

2017

COUNTY

ANNUAL FINANCIAL REPORT

61 COUNTY OF VENANGO

County of VENANGO
GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2017

	Governmental Activities	Business-Type Activities	Total
<u>CURRENT ASSETS:</u>			
Cash and cash equivalents	12,491,358		12,491,358
Receivables (net of allowance for uncollectibles)	2,874,762		2,874,762
Due from other governments	5,475,827		5,475,827
Restricted assets:			
Temporarily restricted:			
Other: Other Assets	57,228		57,228
Other: Unavailable revenue - taxes	62,835		62,835
Due from other funds	440,703		440,703
<u>NON-CURRENT ASSETS:</u>			
Permanently restricted:			
Capital assets not being depreciated:			
Land	2,119,678		2,119,678
Capital assets net of accumulated depreciation:			
Other: Capital Assets Net of A/D	23,460,393		23,460,393
Other: Net Pension Asset	6,857,363		6,857,363
TOTAL ASSETS	53,840,147		53,840,147
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferrals related to pensions	1,746,986		1,746,986
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,746,986		1,746,986
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	55,587,133		55,587,133
<u>LIABILITIES:</u>			
Accounts payable	2,897,298		2,897,298
Due to other governments	88,528		88,528
Unearned revenue	3,745,903		3,745,903
Other current liabilities	758,725		758,725
Debt due in more than one year	602,656		602,656
Other: Accrued Payroll	580,727		580,727

County of VENANGO

GOVERNMENT-WIDE STATEMENT OF NET POSITION

December 31, 2017

	Governmental Activities	Business-Type Activities	Total
<u>LIABILITIES:</u>			
Other: Compensated Absences	582,303		582,303
TOTAL LIABILITIES	9,256,140		9,256,140
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferrals related to pensions	3,674,639		3,674,639
TOTAL DEFERRED INFLOWS OF RESOURCES	3,674,639		3,674,639
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	12,930,779		12,930,779
<u>NET POSITION:</u>			
Net investment in capital assets	24,218,690		24,218,690
Restricted	13,016,457		13,016,457
Unrestricted	5,421,207		5,421,207
TOTAL NET POSITION	42,656,354		42,656,354

County of VENANGO
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
Proprietary Funds
December 31, 2017

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total Fiduciary
GOVERNMENTAL ACTIVITIES:							
General government - administrative	6,475,514	774,666	909,014		-4,791,834		-4,791,834
General government - judicial	3,958,874	1,532,774	926,266		-1,499,834		-1,499,834
Public safety	5,489,303	189,851	1,885,329		-3,414,123		-3,414,123
Highways and streets	1,976,968	670,789	912,754		-393,425		-393,425
Health and welfare	26,612,128	389,720	25,282,235		-940,173		-940,173
Culture - recreation	470,547	87,943	44,500		-338,104		-338,104
Conservation	856,671	9,169	98,194		-749,308		-749,308
Other: Debt and Capital Outlay	22,367				-22,367		-22,367
TOTAL GOVERNMENTAL ACTIVITIES	45,862,372	3,654,912	30,058,292		-12,149,168		-12,149,168
MAJOR BUSINESS-TYPE ACTIVITIES:							
TOTAL BUSINESS-TYPE ACTIVITIES							
TOTAL PRIMARY GOVERNMENTS	45,862,372	3,654,912	30,058,292		-12,149,168		-12,149,168

County of VENANGO

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

December 31, 2017

	Governmental Activities	Business-Type Activities	Total
TOTAL PRIMARY GOVERNMENTS	-12,149,168		-12,149,168
<u>GENERAL REVENUES:</u>			
Real estate	11,370,730		11,370,730
Per capita	140,154		140,154
Hotel room rental	147,619		147,619
Unrestricted investment earnings	43,728		43,728
Other: Gain on disposal of capital asset	26,604		26,604
Other: Other	563,085		563,085
TOTAL GENERAL REVENUES AND TRANSFERS	12,291,920		12,291,920
CHANGE IN NET POSITION	142,752		142,752
NET POSITION - BEGINNING OF YEAR	42,513,602		42,513,602
NET POSITION - END OF YEAR	42,656,354		42,656,354

County of VENANGO
BALANCE SHEET - GOVERNMENTAL FUNDS

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

December 31, 2017

	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	9,015,045	251,079						4,854,826	14,120,950
Receivables (net of allowance for uncollectibles)	1,882,410		370,470					621,882	2,874,762
Due from other governments	34,878		3,384,539	1,833,094				223,316	5,475,827
Due from other funds	587,443	19,355	77,424					22,530	706,752
Restricted assets:									
Temporarily restricted:									
Permanently restricted:									
Investments									
Other: Other Assets			10,820	5,275				41,133	57,228
Other: Accrued Payroll				4,049					4,049
TOTAL ASSETS	11,519,776	270,434	3,843,253	1,842,418				5,763,687	23,239,568
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>									
TOTAL DEFERRED OUTFLOWS OF RESOURCES									
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	11,519,776	270,434	3,843,253	1,842,418				5,763,687	23,239,568
<u>LIABILITIES:</u>									
Accounts payable	859,083		978,306	635,317				424,592	2,897,298
Due to other governments	88,528								88,528
Due to other funds	86,338		177,740					1,969	266,047
Unearned revenue	207,160		1,543,829	88,779				1,906,135	3,745,903
Other: Accrued Payroll	286,734		258,291					39,753	584,778
Other: Due from Other Fund (- Cash)			511,270	1,118,322					1,629,592
TOTAL LIABILITIES	1,527,843		3,469,436	1,842,418				2,372,449	9,212,146

Unavailable Revenue

TOTAL DEFERRED INFLOWS OF RESOURCES**TOTAL LIABILITIES AND DEFERRED
INFLOWS OF INFLUENCES RESOURCES**

Nonspendable

Restricted fund balance

Other: Operating Reserve

Other: Human Services

Other: Roads and Bridges

Other: Affordable Housing

Other: Act 13

Other: Constable Server Fees

Other: Offender Identification

Other: Records 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

Other: Unassigned

[illegible]

County of VENANGO
BALANCE SHEET - GOVERNMENTAL FUNDS

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

December 31, 2017

	General	Capital Projects	Human Services	Work Force	Major #4	Major #5	Permanent Fund	Other Governmental Funds	Total Government Funds
Unassigned fund balance*	5,552,678								5,552,678
TOTAL FUND BALANCE	8,474,805	270,434	373,817					3,391,238	12,510,294
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES	11,519,776	270,434	3,843,253	1,842,418				5,763,687	23,239,568

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	-1,927,653
Long-term liabilities and deferred inflows are not due and payable in the current period and therefore are not reported as a fund liability	-1,943,684
The difference in net position between full accrual accounting and modified accrual accounting is due to differing revenue recognition criteria between the two methods	1,579,963
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	25,580,071
Other: _____	
Other: Net Pension Asset	6,857,363
NET POSITION OF GOVERNMENTAL ACTIVITIES	42,656,354

[illegible]

County of VENANGO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
December 31, 2017

	General	Capital Projects	Human Services	Work Force	Major #4	Major #5	Rermanent Fund	Other Governmenta l Funds	Total Government Funds
Debt Service		1,038,565							1,038,565
TOTAL EXPENDITURES	16,301,759	1,088,294	16,225,729	7,101,922				6,304,273	47,021,977
<u>OTHER FINANCIAL SOURCES/(USES):</u>									
Interfund Operating Transfers	-1,749,853	1,080,380	-540,585	-150,000				1,360,058	
Sale of capital assets	6,624		13,680					6,300	26,604
Other: Capital Lease		92,294							92,294
TOTAL OTHER FINANCING SOURCES/ (USES)	-1,743,229	1,172,674	-526,905	-150,000				1,366,358	118,898
CHANGE IN FUND BALANCES	-1,518,622	84,957	32,815					451,303	-949,547
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	9,993,427	185,477	341,002					2,939,935	13,459,841
FUND BALANCES (DEFICIT) - END OF YEAR	8,474,805	270,434	373,817					3,391,238	12,510,294

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, 2017

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

Net changes in fund balances (deficit) - total governmental funds	-949,547
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	923,904
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	24,990
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	56,149
The net effect of various transactions involving capital assets, (i.e. purchases, disposals, etc.) is to increase net position	130,010
Other: Accrued Compensation	-42,754
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	142,752

County of VENANGO
STATEMENT OF NET POSITION
 Proprietary Funds
 December 31, 2017

	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, 2017

	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, 2017

	Pension	Agency	Fiduciary #3	Fiduciary #4	Fiduciary #5
<u>ASSETS:</u>					
Cash and cash equivalents	1,272,379	1,011,040			
Receivables		286,505			
Investments, at fair value	52,939,807				
Restricted assets:					
Temporarily restricted:					
Permanently restricted:					
TOTAL ASSETS	54,212,186	1,297,545			
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>					
TOTAL DEFERRED OUTFLOWS OF RESOURCES					
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	54,212,186	1,297,545			
<u>LIABILITIES:</u>					
Due to other funds		437,151			
Due to other governments		116,727			
Funds held as fiduciary		743,667			
TOTAL LIABILITIES		1,297,545			
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
TOTAL DEFERRED INFLOWS OF RESOURCES					
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		1,297,545			
<u>NET POSITION:</u>					
Assets held in trust for pension/other post employment benefits	54,212,186				
TOTAL NET POSITION	54,212,186				
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	54,212,186	1,297,545			

County of VENANGO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Fiduciary Funds

December 31, 2017

Pension Agency Fiduciary #3 Fiduciary #4 Fiduciary #5

ADDITIONS:

Contributions

Employer	521,262				
Plan members	1,240,886				
Other: Other	1,901				
TOTAL CONTRIBUTIONS	1,764,049				

INVESTMENT EARNINGS:

Interest	1,018,114				
Net increase/(decrease) in the fair value of investments	6,171,228				
TOTAL INVESTMENT EARNINGS	7,189,342				

Less Investment Expenses	152,301				
--------------------------	---------	--	--	--	--

TOTAL ADDITIONS	8,801,090				
------------------------	------------------	--	--	--	--

DEDUCTIONS:

Benefits	3,181,043				
Administrative Expenses	55,316				
TOTAL DEDUCTIONS	3,236,359				

CHANGE IN NET POSITION	5,564,731				
-------------------------------	------------------	--	--	--	--

NET POSITION - BEGINNING OF YEAR	48,647,455				
---	-------------------	--	--	--	--

NET POSITION - END OF YEAR	54,212,186				
-----------------------------------	-------------------	--	--	--	--

County of VENANGO

December 31, 2017

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	2,065,000		940,000		1,125,000
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 1,125,000

Capitalized lease obligations

Plus(less) Unamortized Premium(Discount)

Net debt 1,125,000

** excludes unamortized premium/discount

County of VENANGO
STATEMENT OF CAPITAL ADDITIONS
December 31, 2017

Total

GOVERNMENTAL-TYPE ACTIVITY:

General Government - administrative	619,669
General Government - judicial	118,009
Public safety	
Other: Public Safety	851,098
Public works	
Other: Public Works	137,743
Health and welfare	118,581
Culture - recreation	51,496

BUSINESS-TYPE ACTIVITY:

TOTAL CAPITAL EXPENDITURES	1,896,596
----------------------------	-----------

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)	13,168,722
---	------------

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, 2017. 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, 2017

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 9 day of October, 2018.

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, 2017

NOTES / COMMENTS

NOTE# 1- On the GVT-WIDE STMT OF NET POSITION we had to relocate (62,835) from Unavailable Revenue - Taxes contained in the Deferred Inflows Liability section to Unavailable Revenue - Taxes in the Current Assets section because the online entry would not allow us to type a negative amount in liabilities. This adjustment is not reflected in the Gvt-Wide front statements.

NOTE # 2 - On the BALANCE SHEET - GOVT FUNDS statement we had to relocate (511,270) Cash in Human Services and (1,118,322) Cash in Work Force Major Fund to the Liability section - Due to Other Funds. Cash is overstated by 1,629,592 because of our inability to enter negative cash balances in the Current Asset section. This adjustment is not reflected in the Gvt-Wide front statements.

NOTE# 3 - On the BALANCE SHEET - GOVT FUNDS statement, we had to relocate (4,051) from Accrued Payroll in the Liabilities section to the Accrued Payroll Current Asset section because of our inability to enter a negative balance. This adjustment is not reflected in the Gvt-Wide front statements.