

2015

COUNTY

ANNUAL FINANCIAL REPORT

61 COUNTY OF VENANGO

County of VENANGO
GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2015

	Governmental Activities	Business-Type Activities	Total
<u>CURRENT ASSETS:</u>			
Cash and cash equivalents	6,179,622		6,179,622
Receivables (net of allowance for uncollectibles)	5,505,124		5,505,124
Due from other governments	7,387,264		7,387,264
Prepays	64,926		64,926
Restricted assets:			
Temporarily restricted:			
Other: Net Pension Asset	1,045,973		1,045,973
Other: Lease Receivable	2,000,000		2,000,000
Due from other funds	519,577		519,577
<u>NON-CURRENT ASSETS:</u>			
Permanently restricted:			
Capital assets not being depreciated:			
Land	1,739,668		1,739,668
Capital assets net of accumulated depreciation:			
Other: Capital Assets Net of Depreciation	18,964,203		18,964,203
TOTAL ASSETS	43,406,357		43,406,357
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Other: Resources for Pension	4,375,597		4,375,597
TOTAL DEFERRED OUTFLOWS OF RESOURCES	4,375,597		4,375,597
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	47,781,954		47,781,954
<u>LIABILITIES:</u>			
Accounts payable	2,099,842		2,099,842
Due to other governments	335,305		335,305
Unearned revenue	3,471,011		3,471,011
Debt due within one year	939,111		939,111
Debt due in more than one year	2,291,965		2,291,965
Other: Accrued Payroll	384,980		384,980

County of VENANGO

GOVERNMENT-WIDE STATEMENT OF NET POSITION

December 31, 2015

	Governmental Activities	Business-Type Activities	Total
<u>LIABILITIES:</u>			
Other: Compensated Absences	593,779		593,779
TOTAL LIABILITIES	10,115,993		10,115,993
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Other: Unavailable Revenue - Note	262,616		262,616
TOTAL DEFERRED INFLOWS OF RESOURCES	262,616		262,616
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	10,378,609		10,378,609
<u>NET POSITION:</u>			
Net investment in capital assets	17,472,795		17,472,795
Restricted	5,557,603		5,557,603
Unrestricted	14,372,947		14,372,947
TOTAL NET POSITION	37,403,345		37,403,345

County of VENANGO
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
 Proprietary Funds
 December 31, 2015

GOVERNMENTAL ACTIVITIES:

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total Fiduciary
General government - administrative	4,999,196	763,630	54,721		-4,180,845		-4,180,845
General government - judicial	3,821,346	1,203,694	789,244		-1,828,408		-1,828,408
Public safety	5,334,923	604,165	1,338,429		-3,392,329		-3,392,329
Highways and streets	2,535,755	693,033	1,200,141		-642,581		-642,581
Health and welfare	25,737,411	585,699	25,215,910		64,198		64,198
Culture - recreation	246,360	84,229			-162,131		-162,131
Conservation	759,890				-759,890		-759,890
Other: Debt Statement Capital Outlay	62,967				-62,967		-62,967
TOTAL GOVERNMENTAL ACTIVITIES	43,497,848	3,934,450	28,598,445		-10,964,953		-10,964,953

MAJOR BUSINESS-TYPE ACTIVITIES:**TOTAL BUSINESS-TYPE ACTIVITIES**

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TOTAL PRIMARY GOVERNMENTS

43,497,848	3,934,450	28,598,445		-10,964,953		-10,964,953
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County of VENANGO

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

December 31, 2015

	Governmental Activities	Business-Type Activities	Total
TOTAL PRIMARY GOVERNMENTS	-10,964,953		-10,964,953
<u>GENERAL REVENUES:</u>			
Real estate	11,298,249		11,298,249
Per capita	151,951		151,951
Hotel room rental	167,259		167,259
Licenses and permits	36,812		36,812
Other: Fines & Forfeits	213,864		213,864
Other: Interest	147,785		147,785
Other: Other & Sale of Fixed Assets	198,470		198,470
TOTAL GENERAL REVENUES AND TRANSFERS	12,214,390		12,214,390
CHANGE IN NET POSITION	1,249,437		1,249,437
NET POSITION - BEGINNING OF YEAR	30,587,370		30,587,370
PRIOR PERIOD ADJUSTMENT	5,566,538		5,566,538
NET POSITION - END OF YEAR	37,403,345		37,403,345

County of VENANGO
BALANCE SHEET - GOVERNMENTAL FUNDS

(Including the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Units)

December 31, 2015

	General	Capital Projects	Human Services	Work Force	Major #4	Major #5	Permanent Fund	Other Governmental Funds	Total Government Funds
<u>ASSETS:</u>									
Cash and cash equivalents	8,736,783							2,917,293	11,654,076
Receivables (net of allowance for uncollectibles)	1,667,313		2,498,549	488,553				850,709	5,505,124
Due from other governments	163,735		708,993	698,439				507,201	2,078,368
Due from other funds	670,491	90,224	76,660					42,377	879,752
Restricted assets:									
Temporarily restricted:									
Permanently restricted:									
Investments									
Other: Lease Receivable		2,000,000							2,000,000
Other: Other Assets			9,107	5,275				50,544	64,926
TOTAL ASSETS	11,238,322	2,090,224	3,293,309	1,192,267				4,368,124	22,182,246
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>									
TOTAL DEFERRED OUTFLOWS OF RESOURCES									
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	11,238,322	2,090,224	3,293,309	1,192,267				4,368,124	22,182,246
<u>LIABILITIES:</u>									
Accounts payable	499,830		781,272	595,408				199,382	2,075,892
Due to other governments	333,292							2,012	335,304
Due to other funds	109,597		386,348					29,790	525,735
Unearned revenue	30,149		1,572,110	334,243				1,596,191	3,532,693
Other: Accrued Payroll	116,660		209,389					82,880	408,929
TOTAL LIABILITIES	1,089,528		2,949,119	929,651				1,910,255	6,878,553
<u>DEFERRED INFLOWS OF RESOURCES:</u>									
Other: Note				262,616					262,616

	General	Capital Projects	Human Services	Work Force	Major #4	Major #5	Permanent Fund	Other Governmental Funds	Total Government Funds
Other: Taxes Fees	1,562,844								1,562,844
TOTAL DEFERRED INFLOWS OF RESOURCES	1,562,844			262,616					1,825,460
TOTAL LIABILITIES AND DEFERRED INFLOWS OF INFLAWS RESOURCES	2,652,372		2,949,119	1,192,267				1,910,255	8,704,013

Nonspendable

Restricted fund balance

Other: Operating Reserve

Other: Human Services

Other: Roads & Bridges

Other: Affordable Housing

Other: Act 13

Other: Constable Server Fees

Other: Offender ID

Other: Record Improvement/Automation

Other: Sugar Valley Lodge

Other: Domestic Relations

Other: Other Purposes

Committed fund balance

Assigned fund balance

Other: Capital Projects

Other: Substance Abuse

Other: Airport Operations

Other: Community Action

[illegible]

County of VENANGO
BALANCE SHEET - GOVERNMENTAL FUNDS

(Including the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Units)

December 31, 2015

	General	Capital Projects	Human Services	Work Force	Major #4	Major #5	Permanent Fund	Other Governmental Funds	Total Government Funds
Unassigned fund balance*	6,359,896							-13,388	6,346,508
TOTAL FUND BALANCE	8,585,950	2,090,224	344,190					2,457,869	13,478,233
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES	11,238,322	2,090,224	3,293,309	1,192,267				4,368,124	22,182,246

Amounts reported for governmental activities in the statement of net assets are different because:	
Internal service funds are used by management to charge certain costs to county departments and employees	
The assets, deferred outflows of resources, liabilities and deferred inflows of resources of the internal service funds are included in governmental activities in the STATEMENT OF NET POSITION	
Long-term liabilities and deferred inflows are not due and payable in the current period and therefore are not reported as a fund liability	-3,824,855
The difference in net position between full accrual accounting and modified accrual accounting is due to differing revenue recognition criteria between the two methods	1,624,527
The difference in net position between full accrual accounting and modified accrual accounting is due to differing expenditure recognition criteria between the two methods	
Capital assets used in government activities are not financial resources and, therefore, are not reported in the funds	20,703,870
Other: _____	
Other: Net Pension Asset	1,045,973
Other: Deferred Outflows Resource for Pension	4,375,597
NET POSITION OF GOVERNMENTAL ACTIVITIES	37,403,345

REVENUES:

Real estate	11,299,467								11,299,467
Per capita	151,951								151,951
Hotel room rental	167,259								167,259
TOTAL TAXES	11,618,677								11,618,677

Combination	941,760		14,508,819	7,629,016				5,518,851	28,598,446
TOTAL INTERGOVERNMENTAL REVENUES	941,760		14,508,819	7,629,016				5,518,851	28,598,446
Charges for Service	2,377,943		195,701	209,737				974,060	3,757,441
	2,377,943		195,701	209,737				974,060	3,757,441

Interest earnings	13,815	1,053	2,606	37				20,776	38,287
Other: Licenses & Fines	171,213							86,980	258,193
Other: Other & Lease Revenue	154,129	2,540,000	214,127					9,848	2,918,104
TOTAL MISCELLANEOUS REVENUES	339,157	2,541,053	216,733	37				117,604	3,214,584

15,277,537	2,541,053	14,921,253	7,838,790				6,610,515	47,189,148
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County of VENANGO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
December 31, 2015

	General	Capital Projects	Human Services	Work Force	Major #4	Major #5	Rermanent Fund	Other Governmenta l Funds	Total Government Funds
Debt Service		1,396,291							1,396,291
TOTAL EXPENDITURES	13,351,020	1,514,835	14,867,951	7,688,790				6,820,752	44,243,348
<u>OTHER FINANCIAL SOURCES/(USES):</u>									
Interfund Operating Transfers	-804,190	847,130	-24,320	-150,000				131,381	1
Sale of capital assets	3,585		630					990	5,205
Other: Proceeds from Capital Assets		123,735							123,735
TOTAL OTHER FINANCING SOURCES/ (USES)	-800,605	970,865	-23,690	-150,000				132,371	128,941
CHANGE IN FUND BALANCES	1,125,912	1,997,083	29,612					-77,866	3,074,741
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	7,460,038	93,141	314,578					2,535,735	10,403,492
FUND BALANCES (DEFICIT) - END OF YEAR	8,585,950	2,090,224	344,190					2,457,869	13,478,233

County of VENANGO

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

December 31, 2015

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

Net changes in fund balances (deficit) - total governmental funds	3,074,741
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Additionally, various other long-term liabilities and deferred inflows do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. This amount is the net effect of the differences in the treatment of long-term liabilities and deferred inflows on the statement of activities	1,333,324
The difference in the change in net position between full accrual accounting and modified accrual accounting is due to differing revenue recognition criteria between the two accounting methods	-2,439,238
The difference in the change in net position between full accrual accounting and modified accrual accounting is due to differing expenditure recognition criteria between the two accounting methods	23,267
The net effect of various transactions involving capital assets, (i.e. purchases, disposals, etc.) is to increase net position	-554,534
Other: Net Pension Asset	-180,295
Other: Losses on disposal of capital assets occur only on the statement of account as capital assets are ex	-7,828
CHANGE IN NET ASSESTS OF GOVERNMENTAL ACTIVITIES	1,249,437

County of VENANGO
STATEMENT OF NET POSITION
 Proprietary Funds
 December 31, 2015

	Major Bus. #1	Major Bus. #2	Major Bus. #3	Major Bus. #4	Major Bus. #5	Other Business Funds	Total Business Funds	Internal Service Fund
<u>CURRENT ASSETS:</u>								
Restricted assets:								
Temporarily restricted:								
TOTAL CURRENT ASSETS								
<u>NON-CURRENT ASSETS:</u>								
Permanently restricted:								
TOTAL NON-CURRENT ASSETS								
TOTAL ASSETS								
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>								
TOTAL DEFERRED OUTFLOWS OF RESOURCES								
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
<u>CURRENT LIABILITIES:</u>								
TOTAL CURRENT LIABILITIES								
<u>NON-CURRENT LIABILITIES:</u>								
TOTAL NON-CURRENT LIABILITIES								
TOTAL LIABILITIES								
<u>DEFERRED INFLOWS OF RESOURCES:</u>								
TOTAL DEFERRED INFLOWS OF RESOURCES								
TOTAL LIABILITIES AND IDEFERRED INFLOWS OF RESOURCES								
<u>NET POSITION:</u>								
TOTAL NET POSITION								
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION								

Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds

Net Position of Business-type Activities

County of VENANGO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION-
Proprietary Funds
For the Year Ended December 31, 2015

	Major Bus. #1	Major Bus. #2	Major Bus. #3	Major Bus. #4	Major Bus. #5	Other Business Funds	Total Business Funds	Internal Service Fund
OPERATING REVENUES:								
TOTAL OPERATING REVENUES								
OPERATING EXPENSES:								
TOTAL OPERATING EXPENSES								
OPERATING INCOME/(LOSS)								
NONOPERATING REVENUES/(EXPENSES):								
TOTAL NONOPERATING REVENUES/ (EXPENSES)								
CHANGE IN NET POSITION								
NET POSITION - END OF YEAR								

Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds

Changes in Net Position of Business-type Activities

County of VENANGO
STATEMENT OF FIDUCIARY NET POSITION
 Fiduciary Funds
 December 31, 2015

	Agency	Pension	Fiduciary #3	Fiduciary #4	Fiduciary #5
<u>ASSETS:</u>					
Cash and cash equivalents	925,959	455,772			
Receivables	302,972				
Investments, at fair value		46,392,738			
Restricted assets:					
Temporarily restricted:					
Permanently restricted:					
TOTAL ASSETS	1,228,931	46,848,510			
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>					
TOTAL DEFERRED OUTFLOWS OF RESOURCES					
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	1,228,931	46,848,510			
<u>LIABILITIES:</u>					
Due to other funds	519,577				
Due to other governments	131,460				
Other: Escrow Liability & Interest	577,894				
TOTAL LIABILITIES	1,228,931				
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
TOTAL DEFERRED INFLOWS OF RESOURCES					
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,228,931				
<u>NET POSITION:</u>					
Assets held in trust for pension/other post employment benefits		46,848,510			
TOTAL NET POSITION		46,848,510			
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	1,228,931	46,848,510			

County of VENANGO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 Fiduciary Funds
 December 31, 2015

	Agency	Pension	Fiduciary #3	Fiduciary #4	Fiduciary #5
<u>ADDITIONS:</u>					
Contributions					
Plan members		1,332,932			
Other: Other		8,262			
TOTAL CONTRIBUTIONS		1,341,194			
<u>INVESTMENT EARNINGS:</u>					
Net increase/(decrease) in the fair value of investments		-587,761			
TOTAL INVESTMENT EARNINGS		-587,761			
TOTAL ADDITIONS					
<u>DEDUCTIONS:</u>					
Benefits		3,211,581			
Administrative Expenses		37,964			
TOTAL DEDUCTIONS		3,249,545			
CHANGE IN NET POSITION					
		-2,496,112			
NET POSITION - BEGINNING OF YEAR					
		49,344,622			
NET POSITION - END OF YEAR					
		46,848,510			

County of VENANGO

December 31, 2015

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond Capital Lease Lease Rental Note	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End **
General Obligation Bonds and Notes									
County of Venango	Bond	2014	2019	4,410,000	4,275,000		1,295,000		2,980,000
Revenue Bonds and Notes									
Lease Rental Debt									
Other									

If you have a GAAP basis financial statement with footnotes, please provide the information below.

GUARANTEED DEBT SECTION (Optional Information)

*Debt that is guaranteed by the County \$0 (aggregate guaranteed debt) of which \$ 0 (if any) is reported above.

*The aggregate guaranteed debt amount (first line) in the "Optional Information" section should include any amount of debt guaranteed by the county. If providing this information, please include related amounts reported in the "Debt Statement," if any. Do not include debt payments that are incurred and paid off within the same fiscal year or other items, such as workers' compensation, other postemployment benefits, self-insurance, claim liabilities, compensated absences, etc.

Total Debt 2,980,000

Capitalized lease obligations

Plus(less) Unamortized Premium(Discount)

Net debt 2,980,000

** excludes unamortized premium/discount

County of VENANGO
STATEMENT OF CAPITAL ADDITIONS
December 31, 2015

Total

GOVERNMENTAL-TYPE ACTIVITY:

General Government - administrative

249,796

General Government - judicial

15,915

Public safety

Other: Public Safety

216,515

Public works

Highways and streets

310,748

Health and welfare

381,560

Culture - recreation

36,436

Conservation

1

BUSINESS-TYPE ACTIVITY:

TOTAL CAPITAL EXPENDITURES

1,210,971

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)

13,269,217

ELECTED CONTROLLER'S/AUDITOR'S CERTIFIED OPINION

To the: Governing Body of the County
 President Judge of the Court of Common Pleas
 Secretary of the Department of Community & Economic Development

I/We*, the undersigned, the duly elected (or appointed replacement) and Acting Controller/Auditors* of the County of VENANGO have audited, adjusted and settled the accounts of the County of VENANGO for the year ended December 31, 2015. My/Our* audit, adjustment and settlement was made in accordance with Act 103 of 2002 rather than with U.S. generally accepted auditing standards

The County has prepared these financial statements on bases of accounting consistent with U.S. generally accepted accounting principles; consisting of the accrual basis for the government-wide, proprietary fund and fiduciary fund financial statements, and the modified accrual basis for the governmental fund financial statements.

Due to the absence of notes and other disclosures required by U.S. generally accepted accounting principles, these financial statements are not intended to be a complete presentation in accordance with U.S. generally accepted accounting principles.

In my/our* opinion, these financial statements accurately reflect the results of operations and the financial position of the county of VENANGO for the year ended December 31, 2015

SIGNATURE AND VERIFICATION

Signed: Heather S. Mohnkern Elected Auditor
 Jamie Weaver Elected Auditor
 Terri L. McFadden Elected Auditor

Subscribed and sworn to before me this 17 day of October, 2016.

Signed: _____
 Witness (Controller)/Auditor (Auditors)

Counties are encouraged to have financial statement audits performed in accordance with U.S. generally accepted auditing standards or the standards applicable to financial audits contained in "Government Auditing Standards", issued by the Comptroller general of the United States. Controllers may submit opinions resulting from such audits in lieu of this page.



*Circle one

December 31, 2015

NOTES / COMMENTS

- 1) Because we were unable to record a negative cash balance, cash is overstated by approximately \$5 million and adjustments were made to Due to Other Governments and Due from Other Funds to adjust the Balance Sheet.
- 2) On Government-Wide Statement of Activities there was a prior period adjustment of \$5,566,538 which represents restatement of beginning balance with Pension reflected.