportation	134,000	135,999	103,590	(32,409)
Other Expenditures	1,270,500	1,298,600	254,563	(1,044,037)
Capital Outlay	-	118,125	100,951	(17,174)
Total Expenditures	<u>19,611,931</u>	<u>21,176,731</u>	<u>18,290,472</u>	<u>(2,886,259)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(1,199,931)	(2,547,364)	(191,319)	2,356,045
Other Financing Sources:				
Transfers from Other Funds	719,500	730,500	727,255	(3,245)
Total Financing Sources	<u>719,500</u>	<u>730,500</u>	<u>727,255</u>	<u>(3,245)</u>
<b>Net Change in Fund Balance</b>	(480,431)	(1,816,864)	535,936	2,352,800
Fund Balance - Beginning	<u>5,346,731</u>	<u>5,365,431</u>	<u>168,016</u>	<u>(5,197,415)</u>
Fund Balance - Ending	<u>\$ 4,866,300</u>	<u>\$ 3,548,567</u>	<u>\$ 703,952</u>	<u>\$ (2,844,615)</u>

## COUNTY OF BEAVER, PENNSYLVANIA

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CHILDREN AND YOUTH

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Revenues</u></b>				
Intergovernmental	\$ 12,018,459	\$ 12,018,459	\$ 12,496,558	\$ 478,099
Departmental Earnings	173,000	173,000	43,791	(129,209)
Interest	100	100	95	(5)
<b>Total Revenues</b>	<b>12,191,559</b>	<b>12,191,559</b>	<b>12,540,444</b>	<b>348,885</b>
<b><u>Expenditures</u></b>				
Salaries & Benefits	4,844,026	5,217,681	5,201,962	(15,719)
Personnel Expense	30,950	32,088	15,762	(16,326)
Consultant/Contracted Services	1,149,500	1,274,674	1,202,789	(71,885)
Sub Contracted Services	5,986,000	5,642,445	5,228,400	(414,045)
Occupancy	434,000	464,000	408,216	(55,784)
Communication	203,000	262,500	185,050	(77,450)
Supplies & Minor Equipment	430,000	524,898	280,141	(244,757)
Transportation	140,654	205,654	199,869	(5,785)
Other Expenditures	1,898,200	1,564,290	1,259,819	(304,471)
Capital Outlay	95,000	125,000	76,944	(48,056)
<b>Total Expenditures</b>	<b>15,211,330</b>	<b>15,313,230</b>	<b>14,058,952</b>	<b>(1,254,278)</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(3,019,771)</b>	<b>(3,121,671)</b>	<b>(1,518,508)</b>	<b>1,603,163</b>
Other Financing Sources:				
Transfers From Other Funds	1,687,000	1,818,405	1,818,401	(4)
<b>Total Financing Sources</b>	<b>1,687,000</b>	<b>1,818,405</b>	<b>1,818,401</b>	<b>(4)</b>
<b>Net Change in Fund Balance</b>	<b>(1,332,771)</b>	<b>(1,303,266)</b>	<b>299,893</b>	<b>1,603,159</b>
Fund Balance - Beginning	1,332,771	1,263,466	1,947,604	684,138
Fund Balance - Ending	<b>\$ -</b>	<b>\$ (39,800)</b>	<b>\$ 2,247,497</b>	<b>\$ 2,287,297</b>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
COMMUNITY DEVELOPMENT**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Revenues</u></b>				
Intergovernmental	\$ 6,890,267	\$ 6,967,067	\$ 4,073,892	\$ (2,893,175)
Departmental Earnings	1,047,770	1,047,770	348,596	(699,174)
Interest	8,180	8,180	90	(8,090)
Total Revenues	<u>7,946,217</u>	<u>8,023,017</u>	<u>4,422,578</u>	<u>(3,600,439)</u>
<b><u>Expenditures</u></b>				
Salaries & Benefits	656,852	690,552	680,501	(10,051)
Personnel Expense	19,161	15,161	7,433	(7,728)
Consultant/Contracted Services	7,153,450	7,173,420	3,603,053	(3,570,367)
Occupancy	105,592	118,223	78,787	(39,436)
Communication	23,300	32,580	20,561	(12,019)
Supplies & Minor Equipment	50,192	53,613	11,806	(41,807)
Transportation	14,550	14,550	10,729	(3,821)
Other Expenditures	115,500	118,000	93,433	(24,567)
Total Expenditures	<u>8,138,597</u>	<u>8,216,099</u>	<u>4,506,303</u>	<u>(3,709,796)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(192,380)	(193,082)	(83,725)	109,357
Fund Balance - Beginning	<u>192,380</u>	<u>192,380</u>	<u>205,424</u>	<u>13,044</u>
Fund Balance (Deficit) - Ending	<u>\$ -</u>	<u>\$ (702)</u>	<u>\$ 121,699</u>	<u>\$ 122,401</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
HEALTHCHOICES**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Revenues</u></b>				
Intergovernmental	\$ 34,500,000	\$ 34,500,000	\$ 35,748,474	\$ 1,248,474
Interest	18,050	18,050	29,687	11,637
Miscellaneous	6,000	6,000	-	(6,000)
Total Revenues	<u>34,524,050</u>	<u>34,524,050</u>	<u>35,778,161</u>	<u>1,254,111</u>
<b><u>Expenditures</u></b>				
Salaries & Benefits	295,640	727,540	724,103	(3,437)
Personnel Expense	1,700	1,700	127	(1,573)
Consultant/Contracted Services	34,108,550	35,485,550	35,005,044	(480,506)
Occupancy	45,800	52,400	46,736	(5,664)
Communication	8,950	9,650	8,326	(1,324)
Supplies & Minor Equipment	13,200	26,000	18,357	(7,643)
Transportation	4,800	5,400	4,386	(1,014)
Other Expenditures	43,500	66,200	37,452	(28,748)
Capital Outlay	-	12,100	11,350	(750)
Total Expenditures	<u>34,522,140</u>	<u>36,386,540</u>	<u>35,855,881</u>	<u>(530,659)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	1,910	(1,862,490)	(77,720)	1,784,770
Fund Balance - Beginning	<u>11,484,000</u>	<u>12,242,000</u>	<u>11,783,401</u>	<u>(458,599)</u>
Fund Balance - Ending	<u>\$ 11,485,910</u>	<u>\$ 10,379,510</u>	<u>\$ 11,705,681</u>	<u>\$ 1,326,171</u>

# COUNTY OF BEAVER, PENNSYLVANIA

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2015

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### **NOTE A – BASIS OF BUDGETING**

Appropriated budgets are adopted on a modified accrual basis consistent with generally accepted accounting principles by fund, department and line-item. Line-items are specific revenues and expenditures, such as taxes, fees, salaries, and supplies. Transfers of appropriations may be requested between line-items within a department or between departments within the same fund. All transfers of appropriations require the approval of the Commissioners. The legal level of control is exercised by management at each line-item.

### **NOTE B – BUDGET VARIANCE**

The County does not adjust for line items designated for receipts of reimbursements after initial adoption. Therefore, some expenditures may appear to exceed budgeted amounts when actual reimbursements received are below the initial budgeted figures. Also, reclassifications of actual balances made strictly for external financial reporting purposes are often not reflected in the budget. As a consequence, some line items may appear to exceed budgeted amounts.

## **OTHER SUPPLEMENTAL INFORMATION**

# COUNTY OF BEAVER, PENNSYLVANIA

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>General Government</u></b>				
<b>Commissioners:</b>				
Salaries & Benefits	\$ 639,499	\$ 639,670	\$ 636,963	\$ (2,707)
Personnel Expense	15,800	3,900	375	(3,525)
Occupancy	1,000	1,000	55	(945)
Communication	21,000	27,873	27,428	(445)
Supplies & Minor Equipment	43,100	36,026	26,524	(9,502)
Transportation	18,000	18,000	15,194	(2,806)
Other Expenses	1,000	1,000	870	(130)
Total Expenditures	739,399	727,469	707,409	(20,060)
<b>Controller:</b>				
Salaries & Benefits	699,187	570,697	452,659	(118,038)
Personnel Expense	14,100	14,100	2,805	(11,295)
Occupancy	3,000	3,000	1,771	(1,229)
Communication	3,300	3,300	279	(3,021)
Supplies & Minor Equipment	11,500	11,500	7,041	(4,459)
Transportation	6,000	6,000	147	(5,853)
Consultant/Contracted Services	60,000	60,000	60,000	-
Total Expenditures	797,087	668,597	524,702	(143,895)
<b>Treasurer:</b>				
Salaries & Benefits	672,397	658,240	625,901	(32,339)
Personnel Expense	900	900	600	(300)
Occupancy	5,000	5,000	4,637	(363)
Communication	63,000	58,000	34,764	(23,236)
Supplies & Minor Equipment	34,700	39,700	26,615	(13,085)
Transportation	2,500	2,500	90	(2,410)
Other Expenses	6,000	6,000	-	(6,000)
Tax Refunds	175,000	175,000	136,741	(38,259)
Total Expenditures	959,497	945,340	829,348	(115,992)

# COUNTY OF BEAVER, PENNSYLVANIA

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Recorder Of Deeds:</b>				
Salaries & Benefits	\$ 410,558	\$ 436,687	\$ 433,862	\$ (2,825)
Personnel Expense	1,300	1,300	813	(487)
Occupancy	4,000	7,000	6,845	(155)
Communication	1,200	1,200	1,016	(184)
Supplies & Minor Equipment	16,100	16,100	11,917	(4,183)
Transportation	3,000	3,000	2,392	(608)
Consultant/Contracted Services	55,044	55,044	52,644	(2,400)
Total Expenditures	<u>491,202</u>	<u>520,331</u>	<u>509,489</u>	<u>(10,842)</u>
<b>Legal Department:</b>				
Salaries & Benefits	424,136	432,011	365,482	(66,529)
Personnel Expense	14,000	14,000	13,982	(18)
Occupancy	1,000	1,000	242	(758)
Communication	500	542	541	(1)
Supplies & Minor Equipment	2,500	13,600	13,343	(257)
Transportation	2,500	2,500	2,038	(462)
Consultant/Contracted Services	1,800	700	55	(645)
Total Expenditures	<u>446,436</u>	<u>464,353</u>	<u>395,683</u>	<u>(68,670)</u>
<b>Employee Relations:</b>				
Salaries & Benefits	702,287	595,901	485,820	(110,081)
Personnel Expense	63,000	67,000	58,305	(8,695)
Occupancy	1,000	1,180	413	(767)
Communication	5,000	5,800	2,969	(2,831)
Supplies & Minor Equipment	7,700	12,755	7,038	(5,717)
Transportation	1,400	1,400	41	(1,359)
Consultant/Contracted Services	50,000	45,945	14,091	(31,854)
Total Expenditures	<u>830,387</u>	<u>729,981</u>	<u>568,677</u>	<u>(161,304)</u>
<b>Records Management:</b>				
Salaries & Benefits	171,294	166,471	138,984	(27,487)
Occupancy	3,000	3,000	2,103	(897)
Communication	1,550	1,550	1,269	(281)
Supplies & Minor Equipment	44,600	54,612	35,228	(19,384)
Transportation	500	2,900	2,798	(102)
Consultant/Contracted Services	5,000	5,000	3,473	(1,527)
Total Expenditures	<u>225,944</u>	<u>233,533</u>	<u>183,855</u>	<u>(49,678)</u>

# COUNTY OF BEAVER, PENNSYLVANIA

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Information Technology:</b>				
Salaries & Benefits	\$ 521,930	\$ 490,826	\$ 482,272	\$ (8,554)
Personnel Expense	10,000	20,000	6,871	(13,129)
Communication	56,900	78,900	54,045	(24,855)
Supplies & Minor Equipment	97,000	181,609	86,941	(94,668)
Transportation	-	23,000	15,205	(7,795)
Consultant/Contracted Services	-	153,126	85,836	(67,290)
Other Expenses	-	2,000	-	(2,000)
Total Expenditures	685,830	949,461	731,170	(218,291)
<b>Central Services Department:</b>				
Salaries & Benefits	131,661	136,755	122,648	(14,107)
Occupancy	1,000	1,000	41	(959)
Communication	62,000	37,777	30,762	(7,015)
Supplies & Minor Equipment	23,000	30,900	25,185	(5,715)
Transportation	250	250	-	(250)
Total Expenditures	217,911	206,682	178,636	(28,046)
<b>Planning Commission:</b>				
Salaries & Benefits	369,253	410,823	410,564	(259)
Personnel Expense	2,225	1,725	1,642	(83)
Occupancy	2,000	2,000	1,013	(987)
Communication	1,770	1,770	1,479	(291)
Supplies & Minor Equipment	10,360	15,610	13,864	(1,746)
Transportation	9,000	8,750	4,795	(3,955)
Consultant/Contracted Services	29,000	29,000	22,978	(6,022)
Other Expenses	7,000	2,500	2,244	(256)
Total Expenditures	430,608	472,178	458,579	(13,599)
<b>Weights And Measures:</b>				
Salaries & Benefits	54,030	60,223	59,890	(333)
Communication	600	600	440	(160)
Supplies & Minor Equipment	1,750	1,750	522	(1,228)
Transportation	9,500	9,500	8,445	(1,055)
Total Expenditures	65,880	72,073	69,297	(2,776)

## COUNTY OF BEAVER, PENNSYLVANIA

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Veterans Affairs:</b>				
Salaries & Benefits	\$ 187,424	\$ 191,940	\$ 181,278	\$ (10,662)
Personnel Expense	1,055	706	706	-
Communication	3,350	3,245	2,166	(1,079)
Supplies & Minor Equipment	10,200	9,415	7,365	(2,050)
Transportation	1,600	1,100	596	(504)
Other Expenses	137,000	149,739	141,411	(8,328)
Total Expenditures	<u>340,629</u>	<u>356,145</u>	<u>333,522</u>	<u>(22,623)</u>
<b>Election Bureau:</b>				
Salaries & Benefits	468,604	485,804	435,792	(50,012)
Personnel Expense	400	400	184	(216)
Occupancy	25,000	25,000	22,991	(2,009)
Communication	68,000	68,000	50,884	(17,116)
Supplies & Minor Equipment	62,000	62,000	54,879	(7,121)
Transportation	2,700	2,700	1,636	(1,064)
Consultant/Contracted Services	15,000	15,000	11,289	(3,711)
Other Expenses	240,000	240,055	215,203	(24,852)
Total Expenditures	<u>881,704</u>	<u>898,959</u>	<u>792,858</u>	<u>(106,101)</u>
<b>Assessment/Tax Claim:</b>				
Salaries & Benefits	1,116,146	1,279,987	1,279,064	(923)
Personnel Expense	21,000	44,500	39,395	(5,105)
Occupancy	4,000	5,100	5,037	(63)
Communication	295,700	297,165	294,021	(3,144)
Supplies & Minor Equipment	40,000	36,762	29,899	(6,863)
Transportation	25,000	17,300	15,240	(2,060)
Consultant/Contracted Services	50,000	52,000	51,964	(36)
Other Expenses	112,500	112,700	111,184	(1,516)
Total Expenditures	<u>1,664,346</u>	<u>1,845,514</u>	<u>1,825,804</u>	<u>(19,710)</u>
<b>Public Defender:</b>				
Salaries & Benefits	1,279,977	1,366,973	1,341,732	(25,241)
Personnel Expense	9,100	13,310	13,308	(2)
Occupancy	1,000	1,100	1,076	(24)
Communication	1,000	1,000	665	(335)
Supplies & Minor Equipment	9,000	16,000	15,669	(331)
Transportation	13,000	12,900	11,754	(1,146)
Other Expenses	38,000	26,800	26,593	(207)
Total Expenditures	<u>1,351,077</u>	<u>1,438,083</u>	<u>1,410,797</u>	<u>(27,286)</u>

Exhibit A (Page 4 of 18)

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>General Government:</b>				
Personnel Expense	\$ 66,000	\$ 96,492	\$ 96,392	\$ (100)
Occupancy	59,700	58,383	58,179	(204)
Communication	120,000	135,300	135,203	(97)
Consultant/Contracted Services	720,000	691,843	691,778	(65)
Other Expenses	1,215,060	313,576	313,573	(3)
Pass-Through Grant Funding	-	50,000	50,000	-
<b>Total Expenditures</b>	<b>2,180,760</b>	<b>1,345,594</b>	<b>1,345,125</b>	<b>(469)</b>
<b>Miscellaneous:</b>				
Insurance	705,000	354,474	353,937	(537)
Bank Charges	500	3,900	20,112	16,212
Indirect Cost Study	15,000	15,000	11,000	(4,000)
<b>Total Expenditures</b>	<b>720,500</b>	<b>373,374</b>	<b>385,049</b>	<b>11,675</b>
<b>Total General Government</b>	<b>\$ 13,029,197</b>	<b>\$ 12,247,667</b>	<b>\$ 11,250,000</b>	<b>\$ (997,667)</b>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Judicial</b>				
<b>Clerk Of Courts:</b>				
Salaries & Benefits	\$ 835,610	\$ 749,406	\$ 706,906	\$ (42,500)
Personnel Expense	15,400	15,400	13,659	(1,741)
Occupancy	5,000	5,025	5,022	(3)
Communication	18,950	18,950	16,780	(2,170)
Supplies & Minor Equipment	18,100	18,075	13,306	(4,769)
Transportation	4,300	4,300	2,566	(1,734)
Consultant/Contracted Services	5,040	5,460	5,040	(420)
Other Expenses	2,000	2,000	163	(1,837)
Total Expenditures	<u>904,400</u>	<u>818,616</u>	<u>763,442</u>	<u>(55,174)</u>
<b>Coroner:</b>				
Salaries & Benefits	133,962	172,794	172,057	(737)
Personnel Expense	900	900	630	(270)
Occupancy	1,000	1,000	359	(641)
Communication	1,200	1,200	799	(401)
Supplies & Minor Equipment	500	500	-	(500)
Transportation	1,000	1,000	200	(800)
Other Expenses	<u>218,500</u>	<u>301,234</u>	<u>175,407</u>	<u>(125,827)</u>
Total Expenditures	<u>357,062</u>	<u>478,628</u>	<u>349,452</u>	<u>(129,176)</u>
<b>Jury Commission:</b>				
Salaries & Benefits	113,560	128,356	127,044	(1,312)
Personnel Expense	600	600	-	(600)
Communication	11,000	11,000	10,670	(330)
Supplies & Minor Equipment	8,000	6,500	5,142	(1,358)
Transportation	2,000	800	-	(800)
Consultant/Contracted Services	<u>6,100</u>	<u>6,100</u>	<u>5,926</u>	<u>(174)</u>
Total Expenditures	<u>141,260</u>	<u>153,356</u>	<u>148,782</u>	<u>(4,574)</u>

## COUNTY OF BEAVER, PENNSYLVANIA

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>District Attorney:</b>				
Salaries & Benefits	\$ 2,379,302	\$ 2,576,413	\$ 2,458,784	\$ (117,629)
Personnel Expense	23,600	26,700	25,083	(1,617)
Occupancy	6,000	3,025	2,797	(228)
Communication	11,360	11,860	8,725	(3,135)
Supplies & Minor Equipment	35,260	57,492	52,649	(4,843)
Transportation	19,300	18,890	14,286	(4,604)
Consultant/Contracted Services	60,000	40,700	25,130	(15,570)
Other Expenses	10,550	9,900	8,934	(966)
Total Expenditures	<u>2,545,372</u>	<u>2,744,980</u>	<u>2,596,388</u>	<u>(148,592)</u>
<b>Prothonotary:</b>				
Salaries & Benefits	611,354	704,572	700,128	(4,444)
Personnel Expense	1,100	1,100	920	(180)
Occupancy	10,000	10,000	9,773	(227)
Communication	10,500	10,561	10,560	(1)
Supplies & Minor Equipment	22,300	22,300	19,233	(3,067)
Transportation	2,000	2,000	1,685	(315)
Total Expenditures	<u>657,254</u>	<u>750,533</u>	<u>742,299</u>	<u>(8,234)</u>
<b>Register Of Wills:</b>				
Salaries & Benefits	365,850	371,525	351,682	(19,843)
Personnel Expense	700	700	650	(50)
Occupancy	6,000	4,081	3,914	(167)
Communication	15,400	16,444	16,280	(164)
Supplies & Minor Equipment	15,300	20,248	18,349	(1,899)
Transportation	2,800	474	474	-
Total Expenditures	<u>406,050</u>	<u>413,472</u>	<u>391,349</u>	<u>(22,123)</u>
<b>Sheriff:</b>				
Salaries & Benefits	\$ 3,318,262	\$ 3,469,009	\$ 3,446,440	\$ (22,569)
Personnel Expense	41,600	41,600	34,218	(7,382)
Occupancy	1,000	1,300	1,208	(92)
Communication	7,500	7,500	6,950	(550)
Supplies & Minor Equipment	71,500	71,500	52,381	(19,119)
Transportation	120,000	119,450	67,217	(52,233)
Consultant/Contracted Services	7,750	7,800	5,965	(1,835)
Other Expenses	5,000	5,500	4,848	(652)
Pass-Through Grant Funding	-	-	(18,556)	(18,556)
Total Expenditures	<u>3,572,612</u>	<u>3,723,659</u>	<u>3,600,671</u>	<u>(122,988)</u>

Exhibit A (Page 7 of 18)

## COUNTY OF BEAVER, PENNSYLVANIA

### SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Court Administration:</b>				
Salaries & Benefits	\$ 2,774,290	\$ 2,662,505	\$ 2,600,041	\$ (62,464)
Personnel Expense	80,000	76,285	51,101	(25,184)
Occupancy	3,000	3,000	152	(2,848)
Communication	17,000	16,873	7,366	(9,507)
Supplies & Minor Equipment	75,500	71,543	65,207	(6,336)
Transportation	11,500	13,500	12,593	(907)
Consultant/Contracted Services	277,500	275,000	137,270	(137,730)
Other Expenses	100,000	100,000	54,962	(45,038)
Total Expenditures	<u>3,338,790</u>	<u>3,218,706</u>	<u>2,928,692</u>	<u>(290,014)</u>
<b>Law Library:</b>				
Salaries & Benefits	74,649	77,949	60,613	(17,336)
Communication	50	50	32	(18)
Supplies & Minor Equipment	119,425	119,425	112,424	(7,001)
Transportation	300	300	-	(300)
Total Expenditures	<u>194,424</u>	<u>197,724</u>	<u>173,069</u>	<u>(24,655)</u>
<b>District Court 36-1-03:</b>				
Salaries & Benefits	167,832	187,068	186,239	(829)
Occupancy	26,215	26,215	25,374	(841)
Communication	10,500	10,300	8,004	(2,296)
Supplies & Minor Equipment	9,000	8,225	4,595	(3,630)
Transportation	800	1,200	1,120	(80)
Total Expenditures	<u>214,347</u>	<u>233,008</u>	<u>225,332</u>	<u>(7,676)</u>
<b>District Court 36-1-01:</b>				
Salaries & Benefits	148,964	166,616	164,654	(1,962)
Personnel Expense	300	300	143	(157)
Occupancy	10,020	10,020	8,786	(1,234)
Communication	13,300	13,800	12,961	(839)
Supplies & Minor Equipment	9,100	8,300	5,507	(2,793)
Transportation	1,500	1,500	43	(1,457)
Total Expenditures	<u>183,184</u>	<u>200,536</u>	<u>192,094</u>	<u>(8,442)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>District Court 36-3-02:</b>				
Salaries & Benefits	\$ 168,415	\$ 184,616	\$ 182,793	\$ (1,823)
Personnel Expense	500	500	405	(95)
Occupancy	9,570	9,370	7,811	(1,559)
Communication	14,400	14,800	13,784	(1,016)
Supplies & Minor Equipment	7,800	7,300	5,775	(1,525)
Transportation	800	1,120	414	(706)
Total Expenditures	<u>201,485</u>	<u>217,706</u>	<u>210,982</u>	<u>(6,724)</u>
<b>District Court 36-2-01:</b>				
Salaries & Benefits	212,182	229,150	222,482	(6,668)
Personnel Expense	500	500	143	(357)
Occupancy	10,575	10,654	9,314	(1,340)
Communication	20,300	20,666	19,450	(1,216)
Supplies & Minor Equipment	10,100	10,270	7,484	(2,786)
Transportation	2,000	2,000	695	(1,305)
Total Expenditures	<u>255,657</u>	<u>273,240</u>	<u>259,568</u>	<u>(13,672)</u>
<b>District Court 36-3-03:</b>				
Salaries & Benefits	223,507	251,395	250,248	(1,147)
Personnel Expense	400	400	368	(32)
Occupancy	13,160	13,260	12,246	(1,014)
Communication	19,250	19,250	18,614	(636)
Supplies & Minor Equipment	11,500	11,632	9,171	(2,461)
Transportation	1,000	1,000	734	(266)
Total Expenditures	<u>268,817</u>	<u>296,937</u>	<u>291,381</u>	<u>(5,556)</u>
<b>District Court 36-3-04:</b>				
Salaries & Benefits	147,075	171,436	170,707	(729)
Personnel Expense	-	400	268	(132)
Occupancy	500	9,750	8,433	(1,317)
Communication	-	11,200	10,968	(232)
Supplies & Minor Equipment	-	8,635	7,505	(1,130)
Transportation	2,000	2,000	1,279	(721)
Total Expenditures	<u>149,575</u>	<u>203,421</u>	<u>199,160</u>	<u>(4,261)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>District Court 36-1-02:</b>				
Salaries & Benefits	\$ 219,231	\$ 244,056	\$ 240,911	\$ (3,145)
Personnel Expense	300	300	181	(119)
Occupancy	9,750	9,790	7,701	(2,089)
Communication	15,700	15,900	13,126	(2,774)
Supplies & Minor Equipment	9,000	9,132	7,109	(2,023)
Transportation	500	145	86	(59)
Total Expenditures	<u>254,481</u>	<u>279,323</u>	<u>269,114</u>	<u>(10,209)</u>
<b>District Court 36-3-01:</b>				
Salaries & Benefits	178,926	201,107	199,856	(1,251)
Personnel Expense	400	400	275	(125)
Occupancy	9,760	9,835	9,135	(700)
Communication	18,350	18,550	18,409	(141)
Supplies & Minor Equipment	11,300	11,477	8,482	(2,995)
Transportation	500	500	86	(414)
Total Expenditures	<u>219,236</u>	<u>241,869</u>	<u>236,243</u>	<u>(5,626)</u>
<b>District Court 36-2-02:</b>				
Salaries & Benefits	213,912	238,061	236,177	(1,884)
Personnel Expense	300	300	293	(7)
Occupancy	9,710	10,610	9,434	(1,176)
Communication	13,500	11,450	10,612	(838)
Supplies & Minor Equipment	10,800	11,450	9,174	(2,276)
Transportation	1,500	1,500	676	(824)
Total Expenditures	<u>249,722</u>	<u>273,371</u>	<u>266,366</u>	<u>(7,005)</u>
<b>Total Judicial</b>	<u>\$ 14,113,728</u>	<u>\$ 14,719,085</u>	<u>\$ 13,844,384</u>	<u>\$ (874,701)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Public Works and Enterprises</u></b>				
<b>Department of Public Works:</b>				
Salaries & Benefits	\$ 2,356,147	\$ 2,545,761	\$ 2,521,857	\$ (23,904)
Personnel Expense	3,080	3,830	3,502	(328)
Occupancy	67,600	51,150	43,187	(7,963)
Communication	12,310	12,510	11,138	(1,372)
Supplies & Minor Equipment	47,000	59,500	55,693	(3,807)
Transportation	60,500	37,720	34,800	(2,920)
Other Expenses	500	500	-	(500)
Total Expenditures	<u>2,547,137</u>	<u>2,710,971</u>	<u>2,670,177</u>	<u>(40,794)</u>
<b>Buildings and Grounds:</b>				
Occupancy	423,000	704,268	688,880	(15,388)
Communication	2,500	2,500	2,430	(70)
Supplies & Minor Equipment	120,600	191,599	188,825	(2,774)
Consultant/Contracted Services	363,500	303,790	283,047	(20,743)
Other Expenses	19,000	59,256	46,001	(13,255)
Total Expenditures	<u>928,600</u>	<u>1,261,413</u>	<u>1,209,183</u>	<u>(52,230)</u>
<b>Total Public Works and Enterprises</b>	<u><u>\$ 3,475,737</u></u>	<u><u>\$ 3,972,384</u></u>	<u><u>\$ 3,879,360</u></u>	<u><u>\$ (93,024)</u></u>

# COUNTY OF BEAVER, PENNSYLVANIA

## SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Public Safety</b>				
<b>Emergency Services:</b>				
Salaries & Benefits	\$ 2,928,901	\$ 2,066,048	\$ 807,235	\$ (1,258,813)
Personnel Expense	11,150	12,150	11,867	(283)
Occupancy	729,000	730,505	727,826	(2,679)
Communication	51,000	51,000	50,702	(298)
Supplies & Minor Equipment	285,000	289,741	200,194	(89,547)
Transportation	12,500	14,500	9,399	(5,101)
Consultant/Contracted Services	55,000	81,806	27,629	(54,177)
Other Expenses	2,000	3,000	2,442	(558)
Total Expenditures	4,074,551	3,248,750	1,837,294	(1,411,456)
<b>Jail of Beaver County:</b>				
Salaries & Benefits	5,434,539	6,519,213	6,513,566	(5,647)
Personnel Expense	50,300	7,969	6,701	(1,268)
Occupancy	381,000	379,400	356,614	(22,786)
Communication	17,000	17,000	15,095	(1,905)
Supplies & Minor Equipment	219,000	187,037	175,394	(11,643)
Transportation	10,750	10,750	4,144	(6,606)
Consultant/Contracted Services	55,000	55,000	55,000	-
Other Expenses	1,520,896	1,579,192	1,579,113	(79)
Total Expenditures	7,688,485	8,755,561	8,705,627	(49,934)
<b>DUI Program:</b>				
Salaries & Benefits	200,836	175,901	126,773	(49,128)
Personnel Expense	2,000	4,500	242	(4,258)
Occupancy	1,800	1,800	1,800	-
Communication	500	500	247	(253)
Supplies & Minor Equipment	1,500	1,500	409	(1,091)
Transportation	1,500	1,500	1,019	(481)
Consultant/Contracted Services	3,500	3,500	3,135	(365)
Total Expenditures	211,636	189,201	133,625	(55,576)

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Adult Probation:</b>				
Salaries & Benefits	\$ 1,869,672	\$ 2,116,587	\$ 2,112,283	\$ (4,304)
Personnel Expense	500	1,750	1,460	(290)
Communication	6,700	6,700	3,498	(3,202)
Supplies & Minor Equipment	17,900	27,700	24,202	(3,498)
Transportation	11,000	9,750	9,079	(671)
Other Expenses	55,000	63,000	11,106	(51,894)
Total Expenditures	<u>1,960,772</u>	<u>2,225,487</u>	<u>2,161,628</u>	<u>(63,859)</u>
<b>Intermediate Punishment Program:</b>				
Salaries & Benefits	450,806	508,478	504,529	(3,949)
Personnel Expense	-	250	-	(250)
Occupancy	54,700	56,650	54,183	(2,467)
Communication	19,100	19,500	18,875	(625)
Supplies & Minor Equipment	117,600	111,445	71,802	(39,643)
Transportation	3,000	2,750	1,696	(1,054)
Other Expenses	1,250	1,250	270	(980)
Total Expenditures	<u>646,456</u>	<u>700,323</u>	<u>651,355</u>	<u>(48,968)</u>
<b>Juvenile Probation-Court Services:</b>				
Salaries & Benefits	2,024,112	1,384,391	1,369,380	(15,011)
Personnel Expense	3,000	4,500	3,703	(797)
Occupancy	-	120	83	(37)
Communication	18,000	16,000	10,846	(5,154)
Supplies & Minor Equipment	13,300	15,300	12,733	(2,567)
Transportation	23,200	21,700	16,727	(4,973)
Consultant/Contracted Services	1,893,000	1,881,000	1,085,476	(795,524)
Other Expenses	471,500	460,000	377,427	(82,573)
Total Expenditures	<u>4,446,112</u>	<u>3,783,011</u>	<u>2,876,375</u>	<u>(906,636)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>UAD Program:</b>				
Salaries & Benefits	\$ 4,500	\$ 12,050	\$ 4,991	\$ (7,059)
Occupancy	1,800	1,800	1,800	-
Communication	100	100	100	-
Supplies & Minor Equipment	400	400	-	(400)
Transportation	100	100	8	(92)
Total Expenditures	<u>6,900</u>	<u>14,450</u>	<u>6,899</u>	<u>(7,551)</u>
<b>Total Public Safety</b>	<u>\$ 19,034,912</u>	<u>\$ 18,916,783</u>	<u>\$ 16,372,803</u>	<u>\$ (2,543,980)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Culture, Recreation, and</b>				
<b>Conservation:</b>				
<b>Waste Management:</b>				
Salaries & Benefits	\$ 259,956	\$ 279,531	\$ 274,311	\$ (5,220)
Personnel Expense	1,050	1,050	485	(565)
Occupancy	18,500	33,000	25,926	(7,074)
Communication	2,950	3,950	2,883	(1,067)
Supplies & Minor Equipment	40,500	40,000	20,421	(19,579)
Transportation	10,500	10,500	7,579	(2,921)
Consultant/Contracted Services	10,000	4,069	3,115	(954)
Other Expenses	800	189,325	4,231	(185,094)
Total Expenditures	<u>344,256</u>	<u>561,425</u>	<u>338,951</u>	<u>(222,474)</u>
<b>Library Commission:</b>				
Salaries & Benefits	657,829	719,752	548,617	(171,135)
Personnel Expense	49,100	61,233	58,044	(3,189)
Occupancy	33,700	33,233	33,232	(1)
Communication	28,500	21,880	21,834	(46)
Supplies & Minor Equipment	63,688	64,627	64,364	(263)
Transportation	9,900	7,451	7,265	(186)
Consultant/Contracted Services	8,100	8,100	8,100	-
Other Expenses	500,663	509,951	509,680	(271)
Total Expenditures	<u>1,351,480</u>	<u>1,426,227</u>	<u>1,251,136</u>	<u>(175,091)</u>
<b>Recreation</b>				
Salaries & Benefits	39,687	52,174	51,988	(186)
Personnel Expense	275	275	265	(10)
Occupancy	4,000	3,165	1,167	(1,998)
Communication	2,850	2,795	1,452	(1,343)
Supplies & Minor Equipment	4,000	6,060	5,484	(576)
Transportation	-	990	787	(203)
Consultant/Contracted Services	14,550	14,550	6,527	(8,023)
Other Expenses	1,500	1,735	1,497	(238)
Total Expenditures	<u>66,862</u>	<u>81,744</u>	<u>69,167</u>	<u>(12,577)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>DPW/Parks:</b>				
Occupancy	\$ 52,500	\$ 47,600	\$ 51,236	\$ 3,636
Communication	2,000	2,000	1,417	(583)
Supplies & Minor Equipment	113,500	122,702	120,091	(2,611)
Consultant/Contracted Services	15,000	27,401	26,736	(665)
Other Expenses	20,000	39,584	39,495	(89)
<b>Total Expenditures</b>	<b>203,000</b>	<b>239,287</b>	<b>238,975</b>	<b>(312)</b>
<b>Ice Arena:</b>				
Salaries & Benefits	593,852	476,827	456,955	(19,872)
Personnel Expense	3,075	3,075	3,074	(1)
Occupancy	232,500	227,685	214,033	(13,652)
Communication	3,000	3,545	2,449	(1,096)
Supplies & Minor Equipment	37,600	51,646	40,284	(11,362)
Consultant/Contracted Services	14,000	21,125	17,754	(3,371)
Other Expenses	2,200	1,980	739	(1,241)
Pass-Through Grant Funding	-	-	40	40
<b>Total Expenditures</b>	<b>886,227</b>	<b>785,883</b>	<b>735,328</b>	<b>(50,555)</b>
<b>Pool:</b>				
Salaries & Benefits	100,005	99,505	95,501	(4,004)
Occupancy	18,500	13,832	7,302	(6,530)
Communication	1,100	600	555	(45)
Supplies & Minor Equipment	7,900	4,200	4,098	(102)
Other Expenses	26,500	21,716	21,704	(12)
<b>Total Expenditures</b>	<b>154,005</b>	<b>139,853</b>	<b>129,160</b>	<b>(10,693)</b>
<b>Total Culture, Recreation and Conservation</b>	<b>\$ 3,005,830</b>	<b>\$ 3,234,419</b>	<b>\$ 2,762,717</b>	<b>\$ (471,702)</b>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Human Services</b>				
<b>Subsidies:</b>				
Subsidies	\$ 4,946,655	\$ 5,219,655	\$ 5,188,070	\$ (31,585)
Consultant/Contracted Services	-	35,000	9,147	(25,853)
Other Expenses	-	1,900	-	(1,900)
Pass-Through Grant Funding	-	20,000	19,972	(28)
Total Expenditures	<u>4,946,655</u>	<u>5,276,555</u>	<u>5,217,189</u>	<u>(59,366)</u>
<b>Beaver County Transit Authority:</b>				
Subsidies	850,000	850,000	850,000	-
Pass-Through Grant Funding	-	1,750,000	1,724,506	(25,494)
Total Expenditures	<u>850,000</u>	<u>2,600,000</u>	<u>2,574,506</u>	<u>(25,494)</u>
<b>Friendship Ridge:</b>				
Salaries & Benefits	-	-	142,098	142,098
Other Expenses	-	-	276,789	276,789
Total Expenditures	<u>-</u>	<u>-</u>	<u>418,887</u>	<u>418,887</u>
<b>Total Human Services</b>	<u>\$ 5,796,655</u>	<u>\$ 7,876,555</u>	<u>8,210,582</u>	<u>334,027</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Debt Service:</b>				
Principal	\$ 4,785,700	\$ 4,809,270	\$ 4,751,704	\$ (57,566)
Interest	5,765,000	5,747,718	5,682,783	(64,935)
Other Expenses	-	16,570	10,035	(6,535)
Total Expenditures	<u>10,550,700</u>	<u>10,573,558</u>	<u>10,444,522</u>	<u>(129,036)</u>
<b>Asset Acquisition and Improvements:</b>				
	<u>777,000</u>	<u>2,359,671</u>	<u>1,854,043</u>	<u>(505,628)</u>
<b>Infrastructure</b>	<u>-</u>	<u>25,000</u>	<u>479</u>	<u>(24,521)</u>
<b>Total Expenditures</b>	<u>\$ 69,783,759</u>	<u>\$ 73,925,122</u>	<u>\$ 68,618,890</u>	<u>\$ (5,306,232)</u>

# COUNTY OF BEAVER, PENNSYLVANIA

## INDIVIDUAL FUND DESIGNATIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Individual Fund Designations**

#### ***Automation and Records Improvement***

This fund collects fees, the proceeds of which are to be devoted to the improvement of record keeping and record management County-wide, to support development and improvement of office records management and systems, continued automation updates, and the purchase of equipment to upgrade or replace equipment needed to operate. A Records Management Committee has been established, consisting of most County row officers and the Board of Commissioners. The annual budget and expenditures from this fund are to be governed by decision of the Committee.

#### ***Regional Booking Center***

The Regional Booking Center (RBC) has the capabilities of identifying and processing individuals/prisoners as well as issuing emergency protection from abuse orders. Fees collected by the RBC are to be used solely for the operations and maintenance of the RBC.

#### ***Domestic Relations***

This fund is established and administered for the purpose of enforcing support obligations owed by non-custodial parents to their children and the parent with whom such children are living, locating non-custodial parents, establishing paternity, obtaining child and spousal support, and assuring that assistance in obtaining support will be available for whom such assistance is requested.

#### ***Offender's Supervisory***

The Offender Supervision Fee is assessed monthly against all offenders placed on probation, parole, Accelerated Rehabilitative Disposition, Probation with Verdict, and Intermediate Punishment. Currently, the money is collected by the Clerk of Courts, with 50% being retained by the County and 50% being forwarded to the State. Subsequently, the state refunds the County the funds received for the operations of the probation offices.

#### ***Victim Witness***

The Victim Witness Assistance Project provides direct and indirect services to all victims of crime in Beaver County. These services include: Criminal Justice Support/Advocacy, Crisis & Follow-Up Counseling, Information/Referral, Court Accompaniment, Victim Compensation Assistance Program Claims, Restitution, Sentencing & Prison Notifications, Property Return, Witness Management, and Victim Impact Statements.

# COUNTY OF BEAVER, PENNSYLVANIA

## INDIVIDUAL FUND DESIGNATIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Individual Fund Designations – (Continued)**

#### ***Hazardous Materials / Act 147 Grants***

This fund is responsible for upgrading the County's Hazardous Materials Response Team which services all of Beaver County and provides containment of spills until private contractors arrive for clean-up. Act 147 Funds are also recorded here and are used to better prepare Beaver County for a possible accident at the Beaver Valley Nuclear Power Station. Nearly half of the funds go back to the municipalities that are within a ten mile radius of the plant for traffic control devices, radio equipment and other items necessary to complete an effective evacuation of the area.

#### ***Liquid Fuels***

The purpose of the Liquid Fuels Fund is for construction, maintenance, and repair of County roads and bridges and services pertaining to such. Funds for these purposes are provided by federal and state grants.

#### ***Office on Aging***

The purpose of the Beaver County Office on Aging (BCOA) is to plan and deliver a comprehensive system of social services for the citizens of Beaver County who are over the age of 60. BCOA operates under the direction of the County Commissioners to identify the needs in the communities, ensure the provision of quality services, preserve the dignity of the individual and advocate for their rights. BCOA provides and contracts for case management, home and community based care, recreation, health and wellness activities, congregate and home delivered meals, Pennsylvania Department of Aging waiver, nursing home diversion, protective services, senior center services and other programs that ensure the safety, independence and well being of older persons.

#### ***Tourist Promotion***

The Tourism Tourist Promotion Fund is funded through the County's hotel/motel occupancy tax, which is a 3% gross receipts tax collected by innkeepers within the County from each transaction of renting sleeping rooms to transients. By ordinance, the recognized tourist promotion agency shall only use these tax revenues to directly fund County-wide tourist promotion activities and its operational expenses. When available, the Tourism Department also applies for state tourism grants on a yearly basis from the Department of Economic Development, which specifies by law how those funds can be used relative to regional or county tourism promotional activities.

# COUNTY OF BEAVER, PENNSYLVANIA

## INDIVIDUAL FUND DESIGNATIONS

DECEMBER 31, 2015 AND JUNE 30, 2015

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### **Individual Fund Designations – (Continued)**

#### ***Anti-Drug Task Force / Education***

This fund is administered by the County District Attorney (DA) to keep proceeds and property seized during drug investigations. The funds seized are to be used for expenditures related to drug investigations, community based drug fighting programs and for relocation and protection of witnesses in criminal cases. Forfeitures originating from participating municipalities are also turned in to this fund and then shared with that municipality. In addition to drug-related forfeitures, the fund earns revenues from a grant provided by the State Attorney General's Office. This grant is paid out in quarterly installments after submission and approval of quarterly activity reports by the DA. The DA Education Fund was established to track non-drug related forfeitures and to provide for educational and other funding necessary to the operations of the DA's Office.

#### ***Emergency Services 911***

This fund is responsible for managing and administrating all activities that pertain to emergency situations affecting Beaver County. Revenues are earned mostly through the collection of a monthly fee collected on the use of telephone lines (including cellular and internet lines).

#### ***Courtroom Improvement***

This fund was re-established in 2008 for the purpose of funding court office capital improvements and establishing funding obligations and methods for the court. It is funded by monies remaining in the Driving Under the Influence (DUI) and Under Age Drinking (UAD) programs consisting of revenue over expenditures. These funds are transferred annually at the time of financial closing by the County Controller.

#### ***Capital Reserve***

This fund was established for the purpose of funding various capital improvement projects in County parks, County-owned buildings, and other County facilities. Revenues are earned through funding earmarked by the County Commissioners, most commonly fees received from the Commonwealth of Pennsylvania for housing inmates, for mineral drilling activities, and other.

#### ***Capital Bond***

This fund was established to account for all purchases made using the proceeds of the County of Beaver Guaranteed Revenue Bonds, Series of 2012, and proceeds from any future debt obligations destined for capital improvements. Expenditures in this fund are statutorily restricted to capital outlay.

**COUNTY OF BEAVER, PENNSYLVANIA**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

**DECEMBER 31, 2015**

	Special Revenue								
	Automation and Records Improvement	Regional Booking Center	Domestic Relations	Offender's Supervisory	Victim Witness	Hazardous Materials/ Act 147 Grants	Liquid Fuels	Office on Aging	Tourist Promotion
<b>Assets</b>									
Cash and Cash Equivalents	\$ 516,640	\$ 5,527	\$ 134,898	\$ 254,047	\$ 18,600	\$ 154,216	\$ 1,965,040	\$ 166,780	\$ 28,811
Interfund Receivable	-	-	-	-	-	-	-	-	-
Prepaid Other	-	-	-	-	-	4,998	-	7,500	-
Accounts Receivable	-	5,985	411,939	19,506	46,524	21,879	293,901	2,277,927	34,833
<b>Total Assets</b>	<u>\$ 516,640</u>	<u>\$ 11,512</u>	<u>\$ 546,837</u>	<u>\$ 273,553</u>	<u>\$ 65,124</u>	<u>\$ 181,093</u>	<u>\$ 2,258,941</u>	<u>\$ 2,452,207</u>	<u>\$ 63,644</u>
<b>Liabilities</b>									
Accounts Payable	\$ 28,521	\$ -	\$ 1,277	\$ -	\$ 2,079	\$ 16,943	\$ 64,198	\$ 851,064	\$ 13,587
Interfund Payable	-	104,837	248,395	-	86,969	14,740	57,399	374,153	21,739
Accrued Other Liabilities	-	-	-	-	-	-	-	141,877	-
Unearned Revenue	-	-	-	-	-	49,883	-	-	-
<b>Total Liabilities</b>	<u>28,521</u>	<u>104,837</u>	<u>249,672</u>	<u>-</u>	<u>89,048</u>	<u>81,566</u>	<u>121,597</u>	<u>1,367,094</u>	<u>35,326</u>
<b>Deferred Inflows of Resources</b>									
Unavailable Revenue	-	-	-	-	-	13,583	110,724	878	-
<b>Fund Balance (Deficit)</b>									
Non-spendable: Prepays	-	-	-	-	-	4,998	-	7,500	-
Restricted:									
Other	488,119	-	297,165	273,553	-	80,946	2,026,620	1,076,735	28,318
Committed:									
Capital Projects	-	-	-	-	-	-	-	-	-
Unassigned:	-	(93,325)	-	-	(23,924)	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<u>488,119</u>	<u>(93,325)</u>	<u>297,165</u>	<u>273,553</u>	<u>(23,924)</u>	<u>85,944</u>	<u>2,026,620</u>	<u>1,084,235</u>	<u>28,318</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<u>\$ 516,640</u>	<u>\$ 11,512</u>	<u>\$ 546,837</u>	<u>\$ 273,553</u>	<u>\$ 65,124</u>	<u>\$ 181,093</u>	<u>\$ 2,258,941</u>	<u>\$ 2,452,207</u>	<u>\$ 63,644</u>

Exhibit B (Page 1 of 2)

**COUNTY OF BEAVER, PENNSYLVANIA**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**

DECEMBER 31, 2015

	Special Revenue			Capital Projects				Nonmajor Governmental Funds Total
	Anti-Drug Task Force / Educational	Emergency Services 911	Total	Courtroom Improvement	Capital Reserve	Capital Bond	Total	
<b>Assets</b>								
Cash and Cash Equivalents	\$ 396,660	\$ 1,623,451	\$ 5,264,670	\$ 622,169	\$ 938,286	\$ -	\$ 1,560,455	\$ 6,825,125
Interfund Receivable	-	-	-	89,881	-	101,770	191,651	191,651
Prepaid Other	-	7,059	19,557	-	-	-	-	19,557
Accounts Receivable	22,264	869,831	4,004,589	-	-	-	-	4,004,589
<b>Total Assets</b>	<u>\$ 418,924</u>	<u>\$ 2,500,341</u>	<u>\$ 9,288,816</u>	<u>\$ 712,050</u>	<u>\$ 938,286</u>	<u>\$ 101,770</u>	<u>\$ 1,752,106</u>	<u>\$ 11,040,922</u>
<b>Liabilities</b>								
Accounts Payable	\$ 662	\$ 34,991	\$ 1,013,322	\$ 21,247	\$ 93,021	\$ -	\$ 114,268	\$ 1,127,590
Interfund Payable	1,109	1,119,282	2,028,623	-	-	-	-	2,028,623
Accrued Other Liabilities	-	-	141,877	-	-	-	-	141,877
Unearned Revenue	-	1,355,766	1,405,649	-	-	-	-	1,405,649
<b>Total Liabilities</b>	<u>1,771</u>	<u>2,510,039</u>	<u>4,589,471</u>	<u>21,247</u>	<u>93,021</u>	<u>-</u>	<u>114,268</u>	<u>4,703,739</u>
<b>Deferred Inflows of Resources</b>								
Unavailable Revenue	-	5,000	130,185	-	-	-	-	130,185
<b>Fund Balance (Deficit)</b>								
Non-spendable: Prepays	-	7,059	19,557	-	-	-	-	19,557
Restricted:								
Other	417,153	-	4,688,609	-	-	-	-	4,688,609
Committed:								
Capital Projects	-	-	-	690,803	845,265	101,770	1,637,838	1,637,838
Unassigned:	-	(21,757)	(139,006)	-	-	-	-	(139,006)
<b>Total Fund Balances (Deficits)</b>	<u>417,153</u>	<u>(14,698)</u>	<u>4,569,160</u>	<u>690,803</u>	<u>845,265</u>	<u>101,770</u>	<u>1,637,838</u>	<u>6,206,998</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<u>\$ 418,924</u>	<u>\$ 2,500,341</u>	<u>\$ 9,288,816</u>	<u>\$ 712,050</u>	<u>\$ 938,286</u>	<u>\$ 101,770</u>	<u>\$ 1,752,106</u>	<u>\$ 11,040,922</u>

Exhibit B (Page 2 of 2)

**COUNTY OF BEAVER, PENNSYLVANIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2015**

	Special Revenue								
	Automation and Records Improvement	Regional Booking Center	Domestic Relations	Offender's Supervisory	Victim Witness	Hazardous Materials/ Act 147 Grants	Liquid Fuels	Office on Aging	Tourist Promotion
<b>Revenues</b>									
Investment Income	\$ 28	\$ -	\$ 10	\$ 32	\$ 1	\$ 22	\$ 109	\$ 153	\$ 2
Intergovernmental	-	-	1,736,810	288,949	171,843	160,214	2,238,863	4,906,188	-
Departmental Earnings	144,742	83,182	33,296	288,590	-	-	19,230	12,718	19,175
Local Hotel Room Tax	-	-	-	-	-	-	-	-	308,262
Miscellaneous	-	-	-	-	-	37,428	-	-	-
<b>Total Revenues</b>	<b>144,770</b>	<b>83,182</b>	<b>1,770,116</b>	<b>577,571</b>	<b>171,844</b>	<b>197,664</b>	<b>2,258,202</b>	<b>4,919,059</b>	<b>327,439</b>
<b>Expenditures</b>									
Current:									
General Government	58,780	-	-	-	-	-	-	-	-
Judicial	-	54,428	2,613,085	-	176,118	-	-	-	-
Public Safety	-	-	-	-	-	211,922	-	-	-
Public Works and Enterprises	-	-	-	-	-	-	787,619	-	-
Culture Recreation & Conservation	-	-	-	-	-	-	-	-	354,860
Intergovernmental:									
Operating / Human Services	-	-	-	-	-	-	-	4,791,371	-
Capital Outlay:									
Infrastructure	-	-	-	-	-	-	864,215	-	-
Asset Acquisition	60,382	-	-	-	-	26,346	179,487	21,739	-
<b>Total Expenditures</b>	<b>119,162</b>	<b>54,428</b>	<b>2,613,085</b>	<b>-</b>	<b>176,118</b>	<b>238,268</b>	<b>1,831,321</b>	<b>4,813,110</b>	<b>354,860</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>25,608</b>	<b>28,754</b>	<b>(842,969)</b>	<b>577,571</b>	<b>(4,274)</b>	<b>(40,604)</b>	<b>426,881</b>	<b>105,949</b>	<b>(27,421)</b>
<b>Other Financing Sources (Uses)</b>									
Transfers From Other Funds	-	-	817,613	-	-	-	-	-	-
Transfers to Other Funds	-	-	-	(590,000)	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>817,613</b>	<b>(590,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>25,608</b>	<b>28,754</b>	<b>(25,356)</b>	<b>(12,429)</b>	<b>(4,274)</b>	<b>(40,604)</b>	<b>426,881</b>	<b>105,949</b>	<b>(27,421)</b>
Fund Balances (Deficits) - Beginning	462,511	(122,079)	322,521	285,982	(19,650)	126,548	1,599,739	978,286	55,739
Fund Balances (Deficits) - Ending	<b>\$ 488,119</b>	<b>\$ (93,325)</b>	<b>\$ 297,165</b>	<b>\$ 273,553</b>	<b>\$ (23,924)</b>	<b>\$ 85,944</b>	<b>\$ 2,026,620</b>	<b>\$ 1,084,235</b>	<b>\$ 28,318</b>

Exhibit C (Page 1 of 2)

**COUNTY OF BEAVER, PENNSYLVANIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE (CONTINUED)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2015**

	Special Revenue			Capital Projects				Nonmajor Governmental Funds Total
	Anti-Drug Task Force / Educational	Emergency Services 911	Total	Courtroom Improvement	Capital Reserve	Capital Bond	Total	
<b>Revenues</b>								
Investment Income	\$ 337	\$ 123	\$ 817	\$ 69	\$ 223	\$ -	\$ 292	\$ 1,109
Intergovernmental	88,800	761,576	10,353,243	-	-	-	-	10,353,243
Departmental Earnings	76,662	1,842,030	2,519,625	-	423,467	-	423,467	2,943,092
Local Hotel Room Tax	-	-	308,262	-	-	-	-	308,262
Miscellaneous	-	-	37,428	-	-	-	-	37,428
Total Revenues	<u>165,799</u>	<u>2,603,729</u>	<u>13,219,375</u>	<u>69</u>	<u>423,690</u>	<u>-</u>	<u>423,759</u>	<u>13,643,134</u>
<b>Expenditures</b>								
Current:								
General Government	-	-	58,780	132,107	75	-	132,182	190,962
Judicial	181,046	-	3,024,677	-	-	-	-	3,024,677
Public Safety	-	2,609,042	2,820,964	-	-	-	-	2,820,964
Public Works and Enterprises	-	-	787,619	-	-	-	-	787,619
Culture Recreation & Conservation	-	-	354,860	-	-	-	-	354,860
Intergovernmental:								
Operating / Human Services	-	-	4,791,371	-	-	-	-	4,791,371
Capital Outlay:								
Infrastructure	-	-	864,215	-	6,000	-	6,000	870,215
Asset Acquisition	17,064	9,384	314,402	63,219	467,231	526,558	1,057,008	1,371,410
Total Expenditures	<u>198,110</u>	<u>2,618,426</u>	<u>13,016,888</u>	<u>195,326</u>	<u>473,306</u>	<u>526,558</u>	<u>1,195,190</u>	<u>14,212,078</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(32,311)	(14,697)	202,487	(195,257)	(49,616)	(526,558)	(771,431)	(568,944)
<b>Other Financing Sources (Uses)</b>								
Transfers From Other Funds	-	-	817,613	89,880	-	-	89,880	907,493
Transfers to Other Funds	-	-	(590,000)	-	-	-	-	(590,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>227,613</u>	<u>89,880</u>	<u>-</u>	<u>-</u>	<u>89,880</u>	<u>317,493</u>
<b>Net Change in Fund Balance</b>	(32,311)	(14,697)	430,100	(105,377)	(49,616)	(526,558)	(681,551)	(251,451)
Fund Balances (Deficits) - Beginning	<u>449,464</u>	<u>(1)</u>	<u>4,139,060</u>	<u>796,180</u>	<u>894,881</u>	<u>628,328</u>	<u>2,319,389</u>	<u>6,458,449</u>
Fund Balances (Deficits) - Ending	<u>\$ 417,153</u>	<u>\$ (14,698)</u>	<u>\$ 4,569,160</u>	<u>\$ 690,803</u>	<u>\$ 845,265</u>	<u>\$ 101,770</u>	<u>\$ 1,637,838</u>	<u>\$ 6,206,998</u>

Exhibit C (Page 2 of 2)

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>General Government</u></b>				
<b>Automation and Records Improvement</b>				
Revenues:				
Departmental Earnings	\$ 72,000	\$ 118,436	\$ 144,742	\$ 26,306
Interest	-	-	28	28
Total Revenues	<u>72,000</u>	<u>118,436</u>	<u>144,770</u>	<u>26,334</u>
Expenditures:				
Salaries & Benefits	3,000	3,000	1,721	(1,279)
Supplies & Minor Equipment	13,000	39,960	29,057	(10,903)
Transportation	8,000	7,790	-	(7,790)
Other Expenditures	-	28,848	28,002	(846)
Capital Outlay	75,000	108,295	60,382	(47,913)
Total Expenditures	<u>99,000</u>	<u>187,893</u>	<u>119,162</u>	<u>(68,731)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(27,000)	(69,457)	25,608	95,065
Fund Balance - Beginning	<u>76,936</u>	<u>63,053</u>	<u>462,511</u>	<u>399,458</u>
Fund Balance - Ending	<u>\$ 49,936</u>	<u>\$ (6,404)</u>	<u>\$ 488,119</u>	<u>\$ 494,523</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Judicial</b>				
<b>Regional Booking Center</b>				
Revenues:				
Departmental Earnings	\$ 68,000	\$ 68,000	\$ 83,182	\$ 15,182
Total Revenues	<u>68,000</u>	<u>68,000</u>	<u>83,182</u>	<u>15,182</u>
Expenditures:				
Salaries & Benefits	12,000	60,725	38,767	(21,958)
Supplies & Minor Equipment	29,700	29,700	15,088	(14,612)
Other Expenditures	-	575	573	(2)
Total Expenditures	<u>41,700</u>	<u>91,000</u>	<u>54,428</u>	<u>(36,572)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	26,300	(23,000)	28,754	51,754
Fund Balance (Deficits) - Beginning	<u>-</u>	<u>23,000</u>	<u>(122,079)</u>	<u>(145,079)</u>
Fund Balance (Deficits) - Ending	<u>\$ 26,300</u>	<u>\$ -</u>	<u>\$ (93,325)</u>	<u>\$ (93,325)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Judicial</b>				
<b>Domestic Relations</b>				
Revenues:				
Intergovernmental	\$ 1,782,013	\$ 1,782,013	\$ 1,736,810	\$ (45,203)
Departmental Earnings	42,000	42,000	33,296	(8,704)
Interest	100	100	10	(90)
<b>Total Revenues</b>	<b>1,824,113</b>	<b>1,824,113</b>	<b>1,770,116</b>	<b>(53,997)</b>
Expenditures:				
Salaries & Benefits	2,374,505	2,418,705	2,414,960	(3,745)
Personnel Expense	14,000	14,000	6,700	(7,300)
Occupancy	7,200	7,200	5,255	(1,945)
Communication	39,700	39,700	28,807	(10,893)
Supplies & Minor Equipment	21,000	21,000	8,871	(12,129)
Transportation	6,000	6,000	1,335	(4,665)
Consultant/Contracted Services	21,500	26,500	21,730	(4,770)
Other Expenditures	264,815	264,815	125,427	(139,388)
Capital Outlay	10,000	-	-	-
<b>Total Expenditures</b>	<b>2,758,720</b>	<b>2,797,920</b>	<b>2,613,085</b>	<b>(184,835)</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(934,607)</b>	<b>(973,807)</b>	<b>(842,969)</b>	<b>130,838</b>
Other Financing Sources (Uses):				
Transfers from Other Funds	885,991	885,991	817,613	(68,378)
<b>Total Financing Sources (Uses)</b>	<b>885,991</b>	<b>885,991</b>	<b>817,613</b>	<b>(68,378)</b>
<b>Net Change in Fund Balance</b>	<b>(48,616)</b>	<b>(87,816)</b>	<b>(25,356)</b>	<b>62,460</b>
Fund Balance - Beginning	48,616	87,816	322,521	234,705
Fund Balance - Ending	\$ -	\$ -	\$ 297,165	\$ 297,165

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Judicial</b>				
<b>Offender's Supervisory</b>				
Revenues:				
Departmental Earnings	\$ 300,000	\$ 300,000	\$ 288,590	\$ (11,410)
Intergovernmental	300,000	300,000	288,949	(11,051)
Interest	-	-	32	32
Total Revenues	<u>600,000</u>	<u>600,000</u>	<u>577,571</u>	<u>(22,429)</u>
<b>Excess of Revenues Over Expenditures</b>	600,000	600,000	577,571	(22,429)
Other Financing Sources (Uses):				
Transfers to Other Funds	<u>(600,000)</u>	<u>(600,000)</u>	<u>(590,000)</u>	<u>(10,000)</u>
Total Financing Sources (Uses)	<u>(600,000)</u>	<u>(600,000)</u>	<u>(590,000)</u>	<u>(10,000)</u>
<b>Net Change in Fund Balance</b>	-	-	(12,429)	(12,429)
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>285,982</u>	<u>285,982</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,553</u>	<u>\$ 273,553</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Judicial</b>				
<b>Victim Witness</b>				
Revenues:				
Intergovernmental	\$ 143,861	\$ 143,861	\$ 171,843	\$ 27,982
Interest	-	-	1	1
Total Revenues	<u>143,861</u>	<u>143,861</u>	<u>171,844</u>	<u>27,983</u>
Expenditures:				
Salaries & Benefits	156,037	174,173	172,685	(1,488)
Personnel Expense	-	36	36	-
Communication	300	300	279	(21)
Supplies & Minor Equipment	-	1,040	1,038	(2)
Other Expenditures	-	2,100	2,080	(20)
Total Expenditures	<u>156,337</u>	<u>177,649</u>	<u>176,118</u>	<u>(1,531)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(12,476)	(33,788)	(4,274)	29,514
Fund Balance (Deficits) - Beginning	<u>85,414</u>	<u>87,989</u>	<u>(19,650)</u>	<u>(107,639)</u>
Fund Balance (Deficits) - Ending	<u>\$ 72,938</u>	<u>\$ 54,201</u>	<u>\$ (23,924)</u>	<u>\$ (78,125)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Public Safety</b>				
<b>Hazardous Materials / Act 147 Grants</b>				
Revenues:				
Intergovernmental	\$ 162,722	\$ 162,722	\$ 160,214	\$ (2,508)
Interest	40	40	22	(18)
Miscellaneous	-	-	37,428	37,428
Total Revenues	<u>162,762</u>	<u>162,762</u>	<u>197,664</u>	<u>34,902</u>
Expenditures:				
Salaries & Benefits	-	20,000	20,000	-
Personnel Expense	13,500	15,331	10,771	(4,560)
Consultant/Contracted Services	10,000	8,450	8,450	-
Occupancy	15,500	22,557	18,299	(4,258)
Communication	8,000	10,000	7,880	(2,120)
Supplies & Minor Equipment	85,840	93,582	68,061	(25,521)
Transportation	16,500	18,197	12,109	(6,088)
Other Expenditures	82,100	66,306	54,151	(12,155)
Pass-Through Grant Funding	12,456	12,456	12,201	(255)
Capital Outlay	-	26,347	26,346	(1)
Total Expenditures	<u>243,896</u>	<u>293,226</u>	<u>238,268</u>	<u>(54,958)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(81,134)	(130,464)	(40,604)	89,860
Fund Balance - Beginning	<u>100,046</u>	<u>126,393</u>	<u>126,548</u>	<u>155</u>
Fund Balance - Ending	<u>\$ 18,912</u>	<u>\$ (4,071)</u>	<u>\$ 85,944</u>	<u>\$ 90,015</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Public Works</b>				
<b>Liquid Fuels</b>				
Revenues:				
Intergovernmental	\$ 2,934,500	\$ 2,934,500	\$ 2,238,863	\$ (695,637)
Departmental Earnings	22,000	22,000	19,230	(2,770)
Interest	785	785	109	(676)
Total Revenues	<u>2,957,285</u>	<u>2,957,285</u>	<u>2,258,202</u>	<u>(699,083)</u>
Expenditures:				
Salaries & Benefits	64,580	70,370	70,024	(346)
Personnel Expense	18	18	18	-
Consultant/Contracted Services	376,000	695,130	499,199	(195,931)
Communication	1,950	5,081	3,723	(1,358)
Supplies & Minor Equipment	10,700	16,743	10,182	(6,561)
Transportation	4,000	2,546	957	(1,589)
Other Expenditures	249,000	249,000	203,516	(45,484)
Infrastructure	2,900,000	2,427,110	864,215	(1,562,895)
Capital Outlay	-	179,673	179,487	(186)
Total Expenditures	<u>3,606,248</u>	<u>3,645,671</u>	<u>1,831,321</u>	<u>(1,814,350)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(648,963)	(688,386)	426,881	1,115,267
Fund Balance - Beginning	<u>648,963</u>	<u>650,963</u>	<u>1,599,739</u>	<u>948,776</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ (37,423)</u>	<u>\$ 2,026,620</u>	<u>\$ 2,064,043</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Human Services</b>				
<b>Office on Aging</b>				
Revenues:				
Intergovernmental	\$ 5,268,384	\$ 5,268,384	\$ 4,906,188	\$ (362,196)
Departmental Earnings	46,000	46,000	12,718	(33,282)
Interest	200	200	153	(47)
<b>Total Revenues</b>	<b>5,314,584</b>	<b>5,314,584</b>	<b>4,919,059</b>	<b>(395,525)</b>
Expenditures:				
Reimbursement to State	100,200	117,724	-	(117,724)
Salaries & Benefits	2,218,557	2,258,238	2,256,555	(1,683)
Personnel Expense	11,300	15,600	14,228	(1,372)
Consultant/Contracted Services	127,000	93,500	86,386	(7,114)
Sub Contracted Services	2,250,000	2,243,590	1,962,086	(281,504)
Occupancy	325,500	290,098	284,290	(5,808)
Communication	20,000	24,274	20,204	(4,070)
Supplies & Minor Equipment	80,000	126,227	82,171	(44,056)
Transportation	25,500	23,000	18,063	(4,937)
Other Expenditures	105,500	94,220	67,388	(26,832)
Capital Outlay	55,000	21,738	21,739	1
<b>Total Expenditures</b>	<b>5,318,557</b>	<b>5,308,209</b>	<b>4,813,110</b>	<b>(495,099)</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(3,973)</b>	<b>6,375</b>	<b>105,949</b>	<b>99,574</b>
Other Financing Sources (Uses):				
Transfers from Other Funds	50,000	3,000	-	(3,000)
<b>Total Financing Sources (Uses)</b>	<b>50,000</b>	<b>3,000</b>	<b>-</b>	<b>(3,000)</b>
<b>Net Change in Fund Balance</b>	<b>46,027</b>	<b>9,375</b>	<b>105,949</b>	<b>96,574</b>
Fund Balance - Beginning	-	-	978,286	978,286
Fund Balance - Ending	<b>\$ 46,027</b>	<b>\$ 9,375</b>	<b>\$ 1,084,235</b>	<b>\$ 1,074,860</b>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Recreation</u></b>				
<b>Tourist Promotion</b>				
Revenues:				
Departmental Earnings	\$ 19,000	\$ 19,000	\$ 19,175	\$ 175
Local Hotel Room Tax	300,000	300,000	308,262	8,262
Interest	-	-	2	2
Total Revenues	<u>319,000</u>	<u>319,000</u>	<u>327,439</u>	<u>8,439</u>
Expenditures:				
Salaries & Benefits	99,760	107,137	107,080	(57)
Personnel Expense	3,693	3,693	3,395	(298)
Consultant/Contracted Services	6,263	14,258	13,305	(953)
Communication	165,550	202,055	201,080	(975)
Supplies & Minor Equipment	1,800	1,825	1,447	(378)
Transportation	3,000	2,400	2,211	(189)
Other Expenditures	68,500	27,083	26,342	(741)
Total Expenditures	<u>348,566</u>	<u>358,451</u>	<u>354,860</u>	<u>(3,591)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(29,566)	(39,451)	(27,421)	12,030
Fund Balance - Beginning	<u>29,566</u>	<u>31,566</u>	<u>55,739</u>	<u>24,173</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ (7,885)</u>	<u>\$ 28,318</u>	<u>\$ 36,203</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Judicial</b>				
<b>Anti-Drug Task Force / Educational</b>				
Revenues:				
Intergovernmental	\$ 88,800	\$ 88,800	\$ 88,800	\$ -
Departmental Earnings	52,000	81,485	76,662	(4,823)
Interest	-	-	337	337
<b>Total Revenues</b>	<b>140,800</b>	<b>170,285</b>	<b>165,799</b>	<b>(4,486)</b>
Expenditures:				
Salaries & Benefits	43,000	93,073	91,424	(1,649)
Personnel Expense	15,500	8,520	8,408	(112)
Supplies & Minor Equipment	11,500	23,196	16,817	(6,379)
Transportation	6,500	2,620	2,617	(3)
Other Expenditures	32,000	63,452	61,780	(1,672)
Capital Outlay	-	17,065	17,064	(1)
<b>Total Expenditures</b>	<b>108,500</b>	<b>207,926</b>	<b>198,110</b>	<b>(9,816)</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>32,300</b>	<b>(37,641)</b>	<b>(32,311)</b>	<b>5,330</b>
Fund Balance - Beginning	-	32,250	449,464	417,214
Fund Balance - Ending	<b>\$ 32,300</b>	<b>\$ (5,391)</b>	<b>\$ 417,153</b>	<b>\$ 422,544</b>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUES FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Public Safety</u></b>				
<b>Emergency Services 911</b>				
Revenues:				
Intergovernmental	\$ 1,037,204	\$ 1,455,761	\$ 761,576	\$ (694,185)
Departmental Earnings	422,000	1,132,287	1,842,030	709,743
Interest	260	260	123	(137)
Total Revenues	<u>1,459,464</u>	<u>2,588,308</u>	<u>2,603,729</u>	<u>15,421</u>
Expenditures:				
Other Expenditures	1,029,663	1,698,154.00	2,226,087	527,933
Consultant/Contracted Services	42,585	97,856	48,998	(48,858)
Communication	270,122	320,122	269,875	(50,247)
Supplies & Minor Equipment	69,171	239,043	64,082	(174,961)
Capital Outlay	-	387,147	9,384	(377,763)
Total Expenditures	<u>1,411,541</u>	<u>2,742,322</u>	<u>2,618,426</u>	<u>(123,896)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	47,923	(154,014)	(14,697)	139,317
Fund Balance - Beginning	<u>748,680</u>	<u>748,680</u>	<u>(1)</u>	<u>(748,681)</u>
Fund Balance - Ending	<u>\$ 796,603</u>	<u>\$ 594,666</u>	<u>\$ (14,698)</u>	<u>\$ (609,364)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Capital Projects</u></b>				
<b>Courtroom Improvement</b>				
Revenues:				
Interest	\$ -	\$ -	\$ 69	\$ 69
Total Revenues	<u>-</u>	<u>-</u>	<u>69</u>	<u>69</u>
Expenditures:				
Supplies & Minor Equipment	-	154,950	132,107	(22,843)
Capital Outlay	250,000	100,000	63,219	(36,781)
Total Expenditures	<u>250,000</u>	<u>254,950</u>	<u>195,326</u>	<u>(59,624)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(250,000)	(254,950)	(195,257)	59,693
Other Financing Sources (Uses):				
Transfers From Other Funds	150,000	150,000	89,880	(60,120)
Total Financing Sources (Uses)	<u>150,000</u>	<u>150,000</u>	<u>89,880</u>	<u>(60,120)</u>
<b>Net Change in Fund Balance</b>	(100,000)	(104,950)	(105,377)	(427)
Fund Balance - Beginning	<u>100,000</u>	<u>100,000</u>	<u>796,180</u>	<u>696,180</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ (4,950)</u>	<u>\$ 690,803</u>	<u>\$ 695,753</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b>Capital Projects</b>				
<b>Capital Reserve</b>				
Revenues:				
Departmental Earnings	\$ 370,000	\$ 370,000	\$ 423,467	\$ 53,467
Interest	-	-	223	223
Total Revenues	<u>370,000</u>	<u>370,000</u>	<u>423,690</u>	<u>53,690</u>
Expenditures:				
Other Expenditures	-	100	75	(25)
Infrastructure	6,678,960	8,910	6,000	(2,910)
Capital Outlay	6,981,904	476,904	467,231	(9,673)
Total Expenditures	<u>13,660,864</u>	<u>485,914</u>	<u>473,306</u>	<u>(12,608)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(13,290,864)	(115,914)	(49,616)	66,298
Other Financing Sources (Uses):				
Transfers From Other Funds	<u>13,290,864</u>	-	-	-
Total Financing Sources (Uses)	<u>13,290,864</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	(115,914)	(49,616)	66,298
Fund Balance - Beginning	<u>910,000</u>	<u>910,000</u>	<u>894,881</u>	<u>(15,119)</u>
Fund Balance - Ending	<u>\$ 910,000</u>	<u>\$ 794,086</u>	<u>\$ 845,265</u>	<u>\$ 51,179</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Budget		Actual	Variance
	Original	Final		Over (Under)
<b><u>Capital Projects</u></b>				
<b>Capital Bonds</b>				
Expenditures:				
Capital Outlay	\$ -	\$ 527,185	\$ 526,558	\$ (627)
Total Expenditures	<u>-</u>	<u>527,185</u>	<u>526,558</u>	<u>(627)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	(527,185)	(526,558)	627
Fund Balance - Beginning	<u>-</u>	<u>527,185</u>	<u>628,328</u>	<u>101,143</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,770</u>	<u>\$ 101,770</u>

**COUNTY OF BEAVER, PENNSYLVANIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**

DECEMBER 31, 2015

	<u>Medical Fund</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
<b><u>Assets</u></b>			
Current Assets:			
Cash and Cash Equivalents	\$ 165,346	\$ 69,655	\$ 235,001
Receivables	895	-	895
Interfund Receivable	211,300	-	211,300
Total Current Assets	<u>377,541</u>	<u>69,655</u>	<u>447,196</u>
<b>Total Assets</b>	<u>\$ 377,541</u>	<u>\$ 69,655</u>	<u>\$ 447,196</u>
<b><u>Liabilities</u></b>			
Current Liabilities:			
Accounts Payable	\$ 297,405	\$ 56,013	\$ 353,418
Accrued Employee Benefits	554,477	263,927	818,404
Interfund Payable	3,525,447	441,569	3,967,016
Total Current Liabilities	<u>4,377,329</u>	<u>761,509</u>	<u>5,138,838</u>
<b>Total Liabilities</b>	<u>4,377,329</u>	<u>761,509</u>	<u>5,138,838</u>
<b><u>Net Position</u></b>			
Unrestricted	<u>(3,999,788)</u>	<u>(691,854)</u>	<u>(4,691,642)</u>
<b>Total Net Position</b>	<u>\$ (3,999,788)</u>	<u>\$ (691,854)</u>	<u>\$ (4,691,642)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Medical Fund</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b><u>Operating Revenues</u></b>			
Charges for Services	\$ 10,331,708	\$ 432,855	\$ 10,764,563
Total Operating Revenues	<u>10,331,708</u>	<u>432,855</u>	<u>10,764,563</u>
<b><u>Operating Expenses</u></b>			
Costs of Services	10,764,307	860,281	11,624,588
Administrative	810,879	36,000	846,879
Total Operating Expenses	<u>11,575,186</u>	<u>896,281</u>	<u>12,471,467</u>
<b>Operating (Loss)</b>	(1,243,478)	(463,426)	(1,706,904)
<b>Non-Operating Revenues</b>			
Investment Income	<u>26</u>	<u>7</u>	<u>33</u>
Total Non-Operating Revenues	<u>26</u>	<u>7</u>	<u>33</u>
(Loss) Before Transfers	<u>(1,243,452)</u>	<u>(463,419)</u>	<u>(1,706,871)</u>
<b>Change in Net Position</b>	(1,243,452)	(463,419)	(1,706,871)
Total Net Position - Beginning	<u>(2,756,336)</u>	<u>(228,435)</u>	<u>(2,984,771)</u>
Total Net Position - Ending	<u>\$ (3,999,788)</u>	<u>\$ (691,854)</u>	<u>\$ (4,691,642)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Medical Fund</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b><u>Cash Flows from Operating Activities:</u></b>			
Cash receipts for services provided	\$ 10,373,968	\$ 475,715	\$ 10,849,683
Cash payments to suppliers	(11,515,226)	(726,487)	(12,241,713)
Net Cash Provided by/(used in) Operating Activities	(1,141,258)	(250,772)	(1,392,030)
<b><u>Cash Flows from Non-Capital Financing Activities:</u></b>			
Proceeds from General Fund advance	1,260,440	230,397	1,490,837
Net Cash Provided by Non-Capital Financing Activities	1,260,440	230,397	1,490,837.00
<b><u>Cash Flows from Investing Activities:</u></b>			
Investment income	26	7	33
Net Cash Provided by Investing Activities	26	7	33
<b>Net Increase in Cash and Cash Equivalents</b>	119,208	(20,368)	98,840
<b><u>Cash and Cash Equivalents:</u></b>			
Beginning of year	46,138	90,023	136,161
End of year	<u>\$ 165,346</u>	<u>\$ 69,655</u>	<u>\$ 235,001</u>
<b><u>Reconciliation of Operating (Loss) to</u></b>			
<b><u>Net Cash Provided by (used in ) Operating Activities:</u></b>			
Operating (loss)	\$ (1,243,478)	\$ (463,426)	\$ (1,706,904)
Change in operating assets and liabilities:			
Accounts receivable and interfund receivable	42,260	42,860	85,120
Prepaid items	-	109,494	109,494
Accounts payable	175,757	16,153	191,910
Accrued liabilities	(115,797)	44,147	(71,650)
Net Cash Provided by/(used in) Operating Activities	<u>\$ (1,141,258)</u>	<u>\$ (250,772)</u>	<u>\$ (1,392,030)</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
<b>Clerk of Courts</b>				
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 241,773	2,676,043	2,631,922	\$ 285,894
	<u>241,773</u>	<u>2,676,043</u>	<u>2,631,922</u>	<u>285,894</u>
<b><u>Liabilities</u></b>				
Accounts Payable	241,773	2,676,043	2,631,922	285,894
	<u>\$ 241,773</u>	<u>2,676,043</u>	<u>2,631,922</u>	<u>\$ 285,894</u>
<b>Domestic Relations - Support Payments</b>				
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 20,162	669,367	655,276	\$ 34,253
	<u>20,162</u>	<u>669,367</u>	<u>655,276</u>	<u>34,253</u>
<b><u>Liabilities</u></b>				
Accounts Payable	20,162	669,367	655,276	34,253
	<u>\$ 20,162</u>	<u>669,367</u>	<u>655,276</u>	<u>\$ 34,253</u>
<b>Recorder of Deeds</b>				
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 1,198,893	13,902,760	14,619,828	\$ 481,825
	<u>1,198,893</u>	<u>13,902,760</u>	<u>14,619,828</u>	<u>481,825</u>
<b><u>Liabilities</u></b>				
Accounts Payable	1,198,893	13,902,760	14,619,828	481,825
	<u>\$ 1,198,893</u>	<u>13,902,760</u>	<u>14,619,828</u>	<u>\$ 481,825</u>
<b>Register of Wills</b>				
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 81,492	9,844,687	9,847,389	\$ 78,790
	<u>81,492</u>	<u>9,844,687</u>	<u>9,847,389</u>	<u>78,790</u>
<b><u>Liabilities</u></b>				
Accounts Payable	81,492	9,844,687	9,847,389	78,790
	<u>\$ 81,492</u>	<u>9,844,687</u>	<u>9,847,389</u>	<u>\$ 78,790</u>
<b>Sheriff</b>				
<b><u>Assets</u></b>				
Cash and Cash Equivalents	\$ 227,068	1,249,505	1,131,925	\$ 344,648
	<u>227,068</u>	<u>1,249,505</u>	<u>1,131,925</u>	<u>344,648</u>
<b><u>Liabilities</u></b>				
Accounts Payable	227,068	1,249,505	1,131,925	344,648
	<u>\$ 227,068</u>	<u>1,249,505</u>	<u>1,131,925</u>	<u>\$ 344,648</u>

**COUNTY OF BEAVER, PENNSYLVANIA**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
<b>Prothonotary</b>				
<u><b>Assets</b></u>				
Cash and Cash Equivalents	\$ 422,111	1,010,291	652,476	\$ 779,926
	<u>422,111</u>	<u>1,010,291</u>	<u>652,476</u>	<u>779,926</u>
<u><b>Liabilities</b></u>				
Accounts Payable	422,111	1,010,291	652,476	779,926
	<u>\$ 422,111</u>	<u>1,010,291</u>	<u>652,476</u>	<u>\$ 779,926</u>
<b>Tax Claim</b>				
<u><b>Assets</b></u>				
Cash and Cash Equivalents	\$ 970,373	13,117,438	13,056,957	\$ 1,030,854
	<u>970,373</u>	<u>13,117,438</u>	<u>13,056,957</u>	<u>1,030,854</u>
<u><b>Liabilities</b></u>				
Accounts Payable	970,373	13,117,438	13,056,957	1,030,854
	<u>\$ 970,373</u>	<u>13,117,438</u>	<u>13,056,957</u>	<u>\$ 1,030,854</u>
<b>Treasurer</b>				
<u><b>Assets</b></u>				
Cash and Cash Equivalents	\$ 33,010	296,679	288,459	\$ 41,230
	<u>33,010</u>	<u>296,679</u>	<u>288,459</u>	<u>41,230</u>
<u><b>Liabilities</b></u>				
Accounts Payable	33,010	296,679	288,459	41,230
	<u>\$ 33,010</u>	<u>296,679</u>	<u>288,459</u>	<u>\$ 41,230</u>
<b>Total - Agency Funds</b>				
<u><b>Assets</b></u>				
Cash and Cash Equivalents	\$ 3,194,882	42,766,770	42,884,232	\$ 3,077,420
	<u>3,194,882</u>	<u>42,766,770</u>	<u>42,884,232</u>	<u>3,077,420</u>
<u><b>Liabilities</b></u>				
Accounts Payable	3,194,882	42,766,770	42,884,232	3,077,420
	<u>\$ 3,194,882</u>	<u>42,766,770</u>	<u>42,884,232</u>	<u>\$ 3,077,420</u>

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# **STATISTICAL SECTION**

# COUNTY OF BEAVER, PENNSYLVANIA

## Statistical Section Content

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This part of the County of Beaver, Pennsylvania's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Beaver County's overall financial health.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules are intended to assist the reader in understanding and assessing how the County's financial position has changed over time.	<b>177-182</b>
<b>Revenue Capacity</b> These schedules are intended to assist the reader in understanding and assessing the factors affecting the County's most significant local revenue source, the property tax.	<b>183-186</b>
<b>Debt Capacity</b> These schedules are intended to assist the reader in understanding and assessing the factors affecting the County's outstanding debt and its ability to issue additional debt in the future.	<b>187-189</b>
<b>Demographic and Economic Information</b> These schedules are intended to assist the reader in understanding the demographic and economic factors that the County's financial activities take place in.	<b>190-193</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	<b>194-195</b>

**Sources:**

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant years.

# COUNTY OF BEAVER, PENNSYLVANIA

## Net Position by Component

### Last Ten Years (accrual basis of accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 19,773,652	\$ 18,950,471	\$ 21,119,653	\$ 23,188,472	\$ 12,674,892	\$ 1,590,243	\$ 9,995,154	\$ 9,036,227	\$ 9,354,708	\$ 9,179,985
Restricted for:										
General Government	-	-	-	-	430,148	-	-	-	-	-
Judicial	-	-	-	-	850,946	-	-	-	-	-
Public Safety	-	-	-	-	180,327	-	-	-	-	-
Public Works and Enterprises	-	-	-	-	1,655,523	-	-	-	-	-
Culture, Recreation & Conservation	-	-	-	-	108,386	-	-	-	-	-
Economic Development	-	-	-	-	269,711	-	-	-	-	-
Human Services	-	-	-	-	9,397,396	-	-	-	-	-
Debt Service	6,622,456	7,104,711	-	-	-	-	-	-	-	-
Programs for Mental Health / Behavioral Health	10,546,828	9,878,816	9,365,352	8,263,828	-	-	-	-	-	-
Programs for Children & Youth	3,404,661	3,125,276	2,314,429	1,925,163	-	-	-	-	-	-
Programs for Community Development	232,756	205,424	224,345	155,978	-	-	-	-	-	-
Programs for Capital Projects	2,137,344	2,710,123	2,856,064	-	-	-	-	-	-	-
Programs for General Law Enforcement	987,871	1,216,659	1,071,956	-	-	-	-	-	-	-
Programs for Elderly Population	1,076,735	968,703	573,321	-	-	-	-	-	-	-
Programs for Office Improvements	488,119	462,511	496,415	-	-	-	-	-	-	-
Programs for Emergency Services / Tourism	109,264	182,287	366,591	3,681,412	-	-	-	-	-	-
Unrestricted	(26,358,099)	(6,970,444)	(9,241,616)	(12,393,777)	(12,523,237)	(3,977,279)	(7,881,559)	(16,698,272)	(13,635,972)	(13,533,608)
<b>Total Governmental Activities Net Position</b>	<b>19,021,587</b>	<b>37,834,537</b>	<b>29,146,510</b>	<b>24,821,076</b>	<b>13,044,092</b>	<b>(2,387,036)</b>	<b>2,113,595</b>	<b>(7,662,045)</b>	<b>(4,281,264)</b>	<b>(4,353,623)</b>
<b>Business-type Activities</b>										
Net Investment in Capital Assets	-	-	7,272,237	7,779,310	8,084,721	11,434,203	11,106,333	9,285,442	8,526,775	9,146,273
Restricted	-	-	-	-	-	7,279,670	6,912,769	11,534,085	11,970,526	9,732,190
Unrestricted	-	-	(5,312,896)	(1,699,257)	827,196	(341,629)	1,710,145	5,185,313	5,404,833	6,561,462
<b>Total Business-type Activities Net Position</b>	<b>-</b>	<b>-</b>	<b>1,959,341</b>	<b>6,080,053</b>	<b>8,911,917</b>	<b>18,372,244</b>	<b>19,729,247</b>	<b>26,004,840</b>	<b>25,902,134</b>	<b>25,439,925</b>
<b>Primary Government</b>										
Net Investment in Capital Assets	19,773,652	18,950,471	28,391,890	30,967,782	20,759,613	13,024,446	21,101,487	18,321,669	17,881,483	18,326,258
Restricted for:										
Restricted Fund	-	-	-	-	-	7,279,670	6,912,769	11,534,085	11,970,526	9,732,190
General Government	-	-	-	-	430,148	-	-	-	-	-
Judicial	-	-	-	-	850,946	-	-	-	-	-
Public Safety	-	-	-	-	180,327	-	-	-	-	-
Public Works and Enterprises	-	-	-	-	1,655,523	-	-	-	-	-
Culture, Recreation & Conservation	-	-	-	-	108,386	-	-	-	-	-
Economic Development	-	-	-	-	269,711	-	-	-	-	-
Human Services	-	-	-	-	9,397,396	-	-	-	-	-
Programs for Mental Health / Behavioral Health	10,546,828	9,878,816	9,365,352	8,263,828	-	-	-	-	-	-
Programs for Children & Youth	3,404,661	3,125,276	2,314,429	1,925,163	-	-	-	-	-	-
Programs for Community Development	232,756	205,424	224,345	155,978	-	-	-	-	-	-
Other	11,421,789	12,644,994	5,364,347	3,681,412	-	-	-	-	-	-
Unrestricted	(26,358,099)	(6,970,444)	(14,554,512)	(14,093,034)	(11,696,041)	(4,318,908)	(6,171,414)	(11,512,959)	(8,231,139)	(6,972,146)
<b>Total Primary Government Net Position</b>	<b>\$ 19,021,587</b>	<b>\$ 37,834,537</b>	<b>\$ 31,105,851</b>	<b>\$ 30,901,129</b>	<b>\$ 21,956,009</b>	<b>\$ 15,985,208</b>	<b>\$ 21,842,842</b>	<b>\$ 18,342,795</b>	<b>\$ 21,620,870</b>	<b>\$ 21,086,302</b>

**Notes:**

- 1) Two activities previously categorized as business-type (HealthChoices and Emergency Services) are classified as governmental starting January 1, 2011, due to the change in definition of a special revenue fund per GASB 54. Financial statements prior to January 1, 2011 have not been restated to reflect this change.
- 2) Starting with the 2011 year, the County has broken out the restricted classification in an effort to provide additional detail to the users of the report. In previous years, a summarized approach was utilized for financial reporting purposes.
- 3) With the implementation of GASB 65 all years presented have been restated in conformity with this statement.
- 4) The adoption of GASB 68 affects Net Position starting December 31, 2015, by \$9,851,262

**COUNTY OF BEAVER, PENNSYLVANIA**  
**Change in Net Position**  
**Last Ten Years (accrual basis of accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Program Revenues</b>										
Governmental Activities:										
Fees and Charges:										
General Government	\$ 11,786,097	\$ 8,292,884	\$ 9,410,109	\$ 8,260,937	\$ 8,106,487	\$ 7,751,564	\$ 7,625,322	\$ 8,078,762	\$ 7,912,438	\$ 7,247,343
Judicial	481,730	533,027	815,176	416,498	340,294	304,522	314,108	335,118	346,304	316,087
Public Safety	1,842,030	503,209	557,855	618,159	690,643	-	-	-	-	-
Public Works and Enterprises	19,230	19,436	21,581	22,942	24,034	22,367	25,312	285,784	260,553	670,536
Culture, Recreation, and Conservation	327,437	316,212	288,309	290,823	286,063	251,490	233,425	-	-	-
Human Services	1,284,528	1,316,195	1,316,133	1,350,644	1,271,830	1,412,633	1,463,490	1,398,292	1,244,744	774,607
Economic Development	348,596	414,058	322,717	280,003	384,870	321,209	393,641	385,609	476,730	429,784
Miscellaneous	167,924	112,063	1,284,716	1,708,694	1,070,899	2,031,365	1,137,675	1,147,581	1,435,432	1,168,842
Operating Grants and Contributions	83,048,254	86,422,137	93,093,407	106,583,933	101,993,002	66,461,336	77,339,228	80,267,272	77,284,833	76,456,596
<i>Total Governmental Activities Program Revenues</i>	<u>99,305,826</u>	<u>97,929,221</u>	<u>107,110,003</u>	<u>119,532,633</u>	<u>114,168,122</u>	<u>78,556,487</u>	<u>88,532,201</u>	<u>91,898,418</u>	<u>88,961,034</u>	<u>87,063,795</u>
Business-type Activities:										
Fees and Charges:										
Friendship Ridge	-	7,145,189	49,001,164	52,731,569	54,820,672	56,136,160	53,408,458	52,376,087	51,730,038	49,249,600
Emergency Services	-	-	-	-	-	767,042	912,983	1,212,158	1,315,659	1,644,239
HealthChoices	-	-	-	-	-	35,106,108	28,804,258	25,846,355	24,707,769	22,040,751
Operating Grants and Contributions	-	-	-	-	-	2,447,934	3,507,863	1,795,207	1,622,282	1,660,497
<i>Total Business-type Activities Program Revenues</i>	<u>-</u>	<u>7,145,189</u>	<u>49,001,164</u>	<u>52,731,569</u>	<u>54,820,672</u>	<u>94,457,244</u>	<u>86,633,562</u>	<u>81,229,807</u>	<u>79,375,748</u>	<u>74,595,087</u>
<i>Total Primary Government Program Revenues</i>	<u>99,305,826</u>	<u>105,074,410</u>	<u>156,111,167</u>	<u>172,264,202</u>	<u>168,988,794</u>	<u>173,013,731</u>	<u>175,165,763</u>	<u>173,128,225</u>	<u>168,336,782</u>	<u>161,658,882</u>
<b>Expenses</b>										
Governmental Activities:										
General Government	13,406,027	12,408,945	14,170,624	11,750,434	11,996,754	11,669,448	10,815,513	10,885,322	10,638,416	14,438,453
Judicial	17,775,227	16,763,833	16,258,018	15,555,477	14,636,699	15,098,971	13,913,313	13,886,914	13,116,223	13,530,585
Public Safety	21,934,042	20,283,511	19,497,132	19,454,879	15,462,810	13,757,968	13,544,091	13,702,730	11,031,994	13,925,640
Public Works and Enterprises	6,290,725	5,655,490	5,072,959	5,182,838	4,241,207	4,528,251	5,619,566	5,278,816	4,886,450	4,992,021
Culture, Recreation, and Conservation	3,625,299	3,337,405	3,340,078	3,399,254	3,397,281	3,084,802	3,126,749	3,334,894	3,235,547	2,981,813
Human Services	80,911,368	80,551,274	80,247,950	87,636,856	89,981,045	56,738,862	70,269,076	74,933,041	71,619,963	62,830,600
Economic Development	4,479,471	5,204,788	5,934,034	7,612,686	8,270,783	9,930,980	10,150,296	7,912,766	9,687,518	8,073,719
Interest Expense	6,260,859	6,482,858	5,612,832	5,770,270	6,095,041	7,444,710	7,423,905	5,127,487	6,390,964	4,738,865
<i>Total Governmental Activities Expenses</i>	<u>154,683,018</u>	<u>150,688,104</u>	<u>150,133,627</u>	<u>156,362,694</u>	<u>154,081,620</u>	<u>122,253,991</u>	<u>134,862,509</u>	<u>135,061,970</u>	<u>130,607,075</u>	<u>125,511,696</u>
Business-type Activities:										
Friendship Ridge	-	8,445,296	53,755,637	56,196,777	56,242,814	58,256,142	57,349,265	53,420,889	52,593,858	48,962,080
Emergency Services	-	-	-	-	-	3,318,004	3,485,386	2,178,655	2,905,978	1,647,499
HealthChoices	-	-	-	-	-	34,760,543	33,479,918	26,628,247	23,033,731	20,652,039
<i>Total Business-type Activities Expenses</i>	<u>-</u>	<u>8,445,296</u>	<u>53,755,637</u>	<u>56,196,777</u>	<u>56,242,814</u>	<u>96,334,689</u>	<u>94,314,569</u>	<u>82,227,791</u>	<u>78,533,567</u>	<u>71,261,618</u>
<i>Total Primary Government Expenses</i>	<u>\$ 154,683,018</u>	<u>\$ 159,133,400</u>	<u>\$ 203,889,264</u>	<u>\$ 212,559,471</u>	<u>\$ 210,324,434</u>	<u>\$ 218,588,680</u>	<u>\$ 229,177,078</u>	<u>\$ 217,289,761</u>	<u>\$ 209,140,642</u>	<u>\$ 196,773,314</u>

**Notes:**

- 1) Two activities previously categorized as business-type (HealthChoices and Emergency Services) are classified as governmental starting January 1, 2011, due to the change in definition of a special revenue fund per GASB 54. Financial statements prior to January 1, 2011 have not been restated to reflect this change.
- 2) Effective January 1, 2011, county match expenditures from the General Fund to other funds are classified as Transfers Out in the General Fund and Transfer from Other Funds in the receiving fund. Prior to January 1, 2011, these transactions reported as Human Services expenses in the General Fund and Operating Grants & Contributions Revenues in the receiving fund.
- 3) With the implementation of GASB 65 all years presented have been restated in conformity with this statement.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**Change in Net Position**  
**Last Ten Years (accrual basis of accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Net (Expense)/ Revenue</b>										
Governmental Activities	\$ (55,377,192)	\$ (52,758,883)	\$ (43,023,624)	\$ (36,830,061)	\$ (39,913,498)	\$ (43,697,504)	\$ (46,330,308)	\$ (43,163,552)	\$ (41,646,041)	\$ (38,447,901)
Business-type Activities	-	(1,300,107)	(4,754,473)	(3,465,208)	(1,422,142)	(1,877,445)	(7,681,007)	(997,984)	842,181	3,333,469
<i>Total Primary Government Net Expense</i>	<u>\$ (55,377,192)</u>	<u>\$ (54,058,990)</u>	<u>\$ (47,778,097)</u>	<u>\$ (40,295,269)</u>	<u>\$ (41,335,640)</u>	<u>\$ (45,574,949)</u>	<u>\$ (54,011,315)</u>	<u>\$ (44,161,536)</u>	<u>\$ (40,803,860)</u>	<u>\$ (35,114,432)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Real Estate Taxes	\$ 46,246,341	\$ 47,448,275	\$ 47,930,067	\$ 48,529,473	\$ 47,133,255	\$ 46,603,187	\$ 45,901,624	\$ 45,714,111	\$ 38,995,721	\$ 34,994,052
Investment Income (Loss)	169,163	93,047	36,541	60,639	74,490	98,614	243,583	(5,315,720)	2,138,290	(7,553,763)
Other Income	-	-	-	113,989	-	-	680,307	-	-	-
Gain (Loss) on Sale of Capital Assets	-	-	-	(27,077)	-	-	-	-	-	(135,934)
Special Item:										
Disposal of Friendship Ridge	-	13,245,838	-	-	-	-	-	-	-	-
Assignment of Capital Items and L-T Debt	-	2,026,643	-	-	-	-	-	-	-	-
Transfer to Airport Authority	-	-	-	-	-	(7,430,681)	-	-	-	-
Gain on 2006 Swap Termination	-	-	-	-	-	-	10,586,368	-	-	-
Transfers	-	(1,366,893)	(617,550)	(612,260)	(2,255,409)	(452,553)	(1,305,934)	(615,612)	584,386	(336,607)
<i>Total Governmental Activities</i>	<u>46,415,504</u>	<u>61,446,910</u>	<u>47,349,058</u>	<u>48,064,764</u>	<u>44,952,336</u>	<u>38,818,567</u>	<u>56,105,948</u>	<u>39,782,779</u>	<u>41,718,397</u>	<u>26,967,748</u>
Business-type Activities:										
Investment Earnings	-	-	169	403	5,566	24,213	79,457	473,498	758,318	675,349
Assignment of Capital Items and L-T Debt	-	(2,026,643)	-	-	-	-	-	-	-	-
Other Income	-	516	16,042	20,681	11,933	43,676	20,025	11,579	36,094	43,523
Transfers	-	1,366,893	617,550	612,260	2,255,409	452,553	1,305,934	615,612	(584,386)	336,607
<i>Total Business-type Activities</i>	<u>-</u>	<u>(659,234)</u>	<u>633,761</u>	<u>633,344</u>	<u>2,272,908</u>	<u>520,442</u>	<u>1,405,416</u>	<u>1,100,689</u>	<u>210,026</u>	<u>1,055,479</u>
<i>Total Primary Government</i>	<u>46,415,504</u>	<u>60,787,676</u>	<u>47,982,819</u>	<u>48,698,108</u>	<u>47,225,244</u>	<u>39,339,009</u>	<u>57,511,364</u>	<u>40,883,468</u>	<u>41,928,423</u>	<u>28,023,227</u>
<b>Change in Net Position</b>										
Governmental Activities	(8,961,688)	8,688,027	4,325,434	11,234,703	5,038,838	(4,878,937)	9,775,640	(3,380,773)	72,356	(11,480,153)
Business-type Activities	-	(1,959,341)	(4,120,712)	(2,831,864)	850,766	(1,357,003)	(6,275,591)	102,705	1,052,207	4,388,949
<i>Total Primary Government Change in Net Position</i>	<u>\$ (8,961,688)</u>	<u>\$ 6,728,686</u>	<u>\$ 204,722</u>	<u>\$ 8,402,839</u>	<u>\$ 5,889,604</u>	<u>\$ (6,235,940)</u>	<u>\$ 3,500,049</u>	<u>\$ (3,278,068)</u>	<u>\$ 1,124,563</u>	<u>\$ (7,091,204)</u>

- Notes:**
- Two activities previously categorized as business-type (HealthChoices and Emergency Services) are classified as governmental starting January 1, 2011, due to the change in definition of a special revenue fund per GASB 54. Financial statements prior to January 1, 2011 have not been restated to reflect this change.
  - Effective January 1, 2011, county match expenditures from the General Fund to other funds are classified as Transfers Out in the General Fund and Transfer from Other Funds in the receiving fund. Prior to January 1, 2011, these transactions reported as Human Services expenses in the General Fund and Operating Grants & Contributions Revenues in the receiving fund.
  - With the implementation of GASB 65 all years presented have been restated in conformity with this statement.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**Fund Balances, Governmental Funds**  
**Last Ten Years (modified accrual basis of accounting)**

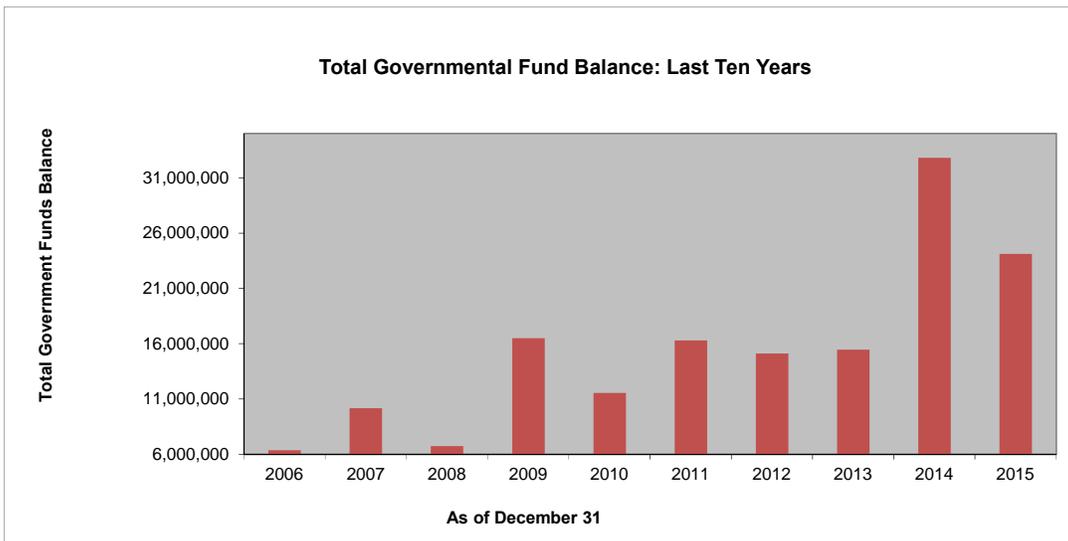
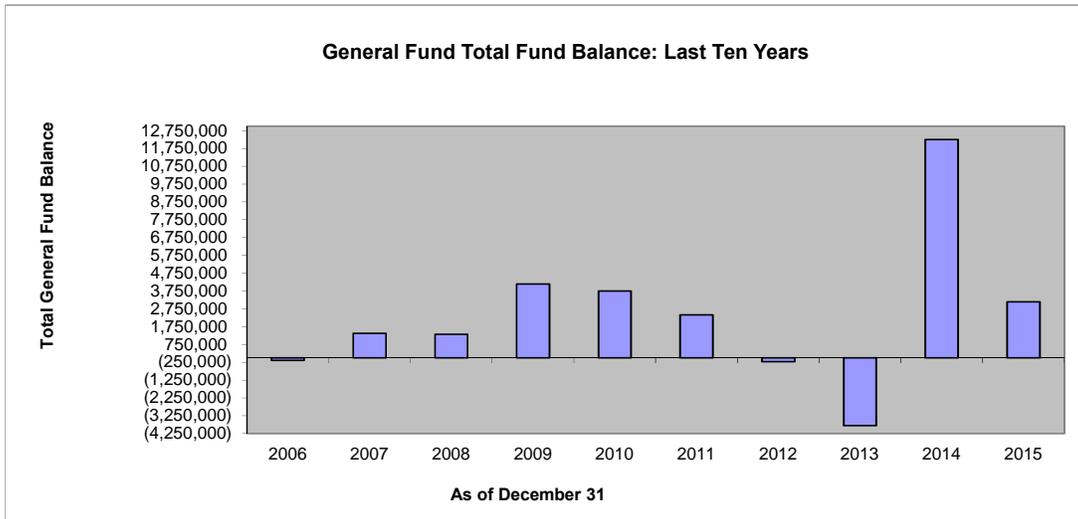
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Fund</b>										
Unreserved, Designated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,032	\$ 855,737	\$ 77,750	\$ 66,901	\$ -
Unreserved, Undesignated	-	-	-	-	-	3,712,094	3,277,443	1,233,082	1,311,137	(142,447)
Nonspendable:										
Not in Spendable Form (Prepaid Items)	171,446	156,112	202,816	267,748	272,453	-	-	-	-	-
Restricted:										
Debt Service	6,622,456	7,104,711	-	-	-	-	-	-	-	-
Programs for Mental Health / Behavioral Health	200,691	-	-	-	-	-	-	-	-	-
Assigned:										
General Government	-	606,016	127,511	-	6,135	-	-	-	-	-
Judicial	-	-	-	-	3,947	-	-	-	-	-
Public Safety	-	-	-	-	2,101	-	-	-	-	-
Culture, Recreation & Conservation	-	-	-	-	649	-	-	-	-	-
Unassigned:	(3,851,578)	4,378,985	(4,147,374)	(491,085)	2,112,317	-	-	-	-	-
<b>Total General Fund</b>	<b>3,143,015</b>	<b>12,245,824</b>	<b>(3,817,047)</b>	<b>(223,337)</b>	<b>2,397,602</b>	<b>3,738,126</b>	<b>4,133,180</b>	<b>1,310,832</b>	<b>1,378,038</b>	<b>(142,447)</b>
<b>All Other Governmental Funds</b>										
Unreserved, Designated	-	-	-	-	-	1,589,202	933,293	1,054,288	1,332,155	1,301,740
Unreserved, Reported in:										
Special Revenue funds	-	-	-	-	-	5,053,869	5,757,754	3,457,454	4,597,378	4,835,823
Capital Projects funds	-	-	-	-	-	1,161,197	5,674,231	911,524	2,866,916	372,830
Nonspendable:										
Not in Spendable Form (Prepaid Items)	2,120,304	2,216,218	2,359,534	2,134,116	1,666,991	-	-	-	-	-
Restricted:										
Programs for Mental Health / Behavioral Health	10,346,136	9,878,816	9,365,352	8,263,828	7,409,183	-	-	-	-	-
Programs for Children & Youth	2,212,367	1,815,214	1,375,247	1,310,896	667,127	-	-	-	-	-
Programs for Community Development	119,578	205,424	202,625	111,582	269,711	-	-	-	-	-
Other	4,688,609	4,899,535	4,777,475	2,634,492	2,820,030	-	-	-	-	-
Committed:										
Capital Projects	1,637,838	1,691,061	1,416,877	1,001,999	-	-	-	-	-	-
General Government	-	-	-	-	1,285,501	-	-	-	-	-
Unassigned:	(139,006)	(143,374)	(224,464)	(118,565)	(234,522)	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>20,985,827</b>	<b>20,562,895</b>	<b>19,272,646</b>	<b>15,338,348</b>	<b>13,884,021</b>	<b>7,804,268</b>	<b>12,365,278</b>	<b>5,423,266</b>	<b>8,796,449</b>	<b>6,510,393</b>
<b>Total Governmental Funds</b>	<b>\$ 24,128,842</b>	<b>\$ 32,808,718</b>	<b>\$ 15,455,599</b>	<b>\$ 15,115,011</b>	<b>\$ 16,281,623</b>	<b>\$ 11,542,394</b>	<b>\$ 16,498,458</b>	<b>\$ 6,734,098</b>	<b>\$ 10,174,488</b>	<b>\$ 6,367,946</b>

**Notes:**

- 1) Generally accepted accounting principles changed for the reporting of fund balance with GASB 54 effective for years ending on or after December 31, 2011. Prior to 2011, records were not compiled in accordance with GASB 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This GASB was implemented on a prospective basis starting January 1, 2011.
- 2) Two activities previously categorized as business-type (HealthChoices and Emergency Services) are classified as governmental starting January 1, 2011, due to the change in definition of a special revenue fund per GASB 54. Financial statements prior to January 1, 2011 have not been restated to reflect this change.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**Fund Balances, Governmental Funds**  
**Last Ten Years (modified accrual basis of accounting)**

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# COUNTY OF BEAVER, PENNSYLVANIA

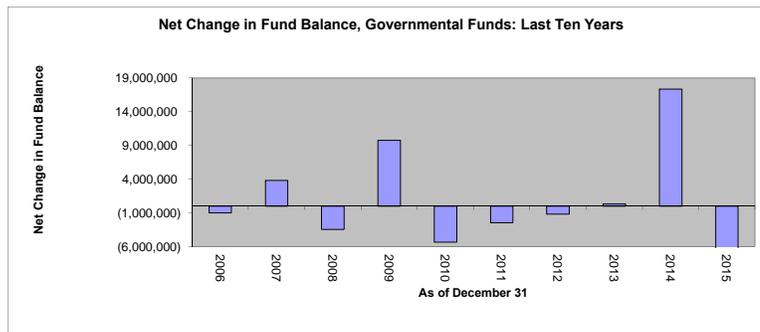
## Change in Fund Balance, Governmental Funds

### Last Ten Years (modified accrual basis of accounting)

	2015	2014	2013	2012	2011 (c)	2010	2009	2008	2007	2006
<b>Revenues</b>										
Real Estate Taxes	46,920,546	\$ 47,565,872	\$ 47,526,123	\$ 47,284,984	\$ 47,359,047	\$ 46,192,256	\$ 45,986,732	\$ 45,361,286	\$ 38,494,475	\$ 35,752,456
Licenses and Permits	134,079	125,652	142,264	135,717	95,994	88,331	90,613	94,777	97,652	71,623
Interest and Rents	169,130	93,025	36,468	60,383	73,801	97,072	237,972	968,971	1,707,464	1,224,703
Intergovernmental	83,091,966	84,978,970	93,017,636	106,312,619	103,744,098	64,848,333	79,118,847	76,585,454	79,040,944	75,512,509
Charges for Services and Facilities	16,070,793	11,348,699	11,019,107	10,852,799	10,748,397	10,269,426	9,755,195	10,144,856	9,914,265	9,157,130
Local Hotel Room Tax	308,262	291,612	268,517	273,245	267,925	235,540	215,100	243,930	228,852	209,604
Miscellaneous	167,924	112,063	1,198,927	1,686,939	1,062,804	1,501,854	1,581,922	1,147,581	1,435,432	1,168,842
<b>Total Revenues</b>	<b>146,862,700</b>	<b>144,515,893</b>	<b>153,209,042</b>	<b>166,606,686</b>	<b>163,352,066</b>	<b>123,232,812</b>	<b>136,986,381</b>	<b>134,546,855</b>	<b>130,919,084</b>	<b>123,096,867</b>
<b>Expenditures</b>										
<b>Current:</b>										
General Government	11,440,962	10,542,028	10,284,611	10,081,461	9,982,399	9,884,189	11,226,886	9,797,512	9,512,670	13,374,579
Judicial	16,869,061	15,816,183	15,650,178	14,919,818	14,028,854	14,730,514	15,672,337	13,778,503	12,775,641	13,039,493
Public Safety	19,193,767	17,395,709	17,308,063	17,254,565	15,386,635	12,571,331	16,001,577	13,258,113	10,337,538	12,602,316
Public Works and Enterprises (a)	4,666,979	4,118,711	3,841,908	4,032,075	3,370,619	3,491,805	3,936,778	3,904,651	3,495,004	3,500,517
Culture, Recreation and Conservation	3,117,577	2,926,885	2,988,019	3,024,727	2,960,924	2,847,595	3,117,984	3,144,734	2,977,581	2,686,344
Economic Development (a)	4,506,303	5,156,566	5,923,971	7,593,606	8,300,580	9,804,324	10,102,085	7,876,607	9,624,288	8,000,366
Human Services (c)	81,018,013	80,519,200	80,395,901	87,740,922	90,167,200	56,804,760	69,812,859	74,616,096	70,916,823	62,381,096
Capital Outlay-Infrastructure	870,694	2,695,836	6,871,309	13,063,570	8,294,941	6,200,701	1,968,649	1,082,722	2,713,748	2,150,860
Capital Outlay-Asset Acquisition and Improvements	3,414,698	2,887,048	1,065,230	1,358,674	1,410,896	3,025,859	9,351,084	3,572,364	1,398,789	2,573,437
Refunding Bond Issuance Costs	-	-	-	-	-	-	-	-	933,619	309,351
Debt service:										
Principal	4,751,704	4,510,711	3,594,186	3,036,967	3,285,850	3,028,918	2,147,247	2,718,684	2,659,767	1,132,235
Interest	5,682,783	5,942,119	4,995,116	5,306,440	5,537,461	5,692,426	5,725,138	4,997,227	5,237,624	2,324,349
Bond Issuance Costs	-	-	149,577	111,007	-	-	1,355,321	-	54,853,000	-
Current Refunding	-	-	-	7,795,703	-	-	-	-	-	-
Other	10,035	12,511	10,006	10,000	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>155,542,576</b>	<b>152,523,507</b>	<b>153,078,075</b>	<b>175,329,535</b>	<b>162,726,359</b>	<b>128,082,422</b>	<b>150,417,945</b>	<b>138,747,213</b>	<b>132,637,945</b>	<b>124,074,943</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(8,679,876)</b>	<b>(8,007,614)</b>	<b>130,967</b>	<b>(8,722,849)</b>	<b>625,707</b>	<b>(4,849,609)</b>	<b>(13,431,564)</b>	<b>(4,200,358)</b>	<b>(1,718,861)</b>	<b>(978,076)</b>
<b>Other Financing Sources (Uses)</b>										
Advance Refunding of Debt	-	-	(6,636,785)	-	-	-	-	-	-	-
Capital Leases	-	-	266,409	114,139	-	174,680	7,984,367	1,375,582	329,409	-
Payment to Refunded Bonds Escrow Agent	-	-	6,831,000	7,741,065	-	-	(58,484,063)	-	(58,125,000)	(8,678,280)
Proceeds of Bonds	-	-	-	-	58,403	-	21,923,950	-	3,289,430	-
Issuance of Refunding Debt	-	-	411,185	217,143	-	-	60,328,550	-	59,655,000	9,050,000
Insurance Proceeds	-	-	-	113,989	-	-	442,320	-	-	-
Original Issue Discount	-	147,963	(44,638)	(17,840)	-	-	(1,428,045)	-	(207,822)	(62,369)
Disposal of Friendship Ridge	-	26,579,663	-	-	-	-	-	-	-	-
Transfers In	4,043,149	4,692,310	3,963,629	3,811,888	3,571,299	3,793,889	353,420	250,899	1,200,000	36,568
Transfers Out (c)	(4,043,149)	(6,059,203)	(4,581,179)	(4,424,148)	(6,688,059)	(4,246,442)	(979,573)	(866,511)	(615,614)	(373,175)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>25,360,733</b>	<b>209,621</b>	<b>7,556,236</b>	<b>(3,058,357)</b>	<b>(277,873)</b>	<b>30,140,926</b>	<b>759,970</b>	<b>5,525,403</b>	<b>(27,256)</b>
<b>Special Items</b>										
2006 Swap Agreement Termination	-	-	-	-	-	-	(6,945,000)	-	-	-
Transfer to the Airport Authority	-	-	-	-	-	(206,885)	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ (8,679,876)</b>	<b>\$ 17,353,119</b>	<b>\$ 340,588</b>	<b>\$ (1,166,613)</b>	<b>\$ (2,432,650)</b>	<b>\$ (5,334,367)</b>	<b>\$ 9,764,362</b>	<b>\$ (3,440,388)</b>	<b>\$ 3,806,542</b>	<b>\$ (1,005,332)</b>
Debt Service as a Percentage of Noncapital Expenditures	6.9%	7.1%	5.9%	5.2%	5.8%	7.3%	5.7%	5.8%	6.1%	2.9%

**Notes:**

- (a) In prior years the Economic Development Function was included as part of the Public Works function.
- (b) Two activities previously categorized as business-type (HealthChoices and Emergency Services) are classified as governmental starting January 1, 2011, due to the change in definition of a special revenue fund per GASB 54. Financial statements prior to January 1, 2011 have not been restated to reflect this change.
- (c) Effective January 1, 2011, county match expenditures from the General Fund to other funds are classified as Transfers Out in the General Fund and Transfer from Other Funds in the receiving fund. Prior to January 1, 2011, these transactions were reported as Human Services expenditures in the General Fund and Intergovernmental Revenues in the receiving fund.



**COUNTY OF BEAVER, PENNSYLVANIA**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Years**

Fiscal Year	Residential / Agricultural	Commercial / Industrial	Less Non Taxable	Total Taxable End of Year Actual Assessed Value	Total Taxable Actual Market Value	Common Level Ratio % (CLR)	Direct Tax Rate
2015	\$ 1,784,968,392	\$ 433,142,381	\$ 56,739,594	\$ 2,161,371,179	\$ 7,376,693,444	29.30 %	22.20
2014	2,008,192,682	605,680,807	456,756,117	2,157,117,372	6,847,991,657	31.50	22.20
2013	1,993,695,757	605,382,307	459,296,093	2,139,781,971	6,275,020,442	34.10	22.20
2012	1,970,569,657	615,591,407	452,208,574	2,133,952,490	6,525,848,593	32.70	22.20
2011	1,970,569,657	605,884,431	457,991,312	2,118,462,776	7,085,159,786	29.90	22.20
2010	1,954,254,872	613,019,142	457,704,757	2,109,569,257	7,079,091,467	29.80	22.20
2009	1,947,012,633	605,314,542	455,114,519	2,097,212,656	7,182,235,123	29.20	22.20
2008	1,918,509,761	628,834,644	469,572,834	2,077,771,571	7,091,370,549	29.30	18.70
2007	1,910,141,821	606,747,900	451,800,957	2,065,088,764	6,838,042,265	30.20	17.70
2006	1,839,888,236	629,254,621	429,005,650	2,040,137,207	6,581,087,765	31.00	17.70

**Sources:**

Beaver County Assessment Office

**Notes:**

Beaver County has established an assessment ratio of 50% at the last general reassessment conducted for the 1982 tax year. The Common Level Ratio (CLR) is the statistically calculated relationship between assessments and current market value, as certified by the State Tax Equalization Board pursuant to Act 267-1982.

# COUNTY OF BEAVER, PENNSYLVANIA

## Property Tax Rates (in mills) - Direct and Overlapping Governments (Per \$1,000 of Assessed Valuation) Last Ten Collection Years

	Year Taxes are Payable									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>County Direct Rate</b>										
Property Tax	22.20	22.20	22.20	22.20	22.20	22.20	22.20	22.20	18.70	17.70
<b>Municipal Rates</b>										
City of Aliquippa (2)	L 84.00 B 14.40	L 84.00 B 14.40	L 84.00 B 14.40	L 84.00 B 14.40	L 84.00 B 14.40	L 84.00 B 14.40	L 81.00 B 11.40	L 81.00 B 11.40	L 80.60 B 11.40	L 78.80 B 11.50
City of Beaver Falls	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
Townships	7.00-30.00	7.00-30.00	7.00-30.00	5.00-27.50	5.00-25.00	5.00-25.00	5.00-23.38	5.00-23.38	5.00-23.38	5.00-22.38
Boroughs (3)	2.00-34.50	2.00-34.50	2.00-34.50	2.00-34.50	1.00-34.50	1.00-34.50	1.00-34.50	1.00-34.50	1.00-34.50	1.00-34.50
<b>School District Rates</b>										
City of Aliquippa (2)	L 224.00 B 34.75	L 218.00 B 34.00	L 212.00 B 33.85	L 207.00 B 33.00	L 202.00 B 32.50	L 198.00 B 32.00	L 195.00 B 31.00	L 188.00 B 29.50	L 177.00 B 28.00	L 173.00 B 28.00
City of Beaver Falls	64.00	64.00	63.00	62.00	62.00	61.00	61.00	61.00	59.00	59.00
Townships	51.1526-75.8610	48.30-73.9390	47.00-73.9390	44.00-72.9390	44.00-69.8390	42.00-67.00	41.20-66.00	39.00-66.00	39.00-66.00	39.00-66.00
Boroughs (3)	30.25-75.8610	29.50-73.9390	28.75-73.9390	28.00-72.9390	28.00-69.8390	28.00-63.339	28.00-61.02	28.00-61.02	28.00-59.00	28.00-59.00
<b>Totals</b>										
City of Aliquippa (2)										
Land	330.20	324.20	318.20	313.20	308.20	304.20	298.20	291.20	276.30	269.50
Building	71.35	70.60	70.45	69.60	69.10	68.60	64.60	63.10	58.10	57.20
Total	401.55	394.80	388.65	382.80	377.30	372.80	362.80	354.30	334.40	326.70
City of Beaver Falls	118.20	118.20	117.20	116.20	116.20	115.20	115.20	115.20	109.70	108.70
Townships	80.3526-128.061	77.50-126.139	76.20-126.139	71.20-122.6390	71.20-117.0390	69.20-114.20	68.40-111.58	66.20-111.58	62.70-108.08	61.70-106.08
Boroughs (3)	54.45-132.561	53.70-130.639	52.95-130.639	52.20-129.6390	51.20-126.5390	51.20-120.04	51.20-117.72	51.20-117.72	47.70-112.20	46.70-111.20

**Sources:**

Beaver County Assessment Office

**Notes:**

- (1) The County's property tax rate does not have any components to it.
- (2) The City of Aliquippa is the only municipality within Beaver County where both the City and School District apply a separate tax rate to land value as opposed to building value.
- (3) A portion of Ellwood City Borough is annexed to Beaver County from Lawrence County for County Tax Rate purposes only.

L: Land

B: Building

# COUNTY OF BEAVER, PENNSYLVANIA

## Principal Property Tax Payers Current Year and Ten Years Ago

Tax Payer	January 1, 2015	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
First Energy Corporation (Bruce Mansfield, BV2)	\$ 135,407,875	6.26%
PR Beaver Valley LP - Beaver Valley Mall	28,450,900	1.32%
United States Gypsum - Aliquippa	15,581,843	0.72%
Wal-Mart Real Estate (Chippewa & Economy)	13,769,600	0.64%
Comprehensive Health Care Management	13,439,500	0.62%
ARC TMMONPA001, LLC - Lowes, Eat'N Park, Texas Roadhouse	12,266,400	0.57%
The Buncher Company	10,572,700	0.49%
THF Monaca, LP - Walmart, Applebees, McDonalds, Taco Bell	9,976,600	0.46%
Nova Chemicals Inc.	7,600,000	0.35%
Koppel Steel (Ambridge & Koppel)	9,488,000	0.44%
	<u>\$ 256,553,418</u>	<u>11.87%</u>
 Total Assessed Valuation	 <u>\$ 2,161,371,179</u>	

Tax Payer	January 1, 2006	
	Real Property Assessed Valuation	Percentage of Total Assessed Valuation
First Energy (Bruce Mansfield, BV2)	\$ 132,963,743	6.52%
Beaver Valley Mall	27,882,500	1.37%
United States Gypsum	15,313,050	0.75%
Horsehead Industries	13,426,600	0.66%
JDN Realty (Lowes Plaza)	11,800,400	0.58%
THF Monaca, LP	9,976,400	0.49%
Nova	9,600,000	0.47%
Koppel Steel (Ambridge & Koppel)	9,488,000	0.47%
J & L Specialty Steel	8,805,750	0.43%
NGC Gypsum Plant - Shippingport	8,594,300	0.42%
	<u>\$ 247,850,743</u>	<u>12.15%</u>
 Total Assessed Valuation	 <u>\$ 2,040,137,207</u>	

**Sources:**

Beaver County Board of Property Assessment

**Notes:**

Beaver County has established an assessment ratio of 50% at the last general reassessment conducted for the 1982 tax year. The Common Level Ratio (CLR) is the statistically calculated relationship between assessments and current market value, as certified by the State Tax Equalization Board pursuant to Act 267-1982.

**COUNTY OF BEAVER, PENNSYLVANIA**  
**Property Tax Levies and Collections**  
**Last Ten Years**

Fiscal Year Ended December 31,	Total Property Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent & Lien Tax Collections	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 48,254,222	\$ 44,868,667	92.98 %	\$ 2,946,657	\$ 47,815,324	99.09 %
2014	47,888,005	44,420,546	92.76	2,526,433	46,946,979	98.03
2013	47,503,161	43,048,308	90.62	2,716,354	45,764,662	96.34
2012	47,373,745	42,891,029	90.54	2,641,364	45,532,393	96.11
2011	47,029,879	42,857,527	91.13	2,800,306	45,657,833	97.08
2010	46,832,454	42,021,182	89.73	3,307,353	45,328,535	96.79
2009	46,558,121	42,091,789	90.41	2,355,960	44,447,749	95.47
2008	46,126,529	43,731,779	94.81	1,998,129	45,729,908	99.14
2007	38,617,160	33,565,533	86.92	1,859,882	35,425,415	91.73
2006	36,110,429	32,601,955	90.28	1,882,828	34,484,783	95.50

**Sources:**

Beaver County Board of Property Assessment

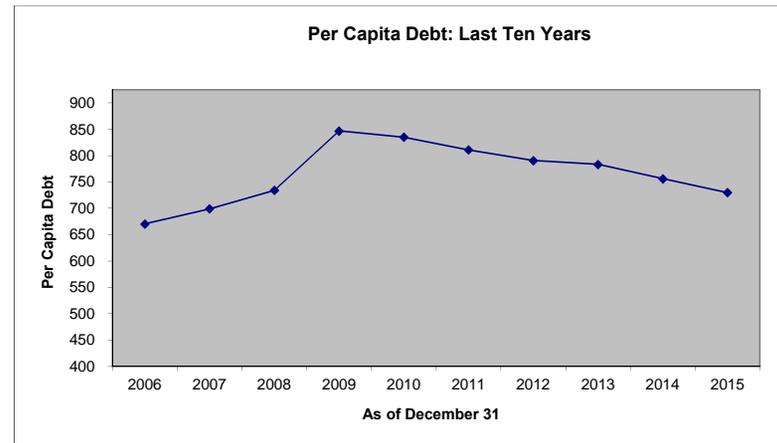
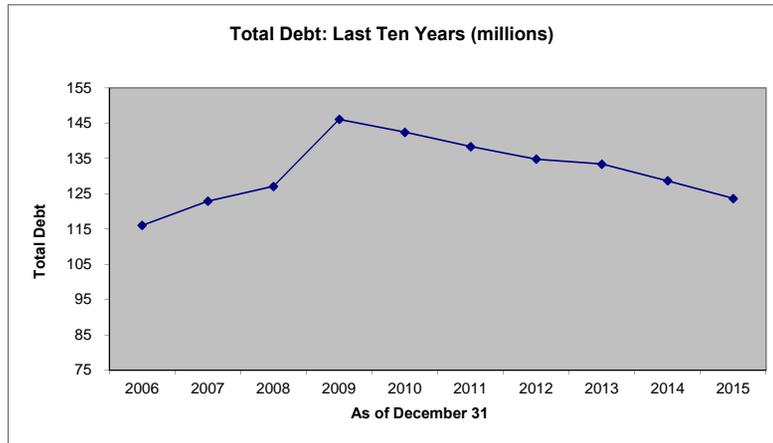
**Notes:**

Total tax levy is based on assessment roll certification and all revisions through December 31. Current tax collections are those taxes (discount, face and penalty) collected from January 1 thru December 31. Delinquent and lien taxes are the summation of current taxes collected from January 1 thru February 15 of the subsequent year plus those collections made by the Tax Claim Bureau through December 31 of the current year. The Tax Claim Bureau does not identify lien tax collections by the year for which the tax was levied.

# COUNTY OF BEAVER, PENNSYLVANIA

## Ratio of Outstanding Debt to Total Personal Income and Debt per Capita Last Ten Years

Year	Governmental Activities				Business-type Activities			Total Primary Government		
	General Obligation Bonds	Other General Long-term Liabilities	Capital Lease Obligations	Obligations under Derivatives	General Obligation Bonds	Other General Long-term Liabilities	Capital Lease Obligations	Total Debt	Percentage of Personal Income	Per Capita
2015	\$ 63,180,000	\$ 44,953,360	\$ 15,514,970	\$ -	\$ -	\$ -	\$ -	\$ 123,648,330	2.63 %	730
2014	65,065,000	47,709,130	15,885,089	-	-	-	-	128,659,219	2.75	756
2013	63,594,212	37,566,490	16,117,472	-	3,300,788	12,823,350	-	133,402,312	3.11	784
2012	70,262,258	31,676,265	16,241,559	-	7,027,145	9,570,138	-	134,777,365	3.09	791
2011	73,583,133	31,067,844	16,329,003	-	7,791,210	9,572,254	-	138,343,444	3.43	811
2010	76,130,147	32,380,719	16,689,585	-	7,664,136	9,559,370	2,386	142,426,343	3.53	835
2009	77,831,993	33,474,684	16,867,219	-	8,298,314	9,546,486	40,687	146,059,383	3.60	847
2008	65,776,253	25,263,678	9,240,803	17,531,368	8,894,004	290,000	78,897	127,075,003	3.11	734
2007	68,007,510	25,623,205	8,122,387	11,229,326	9,477,588	290,000	114,224	122,864,240	3.16	699
2006	65,906,708	25,703,830	8,004,767	11,654,416	4,303,664	290,000	149,500	116,012,885	3.64	671



As further explained in Note N to the Financial Statements, long-term debt of the Business-type Activities have been assigned to the Governmental Activities during 2014.

# COUNTY OF BEAVER, PENNSYLVANIA

## Ratio of Net Obligation Bonded Debt to Assessed Value and Net Bonded Debt per Capita Last Ten Years

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Year	Population	Estimated Actual Value of Taxable Property	Gross Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property	Net Bonded Debt Per Capita
2015	169,392	\$ 7,376,693,444	\$ 63,180,000	0.86 %	373
2014	170,115	6,847,991,657	65,065,000	0.95	382
2013	170,245	6,275,020,442	66,895,000	1.07	393
2012	170,414	6,525,848,593	77,289,403	1.18	454
2011	170,567	7,085,159,786	81,374,343	1.15	477
2010	170,539	7,079,091,467	83,794,283	1.18	491
2009	172,476	7,182,235,123	86,130,307	1.20	499
2008	173,074	7,091,370,549	74,670,257	1.05	431
2007	175,736	6,838,042,265	77,485,098	1.13	441
2006	173,005	6,581,087,765	70,210,372	1.07	406

# COUNTY OF BEAVER, PENNSYLVANIA

## Legal Debt Margin

### Last Ten Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Borrowing Base	\$ 64,785,129	\$ 63,812,699	\$ 64,073,070	\$ 63,661,278	\$ 63,302,104	\$ 62,715,342	\$ 60,561,918	\$ 57,411,646	\$ 48,888,029	\$ 188,618,944
Legal Debt Limit:										
Non-electoral Debt	194,355,388	191,438,097	192,219,211	190,983,833	189,906,311	188,146,026	181,685,755	172,234,938	146,664,086	140,050,051
Non-electoral Debt plus Lease Rental Debt	259,140,517	255,250,796	256,292,281	254,645,111	253,208,415	250,861,368	242,247,673	229,646,584	195,552,115	186,733,401
Net Debt Applicable to the Limit:										
Non-electoral Debt	92,721,547	95,249,061	88,336,056	109,144,638	113,963,491	106,799,416	96,574,049	74,088,924	77,485,098	85,101,249
Non-electoral Debt plus Lease Rental Debt	30,843,330	33,494,159	45,882,706	26,949,911	26,111,303	36,692,659	50,532,410	32,375,000	20,794,816	20,323,597
Legal Debt Margin:										
Non-electoral Debt	101,633,841	96,189,036	103,883,155	81,839,195	75,942,820	81,346,610	85,111,706	98,146,014	69,178,988	54,948,802
Non-electoral Debt plus Lease Rental Debt	228,297,187	221,756,637	210,409,575	227,695,200	227,097,112	214,168,709	191,715,263	197,271,584	174,757,299	166,409,804
Ratio of Net Debt Applicable to the Limit / Legal Debt Limit:										
Non-electoral Debt	48%	50%	46%	57%	60%	57%	53%	43%	53%	61%
Non-electoral Debt plus Lease Rental Debt	12%	13%	18%	11%	10%	15%	21%	14%	11%	11%

*Limitations on incurring other debt:*

A county shall not incur any new non-electoral debt if the aggregate net principal amount of the new non-electoral debt, together with all other net non-electoral debt outstanding, would cause the total non-electoral debt of the county to exceed 300% of its borrowing base. Also, the total non-electoral debt plus lease rental debt shall not exceed 400% of a county's borrowing base.

*Borrowing base:*

The annual arithmetic average of the total revenues for the last full three fiscal years ended, as executed by the authorized officials of the county or by an independent accountant. Certain revenues, such as reimbursements from the Commonwealth or the federal government for repayments of non-electoral debt and investment income in bond sinking funds set aside for the payment of debt, shall be excluded from the determination of the borrowing base.

*Debt:*

Debt is the amount of all obligations for the payment of money incurred by a county except for: current obligations for the full payment of which current revenues have been appropriated, obligations under contracts allocable to current operating expenses of future years, rentals or payments payable in future years under leases or other forms of agreements (except for capital leases), interest or taxes on bonds or notes which are not overdue, and obligations incurred under a qualified interest rate management agreement.

*Non-electoral debt:*

Non-electoral debt is all debt of a county, except for that specifically incurred with the assent of the electors and the guarantee of the debt of other entities (see "lease rental debt").

*Lease rental debt:*

The principal amount of authority bonds/notes or bonds/notes of another local government unit to be repaid from payments of the local government unit made pursuant to leases, guarantees, subsidy contracts or other forms of agreement which evidence the acquisition of capital assets (not including any debt which has been approved by the electors).

*Legal debt margin:*

The amount available for a local government to incur new non-electoral debt or new lease rental debt.

**Notes:**

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

# COUNTY OF BEAVER, PENNSYLVANIA

## Principal Employers Current Year and Ten Years Ago

Employer	2015	
	Employees	Percentage of Total County Employment
Valley Medical Facilities, Inc.	n/a	n/a
First Energy Nuclear Operating Co.	n/a	n/a
Wal-Mart Associates, Inc.	n/a	n/a
Passavant Memorial Homes	n/a	n/a
Beaver County Government	n/a	n/a
IPSCO Koppel Tubulars Corporation	n/a	n/a
McGuire Memorial	n/a	n/a
Mailing Services of Pittsburgh Inc.	n/a	n/a
Heritage Valley Medical Group Inc.	n/a	n/a
Anchor Hocking LLC	n/a	n/a
Total	n/a	n/a

Total County Employees

772

Employer	2006	
	Employees	Percentage of Total County Employment
Valley Medical Facilities Inc	n/a	n/a
Beaver County Government	n/a	n/a
FirstEnergy Nuclear Operating	n/a	n/a
Wal-Mart Associates Inc	n/a	n/a
Koppel Steel Corp Sub N S Group Inc	n/a	n/a
Passavant Memorial Homes	n/a	n/a
Service Link LP	n/a	n/a
Michael Baker Jr Inc	n/a	n/a
First Energy Generation Corp.	n/a	n/a
Horsehead Corp. (formerly Zinc Corp)	n/a	n/a
Total	n/a	n/a

Total County Employees

846

**Sources:**

Center for Workforce Information and Analysis-Home of PA Work Stats

**Notes:**

Number of Employees not available from source due to confidentiality.

# COUNTY OF BEAVER, PENNSYLVANIA

## Demographic and Economic Statistics

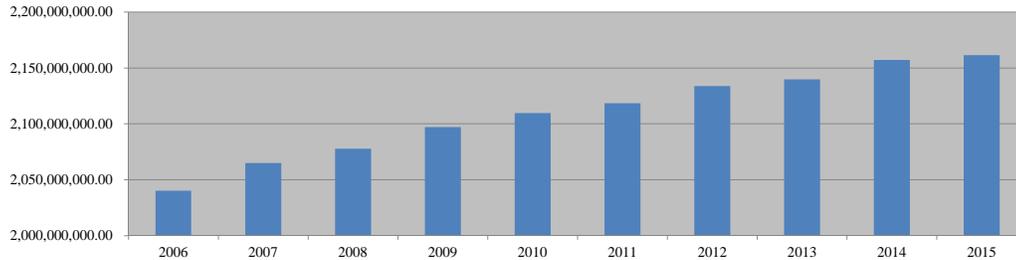
### Last Ten Years

Year	Population	Total Personal Income (thousands of dollars)	Per Capita Personal Income	Median Household Income	Median Age	Percent with Educational Attainment: Bachelor's Degree or Higher	School Enrollment	Unemployment Rate	Total Assessed Property Value
2015	169,392 (20)	\$ 4,695,376,848	\$ 27,719 (20)	\$ 51,222 (20)	44.9 (20)	22.4 % (20)	34,389 (20)	4.8 % (4)	\$ 2,161,371,179
2014	170,115 (19)	4,684,626,870	27,538 (19)	49,937 (19)	45.0 (19)	25.1 (19)	35,939 (19)	5.7 (4)	2,157,117,372
2013	170,245 (18)	4,286,769,100	25,180 (18)	47,083 (18)	44.8 (18)	21.3 (18)	35,439 (18)	5.9 (4)	2,139,781,971
2012	170,414 (17)	4,355,270,598	25,557 (17)	48,901 (17)	44.3 (17)	14.3 (17)	36,583 (17)	7.4 (4)	2,133,952,490
2011	170,567 (16)	4,035,103,519	23,657 (16)	43,898 (16)	44.3 (16)	20.1 (16)	39,875 (16)	6.6 (4)	2,118,462,776
2010	170,539 (15)	4,038,534,059	23,681 (13)	45,414 (13)	43.5 (12)	18.9 (14)	38,003 (14)	7.4 (4)	2,109,569,257
2009	172,476 (9)	4,061,119,896	23,546 (10)	45,408 (10)	43.9 (9)	18.1 (11)	36,627 (11)	8.2 (4)	2,097,212,656
2008	173,074 (7)	4,083,681,030	23,595 (8)	45,017 (8)	43.8 (8)	19.5 (8)	36,970 (8)	5.6 (4)	2,077,771,571
2007	175,736 (6)	3,893,255,344	22,154 (6)	42,023 (6)	43.0 (6)	18.4 (6)	39,016 (6)	4.5 (4)	2,065,088,764
2006	173,005 (1)	3,183,638,010	18,402 (3)	36,995 (5)	40.7 (3)	15.8 (3)	41,572 (3)	4.1 (4)	2,040,137,207

**Sources:**

- (1) PA State Data Center "Population Projections, PA Counties"
- (3) U.S. Census Bureau, Census 2000
- (4) Center for Workforce Information and Analysis - Home of PA Work Stats
- (5) U.S. Bureau of Census, Census 2000 "Profile of Selected Economic Characteristics: 2000"
- (6) U.S. Census Bureau, 2006 American Community Survey
- (7) U.S. Census Bureau, Population Estimates Program
- (8) U.S. Census Bureau, 2007 American Community Survey
- (9) U.S. Census Bureau, 2008 ACS Demographic and Housing Estimates
- (10) U.S. Census Bureau, 2008 ACS Economic Characteristics
- (11) U.S. Census Bureau, 2008 ACS Social Characteristics
- (12) U.S. Census Bureau, 2009 ACS Demographic and Housing Estimates
- (13) U.S. Census Bureau, 2009 ACS Economic Characteristics
- (14) U.S. Census Bureau, 2009 ACS Social Characteristics
- (15) U.S. Census Bureau, 2010 ACS Demographic and Housing Estimates
- (16) U.S. Census Bureau, 2011 American Community Survey
- (17) U.S. Census Bureau, 2011 American Community Survey 1-Year Estimates
- (18) U.S. Census Bureau, 2012 American Community Survey 1-Year Estimates
- (19) U.S. Census Bureau, 2013 American Community Survey 1-Year Estimates
- (20) U.S. Census Bureau, 2014 American Community Survey 1-Year Estimates

**Total Assessed Property Value: Last Ten Years**



# COUNTY OF BEAVER, PENNSYLVANIA

## Full-Time Equivalent County Government Employees by Function / Program Last Ten Years

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Government:</b>										
Commissioners	6.0	5.0	5.0	5.0	5.0	6.0	6.0	5.0	8.0	8.0
Controller	7.0	8.0	9.0	8.0	8.0	8.0	9.0	10.0	9.5	14.5
Treasurer	11.5	12.5	13.0	9.5	10.5	13.5	11.5	12.0	13.0	11.5
Recorder of Deeds	6.5	6.5	6.5	7.0	6.0	8.5	8.5	8.5	11.5	11.5
Solicitor	3.5	3.5	3.5	3.5	2.5	3.0	3.0	3.0	3.0	3.0
Information Technology	6.0	6.0	6.0	7.0	7.0	7.0	7.0	9.0	9.0	10.0
Planning Commission	5.0	5.0	5.0	4.0	4.0	4.0	4.0	6.0	6.0	6.0
Weights and Measures	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Veterans Affairs	3.5	3.5	3.0	2.0	3.0	2.5	2.5	3.0	4.0	4.0
Election Bureau	8.0	8.0	9.0	8.5	8.5	8.5	8.5	6.0	6.5	6.5
Assessment/Tax Claim	21.5	21.0	21.0	20.5	20.5	21.0	21.0	24.0	24.5	24.0
Public Defender	17.0	16.0	16.0	16.0	16.0	16.0	15.5	16.0	16.0	16.5
Employee Relations	6.0	6.0	6.0	6.0	5.0	6.0	5.5	7.0	7.5	3.5
Mailroom*	3.0	2.5	2.0	3.0	3.0	3.0	3.0	2.0	1.0	1.0
Micrographics	2.5	3.0	3.0	4.0	5.0	6.0	5.5	5.0	5.0	5.0
Central Telephone	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5	2.0
Purchasing*	0.0	0.0	0.0	0.0	0.0	0.0	3.0	2.0	3.0	2.5
<b>Judicial:</b>										
Clerk of Courts	11.5	11.5	11.5	11.5	11.5	11.5	10.5	12.5	13.5	13.5
Coroner	3.0	2.0	2.5	3.0	2.5	2.5	2.5	3.0	4.0	4.0
Jury Commission	1.0	1.0	1.0	1.0	1.5	1.0	1.0	2.0	2.0	2.0
District Attorney	24.5	24.5	24.0	24.0	23.5	24.0	22.5	24.5	24.5	24.0
Prothonotary	11.5	11.5	11.0	12.0	11.5	11.5	11.0	13.0	13.5	13.0
Register of Wills	4.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	6.5	6.5
Sheriff	44.5	46.5	45.0	46.0	46.5	44.0	45.5	45.5	34.5	39.0
Court Administration	45.0	44.0	41.5	43.5	42.5	46.0	45.5	45.5	42.5	43.5
Law Library	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Stop Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic Relations	29.0	32.0	33.0	33.0	32.0	33.0	33.0	35.0	35.0	35.0
District Courts (Nine)	31.0	31.0	31.0	27.0	31.0	28.0	29.0	31.0	30.0	31.0
Rights & Services/Victims of Crime	3.5	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Drug Investigation	9.0	8.5	7.0	8.0	7.0	7.5	8.0	8.0	5.0	5.5
<b>Public Safety:</b>										
Emergency Services	45.5	44.0	43.0	43.5	45.5	45.0	42.5	42.5	42.0	41.0
Jail	88.5	88.5	82.0	93.0	93.5	88.5	87.5	89.5	81.0	88.0
Allencrest Detention Center	0.0	0.0	0.0	0.0	0.0	0.0	2.0	29.5	28.0	32.5
Adult Probation/Intermediate Punishment	31.0	31.0	31.0	31.5	30.0	31.5	30.0	33.0	31.0	31.5
Juvenile Services	26.5	25.5	26.5	25.5	25.5	26.0	24.5	25.0	25.0	26.0
DUI Program	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	0.0
<b>Public Works &amp; Enterprise:</b>										
Liquid Fuels	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Department of Public Works	34.0	34.5	33.0	30.5	29.5	27.5	27.5	31.0	30.0	32.0
Airport	0.0	0.0	0.0	0.0	0.0	0.0	2.0	5.5	3.0	3.0
<b>Culture, Recreation and Conservation:</b>										
Parks/Recreation/Tourist Promotion	12.5	13.0	12.0	13.0	12.5	13.0	14.0	13.5	13.5	11.5
Library Commission	11.5	11.5	11.5	12.0	11.5	11.0	11.5	11.5	12.5	12.5
Waste Management	3.5	3.5	3.0	3.5	5.0	4.0	4.0	4.0	4.0	4.0
<b>Human Services:</b>										
Office on Aging	29.0	28.0	29.5	31.5	39.0	38.0	40.0	39.5	39.5	40.0
Children & Youth	71.0	67.5	65.5	63.0	67.0	64.0	60.0	70.5	71.5	69.5
MH/ID (formerly MH/MR)-Drug & Alcohol-HealthChoices	78.0	79.0	78.0	71.5	81.0	78.5	88.0	88.0	81.0	80.0
Childcare Choices	0.0	0.0	0.0	9.5	10.0	10.5	10.5	11.0	11.0	12.0
<b>Economic Development:</b>										
Community Development	9.0	9.0	9.0	9.0	9.0	9.0	9.0	8.0	8.0	8.0
<b>Totals:</b>	<b>771.5</b>	<b>769.0</b>	<b>754.5</b>	<b>764.0</b>	<b>786.5</b>	<b>783.5</b>	<b>790.0</b>	<b>857.0</b>	<b>830.5</b>	<b>845.5</b>

**Sources:**

Beaver County Payroll Department

**Method:**

Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. Elected officials were excluded from the count.  
Count taken at December 31.

**Notes:**

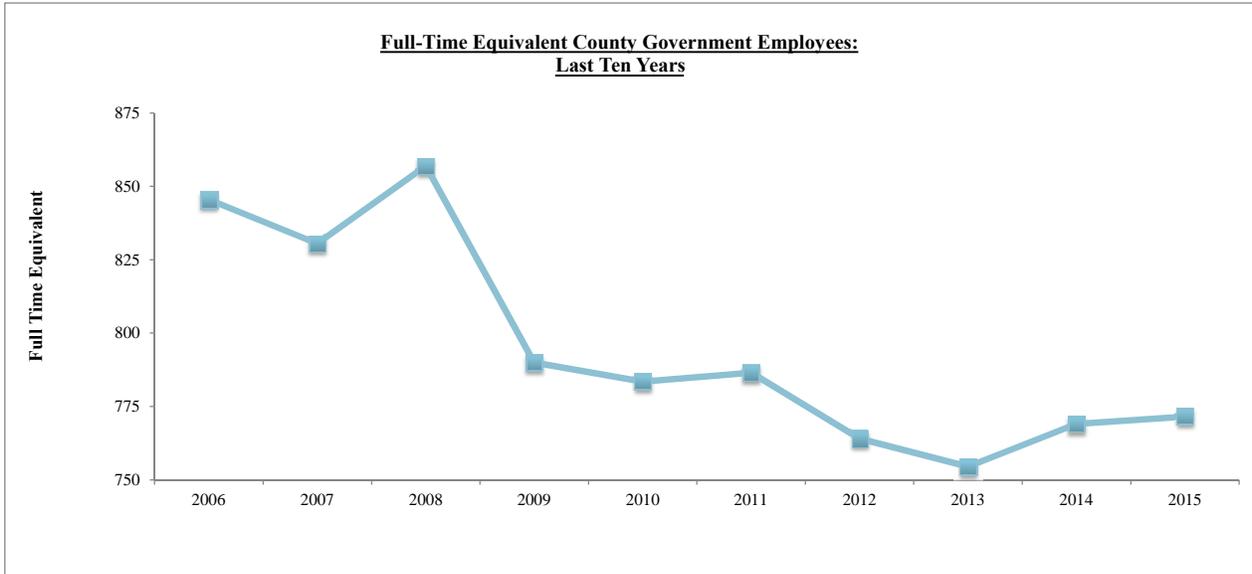
\* Starting in 2010, the Mailroom function includes the Purchasing function

# COUNTY OF BEAVER, PENNSYLVANIA

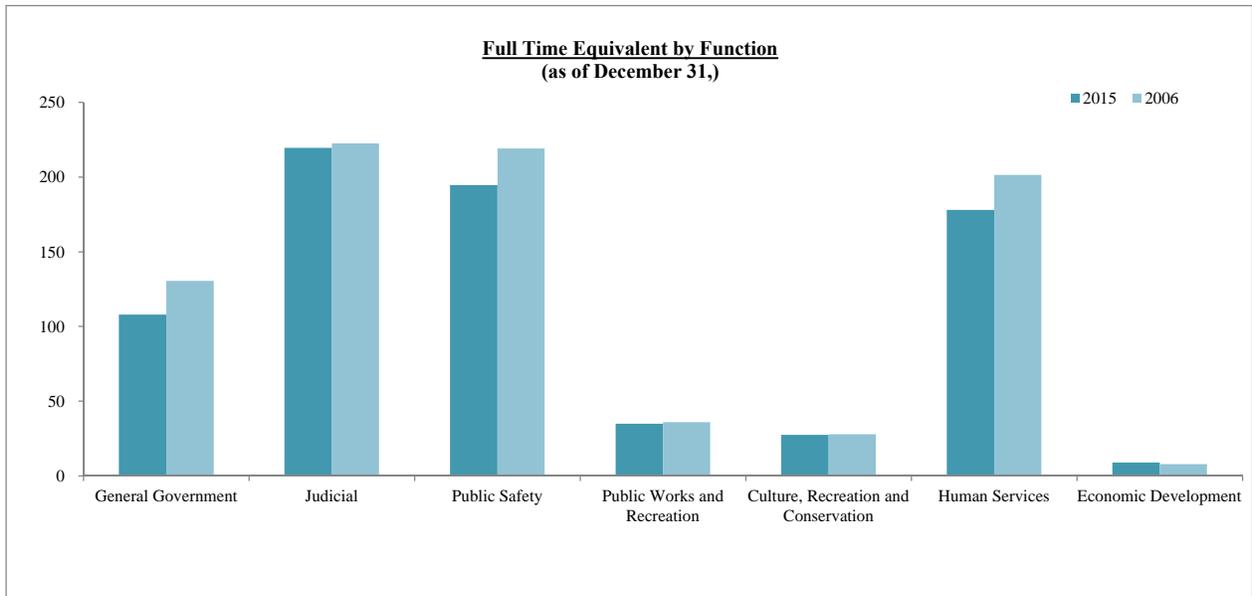
## Full-Time Equivalent County Government Employees Graphs / Gharts

### Last Ten Years

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FTE reductions in 2009, and 2012 were results of extensive early retirement packages offered and County layoffs.



**The following represents the % increase or decrease in FTE between 2006 and 2015:**

- General Government - Decreased 17%
- Judicial - Decreased 1%
- Public Safety - Decreased 11%
- Public Works and Recreation - Decreased 3%
- Culture, Recreation and Conservation - Decreased 2%
- Human Services - Decreased 12%
- Economic Development - Increased 13%

**COUNTY OF BEAVER, PENNSYLVANIA**  
**Operating Indicators by Function / Program**  
**Last Ten Years**

<b>Function/Program</b>	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Government (1)</b>										
Number of Registered Voters	109,091	109,742	109,456	115,157	112,531	116,234	115,862	118,311	112,248	113,612
Number of Votes Cast in Last General Election	46,815	48,648	23,062	81,372	34,142	58,525	28,254	86,022	40,118	65,606
Percentage of Registered Voters Voting in Last General Election	42.91	44.33	21.07	70.66	30.34	50.35	24.39	72.71	35.39	57.74
<b>Judicial (2)</b>										
Year-to-date Filings	33,492	34,933	36,243	37,492	40,134	39,426	42,370	46,338	36,690	34,337
Traffic Citations	21,981	23,490	24,586	25,683	26,633	25,957	28,868	29,000	22,893	20,465
Summary/Non Traffic	4,525	4,802	5,033	5,289	6,304	6,608	6,836	7,229	6,623	6,529
Civil Complaints	2,767	2,693	2,822	3,178	3,423	2,909	2,913	3,314	3,108	3,369
Misdemeanor/Felony Citations	4,219	3,948	3,802	3,342	3,774	3,952	3,753	4,019	4,066	3,974
Criminal Filings	2,675	2,468	2,526	2,444	2,492	2,595	2,540	2,776	2,576	3,667
Civil Filings	1,552	1,656	1,729	1,847	2,046	1,865	1,710	1,219	1,100	943
Orphans Court Filings	231	214	227	208	196	226	225	336	296	306
Custody Filings	784	789	864	866	775	834	628	601	582	562
Protection from Abuse Filings	502	482	518	566	469	490	541	488	469	500
Divorces	436	476	452	481	490	483	451	471	484	517
<b>Public Service (3)</b>										
Recycling - Stainless Steel (Tons)	291,393	267,762	333,508	272,908	35,881	179,966	137,603	143,821	170,566	199,187
Recycling - Ferrous (Tons)	53,260	47,093	57,416	55,271	98,958	107,175	63,974	61,717	210,873	34,916
Recycling - White Goods (Tons)	53,452	52,526	52,704	55,125	50,979	52,404	8,660	4,108	13,284	26,893
Recycling - Other Materials (Tons)	90,077	191,813	64,350	14,067	67,958	48,051	17,719	80,136	18,885	11,313
Wood Waste Removed (Tons)	832	269	474	1,752	2,823	2,854	1,596	3,710	2,372	1,876
Yard Waste Removed (Tons)	1,753	1,469	1,537	2,254	712	802	358	1,998	2,140	4,477

**Sources:**

- (1) Beaver County Elections Bureau
- (2) Beaver County Court Administration
- (3) Beaver County Department of Waste Management

# COUNTY OF BEAVER, PENNSYLVANIA

## Capital Asset Statistics by Function / Program

### Last Ten Years

Function / Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Human Services</b>										
Computer Terminals:										
Childcare Information Services***	0	0	0	8	9	8	8	8	8	N/A
Children & Youth	72	68	68	103	104	104	104	104	80	N/A
MH/ID (formerly MH/MR)	130	134	124	122	108	108	125	132	86	N/A
Office on Aging	77	77	70	95	109	109	99	84	40	N/A
<b>Judicial</b>										
Sheriff:										
Vehicles	40	40	35	35	33	33	32	29	29	N/A
Weapons (Firearms)	84	53	53	53	53	53	51	74	80	N/A
Courtrooms	8	8	8	8	8	8	8	8	8	8
<b>Proprietary</b>										
Long-Term Care Facilities****:										
Bed Capacity	0	0	589	589	589	589	589	589	589	589
<b>Public Safety</b>										
Jail:										
Cell Capacity	402	402	402	402	402	402	402	402	403	403
Allencrest*:										
Secure Bed Capacity	0	0	0	0	0	0	0	18	25	25
Shelter Bed Capacity	0	0	0	0	0	0	0	6	6	6
<b>Public Works</b>										
Airport**:										
Private Hangars	0	0	0	0	0	0	13	13	13	13
Commercial Hangars	0	0	0	0	0	0	8	8	9	9
Runways	0	0	0	0	0	0	1	1	1	1
Length of Runways (feet)	0	0	0	0	0	0	4,500	4,500	4,500	4,500
Department of Public Works:										
Vehicles	28	32	30	34	34	34	38	32	31	N/A
Parking Garages	1	1	1	1	1	1	1	1	1	1
Parking Lots	12	12	14	14	14	14	15	15	15	15
Liquid Fuels:										
Bridges	56	56	55	56	57	56	55	55	55	55
County Owned & Maintained Streets (miles)	26	26	26	26	26	26	25	25	24	24
<b>Recreation (County owned and/or maintained)</b>										
Parks	4	4	3	3	3	3	3	3	3	3
Park Acres	2,517	2,517	2,517	2,517	2,517	2,517	2,517	2,517	2,517	2,517
Pavilions	25	25	25	25	25	25	25	25	25	25
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	12	12	12	12	12	12	12	12	12	12
Basketball Courts	2	2	2	2	2	2	2	2	2	2
Baseball / Softball Fields	9	9	9	9	9	9	9	9	9	9
Soccer / Football Fields	3	3	3	3	3	3	3	3	3	3
Walking / Jogging Trails	2	2	2	2	2	2	2	2	2	2
Bike Trails	2	2	2	2	2	2	2	2	2	2
Horse Riding Trails	2	2	2	2	2	2	2	2	2	2
Lakes/Ponds for Fishing	2	2	2	2	2	2	2	2	2	2
Playgrounds	3	3	3	1	1	1	1	1	1	1
Ice Skating Rinks	1	1	1	1	1	1	1	1	1	1
Shooting Ranges	0	0	0	0	0	0	0	0	0	4
Deck Hockey Rinks	1	1	1	1	1	1	1	1	1	1
Outdoor Skate Parks	1	1	1	1	1	0	0	0	1	0

**Sources:**

Various County Departments

**Notes:**

\* The Allencrest facility closed in 2009

\*\* The Airport became an Authority separate from the County in 2010

\*\*\* Due to consolidated operations across the State, the County merged Childcare Information Services with another County in July 2013.

\*\*\*\* The Friendship Ridge entity was sold in March 2014

N/A - information not available