

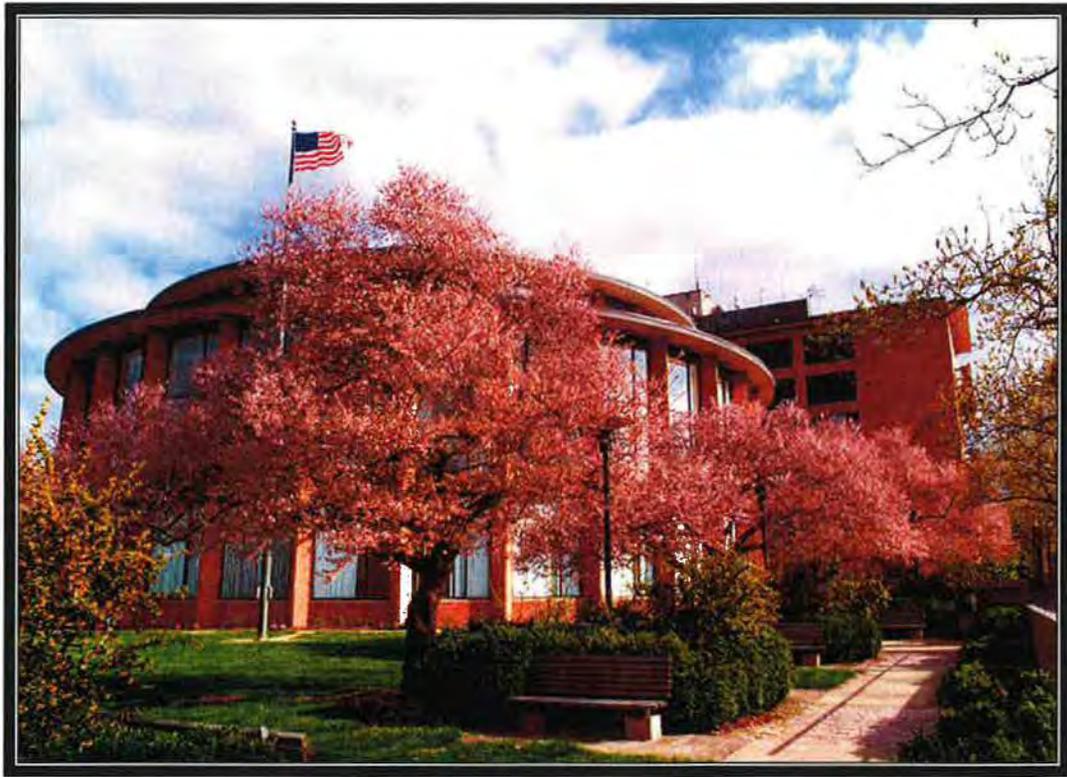
COUNTY OF BUCKS, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED
DECEMBER 31, 2014

Prepared by the Office of the Controller



***Bucks County Courthouse
Doylestown, Pennsylvania***

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INTRODUCTORY SECTION

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COUNTY OF BUCKS, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2014

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CONTROLLER'S OFFICE

COUNTY OF BUCKS

Administration Building
55 East Court Street, Doylestown, PA 18901-4318
(215) 348-6435 • Fax (215) 348-6107

June 30, 2015

To the citizens of Bucks County, Pennsylvania:

The comprehensive annual financial report of the County of Bucks, Pennsylvania for the fiscal year ended December 31, 2014, is hereby submitted. Responsibility for both the completeness and fairness of the data and its presentation, including all disclosures, rests with the County's management. The County has implemented the Governmental Accounting Standards Board's Statement No. 34 "Basic Financial Statements and Management Discussion and Analysis – for State and Local Governments." To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County in accordance with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended December 31, 2013, the County's organizational chart and a list of the County's principal officials. The financial section includes the independent auditors' report, Management's Discussion and Analysis, the basic financial statements, required supplementary information and the combining and individual fund financial statements and schedules for the year ended December 31, 2014. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and should be read in conjunction with it. The County of Bucks MD&A is immediately following the report of the independent auditors.

The County of Bucks, one of the three original counties founded by William Penn in 1682, consists of fifty-four municipalities with a population of approximately 626,685 residing in 614 square miles. Since January 1, 1992 the County has operated under the provisions of the Second Class A County Code as enacted by the General Assembly of the Commonwealth of Pennsylvania.

A three member Board of County Commissioners performs all of the County's legislative and executive functions. The Controller is elected as the County's Chief Financial Officer and supervises the fiscal affairs of the County. The Treasurer is elected to receive and receipt all monies due or accruing to the County including the deposit and investing of surplus funds. The Court of Common Pleas is part of the Unified Judicial System provided for by the Pennsylvania Constitution. Court related row offices include the Coroner, Clerk of Courts, District Attorney, Prothonotary, Recorder of Deeds, Register of Wills and Sheriff.

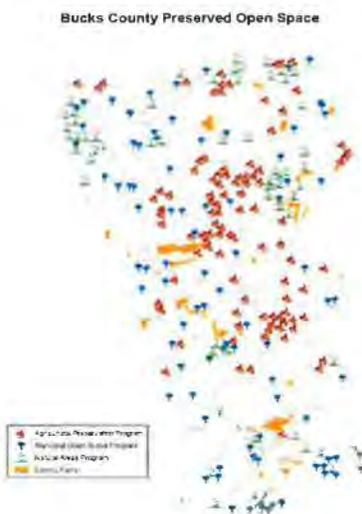
This report includes all funds of the County. The County provides a full range of human services that include the operation of a nursing facility, county-wide health services, park system and judicial system. In addition to general County activities, the Commissioners have financial accountability for the Bucks County Community College, the Bucks County Community College Authority, the Bucks County Free Library, the Bucks County Drug and Alcohol Commission, Inc., the Bucks County Airport Authority, and the Bucks County Housing Authority. Therefore, these component units are included in the reporting entity. The County Commissioners are also responsible for appointing the members of the boards of a number of other authorities and advisory boards, but the County's accountability for these organizations does not extend beyond the appointments. (See Note 2 to the financial statements.)

ECONOMIC CONDITION AND OUTLOOK

The County of Bucks is located in the southeastern part of Pennsylvania in the Washington/Boston corridor. It continues to grow along with the neighboring counties in Pennsylvania and New Jersey that make up the Philadelphia metropolitan area. Although the national economy affects Bucks County and the region, the County's 5.2% unemployment rate compared favorably to the statewide rate of 5.8% and the national rate of 6.2% at December 31, 2014. Bucks County's location, and the diversity of its labor force and employment base, will continue to make it attractive to businesses throughout this decade.

COUNTY OPEN SPACE PROGRAM

Bucks County continues to be one of Pennsylvania's fastest growing counties. In November 1995, a twenty-four member Open Space/Farmland Preservation Task Force was created "to develop a practical plan to protect in perpetuity those natural resource areas and farmlands deemed essential to preserve the unique character of Bucks County."



The Bucks County Open Space Program continues to play a large role in the preservation of land in the County. Unique to the Delaware Valley Region, the program's successes are due to a diversity of open space and farmland preservation funding opportunities. The program has provided residents and municipalities with the best available funding and technical assistance for open space and farmland preservation.

Implementation of the Open Space Program was divided into four main components: the Agricultural Land Preservation Program, the Parkland Acquisition Program, the Municipal Open Space Program, and the Natural Areas Program. Each component receiving funds through the program has specific criteria for the preservation of land in the County of Bucks.

The achievements of the Open Space Program for the year 2014 are as follows:

- *Farmland preservation* – The purpose of the County's Agricultural Land Preservation Program is to continue to protect the future of a viable agricultural community while allowing a farmer to pass on the family farm, and expand or improve the farm operation or sell the farm to another for continued agricultural production. The landowner retains ownership of the land, including the right to farm the land or to sell the land. As of early August 2014, the Commissioners have preserved 168 farms totaling 14,250 acres. That total will continue to grow through the list of farms on the Agricultural Land Preservation Program's waiting list.



*The Wayne and Nancy Tretter Long Farm, Plumstead Township,
70.64 acres preserved in 2014*

- The Bucks County Agricultural Land Preservation Program is regulated by the Pennsylvania Department of Agriculture, Bureau of Farmland Preservation and governed by Pennsylvania Act 43 as well as County guidelines. The program utilizes funds from state, county, and local governments to purchase conservation easements on productive farmland. Farms considered for preservation are prioritized according to soil quality, location, conservation practices, and threat of development.



The Hager/Haney Farm, Durham Township

- In 2014, the Hager/Haney Farm of Durham Township was the fifth largest farm preserved since the program began in 1989. The 195.89 acre farm is the “signature farm” of the 2014 preservation cycle and will help a fifth generation to farm the land, which raises beef cattle and produces hay, corn and wheat.
- *Parkland acquisition* - Bucks County has an ongoing goal of acquiring land in order to reduce parkland deficits, and to expand and create regional parks. The establishment of parks to connect population centers and disjointed parkland tracks in areas such as stream valleys and other natural corridors will make it possible to create recreational areas for hiking, jogging, biking, and other similar recreational activities. The County’s goal is to develop as many useful and enjoyable trails along these corridors as possible, allowing residents, and tourists alike to use the County park system, for enjoyment of outdoor activities such as picnicking, hiking, walking, bicycling, fishing, and boating. The county consists of nine extensive park systems including: Core Creek, Lake Towhee, Peace Valley, Playwicki, Ringing Rocks, Silver Lake, Stover-Myers Mill, Tinicum, and Tohickon Valley totaling over 8,500 acres.
- *Municipal open space* - The Municipal Open Space Program offers local governments an alternative opportunity to preserve farmland that may not meet the standards of the Agricultural Land Preservation Program. Each open space plan details a municipality’s resources suitable for preservation and the steps needed to protect them. All of the 54 municipalities have completed an open space plan, a prerequisite to participate in the County program. The Bucks County municipal governments have together protected over 3,550 acres of open space. All properties preserved with County funds are restricted from further development through the use of deed restrictions or conservation easements. Municipalities continue to use the Municipal Open Space Program as a vital way to plan for the preservation of their resources.
- Municipalities continue to use the Municipal Open Space Program as a vital way to plan for the preservation of their resources. In 2014, 11 projects throughout 6 municipalities updated their open space plans through the Bucks County Planning Commission.
- *Natural areas* - Under the County Commissioners’ open space preservation initiative, \$9 million has been allotted for a natural areas preservation program. The Bucks County Natural Areas Program was created to preserve as many examples as possible of the unique natural resources that are found in the County including the protection of natural habitats, ecological diversity, and significant geological features. Only non-profit land trusts and conservancies or Bucks County municipalities may submit applications to purchase natural areas or to acquire conservation easements. The program is a competitive grant program with the most important factor in evaluating a grant proposal being the property’s natural resources.
- The Natural Areas Program, under the umbrella of the County’s Open Space Program, has completed 88 projects, protecting over 3,700 acres. Two additional parcels were acquired in 2014, including a 58 acre parcel in Richland Township and the addition of a 27 acres easement in Tinicum Township.

YEAR IN REVIEW

The year 2014 represents a vibrant time of capital growth, service excellence and fiscal prudence.

- The Board of Commissioners introduced a new initiative to focus County resources on ensuring continued and expanded economic prosperity in Bucks County entitled “Bucks 2 Invest.” As part of this initiative, the Commissioners directed the Bucks County Industrial Development Authority (BCIDA) to administer several financing programs: Bucks Guaranteed, Bucks Rebuilt, Bucks Renewed, Core Industry Fund, New Economy Fund and Taste & Tour Bucks County. An additional financing program, “VC4BC” venture capital fund, is administered in cooperation with the Ben Franklin Technology Partners of Southeastern PA.
- The Bucks County Youth Center recently was certified PREA compliant by the Department of Justice in meeting new mandated Federal standards. The PREA is the first federal civil statute focused specifically on addressing sexual violence in juvenile facilities. The Youth Center joins a very elite group across the nation and is the first juvenile detention center in the Commonwealth of Pennsylvania to achieve this merit.
- In March 2014, the Bucks County District Attorney’s Office launched the Heroin Prevention Outreach Initiative. The District Attorney’s office has set up a telephone line, an email address, and a text tip line alerting law enforcement officers about heroin activity in Bucks County. The Commissioners, Bucks County Drug and Alcohol Commission, Inc. and community agencies also secured funding for a public service announcement. Additional efforts include the formation of an Overdose Prevention/Education Task Force, an Upper Bucks Heroin Prevention Task Force and collaborative support from legislators.
- Celebrating a project that was 12 years in the making, Bucks County Commissioners joined Neshaminy Manor residents, administrators and family/friends to dedicate a unique “Mosaic Wall” on October 21st. The 40-by-15 foot wall consists of thousands of hand-painted tiles, each created by residents -past and present- of the award-winning, 360-bed long term care facility.
- The County once again held a successful annual Household Hazardous Waste Collection Program. This was the fourteenth year the five southeastern Pennsylvania counties have worked together to sponsor a regional program. Bucks County’s program consisted of five different hazardous waste drop off points throughout the County. The regional household hazardous waste collection program provides an opportunity for residents to properly dispose of many materials that are not able to be disposed by any other means, thereby keeping these products from contaminating our water supplies or soil. This year’s collection had 8,720 County participants with 958,854 pounds of material collected which is an average of 110 pounds of material per participant.



- On April 23, 2015, Bucks County’s elected Controller, Raymond F. McHugh, Esquire, resigned to become Judge on the Bucks County Court of Common Pleas. Ray was appointed by Governor Tom Wolf to fill a vacancy. Ray had been County Controller since December 2000. As Bucks County Controller, Ray initiated the Controller’s Office imaging project to scan all accounts payable invoices and County contracts. This system will integrate with the County’s ERP System which will result in efficiency in the County. He also established the Controller’s Office Fraud Hotline to report and investigate fraud. The Controller’s Office truly appreciated his dedication and leadership for the past 14 years.

FINANCIAL INFORMATION

Internal Control Structure. Management of the County of Bucks is responsible for establishing and maintaining an internal control structure that is designed to ensure that the assets of the County are protected from loss, theft or misuse, that transactions are executed in accordance with management's integrity, and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. An integral function of the Controller's Office Internal Audit staff is to test the design and effectiveness of the internal control structure.

Single Audit. As a recipient of Federal and State financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the County.

As part of the County's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to Federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations. Historically, the results of the County's single audits have indicated no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgeting Controls. The County maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County Commissioners. Activities of the general fund, special revenue funds, debt service fund and capital projects funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by departmental classification. The County also maintains an encumbrance accounting system as an additional technique of budgetary control. Encumbrances are liquidated at year-end. Encumbrances generally are not reappropriated as part of the following year's budget, except for capital projects.

Financial Policies. As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound financial management. The County budgetary guidelines were for all County departments to keep the level of service without increasing expenditures. Each department was tasked to maintain departmental expenditures with little or no increase in 2014.

The County has obtained an "Aaa" rating from Moody's Investors Service and obtained an "AAA" rating from Standard and Poor's Corporation on general obligation issues.

Cash Management. Cash temporarily idle during the year was held in interest bearing demand deposits or invested in certificates of deposit and repurchase agreements. The Pension Trust Fund's investment portfolio also includes corporate bonds, stocks and mutual funds. The average yield on cash and investments in the governmental fund types was .12%. Interest earnings for the governmental activities totaled \$397,945 in 2014.

The County's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, 99.98% of all deposits were either insured by federal depository insurance or collateralized. Deposits are collateralized by a pledge or assignment of assets pursuant to Act No. 72 of the General Assembly of the Commonwealth of Pennsylvania.

Risk Management. During 2014, the County continued a self-insurance program for workers' compensation, general liability and auto liability. As part of this comprehensive program, resources are being accumulated in the general fund to fund current costs as well as potential future liabilities. Excess coverage is currently maintained with a third party for workers' compensation and auto liability. Effective January 1, 2009, the County elected to provide medical benefit coverage and hospitalization on a premium basis.

JUSTICE CENTER



The groundbreaking for the \$84 million Justice Center project began in July 2011. The 285,000 square foot complex was completed in January 2015 with approximately 520 workers moving into the facility .

In addition to courtrooms and court related offices, the Justice Center is to house 87 shared meeting spaces with motion sensed lighting and a high level security system. The facility is energy efficient with specialized efficient LED lighting, High E glass windows, VFO and radiant flooring and an insulated roof.

Each courtroom is equipped with state of the art audio video systems. The facility includes high density storage and ergonomic workstations. The departments moving to the

Justice Center include Adult Probation Intake, Clerk of Courts, Court Administration, District Attorney, Domestic Relations, Family Masters, Judges, Prothonotary, Public Defender, and Sheriff.

During 2015, work will continue on the building's exterior features, which will include a memorial designed in collaboration with the Travis Manion Foundation and a beam from the former World Trade Center in Manhattan.

HIGHLIGHTED DEPARTMENT



The General Services Division (formerly known as Public Works) was formed in 2008. General Services under the direction of Gerald Anderson is responsible for the following: Construction/Capital Projects, Parks & Recreation, Asset Management, Trades, Bridges, Facility Maintenance, Central Warehouse and Flood Control Dams. General Services maintains all the 167 County owned facilities and are on call 24/7 for emergency response to any of those sites.

General Services is responsible for the County's 115 bridges (including 7 covered and 11 stone arch bridges) throughout the County. General Services supervises the maintenance and oversees repairs and construction for all of those bridges. There are also 8 flood control dams throughout the County maintained by General Services. They keep these dams in a safe and operable condition. The dams are inspected annually as required and reviewed by the State.

General Services provides housekeeping, laundry, maintenance and power plant operations for the County owned Neshaminy Manor Nursing Facility. They maintain a housekeeping staff around the clock to care for the 360 resident rooms. In addition, the laundry handles an average of 1.9 million pounds of laundry annually.



There were numerous Capital Projects completed in 2014 under the direction of General Services. The Churchville Nature Center Project was completed after a multi-phase reconstruction. A Green LEED certified addition was added in Phase 1 along with a geothermal cooling and heating system. Phase 2 added another addition and a new roof. The entire Center was brought into full ADA Compliance. The NRCS Flood Program was also completed in 2014. This was a 27.3 million dollar flood remediation program along the Neshaminy Creek. The program affected 132 homes along the Neshaminy. The project elevated 85 of those homes and bought out 47 homes that were not suitable for elevation. This program brought much needed relief to those homeowners who were in constant peril due to the repeated flooding of the Neshaminy Creek.

In addition to those completed projects, work continued on the construction of the Bucks County Justice Center which is due for completion in early 2015. This project costing 84 million dollars is the largest Capital Project in Bucks County history. General Services Director Jerry Anderson is the lead person on the project and is responsible for coordination between all parties involved.

General Services manages all assets for the County. This includes the management of all County owned properties, acquisition and maintenance of the 216 County vehicles, cell tower leases, County owned property rentals & sales, and County owned surplus property sales.

In addition to all of the above the Parks & Recreation Department falls under the General Services umbrella. Parks & Recreation oversees 24 parks totaling over 9000 acres. Parks & Recreation also oversees 3 Nature Centers, 2 swimming pools, a 9 hole golf course and 3 historic properties. All of those facilities attract 3 million visitors annually.

OTHER INFORMATION

Independent Audit. The accounting firm of Zelenkofske Axelrod LLC, Independent Certified Public Accountants, was selected to perform an audit of the County's basic financial statements in order for the County to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-133. The independent auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The independent auditors' reports related specifically to the single audit are presented in a separate report.

Litigation. In the normal course of business various claims and suits are pending against the County. In the opinion of counsel, the amount of such losses that might result from these claims and suits, if any, would not materially affect the financial position of the County.

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the thirtieth consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial 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.

Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Controller's Office. I wish to express my sincere appreciation to each member of the office for the contributions made in the preparation of this report.

Sincerely,



Kimberly S. Doran, CPA
Acting Controller

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*COUNTY OF BUCKS
CONTROLLER'S OFFICE
MISSION STATEMENT*

*To protect the assets of the citizens of the
County of Bucks by ensuring the lawful,
appropriate and efficient receipt,
maintenance and disbursement of County
funds and property and communicating
related information in an accurate and
timely manner.*



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

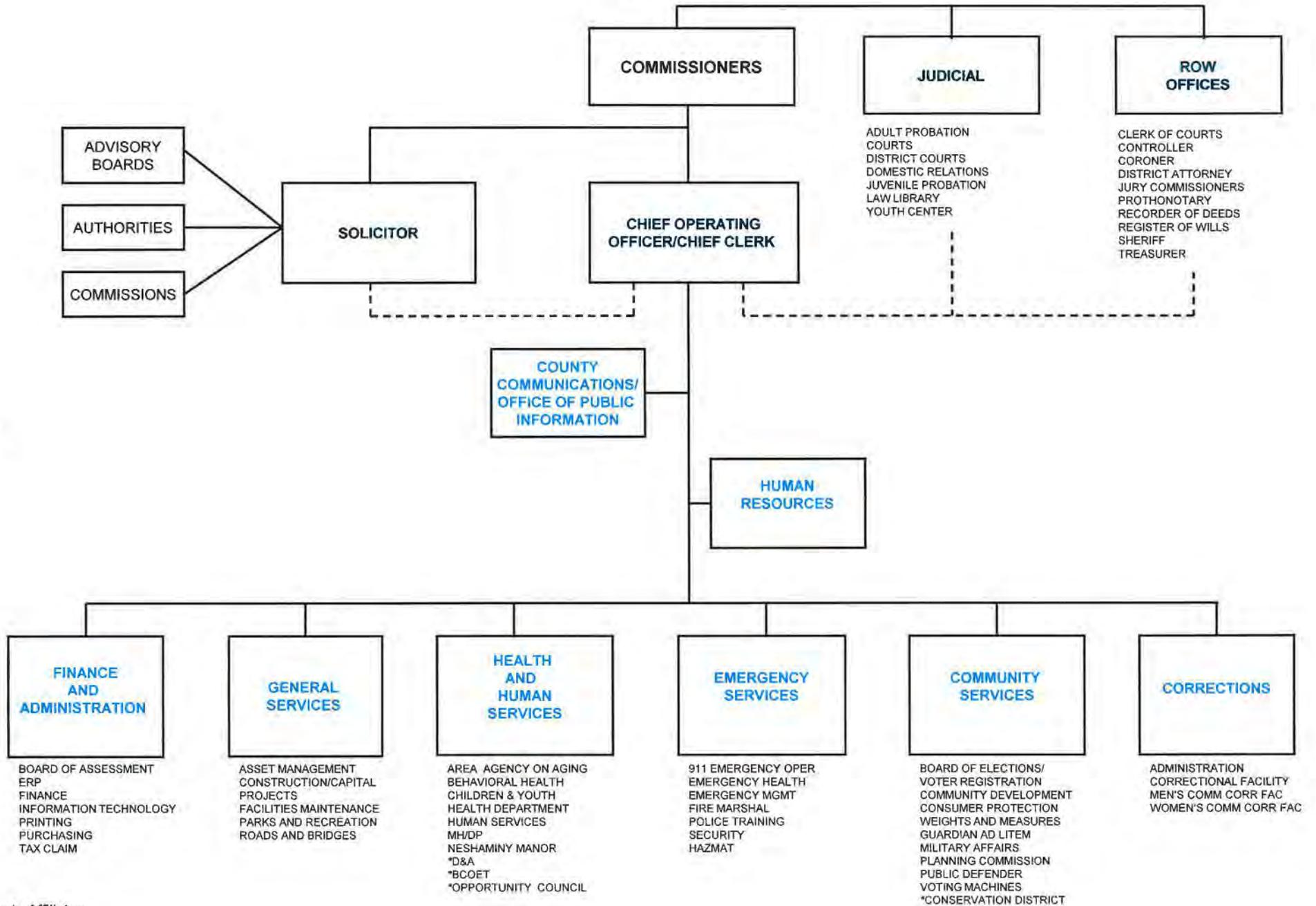
**County of Bucks
Pennsylvania**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

COUNTY OF BUCKS ORGANIZATION CHART ELECTORATE



AIX

* County Affiliates

COUNTY OF BUCKS, PENNSYLVANIA

PRINCIPAL OFFICIALS

COUNTY COMMISSIONERS

Robert G. Loughery, Chairman
Charles H. Martin, Vice-Chairman
Diane M. Ellis-Marseglia, LCSW

ROW OFFICERS

Mary K. Smithson, Clerk of Courts
Kimberly S. Doran, CPA, Acting Controller
Dr. Joseph P. Campbell, III, Coroner
David W. Heckler, Esquire, District Attorney
Patricia L. Bachtle, Prothonotary
Joseph J. Szafran, Recorder of Deeds
Donald Petrille Jr., Register of Wills
Edward J. Donnelly, Sheriff
William R. Snyder, Treasurer

JUDICIARY

Honorable Jeffrey L. Finley, President Judge
Honorable Rea B. Boylan, Judge
Honorable Alan M. Rubenstein, Judge
Honorable Robert J. Mellon, Judge
Honorable C. Theodore Fritsch, Jr., Judge
Honorable Albert J. Cepparulo, Judge
Honorable Diane E. Gibbons, Judge
Honorable Robert O. Baldi, Judge
Honorable Wallace H. Bateman, Jr., Judge
Honorable Gary B. Gilman, Judge
Honorable James M. McMaster, Judge
Honorable Brian T. McGuffin, Judge
Honorable Raymond F. McHugh, Judge



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FINANCIAL SECTION

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Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT

County Commissioners
County of Bucks
Doylestown, 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 BUCKS, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the COUNTY OF BUCKS' 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 discretely presented component units' financial statements for the Bucks County Airport Authority, the Bucks County Community College, the Bucks County Community College Authority, the Bucks County Drug and Alcohol Commission, the Bucks County Free Library and the Bucks County Housing Authority which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those aggregate discretely presented component units, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Bucks County Community College, the Bucks County Community College Authority, the Bucks County Free Library and the Bucks County Airport Authority were not audited in accordance with *Government Auditing Standards*. 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 financial statement 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.

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Zelenkofske Axelrod LLC

County Commissioners
County of Bucks
Doylestown, Pennsylvania

Opinions

In our opinion, based on our audit and the reports 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 OF BUCKS, as of December 31, 2014, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Adoptions of Governmental Accounting Standards Board Pronouncements

As described in Note 1 to the financial statements, in 2014 the COUNTY OF BUCKS adopted the provisions of Governmental Accounting Standards No. 67, "*Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*," the provisions of Statement No. 69, "*Government Combinations and Disposals of Government Operation*," and the provisions of Statement No. 70, "*Accounting and Financial Reporting for Nonexchange Financial Guarantees*". Our opinions are not modified with respect to these matters.

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 employer contributions and funding progress, schedule of pension liability and plan fiduciary net position, schedule of county contributions, schedule of investment returns, and budgetary comparison schedules on pages 5 through 14, 71, 72, 73, and pages 74 through 79 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 inquires 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 OF BUCKS' basic financial statements. The introductory section, combining and individual fund financial statements and budget and actual schedules (other supplementary information), and statistical section are presented for the purposes of additional analysis and are not a required part of the financial statements.

Zelenkofske Axelrod LLC

County Commissioners
County of Bucks
Doylestown, Pennsylvania

The combining and individual fund financial statements, budget and actual schedules, schedules of capital assets and schedules of county general obligations payable are the responsibility of management and were derived from and relate 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget and actual schedules, schedule of capital assets and schedules of county general obligations payable are 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2014 on our consideration of the COUNTY OF BUCKS' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the COUNTY OF BUCKS' internal control over financial reporting and compliance.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Jamison, Pennsylvania
June 30, 2015

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Management's Discussion and Analysis

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COUNTY OF BUCKS MANAGEMENT'S DISCUSSION AND ANALYSIS

This narrative overview and analysis of the financial statements of the County of Bucks, Pennsylvania (the County) for the calendar year ended December 31, 2014 has been prepared by the County's management. The information presented here should be read in conjunction with the additional information contained in our letter of transmittal, which can be found beginning on page V, and the County's financial statements immediately following this discussion and analysis.

Financial Highlights

- At the end of the current calendar year, the County's net position was \$260,800,061 resulting from an excess of its assets over its liabilities, however, its unrestricted net position showed a deficit balance of \$(216,163,740).
- The County's property tax rate remained at 23.20 mills for calendar year 2014. The County's ratio was adjusted from 25% of the 1972 fair market value to 100% of the 1972 fair market value effective January 1, 2005.
- The County's total net position increased by \$8,277,958 during the current calendar year. This is 1.8% of the annual operating costs of the County. The increase in net position is attributed to the decrease in expenses and increase in capital grants and contributions. The County's debt service millage increased to 4.9025 in 2014.
- For the current calendar year, the County's governmental funds reported a combined ending fund balance of \$96,618,858, a decrease of \$52,538,299 from the prior year. This year's ending balance includes \$49,656,040 of unassigned fund balance, which is available for spending at the County's discretion in accordance with future approved budgets. The debt service fund reported a negative unassigned fund balance of \$(2,436,930) at year end.
- The fund balance of the County's general fund at the end of the calendar year was \$49,656,040, an increase of \$602,879 from last year. The unassigned general fund balance was \$49,656,040. General fund revenues for the current year were \$202,749,972 as compared to \$210,587,339 for the prior year, while current year expenditures amounted to \$185,854,950 compared to \$187,231,259 for last year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction and overview of the basic financial statements of the County of Bucks. The County's basic financial statements are comprised of:

- *Government-wide financial statements*, which provide both long-term and short-term information about the County's overall financial condition.
- *Fund financial statements*, which provide a more detailed look at major individual portions, or funds, of the County.
- *Notes to the financial statements*, which explain some of the information contained in the financial statements and provide more detailed data.
- *Other supplementary information*, which further explains and supports the information in the financial statements.

Government-wide financial statements. The government-wide financial statements report information about the County as a whole using accounting methods similar to those used by a private-sector business. The two statements presented are:

The statement of net position, which includes all of the County's assets and liabilities, except for fiduciary and agency funds, with the difference between the two reported as net position. Over time, increases or decreases in net position are an indicator of whether the County's financial position is improving or deteriorating.

COUNTY OF BUCKS MANAGEMENT'S DISCUSSION AND ANALYSIS

The statement of activities presents revenues and expenses and their effect on the change in the County's net position during the current year. These changes in net position are recorded as soon as the underlying event giving rise to the change occurs, regardless of when cash is received or paid.

The government-wide financial statements of the County are reflected in two distinct categories:

- *Governmental activities* are primarily supported by taxes and state and federal grants. The governmental activities include the County's basic services such as general government, judiciary, corrections, authorities, social services, bridges, health, public safety and the financing activities of the County's six discretely presented component units: the Airport Authority, the Community College, the Community College Authority, the Drug and Alcohol Commission, the Free Library and the Housing Authority.
- *Component units* are legally separate entities for which the County is financially accountable or has oversight responsibility. Financial information for these component units is reported separately from the financial information presented for the primary government. The County's government-wide financial statements contain information for six distinct component units of Bucks County: the Airport Authority, the Community College, the Community College Authority, the Drug and Alcohol Commission, the Free Library and the Housing Authority.

A third category which is used by some entities is *business-type activities*. Business-type activities are supported by user fees and charges, which are intended to recover all or a significant portion of their costs. The County does not operate any activities that fall into this category. The County considered our 9-1-1 emergency response operation and our County nursing home as possible business-type activities. In both cases the majority of the revenue is controlled by the State and does not cover the operating costs. Therefore, the primary government of the County of Bucks will only include governmental activities.

Fund financial statements. The fund financial statements provide detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices for groupings of activities that enable the County to maintain control over resources that have been segregated for particular purposes or objectives. Some funds are required by state law. Other funds are established to control and manage resources designated for a specific purpose. All of the funds of the County of Bucks can be divided into two categories: governmental funds and fiduciary funds.

- *Governmental funds.* The governmental funds are used to account for the financial activity of the County's basic services, similar to those described for the governmental activities in the government-wide financial statements. However, unlike the government-wide statements, which provide a long-term focus of the County, the fund financial statements focus on a short-term view of the inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the calendar year. The financial information presented for the governmental funds is useful in evaluating the County's short-term financing requirements. To help the readers of the financial statements better understand the relationships and differences between the long-term view of the government-wide financial statements from the short-term view of the fund financial statements, reconciliations are presented between the fund financial statements and the government-wide statements.

The County maintains twenty-two individual governmental funds. Financial information is presented separately for the general fund, the behavioral health services fund, the children & youth services fund, the debt service fund, and the 2013 series bond fund which are considered to be major funds. Data for the remaining sixteen funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is presented in the form of combining statements in the other supplementary information section of this financial report.

**COUNTY OF BUCKS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

- Fiduciary funds.*** The fiduciary funds are funds for which the County is the trustee or fiduciary. The County of Bucks is the trustee, or fiduciary, for its employees' pension plan. It is also responsible for other assets that are collected and held for others until the funds are allocated to the organizations, government agencies or private parties to which they belong. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. These fiduciary activities are reported in a separate statement of fiduciary net position and changes in fiduciary net position. They are not reflected in the government-wide financial statements because the assets are not available to support the County's operations.

The following chart summarizes the various components of the County's government-wide and fund financial statements, including the portion of the County government they cover, and the type of information they contain.

Summary of the Government-wide and Fund Financial Statements for the County of Bucks

	Government-wide Statements	Fund Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire County government (except fiduciary funds) and County's component units	Activities of the County that are not proprietary or fiduciary in nature	Activities for which the County is trustee for someone else's assets, such as the employees' pension plan
Required Financial Statements	Statement of net position Statement of activities	Balance Sheet Statement of revenues, expenditures and changes in fund balances	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis/ Measurement focus	Accrual accounting Economic resources	Modified accrual accounting Current financial resources	Accrual accounting Economic resources
Type of asset and liability information	All assets and liabilities, financial and capital, short and long-term	Only assets expected to be used up and liabilities that come due during the current year or soon thereafter; no capital assets are included	All assets and liabilities, both short and long-term; there are currently no capital assets, although there could be in the future
Type of inflow and outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Only revenues for which cash is received during the year or soon after the end of the year; only expenditures when goods or services are received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data presented in the government-wide and fund financial statements. The notes can be found immediately following the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents additional information in three separate sections: required supplementary information, other supplementary information and statistical information.

- Required supplementary information.*** Certain information regarding pension plan funding progress for the County, as well as budgeted and actual revenues and expenditures for the County's general fund and major special revenue funds is presented in this section. This required supplementary information can be found immediately following the notes to the financial statements.

**COUNTY OF BUCKS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

- **Other supplementary information.** Combining statements for non-major governmental funds and additional budgetary schedules for the County's non-major governmental funds, debt service fund, and open space fund are presented in this section. This supplementary information can be found immediately following the required supplementary information.
- **Statistical information.** Long-term trend tables of financial, economic and demographic data are presented in the statistical section. This information is located immediately after the supplementary information.

Government-wide Financial Analysis

Net position. As noted earlier, net position are useful indicators of a government's financial position. During 2014, net position increased \$8,277,958 or 3.28% to \$260,800,061.

Capital assets (land, buildings, equipment, infrastructure and bridges) less any outstanding debt issued to acquire these assets comprise a large portion of the County's net position, \$434,457,767. Although these capital assets assist the County in providing services to its citizens, they are generally not available to fund the operations of future periods.

A portion of the County's net position, \$42,506,034 is subject to external restrictions imposed by creditors, grantors or laws and regulations. The remaining component of net position is the unrestricted net assets, which ended the calendar year with a deficit balance of \$(216,163,740). This deficit is the result of the County having long-term commitments that are greater than currently available resources. The increase in net position was affected by the increase in judiciary and public safety program revenue and the decrease in general and social services expenses and by the decrease in interest on long term debt expenses.

Following is a summary of the County's assets, liabilities and net position:

Net Position of Bucks County (Government Activities)			
	<u>December 31, 2014</u>	<u>December 31, 2013</u>	<u>Percentage Change</u>
Current and other assets	\$ 239,671,663	\$ 293,061,882	(18.22%)
Capital assets	<u>466,686,440</u>	<u>434,110,024</u>	7.50%
Total assets	706,358,103	727,171,906	
Current and other liabilities	82,659,860	80,523,676	2.65%
Long-term liabilities outstanding	<u>357,408,182</u>	<u>388,026,127</u>	(7.89%)
Total liabilities	440,068,042	468,549,803	
 <u>Net Position:</u>			
Net investment in capital assets	434,457,767	405,193,449	7.22%
Restricted	42,506,034	92,513,287	(54.05%)
Unrestricted (deficit)	<u>(216,163,740)</u>	<u>(245,184,633)</u>	(11.84%)
Total net position	<u>\$ 260,800,061</u>	<u>\$ 251,458,663</u>	

**COUNTY OF BUCKS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Changes in net position - The total cost of all County functions and programs this year was \$458,979,586. These expenses cover a wide range of services, of which approximately 47.34% are related to social services.

The County's total revenues this year were \$467,257,544. This is a decrease of \$3,539,414 from 2013. The County's property tax rate remained at 23.20 mills in 2014. Approximately 39.61% of all revenue comes from property taxes. State, Federal and local grants account for another 45.47%, with the remainder of the revenue coming from user charges, fines, fees and various other sources.

Governmental Activities

In 2014, the County's net position increased by \$8,277,958. Reasons for the change are described in the following pages.

The following table summarizes the County's governmental programs. Costs, program revenues and net cost are shown in the table. The net cost shows the financial burden that was placed on the County's taxpayer by each of these functions.

	Governmental Programs					
	2014			2013		
	Program Costs	Program Revenue	Net Costs	Program Costs	Program Revenue	Net Costs
General government	\$ 61,811,436	\$ 22,803,216	\$ 39,008,220	\$ 65,264,698	\$ 24,813,343	\$ 40,451,355
Judiciary	65,743,203	24,106,200	41,637,003	65,734,815	26,181,694	39,553,121
Corrections	38,105,157	995,684	37,109,473	37,578,263	1,122,410	36,455,853
Social services	222,591,974	209,527,208	13,064,766	223,700,942	210,436,319	13,264,623
Health & public safety	35,015,406	21,467,936	13,547,470	35,364,435	20,284,261	15,080,174
Other	35,712,410	1,463,804	34,248,606	40,507,327	1,751,860	38,755,467
	<u>\$458,979,586</u>	<u>\$280,364,048</u>	<u>\$178,615,538</u>	<u>\$468,150,480</u>	<u>\$284,589,887</u>	<u>\$183,560,593</u>

Net costs indicate the amount of support required from taxes and other general revenues for a program of the County. The cost of all governmental activities this year was \$458,979,586; however the amount that taxpayers paid for these programs through tax payments was only \$185,097,728. The federal and state governments subsidized certain programs with grants and contributions in the amount of \$212,449,673, while those who benefited from the programs paid \$67,914,375 through fees and charges. Unrestricted grants and contributions and other general types of revenues accounted for the balance of revenues in the amount of \$1,795,768.

Taxes account for \$185,097,728 of the revenue. In 2014, the real estate tax rate remained at 23.20 mills. Prior to an increase in 2012, the millage rate had remained constant for five straight years.

Charges for services decreased by \$708,834 in 2014. Charges for services include licenses and fees, fines, permits and commissions collected by County courts, Row Offices and departments. The Recorder of Deeds office received \$1,087,000 less in fees in 2014 than in 2013.

Health & Public Safety fee revenue increased by \$1,183,675 related to the increase in Emergency Response 911 fees.

Investment earnings remained consistent in 2014 due to the low interest rates. The average rate of return in 2014 was .12% and in 2013 was .15%.

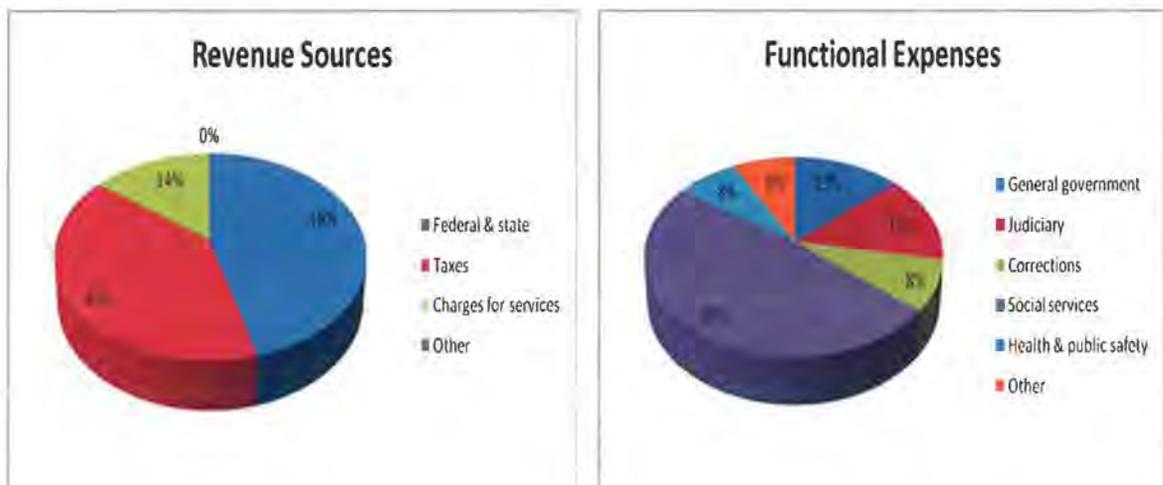
**COUNTY OF BUCKS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following chart shows a more detailed breakdown of program costs and related revenues for the governmental activities of the County for the year ended December 31, 2014.

Governmental Activities

	<u>Activities 2014</u>	<u>Activities 2013</u>	<u>Changes from 2013 to 2014</u>
Revenues			
Program revenues:			
Charges for services	\$ 67,914,375	\$ 68,623,209	\$ (708,834)
Operating grants and contributions	207,357,266	212,551,437	(5,194,171)
Capital grants and contributions	5,092,407	3,415,241	1,677,166
General revenues:			
Real estate taxes	185,097,728	184,730,262	367,466
Unrestricted grants and contributions	1,397,823	1,065,759	332,064
Unrestricted investment earnings	397,945	411,050	(13,105)
Total revenues	<u>467,257,544</u>	<u>470,796,958</u>	<u>(3,539,414)</u>
Expenses			
General government	61,811,436	65,264,698	(3,453,262)
Judiciary	65,743,203	65,734,815	8,388
Corrections	38,105,157	37,578,263	526,894
Authorities	20,460,186	20,604,855	(144,669)
Social services	222,591,974	223,700,942	(1,108,968)
Bridges	3,101,909	2,445,315	656,594
Health	15,003,734	15,415,371	(411,637)
Public safety	20,011,672	19,949,064	62,608
Interest on long-term debt	12,150,315	17,457,157	(5,306,842)
Total expenses	<u>458,979,586</u>	<u>468,150,480</u>	<u>(9,170,894)</u>
Increase in net position	8,277,958	2,646,478	5,631,480
Net position - January 1 (as restated for 2013)	<u>252,522,103</u>	<u>249,875,625</u>	<u>2,646,478</u>
Net position - December 31	<u>\$ 260,800,061</u>	<u>\$ 252,522,103</u>	<u>\$ 8,277,958</u>

The following graphs show the revenue sources and functional expenses of the County in more detail.



COUNTY OF BUCKS MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Government's Funds

Governmental funds. The purpose of the County's governmental funds is to provide financial information on the short-term inflow, outflow and balance of spendable resources. This information is useful in assessing the County's ability to meet its near-term financing requirements. Unreserved fund balance serves as a useful measure of the County's net resources available for spending at the end of the calendar year. At the end of calendar year 2014, the County's governmental funds reported a combined fund balance of \$96,618,858, a decrease of \$52,538,299 over last year. Of the total fund balance, \$36,319,685 represents restricted fund balance, which indicates that it is subject to external restrictions imposed by creditors, grantors or laws and regulations. The nonspendable fund balance includes \$13,080,063 of loans receivable not available for current use. The \$49,656,040 unassigned fund balance in the general fund is available for future spending in accordance with approved budgets. The debt service fund reported a negative unassigned fund balance of (\$2,436,930) at year end.

Restricted, Assigned and Unassigned Fund Balances

The behavioral health services fund, the children and youth services fund, and the mental health/developmental programs fund have no fund balances. The general fund, the primary operating fund of the County, reported an unassigned fund balance of \$49,656,040 at the end of the current calendar year. Ratios of the general fund's unassigned fund balance and total fund balance to its total expenditures can be useful indicators of the general fund's liquidity. These ratios for the year just ended were 26.72% and 26.72%, respectively.

The total fund balance of the general fund increased by \$602,879 during the current calendar year. Some of the key factors for this increase are the decrease in general government expenses by \$1,186,935 and operating transfers out decreased by \$2,299,374. Real estate tax revenue decreased by \$3,589,422 due to the increase in debt service millage allocated to the debt service fund.

The behavioral health services fund has been in operation since 1997. While significant dollars pass through this fund, the County has been able to operate this fund without any local tax contribution.

The children & youth services fund is comprised of two primary groups. The first is the protective services component and the second is the judicial section that deals with juveniles that have broken the law. Most of the costs of these programs are funded by federal and state dollars. The County covers the difference between the total cost of the program and the outside funding with a transfer from the general fund. The County's contribution for 2014 was \$10,894,997 or 19.09% of the total cost of the program. The budgeted contribution was \$10,921,600.

The debt service fund is supported primarily by real estate tax dollars. This fund pays the annual debt obligations of the County. The fund balance decreased by (\$2,818,171) to a negative fund balance of (\$2,436,930). The County's debt service fund millage increased from 4.4037 mills to 4.9025 mills for 2014. Debt service payments for principal and interest increased from the prior year. The County used existing bond funds to pay for capital expenditures for the new Court facility, open space preservation, 911 radio system upgrade and other capital items.

The 2013 series bond fund is discussed in the capital asset and debt administration section that follows on page 12 after the General Fund Budgetary Highlights.

General Fund Budgetary Highlights

The County adopts an annual calendar year budget in December for the following year. The County maintains control by departmental classification. The County's current policy is to adopt an operating budget that does not include reserves. The ending fund balance is available for unanticipated expenditures or revenue shortfalls.

**COUNTY OF BUCKS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The County processes budget adjustments for any cost center that exceeds the approved expenditure budget for a major class category (i.e.: salary & fringe, supplies and services, capital, etc). If money is available from another major class, an administrative process may be used for the adjustment. If a cost center has revenues available that can cover increased expenditures, a budget adjustment increasing both revenues and expenditures is approved at a public meeting of the commissioners. Adjustments for expenditures that exceed budget with no cost center funding available are taken from the budgeted ending fund balance with the approval of the commissioners at a public meeting.

As a general rule the County does not reduce budgets of cost centers that are under budget to cover other cost centers over expenditures. Major budget adjustments for 2014 include a Self Insurance budget increase for \$1,562,000. The adjustment was to fund unanticipated costs. The County approved a budget adjustment for an additional \$345,000 for the Correctional Facility to fund increased expenditures. The County Department of Information Services was under budget by \$799,375 and the Department of Public Works/County Properties was under budget by \$522,494. The District Courts were under budget by \$718,174.

The general fund transfers out were \$997,786 under budget. The County's contribution to the Emergency Response 911 Fund was \$946,035 less than budgeted and transfers to MH/DP were \$274,756 less than budgeted. The County transfer to the Children & Youth Fund was \$10,894,997 which was budgeted for \$10,921,000.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets amounts to \$466,686,440, net of accumulated depreciation, at the end of the current calendar year. These capital assets include items such as land, buildings, improvements, bridges, vehicles, machinery, computers and general office equipment. Capital assets increased by \$45,879,449 in 2014. Major capital asset events occurring during the current year included the following:

- The County spent over \$33,111,151 on the new Court facility
- The County spent over \$3,709,860 upgrading 911 radio system narrowbanding infrastructure
- Open space programs including farmland, park and natural areas preservation amounted to more than \$2,667,650.
- Information Systems expensed over \$430,518 on upgrades.
- The Correctional Facility capital expenditures were \$469,488.
- Other areas where significant capital investments were made include Park Capital improvements of over \$1,056,511 and the Churchville Nature Center with \$1,743,934 of improvements.

Capital Assets of Bucks County (Net of depreciation)	Governmental Activities	Governmental Activities
	<u>December 31, 2014</u>	<u>December 31, 2013</u>
Land	\$ 109,918,456	\$ 105,827,124
Construction in progress	114,111,142	94,036,057
Buildings	125,680,267	131,050,971
Improvements other than buildings	19,807,422	19,536,776
Machinery & equipment	23,505,110	11,447,625
Infrastructure	9,417,789	7,965,217
Leasehold buildings and improvements	64,246,254	64,246,254
Total	<u>\$ 466,686,440</u>	<u>\$ 434,110,024</u>

More detailed information about the County's capital assets can be found in note 8 to the financial statements.

**COUNTY OF BUCKS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Long-term liabilities. At December 31, 2014, the County had \$361,608,182 in long-term liabilities. The following schedule shows a summary of all long-term liabilities.

Long-term Liabilities of Bucks County

	Governmental Activities <u>2014</u>	Governmental Activities <u>2013</u>	Percentage <u>Change</u>
General obligation bonds and notes	\$ 290,482,000	\$ 316,460,000	(8.21%)
Unamortized premium	20,335,387	22,156,970	(8.22%)
Lease rental debt	26,368,553	29,677,303	(11.15%)
Compensated absences	15,270,633	14,856,899	2.78%
Self insurance claims	9,151,609	8,474,955	7.98%
Total	<u>\$ 361,608,182</u>	<u>\$ 391,626,127</u>	(7.66%)

On June 3, 2015, the Commissioners approved Ordinance #147 authorizing the incurrence of electoral and nonelectoral debt with the issuance of General Obligation Bonds, Series of 2015 in the amount not to exceed \$42,850,000. The proceeds of the bonds will be used to finance the current refunding of the County's outstanding General Obligation Bonds, Series of 2005 and the advance refunding of a portion of the outstanding General Obligations Bonds, Series of 2007 and issuance costs.

Moody's and Standard & Poor's rate the County's bonds. The latest ratings assigned to the County's debt are Aaa by Moody's and AAA by Standard & Poor's. The County of Bucks is limited by state statute to 300% of a three-year average of the total revenues received adjusted for special purpose grants. The County's legal debt margin is \$1,120,745,059 for general obligation bonds and \$1,564,486,613 for general obligation bonds and lease rental debt. Additional information about the County's long-term debt can be found in note 13 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

Bucks County's population grew from 619,772 to 626,685, 1.12% from 2005 to 2014. The market value of taxable real estate increased over the same period from \$77,250,859 to \$75,038,463. The County has remained primarily a residential and small business community with 78.63% of the tax base on residential properties. Our ten largest taxpayers account for only 1.35% of the total real estate tax base, with no single taxpayer exceeding .30% of the base.

Effective January 1, 2005, the Commissioners approved changing the existing predetermined ratio from 25% of the 1972 assessed value for all tax parcels to 100% of the 1972 assessed value.

In preparing the 2015 budget, payroll figures were based on union pay scales where settlements were in place. Unsettled unions and non-union compensation rates were set at the base rate for our largest settled union. In establishing the 2015 budget, historical trends and vendor inquiries were used as the basis for services that are purchased. Real estate tax revenues were projected to remain constant from 2014, a continuation of the recent trend. Grant and fee income was evaluated on a program-by-program basis.

**COUNTY OF BUCKS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The County adopted a formal fund balance policy. The County will maintain a reserved general fund balance equal to 10% of the total operating budget expenditures net of total expenditures of any governmental fund in which sufficient cash reserve is maintained within the fund. The policy is designed to protect the County's financial stability in the event of unforeseen emergencies and economic downturns.

Requests for information

This financial report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Controller, 55 E. Court Street, Doylestown, PA, 18901



Basic Financial Statements

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COUNTY OF BUCKS, PENNSYLVANIA

STATEMENT OF NET POSITION

December 31, 2014

	<u>Primary Government</u>	<u>Component Units</u>
	<u>Governmental</u>	
	<u>Activities</u>	
ASSETS		
Cash and cash equivalents	\$ 123,462,131	\$ 52,932,649
Cash and cash equivalents, restricted	-	1,299,094
Investments	23,519,427	10,605,965
Receivables: (net of allowance for uncollectibles)		
Intergovernmental	14,280,904	924,624
Taxes	4,489,876	-
Accounts	13,750,287	9,603,013
Loans	13,080,063	-
Lease rentals from primary government	-	26,368,553
Deferred charges	-	-
Due from agencies	1,859,098	-
Other assets	1,164,629	3,295,551
Pension assets	44,065,248	-
Capital assets		147,577,213
Land	109,918,456	-
Construction in progress	114,111,142	-
Buildings, net	125,680,267	-
Improvements, net	19,807,422	-
Machinery and equipment, net	23,505,110	-
Infrastructure, net	9,417,789	-
Leasehold buildings and improvements, net	<u>64,246,254</u>	<u>-</u>
Total assets	<u>\$ 706,358,103</u>	<u>\$ 252,606,662</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 22,935,393	\$ 2,156,690
Payroll items payable	10,146,273	5,220,882
Insurance claims	4,200,000	-
Interest payable	1,264,381	-
Miscellaneous liabilities	7,083,115	1,358,518
Compensated absences payable	-	592,447
Unearned revenues	37,030,698	2,910,829
Long-term obligations payable:		
Due within one year	29,248,487	8,339,785
Due in more than one year	<u>328,159,695</u>	<u>67,030,928</u>
Total liabilities	<u>440,068,042</u>	<u>87,610,079</u>
DEFERRED INFLOW OF RESOURCES:		
Deferred gain on refunding	<u>5,490,000</u>	<u>-</u>
Total deferred inflows of resources	<u>5,490,000</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	434,457,767	101,274,853
Restricted for:		
Capital improvements	42,506,034	5,646,414
Unrestricted (deficit)	<u>(216,163,740)</u>	<u>58,075,316</u>
Total net position	<u>\$ 260,800,061</u>	<u>\$ 164,996,583</u>

See accompanying notes to the financial statements.

*The Bucks County Drug and Alcohol Commission, Inc., the Bucks County Community College Authority, and the Bucks County Community College Component Units are presented as of June 30, 2014.

COUNTY OF BUCKS, PENNSYLVANIA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014*

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues			Net (Expense) Revenues and Changes in Net Position	
			Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Primary Government Governmental Activities	Component Units
Primary government:							
Governmental activities:							
General government	\$ 69,277,230	\$ (7,465,794)	\$ 16,478,492	\$ 5,092,407	\$ 1,232,317	\$ (39,008,220)	
Judiciary	64,670,163	1,073,040	15,301,350	-	8,804,850	(41,637,003)	
Corrections	38,105,157	-	995,684	-	-	(37,109,473)	
Authorities	20,460,186	-	-	-	-	(20,460,186)	
Social services	217,258,775	5,333,199	19,837,953	-	189,689,255	(13,064,766)	
Bridges	3,101,909	-	855,024	-	608,780	(1,638,105)	
Health	13,944,179	1,059,555	1,796,833	-	6,891,832	(6,315,069)	
Public safety	20,011,672	-	12,649,039	-	130,232	(7,232,401)	
Interest on long-term debt	12,150,315	-	-	-	-	(12,150,315)	
Total primary government	\$ 458,979,586	\$ -	\$ 67,914,375	\$ 5,092,407	\$ 207,357,266	(178,615,538)	
Component units:							
Airport	\$ 1,388,373	\$ -	\$ 1,159,688	\$ -	\$ -		\$ (228,685)
Community college	87,000,450	-	39,278,630	3,592,094	46,285,735		2,156,009
Drug and alcohol	6,040,134	-	959,053	-	5,097,368		16,487
Library	9,738,438	-	512,503	-	9,204,694		(21,241)
Housing	29,398,798	-	5,154,546	285,298	21,672,001		(2,286,953)
Total component units	\$ 133,566,193	\$ -	\$ 47,064,420	\$ 3,877,392	\$ 82,259,998	-	(364,383)
General revenues:							
Real estate tax						185,097,728	-
Unrestricted investment earnings						397,945	946,329
Miscellaneous						1,397,823	292,744
Total general revenues						186,893,496	1,239,073
Change in net position						8,277,958	874,690
Net position - January 1 (as restated) See Note 23						252,522,103	164,121,893
Net position - December 31						\$ 260,800,061	\$ 164,996,583

See accompanying notes to the financial statements.

*The Bucks County Drug and Alcohol Commission, Inc., the Bucks County Community College Authority and the Bucks County Community College Component Units are presented as of June 30, 2014.

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COUNTY OF BUCKS, PENNSYLVANIA

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2014

ASSETS	Special Revenue Funds		
	General Fund	Behavioral Health Services	Children and Youth Services
Cash and cash equivalents	\$ 26,169,101	\$ 27,971,966	\$ -
Investments	10,439,695	-	-
Receivables:			
Intergovernmental	4,262,198	-	4,962,113
Taxes	6,361,138	-	-
Accounts	11,381,338	-	44,449
Loans	-	-	-
Due from agencies	1,859,098	-	-
Due from other funds	43,180,932	-	-
Other assets	1,154,707	-	-
	<u>104,808,207</u>	<u>27,971,966</u>	<u>5,006,562</u>
Total assets	\$ <u>104,808,207</u>	\$ <u>27,971,966</u>	\$ <u>5,006,562</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 6,972,646	\$ 1,055,065	\$ 3,317,833
Payroll items payable	10,146,273	-	-
Miscellaneous liabilities	19,661,287	-	266,604
Due to other funds	2,630,640	2,869,468	326,571
Unearned revenue-other	12,283,918	24,047,433	1,095,554
	<u>51,694,764</u>	<u>27,971,966</u>	<u>5,006,562</u>
Total liabilities	51,694,764	27,971,966	5,006,562
Deferred inflow of resources:			
Unavailable revenue-property taxes	3,457,403	-	-
	<u>3,457,403</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	3,457,403	-	-
Fund Balances:			
Non Spendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	49,656,040	-	-
	<u>49,656,040</u>	<u>-</u>	<u>-</u>
Total fund balances	49,656,040	-	-
Total liabilities, deferred inflows of resources and fund balances	\$ <u>104,808,207</u>	\$ <u>27,971,966</u>	\$ <u>5,006,562</u>

See accompanying notes to the financial statements.

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Debt Service</u>	<u>2013 Series Bond</u>		
\$ -	\$ 9,449,273	\$ 59,871,791	\$ 123,462,131
-	13,079,732	-	23,519,427
-	-	5,056,593	14,280,904
-	-	-	6,361,138
-	22,825	2,301,675	13,750,287
-	13,080,063	-	13,080,063
-	-	-	1,859,098
-	357,158	2,273,482	45,811,572
-	-	9,922	1,164,629
<u>\$ -</u>	<u>\$ 35,989,051</u>	<u>\$ 69,513,463</u>	<u>\$ 243,289,249</u>
\$ -	\$ 4,091,648	\$ 7,498,201	\$ 22,935,393
-	-	-	10,146,273
-	-	-	19,927,891
2,436,930	-	37,547,963	45,811,572
-	-	6,964,954	44,391,859
<u>2,436,930</u>	<u>4,091,648</u>	<u>52,011,118</u>	<u>143,212,988</u>
-	-	-	3,457,403
-	-	-	3,457,403
-	13,080,063	-	13,080,063
-	18,817,340	17,502,345	36,319,685
-	-	-	-
<u>(2,436,930)</u>	<u>-</u>	<u>-</u>	<u>47,219,110</u>
<u>(2,436,930)</u>	<u>31,897,403</u>	<u>17,502,345</u>	<u>96,618,858</u>
<u>\$ -</u>	<u>\$ 35,989,051</u>	<u>\$ 69,513,463</u>	<u>\$ 243,289,249</u>

COUNTY OF BUCKS, PENNSYLVANIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
December 31, 2014**

Total fund balances for governmental funds \$ 96,618,858

Total net assets reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 109,918,456	
Construction in progress	114,111,142	
Buildings, net of \$94,052,957 accumulated depreciation	125,680,267	
Improvements other than buildings, net of \$33,154,782 accumulated depreciation	19,807,422	
Machinery and equipment, net of \$108,393,848 accumulated depreciation	23,505,110	
Infrastructure, net of \$6,881,135 accumulated depreciation	9,417,789	
Leasehold buildings and improvements, net of \$29,194,260 accumulated depreciation	<u>64,246,254</u>	
Total capital assets		466,686,440

The pension assets resulting from contributions in excess of the annual required contribution are not financial resources and therefore are not reported in the funds. 44,065,248

Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable revenues in the funds. 3,457,403

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities-both current and long-term are reported in the statement of net assets. Also, during the year the County issued additional debt. The amount borrowed is received in the governmental funds and increases fund balance. The premium will be amortized as an adjustment of interest expense in the statement of activities over the remaining life of the new debt.

Balances at December 31, 2014 are:

Accrued interest on bonds	\$ (1,264,381)	
Bonds and notes payable	(290,482,000)	
Bonds premium	(20,335,387)	
Lease rental debt	(26,368,553)	
Compensated absences	<u>(11,577,567)</u>	
		<u>(350,027,888)</u>
Total net position of governmental activities		\$ <u>260,800,061</u>

See accompanying notes to the financial statements.

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COUNTY OF BUCKS, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Special Revenue Funds</u>		
	<u>General Fund</u>	<u>Behavioral Health Services</u>	<u>Children and Youth Services</u>
Revenues:			
Real estate taxes	\$ 146,251,956	\$ -	\$ -
Licenses and fees	19,403,350	-	1,880,420
Judiciary costs and fines	14,932,974	-	-
Intergovernmental	19,521,340	78,160,921	44,309,262
Interest	194,512	58,521	-
Other	2,445,840	-	17,246
Total revenues	<u>202,749,972</u>	<u>78,219,442</u>	<u>46,206,928</u>
Expenditures:			
Current:			
General government	44,101,052	-	-
Judiciary	64,423,434	-	-
Corrections	36,833,472	-	-
Authorities	20,460,186	-	-
Social services	772,189	78,219,442	57,079,794
Bridges	-	-	-
Health	14,918,268	-	-
Public safety	4,012,738	-	-
Debt service	-	-	-
Capital projects	333,611	-	22,131
Total expenditures	<u>185,854,950</u>	<u>78,219,442</u>	<u>57,101,925</u>
Excess of revenues over (under) expenditures	<u>16,895,022</u>	<u>-</u>	<u>(10,894,997)</u>
Other financing sources (uses):			
Transfers in	638,071	-	10,894,997
Transfers out	(16,930,214)	-	-
Total other financing sources (uses)	<u>(16,292,143)</u>	<u>-</u>	<u>10,894,997</u>
Net change in fund balances	602,879	-	-
Fund balances - January 1	49,053,161	-	-
Fund balances - December 31	<u>\$ 49,656,040</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

<u>Debt Service Fund</u>	<u>Capital Project Fund</u>		
<u>Debt Service</u>	<u>2013 Series Bond</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 38,889,760	\$ -	\$ -	\$ 185,141,716
-	-	30,329,424	51,613,194
-	-	-	14,932,974
-	-	70,167,956	212,159,479
-	62,365	58,281	373,679
<u>286,335</u>	<u>-</u>	<u>331,769</u>	<u>3,081,190</u>
<u>39,176,095</u>	<u>62,365</u>	<u>100,887,430</u>	<u>467,302,232</u>
-	1,399,863	8,050,277	53,551,192
-	-	-	64,423,434
-	-	-	36,833,472
-	-	-	20,460,186
-	-	85,229,290	221,300,715
-	-	3,093,777	3,093,777
-	-	-	14,918,268
-	-	13,373,034	17,385,772
41,994,266	-	-	41,994,266
<u>-</u>	<u>35,003,991</u>	<u>10,519,716</u>	<u>45,879,449</u>
<u>41,994,266</u>	<u>36,403,854</u>	<u>120,266,094</u>	<u>519,840,531</u>
<u>(2,818,171)</u>	<u>(36,341,489)</u>	<u>(19,378,664)</u>	<u>(52,538,299)</u>
-	-	7,746,098	19,279,166
<u>-</u>	<u>(1,629,973)</u>	<u>(718,979)</u>	<u>(19,279,166)</u>
<u>-</u>	<u>(1,629,973)</u>	<u>7,027,119</u>	<u>-</u>
<u>(2,818,171)</u>	<u>(37,971,462)</u>	<u>(12,351,545)</u>	<u>(52,538,299)</u>
<u>381,241</u>	<u>69,868,865</u>	<u>29,853,890</u>	<u>149,157,157</u>
\$ <u>(2,436,930)</u>	\$ <u>31,897,403</u>	\$ <u>17,502,345</u>	\$ <u>96,618,858</u>

COUNTY OF BUCKS, PENNSYLVANIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014

Net change in fund balances - total governmental funds \$ (52,538,299)

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays \$45,879,449 exceeded depreciation \$(15,574,447) in the current period. 30,305,002

Contributions in excess of the annual required contribution are reported as an expense in the governmental funds. However, in the statement of activities the expense is recorded and amortized as an asset. (2,549,518)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 2,227,428

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.

Repayments	29,286,750	
Net adjustment		29,286,750

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The details are as follows:

Compensated absences	(388,732)	
Amortization of bond premium	1,821,582	
Accrued interest on bonds	113,745	
Combined adjustment		1,546,595

Change in net position of governmental activities \$ 8,277,958

See accompanying notes to the financial statements.

COUNTY OF BUCKS, PENNSYLVANIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2014**

	Pension Trust Employes' Retirement System	Agency Funds
<u>Assets</u>		
Cash and cash equivalents	\$ 21,956,501	\$ 21,658,250
Investments:		
Bonds, debentures, bills, and notes:		
Government obligations	15,984,608	-
Corporate obligations	35,006,978	-
Common stock	175,241,245	-
Mutual funds	294,643,154	-
Fixed income securities	126,853,267	-
Repurchase agreement	-	-
Total investments	<u>647,729,252</u>	<u>-</u>
Receivables:		
Intergovernmental	-	1,242,502
Accounts	<u>1,768,207</u>	<u>11,554,833</u>
Total receivables	<u>1,768,207</u>	<u>12,797,335</u>
Total assets	\$ <u>671,453,960</u>	\$ <u>34,455,585</u>
<u>Liabilities</u>		
Accounts payable	\$ 5,211,074	\$ 17,421,458
Due to other governmental units	<u>-</u>	<u>17,034,127</u>
Total liabilities	<u>5,211,074</u>	\$ <u>34,455,585</u>
<u>Net Position</u>		
Net position restricted for pension benefits	\$ <u>666,242,886</u>	

See accompanying notes to the financial statements.

COUNTY OF BUCKS, PENNSYLVANIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION TRUST FUND FIDUCIARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Pension Trust</u>
Additions:	
Contributions	
Employee	\$ 13,490,845
Employer	<u>5,797,038</u>
Total contributions	<u>19,287,883</u>
Investment Income:	
Net realized gain and unrealized appreciation in fair value of investments	33,528,303
Interest	1,944,723
Dividends	<u>4,387,685</u>
Total investment income	39,860,711
Less investment expense	<u>2,019,451</u>
Net investment income	37,841,260
Miscellaneous income	<u>424,248</u>
Total additions	<u>57,553,391</u>
Deductions:	
Benefit payments	26,974,975
Refunds of employee contributions	1,746,163
Interest on refunds of employee contributions and other expenses	<u>367,854</u>
Total deductions	<u>29,088,992</u>
Net increase in plan net position	<u>28,464,399</u>
Net position held in trust for pension benefits:	
Beginning of year	<u>637,778,487</u>
End of year	<u>\$ 666,242,886</u>

See accompanying notes to the financial statements.

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COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF NET POSITION - COMPONENT UNITS
DECEMBER 31, 2014***

	Bucks County Airport Authority	Bucks County Community College
<u>Assets</u>		
Cash and cash equivalents	\$ 361,530	\$ 12,860,821
Investments	-	-
Receivables:		
Intergovernmental	-	789,967
Accounts	37,241	5,982,330
Lease rentals from primary government	-	-
Restricted cash	477,113	-
Other assets	47,944	1,864,938
Capital assets	<u>24,122,381</u>	<u>100,321,024</u>
Total assets	\$ <u>25,046,209</u>	\$ <u>121,819,080</u>
<u>Liabilities</u>		
Accounts payable	\$ 89,822	\$ 675,281
Payroll items payable	1,879	5,143,379
Compensated absences	-	-
Miscellaneous liabilities	81,306	765,351
Unearned revenues	100,597	2,307,041
Long-term obligations payable:		
Due within one year	363,489	5,578,298
Due in more than one year	<u>2,226,755</u>	<u>38,585,229</u>
Total liabilities	<u>2,863,848</u>	<u>53,054,579</u>
<u>Net Position</u>		
Net investment in capital assets	21,532,137	58,443,800
Restricted	393,020	-
Unrestricted	<u>257,204</u>	<u>10,320,701</u>
Total net position	\$ <u>22,182,361</u>	\$ <u>68,764,501</u>

See accompanying notes to the financial statements.

*The Bucks County Community College, the Bucks County Community College Authority, and the Bucks County Drug and Alcohol Commission, Inc. are presented as of June 30, 2014

Bucks County Community College Authority	Bucks County Drug and Alcohol Commission	Bucks County Free Library	Bucks County Housing Authority	Totals
\$ -	\$ 1,305,845	\$ 1,390,942	\$ 37,013,511	\$ 52,932,649
-	-	10,605,965	-	10,605,965
-	134,657	-	-	924,624
-	156,220	96,082	3,331,140	9,603,013
26,368,553	-	-	-	26,368,553
414,377	-	-	407,604	1,299,094
125,828	25,797	50	1,230,994	3,295,551
-	-	2,574,770	20,559,038	147,577,213
<u>\$ 26,908,758</u>	<u>\$ 1,622,519</u>	<u>\$ 14,667,809</u>	<u>\$ 62,542,287</u>	<u>\$ 252,606,662</u>
\$ 37,170	\$ 843,526	\$ 106,730	\$ 404,161	\$ 2,156,690
-	20,111	55,513	-	5,220,882
-	41,646	234,674	316,127	592,447
-	-	-	511,861	1,358,518
389,538	113,653	-	-	2,910,829
2,336,422	-	-	61,576	8,339,785
<u>24,145,628</u>	<u>-</u>	<u>-</u>	<u>2,073,316</u>	<u>67,030,928</u>
<u>26,908,758</u>	<u>1,018,936</u>	<u>396,917</u>	<u>3,367,041</u>	<u>87,610,079</u>
-	-	2,574,770	18,724,146	101,274,853
-	-	5,253,394	-	5,646,414
-	603,583	6,442,728	40,451,100	58,075,316
<u>\$ -</u>	<u>\$ 603,583</u>	<u>\$ 14,270,892</u>	<u>\$ 59,175,246</u>	<u>\$ 164,996,583</u>

COUNTY OF BUCKS, PENNSYLVANIA

COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS FOR THE YEAR ENDED DECEMBER 31, 2014*

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Bucks County Airport Authority</u>
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>	
Airport	\$ 1,388,373	\$ 1,159,688	\$ -	\$ -	\$ (228,685)
Community college:					
Community college	85,961,785	39,278,630	3,592,094	45,247,070	-
Community college authority	1,038,665	-	-	1,038,665	-
Total community college	87,000,450	39,278,630	3,592,094	46,285,735	-
Drug and alcohol	6,040,134	959,053	-	5,097,568	-
Library	9,738,438	512,503	-	9,204,694	-
Housing	29,398,798	5,154,546	285,298	21,672,001	-
 Total component units	 \$ <u>133,566,193</u>	 \$ <u>47,064,420</u>	 \$ <u>3,877,392</u>	 \$ <u>82,259,998</u>	 <u>(228,685)</u>
General revenues:					
Unrestricted investment earnings					992
Miscellaneous					-
Total general revenues					<u>992</u>
Change in net position					(227,693)
Net position - beginning					<u>22,410,054</u>
Net position - ending					<u>\$ 22,182,361</u>

See accompanying notes to the financial statements.

*The Bucks County Drug and Alcohol Commission, Inc., the Bucks County Community College Authority, and the Bucks County Community College Component Units are presented as of June 30, 2014.

Net (Expense) Revenues and Changes in Net Position

Bucks County Community College	Bucks County Community College Authority	Bucks County Drug and Alcohol	Bucks County Free Library	Bucks County Housing Authority	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ (228,685)
2,156,009	-	-	-	-	2,156,009
-	-	-	-	-	-
<u>2,156,009</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,156,009</u>
-	-	16,487	-	-	16,487
-	-	-	(21,241)	-	(21,241)
-	-	-	-	(2,286,953)	(2,286,953)
<u>2,156,009</u>	<u>-</u>	<u>16,487</u>	<u>(21,241)</u>	<u>(2,286,953)</u>	<u>(364,383)</u>
24,209	-	2,072	668,697	250,359	946,329
-	-	11,075	-	281,669	292,744
<u>24,209</u>	<u>-</u>	<u>13,147</u>	<u>668,697</u>	<u>532,028</u>	<u>1,239,073</u>
2,180,218	-	29,634	647,456	(1,754,925)	874,690
<u>66,584,283</u>	<u>-</u>	<u>573,949</u>	<u>13,623,436</u>	<u>60,930,171</u>	<u>164,121,893</u>
<u>\$ 68,764,501</u>	<u>\$ -</u>	<u>\$ 603,583</u>	<u>\$ 14,270,892</u>	<u>\$ 59,175,246</u>	<u>\$ 164,996,583</u>

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Basic Financial Statements

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Basic Financial Statements

Notes to the Financial Statements

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COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The major accounting principles and practices followed by the County of Bucks, Pennsylvania (the County) are presented below to assist the reader in understanding the financial statements and the accompanying notes. The accounting principles and practices and the format of the financial statements for all funds are presented in conformity with accounting principles generally accepted in the United States of America applicable to governmental units.

A. Reporting Entity

The County has adopted the applicable provisions of the Governmental Accounting Standards Board (GASB), for the purpose of determining the scope of its entity for financial reporting purposes, as more fully explained in Note 2, "Reporting Entity."

B. Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. As a general rule, the effect of interfund activity has been eliminated or reclassified from these statements.

Interfund balances reported in the fund financial statements are eliminated in the governmental activities column of the statement of net position except for the net residual amounts due between governmental and fiduciary activities which are reclassified. Activity between component units and the primary government is reported as an external transaction.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Net position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through legislation. The net position restricted for program expenditures result from special revenue funds and the restrictions on their net position use.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

C. Fund Financial Statements

The accounting system of the County is organized on the fund basis. A fund is considered a separate accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses, as appropriate. The funds are segregated for the purpose of recording a specific activity or objective in accordance with special regulations, restrictions or limitations.

Separate fund financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements except for agency funds which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Real estate taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Fund financial statements report detailed information about the County. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented as a single column reported as other governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers real estate tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Federal and state reimbursement grants are recorded as revenue when the related eligible expenditures are incurred and the funds are available within 180 days of the end of the year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is made.

Real estate taxes, licenses, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The determination of major funds is based on criteria established in GASB 34. The non-major funds are combined in a single column in the fund financial statements. The County reports the following major funds:

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

(Continued)

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

The behavioral health services fund accounts for medical assistance funds received from the State of Pennsylvania which are restricted for providing managed health care services to Bucks County residents.

The children and youth services fund accounts for State and Federal revenues that provide a broad range of children and youth services that are restricted to expenditures for those specific purposes. The excess of expenditures over revenues is financed by the general fund.

The debt service fund accounts for the accumulation of resources used for the payment of interest and principal on all long-term debt of governmental funds.

The 2013 series bond fund accounts for the construction of a new Justice Center, the restoration of existing County facilities, the County's Open Space Program, the Emergency Services narrowbanding project and the acquisition of certain technology upgrades.

Additionally, the County reports the following fiduciary funds:

The pension trust fund is used to account for County and employee pension plan contributions and net investment income to provide for the payment of retirement benefits to the members of the County's retirement system.

Agency funds are used to account for restricted assets held by the County as agent for individuals, private organizations, and other governmental units. During 2014, the County maintained twenty-two such funds. The row office and district court agency funds are used to account for the collection of fees on behalf of the County and other government agencies. The Tax Claim agency fund is used to collect delinquent taxes for the County, the school districts and other municipalities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Indirect costs between governmental activities have been eliminated to avoid the "doubling up" effect.

Amounts reported as program revenues include: charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014 (Continued)

E. Budgetary Accounting Controls

In accordance with provisions of Public Law of the Commonwealth of Pennsylvania, commonly known as the County Code, the County prepares and adopts a budget on or before December 31, for the following calendar year. The County maintains budgetary control by departmental classification. Budgetary transfers and/or additional appropriations from additional revenues received, or from unexpended funds appropriated but not spent in prior years, must be approved by the County Commissioners. Expenditures cannot legally exceed the appropriations at the budgetary control levels described above. In accordance with State regulations the Commissioners did, by resolution, make supplemental budgetary appropriations between departments. Appropriations lapse at the end of the fiscal year.

Budgets are prepared on a modified accrual basis and are adopted for the general fund, the special revenue funds, the debt service fund, and the capital projects funds.

F. Encumbrances

Encumbrances, which are commitments related to executory contracts for goods or services, are recorded for budgetary control purposes in the general fund, special revenue funds, and capital projects funds. Encumbrance accounting is utilized to assure effective budgetary control and accountability. All encumbrances are liquidated at year end.

G. Cash and Cash Equivalents

The County considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents for the purpose of reporting cash flows.

H. Investments

All investments of the County are stated at fair value.

I. Receivables

Taxes receivable are recorded at face (original levy), and do not include penalty and interest.

J. Loans Receivable

Loans receivable consists of \$13,080,063 loans to various municipalities for the purchase of mobile and portable radios to be used by municipal public safety constituents in the County. The terms of the loans are from one to seven years at 1.5% interest.

K. Interfund Transactions

In connection with financing its operations, the County conducts interfund transactions. Accordingly, to the extent that certain interfund transactions have not been paid or received as of December 31, 2014, appropriate interfund receivables or payables have been established in the fund financial statements.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

L. Capital Assets

Capital assets are defined as long-lived assets of the County as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and as assets in the government-wide financial statements. Capital assets, which include property, plant, equipment and infrastructure assets, are recorded at historical cost. Capital assets are reported in the governmental activities column in the government-wide financial statements. The minimum capitalization threshold is an individual item with a cost of more than \$5,000 and a useful life exceeding one year. Donated capital assets are recorded at the estimated fair value at the time of donation. Easements with an indefinite useful life are considered intangible assets of the County and accordingly are not depreciated.

Depreciation and amortization on capital assets are computed on the straight-line basis over the estimated useful lives as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Land improvements	30 Years
Improvements other than buildings	35 Years
Buildings	50 Years
Building improvements	25 Years
Furniture, fixtures, machinery, and equipment	3-10 Years
Leasehold improvement	10 Years
Infrastructure	50 Years

M. Unearned Revenues

Revenues that are received but not yet earned are recorded as unearned revenues in the County's financial statements. In the County's governmental funds, unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for unearned revenue is removed from the governmental funds' balance sheet and revenue is recognized.

N. Long-term Obligations Payable

In the government-wide financial statements, bond discounts and premiums are deferred and amortized over the life of the bonds using the straight line interest method. Bonds payable are reported net of the applicable bond premium or discount. This method approximates the effective method which is GAAP.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of the debt issued is reported as other financing sources while discounts and premiums on debt issuance are reported as other financing uses. Issuance costs are reported as debt service expenditures.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

O. Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable fund balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted fund balance – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners remove or change the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.
- Assigned fund balance – This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. The Board of Commissioners delegated the responsibility to the Finance Director to approve or remove assigned fund balance that reflect the Commissioner's intended use of resources. The policy is for the Finance Director to contact the Controller's Office to review and to record the assigned fund balance.
- Unassigned fund balance – This classification represents amounts that have not been assigned to other funds and have not been restricted, committed, or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and lastly unassigned fund balance.

The County's adopted fund balance policy is a reserved, general fund balance equal to 10% of the total operating budgets net of total expenditures of any governmental fund in which sufficient cash reserve is maintained in the fund.

P. Net Position

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

- Net investment in capital assets – This category includes the County's capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – This category represents net position of the County, not restricted for any project or other purpose.

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and fiduciary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

Q. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position 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 had two items that qualified for reporting in this category. Under the modified accrual basis of accounting, the governmental funds report unavailable revenue from property taxes as a deferred inflow of resources. Under the accrual basis of accounting, the government wide statement of net position reports deferred gain on refunding as a deferred inflow of resources.

R. Transfers

Transfers between funds are reported as other financing sources and (uses) within those funds.

S. Indirect Costs

Indirect costs are charged to various State and Federal grant programs based on a formal plan developed annually by the County.

T. Compensated Absences Payable

The County adopted GASB's Statement No. 16 "Accounting for Compensated Absences" as its standard of accounting and reporting for compensated absences by State and local governmental entities.

County employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days up to the equivalent of twenty (20) days in addition to their current annual accrual. Employees are reimbursed 50% of their accumulated sick leave to a maximum of 20% of their annual salary upon separation from the County after a minimum of 8 years of service.

The County has accrued for compensated absences in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

U. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

V. Adoption of GASB Statements

The County adopted the requirements of GASB Statement No. 67, Financial Reporting for Pension Plans-an amendment of GASB Statement No. 25". The adoption of this statement had no effect on previously reported amounts.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

The County adopted the requirements of GASB Statement No. 69, "Government Combinations and Disposals of Government Operations". The adoption of this statement had no effect on previously reported amounts.

The County adopted the requirements of GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees". The adoption of this statement had no effect on previously reported amounts.

W. GASB Pronouncements

In June 2012, the GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27". The County is required to adopt Statement No. 68 for its calendar year 2015 financial statements.

In November 2013, the GASB issued Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date". The County is required to adopt statement No. 71 for its calendar year 2015 financial statements.

In February 2015, the GASB issued Statement No. 72, "Fair Value Measurement and Application". The County is required to adopt statement No. 72 for periods beginning after June 15, 2015.

In June 2015, the GASB issued Statement 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 is required to adopt statement No. 73 for its calendar year 2016 financial statements. The County is currently evaluating the effect of implementation of this Statement.

In June 2015, the GASB issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans". The County is required to adopt statement No. 74 for its calendar year 2017 financial statements. The County is currently evaluating the effect of implementing of this Statement.

In June 2015, the GASB issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". The County is required to adopt statement No. 75 for its calendar year 2018 financial statements. The County is currently evaluating the effect of implementation of this Statement.

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

2. **REPORTING ENTITY**

Consistent with GASB Statement No. 61 "The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34", the criteria used by the County to evaluate possible inclusion of related entities (authorities, commissions, and affiliates) within the financial reporting entity are financial accountability and the nature and significance of the relationship.

The component units discussed below are included in the County's reporting entity because of the significance of financial and operational relationships with the County. These component units have been included in the financial reporting entity as discretely presented component units.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

A. Discretely Presented Component Units

The component units' columns on the government-wide financial statements include the financial data of the County's component units. They are reported in a separate column to emphasize that they are legally separate from the County. The governing bodies of all of these component units are appointed by the County Commissioners.

The Bucks County Airport Authority was established by the County under the provisions of the Municipal Authorities Act of 1945. It is responsible for acquiring, holding, constructing, improving, maintaining and operating airports and all necessary facilities within the County. The County guarantees certain debt of the Authority.

The Bucks County Community College was established under the Community College Act of 1963. It provides two-year collegiate experience for citizens within the local area who would benefit from higher education. The County's real estate tax levy includes millage for the purpose of providing annual appropriations to the Community College.

The Bucks County Community College Authority was incorporated under the provision of the Municipality Authorities Act of 1945. The Authority was created for the purpose of acquiring, holding, constructing, improving, maintaining and operating, owning or leasing buildings to be devoted for public uses and all facilities necessary for furthering public post-secondary education and training. The County provides financial support through lease rentals and is responsible for bonded debt.

The Bucks County Drug and Alcohol Commission was incorporated in 1987 to act as the single County authority to comply with the Pennsylvania State Plan for prevention, treatment and control of drug and alcohol abuse. The County Board of Commissioners approves all amendments to the Commission's by-laws and the appointment of the Executive Director. The County annually provides an appropriation to the Commission.

The Bucks County Free Library was established to promote library service in Bucks County. The County owns the library facilities and provides a significant annual appropriation to fund operating and capital expenses of the library. Upon dissolution of the library system, all assets will be distributed to the County.

The Bucks County Housing Authority was organized in 1941 by the County under the provisions of the Pennsylvania Housing Authorities Law of 1937. It is responsible for planning, developing, constructing and/or managing rental housing opportunities for low-income families. The County guarantees certain debt of the Authority.

Complete financial statements for the individual component units can be obtained from their respective administrative offices. The financial statements of the Bucks County Airport Authority, Bucks County Free Library and Bucks County Housing Authority are for the year ended December 31, 2013. The financial statements of the Bucks County Community College, Bucks County Community College Authority, and Bucks County Drug and Alcohol Commission are for the year ended June 30, 2013.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

Administrative Offices

Bucks County Airport Authority
Doylestown Airport
PO Box 1185
Doylestown, PA 18901

Bucks County Community College
Newtown, PA 18940

Bucks County Community College Authority
Newtown, PA 18940

Bucks County Drug and Alcohol Commission, Inc.
600 Louis Drive
Suite 102A
Warminster, PA 18974

Bucks County Free Library
150 S. Pine Street
Doylestown, PA 18901

Bucks County Housing Authority
350 S. Main Street
Suite 205
Doylestown, PA 18901

B. Related Organizations

The County's Board of Commissioners is also 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. The County Commissioners appoint the board members of the following:

Bucks County Conference and Visitors Bureau
Bucks County Housing Development Corporation
Bucks County Industrial Development Authority
Bucks County Office of Employment and Training, Inc.
Bucks County Opportunity Council
Bucks County Redevelopment Authority
Bucks County Transport, Inc.
Bucks County Water and Sewer Authority
Federal Land Reuse Authority of Bucks County
St. Mary's Hospital Authority

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

3. COMPONENT UNITS - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies for the component units included in the accompanying financial statements are described below:

A. Bucks County Airport Authority

Basis of Accounting

The Airport Authority maintains its books on the accrual basis of accounting.

Capital Assets

Capital assets are stated at cost. The Authority includes infrastructure such as runways and improvements to land as part of their capital assets. Depreciation is being provided principally by the straight-line method over the estimated useful lives of the assets as follows:

Buildings and Improvements	20 to 30 years
Equipment	10 years

B. Bucks County Community College

Basis of Accounting

The financial statements of the Community College are prepared using the economic resources measurement focus and the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents include short-term investments with a maturity of three months or less.

Receivables

Accounts receivable for the Community College is recorded net of an allowance for uncollectible amounts of \$1,100,000 at June 30, 2014.

Capital Assets

Capital assets of the Community College are stated at cost when purchased or fair market value if received by donation. Depreciation and amortization are recorded on the straight-line basis over the estimated useful lives of the assets as follows:

Leasehold improvements	15 to 40 years
Library books and microfilm	7 to 25 years
Equipment	3 to 8 years

The period of amortization of capitalized leased equipment, and building improvements coincides with the lease terms.

Compensated Absences Payable

The Community College accrues a liability for future absences, recognizing the obligation relating to employees' rights to receive compensation for absences attributable to services already rendered.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

C. Bucks County Community College Authority

Basis of Accounting

The Bucks County Community College Authority reports revenues and expenses on the accrual basis of accounting.

Future Revenue Receivables

Beginning with the year ended June 30, 1975, the Bucks County Community College Authority (the Authority) adopted the "financing method" of accounting for the lease of its facilities to the County of Bucks, whereby, future lease rentals to be received are shown as an asset applicable to the retirement of the bonds outstanding. In prior years, the cost of completed projects and projects under construction were shown as an asset and the cost in excess of bonds outstanding was included in the fund balances.

D. Bucks County Drug and Alcohol Commission

Basis of Accounting

The Bucks County Drug and Alcohol Commission reports revenues and expenditures on the modified accrual basis of accounting.

E. Bucks County Free Library

Basis of Accounting

The Bucks County Free Library reports revenue and expenses on the accrual basis of accounting.

Investments

Investments are stated at their fair values.

F. Bucks County Housing Authority

Basis of Accounting

The Bucks County Housing Authority uses the economic resources measurement focus and the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents include short term investments with a maturity of three months or less.

Capital Assets

Capital assets are recorded at cost. Donated assets are recorded at fair market value at the date of donation. Depreciation is provided using the straight-line method over the estimated useful lives as follows:

Buildings	40 years
Leasehold improvements	15 years
Furniture and Equipment	3-5 years

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

4. DEPOSITS AND INVESTMENT RISK

Under Section 1706 of the County Code of the Commonwealth of Pennsylvania, the County is authorized to invest funds in the following:

- United States Treasury Bills.
- Short-term obligations of the United States Government or its agencies or instrumentalities.
- Deposits in savings accounts or time deposits, other than certificates of deposit, or share accounts of institutions having their principal place of business in the Commonwealth of Pennsylvania and insured by the Federal Deposit Insurance Corporation (FDIC) or other like insurance.
- Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth of Pennsylvania or of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.
- Shares of an investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933.
- Certificates of deposit purchased from institutions having their principal place of business in or outside the Commonwealth of Pennsylvania that are insured by the FDIC or other like insurance. For any amounts in excess of the insured maximum, such deposits shall be collateralized by a pledge or assignment of assets pursuant to Act No. 72 of the General Assembly. Certificates of deposits may not exceed 20% of a bank's total capital surplus or 20% of a savings and loan's or savings bank's assets net of its liabilities.
- Commercial paper and prime commercial paper meeting certain requirements.
- Repurchase agreements that are fully collateralized by obligations of the United States of America.

In addition, the County Code provides that a pension or retirement fund may make any investment authorized by 20 Pa.C.S. Ch. 73 (relating to fiduciaries' investments).

For all deposits above the insured maximum, assets are pledged as collateral under subsection (c)(3), to be pooled in accordance with the Act of August 6, 1971 (P.L. 281, No. 72).

There were no deposits or investments during the year that were in violation with the State statutes or County policy.

A. Cash and Cash Equivalents, Restricted

Cash and cash equivalents whose use is limited to a specific purpose have been classified as "restricted" in the *Statement of Net Position* and the *Balance Sheet - Governmental Funds*. The restricted cash and cash equivalents are composed of amounts for debt service.

B. GASB Statement No. 40

GASB Statement No. 40 "Deposit and Investment Risk Disclosure" requires disclosures related to the following deposit and investment risks: credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

C. Deposits & Investment Risk

As of December 31, 2014, the County had the following debt investments and maturities in its operating fund account:

	<u>Fair Value</u>	<u>Maturity in Years</u>	
		<u>Less than 1 year</u>	<u>1-5 years</u>
US government treasuries	\$ 2,755,974	\$ 504,824	\$ 2,251,150
US government agencies	4,455,676	2,607,595	1,848,081
Corporate bonds	4,329,776	1,258,644	3,071,132
Certificate of Deposit	11,978,000	11,978,000	-
Total debt securities	<u>\$ 23,519,426</u>	<u>\$ 16,349,063</u>	<u>\$ 7,170,363</u>

D. Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from increasing interest rates, the County's investment policy states that the County will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the County Treasurer's Office will not directly invest in securities maturing more than one year from the date of purchase.

E. Credit Risk

The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk.

F. Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity. Of the bank balance of \$175,647,599 at December 31, 2014, \$2,054,181 was insured by the FDIC. The balance of \$173,593,418 was collateralized in accordance with Act No. 72 of the General Assembly of Pennsylvania which requires the institution to pool collateral for all governmental deposits.

The entire cash and cash equivalent balance in the retirement fund was collateralized with securities held by the pledging financial institutions, or by their trust departments or agents but not in the County's name.

G. Concentration of Credit Risk

The County's investment policy allows no more than twenty-five percent of the County's investment portfolio with a single financial institution, except that said twenty-five percent restriction shall not apply during the first quarter of any calendar year and does not apply to U.S. Treasurer's securities and State investment pools.

The twenty-five percent restriction shall not apply to proceeds of County bond issues where it is more beneficial to the County to invest large amounts due to the then current I.R.S. regulations applicable to investment of bond proceeds.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

As of December 31, 2014, the County investments in debt securities have received the following ratings from Standard and Poor's:

<u>Investment Type</u>	<u>Standard & Poor's Rating</u>	<u>Fair Value</u>	<u>Percentage of Debt Securities</u>
US Government treasuries	NR	\$ 2,755,973	11.72%
US Government agencies	AA+	3,729,420	15.85%
US Government agencies	NR	726,256	3.09%
Corporate bonds	AA+	126,715	0.54%
Corporate bonds	AA	195,811	0.83%
Corporate bonds	AA-	709,505	3.02%
Corporate bonds	A+	307,446	1.31%
Corporate bonds	A	846,344	3.60%
Corporate bonds	A-	1,104,029	4.69%
Corporate bonds	BBB+	225,459	0.96%
Corporate bonds	Not Rated	814,468	3.46%
Certificate of Deposit	Not Rated	11,978,000	50.93%
		<u>\$ 23,519,426</u>	<u>100.00%</u>

As of December 31, 2014, the pension trust fund had the following debt investments and maturities:

	<u>Fair Value</u>	<u>Maturity in Years</u>			
		<u>Less than 1 year</u>	<u>1-5 years</u>	<u>6-10 years</u>	<u>More than 10 years</u>
US government treasuries	\$ 11,970,031	\$ 1,265,463	\$ 1,164,546	\$ 5,262,678	\$ 4,277,344
US government agencies	4,014,577	-	2,880,010	-	1,134,567
Corporate debt	35,006,978	767,885	6,853,132	18,284,043	9,101,918
Municipal bonds	4,276,183	-	541,678	3,334,497	400,008
	<u>\$ 55,267,769</u>	<u>\$ 2,033,348</u>	<u>\$ 11,439,366</u>	<u>\$ 26,881,218</u>	<u>\$ 14,913,837</u>

H. Interest Rate Risk

The objective of the County's Investment Policy for the Retirement Fund is to provide for the funding and anticipated withdrawals on a continuing basis. To conserve and enhance the capital of the Fund in real terms through asset appreciation and income generation, while maintaining a moderate investment risk profile. To minimize principal fluctuations over the investment cycle (three to five years) and to achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding the investment objective set forth in the policy.

In order to maintain an effective money management structure that is style neutral, the large capitalization growth equity portion of the investment portfolio shall not exceed the large capitalization value equity portion of the portfolio by more than a two-to-one ratio. Conversely, value shall not exceed growth by the same ratio. This same relationship should be followed for the portfolio's small capitalization equity money managers as well.

I. Credit Risk

The County's Investment Policy for the Retirement Fund sets the overall rating of the fixed income assets to be at least "A", according to either Moody's or Standard & Poor's rating system. In cases where the yield spread adequately compensates for additional risk, BAA or BBB ratings can be purchased up to a maximum of 15% of total market value of fixed income securities. Cash and short term instruments maturing in 360 days or less shall be restricted to a maximum of 10% of total assets at all times. Cash equivalent reserves shall consist of cash instruments having a quality rating of A-2, P-2 or higher, as established by Moody's or Standards & Poor's. Bankers' acceptances, certificates of deposits and savings accounts must be made of United States banks or financial institutions, or foreign branches of United States banks, or United States branches of foreign banks, which are federally insured with unrestricted capital of at least \$50 million. Short-term corporate obligations must be rated A or better by Moody's or by Standard & Poor's.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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The diversification restrictions for individual stocks and fixed income securities purchased and held in the total portfolio shall not apply to similar investment instruments held in a commingled fund or a SEC registered mutual fund specifically approved by the Board.

J. Concentration of Credit Risk

The County's investment policy for the Retirement Fund allows investment in common stocks, preferred stocks and publicly traded Real Estate Investment Trusts which shall be restricted to high quality, readily marketable securities of corporations that are actively traded on a major exchange. Not more than 5% of the total stock portfolio valued at market may be invested in the common stock of any one corporation. Ownership of the shares of one company shall not exceed two percent of those outstanding. Not more than 25% of stock valued at market may be held in any one industry category. Fixed income securities of any one issuer shall not exceed 5% of the total bond portfolio at the time of purchase. This does not apply to U.S. Treasury Issues or other Federal agency securities.

As of December 31, 2014, the pension trust fund investments in debt securities have received the following ratings from Standard and Poor's:

<u>Investment Type</u>	<u>Standard and Poors Rating</u>	<u>Fair Value</u>	<u>Percentage of Debt Securities</u>
US government treasuries	NR	\$ 11,970,030	21.66%
US government agencies	AA+	4,014,577	7.26%
Corporate debt	AA+	1,185,610	2.15%
Corporate debt	AA-	270,243	0.49%
Corporate debt	A+	877,331	1.59%
Corporate debt	A	1,986,576	3.60%
Corporate debt	A-	7,439,839	13.46%
Corporate debt	BBB+	2,572,805	4.66%
Corporate debt	BBB	9,475,005	17.14%
Corporate debt	BBB-	10,137,029	18.34%
Corporate debt	BB+	238,267	0.43%
Corporate debt	BB	573,559	1.04%
Corporate debt	Not Rated	250,715	0.45%
Municipal bonds	AA	963,385	1.74%
Municipal bonds	AA-	591,538	1.07%
Municipal bonds	A+	1,139,648	2.06%
Municipal bonds	A-	1,581,612	2.86%
Total investments		<u>\$ 55,267,769</u>	

5. COMPONENT UNITS - DEPOSITS AND INVESTMENTS

A. Bucks County Airport Authority

At December 31, 2014, the carrying amount of Bucks County Airport Authority's deposits with financial institutions was \$838,643, and the bank balance was \$843,621, which is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the Authority or by its agent in the Authority's name.	\$ 250,000
Collateralized with securities held by the pledging financial institution's trust department or agent not in the Authority's name.	<u>593,621</u>
Total bank balance	<u>\$ 843,621</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

B. Bucks County Community College

At June 30, 2014, the carrying amount of Bucks County Community College's deposits with financial institutions was \$12,860,821 and the bank balance was \$14,892,106, which is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the College or by its agent in the College's name.	\$ 2,233,366
Collateralized with securities held by the pledging financial institution's trust department or agent not in the College's name.	<u>12,658,740</u>
Total bank balance	<u>\$ 14,892,106</u>

C. Bucks County Community College Authority

At June 30, 2014 the carrying amount of Bucks County Community College Authority's deposits with financial institutions was \$414,377 and the bank balance was \$414,377, which is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the financial institution.	<u>\$ 25,000</u>
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D. Bucks County Drug and Alcohol Commission

The Bucks County Drug and Alcohol Commission considers all repurchase accounts with a maturity of three months or less to be cash equivalents. At June 30, 2014, the carrying amount of Bucks County Drug and Alcohol Commission's deposits with financial institutions was \$1,305,845, and the bank balance was \$1,305,845 which is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the Commission's agent in the Commission's name.	<u>\$ 1,305,845</u>
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E. Bucks County Free Library

As of December 31, 2014, the Bucks County Free Library (the Library) had the following debt investments and cash equivalents with their respective maturities recorded at fair value as follows: cash equivalents \$218,907, fixed income \$790,606, real estate investment trust \$313,714, mutual funds \$4,019,650, and equity funds \$5,263,088. These investments total \$10,605,965. At December 31, 2014, the carrying amount of the Library's deposits with financial institutions was \$1,390,942 and the bank balance was \$1,576,986. Of the bank balance, \$250,000 was insured by the FDIC. The amount in excess of insurance was collateralized with securities held by the pledging financial institution's trust department or agent not in the Library's name.

F. Bucks County Housing Authority

At December 31, 2014, the carrying amount of Bucks County Housing Authority's deposits and investments with financial institutions was \$37,421,115, and the bank balance was \$37,715,649, which is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the financial institution.	<u>\$ 37,715,649</u>
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6. REAL ESTATE TAXES RECEIVABLE

Real estate taxes for the calendar year are levied and the related tax receivable is recorded on March 1 of each year. Any unpaid taxes are attached as an enforceable lien on such property as of January 15 of the following year. County taxes are payable as follows: 2% discount, March 1 through April 30; face amount May 1 through June 30; and 10% penalty thereafter. The County collects delinquent taxes on behalf of itself and other taxing authorities. These collections and remittances are accounted for through the Tax Claim Bureau. Real estate taxes levied for 2014 are recorded as receivables, net of allowance for uncollectibles of \$1,871,262.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

7. INTERGOVERNMENTAL RECEIVABLES

Amounts due from other governments at December 31, 2014 are summarized as follows:

<u>Fund Category</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 862,918	\$ 3,399,280	\$ 4,262,198
Children and youth services	4,962,113	-	4,962,113
Nonmajor governmental funds	279,542	4,777,051	5,056,593
Totals	<u>\$ 6,104,573</u>	<u>\$ 8,176,331</u>	<u>\$ 14,280,904</u>

8. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 105,827,124	\$ 4,091,332	\$ -	\$ 109,918,456
Construction in progress	94,036,057	36,592,111	(16,517,026)	114,111,142
Total capital assets, not being depreciated	<u>199,863,181</u>	<u>40,683,443</u>	<u>(16,517,026)</u>	<u>224,029,598</u>
Capital assets, being depreciated:				
Buildings	219,047,364	685,860	-	219,733,224
Improvements other than buildings	52,200,668	761,536	-	52,962,204
Machinery and equipment	112,680,527	20,094,966	(876,535)	131,898,958
Infrastructure	13,856,840	2,442,084	-	16,298,924
Leasehold buildings and improvements	93,440,514	-	-	93,440,514
Total capital assets being depreciated	<u>491,225,913</u>	<u>23,984,446</u>	<u>(876,535)</u>	<u>514,333,824</u>
Less accumulated depreciation:				
Buildings	(87,996,393)	(6,056,564)	-	(94,052,957)
Improvements other than buildings	(32,663,892)	(490,890)	-	(33,154,782)
Machinery and equipment	(101,232,902)	(8,037,481)	876,535	(108,393,848)
Infrastructure	(5,891,623)	(989,512)	-	(6,881,135)
Leasehold buildings and improvements	(29,194,260)	-	-	(29,194,260)
Total accumulated depreciation	<u>(256,979,070)</u>	<u>(15,574,447)</u>	<u>876,535</u>	<u>(271,676,982)</u>
Total capital assets, being depreciated, net	<u>\$ 234,246,843</u>	<u>\$ 8,409,999</u>	<u>\$ -</u>	<u>\$ 242,656,842</u>
Governmental activities capital assets, net	<u>\$ 434,110,024</u>	<u>\$ 49,093,442</u>	<u>\$ (16,517,026)</u>	<u>\$ 466,686,440</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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Depreciation expense was charged to functions / programs of the primary government as follows:

Governmental activities:	
General government	\$ 8,972,236
Judiciary	1,319,769
Corrections	1,271,685
Social services	1,291,259
Bridges	8,132
Health	85,466
Public safety	<u>2,625,900</u>
Total depreciation expense - governmental activities	\$ <u>15,574,447</u>

9. COMPONENT UNITS – CAPITAL ASSETS

A. Bucks County Airport Authority

The following is a summary of the Bucks County Airport Authority's capital assets at December 31, 2014:

Land, not being depreciated	\$ 11,392,773
Easements, not being depreciated	182,018
Buildings and improvements	23,205,909
Equipment	708,686
Accumulated depreciation	<u>(11,367,005)</u>
	\$ <u>24,122,381</u>

B. Bucks County Community College

The following is a summary of the Bucks County Community College's capital assets at June 30, 2014:

Land	\$ 4,839,020
Furniture and equipment	23,250,655
Leasehold improvements	126,388,114
Library equipment	4,182,381
Construction in progress	341,065
Accumulated depreciation	<u>(58,680,211)</u>
	\$ <u>100,321,024</u>

C. Bucks County Free Library

The following is a summary of the Bucks County Free Library's capital assets at December 31, 2014:

Building improvements	\$ 2,059,705
Furniture and equipment	2,423,708
Library book collections	46,902,431
Accumulated depreciation	<u>(48,811,074)</u>
	\$ <u>2,574,770</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

D. Bucks County Housing Authority

The following is a summary of the Bucks County Housing Authority's capital assets at December 31, 2014:

Land, not being depreciated	\$ 3,952,868
Buildings	61,085,668
Furniture and equipment	1,159,802
Construction in progress	640,592
Accumulated depreciation	<u>(46,279,892)</u>
	<u>\$ 20,559,038</u>

10. EMPLOYES' RETIREMENT SYSTEMS

A. Bucks County Employees' Retirement System

Plan Description

The County is the administrator of a single-employer, Employees' Retirement System established January 1, 1942 and governed by the County Pension Law, Act 96 of 1971, of the General Assembly of the Commonwealth of Pennsylvania, as amended (The Act). Benefits and contribution provisions of the plan are established and can be amended as provided by the act. The system provides benefits for all full-time County employees except for certain Health Department employees. Effective July 1, 1991, all per diem employees working 1,000 hours per year must participate in the plan. The plan is included in the basic financial statements of the County as a pension trust fund. A stand-alone financial report is not issued for the plan. The financial statements of the Pension Trust Fund are prepared on the accrual basis of accounting. Plan member and employer contributions to the plan are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Current membership in the system is composed of the following:

<u>Group</u>	<u>December 31, 2014</u>
Retirees and beneficiaries currently receiving benefits	1,224
Vested terminated employees	296
Active employees:	
Fully vested	1,852
Nonvested	556

All full-time County employees and per diem employees working at least 1,000 hours per year, are required to participate in the system. Benefits vest after five years of service. Employees who have reached the normal retirement age of 60 or age 55 with 20 years of County service are entitled to annual retirement benefits equal to the member's annuity based on the actuarial equivalent of the accumulated deductions and a County annuity equal to the product of: (a) the "final average salary" (average of 3 highest years) times (b) the "class basis" (1/80 or 1/60 depending on the date when the member entered the system), multiplied by (c) the service time at each class basis. The system permits early retirement on a voluntary basis before age 55 with 20 years of service.

If an active employee dies at age 60 or older or after completing 10 years of credited service, a death benefit will be paid to the employee's designated beneficiary(ies). Active employees, who become totally disabled after 5 years of County service, receive an annual pension equal to 25% of the "final average salary."

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

Rate of Return

As of December 31, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.25%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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 return, 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 2014 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.4 - 6.4%
International equity	5.5 - 6.5
Fixed income	1.3 - 3.3
Real Estate/Alternative	4.5 - 5.5
Cash	0.0 - 1.0

Discount rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates. 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.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.5 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher than the current rate:

	1% Decrease <u>(6.5%)</u>	Current Discount Rate <u>(7.5%)</u>	1% Increase <u>8.50%</u>
County's net pension liability	\$ 51,352,035	\$ 6,570,297	\$ (50,733,876)

Funding Policy

The Bucks County Employees' Retirement System funding policy provides for periodic employer contributions or transfers at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate sufficient assets to pay benefits when due. Level percentages of payroll employer contribution rates are determined using the aggregate actuarial cost method of funding. The aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities. Past service costs have been fully amortized and there are no unfunded actuarial liabilities.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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As a condition of participation, employees are required to contribute a portion of their salary to the system as stipulated through the Pennsylvania State Law Act 96 of August 31, 1971 (P.L. 398). Plan members are required to contribute 9% of their annual covered salary and may contribute up to 19%. Interest is credited each year in an amount not less than 4% and no greater than 5½% as mandated by Pennsylvania State Law and voted upon by the County Retirement Board. Administrative costs are financed through investment earnings. The Act makes no provision for termination of the Plan.

Investments

The system's investments are held in a bank-administered trust fund. The Pension Trust Fund investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value. The following table presents the cost and market value of these investments at December 31, 2014:

	<u>Cost</u>		<u>Fair Value</u>
Bonds, debentures, bills, and notes			
Government obligations	\$ 15,657,905	\$	15,984,608
Corporate obligations	35,008,234		35,006,978
Common stock	136,676,640		175,241,245
Mutual funds	224,511,256		294,643,154
Fixed income securities	<u>120,463,011</u>		<u>126,853,267</u>
Subtotal - investments	<u>532,317,046</u>		<u>647,729,252</u>
Principal and income cash account	21,955,819		21,956,501
Total	<u>\$ 554,272,865</u>	\$	<u>669,685,753</u>

Actuarial Valuation

The annual required contribution was determined based on the most recent annual actuarial valuation dated as of January 1, 2015. The county elected to change from the aggregate actuarial cost method of funding for the valuation to the entry age normal funding method beginning in 2011. Significant actuarial assumptions used include, (a) a rate of return on the investment of present and future assets of 7.5% per year compounded annually, (b) projected salary increases of 3.5% per year, attributable to inflation, and (c) no post-retirement benefit increases. Both (a) and (b) included an inflation component of 3%. The actuarial value of assets were determined using the greater of the market value of assets as of the valuation date and adjusting the actuarial value of assets of the prior valuation date in accordance with the method approved by the Commonwealth of PA under Act 44 Section 210A(1). The actuarial value of assets will be limited to a maximum of 120% and a minimum of 80% of the market value of assets as of the valuation date. The amortization method is level percentage of projected payroll and the period is 30 years closed.

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

Under the Act, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once every three years subsequent to the member's retirement age. The adjustment, should the County elect to give one, is a percentage of the change in the Consumer Price Index (CPI). The Plan did not include an assumption for projected ad hoc postemployment benefit changes as they are not considered to be substantively automatic.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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The actuarial assumptions used in the valuation for the 2014 measurement period were based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan. An experience study has not been performed in the last 5 years.

The components of the net pension liability of the County for the 2014 measurement period were as follows:

Total pension liability	\$ 672,813,183
Plan fiduciary net position	<u>666,242,886</u>
County's net position liability	<u>\$ 6,570,297.00</u>
Plan fiduciary net position as a percentage of the total pension liability	99.02%

During 2004, the County issued general obligation bonds to fully fund the unfunded actuarial accrued pension liability in the pension plan. The County's contribution resulted in a net pension asset in the pension plan. The County's net pension asset for 2014 was:

Annual required contribution	\$ 5,797,038
Interest on NPO	(3,496,107)
Adjustment to annual required contribution	<u>6,045,625</u>
Annual pension cost	8,346,556
Contributions made	(5,797,038)
Decrease in net pension asset	2,549,518
Net pension asset, January 1, 2014	<u>(46,614,766)</u>
Net pension asset, December 31, 2014	<u>\$ (44,065,248)</u>

Three Year Trend Information

<u>Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Assets</u>
December 31, 2012	\$ 15,317,535	\$ 12,496,284	81.58%	\$ 49,261,893
December 31, 2013	\$ 13,539,799	\$ 10,892,672	80.45%	\$ 46,614,766
December 31, 2014	\$ 8,346,556	\$ 5,797,038	69.45%	\$ 44,065,248

As of January 1, 2015, the most recent actuarial valuation date, the plan was 96.7% funded. The actuarial value of the assets were \$666,486,531 and the actuarial accrued liability for benefits was \$689,057,276, resulting in an unfunded accrued actuarial liability (UAAL) of \$22,570,745. The covered payroll was \$144,353,180 and the ratio of the UAAL to the covered payroll was 15.6%. The actuarial value of assets as a percentage of the actuarial accrued liability was 96.7%.

The schedule of Funding Progress, presented as Required Supplemental Information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

COUNTY OF BUCKS, PENNSYLVANIA

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				As of January 1, 2015	
	Initial Amount	Effective	Remaining	Outstanding	Amortization
	<u>Cost</u>	<u>Date</u>	Period	Balance	Charge or (Credit)
Amortization of Liability for:					
Initial UAAL	\$ 68,076,582	1/1/2011	26 Years	\$ 65,131,680	\$ 5,764,128
Experience Loss	2,983,056	1/1/2012	12 Years	2,614,076	337,942
Retiree COLA increase	439,840	1/1/2013	8 Years	375,328	64,078
Experience gain	(18,712,830)	1/1/2013	13 Years	(17,226,171)	(2,119,925)
Retiree COLA increase	4,802,609	1/1/2014	9 Years	4,463,135	699,673
Experience gain	(50,927,313)	1/1/2014	14 Years	(48,977,447)	(5,769,415)
Retiree COLA increase	1,543,979	1/1/2015	10 Years	1,543,979	224,936
Chg Mort. Table	9,361,427	1/1/2015	15 Years	9,361,427	1,060,530
Experience Loss	5,284,738	1/1/2015	15 Years	5,284,738	598,693
Total				<u>\$ 22,570,745</u>	<u>\$ 860,640</u>
Total amortization charge	\$ 860,640				
Normal cost with interest to end of year	<u>7,005,307</u>				
Total funding requirement for 2015	<u>\$ 7,865,947</u>				

Contributions Required and Contributions Made

The actuarially required contribution (ARC) to the retirement fund for 2014 was \$5,797,038. The County contributed cash of \$5,797,038 on December 26, 2014. The contributions represented 4.02 percent of covered payroll. All contributions were for normal cost. Employee contributions in 2014 totaled \$13,490,845. These contributions represented 9.35 percent of covered payroll.

COUNTY OF BUCKS, PENNSYLVANIA

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B. Health Department

Retirement benefits are provided to County Health Department employees by the State Employees' Retirement System (SERS), a cost sharing multiple-employer public employee retirement system. (See Note 11A.) The payroll for employees covered by the SERS for the year ended December 31, 2014 was \$373,642; the County's total payroll was \$143,892,125.

The total contribution for the year ended December 31, 2013 was \$88,889, which consisted of \$65,470 from the County and \$23,419 from employees. These contributions represented 17.52 percent and 6.27 percent of covered payroll, respectively. The County's contributions for the years ending December 31, 2014, 2013, and 2012 were \$65,470, \$47,724, and \$38,612, respectively, equal to the required contributions for each year.

11. COMPONENT UNITS - EMPLOYEES' RETIREMENT SYSTEM

	<u>Bucks County Community College (BCCC)</u>			<u>Bucks County Free Library</u>	
	<u>SERS</u>	<u>TIAA</u>	<u>PSERS</u>	<u>TIAA</u>	<u>AUL</u>
	Payroll for covered employees	\$ 2,624,000	\$ 23,963,600	\$ 5,678,867	\$ 556,595
Total contributions	\$ 561,000	\$ 3,544,000	\$ 907,000	\$ 98,467	\$ 228,280
Employer contributions	\$ 397,000	\$ 2,226,000	\$ 481,000	\$ 32,155	\$ 79,739
Employer contributions as percentage of covered payroll	15.13%	9.29%	8.47%	5.78%	5.22%
Employee contributions	\$ 164,000	\$ 1,318,000	\$ 426,000	\$ 66,312	\$ 148,541
Employee contributions as percentage of covered payroll	6.25%	5.50%	7.50%	11.91%	9.73%

A. SERS

The SERS is a cost sharing, multiple-employer public employee retirement system. Membership in the SERS is mandatory for most State employees, members, and employees of the legislature and certain elected persons in the executive branch. Certain other employees are not required, but are given the option to participate. The SERS provides retirement, death, and disability benefits. Retirement benefits vest after 10 years of credited service. Employees, who retire at age 60 or with 35 years of service if under age 60, are entitled to a normal annual retirement benefit. The general annual benefit is 2% of the member's high three-year average salary multiplied by their years of service. Covered employees are required by Commonwealth of Pennsylvania State statute to contribute 5% to 10% of their salary to the SERS. The Community College's contributions for the years ending June 30, 2014, 2013, and 2012 were \$397,000, \$275,000, and \$192,000, respectively, equal to the required contributions for each year. Historical trend information including the SERS's "Schedule of Funding Progress" and the "Schedule of Employer Contributions" is presented in the SERS's December 31, 2014 annual financial report.

B. TIAA

Teachers Insurance and Annuity Association (TIAA) is a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the TIAA plus investment earnings.

All Bucks County Community College employees are eligible to participate from the date of employment. Members receive first day vesting rights and may assign contributions to the variety of investment programs. Members leaving the college within 5 years of their employment date may withdraw their contributions and accumulated interest.

Prior to the current AUL plan, all full time Bucks County Free Library employees were eligible to participate after one year of employment with mandatory participation upon completion of second year and attainment of age 30. Members may assign contributions to a variety of investment programs.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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C. PSERS

The Public School Employees' Retirement System (PSERS) is a multiple-employer cost sharing public employee retirement system. Membership in the PSERS is mandatory for substantially all full-time public school employees in the Commonwealth. Members are eligible for monthly retirement benefits upon reaching (a) age 62; (b) age 60 and 30 or more years of service or; (c) 35 or more years of service regardless of age. Benefits are generally equal to 2% of the member's final average salary multiplied by the number of years of credited service. After completion of 10 years of service, a member's right to the defined benefit is vested and early retirement benefits may be elected.

The PSERS also provides for disability retirement benefits and death benefits. Participants are eligible for disability retirement benefits after completion of 5 years of eligible service. Such benefits are equal to 2% of the member's final average salary 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 superannuation retirement age.

Covered employees are required by the Commonwealth of Pennsylvania statute to contribute 6.5% to 7.5% of their salary to the PSERS. The Community College is required by the same statute to contribute the remaining amounts necessary to pay benefits when due. The College's contributions for the years ending June 30, 2014, 2013, and 2012 were \$481,000, \$385,000, and \$279,000, respectively, equal to the required contributions for each year. Historical trend information including the PSERS's "Schedule of Funding Progress" and the "Schedule of Employer Contributions" is presented in the PSERS's June 30, 2014 annual financial report.

D. American United Life Insurance Company (AUL)

AUL is a defined contribution plan. The benefits depend solely on amounts contributed to the AUL plus investment earnings. Effective May 2006, all new full time employees can elect to participate in the AUL plan. Employees with TIAA prior to May 2006 are permitted to remain with TIAA.

The County and its component units do not provide any additional post-employment benefits other than pension benefits.

12. SELF-INSURANCE PROGRAM

The County elected to self-insure potential obligations applicable to workers' compensation, general liability, and auto liability. This program is contractually administered by private agencies. In 2014, the County accounted for claims expenditures reported and all transactions associated with self-insurance in the general fund. The County has purchased reinsurance coverage for excess obligations over the limits listed below for workers' compensation, general liability and auto liability. There has been no significant reduction in insurance coverage from the prior year and the amount of settlements has not exceeded insurance coverage for each of the past three years. The County's liability limits per incident are as follows:

	<u>1985-1992</u>	<u>1992-1997</u>	<u>1998-2002</u>	<u>2003</u>	<u>2004-2008</u>	<u>2009-2014</u>
Worker's compensation	\$150,000-\$425,000	\$350,000	\$300,000	\$400,000	\$500,000	\$450,000
General liability	None	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Auto liability	\$150,000-\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

COUNTY OF BUCKS, PENNSYLVANIA

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In addition to administrative and premium costs, funds were made available by the County to process the payment of claim benefits by the program administrator. Costs of the self-insurance program charged to current year expenses were \$4,890,416, which includes an estimate for claims incurred but not reported. The county reported loss claims and claims incurred but not reported for workers' compensation, general liability and auto liability based on independent actuarial evaluations. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using a four percent expected future investment yield assumption. The estimate of claims liability also includes amounts for nonincremental claims adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

The following summary reflects the changes in the insurance claims liability recorded in the governmental activities for the years ending December 31, 2013 and December 31, 2014:

	<u>Year Ended</u> <u>December 31, 2013</u>	<u>Year Ended</u> <u>December 31, 2014</u>
Beginning year liability	\$ 8,298,170	\$ 8,474,955
Claims and changes in estimates	3,781,798	4,890,416
Claims payments	<u>(3,605,013)</u>	<u>(4,213,762)</u>
Ending year liability	<u>\$ 8,474,955</u>	<u>\$ 9,151,609</u>

13. LONG-TERM OBLIGATIONS

In April 2013, the County issued General Obligation Bonds, Series of 2013 in the amount of \$65,300,000. The bonds have interest rates varying from 1.25% to 5% with funds maturing in 2028. The proceeds of the bonds will be used to finance a portion of the construction of the new Justice Center and improvements to certain other County facilities, fund the Open Space Program, the Emergency Services narrowbanding project, technology upgrades and other Public Works projects. The proceeds include a premium of \$10,026,839 and issuance costs of \$382,881. Interest is due semi-annually on June 1st and December 1st.

On April 3, 2013, the County issued General Obligation Notes, Series of 2013 in the amount of \$15,000,000. The notes have variable interest rates (maximum 15%) and mature in 2020. The proceeds of the notes will be used to finance the purchase of mobile and portable radios to be used by municipal public safety constituents in the County. Interest is payable monthly on the 25th.

In May 2013, the County issued nonelectoral debt of \$59,615,000 federally taxable General Obligation Bonds, Series A of 2013. The bonds have interest rates varying from .557% to 2.62% and mature in 2024. The proceeds were used to advance refund \$59,304,041 of the County's General Obligation Bonds, Series of 2004. The County recorded issuance of refunding bonds in the amount of \$59,615,000. The advance refunding was undertaken to reduce total debt service payments over the next years by \$8,900,649 and resulted in an economic gain of \$8,640,417. The County paid bond issuance costs of \$310,959 and a deferred gain was recognized with the issuance of the refunding bonds in the amount of \$6,100,000. Interest is due semi-annually on June 15th and December 15th.

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the County performed calculations of excess investment earnings on various bonds and financings and at December 31, 2014 does not expect to incur a liability.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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The following summary reflects the changes in long-term obligations for the year ended December 31, 2014:

	<u>January 1, 2014</u>	<u>Additions</u>	<u>(Retirements)</u>	<u>December 31, 2014</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds and notes payable:					
County general obligation bonds and notes	\$ 316,460,000	\$ -	\$ (25,978,000)	\$ 290,482,000	\$ 23,219,000
Lease rental debt	29,677,303	-	(3,308,750)	26,368,553	2,336,422
Total bonds and notes	346,137,303	-	(29,286,750)	316,850,553	25,555,422
Other liabilities:					
Compensated absences	14,856,899	15,057,737	(14,644,003)	15,270,633	3,693,065
Self-insurance claims	8,474,955	4,890,416	(4,213,762)	9,151,609	4,200,000
Total other liabilities	23,331,854	19,948,153	(18,857,765)	24,422,242	7,893,065
Subtotal	369,469,157	\$ 19,948,153	\$ (48,144,515)	341,272,795	\$ 33,448,487
Unamortized premium	22,156,970			20,335,387	
Total governmental activities long-term liability	\$ 391,626,127			\$ 361,608,182	

The liability for self-insurance claims and costs is generally liquidated by the general fund. Compensated absences are liquidated by the General fund, Children and Youth fund, Mental Health/Developmental Programs fund and certain non-major funds.

The following tables summarize the long-term bonds principal and interest payments for debt outstanding as of December 31, 2014 and the scheduled maturities:

A. County General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the government. The County's tax-exempt general obligation debt is subject to federal arbitrage regulations. County general obligations principal and interest payable at December 31, 2014 are as follows:

<u>Series</u>	<u>Amount of Original Issue</u>	<u>Purpose</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	56,215,000	Fund capital and non-capital projects - governmental activities and refund the 1997 Series, part of 1998 Series and 1999 Series	4.00 - 5.00%	2020	20,730,000	2,145,300	22,875,300
2007	44,000,000	Fund capital and non-capital projects - governmental activities	4.25 - 5.00%	2022	26,890,000	5,648,413	32,538,413
2008	64,370,000	Fund capital and non-capital projects - governmental activities and refund the 1998 bond series	4.70 - 5.25%	2024	44,040,000	11,185,814	55,225,814
2011	75,065,000	Fund capital and non-capital projects - governmental activities	2.00 - 5.00%	2026	65,035,000	20,000,250	85,035,250
2013	65,300,000	Refund portion of 2004 bond series	1.25 - 5.00%	2028	62,015,000	21,376,300	83,391,300
2013A	59,615,000	Fund capital and non-capital projects - governmental activities	.557 - 2.62%	2024	58,835,000	7,154,602	65,989,602
2013 Note	15,000,000	Purchase mobile radios for the municipalities of the County	Variable	2020	12,937,000	468,829	13,405,829
Total					<u>\$290,482,000</u>	<u>\$ 67,979,508</u>	<u>\$ 358,461,508</u>

COUNTY OF BUCKS, PENNSYLVANIA

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The requirements to amortize all County general obligation bonds outstanding as of December 31, 2014, including interest payments, for the next five years and the five year periods thereafter are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 23,219,000	\$ 10,806,481	\$ 34,025,481
2016	29,080,000	9,851,529	38,931,529
2017	29,742,000	8,822,013	38,564,013
2018	25,569,000	7,825,774	33,394,774
2019	26,407,000	6,993,348	33,400,348
2020-2024	121,350,000	20,802,238	142,152,238
2025-2028	<u>35,115,000</u>	<u>2,878,125</u>	<u>37,993,125</u>
Total	<u>\$ 290,482,000</u>	<u>\$ 67,979,508</u>	<u>\$ 358,461,508</u>

B. Lease Rentals Payable

The County historically leased the Community College facilities from the Bucks County Community College Authority (the Authority) and subleases the property to the Bucks County Community College (the College).

In 2007, the Authority issued a Revenue Note, Series of 2007 in the amount of \$9,950,000 for the completion of the Lower Bucks campus. The County approved a guaranty of the debt and, if necessary, would make payments or assist the Authority in meeting its debt obligations. During 2014, no payments were required by the County. The Authority's debt related to this note at June 30, 2014 totaled \$7,208,553.

In June 2007, the Authority entered into a new lease and sublease with the college and the County as a result of the 2007 Debt Issuance. The Authority leases to the County the property which the Authority acquired. The County subleases the leased premises to the College. The County agreed to pay the Authority out of the taxes and other general revenues for a rental of the leased premises. Any payment made by the College should be credited against the County's obligation to pay rentals.

In June 2007, the Authority issued College Building Revenue Bonds, Series of 2007 totaling \$15,195,000. The bonds were issued to advance refund the Authority's 1997 College Building Revenue Bonds and the 1999 Revenue Note. The Authority also issued Revenue Note, Series of 2007 in the amount of \$9,950,000 for the completion of the Lower Bucks College campus. On July 9, 2007 the Authority used \$15,527,064 of the proceeds to pay in full the 1997 debt.

In June 2008, The Authority issued \$20,285,000 of College Building Revenue Bonds to fund various capital projects including construction of academic buildings at the College's Upper Bucks Campus (the "Upper Campus Project"), ADA Code compliance renovations (the "ADA Project"), and construction of the Lower Bucks fire training center (the "Training Center Project"). In conjunction with the issuance of these bonds, the Authority, County, and the College entered into the first supplemental lease and sublease agreement, whereas the County will lease the project assets from the Authority and will sublease the project assets to the College related to the Upper Campus and ADA Projects. Project assets of the Upper Campus Project and the ADA Project are property of the Authority during the lease term. Project assets of the Training Center Project are property of the College during the lease term. The lease commits the College to pay the Authority annual rentals through 2028 for the use of all project assets. Lease payments are paid directly to the holder of the bonds. Lease payments to be made by the College will be sufficient to satisfy the debt service requirements of the bond. Fixed rent payments escalate and decline over the lease term to fund the Authority's debt as it matures.

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In November 2008, in conjunction with the June 2008 first supplemental lease and sublease agreement, the College entered into a sublease agreement with the County. The agreement states that the facilities constructed related to the Training Center Project shall remain the property of the College, and at the expiration of the agreement in 2028 or any renewal, the assets shall become the property of the County.

Title to the assets related to the Upper Campus Project and the ADA Project passes to the College upon maturity of the bonds. Accordingly, the College recorded this amount as obligations under capital leases. The College treats the lease payments as a reduction of the capital lease obligations.

C. Guaranty Agreements

The County has entered into Surety Agreements in 1997, 2001, 2002, 2003, 2004 and 2005 between the County and the Bucks County Airport Authority (Airport). The County agreed to guarantee the debt of the Airport and, if necessary, would make payments or assist the Airport in meeting its debt obligations. The bonds mature annually in the years 2016 through 2027 with monthly interest payments. During 2014, no such payments were required to be made by the County. At December 31, 2014 the outstanding principal amount of guaranteed debt is \$2,590,244. (See Note 15A.) At December 31, 2014 the County has not recorded a liability for this guaranty. The Airport Authority would be required to repay the County for any amounts the County paid in relation to this guarantee.

D. County Debt Margin

The County's legal debt margin at December 31, 2014, computed in accordance with the Commonwealth of Pennsylvania's Local Government Unit Debt Act of 1972, as amended, is \$1,120,745,059 for general obligation bonds and \$1,564,486,613 for general obligation bonds and lease rental debt. The County is in compliance with all applicable debt covenants at December 31, 2014.

14. ADVANCE REFUNDING

In 1992, 1998, 2005, 2008 and 2013 the County issued general obligation bonds to advance refund prior years general obligation bonds. The entire proceeds (net of issuance costs and surplus cash) were used to purchase United States Government Securities, which were deposited in irrevocable trusts with escrow agents to provide for all future debt service. As a result, the prior bonds are considered to be defeased and the liability for the refunded bonds has been removed from the long-term obligations. The balance outstanding at December 31, 2014, which are considered defeased:

<u>Bonds</u>	<u>Amounts</u>
1990 First Series Bonds	\$ 11,055,000
1995 Series Bonds	5,200,000
1997 Series Bonds	8,515,000
1998 Series Bonds	6,025,000
1999 Series Bonds	700,000
2004 Series Bonds	53,515,000
	<u>\$ 85,010,000</u>

COUNTY OF BUCKS, PENNSYLVANIA

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15. COMPONENT UNITS - LONG-TERM OBLIGATIONS

The following summary reflects the changes in long-term obligations recorded by the Component Units for the year ended December 31, 2014:

	<u>January 1,</u> <u>2014</u>	<u>Additions</u>	<u>(Retirements)</u>	<u>December 31,</u> <u>2014</u>
Bucks County Airport Authority	\$ 2,942,227	\$ -	\$ (351,983)	\$ 2,590,244
Bucks County Community College Authority (1)	29,677,303	-	(3,308,750)	26,368,553
Bucks County Housing Authority	<u>2,778,559</u>	<u>-</u>	<u>(643,667)</u>	<u>2,134,892</u>
Total long-term obligations - Component Units	<u>\$ 35,398,089</u>	<u>\$ -</u>	<u>\$ (4,304,400)</u>	<u>\$ 31,093,689</u>

(1) Bucks County Community College Authority is presented for the year ended June 30, 2014.

A. Bucks County Airport Authority

The Bucks County Airport Authority (the Airport Authority) long-term obligations at December 31, 2014 are as follows:

<u>Series</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal (2)</u>
2001	Interest rate varies weekly, currently averaging 0.9529%	2016	\$ 64,000
2001	Interest rate varies weekly, currently averaging 0.9529%	2016	24,000
1997	Interest rate 1.95%	2017	249,244
2002	Interest rate varies weekly, currently averaging 0.9529%	2021	513,000
2003	Interest rate varies weekly, currently averaging 0.9529%	2018	237,000
2004	Interest rate varies weekly, currently averaging 0.9529%	2021	812,000
2005	Interest rate varies weekly, currently averaging 4.081%	2027	<u>691,000</u>
			<u>\$ 2,590,244</u>

(2) These obligations have been guaranteed by the County (see Note 13C).

The requirements to amortize all Airport Authority long-term obligations outstanding as of December 31, 2014, including principal payments, for the next five years and thereafter are as follows:

<u>Series</u>	<u>Amounts</u>
2015	\$ 363,489
2016	377,090
2017	343,665
2018	270,000
2019	215,000
2020 - 2024	525,000
2025 - 2027	<u>496,000</u>
Total	<u>\$ 2,590,244</u>

COUNTY OF BUCKS, PENNSYLVANIA

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B. Bucks County Community College Authority

In June 2007, the Bucks County Community College Authority (the Authority) issued College Building Revenue Bonds, Series of 2007 totaling \$15,195,000. The bonds were issued to advance refund the Authority's 1997 College Building Revenue Bonds and the 1999 Revenue Note. The Authority also issued Revenue Note, Series of 2007 in the amount of \$9,950,000 for the completion of the Lower Bucks College campus. The outstanding balances of the 1997 bonds and the note were \$13,695,000 and \$1,832,064, respectively, at June 30, 2007. On July 9, 2007 the Authority used \$15,527,064 of the proceeds to pay in full the 1997 debt.

The Authority revenues used for the repayment of debt are derived from the Commonwealth of Pennsylvania and the County (see Note 13B). The Authority revenue bonds and notes principal payable at June 30, 2014 are as follows:

<u>Series</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal</u>
2007 Bond	4.00 - 5.00%	2017	\$ 3,335,000
2007 Note	3.99%	2027	\$ 7,208,553
2008 Bond	3.70 - 5.00%	2028	\$ 15,825,000

The requirements to amortize the Authority bonds and notes outstanding at June 30, 2014 including interest payments, for the next five years and for the five year periods thereafter are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Amounts</u>
2015	\$ 2,336,422	\$ 1,173,564	\$ 3,509,986
2016	2,438,633	1,074,328	3,512,961
2017	2,552,998	967,063	3,520,061
2018	1,452,422	846,177	2,298,599
2019	1,522,637	780,599	2,303,236
2020 - 2024	8,570,507	2,929,558	11,500,065
2025 - 2028	7,494,934	831,930	8,326,864
Total	<u>\$ 26,368,553</u>	<u>\$ 8,603,219</u>	<u>\$ 34,971,772</u>

C. Bucks County Housing Authority

Long-term obligations of the Bucks County Housing Authority (the Housing Authority) totaling \$2,134,892 at December 31, 2014, consisted of Rural Housing Community Development Service (RD) mortgages totaling \$1,815,316, and tax free mortgage loans of \$19,576, and a Housing Trust Fund loan totaling \$300,000.

HUD Guaranteed Bonds and Notes

During a prior audit period, the Authority's long-term debt (guaranteed by HUD) was written off in accordance with HUD's GAAP Conversion Guide.

GASB Interpretation No. 2, Disclosure of Conduit Debt Obligations, provides guidance as to the proper GAAP treatment of this HUD-guaranteed debt. The debt transactions between the Authority and HUD are similar to conduit debt obligations, which are "certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity."

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

The transaction between the Authority and HUD is similar to HUD giving funds to the Authority to operate and the funds are a capital contribution. HUD has essentially made an investment in the Authority. Therefore, the liability was reclassified as a capital contribution.

RD Mortgages

The RD has provided a mortgage for property managed by the Housing Authority as follows:

<u>Property</u>	<u>Date Provided</u>	<u>Original Balance</u>	<u>Interest Rate</u>	<u>Monthly Payment</u>	<u>Balance December 31, 2014</u>
Sellersville Heights	10/85	\$ 2,200,000	10.75%	\$ 4,661	\$ 1,815,316

The RD provides an interest subsidy for each of these mortgages.

The Housing Authority received a \$2,100,000 tax-free mortgage note on December 28, 2004 from First Savings Bank of Perkasie.

	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Monthly Payment</u>	<u>Balance December 31, 2014</u>
Grundy House	4.88%	2015	\$ 22,216	\$ 19,576

Housing Trust Fund Loan

The Housing Authority received \$300,000 in Housing Trust Fund monies from the County. The funds are a deferred loan with zero interest and will be payable in 30 years, which is the end of the period of affordability in conjunction with the PA Low Income Housing Tax Credit Program.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

16. INTERFUND RECEIVABLES AND PAYABLES

The general fund has paid expenses on behalf of other funds, therefore a corresponding interfund receivable and payable have been recorded. In addition, the County utilizes a pooled operating cash account to enhance investment return, therefore interfund receivables and payables are recorded to recognize amounts held in the general fund pooled cash account on behalf of other funds. Interfund receivable and payable balances of individual funds within the primary government as of December 31, 2014 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Primary government		
Governmental activities:		
Major governmental funds:		
General fund	\$ 43,180,932	\$ 2,630,640
Behavioral health services fund	-	2,869,468
Children and youth services fund	-	326,571
Debt service fund	-	2,436,930
2013 series bond fund	357,158	-
Total major governmental funds	<u>43,538,090</u>	<u>8,263,609</u>
Nonmajor governmental funds:		
Area agency on aging fund	-	6,419,521
Bridge reconstruction fund	66,362	-
Community and business development fund	-	3,122,753
Emergency response 911 fund	-	13,430,554
Hazardous material emergency response fund	-	398,949
HOME fund	-	1,501,848
Liquid fuels tax fund	-	732,843
Mental health/developmental programs fund	-	3,934,232
Neshaminy Manor fund	-	4,766,279
2005 series bond	843,690	-
2008 series bond fund	-	686,524
2011 series bond fund	-	1,173,501
Open space fund	-	1,380,959
Miscellaneous capital projects fund	1,363,430	-
Total nonmajor governmental funds	<u>2,273,482</u>	<u>37,547,963</u>
Total primary government	<u>\$ 45,811,572</u>	<u>\$ 45,811,572</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

17. TRANSFERS IN/OUT RECONCILIATION

During 2014, the County had transactions between funds including expenditures and transfer of resources to provide funding for program services accounted for in other funds. These transactions were recorded as transfers. Transfers within the primary government as of December 31, 2014 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Transfers in/out:		
Governmental activities:		
Major governmental funds:		
General fund	\$ 638,071	\$ 16,930,214
Children and youth services fund	10,894,997	-
2013 Series bond	-	1,629,973
Total major governmental funds	<u>11,533,068</u>	<u>18,560,187</u>
Nonmajor governmental funds	<u>7,746,098</u>	<u>718,979</u>
Total transfers in/out	<u>\$ 19,279,166</u>	<u>\$ 19,279,166</u>

18. FUND BALANCE/NET POSITION

The constraints on fund balance included in the governmental fund financial statements represent portions of fund balances that are restricted or assigned for various purposes and are not available for the payment of other subsequent expenditures. The general fund balance of \$49,656,040 was unassigned.

The 2013 Series Bond fund has a nonspendable fund balance of \$13,080,063. The funds are related to loans receivable from municipal public safety constituents.

The negative unassigned fund balance of (\$2,436,930) in the debt service fund is debt payments in excess of real estate taxes and other income. The 2013 Series Bond fund has restricted fund balance of \$18,817,340 for the payment of capital project expenditures.

In the nonmajor capital project funds, a total of \$17,502,345 of fund balance was restricted for the payment of capital project expenditures.

The restriction on net position included in the fiduciary funds represents \$666,242,886 of net position held in trust for pension benefits for future payments to members.

Net Position

The restrictions on fund balance/net position included in the fund financial statements and the government-wide statements represent portions of net position that are restricted for various purposes and are not available for the payment of other subsequent expenditures. The following restricted net positions are included in the fund financial statements and the government-wide financial statements.

Governmental Activities

All applicable restricted governmental fund balance amounts disclosed above are also recorded as restricted net position in the Governmental Activities Statement of Net Position.

Fiduciary Funds

Pension Trust Fund

Net position held in trust for pension benefits \$666,242,886

This represents amounts that are held in trust for future payments of members' benefits.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

19. RELATED PARTY TRANSACTIONS

The County is affiliated with the Southeastern Pennsylvania Transportation Authority (SEPTA) as a result of the following factors:

- SEPTA provides transportation services to County residents.
- The County has representation on SEPTA's Governing Board.
- The County partially subsidizes SEPTA's operations.

Because of the pervasive nature of SEPTA's operations (SEPTA services all of Southeastern Pennsylvania including several governmental entities significantly larger than Bucks County), it was not considered part of the County's reporting entity. However, the County does consider SEPTA a related party based on the factors enumerated above.

During 2014, the County provided operating and capital subsidies to SEPTA aggregating \$2,928,000 and \$148,574, respectively. Such subsidies are classified as Authorities in the general fund operating statement. As of December 31, 2014, the County's commitment to fund future SEPTA capital projects is \$547,732.

The County is affiliated with Independence Blue Cross (IBC). As a result of the contractual relationship with IBC for health care coverage, the County appoints one representative on IBC's governing board. During 2014, the County expended \$13,004,480 for employee health care coverage to IBC and \$18,636,797 to Keystone Health Plan East.

20. COMMITMENTS AND CONTINGENCIES

The County currently occupies, and is under agreement to lease separate buildings for County use. The following is a schedule of future minimum lease payments to be made under these operating leases as of December 31, 2014:

<u>Years</u>	<u>Amounts</u>
2015	\$ 835,907
2016	849,668
2017	465,528
2018	89,509
Total	<u>\$ 2,240,612</u>

Rental expense for all operating leases amounted to \$1,238,393 in 2014.

21. COMPONENT UNITS - COMMITMENTS AND CONTINGENCIES

Leases

The Bucks County Community College (the College) entered into a lease agreement during fiscal year 2007 with the Bucks County Community College Authority (the Authority) as a result of the Authority's refinancing of the College Building Revenue and Refunding Bonds, Series 1997 and the 1999 Note. The lease commits the College to pay the Authority on behalf of the County annual rentals through 2017 for use of the campus land and buildings. Lease payments are structured in amounts sufficient to provide for the debt service requirements on the bonds. Fixed rent payments escalate and decline over the lease term to fund the Authority's debt as it matures.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

In conjunction with the 2007 lease and sublease agreement, the College satisfied its obligations under the 1997 and 1999 lease and sublease agreements by irrevocably depositing sufficient funds to pay in full and retire the Authority's obligations under the 1997 Revenue Bonds and the 1999 Revenue Note.

The minimum future rentals under the lease agreement including interest of \$305,000 are as follows:

<u>Years</u>	<u>Amounts</u>
2015	\$ 1,210,000
2016	1,212,400
2017	<u>1,218,000</u>
Total	<u>\$ 3,640,400</u>

22. LITIGATION

In the normal course of business there are various claims and suits pending against the County. In the opinion of counsel, the amount of such losses that might result from these claims and suits, if any, would not materially affect the financial condition of the County.

23. DEBT SERVICE FUND/FUND BALANCE

The Debt Service Fund reported a negative unassigned fund balance at year end. The debt service expenditures incurred exceeded the amounts set aside for these payments. In 2015, the County plans to increase the fund balance by increasing the debt service fund transfers from the General Fund.

24. COMPONENT UNIT - RESTATEMENT OF NET POSITION/CHANGE IN ACCOUNTING PRINCIPLE

The Bucks County Community College adopted GASB Statement No. 65 for its fiscal year ended June 30, 2014. In accordance with GASB No. 65, deferred financing costs are expensed when incurred. This change in the amount of \$304,935 is reflected as a restatement of the beginning net position of the Bucks County Community College in the Combining Statement of Activities – Component Units.

25. SUBSEQUENT EVENTS

On February 18, 2015, the Commissioners approved Ordinance #146 authorizing the incurrence of lease rental debt by the County pursuant to the execution and delivery of a guaranty agreement for the Bucks County Airport Authority with the Delaware Valley Regional Finance Authority in the amount of \$550,000.

On June 3, 2015, the Commissioners approved Ordinance #147 authorizing the incurrence of electoral and nonelectoral debt with the issuance of General Obligation Bonds, Series of 2015 in the amount not to exceed \$42,850,000. The proceeds of the bonds will be used to finance the current refunding of the County's outstanding General Obligation Bonds, Series of 2005 and the advance refunding of a portion of the outstanding General Obligations Bonds, Series of 2007 and issuance costs.

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Required Supplementary Information

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COUNTY OF BUCKS, PENNSYLVANIA

**REQUIRED SUPPLEMENTARY INFORMATION
BUCKS COUNTY EMPLOYEES' RETIREMENT SYSTEM**

1. SCHEDULE OF EMPLOYER CONTRIBUTIONS

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
December 31, 2001	\$ 83,881	100%
December 31, 2002	3,332,376	100%
December 31, 2003	7,778,682	100%
December 31, 2004	10,427,962	100%
December 31, 2005	2,852,135	100%
December 31, 2006	2,616,102	100%
December 31, 2007	3,386,984	100%
December 31, 2008	1,062,592	100%
December 31, 2009	8,720,402	100%
December 31, 2010	14,452,118	100%
December 31, 2011	12,117,361	100%
December 31, 2012	12,496,284	100%
December 31, 2013	10,892,672	100%
December 31, 2014	5,797,038	100%

2. SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) -Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
1/1/2008	\$ 477,674,469	\$ 444,731,101	\$ (32,943,368)	107.41%	\$ 122,136,993	(27.0%)
1/1/2009	\$ 461,784,033	\$ 487,297,434	\$ 25,513,401	94.76%	\$ 136,395,447	18.7%
1/1/2010	\$ 437,390,542	\$ 507,642,175	\$ 70,251,633	86.20%	\$ 137,116,868	51.2%
1/1/2011	\$ 473,681,779	\$ 541,758,361	\$ 68,076,582	87.40%	\$ 143,033,179	47.6%
1/1/2012	\$ 508,258,781	\$ 578,660,034	\$ 70,401,253	87.80%	\$ 144,641,742	48.7%
1/1/2013	\$ 553,422,873	\$ 604,729,160	\$ 51,306,287	91.51%	\$ 140,885,869	36.5%
1/1/2014	\$ 637,778,487	\$ 642,761,819	\$ 4,983,332	99.2%	\$ 142,420,818	3.5%
1/1/2015	\$ 666,486,531	\$ 689,057,276	\$ 22,570,745	96.7%	\$ 144,353,180	15.6%

COUNTY OF BUCKS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
BUCKS COUNTY EMPLOYEES' RETIREMENT SYSTEM

**Schedule of Pension Liability and
Plan Fiduciary Net Position**

	<u>2014</u>
Total pension liability	
Service cost	\$ 6,344,704
Interest	46,576,679
Changes of benefit terms	4,802,609
Differences between expected and actual experience	15,031,805
Changes of assumptions	-
Benefit payments, including refunds of member contributions	<u>(28,721,358)</u>
Net change in total pension liability	44,034,439
Total pension liability - beginning	\$ <u>628,778,774</u>
Total pension liability - ending (a)	<u>\$ 672,813,213</u>
 Plan fiduciary net position	
Contributions - employer	\$ 5,797,038
Contributions - member	13,490,845
Net investment income	38,265,728
Benefit payments, including refunds of member contributions	(28,721,358)
Administration expense	-
Other	<u>(367,854)</u>
Net change in plan fiduciary net position	28,464,399
Plan fiduciary net position - beginning	\$ <u>637,778,487</u>
Plan fiduciary net position - ending (b)	<u>\$ 666,242,886</u>
 Plan fiduciary net position as a percentage of the total pension liability	 99.02%
Covered-employee payroll	\$ 142,420,818
 County's net pension liability as a percentage of covered-employee payroll	 4.6%

This schedule is presented to illustrate the requirement to show information for 10 years.

COUNTY OF BUCKS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
BUCKS COUNTY EMPLOYEES' RETIREMENT SYSTEM

Schedule of County Contributions
Last 10 Fiscal Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Actuarially determined contribution	\$ 5,797,038	\$ 10,892,672	\$ 12,496,284	\$ 12,117,361	\$ 14,452,118	\$ 8,720,402	\$ 1,062,592	\$ 3,386,984	\$ 2,616,102	\$ 2,852,135
Contributions in relation to the actuarially determined contribution	<u>5,797,038</u>	<u>10,892,672</u>	<u>12,496,284</u>	<u>12,117,361</u>	<u>14,452,118</u>	<u>8,720,402</u>	<u>1,062,592</u>	<u>3,386,984</u>	<u>2,616,102</u>	<u>2,852,135</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 142,420,818	\$ 140,885,869	\$ 144,641,742	\$ 143,033,179	\$ 137,116,868	\$ 136,395,447	\$ 122,136,993	\$ 122,456,667	\$ 118,477,064	\$ 113,891,100
Contributions as a percentage of covered-employee payroll	4.07%	7.73%	8.64%	8.47%	10.34%	6.39%	0.87%	2.77%	2.21%	2.50%

Notes to Schedule

Valuation date January 1, 2014

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	27 years
Asset valuation method	Fair-Market value
Inflation	3.00%
Salary increases	3.5% average, including inflation
Investment rate of return	7.5%, net of pension plan investment expense, including inflation
Retirement age	Age 60 or 55 with 20 years' service
Mortality	2013 RP Annuitant and Non-Annuitant Mortality Table for males and females with no projected improvement

Schedule of Investment Returns
Last 10 Fiscal Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Annual money-weighted rate of return, net of investment expense	6.50%	N/A								

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is completed, only available information is shown.

COUNTY OF BUCKS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real estate taxes	\$ 147,495,000	\$ 147,496,500	\$ 146,251,956	\$ (1,244,544)
Licenses and fees	17,097,500	17,132,500	15,785,867	(1,346,633)
Judiciary costs and fines	20,347,500	20,347,500	18,550,457	(1,797,043)
Intergovernmental	21,222,300	21,311,300	19,521,340	(1,789,960)
Interest	963,600	963,600	194,512	(769,088)
Other	2,175,600	2,250,600	2,445,840	195,240
Total revenues	<u>209,301,500</u>	<u>209,502,000</u>	<u>202,749,972</u>	<u>(6,752,028)</u>
Expenditures:				
Current:				
General government:				
Agricultural extension service	340,700	340,700	340,700	-
Allocated costs	(7,363,200)	(7,363,200)	(7,229,962)	(133,238)
Commissioners	909,400	909,400	904,742	4,658
Community & business development - administration	-	1,500	1,465	35
Consumer protection	527,200	527,200	523,707	3,493
Controller	2,724,500	2,724,500	2,371,764	352,736
Emergency management	688,600	688,600	572,457	116,143
Employee benefits/self insurance	3,268,000	4,830,000	4,829,801	199
ERP	637,200	656,000	652,678	3,322
Finance	810,200	810,200	748,732	61,468
Fire marshal	434,800	434,800	342,936	91,864
Housing & Emergency Shelter	150,000	150,000	150,000	-
Human resources	825,800	825,800	736,722	89,078
Information systems	6,029,800	6,029,800	5,230,425	799,375
Insurance	1,550,000	1,550,000	1,469,080	80,920
Mail room	622,200	622,200	501,500	120,700
Microfilming, printing and reproduction	395,000	408,000	407,582	418
Military affairs	402,200	402,200	379,049	23,151
Opportunity council	260,900	260,900	260,900	-
Parks and recreation	4,593,800	4,593,800	4,262,077	331,723
Planning and zoning	2,973,900	3,008,900	3,008,457	443
Public defender	3,886,600	3,872,600	3,755,727	116,873
Public information	504,000	504,000	470,097	33,903
Public works/County properties	9,801,100	9,801,100	9,278,606	522,494
Purchasing	584,800	584,800	502,924	81,876
Recorder of deeds	2,071,200	2,071,200	1,877,409	193,791
Solicitor	1,061,400	1,061,400	1,031,775	29,625
Tax assessment	2,270,600	2,270,600	2,184,968	85,632
Tax claim bureau	590,800	590,800	566,783	24,017
Tax collectors	1,208,000	1,208,000	1,207,675	325
Treasurer	940,500	940,500	914,056	26,444
Voter registration	1,501,800	1,501,800	1,371,053	130,747
Voting machines	486,100	486,100	475,167	10,933
Total general government	<u>45,687,900</u>	<u>47,304,200</u>	<u>44,101,052</u>	<u>3,203,148</u>

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Judiciary:				
Adult probation & parole	\$ 7,484,100	\$ 7,484,100	\$ 7,302,802	\$ 181,298
Clerk of courts	2,012,700	2,012,700	1,914,851	97,849
Constables	2,181,800	2,181,800	1,995,540	186,260
Coroner	1,093,900	1,093,900	1,055,971	37,929
Court stenographers	2,406,200	2,406,200	2,399,036	7,164
Courts	8,534,600	8,611,600	8,161,106	450,494
Crime lab	601,500	601,500	579,236	22,264
District attorney	8,994,900	8,994,900	8,896,994	97,906
District courts	9,290,100	9,290,100	8,571,926	718,174
Domestic relations	8,642,700	8,642,700	8,344,309	298,391
Grand jury	29,400	41,400	39,520	1,880
Juvenile probation & parole	5,219,800	5,219,800	4,870,016	349,784
Law library	392,100	392,100	388,912	3,188
Prothonotary	2,345,900	2,345,900	2,071,863	274,037
Register of wills	1,596,400	1,586,300	1,481,141	105,159
Sheriff	6,604,100	6,593,600	6,350,211	243,389
Total judiciary	<u>67,430,200</u>	<u>67,498,600</u>	<u>64,423,434</u>	<u>3,075,166</u>
Corrections:				
Administration	3,394,300	3,344,300	3,236,136	108,164
County correctional facility	25,862,800	26,207,800	26,041,784	166,016
Men's community correction center	7,198,100	6,928,100	6,803,421	124,679
Women's community correction center	759,900	809,900	752,131	57,769
Total corrections	<u>37,215,100</u>	<u>37,290,100</u>	<u>36,833,472</u>	<u>456,628</u>
Authorities:				
BC transportation authority	2,860,800	2,860,800	2,521,562	339,238
Civic groups	200,000	200,000	188,950	11,050
Community college appropriation	8,470,400	8,470,400	8,470,400	-
Drug and alcohol appropriation	345,600	345,600	345,600	-
Library appropriation	5,857,100	5,857,100	5,857,100	-
Transportation authority	3,103,000	3,103,000	3,076,574	26,426
Total authorities	<u>20,836,900</u>	<u>20,836,900</u>	<u>20,460,186</u>	<u>376,714</u>
Social services:				
Guardian ad litem	86,400	99,900	99,784	116
Human services	768,200	768,200	595,954	172,246
Victim witness pass through	85,000	85,000	76,451	8,549
Total social services	<u>939,600</u>	<u>953,100</u>	<u>772,189</u>	<u>180,911</u>

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	
Health:				
Emergency health services	\$ 688,900	\$ 688,900	\$ 628,913	\$ 59,987
Health department	<u>14,839,800</u>	<u>14,839,800</u>	<u>14,289,355</u>	<u>550,445</u>
Total health	<u>15,528,700</u>	<u>15,528,700</u>	<u>14,918,268</u>	<u>610,432</u>
Public safety:				
Emergency services training center	1,400,000	1,400,000	1,308,951	91,049
Hazardous waste program	229,000	229,000	200,958	28,042
Police training center	249,400	249,400	230,646	18,754
Security courthouse	<u>2,362,100</u>	<u>2,362,100</u>	<u>2,272,183</u>	<u>89,917</u>
Total public safety	<u>4,240,500</u>	<u>4,240,500</u>	<u>4,012,738</u>	<u>227,762</u>
Capital projects:				
Coroner	40,000	40,000	-	40,000
County correctional facility	57,000	57,000	44,533	12,467
District attorney	34,000	34,000	-	34,000
Domestic relations	133,000	133,000	60,561	72,439
Information systems center	50,000	50,000	-	50,000
Juvenile probation and parole	75,000	75,000	62,294	12,706
Public defender	-	14,000	-	14,000
Register of wills	-	10,100	7,949	2,151
Sheriff	<u>150,000</u>	<u>160,500</u>	<u>158,274</u>	<u>2,226</u>
Total capital projects	<u>539,000</u>	<u>573,600</u>	<u>333,611</u>	<u>239,989</u>
Total expenditures	<u>192,417,900</u>	<u>194,225,700</u>	<u>185,854,950</u>	<u>8,370,750</u>
Excess of revenues over expenditures	<u>16,883,600</u>	<u>15,276,300</u>	<u>16,895,022</u>	<u>1,618,722</u>
Other financing sources (uses):				
Transfers in	1,223,000	1,223,000	638,071	(584,929)
Transfers out	<u>(17,928,000)</u>	<u>(17,928,000)</u>	<u>(16,930,214)</u>	<u>997,786</u>
Total other financing sources (uses)	<u>(16,705,000)</u>	<u>(16,705,000)</u>	<u>(16,292,143)</u>	<u>412,857</u>
Net change in fund balance	178,600	(1,428,700)	602,879	2,031,579
Fund balance - January 1	<u>44,121,200</u>	<u>44,121,200</u>	<u>49,053,161</u>	<u>4,931,961</u>
Fund balance - December 31	<u>\$ 44,299,800</u>	<u>\$ 42,692,500</u>	<u>\$ 49,656,040</u>	<u>\$ 6,963,540</u>

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

COUNTY OF BUCKS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BEHAVIORAL HEALTH SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 79,774,000	\$ 79,774,000	\$ 78,160,921	\$ (1,613,079)
Interest	<u>226,000</u>	<u>226,000</u>	<u>58,521</u>	<u>(167,479)</u>
Total revenues	<u>80,000,000</u>	<u>80,000,000</u>	<u>78,219,442</u>	<u>(1,780,558)</u>
Expenditures:				
Current:				
Social services	<u>80,000,000</u>	<u>80,000,000</u>	<u>78,219,442</u>	<u>1,780,558</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

COUNTY OF BUCKS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILDREN & YOUTH SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues:				
Licenses and fees	\$ 1,558,000	\$ 1,558,000	\$ 1,880,420	\$ 322,420
Intergovernmental	46,878,900	46,878,900	44,309,262	(2,569,638)
Other	1,200	1,200	17,246	16,046
Total revenues	<u>48,438,100</u>	<u>48,438,100</u>	<u>46,206,928</u>	<u>(2,231,172)</u>
Expenditures:				
Current:				
Social services:				
Children & youth agency:				
Administration	5,683,800	4,881,391	4,853,436	27,955
Adoption	4,836,700	5,399,700	5,461,534	(61,834)
Bridge housing	205,000	207,000	176,750	30,250
Caseworker visitation	-	16,000	15,868	132
Community residential	2,748,600	4,035,034	4,029,242	5,792
Counseling	1,826,600	1,646,600	1,627,924	18,676
Day care	92,400	40,504	28,547	11,957
Day treatment	52,200	29,096	36,133	(7,037)
Emergency shelter	1,011,900	155,238	283,155	(127,917)
Family center	201,200	156,820	163,016	(6,196)
Foster family	8,217,700	7,677,700	7,794,664	(116,964)
Independent living	896,200	878,200	871,243	6,957
Intake and referral	1,519,700	1,211,700	1,170,161	41,539
Juvenile act proceedings	520,700	518,200	513,344	4,856
Life skills	486,800	492,828	506,699	(13,871)
PRF/CAP	30,600	36,600	29,373	7,227
Protective services	9,672,500	10,801,486	10,562,061	239,425
Residential	601,000	477,254	388,605	88,649
Special grant initiatives	954,700	825,609	824,629	980
SPLC	507,200	648,200	638,154	10,046
TLFR	215,000	154,340	156,908	(2,568)
Youth center:				
RSU	2,640,540	2,640,540	2,458,644	181,896
Youth center	5,695,460	5,695,460	5,299,995	395,465

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILDREN & YOUTH SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Juvenile probation:				
Administration	669,700	681,823	670,032	11,791
Alternative treatment	59,700	179,700	133,853	45,847
Community residential	1,640,000	1,640,000	1,695,732	(55,732)
Counseling	3,800,000	3,800,000	2,994,045	805,955
Day treatment	95,000	95,000	64,611	30,389
Detention out of county	400	600	521	79
Emergency shelter	-	20,000	12,843	7,157
Foster family services	430,000	429,800	306,730	123,070
Juvenile act proceedings	120,000	129,800	128,979	821
Residential	2,748,800	2,486,877	2,069,086	417,791
YDC/YFC	1,105,600	1,205,600	1,113,277	92,323
Total social services	<u>59,285,700</u>	<u>59,294,700</u>	<u>57,079,794</u>	<u>2,214,906</u>
Capital projects	<u>74,000</u>	<u>74,000</u>	<u>22,131</u>	<u>51,869</u>
Total expenditures	<u>59,359,700</u>	<u>59,368,700</u>	<u>57,101,925</u>	<u>2,266,775</u>
Excess of revenues under expenditures	<u>(10,921,600)</u>	<u>(10,930,600)</u>	<u>(10,894,997)</u>	<u>35,603</u>
Other financing sources:				
Transfers in	<u>10,921,600</u>	<u>10,921,600</u>	<u>10,894,997</u>	<u>(26,603)</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

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Other Supplementary Information

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Other Supplementary Information

Combining and Individual
Fund Statements and Schedules

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COUNTY OF BUCKS, PENNSYLVANIA

NONMAJOR GOVERNMENTAL FUNDS

DESCRIPTION OF FUNDS

SPECIAL REVENUE FUNDS

The special revenue funds accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes as follows:

The area agency on aging fund accounts for state and federal revenues used to operate programs for the residents of Bucks County age 60 and older. The excess of expenditures over revenues is financed by the general fund.

The bridge reconstruction fund accounts for construction and improvements to County bridges.

The community and business development fund accounts for revenues received under this federal program.

The emergency response 911 fund accounts for all revenue and expenditures related to the County's emergency response 911 communications department.

The hazardous material emergency response fund accounts for revenues received under the Pennsylvania Hazardous Material Emergency Planning and Response Act (Act 165).

The home investment in affordable housing (HOME) fund accounts for revenues received under this federal program.

The liquid fuels tax fund accounts for state revenues required to be used primarily for building and improving local roads and bridges.

The mental health/developmental programs fund accounts for State and Federal revenue that provide programs for the County's residents with a mental illness or in need of developmental programs.

The Neshaminy Manor fund accounts for revenues received for the provision of services at the County's long-term care nursing facility.

CAPITAL PROJECTS FUNDS

The capital projects funds account for the financial resources intended to be used for the acquisition, construction or reconstruction of County facilities. Resources of the capital projects funds are derived principally from proceeds of bond issues.

The 2002 notes capital acquisitions fund is used to account for the expenditure of capital project monies financed by the note proceeds of the Bucks County general obligation notes, series of 2002.

The 2003 notes capital acquisitions fund is used to account for the expenditure of capital project monies financed by the note proceeds of the Bucks County general obligation notes, series of 2003.

The 2005 series bond fund is used to account for the expenditure of capital project monies financed by the note proceeds of the Bucks County general obligation notes, series of 2005.

The 2008 series bond fund is used to account for the expenditure of capital project monies financed by the note proceeds of the Bucks County general obligation notes, series of 2008.

The 2011 series bond fund is used to account for the construction of a new justice center, the County's Open Space program and the acquisition of certain technology upgrades.

The open space project fund accounts for bond proceeds and expenditures for the first phase of the County's open space program. It also accounts for grants received and expenditures related to the purchase of flood victims' properties. The fund also accounts for expenditures of the County's "environmental protection" funds.

The miscellaneous capital projects fund accounts for various capital improvement programs for County owned property, plant, and equipment.

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014**

	Special Revenue Funds							
	<u>Area Agency on Aging</u>	<u>Bridge Recon-struction</u>	<u>Community and Business Development</u>	<u>Emergency Response 911</u>	<u>Hazardous Material Emergency Response</u>	<u>Home Fund</u>	<u>Liquid Fuels Tax</u>	<u>Mental Health/ Developmental Programs</u>
ASSETS								
Cash and cash equivalents	\$ 8,528,582	\$ -	\$ 3,237,313	\$ 15,293,460	\$ 346,184	\$ 1,491,530	\$ 841,595	\$ 9,307,420
Receivables:								
Intergovernmental	56,957	79,874	196,168	-	60,592	19,071	773,319	8,100
Accounts	58,978	-	-	382,711	-	39,604	-	-
Due from other funds	-	66,362	-	-	-	-	-	-
Other assets	3	-	-	-	-	9,919	-	-
Total assets	\$ 8,644,520	\$ 146,236	\$ 3,433,481	\$ 15,676,171	\$ 406,776	\$ 1,560,124	\$ 1,614,914	\$ 9,315,520
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 494,562	\$ 146,236	\$ 133,697	\$ 46,223	\$ 7,827	\$ 45,286	\$ 10,327	\$ 4,257,095
Due to other funds	6,419,521	-	3,122,753	13,430,554	398,949	1,501,848	732,843	3,934,232
Unearned revenue	1,730,437	-	177,031	2,199,394	-	12,990	871,744	1,124,193
Total liabilities	8,644,520	146,236	3,433,481	15,676,171	406,776	1,560,124	1,614,914	9,315,520
Fund balances:								
Restricted	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 8,644,520	\$ 146,236	\$ 3,433,481	\$ 15,676,171	\$ 406,776	\$ 1,560,124	\$ 1,614,914	\$ 9,315,520

Capital Projects Funds

<u>Neshaminy Manor</u>	<u>2002 Notes Capital Acquisitions</u>	<u>2003 Notes Capital Acquisitions</u>	<u>2005 Series Bond</u>	<u>2008 Series Bond</u>	<u>2011 Series Bond</u>	<u>Open Space Fund</u>	<u>Miscell- aneous Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,880,892	\$ 10,893,146	\$ 8,051,669	\$ -	\$ 59,871,791
3,862,512	-	-	-	-	-	-	-	5,056,593
1,820,382	-	-	-	-	-	-	-	2,301,675
-	-	-	843,690	-	-	-	1,363,430	2,273,482
-	-	-	-	-	-	-	-	9,922
<u>\$ 5,682,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 843,690</u>	<u>\$ 1,880,892</u>	<u>\$ 10,893,146</u>	<u>\$ 8,051,669</u>	<u>\$ 1,363,430</u>	<u>\$ 69,513,463</u>
\$ 916,615	\$ -	\$ -	\$ 219,266	\$ 68,550	\$ 418,803	\$ 362,432	\$ 371,282	\$ 7,498,201
4,766,279	-	-	-	686,524	1,173,501	1,380,959	-	37,547,963
-	-	-	-	-	-	849,165	-	6,964,954
<u>5,682,894</u>	<u>-</u>	<u>-</u>	<u>219,266</u>	<u>755,074</u>	<u>1,592,304</u>	<u>2,592,556</u>	<u>371,282</u>	<u>52,011,118</u>
-	-	-	624,424	1,125,818	9,300,842	5,459,113	992,148	17,502,345
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>624,424</u>	<u>1,125,818</u>	<u>9,300,842</u>	<u>5,459,113</u>	<u>992,148</u>	<u>17,502,345</u>
<u>\$ 5,682,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 843,690</u>	<u>\$ 1,880,892</u>	<u>\$ 10,893,146</u>	<u>\$ 8,051,669</u>	<u>\$ 1,363,430</u>	<u>\$ 69,513,463</u>

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Special Revenue Funds							
	<u>Area Agency on Aging</u>	<u>Bridge Recon-struction</u>	<u>Community and Business Development</u>	<u>Emergency Response 911</u>	<u>Hazardous Material Emergency Response</u>	<u>Home Fund</u>	<u>Liquid Fuels Tax</u>	<u>Mental Health/ Developmental Programs</u>
Revenues:								
Licenses and fees	\$ 10,346	\$ 855,024	\$ -	\$ 11,350,792	\$ 183,321	\$ 564,020	\$ -	\$ 156,865
Intergovernmental	7,655,524	83,116	1,845,680	-	63,315	903,094	525,598	30,842,035
Interest	15,414	-	-	18	643	-	66	21,335
Other	314,460	-	-	-	-	-	-	-
Total revenues	7,995,744	938,140	1,845,680	11,350,810	247,279	1,467,114	525,664	31,020,235
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	-
Social services	9,363,023	-	1,845,680	-	-	1,467,114	-	32,747,191
Bridges	-	2,568,113	-	-	-	-	525,664	-
Public safety	-	-	-	13,097,603	275,431	-	-	-
Capital projects	-	-	-	260,072	-	-	-	-
Total expenditures	9,363,023	2,568,113	1,845,680	13,357,675	275,431	1,467,114	525,664	32,747,191
Excess of revenues over (under) expenditures	(1,367,279)	(1,629,973)	-	(2,006,865)	(28,152)	-	-	(1,726,956)
Other financing sources :								
Transfers in	1,367,279	1,629,973	-	2,006,865	28,152	-	-	1,726,956
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources	1,367,279	1,629,973	-	2,006,865	28,152	-	-	1,726,956
Net change in Fund balances	-	-	-	-	-	-	-	-
Fund balances:								
January 1	-	-	-	-	-	-	-	-
December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Projects Funds

<u>Neshaminy Manor</u>	<u>2002 Notes Capital Acquisitions</u>	<u>2003 Notes Capital Acquisitions</u>	<u>2005 Series Bond</u>	<u>2008 Series Bond</u>	<u>2011 Series Bond</u>	<u>Open Space Fund</u>	<u>Miscell- aneous Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 17,209,056	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,329,424
22,399,614	-	-	108,152	-	12,111	751,210	4,978,507	70,167,956
-	8	197	-	5,800	-	14,800	-	58,281
-	-	-	-	-	-	-	17,309	331,769
<u>39,608,670</u>	<u>8</u>	<u>197</u>	<u>108,152</u>	<u>5,800</u>	<u>12,111</u>	<u>766,010</u>	<u>4,995,816</u>	<u>100,887,430</u>
-	-	-	91,224	700,103	266,769	2,181,425	4,810,756	8,050,277
39,806,282	-	-	-	-	-	-	-	85,229,290
-	-	-	-	-	-	-	-	3,093,777
-	-	-	-	-	-	-	-	13,373,034
<u>96,613</u>	<u>161,783</u>	<u>-</u>	<u>2,654,353</u>	<u>369,446</u>	<u>5,183,310</u>	<u>558,900</u>	<u>1,235,239</u>	<u>10,519,716</u>
<u>39,902,895</u>	<u>161,783</u>	<u>-</u>	<u>2,745,577</u>	<u>1,069,549</u>	<u>5,450,079</u>	<u>2,740,325</u>	<u>6,045,995</u>	<u>120,266,094</u>
<u>(294,225)</u>	<u>(161,775)</u>	<u>197</u>	<u>(2,637,425)</u>	<u>(1,063,749)</u>	<u>(5,437,968)</u>	<u>(1,974,315)</u>	<u>(1,050,179)</u>	<u>(19,378,664)</u>
294,225	-	-	-	-	-	-	692,648	7,746,098
-	(641)	(80,267)	-	-	-	(638,071)	-	(718,979)
<u>294,225</u>	<u>(641)</u>	<u>(80,267)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(638,071)</u>	<u>692,648</u>	<u>7,027,119</u>
-	(162,416)	(80,070)	(2,637,425)	(1,063,749)	(5,437,968)	(2,612,386)	(357,531)	(12,351,545)
-	162,416	80,070	3,261,849	2,189,567	14,738,810	8,071,499	1,349,679	29,853,890
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 624,424</u>	<u>\$ 1,125,818</u>	<u>\$ 9,300,842</u>	<u>\$ 5,459,113</u>	<u>\$ 992,148</u>	<u>\$ 17,502,345</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - AREA AGENCY ON AGING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and fees	\$ 42,400	\$ 42,400	\$ 10,346	\$ (32,054)
Intergovernmental	7,986,200	7,986,200	7,655,524	(330,676)
Interest	15,300	15,300	15,414	114
Other	<u>761,900</u>	<u>761,900</u>	<u>314,460</u>	<u>(447,440)</u>
Total revenues	<u>8,805,800</u>	<u>8,805,800</u>	<u>7,995,744</u>	<u>(810,056)</u>
Expenditures:				
Current:				
Social services:				
Administration	5,549,634	5,476,634	4,989,277	487,357
Assessment	243,943	428,943	392,491	36,452
Congregate meals	435,920	524,325	490,846	33,479
Cons reimb-federal	130,448	110,448	97,143	13,305
Cons reimb-state	124,477	104,477	76,278	28,199
Counseling	5,000	5,000	3,224	1,776
Daycare/in home services	1,905,521	1,873,221	1,578,682	294,539
DomCare	1,432	2,432	867	1,565
Employment	12,000	12,000	9,713	2,287
Environment modification	51,707	53,207	42,299	10,908
Family caregiver support	10,373	11,373	8,512	2,861
Home delivered meals	693,071	593,071	555,914	37,157
Information & referral	178,724	194,724	151,935	42,789
Legal services	53,300	63,300	69,893	(6,593)
OBRA	236	11,236	1,057	10,179
Ombudsman	66,302	66,302	65,349	953
Pre admission assistance II	64,390	74,390	54,633	19,757
Protective services	34,213	34,213	18,649	15,564
Recreation & socialization	472,844	356,239	360,965	(4,726)
RSVP	46,270	48,270	42,840	5,430
Transportation	178,995	188,995	168,756	20,239
Waiver care management	<u>172,000</u>	<u>198,000</u>	<u>183,700</u>	<u>14,300</u>
Total social services	<u>10,430,800</u>	<u>10,430,800</u>	<u>9,363,023</u>	<u>1,067,777</u>

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - AREA AGENCY ON AGING FUND
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Capital projects	\$ -	\$ -	\$ -	\$ -
Total expenditures	<u>10,430,800</u>	<u>10,430,800</u>	<u>9,363,023</u>	<u>1,067,777</u>
Excess of revenues under expenditures	<u>(1,625,000)</u>	<u>(1,625,000)</u>	<u>(1,367,279)</u>	<u>257,721</u>
Other financing sources: Transfers in	<u>1,625,000</u>	<u>1,625,000</u>	<u>1,367,279</u>	<u>(257,721)</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - BRIDGE RECONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and Fees	\$ 1,750,000	\$ 1,295,000	\$ 855,024	\$ (439,976)
Intergovernmental	<u>2,000,000</u>	<u>2,000,000</u>	<u>83,116</u>	<u>(1,916,884)</u>
Total revenues	<u>3,750,000</u>	<u>3,295,000</u>	<u>938,140</u>	<u>(2,356,860)</u>
Expenditures:				
Current:				
Bridges	<u>4,925,000</u>	<u>4,925,000</u>	<u>2,568,113</u>	<u>2,356,887</u>
Excess of revenues under expenditures	<u>(1,175,000)</u>	<u>(1,630,000)</u>	<u>(1,629,973)</u>	<u>27</u>
Other financing sources:				
Transfers in	<u>1,175,000</u>	<u>1,630,000</u>	<u>1,629,973</u>	<u>(27)</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - COMMUNITY AND BUSINESS DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 3,945,100	\$ 3,945,100	\$ 1,845,680	(2,099,420)
Total revenues	<u>3,945,100</u>	<u>3,945,100</u>	<u>1,845,680</u>	<u>(2,099,420)</u>
Expenditures:				
Current:				
Social services	<u>3,945,100</u>	<u>3,945,100</u>	<u>1,845,680</u>	<u>2,099,420</u>
Total expenditures	<u>3,945,100</u>	<u>3,945,100</u>	<u>1,845,680</u>	<u>2,099,420</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - EMERGENCY RESPONSE 911 FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and fees	\$ 11,977,000	\$ 11,977,000	\$ 11,350,792	\$ (626,208)
Interest	<u>-</u>	<u>-</u>	<u>18</u>	<u>18</u>
Total revenues	<u>11,977,000</u>	<u>11,977,000</u>	<u>11,350,810</u>	<u>(626,190)</u>
Expenditures:				
Current:				
Public safety	13,577,300	13,577,300	13,097,603	479,697
Capital projects	<u>1,352,600</u>	<u>1,352,600</u>	<u>260,072</u>	<u>1,092,528</u>
Total expenditures	<u>14,929,900</u>	<u>14,929,900</u>	<u>13,357,675</u>	<u>1,572,225</u>
Excess of revenues under expenditures	<u>(2,952,900)</u>	<u>(2,952,900)</u>	<u>(2,006,865)</u>	<u>946,035</u>
Other financing sources:				
Transfers in	<u>2,952,900</u>	<u>2,952,900</u>	<u>2,006,865</u>	<u>(946,035)</u>
Total other financing sources	<u>2,952,900</u>	<u>2,952,900</u>	<u>2,006,865</u>	<u>(946,035)</u>
Net change in Fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HAZARDOUS MATERIAL EMERGENCY RESPONSE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and fees	\$ 170,000	\$ 170,000	\$ 183,321	\$ 13,321
Intergovernmental	65,000	65,000	63,315	(1,685)
Interest	-	-	643	643
Total revenues	<u>235,000</u>	<u>235,000</u>	<u>247,279</u>	<u>12,279</u>
Expenditures:				
Current:				
Public safety	<u>315,800</u>	<u>315,800</u>	<u>275,431</u>	<u>40,369</u>
Excess of revenues under expenditures	<u>(80,800)</u>	<u>(80,800)</u>	<u>(28,152)</u>	<u>52,648</u>
Other financing sources:				
Transfers in	<u>80,800</u>	<u>80,800</u>	<u>28,152</u>	<u>(52,648)</u>
Net change in Fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - HOME FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and fees	\$ 650,000	\$ 650,000	\$ 564,020	\$ (85,980)
Intergovernmental	<u>2,578,800</u>	<u>2,578,800</u>	<u>903,094</u>	<u>(1,675,706)</u>
Total revenues	<u>3,228,800</u>	<u>3,228,800</u>	<u>1,467,114</u>	<u>(1,761,686)</u>
Expenditures:				
Current:				
Social services	<u>3,228,800</u>	<u>3,228,800</u>	<u>1,467,114</u>	<u>1,761,686</u>
Total expenditures	<u>3,228,800</u>	<u>3,228,800</u>	<u>1,467,114</u>	<u>1,761,686</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - LIQUID FUELS TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 575,000	\$ 575,000	\$ 525,598	\$ (49,402)
Interest	-	-	66	66
Total revenues	<u>575,000</u>	<u>575,000</u>	<u>525,664</u>	<u>(49,336)</u>
Expenditures:				
Current:				
Bridges	<u>575,000</u>	<u>575,000</u>	<u>525,664</u>	<u>49,336</u>
Total expenditures	<u>575,000</u>	<u>575,000</u>	<u>525,664</u>	<u>49,336</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN BALANCE
BUDGET AND ACTUAL - MENTAL HEALTH / DEVELOPMENTAL PROGRAMS
THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and fees	\$ -	\$ -	\$ 156,865	\$ 156,865
Intergovernmental	31,768,700	31,768,700	30,842,035	(926,665)
Interest	<u>25,000</u>	<u>25,000</u>	<u>21,335</u>	<u>(3,665)</u>
Total revenues	<u>31,793,700</u>	<u>31,793,700</u>	<u>31,020,235</u>	<u>(773,465)</u>
Expenditures:				
Current:				
Social services:				
Administration	5,510,700	4,790,700	5,041,087	(250,387)
Mental health services	16,709,400	17,309,400	17,136,370	173,030
Developmental programs	5,340,800	5,340,800	4,960,797	380,003
Resource Coordination	46,000	46,000	32,400	13,600
Early intervention	<u>5,639,000</u>	<u>5,759,000</u>	<u>5,576,537</u>	<u>182,463</u>
Total expenditures	<u>33,245,900</u>	<u>33,245,900</u>	<u>32,747,191</u>	<u>498,709</u>
Excess of revenues under expenditures	\$ <u>(1,452,200)</u>	\$ <u>(1,452,200)</u>	\$ <u>(1,726,956)</u>	\$ <u>(274,756)</u>
Other financing sources:				
Transfers in	<u>1,452,200</u>	<u>1,452,200</u>	<u>1,726,956</u>	<u>274,756</u>
Total other financing sources	<u>1,452,200</u>	<u>1,452,200</u>	<u>1,726,956</u>	<u>274,756</u>
Net change in Fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

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COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - NESHAMINY MANOR FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Licenses and fees	\$ 19,215,400	\$ 19,215,400	\$ 17,209,056	\$ (2,006,344)
Intergovernmental	<u>20,713,200</u>	<u>20,713,200</u>	<u>22,399,614</u>	<u>1,686,414</u>
Total revenues	<u>39,928,600</u>	<u>39,928,600</u>	<u>39,608,670</u>	<u>(319,930)</u>
Expenditures:				
Current:				
Social services:				
Activities	892,200	900,200	889,986	10,214
Business office	4,262,300	4,282,300	4,271,110	11,190
Dietary/café	4,142,600	4,122,600	4,116,935	5,665
Housekeeping	1,768,100	1,788,100	1,765,882	22,218
Laundry services	1,094,600	1,024,600	1,004,761	19,839
Nursing services - administration	2,630,200	2,690,200	2,656,477	33,723
Nursing services - CNA's	12,223,400	12,457,400	12,407,812	49,588
Nursing services - LPN's	3,382,100	3,387,100	3,383,471	3,629
Nursing services - Pool	276,400	249,400	239,259	10,141
Nursing services - RN's	3,334,700	3,219,700	3,200,523	19,177
Operation of facilities	1,442,400	1,357,400	1,302,882	54,518
Pharmacy	500,000	525,000	517,320	7,680
Physician	691,900	701,900	690,402	11,498
Procurement/utilities	695,000	705,000	700,915	4,085
Social services	479,200	494,200	485,039	9,161
Therapy	<u>2,292,000</u>	<u>2,202,000</u>	<u>2,173,508</u>	<u>28,492</u>
Total social services	<u>40,107,100</u>	<u>40,107,100</u>	<u>39,806,282</u>	<u>300,818</u>
Capital projects	<u>150,000</u>	<u>150,000</u>	<u>96,613</u>	<u>53,387</u>
Total expenditures	<u>40,257,100</u>	<u>40,257,100</u>	<u>39,902,895</u>	<u>354,205</u>

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - NESHAMINY MANOR FUND
FOR THE YEAR ENDED DECEMBER 31, 2014
(Continued)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Excess of revenues under expenditures	\$ (328,500)	\$ (328,500)	\$ (294,225)	\$ 34,275
Other financing sources:				
Transfers in	<u>328,500</u>	<u>328,500</u>	<u>294,225</u>	<u>(34,275)</u>
Net change in Fund Balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2002 NOTES CAPITAL ACQUISITION FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ -	\$ -	\$ 8	\$ 8
Expenditures:				
Current:				
General government	-	-	-	-
Capital projects:				
Parks	164,000	161,800	161,783	17
Total capital projects	164,000	161,800	161,783	17
Total expenditures	164,000	161,800	161,783	17
Other financing uses:				
Transfers out	-	(700)	(641)	59
Total other financing uses:	-	(700)	(641)	59
Net change in Fund balance	(164,000)	(162,500)	(162,416)	84
Fund balance - January 1	164,000	162,500	162,416	(84)
Fund balance - December 31	\$ -	\$ -	\$ -	\$ -

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2003 NOTES CAPITAL ACQUISITION FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ -	\$ 200	\$ 197	\$ (3)
Expenditures:				
Current:				
General government	-	-	-	-
Capital projects:				
Park capital improvements	80,000	-	-	-
Total capital projects	80,000	-	-	-
Total expenditures	80,000	-	-	-
Other financing uses:				
Transfers out	-	(80,300)	(80,267)	33
Total other financing uses	-	(80,300)	(80,267)	33
Net change in Fund balance	(80,000)	(80,100)	(80,070)	30
Fund balance - January 1	80,000	80,100	80,070	(30)
Fund balance - December 31	\$ -	\$ -	\$ -	\$ -

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2005 SERIES BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Intergovernmental	\$ 539,200	\$ 539,200	\$ 108,152	\$ (431,048)
Total revenues	<u>539,200</u>	<u>539,200</u>	<u>108,152</u>	<u>(431,048)</u>
Expenditures:				
Current:				
General government	<u>-</u>	<u>92,000</u>	<u>91,224</u>	<u>776</u>
Capital projects:				
Churchville Nature Center	1,940,600	1,857,300	1,743,934	113,366
Administration Building	1,065,400	1,141,800	782,071	359,729
Information systems	632,600	585,400	115,269	470,131
Public Works	71,000	-	-	-
Public Safety Training Center	<u>124,600</u>	<u>124,600</u>	<u>13,079</u>	<u>111,521</u>
Total capital projects	<u>3,834,200</u>	<u>3,709,100</u>	<u>2,654,353</u>	<u>1,054,747</u>
Total expenditures	<u>3,834,200</u>	<u>3,801,100</u>	<u>2,745,577</u>	<u>1,055,523</u>
Excess of revenues under expenditures	<u>(3,295,000)</u>	<u>(3,261,900)</u>	<u>(2,637,425)</u>	<u>624,475</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund balance	(3,295,000)	(3,261,900)	(2,637,425)	624,475
Fund balance - January 1	<u>3,295,000</u>	<u>3,261,900</u>	<u>3,261,849</u>	<u>(51)</u>
Fund balance - December 31	\$ <u>-</u>	\$ <u>-</u>	\$ <u>624,424</u>	\$ <u>624,424</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2008 SERIES BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenue:				
Interest	\$ 5,400	\$ 5,400	\$ 5,800	\$ 400
Expenditures:				
Current:				
General government	1,094,000	1,344,500	700,103	644,397
Capital projects:				
ERP	134,200	134,200	134,200	-
Information systems	39,200	49,400	6,687	42,713
Library buildings	80,000	80,000	68,786	11,214
Parkland acquisitions	610,400	586,900	159,773	427,127
Total capital projects	863,800	850,500	369,446	481,054
Total expenditures	1,957,800	2,195,000	1,069,549	1,125,451
Excess of revenues under expenditures	(1,952,400)	(2,189,600)	(1,063,749)	1,125,851
Other financing uses:				
Transfers out	-	-	-	-
Total other financing uses	-	-	-	-
Net change in Fund balance	(1,952,400)	(2,189,600)	(1,063,749)	1,125,851
Fund balance - January 1	1,952,400	2,189,600	2,189,567	(33)
Fund balance - December 31	\$ -	\$ -	\$ 1,125,818	\$ 1,125,818

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2011 SERIES BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ 16,400	\$ 16,400	\$ -	\$ (16,400)
Intergovernmental	-	-	12,111	12,111
Total revenues	<u>16,400</u>	<u>16,400</u>	<u>12,111</u>	<u>(4,289)</u>
Expenditures:				
Current:				
General government	<u>436,400</u>	<u>436,400</u>	<u>266,769</u>	<u>169,631</u>
Capital projects:				
Correctional facility	105,000	105,000	74,013	30,987
Court facility	1,433,600	1,002,200	755,588	246,612
Courts	125,000	125,000	9,475	115,525
Emergency Communications	9,678,000	9,536,900	2,860,943	6,675,957
Farmland preservation	1,032,400	1,104,300	1,104,273	27
Information systems	1,378,800	1,375,000	308,562	1,066,438
Library buildings	25,600	70,500	70,456	44
Parkland acquisitions	500,000	500,000	-	500,000
Public works	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total capital projects	<u>14,778,400</u>	<u>14,318,900</u>	<u>5,183,310</u>	<u>9,135,590</u>
Total expenditures	<u>15,214,800</u>	<u>14,755,300</u>	<u>5,450,079</u>	<u>9,305,221</u>
Excess of revenues under expenditures	<u>(15,198,400)</u>	<u>(14,738,900)</u>	<u>(5,437,968)</u>	<u>9,300,932</u>
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund balance	(15,198,400)	(14,738,900)	(5,437,968)	9,300,932
Fund balance - January 1	<u>15,198,400</u>	<u>14,738,900</u>	<u>14,738,810</u>	<u>(90)</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,300,842</u>	<u>\$ 9,300,842</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - OPEN SPACE PROJECT FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 618,800	\$ 313,800	\$ 751,210	\$ 437,410
Interest	<u>8,600</u>	<u>8,600</u>	<u>14,800</u>	<u>6,200</u>
Total revenues	<u>627,400</u>	<u>322,400</u>	<u>766,010</u>	<u>443,610</u>
Expenditures:				
Current:				
General government	<u>475,800</u>	<u>2,181,500</u>	<u>2,181,425</u>	<u>75</u>
Capital projects:				
Hazardous mitigation	267,600	113,900	558,900	(445,000)
Neshaminy Manor Center	725,400	725,400	-	725,400
Park improvements	<u>6,322,400</u>	<u>4,175,100</u>	<u>-</u>	<u>4,175,100</u>
Total capital projects	<u>7,315,400</u>	<u>5,014,400</u>	<u>558,900</u>	<u>4,455,500</u>
Total expenditures	<u>7,791,200</u>	<u>7,195,900</u>	<u>2,740,325</u>	<u>4,455,575</u>
Excess of revenues under expenditures	<u>(7,163,800)</u>	<u>(6,873,500)</u>	<u>(1,974,315)</u>	<u>4,899,185</u>
Other financing uses:				
Transfers out	<u>(1,198,000)</u>	<u>(1,198,000)</u>	<u>(638,071)</u>	<u>559,929</u>
Total other financing uses	<u>(1,198,000)</u>	<u>(1,198,000)</u>	<u>(638,071)</u>	<u>559,929</u>
Net change in Fund balance	(8,361,800)	(8,071,500)	(2,612,386)	5,459,114
Fund balance - January 1	<u>8,361,800</u>	<u>8,071,500</u>	<u>8,071,499</u>	<u>(1)</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,459,113</u>	<u>\$ 5,459,113</u>

COUNTY OF BUCKS, PENNSYLVANIA

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - MISCELLANEOUS CAPITAL PROJECTS FUND FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Intergovernmental	\$ 2,819,100	\$ 5,264,700	\$ 4,978,507	\$ (286,193)
Other	<u>-</u>	<u>-</u>	<u>17,309</u>	<u>17,309</u>
Total revenues	<u>\$ 2,819,100</u>	<u>\$ 5,264,700</u>	<u>\$ 4,995,816</u>	<u>\$ (268,884)</u>
Expenditures:				
Current:				
General government	<u>2,705,500</u>	<u>5,205,500</u>	<u>4,810,756</u>	<u>394,744</u>
Capital projects:				
Parks capital improvements	1,616,500	1,506,100	894,728	611,372
Public works	483,000	365,400	155,124	210,276
Vehicle Replacement	<u>-</u>	<u>185,400</u>	<u>185,387</u>	<u>13</u>
Total capital projects	<u>2,099,500</u>	<u>2,056,900</u>	<u>1,235,239</u>	<u>821,661</u>
Total expenditures	<u>4,805,000</u>	<u>7,262,400</u>	<u>6,045,995</u>	<u>1,216,405</u>
Excess of revenues under expenditures	<u>(1,985,900)</u>	<u>(1,997,700)</u>	<u>(1,050,179)</u>	<u>947,521</u>
Other financing sources:				
Transfers in	<u>567,000</u>	<u>648,000</u>	<u>692,648</u>	<u>44,648</u>
Total other financing sources	<u>567,000</u>	<u>648,000</u>	<u>692,648</u>	<u>44,648</u>
Net change in Fund balance	(1,418,900)	(1,349,700)	(357,531)	992,169
Fund balance - January 1	<u>1,418,900</u>	<u>1,349,700</u>	<u>1,349,679</u>	<u>(21)</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 992,148</u>	<u>\$ 992,148</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Real estate taxes	\$ 39,505,000	\$ 39,505,000	\$ 38,889,760	\$ (615,240)
Other	<u>2,507,000</u>	<u>2,507,000</u>	<u>286,335</u>	<u>(2,220,665)</u>
Total revenues	<u>42,012,000</u>	<u>42,012,000</u>	<u>39,176,095</u>	<u>(2,835,905)</u>
Expenditures:				
Debt service	<u>42,012,000</u>	<u>42,012,000</u>	<u>41,994,266</u>	<u>17,734</u>
Net change in Fund balance	<u>-</u>	<u>-</u>	<u>(2,818,171)</u>	<u>(2,818,171)</u>
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>381,241</u>	<u>381,241</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,436,930)</u>	<u>\$ (2,436,930)</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2013 SERIES BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ 22,400	\$ 22,400	\$ 62,365	\$ 39,965
Total revenues	<u>22,400</u>	<u>22,400</u>	<u>62,365</u>	<u>39,965</u>
Expenditures:				
Current:				
General government	<u>10,400,200</u>	<u>9,316,500</u>	<u>1,399,863</u>	<u>7,916,637</u>
Capital projects:				
Correctional facility	1,000,000	1,000,000	395,475	604,525
Court facility	36,774,800	40,334,800	32,355,563	7,979,237
Courts	600,000	600,000	-	600,000
Emergency Communications	5,000,000	5,000,000	848,917	4,151,083
Farmland preservation	5,000,000	5,000,000	1,205,751	3,794,249
Information systems	500,000	500,000	-	500,000
Library buildings	400,000	400,000	432	399,568
Natural areas preservation	785,000	785,000	197,853	587,147
Parkland Acquisition	1,000,000	1,000,000	-	1,000,000
Public Works	<u>500,000</u>	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total capital projects	<u>51,559,800</u>	<u>55,119,800</u>	<u>35,003,991</u>	<u>20,115,809</u>
Total expenditures	<u>61,960,000</u>	<u>64,436,300</u>	<u>36,403,854</u>	<u>28,032,446</u>
Excess of revenues under expenditures	<u>(61,937,600)</u>	<u>(64,413,900)</u>	<u>(36,341,489)</u>	<u>28,072,411</u>
Other financing uses:				
Transfers out	<u>(1,175,000)</u>	<u>(1,630,000)</u>	<u>(1,629,973)</u>	<u>27</u>
Total other financing sources	<u>(1,175,000)</u>	<u>(1,630,000)</u>	<u>(1,629,973)</u>	<u>27</u>
Net change in Fund balance	(63,112,600)	(66,043,900)	(37,971,462)	28,072,438
Fund balance - January 1	<u>66,937,600</u>	<u>69,868,900</u>	<u>69,868,865</u>	<u>(35)</u>
Fund balance - December 31	<u>\$ 3,825,000</u>	<u>\$ 3,825,000</u>	<u>\$ 31,897,403</u>	<u>\$ 28,072,403</u>

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COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

(Continued)

	<u>Balance</u> <u>January 1,</u> <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2014</u>
ACT 515/319				
<u>Assets</u>				
Cash and cash equivalents	\$ 25,790	\$ 819,489	\$ (819,489)	\$ 25,790
<u>Liabilities</u>				
Accounts payable	\$ 25,790	\$ 819,489	\$ (819,489)	\$ 25,790
 AID FOR DEPENDENT CHILDREN				
<u>Assets</u>				
Cash and cash equivalents	\$ 802,481	\$ 5,024,124	\$ (5,265,440)	\$ 561,165
Intergovernmental receivables	1,282,926	1,242,502	(1,282,926)	1,242,502
Total assets	\$ 2,085,407	\$ 6,266,626	\$ (6,548,366)	\$ 1,803,667
<u>Liabilities</u>				
Accounts payable	\$ 2,085,407	\$ 6,266,626	\$ (6,548,366)	\$ 1,803,667
 AREA AGENCY ON AGING				
<u>Assets</u>				
Cash and cash equivalents	\$ 399	\$ 2,834	\$ (3,084)	\$ 149
<u>Liabilities</u>				
Accounts payable	\$ 399	\$ 2,834	\$ (3,084)	\$ 149

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

(Continued)

	<u>Balance</u> <u>January 1,</u> <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2014</u>
BID DEPOSITS				
<u>Assets</u>				
Accounts receivable	\$ 226,385	\$ 122,862	\$ (254,479)	\$ 94,768
<u>Liabilities</u>				
Accounts payable	\$ 226,385	\$ 122,862	\$ (254,479)	\$ 94,768
CLERK OF COURTS				
<u>Assets</u>				
Cash and cash equivalents	\$ 3,150,141	\$ 9,981,820	\$ (9,512,903)	\$ 3,619,058
Investments	935,000	-	(935,000)	-
Total assets	\$ 4,085,141	\$ 9,981,820	\$ (10,447,903)	\$ 3,619,058
<u>Liabilities</u>				
Accounts payable	\$ 3,860,033	\$ 7,046,063	\$ (7,533,557)	\$ 3,372,539
Due to other governmental units	225,108	2,935,757	(2,914,346)	246,519
Total liabilities	\$ 4,085,141	\$ 9,981,820	\$ (10,447,903)	\$ 3,619,058
CORRECTIONS				
<u>Assets</u>				
Cash and cash equivalents	\$ 713,763	\$ 3,855,412	\$ (4,091,934)	\$ 477,241
<u>Liabilities</u>				
Accounts payable	\$ 713,763	\$ 3,855,412	\$ (4,091,934)	\$ 477,241

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

(Continued)

	Balance January 1, 2014	Additions	Deductions	Balance December 31, 2014
DISTRICT COURTS				
<u>Assets</u>				
Cash and cash equivalents	\$ 898,633	\$ 13,916,352	\$ (13,664,404)	\$ 1,150,581
<u>Liabilities</u>				
Accounts payable	\$ 663,823	\$ 10,468,055	\$ (10,199,661)	\$ 932,217
Due to other governmental units	234,810	3,448,297	(3,464,743)	218,364
Total liabilities	\$ 898,633	\$ 13,916,352	\$ (13,664,404)	\$ 1,150,581
DOMESTIC RELATIONS				
<u>Assets</u>				
Cash and cash equivalents	\$ 40,333	\$ 1,744,204	\$ (1,745,484)	\$ 39,053
<u>Liabilities</u>				
Due to other governmental units	\$ 40,333	\$ 1,744,204	\$ (1,748,484)	\$ 36,053
ESCHEAT FUNDS				
<u>Assets</u>				
Cash and cash equivalents	\$ 53,738	\$ 21,722	\$ (12,584)	\$ 62,876
Accounts receivable	883,291	365,061	(188,180)	1,060,172
Total assets	\$ 937,029	\$ 386,783	\$ (200,764)	\$ 1,123,048
<u>Liabilities</u>				
Due to other governmental units	\$ 937,029	\$ 386,783	\$ (200,764)	\$ 1,123,048
INMATE CANTEEN				
<u>Assets</u>				
Accounts receivable	\$ 1,462,301	\$ 272,008	\$ (786,008)	\$ 948,301
<u>Liabilities</u>				
Accounts payable	\$ 1,462,301	\$ 272,008	\$ (786,008)	\$ 948,301

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

(Continued)

	<u>Balance</u> <u>January 1,</u> <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2014</u>
LODGING ROOM RENTAL TAX ESCROW				
<u>Assets</u>				
Cash and cash equivalents	\$ 91,133	\$ 2,670,804	\$ (2,656,872)	\$ 105,065
<u>Liabilities</u>				
Accounts payable	\$ 91,133	\$ 2,670,804	\$ (2,656,872)	\$ 105,065
 MISCELLANEOUS				
<u>Assets</u>				
Cash and cash equivalents	\$ 25,816	\$ 27,961	\$ (39,039)	\$ 14,738
Accounts receivable	15,520	1,034	(10,429)	6,125
Total assets	\$ 41,336	\$ 28,995	\$ (49,468)	\$ 20,863
<u>Liabilities</u>				
Accounts payable	\$ 41,336	\$ 28,995	\$ (49,468)	\$ 20,863
 NESHAMINY MANOR				
<u>Assets</u>				
Cash and cash equivalents	\$ 240,783	\$ 741,823	\$ (727,626)	\$ 254,980
Accounts receivable	-	-	-	-
Total assets	\$ 240,783	\$ 741,823	\$ (727,626)	\$ 254,980
<u>Liabilities</u>				
Accounts payable	\$ 240,783	\$ 741,823	\$ (727,626)	\$ 254,980
 PINE RUN ESCROW				
<u>Assets</u>				
Accounts receivable	\$ 16,815	\$ 28	\$ -	\$ 16,843
<u>Liabilities</u>				
Accounts payable	\$ 16,815	\$ 28	\$ -	\$ 16,843

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

(Continued)

	<u>Balance</u> <u>January 1,</u> <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2014</u>
PROTHONOTARY				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>3,047,706</u>	\$ <u>2,643,973</u>	\$ <u>(3,156,960)</u>	\$ <u>2,534,719</u>
<u>Liabilities</u>				
Accounts payable	\$ 3,026,145	\$ 2,337,866	\$ (2,859,615)	\$ 2,504,396
Due to other governmental units	<u>21,561</u>	<u>306,107</u>	<u>(297,345)</u>	<u>30,323</u>
Total liabilities	\$ <u>3,047,706</u>	\$ <u>2,643,973</u>	\$ <u>(3,156,960)</u>	\$ <u>2,534,719</u>
RECORDER OF DEEDS				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>6,023,217</u>	\$ <u>63,003,615</u>	\$ <u>(62,803,100)</u>	\$ <u>6,223,732</u>
<u>Liabilities</u>				
Accounts payable	\$ 2,289,070	\$ 4,190,017	\$ (4,280,475)	\$ 2,198,612
Due to other governmental units	<u>3,734,147</u>	<u>58,813,598</u>	<u>(58,522,625)</u>	<u>4,025,120</u>
Total liabilities	\$ <u>6,023,217</u>	\$ <u>63,003,615</u>	\$ <u>(62,803,100)</u>	\$ <u>6,223,732</u>
REGISTER OF WILLS				
<u>Assets</u>				
Cash and cash equivalents	\$ <u>8,458,940</u>	\$ <u>2,585,027</u>	\$ <u>(9,840,440)</u>	\$ <u>1,203,527</u>
<u>Liabilities</u>				
Accounts payable	\$ 8,449,380	\$ 2,446,003	\$ (9,704,523)	\$ 1,190,860
Due to other governmental units	<u>9,560</u>	<u>139,024</u>	<u>(135,917)</u>	<u>12,667</u>
Total liabilities	\$ <u>8,458,940</u>	\$ <u>2,585,027</u>	\$ <u>(9,840,440)</u>	\$ <u>1,203,527</u>

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

(Continued)

	<u>Balance</u> <u>January 1,</u> <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2014</u>
SECURITY ESCROW				
<u>Assets</u>				
Accounts receivable	\$ 35,715	\$ 13	\$ -	\$ 35,728
<u>Liabilities</u>				
Accounts payable	\$ 35,715	\$ 13	\$ -	\$ 35,728
 SHERIFF				
<u>Assets</u>				
Cash and cash equivalents	\$ 4,808,305	\$ 22,619,387	\$ (23,741,068)	\$ 3,686,624
<u>Liabilities</u>				
Accounts payable	\$ 4,583,142	\$ 20,187,952	\$ (21,480,758)	\$ 3,290,336
Due to other governmental units	225,163	2,431,435	(2,260,310)	396,288
Total liabilities	\$ 4,808,305	\$ 22,619,387	\$ (23,741,068)	\$ 3,686,624
 TAX CLAIM BUREAU				
<u>Assets</u>				
Cash and cash equivalents	\$ 1,537,056	\$ 1,430,138	\$ (1,316,145)	\$ 1,651,049
Accounts receivable	8,670,190	32,876,368	(32,302,246)	9,244,312
Total assets	\$ 10,207,246	\$ 34,306,506	\$ (33,618,391)	\$ 10,895,361
<u>Liabilities</u>				
Due to other governmental units	\$ 10,207,246	\$ 34,306,506	\$ (33,618,391)	\$ 10,895,361

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014**

(Continued)

	<u>Balance</u> <u>January 1,</u> <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2014</u>
TAX PROTEST ESCROW				
<u>Assets</u>				
Accounts receivable	\$ 148,472	\$ 112	\$ -	\$ 148,584
<u>Liabilities</u>				
Accounts payable	\$ 148,472	\$ 112	\$ -	\$ 148,584
 TREASURER LICENSES				
<u>Assets</u>				
Cash and cash equivalents	\$ 53,559	\$ 469,386	\$ (475,042)	\$ 47,903
<u>Liabilities</u>				
Accounts payable	\$ 418	\$ 101	\$ -	\$ 519
Due to other governmental units	53,141	469,285	(475,042)	47,384
Total liabilities	\$ 53,559	\$ 469,386	\$ (475,042)	\$ 47,903
 TOTAL AGENCY FUNDS				
<u>Assets</u>				
Cash and cash equivalents	\$ 29,971,793	\$ 131,558,071	\$ (139,871,614)	\$ 21,658,250
Investments	935,000	-	(935,000)	-
Receivables:				
Intergovernmental	1,282,926	1,242,502	(1,282,926)	1,242,502
Accounts	11,458,689	33,637,486	(33,541,342)	11,554,833
Total assets	\$ 43,648,408	\$ 166,438,059	\$ (175,630,882)	\$ 34,455,585
<u>Liabilities</u>				
Accounts payable	\$ 27,960,310	\$ 61,457,063	\$ (71,995,915)	\$ 17,421,458
Due to other governmental units	15,688,098	104,980,996	(103,634,967)	17,034,127
Total liabilities	\$ 43,648,408	\$ 166,438,059	\$ (175,630,882)	\$ 34,455,585

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COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
AS OF DECEMBER 31, 2014**

	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>
General government	\$ 108,700,320	\$ 95,820,880	\$ 49,540,717
Judiciary	470,020	25,453,264	1,826,832
Corrections	13,501	41,086,893	152,785
Social services	720,575	44,897,462	1,437,299
Bridges	-	254,705	-
Health	-	17,968	-
Public safety	<u>14,040</u>	<u>12,202,053</u>	<u>4,570</u>
Total capital assets allocated to functions	109,918,456	219,733,225	52,962,203
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets	<u>\$ 109,918,456</u>	<u>\$ 219,733,225</u>	<u>\$ 52,962,203</u>

	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Leasehold Buildings and Improvements</u>	<u>Totals</u>
\$	69,899,571	\$ -	\$ 93,440,514	\$ 417,402,002
	10,409,549	-	-	38,159,665
	6,970,909	-	-	48,224,088
	7,882,296	-	-	54,937,632
	334,492	16,298,924	-	16,888,121
	896,185	-	-	914,153
	<u>35,505,956</u>	<u>-</u>	<u>-</u>	<u>47,726,619</u>
	131,898,958	16,298,924	93,440,514	624,252,280
	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,111,142</u>
\$	<u>131,898,958</u>	\$ <u>16,298,924</u>	\$ <u>93,440,514</u>	\$ <u>738,363,422</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Capital Assets January 1, <u>2014</u>	<u>Additions</u>	<u>Deductions</u>	Capital Assets December 31, <u>2014</u>
General government	\$ 411,192,468	\$ 7,086,069	\$ (876,535)	\$ 417,402,002
Judiciary	36,796,767	1,362,898	-	38,159,665
Corrections	47,260,439	963,649	-	48,224,088
Social services	54,368,757	568,875	-	54,937,632
Bridges	14,446,037	2,442,084	-	16,888,121
Health	914,153	-	-	914,153
Public safety	<u>32,074,416</u>	<u>15,652,203</u>	<u>-</u>	<u>47,726,619</u>
Subtotals	597,053,037	28,075,778	(876,535)	624,252,280
Construction in progress	<u>94,036,057</u>	<u>36,592,111</u>	<u>(16,517,026)</u>	<u>114,111,142</u>
Total capital assets	\$ <u>691,089,094</u>	\$ <u>64,667,889</u>	\$ <u>(17,393,561)</u>	\$ <u>738,363,422</u>

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COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF COUNTY GENERAL OBLIGATIONS PAYABLE
DECEMBER 31, 2014**

<u>Year</u>	<u>Bond - 2005</u>		<u>Bond - 2007</u>		<u>Bond - 2008</u>		<u>Bond - 2011</u>	
	<u>Principal</u>	<u>Interest Rate</u>						
2015	4,945,000	5.00%	2,845,000	5.00%	4,950,000	5.00%	4,200,000	3.00%
2016	5,195,000	5.00%	2,990,000	5.00%	4,790,000	5.00%	4,350,000	4.00%
2017	5,090,000	5.00%	3,140,000	5.00%	5,030,000	5.00%	4,550,000	5.00%
2018	1,760,000	4.00%	3,295,000	4.00%	3,575,000	5.00%	4,775,000	5.00%
2019	1,835,000	4.00%	3,425,000	4.25%	3,760,000	5.25%	5,025,000	5.00%
2020	1,905,000	4.00%	3,575,000	4.38%	3,955,000	4.70%	5,255,000	4.00%
2021	-		3,730,000	4.38%	4,155,000	5.13%	5,470,000	4.00%
2022	-		3,890,000	4.50%	4,370,000	5.13%	5,695,000	4.00%
2023	-		-		4,605,000	5.25%	5,955,000	5.00%
2024	-		-		4,850,000	5.25%	6,260,000	5.00%
2025	-		-		-		6,585,000	5.00%
2026	-		-		-		6,915,000	5.00%
2027	-		-		-		-	
2028	-		-		-		-	
	<u>\$ 20,730,000</u>		<u>\$ 26,890,000</u>		<u>\$ 44,040,000</u>		<u>\$ 65,035,000</u>	

(1) Based on latest available estimated rates at year end.

Bond - 2013 Series		Note - 2013 Series (I)		Bond - 2013 A Series		Totals
Principal	Interest Rate	Principal	Interest Rate	Principal	Interest Rate	
3,385,000	4.00%	2,089,000.00	1.23%	805,000	0.557%	23,219,000
3,520,000	1.25-4.00%	2,115,000.00	1.23%	6,120,000	0.656%	29,080,000
3,630,000	4.00%	2,142,000.00	1.23%	6,160,000	0.971%	29,742,000
3,775,000	1.50-4.00%	2,169,000.00	1.23%	6,220,000	1.17%	25,569,000
3,875,000	4.00%	2,197,000.00	1.23%	6,290,000	1.50%	26,407,000
4,030,000	5.00%	2,225,000.00	1.23%	6,385,000	1.70%	27,330,000
4,230,000	5.00%	-		6,495,000	2.07%	24,080,000
4,440,000	5.00%	-		6,630,000	2.27%	25,025,000
4,665,000	4.00%	-		6,780,000	2.47%	22,005,000
4,850,000	5.00%	-		6,950,000	2.62%	22,910,000
5,090,000	4.00%	-		-		11,675,000
5,295,000	4.00%	-		-		12,210,000
5,505,000	4.00%	-		-		5,505,000
5,725,000	4.00%	-		-		5,725,000
\$ 62,015,000		\$ 12,937,000		\$ 58,835,000		\$ 290,482,000

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STATISTICAL SECTION

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COUNTY OF BUCKS, PENNSYLVANIA

STATISTICAL SECTION

This section of the County of Bucks' 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 the County's overall financial health.

Contents	Schedule	Page
Financial Trends.....	1 - 4	125 - 131
<p style="margin-left: 40px;">These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.</p>		
Revenue Capacity	5 - 9	132-139
<p style="margin-left: 40px;">These schedules contain information to help the reader assess the County's most significant local revenue source, property tax.</p>		
Debt Capacity.....	10 - 13	140-145
<p style="margin-left: 40px;">These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</p>		
Demographic and Economic Information.....	14 - 15	146-147
<p style="margin-left: 40px;">These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.</p>		
Operating Information.....	16 - 18	148 - 152
<p style="margin-left: 40px;">These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.</p>		

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COUNTY OF BUCKS, PENNSYLVANIA

Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)

Primary Government- Governmental Activities	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net investment in capital assets	\$ 212,628,826	\$ 232,354,744	\$ 252,647,091	\$ 289,782,125	\$ 278,377,964	\$ 313,045,181	\$ 323,373,667	\$ 397,558,253	\$ 405,193,449	\$ 434,457,767
Restricted	12,923,750	15,860,329	17,181,472	18,393,218	14,724,376	8,671,487	89,009,536	55,454,007	92,513,287	42,506,034
Unrestricted	(53,125,762)	(34,039,466)	(17,828,275)	(23,896,482)	(36,816,231)	(50,681,970)	(158,529,763)	(201,553,597)	(245,184,633)	(216,163,740)
Total net position	\$ 172,426,814	\$ 214,175,607	\$ 252,000,288	\$ 284,278,861	\$ 256,286,109	\$ 271,034,698	\$ 253,853,440	\$ 251,458,663	\$ 252,522,103	\$ 260,800,061

Source: County of Bucks, Pennsylvania, Comprehensive Annual Financial Reports

COUNTY OF BUCKS, PENNSYLVANIA

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Primary Government- Governmental Activities	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Program Expenses										
General government	\$ -48,255,877	\$ 47,330,623	\$ 58,972,861	\$ 46,856,323	\$ 91,591,316	\$ 52,454,349	\$ 66,430,005	\$ 66,110,304	\$ 65,264,698	\$ 61,811,436
Judiciary	46,731,828	48,393,426	49,092,882	54,752,779	58,351,757	63,545,970	67,989,986	66,197,992	65,734,815	63,743,203
Corrections	28,340,933	28,933,636	30,355,089	33,255,114	35,368,917	37,220,613	38,489,415	37,434,942	37,578,263	38,105,157
Authorities	17,897,422	18,672,209	20,447,049	19,747,938	20,038,165	20,553,198	20,531,184	20,857,109	20,604,855	20,460,186
Social services	212,625,960	225,956,458	225,022,409	248,325,978	235,097,807	220,229,893	225,798,807	223,844,221	223,700,942	222,591,974
Bridges	1,646,710	731,925	1,115,553	1,200,417	1,839,018	1,503,949	2,813,243	3,086,309	2,445,315	3,101,909
Health	13,294,754	14,654,476	13,424,791	15,378,311	15,912,950	16,282,095	18,672,969	15,595,944	15,415,371	15,003,734
Public safety	16,566,392	16,755,923	18,485,800	17,227,331	19,321,677	19,568,595	20,275,833	20,742,490	19,949,064	20,011,672
Interest on long-term debt	15,507,809	13,467,979	11,757,310	8,991,097	12,991,408	10,606,612	13,931,424	12,415,243	17,457,157	12,150,315
Total program expenses	\$ 400,867,685	\$ 414,916,655	\$ 428,673,744	\$ 445,735,288	\$ 490,513,015	\$ 441,965,274	\$ 472,932,866	\$ 466,284,554	\$ 468,150,480	\$ 458,979,586
Program Revenues										
Charges for services:										
General government	\$ 13,837,248	\$ 13,180,184	\$ 16,292,147	\$ 15,321,724	\$ 14,481,383	\$ 14,819,851	\$ 14,897,508	\$ 18,322,793	\$ 18,540,036	\$ 16,478,492
Judiciary	11,195,798	11,596,942	12,585,398	13,457,294	14,664,216	14,127,263	13,781,158	14,401,708	15,538,109	15,301,350
Corrections	1,247,589	1,375,705	1,223,180	1,234,559	1,469,048	939,718	929,671	1,223,131	1,085,113	995,684
Authorities	-	-	-	-	-	-	-	-	-	-
Social services	13,935,565	14,529,431	14,101,233	15,966,265	17,413,902	17,678,403	19,616,975	21,277,856	20,701,810	19,837,953
Bridges	-	-	-	-	-	-	-	-	-	855,024
Health	1,611,759	1,884,901	1,696,295	1,537,051	1,410,780	1,446,186	1,443,263	1,550,946	1,691,296	1,796,833
Public safety	5,245,928	4,901,956	4,642,375	7,238,372	3,991,917	8,941,109	10,255,527	8,411,841	11,066,845	12,649,039
Operating grants and contributions:										
General government	3,356,463	2,827,770	1,759,314	3,086,631	924,436	1,204,147	325,699	909,205	2,858,066	1,232,317
Judiciary	9,464,868	8,640,300	8,993,898	8,437,029	9,514,899	8,881,731	9,653,530	8,626,568	10,643,585	8,804,850
Corrections	522,129	403,176	334,636	472,129	314,716	447,892	323,103	276,485	37,297	-
Authorities	1,427,327	2,092,480	1,994,113	2,502,488	2,397,753	2,797,181	2,640,261	2,898,710	-	-
Social services	187,912,068	200,587,664	206,881,369	215,063,068	203,276,023	188,246,135	186,990,297	185,416,239	189,734,509	189,689,255
Bridges	347,416	351,576	578,986	739,310	667,279	706,110	1,144,478	2,399,281	1,751,860	608,780
Health	7,015,169	8,281,055	7,784,164	8,091,663	8,230,118	8,760,965	7,653,450	6,961,795	7,219,979	6,891,832
Public safety	1,476,273	2,715,966	2,117,231	3,352,569	1,569,884	2,939,550	135,861	255,246	306,141	130,232
Capital projects	440,112	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	3,078,077	1,999,441	-	5,497,354	8,526,737	10,248,211	5,449,755	3,415,241	5,092,407
Total program revenues	\$ 259,035,712	\$ 276,447,183	\$ 282,983,780	\$ 296,500,152	\$ 285,823,706	\$ 280,467,978	\$ 280,038,292	\$ 278,381,559	\$ 284,589,887	\$ 280,364,045
Net expense	\$ (141,831,973)	\$ (138,469,472)	\$ (145,689,964)	\$ (149,235,136)	\$ (204,689,309)	\$ (161,502,296)	\$ (192,893,874)	\$ (187,902,995)	\$ (183,560,593)	\$ (178,615,538)

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Continued)

General Revenues and Other Changes in Net Position	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Taxes										
Real estate tax	\$ 156,705,639	\$ 170,342,062	\$ 172,997,312	\$ 175,396,724	\$ 173,341,168	\$ 173,974,589	\$ 174,400,398	\$ 183,686,655	\$ 184,730,262	\$ 183,097,728
Grant and contributions not restricted to specific programs	1,585,128	1,027,252	663,839	886,516	420,287	291,851	-	-	-	-
Unrestricted investment earnings	4,974,208	8,848,951	9,853,494	5,230,469	2,935,105	1,984,445	556,340	472,566	411,050	397,945
Miscellaneous	-	-	-	-	-	-	755,878.0	1,348,997.0	1,065,759.0	1,397,823
Total general revenue	\$ 163,264,975	\$ 180,218,265	\$ 183,514,645	\$ 181,513,709	\$ 176,696,560	\$ 176,250,885	\$ 175,712,616	\$ 185,508,218	\$ 186,207,071	\$ 186,893,496
Net (expense) revenue	\$ 21,433,002	\$ 41,748,793	\$ 37,824,681	\$ 32,278,573	\$ (27,992,749)	\$ 14,748,589	\$ (17,181,258)	\$ (2,394,777)	\$ 2,646,478	\$ 8,277,958

Source: County of Bucks, Pennsylvania, Comprehensive Annual Financial Reports

COUNTY OF BUCKS, PENNSYLVANIA

Fund Balances, Governmental Funds Last Ten Fiscal Years *(modified accrual basis of accounting)*

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General fund					
Reserved	\$ 2,609,994	\$ 1,714,107	\$ 409,157	\$ 232,057	\$ 274,703
Unreserved	25,344,605	51,866,836	69,917,510	73,670,388	63,256,018
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>\$ 27,954,599</u>	<u>\$ 53,580,943</u>	<u>\$ 70,326,667</u>	<u>\$ 73,902,445</u>	<u>\$ 63,530,721</u>
All other governmental funds					
Reserved:					
Debt service funds	\$ 11,099,161	\$ 12,717,844	\$ 11,883,569	\$ 12,634,540	\$ 9,277,817
Capital projects funds	-	-	-	-	-
Unreserved:					
Special revenue funds	1,824,590	3,142,485	5,297,903	5,758,678	5,446,559
Capital projects funds	50,326,098	36,076,307	62,185,106	95,083,164	59,647,010
Non Spendable:					
Debt service funds	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Restricted:					
Debt service funds	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Assigned:					
Debt service funds	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Unassigned:					
Debt service funds	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 63,249,849</u>	<u>\$ 51,936,636</u>	<u>\$ 79,366,578</u>	<u>\$ 113,476,382</u>	<u>\$ 74,371,386</u>
Total fund balances of all governmental funds	<u>\$ 91,204,448</u>	<u>\$ 105,517,579</u>	<u>\$ 149,693,245</u>	<u>\$ 187,378,827</u>	<u>\$ 137,902,107</u>

Note: (1) The County implemented GASB 54 in 2011. The County has elected to not retroactively reclassify fund balance in governmental funds prior to 2011.

Source: County of Bucks, Pennsylvania, Comprehensive Annual Financial Reports

Schedule 3

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 209,801	\$ -	\$ -	\$ -	\$ -
57,798,371	-	-	-	-
-	-	-	-	-
-	1,785,000	500,000	-	-
-	43,855,928	43,271,835	49,053,161	49,656,040
<u>\$ 58,008,172</u>	<u>\$ 45,640,928</u>	<u>\$ 43,771,835</u>	<u>\$ 49,053,161</u>	<u>\$ 49,656,040</u>
\$ 5,202,815	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
3,468,672	-	-	-	-
36,143,643	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	6,285,723	13,080,063
-	1,828,301	403,619	381,241	-
-	1,400,867	37,194	-	-
-	85,780,368	55,013,194	85,846,323	36,319,685
-	-	-	-	-
-	-	-	-	-
-	7,843,579	7,575,939	7,590,709	-
-	-	-	-	(2,436,930)
-	56,652	-	-	-
-	-	-	-	-
<u>\$ 44,815,130</u>	<u>\$ 96,909,767</u>	<u>\$ 63,029,946</u>	<u>\$ 100,103,996</u>	<u>\$ 46,962,818</u>
<u>\$ 102,823,302</u>	<u>\$ 142,550,695</u>	<u>\$ 106,801,781</u>	<u>\$ 149,157,157</u>	<u>\$ 96,618,858</u>

COUNTY OF BUCKS, PENNSYLVANIA

Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years *(modified accrual basis of accounting)*

	Fiscal Year			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues:				
Real estate taxes	\$ 156,824,706	\$ 171,411,950	\$ 172,902,475	\$ 173,391,040
Licenses and fees	37,792,815	37,833,423	40,139,991	43,833,854
Judiciary costs and fines	9,281,072	9,348,177	10,400,637	10,974,010
Intergovernmental	210,920,792	227,476,698	230,764,395	240,522,839
Interest	5,576,603	10,093,438	11,255,055	6,138,711
Other	<u>2,023,766</u>	<u>1,571,649</u>	<u>941,035</u>	<u>1,147,723</u>
Total revenues	<u>422,419,754</u>	<u>457,735,335</u>	<u>466,403,588</u>	<u>476,008,177</u>
Expenditures:				
Current:				
General government	42,759,865	37,666,632	42,390,938	46,938,111
Judiciary	45,944,515	47,598,154	49,904,096	53,801,403
Corrections	27,252,630	27,789,335	29,253,862	31,976,444
Authorities	17,897,422	18,672,209	18,913,957	19,747,938
Social services	211,341,879	224,684,657	233,382,229	246,787,461
Bridges	1,489,008	709,714	946,993	1,026,199
Health	13,292,036	14,648,455	15,153,303	15,310,893
Public safety	15,194,547	15,328,428	15,922,816	15,808,082
Debt service:				
Principal	17,311,000	22,262,000	23,312,000	22,020,000
Interest	12,880,776	14,462,834	13,611,351	11,840,077
Capital projects	<u>9,549,969</u>	<u>19,599,786</u>	<u>24,708,515</u>	<u>28,331,324</u>
Total expenditures	<u>414,913,647</u>	<u>443,422,204</u>	<u>467,500,060</u>	<u>493,587,932</u>
Excess of revenues over (under) expenditures	7,506,107	14,313,131	(1,096,472)	(17,579,755)
Other financing sources (uses):				
Transfers in	18,074,540	18,041,387	21,585,943	24,741,211
Proceeds from loan	-	-	-	-
Issuance of debt	56,215,000	-	44,000,000	64,370,000
Bond discount	-	-	-	-
Issuance of refunding bonds	-	-	-	-
Bond premium	3,788,577	-	1,272,138	2,020,648
Payment to refunded bond escrow agent	(37,591,904)	-	-	(11,125,312)
Transfers out	(18,074,540)	(18,041,387)	(21,585,943)	(24,741,211)
Contribution to pension trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>22,411,673</u>	<u>-</u>	<u>45,272,138</u>	<u>55,265,336</u>
Net change in fund balances	<u>\$ 29,917,780</u>	<u>\$ 14,313,131</u>	<u>\$ 44,175,666</u>	<u>\$ 37,685,581</u>
Debt service as a percentage of noncapital expenditures	7.48%	8.66%	8.40%	7.27%

Schedule 4

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$	173,836,964	\$ 173,483,637	\$ 175,012,541	\$ 183,749,448	\$ 184,861,750	\$ 185,141,716
	40,964,054	46,345,642	48,112,313	50,683,252	52,861,897	51,613,194
	11,987,883	11,606,888	12,811,789	13,608,003	14,143,188	14,932,974
	231,625,482	221,288,523	216,681,202	212,766,741	215,232,060	212,159,479
	3,525,110	2,222,537	714,375	662,444	506,218	373,679
	<u>1,076,566</u>	<u>1,275,684</u>	<u>2,527,771</u>	<u>2,482,681</u>	<u>3,323,333</u>	<u>3,081,190</u>
	<u>463,016,059</u>	<u>456,222,911</u>	<u>455,859,991</u>	<u>463,952,569</u>	<u>470,928,446</u>	<u>467,302,232</u>
	56,783,539	54,748,710	56,518,099	54,366,211	57,080,210	53,551,192
	57,454,636	62,907,760	66,562,244	64,388,101	64,463,835	64,423,434
	33,967,624	36,333,379	37,159,001	36,076,663	36,269,421	36,833,472
	20,038,165	20,553,198	20,531,184	20,857,109	20,604,855	20,460,186
	233,791,777	219,384,008	224,424,546	222,330,904	222,407,294	221,300,715
	1,642,042	1,491,172	2,805,264	3,070,090	2,437,183	3,093,777
	15,903,338	16,250,189	16,583,421	15,509,461	15,330,278	14,918,268
	17,821,175	18,616,597	18,075,091	18,025,554	18,070,032	17,385,772
	22,415,000	16,477,000	16,945,000	19,358,000	20,700,000	25,798,000
	14,884,560	14,536,331	14,169,141	16,645,995	15,139,806	16,196,266
	<u>37,790,923</u>	<u>30,003,372</u>	<u>27,766,432</u>	<u>29,073,395</u>	<u>46,707,954</u>	<u>45,879,449</u>
	<u>512,492,779</u>	<u>491,301,716</u>	<u>501,539,423</u>	<u>499,701,483</u>	<u>519,210,868</u>	<u>519,840,531</u>
	(49,476,720)	(35,078,805)	(45,679,432)	(35,748,914)	(48,282,422)	(52,538,299)
	23,682,688	18,040,570	22,739,634	21,291,591	20,758,786	19,279,166
	-	-	75,065,000	-	-	-
	-	-	-	-	80,300,000	-
	-	-	-	-	-	-
	-	-	-	-	59,615,000	-
	-	-	10,341,825	-	10,026,839	-
	-	-	-	-	(59,304,041)	-
	<u>(23,682,688)</u>	<u>(18,040,570)</u>	<u>(22,739,634)</u>	<u>(21,291,591)</u>	<u>(20,758,786)</u>	<u>(19,279,166)</u>
	-	-	85,406,825	-	90,637,798	-
\$	<u>(49,476,720)</u>	<u>(35,078,805)</u>	<u>\$ 39,727,393</u>	<u>\$ (35,748,914)</u>	<u>\$ 42,355,376</u>	<u>\$ (52,538,299)</u>
	7.70%	6.72%	6.57%	7.65%	7.59%	8.86%

COUNTY OF BUCKS, PENNSYLVANIA

Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

<u>Fiscal Year</u>	<u>Real Estate Tax</u>	<u>Personal Property Tax</u>	<u>Total</u>
2005	156,824,706	-	156,824,706
2006	171,411,950	-	171,411,950
2007	172,902,475	-	172,902,475
2008	173,391,040	-	173,391,040
2009	173,836,964	-	173,836,964
2010	173,483,638	-	173,483,638
2011	175,012,541	-	175,012,541
2012	183,749,448	-	183,749,448
2013	184,861,750	-	184,861,750
2014	185,141,716	-	185,141,716

Source: County of Bucks, Pennsylvania, Comprehensive Annual Financial Reports

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COUNTY OF BUCKS, PENNSYLVANIA

Assessed Value and Estimated Actual Value of Taxable Real Property Last Ten Fiscal Years Unaudited (Dollars in Thousands)

Property Value (1)

Year	Residential	Commercial	Farm	Industrial	Tax Exempt Property
2005 (3)	6,943,119	1,106,621	197,255	365,899	852,350
2006 (3)	7,080,551	1,119,793	198,292	360,625	867,403
2007 (3)	7,172,133	1,127,073	200,764	355,056 (2)	888,375
2008 (3)	6,316,892	1,130,153	204,293	353,655 (2)	902,657
2009 (3)	6,300,078 (2)	1,125,400 (2)	206,688	344,383 (2)	914,211
2010 (3)	6,268,965 (2)	1,155,652	208,249	341,990 (2)	919,165
2011 (3)	6,299,184	1,149,387	210,949	337,548 (2)	949,566
2012 (3)	6,309,474	1,147,746 (2)	212,155	334,739 (2)	925,160
2013 (3)	6,387,940	1,217,860	219,938	333,254 (2)	778,625
2014 (3)	6,372,115	1,161,690	214,642	331,754 (2)	942,440

- Notes:
- (1) Assessment values are as of January 1.
 - (2) The assessment base decrease was the result of annual appeal reductions.
 - (3) County ratio adjusted from 25% to 100% of 1972 base year.
 - (4) Total assessed value.

Sources: County Board of Assessment

Governmental and Institutional Taxable	Total Taxable Assessed Value		Tax Rate	Estimated Actual Taxable Value	Assessed Value As A Percentage Of Actual Value
17,447	9,482,691	(4)	20.49	77,250,859	12.3%
17,030	9,643,694	(4)	21.94	85,482,932	11.3%
15,345	9,758,746	(4)	21.94	86,123,602	11.3%
15,055	8,020,048		21.94	86,916,233	9.2%
14,141	7,990,690	(2)	21.94	73,309,083	10.9%
14,986	7,989,842	(2)	21.94	73,266,851	10.9%
14,724	8,014,285		21.94	70,922,875	11.3%
49,169	8,053,283		23.20	74,567,527	10.8%
67,641	8,226,636		23.20	74,787,600	11.0%
18,785	8,104,154		23.20	75,038,463	10.8%

COUNTY OF BUCKS, PENNSYLVANIA

Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
Unaudited
(Dollars in Thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
TOTAL COUNTY DIRECT RATE	20.49	21.94	21.94	21.94	21.94	21.94	21.94	23.20	23.20	23.20
General County	14.88	16.06	16.06	16.53	16.58	17.51	17.45	17.84	17.75	17.25
Debt Service	4.58	4.83	4.83	4.35	4.27	3.36	3.44	4.31	4.40	4.90
Community College	1.03	1.05	1.05	1.06	1.09	1.07	1.05	1.05	1.05	1.05
School District Rates										
Bensalem Township	111.33	120.33	126.00	130.40	134.00	139.47	141.43	144.35	144.35	148.97
Bristol Borough	88.75	101.40	114.00	120.00	120.00	138.00	154.00	154.00	154.00	154.00
Bristol Township	159.98	169.40	171.18	176.45	177.07	185.28	188.31	192.27	196.50	201.80
Centennial	73.50	88.45	91.45	96.45	102.70	108.54	113.58	116.07	118.04	122.17
Central Bucks	97.92	102.03	105.87	110.50	114.80	119.20	120.80	122.80	122.80	124.10
Council Rock	94.28	97.60	101.46	105.41	107.96	110.68	110.68	112.56	114.02	114.72
Morrisville Borough	159.10	182.80	205.10	187.30	177.30	177.30	177.30	177.30	180.31	187.87
Neshaminy	133.90	137.40	142.30	148.60	152.00	152.00	152.00	152.00	152.00	152.00
New Hope/Solebury	67.68	68.33	71.83	76.70	79.84	82.15	83.30	84.72	86.15	87.97
Palisades	85.38	92.38	95.38	100.00	104.10	108.85	110.34	110.34	110.34	110.34
Pennridge	96.70	104.49	111.69	116.60	119.55	123.02	123.02	123.02	125.11	129.62
Pennsbury	128.60	134.70	139.40	145.00	148.80	150.30	150.30	150.30	150.30	153.45
Quakertown	115.75	118.21	120.09	125.50	125.50	138.37	140.25	141.51	143.92	146.65
Borough Rates										
Bristol	31.25	49.89	49.89	49.89	49.89	49.89	49.89	49.89	49.89	56.64
Chalfont	7.50	9.50	9.50	11.50	11.50	12.00	13.00	13.50	15.50	15.50
Doylestown	7.98	7.98	8.73	8.73	10.73	10.73	11.23	11.23	12.73	12.73
Dublin	7.50	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	13.00
Hulmeville	7.35	7.35	8.25	8.25	8.52	9.97	9.97	9.97	9.97	12.75
Ivyland	8.50	10.50	11.50	11.25	12.50	12.50	13.50	13.50	13.50	13.50
Langhorne	12.20	12.20	12.20	12.20	12.20	12.20	12.20	12.20	14.20	14.20
Langhorne Manor	9.38	9.38	9.88	9.88	9.88	9.88	9.88	9.38	9.38	12.28
Morrisville	24.88	24.88	30.38	35.93	39.43	39.93	40.93	40.93	40.93	44.56
New Britain	12.88	12.88	15.88	15.88	21.88	21.88	21.88	21.88	22.63	23.63
New Hope	9.38	9.73	9.73	9.73	11.73	11.73	11.73	12.23	12.23	12.23
Newtown	6.00	6.00	6.00	6.00	6.00	6.00	6.00	9.00	9.00	9.00
Penn-del	9.00	9.00	9.00	10.50	10.50	12.00	12.50	15.50	18.50	20.00
Perkasie	3.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75
Quakertown	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63	1.63
Richlandtown	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	5.00
Riegelsville	5.50	6.25	7.75	8.75	9.75	11.25	11.25	11.75	12.25	12.75
Sellerville	6.33	6.33	7.33	8.33	9.33	12.00	16.00	16.00	17.50	18.00
Silverdale	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Telford	4.07	4.27	4.27	4.52	4.61	4.61	4.63	5.31	5.59	5.33
Trumbauersville	3.25	3.25	3.25	3.25	3.25	2.50	2.50	2.50	2.50	2.50
Tullytown	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50
Yardley	15.60	16.73	16.74	16.74	16.74	16.74	16.74	16.73	16.73	16.73

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

Property Tax Rates Direct and Overlapping Governments Last Ten Fiscal Years Unaudited (Dollars in Thousands) (Continued)

Township Rates	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Bedminster	8.50	8.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Bensalem	17.50	18.50	18.50	18.50	18.50	18.50	19.50	19.50	19.50	19.50
Bridgeton	3.00	3.00	3.00	3.00	3.00	6.00	6.00	6.00	6.00	6.00
Bristol	14.61	19.61	19.61	19.61	20.99	23.99	23.99	23.99	23.99	23.99
Buckingham	3.75	1.75	1.25	1.25	1.50	5.50	5.50	5.50	5.50	5.50
Doylestown	7.00	7.00	7.00	7.00	7.25	7.25	10.25	10.25	10.25	10.25
Durham	0.83	0.83	0.83	0.83	0.83	2.00	4.00	4.00	4.00	4.00
East Rockhill	3.03	3.78	5.28	4.28	5.23	7.49	7.49	8.14	8.14	8.14
Falls	7.72	7.72	7.72	7.22	7.22	7.22	7.22	7.22	7.22	7.22
Haycock	1.25	1.25	1.25	1.25	2.50	4.00	5.00	5.00	6.00	6.00
Hilltown	6.75	6.75	6.75	6.75	6.75	6.75	8.75	8.75	8.75	8.75
Lower Makefield	11.07	12.87	12.87	14.87	15.12	15.12	15.12	15.12	15.12	15.12
Lower Southampton	14.80	13.58	13.58	14.08	14.08	14.08	14.08	14.08	14.08	14.08
Middletown	9.78	11.28	13.34	14.84	15.84	17.57	17.57	17.57	17.57	17.57
Milford	2.00	2.00	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
New Britain	10.81	11.06	11.06	11.06	11.06	11.06	12.06	12.06	12.06	12.06
Newtown	2.63	2.63	2.63	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Nockamixon	1.00	1.00	1.00	1.00	1.00	6.50	6.00	6.00	6.00	6.00
Northampton	4.66	6.31	7.31	9.06	10.14	11.14	11.14	11.14	11.14	12.93
Plumstead	9.00	9.00	9.00	9.00	9.75	13.25	13.25	13.25	13.25	13.94
Richland	2.50	2.50	2.50	2.50	9.50	9.50	9.50	9.50	9.50	11.30
Solebury	9.40	10.50	14.10	14.10	15.60	15.35	19.06	19.56	19.56	19.56
Springfield	2.50	3.50	3.50	3.50	3.50	3.50	3.50	4.50	4.50	6.00
Tinicum	4.75	4.75	5.25	6.00	7.50	8.50	8.50	8.50	8.50	8.50
Upper Makefield	9.41	12.85	12.49	12.35	12.35	13.35	13.35	12.85	12.85	12.85
Upper Southampton	15.38	15.88	15.88	17.88	17.88	18.88	21.88	21.88	21.88	21.88
Warminster	8.07	12.07	12.07	12.07	12.07	12.07	17.07	17.07	17.07	17.07
Warrington	5.15	6.15	8.45	8.45	11.55	11.55	11.55	11.55	12.22	12.84
Warwick	8.50	10.25	10.25	11.25	13.25	15.25	15.25	15.25	15.25	15.25
West Rockhill	4.25	4.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25
Wrightstown	6.05	6.92	6.92	6.92	6.92	6.58	6.58	6.58	6.58	5.33

Note: Overlapping rates are those of county, school, and municipal governments that apply to property owners within the County of Bucks.

Source: Bucks County Board of Assessment

COUNTY OF BUCKS, PENNSYLVANIA

Principal Property Taxpayers
December 31, 2014
Unaudited

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Keystone Turf Club, Inc.	\$ 54,389,220	1	.67%	\$ 12,101,920	3	.16%
McStome, Inc. c/o Kravco, Inc.	19,336,660	2	.24%	23,226,840	1	.30%
Neshaminy Mall Joint Venture Ltd.	9,830,000	3	.12%	11,630,360	4	.15%
Korman Financing Partnership, LP	8,222,240	4	.10%	12,194,520	2	.16%
Doylestown Hospital	7,289,660	5	.09%	9,530,430	5	.12%
KRT Properties Holding, Inc.	6,751,630	6	.08%	7,695,280	6	.10%
Open Door Estates	6,741,880	7	.08%	6,741,880	9	.09%
F Greek Bristol Properties, LP	6,713,980	8	.08%	6,673,040	10	.09%
Oxford Valley Road Associates	6,314,040	9	.08%			
Salem Harbour Assoc	5,451,040	10	.07%			
Rohm & Haas Co.				7,214,870	7	.09%
Realty Associates Fund IV L.P.				7,146,760	8	.09%
	<u>\$ 131,040,350</u>		<u>1.61%</u>	<u>\$ 104,155,900</u>		<u>1.35%</u>

Source: County Board of Assessment

COUNTY OF BUCKS, PENNSYLVANIA

REAL ESTATE AND PERSONAL PROPERTY
TAX LEVIES AND REVENUESLast Ten Years
Unaudited

<u>Year Ended</u> <u>December 31,</u>	<u>Total Tax Levy</u> <u>(1)</u>	<u>Current Tax</u> <u>Revenues (2)</u>	<u>Percent of</u> <u>Levy</u> <u>Collected</u>	<u>Delinquent Tax</u> <u>Revenues (3)</u>	<u>Total Tax</u> <u>Revenues</u>	<u>Percent of</u> <u>Total Tax</u> <u>Revenues</u> <u>To Levy</u>	<u>Outstanding</u> <u>Taxes</u>	<u>Percent of</u> <u>Outstanding</u> <u>Taxes to Levy</u>
Real Estate:								
2005	158,743,409	155,137,709	97.7%	1,686,996	156,824,705	98.8%	5,852,156	3.7%
2006	172,945,269	169,385,711	97.9%	2,026,239	171,411,950	99.1%	5,191,969	3.0%
2007	174,970,281	170,886,818	97.7%	2,015,657	172,902,475	98.8%	5,112,349	2.9%
2008	176,121,212	169,986,374	96.5%	3,404,666	173,391,040	98.4%	6,960,791	4.0%
2009	176,502,344	172,557,863	97.8%	1,279,101	173,836,964	98.5%	6,333,634	3.6%
2010	176,351,610	172,098,927	97.6%	1,384,711	173,483,638	98.4%	6,859,309	3.9%
2011	176,262,358	172,534,988	97.9%	2,477,553	175,012,541	99.3%	6,284,509	3.6%
2012	187,059,074	180,414,043	96.4%	3,335,405	183,749,448	98.2%	6,425,066	3.4%
2013	187,034,095	180,697,304	96.6%	4,164,446	184,861,750	98.8%	6,287,552	3.4%
2014	187,754,567	181,625,834	96.7%	3,515,882	185,141,716	98.6%	6,255,613	3.3%

- Notes: (1) Includes additions to duplicate.
(2) Includes discounts, penalties, rebates, and error adjustments.
(3) Includes penalties and adjustments.
(4) Personal Property tax levy was eliminated effective January 1, 1988.

Source: County of Bucks, Pennsylvania, Comprehensive Annual Financial Reports

COUNTY OF BUCKS, PENNSYLVANIA

**Ratios of Outstanding Debt
Last Ten Fiscal Years
Unaudited**

<u>Governmental Activities</u>								
Fiscal Year	General Obligation Bond	Lease Rental Bond Debt	Capital Equipment Lease	Total Primary Government	Taxable Assessed Valuation (1)	Percentage of Actual Value Of Taxable Property	Debt Per Capita	Percentage of Personal Income
2005 (2)	221,194,000	17,897,843	-	239,091,843	7,647,835	0.31%	384.80	0.86%
2006 (2)	198,932,000	16,762,843	-	215,694,843	7,778,947	0.25%	346.11	N/A
2007 (2)	219,620,000	15,195,000	-	234,815,000	7,909,951	0.27%	378.04	0.74%
2008 (2)	250,890,000	14,590,000	-	265,480,000	7,982,750	0.31%	427.06	0.86%
2009 (2)	228,475,000	41,739,000	-	270,214,000	8,019,889	0.37%	431.64	0.82%
2010 (2)	211,998,000	38,817,183	-	250,815,183	7,989,842	0.31%	401.14	0.76%
2011 (2)	270,118,000	35,885,744	-	306,003,744	8,014,285	0.26%	488.16	N/A
2012	250,760,000	32,834,922	-	283,594,922	8,053,283	0.28%	452.27	0.83%
2013	316,460,000	29,677,303	-	346,137,303	8,226,636	0.24%	550.75	0.97%
2014	290,482,000	26,368,553	-	316,850,553	8,104,154	0.26%	505.60	0.87%

Note: (1) Dollars in Thousands.

(2) The County ratio was adjusted from 25% to 100% of 1972 base year.

N/A - Information not available

COUNTY OF BUCKS, PENNSYLVANIA

**Ratios of General
and Lease Rental Debt Outstanding
Last Ten Fiscal Years
Unaudited**

<u>Governmental Activities</u>						
<u>Fiscal Year</u>	<u>General Obligation Bond</u>	<u>Lease Rental Debt</u>	<u>Total</u>	<u>Percentage of Actual Value Of Taxable Property</u>	<u>Debt Per Capita</u>	<u>Percentage of Personal Income</u>
2005 (1)	221,194,000	17,897,843	239,091,843	0.31%	384.80	0.86%
2006 (1)	198,932,000	16,762,843	215,694,843	0.25%	346.11	N/A
2007 (1)	219,620,000	15,195,000	234,815,000	0.27%	378.04	0.74%
2008 (1)	250,890,000	14,590,000	265,480,000	0.31%	427.06	0.86%
2009 (1)	228,475,000	41,739,000	270,214,000	0.37%	431.64	0.82%
2010 (1)	211,998,000	38,817,183	250,815,183	0.31%	401.14	0.76%
2011 (1)	270,118,000	35,885,744	306,003,744	0.26%	488.16	N/A
2012 (1)	250,760,000	32,834,922	283,594,922	0.28%	452.27	0.83%
2013 (1)	316,460,000	29,677,303	346,137,303	0.24%	550.75	0.97%
2014 (1)	290,482,000	26,368,553	316,850,553	0.26%	505.60	0.87%

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) The County ratio was adjusted from 25% to 100% of 1972 base year.

COUNTY OF BUCKS, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt As of December 31, 2014

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
School Districts			
Bensalem Township	\$ 121,946,357	100.0%	\$ 121,946,357
Bristol Borough	25,842,543	100.0%	25,842,543
Bristol Township	5,019,213	100.0%	5,019,213
Centennial	128,333,984	100.0%	128,333,984
Central Bucks	151,998,840	100.0%	151,998,840
Council Rock	154,898,351	100.0%	154,898,351
Morrisville Borough	6,791,783	100.0%	6,791,783
Neshaminy	87,477,827	100.0%	87,477,827
New Hope/Solebury	21,664,240	100.0%	21,664,240
Palisades	21,162,156	100.0%	21,162,156
Pennridge	118,364,124	100.0%	118,364,124
Pennsbury	144,920,093	100.0%	144,920,093
Quakertown	113,382,000	100.0%	113,382,000
Total school districts	<u>\$ 1,101,801,511</u>		<u>\$ 1,101,801,511</u>
Boroughs			
Bristol	\$ 7,430,432	100.0%	\$ 7,430,432
Chalfont	61,462	100.0%	61,462
Doylestown	1,417,036	100.0%	1,417,036
Dublin	-	100.0%	-
Hulmeville	-	100.0%	-
Ivyland	-	100.0%	-
Langhorne	-	100.0%	-
Langhorne Manor	-	100.0%	-
Morrisville	N/A	100.0%	N/A
New Britain	-	100.0%	-
New Hope	-	100.0%	-
Newtown	-	100.0%	-
Pennel	301,871	100.0%	301,871
Perkasie	5,429,385	100.0%	5,429,385
Quakertown	7,652,777	100.0%	7,652,777
Richlandtown	-	100.0%	-
Riegelsville	-	100.0%	-
Sellersville	923,553	100.0%	923,553
Silverdale	-	100.0%	-
Telford	480,988	100.0%	480,988
Trumbauersville	-	100.0%	-
Tullytown	-	100.0%	-
Yardley	-	100.0%	-
Total boroughs	<u>\$ 23,697,504</u>		<u>\$ 23,697,504</u>

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt
As of December 31, 2014
Unaudited
(Continued)

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Townships			
Bedminster	\$ 3,092,814	100.0%	\$ 3,092,814
Bensalem	39,733,000	100.0%	39,733,000
Bridgeton	-	100.0%	-
Bristol	39,190,359	100.0%	39,190,359
Buckingham	14,522,208	100.0%	14,522,208
Doylestown	1,436,915	100.0%	1,436,915
Durham	-	100.0%	-
East Rockhill	2,882,616	100.0%	2,882,616
Falls	-	100.0%	-
Haycock	-	100.0%	-
Hilltown	-	100.0%	-
Lower Makefield	34,419,772	100.0%	34,419,772
Lower Southampton	9,745,000	100.0%	9,745,000
Middletown	26,998,518	100.0%	26,998,518
Milford	3,757,601	100.0%	3,757,601
New Britain	1,067,828	100.0%	1,067,828
Newtown	7,537,220	100.0%	7,537,220
Nockamixon	-	100.0%	-
Northampton	16,331,873	100.0%	16,331,873
Plumstead	19,573,096	100.0%	19,573,096
Richland	4,026,036	100.0%	4,026,036
Solebury	27,361,714	100.0%	27,361,714
Springfield	4,596,622	100.0%	4,596,622
Tinicum	7,141,993	100.0%	7,141,993
Upper Makefield	14,104,345	100.0%	14,104,345
Upper Southampton	-	100.0%	-
Warminster	-	100.0%	-
Warrington	39,683,066	100.0%	39,683,066
Warwick	6,787,262	100.0%	6,787,262
West Rockhill	3,589,698	100.0%	3,589,698
Wrightstown	-	100.0%	-
Total townships	<u>\$ 327,579,556</u>		<u>\$ 327,579,556</u>
Total overlapping debt			<u>\$ 1,453,078,571</u>
County of Bucks direct debt			<u>316,850,553</u>
Total direct and overlapping debt			<u>\$ 1,769,929,124</u>

Note: Overlapping rates are those of county, school, and municipal governments that apply to property owners within the County of Bucks.

COUNTY OF BUCKS, PENNSYLVANIA

Legal Debt Margin Information Last Ten Fiscal Years Unaudited

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<u>Borrowing Base Revenues (1):</u>				
Two years prior	\$ 360,523,399	\$ 397,339,369	\$ 429,996,691	\$ 452,890,419
Prior year	397,339,369	429,996,691	452,890,419	516,230,910
Current Year	<u>429,996,691</u>	<u>452,890,419</u>	<u>516,230,910</u>	<u>464,830,652</u>
Total borrowing base revenues	<u>\$ 1,187,859,459</u>	<u>\$ 1,280,226,479</u>	<u>\$ 1,399,118,020</u>	<u>\$ 1,433,951,981</u>
Average borrowing base revenues	<u>\$ 395,953,153</u>	<u>\$ 426,742,160</u>	<u>\$ 466,372,673</u>	<u>\$ 477,983,994</u>
<u>Debt Limit For General Obligation Bonds:</u>				
Average borrowing base revenues	\$ 395,953,153	\$ 426,742,160	\$ 466,372,673	\$ 477,983,994
Debt limit percent	x 300%	x 300%	x 300%	x 300%
Debt limit	1,187,859,459	1,280,226,479	1,399,118,020	1,433,951,981
Total amount of debt applicable to debt limit (2)	<u>(215,285,022)</u>	<u>(217,052,021)</u>	<u>(218,690,979)</u>	<u>(249,565,178)</u>
Legal debt margin	<u>\$ 972,574,437</u>	<u>\$ 1,063,174,458</u>	<u>\$ 1,180,427,041</u>	<u>\$ 1,184,386,803</u>
Total net debt applicable to the limit as a percentage of debt limit	18.12%	16.95%	15.63%	17.40%
<u>Debt Limit For General Obligation Bonds and Lease Rental Debt:</u>				
Average borrowing base revenues	\$ 395,953,153	\$ 426,742,160	\$ 466,372,673	\$ 477,983,994
Debt limit percent	x 400%	x 400%	x 400%	x 400%
Debt limit	1,583,812,612	1,706,968,639	1,865,490,693	1,911,935,975
Total amount of debt applicable to debt limit	<u>(232,932,865)</u>	<u>(234,073,270)</u>	<u>(243,675,619)</u>	<u>(264,078,136)</u>
Legal debt margin	<u>\$ 1,350,879,747</u>	<u>\$ 1,472,895,369</u>	<u>\$ 1,621,815,074</u>	<u>\$ 1,647,857,839</u>
Total net debt applicable to the limit as a percentage of debt limit	14.71%	13.71%	13.06%	13.81%

Notes: (1) Borrowing base revenues represent total revenues less nonrecurring governmental fund type revenues excluding component units.

(2) Debt includes general obligation bonds of the County net of delinquent taxes and liens collectible.

Source: County of Bucks, Pennsylvania, Comprehensive Annual Financial Report

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$	516,230,910	\$ 464,830,652	\$ 460,560,281	\$ 470,872,941	\$ 464,766,172	\$ 465,542,162
	464,830,652	460,560,281	470,872,941	464,766,172	465,542,162	455,939,059
	<u>460,560,281</u>	<u>470,872,941</u>	<u>464,766,172</u>	<u>465,542,162</u>	<u>455,939,059</u>	<u>488,513,499</u>
\$	<u>1,441,621,843</u>	\$ <u>1,396,263,874</u>	\$ <u>1,396,199,394</u>	\$ <u>1,401,181,275</u>	\$ <u>1,386,247,393</u>	\$ <u>1,409,994,720</u>
\$	<u>480,540,614</u>	\$ <u>465,421,291</u>	\$ <u>465,399,798</u>	\$ <u>467,060,425</u>	\$ <u>462,082,464</u>	\$ <u>469,998,240</u>
\$	480,540,614	\$ 465,421,291	\$ 465,399,798	\$ 467,060,425	\$ 462,082,464	\$ 469,998,240
x	<u>300%</u>	x <u>300%</u>	x <u>300%</u>	x <u>300%</u>	x <u>300%</u>	x <u>300%</u>
	1,441,621,843	1,396,263,874	1,396,199,394	1,401,181,275	1,386,247,393	1,409,994,720
	<u>(227,394,877)</u>	<u>(211,097,064)</u>	<u>(269,234,701)</u>	<u>(249,687,467)</u>	<u>(315,350,543)</u>	<u>(289,249,661)</u>
\$	<u>1,214,226,966</u>	\$ <u>1,185,166,810</u>	\$ <u>1,126,964,693</u>	\$ <u>1,151,493,808</u>	\$ <u>1,070,896,850</u>	\$ <u>1,120,745,059</u>
	15.77%	15.12%	19.28%	17.82%	22.75%	20.51%
\$	480,540,614	\$ 465,421,291	\$ 465,399,798	\$ 467,060,425	\$ 462,082,464	\$ 469,998,240
x	<u>400%</u>	x <u>400%</u>	x <u>400%</u>	x <u>400%</u>	x <u>400%</u>	x <u>400%</u>
	1,922,162,457	1,861,685,165	1,861,599,192	1,868,241,700	1,848,329,857	1,879,992,960
	<u>(268,936,555)</u>	<u>(249,749,284)</u>	<u>(305,003,097)</u>	<u>(282,381,950)</u>	<u>(344,923,802)</u>	<u>(315,506,348)</u>
\$	<u>1,653,225,902</u>	\$ <u>1,611,935,881</u>	\$ <u>1,556,596,095</u>	\$ <u>1,585,859,750</u>	\$ <u>1,503,406,055</u>	\$ <u>1,564,486,612</u>
	13.99%	13.42%	16.38%	15.11%	18.66%	16.78%

COUNTY OF BUCKS, PENNSYLVANIA

Demographic and Economic Statistics Last Ten Fiscal Years Unaudited

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income</u>	<u>Median Age (3)</u>	<u>Public School Enrollment (4)</u>	<u>Local Unemployment Rate (5)</u>
2005	619,772	27,855,839	44,945	40	93,307	4.1%
2006	623,205	N/A	48,783	N/A	93,144	4.0%
2007	621,144	31,758,600	51,129	N/A	93,197	3.8%
2008	621,643	31,046,441	49,943	41	92,564	4.8%
2009	626,015	33,034,820	52,770	41	91,963	7.2%
2010	625,249	32,999,810	52,478	42	90,835	7.9%
2011	626,854	N/A	N/A	41	89,985	7.3%
2012	627,053	34,232,169	54,609	42	91,249	7.4%
2013	628,487	35,540,382	56,678	44	88,640	6.9%
2014	626,685	36,347,753	57,973	42	88,226	5.2%

Sources: (1) Obtained from the Bureau of Census
 (2) Dollars in Thousands
 (3) Obtained from the United States Department of Commerce, Bureau of Census
 (4) Pennsylvania Department of Education
 (5) PA Department of Labor and Industry

N/A - Information not available

COUNTY OF BUCKS, PENNSYLVANIA

Principal Employers December 31, 2014 Unaudited

<u>Employer</u>	<u>2014</u>			<u>2005</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
St. Mary Medical Center	N/A	1	N/A	N/A	3	N/A
Giant Food Stores	N/A	2	N/A			
Central Bucks School District	N/A	3	N/A	N/A	1	N/A
Doylestown Hospital	N/A	4	N/A	N/A	6	N/A
Northtec LLC	N/A	5	N/A	N/A	4	N/A
Bucks County	N/A	6	N/A	N/A	2	N/A
Woods Services	N/A	7	N/A	N/A	9	N/A
Wal-Mart Associates Inc	N/A	8	N/A	N/A	8	N/A
Grand View Health	N/A	9	N/A			
Pennsbury School District	N/A	10	N/A	N/A	7	N/A
Healthcare Services				N/A	5	N/A
Council Rock School District				N/A	10	N/A
	0		N/A	0		N/A
Total Employees in County	318,156			327,163		

Source: Center for Workforce Information & Analysis as of 3rd Quarter 2014
Center for Workforce Information & Analysis as of 4th Quarter 2005

N/A - Not available

COUNTY OF BUCKS, PENNSYLVANIA

Full-time Equivalent County Government Employees by Function
Direct and Overlapping Governments
Last Ten Fiscal Years
Unaudited

Function	Full-time Equivalent Employees as of December 31									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government										
Commissioners	9	9	8	10	10	10	9	9	9	8
Solicitor	7	7	7	8	8	8	8	8	8	8
Voter Registration	11	10	11	12	10	10	11	10	9	9
Board of Assessment	33	30	32	31	30	32	31	27	25	23
Consumer Protection	9	9	9	9	9	9	7	6	6	6
Treasurer	10	9	10	11	11	11	11	11	11	11
Tax Claim	7	7	7	5	6	8	8	6	6	6
Controller	29	29	31	30	29	28	30	27	27	23
Voting Machines	4	4	4	4	4	4	3	3	3	3
Planning Commission	33	34	32	31	33	33	32	28	25	25
Recorder of Deeds	26	26	26	26	27	26	23	23	21	22
Central Telephone & Service	1	2	2	2	2	2	2	-	-	-
Information Systems	48	50	51	51	53	48	45	38	37	35
Purchasing	7	7	8	8	8	8	7	7	6	4
Microfilming & Reproduction	6	6	6	6	5	6	5	5	5	5
Public Information	7	7	7	7	7	6	6	6	5	4
ERP	-	2	2	2	2	4	4	4	3	3
Fire Marshall	3	4	4	4	4	4	4	3	2	3
Finance	6	6	7	8	7	7	7	6	6	5
Public Works	147	148	150	158	156	111	106	101	90	86
Human Resources	11	11	10	8	10	10	10	9	9	7
Mail Room	2	2	2	2	2	2	2	2	1	1
Public Defender	36	36	37	36	36	36	36	35	34	37
Military Affairs	3	3	3	3	3	3	3	3	3	3
Community Development	7	6	8	8	8	7	8	7	6	6
Parks and Recreation	36	36	36	37	37	39	38	35	33	31
Total General Government	498	500	510	517	517	472	456	419	390	374
Judiciary										
Register of Wills	22	20	22	20	21	21	18	19	17	17
Sheriff	68	68	67	65	67	72	69	66	64	69
Coroner	5	5	5	8	8	8	8	8	7	7
Prothonotary	30	30	29	29	30	30	29	29	25	25
Clerk of Courts	23	22	24	25	25	24	25	25	24	24
Domestic Relations	86	88	86	89	88	88	87	83	82	82
District Attorney	71	72	75	76	78	79	78	78	70	71
Law Library	2	2	2	2	2	2	2	2	2	2
Courts	85	85	84	85	81	84	86	85	76	71
Jury Commissioners	2	2	2	2	2	2	2	2	-	-
Crime Lab	3	3	3	3	3	4	5	5	3	5
Court Stenographers	20	20	20	21	21	21	20	20	20	21
Adult Probation and Parole	59	61	60	69	72	68	71	69	67	70
Juvenile Probation & Parole	49	50	50	51	51	49	51	49	44	46
District Courts	103	105	106	121	112	108	105	106	93	97
Total Judiciary	628	633	635	666	661	660	656	646	594	607

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

Full-time Equivalent County Government Employees by Function Direct and Overlapping Governments Last Ten Fiscal Years Unaudited (Continued)

Full-time Equivalent Employees as of December 31										
Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Corrections										
Corrections - Administration	17	17	17	16	16	17	18	18	16	15
Women's Community Correction Center	11	10	10	10	10	10	9	9	9	7
Prison	236	240	244	250	254	256	253	244	240	252
Men's Community Correction Center	66	66	66	62	67	67	66	66	62	62
Total Corrections	330	333	337	338	347	350	346	337	327	336
Health										
Health Dept-Admin-State	8	7	7	7	6	6	6	5	5	5
Health Dept-Admin-County	107	106	117	113	117	114	113	105	78	80
Emergency Health	6	6	6	6	6	6	6	5	5	5
Total Health	121	119	130	126	129	126	125	115	88	90
Public Safety										
Emergency Management	5	5	5	5	3	4	4	2	4	2
Police Training	1	1	1	1	1	1	1	1	1	1
Security	27	27	25	26	24	27	27	27	23	25
Hazardous Material	2	2	2	2	2	2	2	2	1	2
Emergency Reponse/911	129	130	129	126	131	133	136	127	124	121
Total Public Safety	164	165	162	160	161	167	170	159	153	151
Social Services										
Guardian Ad Litem	6	6	6	6	6	6	6	6	6	6
Human Services	4	4	3	3	3	4	4	4	2	4
Children & Youth	171	175	177	179	173	180	179	177	172	169
Youth Center	67	66	66	68	68	68	70	72	70	69
Juvenile Probation & Parole	9	9	9	9	9	9	8	8	8	8
Neshaminy Manor	302	302	308	301	309	367	362	341	336	336
Area Agency on Aging	51	53	55	54	54	55	53	51	48	45
MH/Developmental Programs	45	44	44	44	42	50	50	45	41	40
Behavioral Health	-	-	-	-	-	-	-	-	4	6
Total Social Services	655	659	668	664	664	739	732	704	687	683
	2,396	2,409	2,442	2,471	2,479	2,514	2,485	2,380	2,239	2,241

COUNTY OF BUCKS, PENNSYLVANIA

Operating Indicators by Function
Last Ten Fiscal Years
Unaudited

<u>Function</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government										
Fiscal Affairs										
Property transfers recorded	19,150	15,832	14,019	11,913	10,913	10,607	10,172	11,690	13,172	12,510
Subdivision plans filed	412	375	434	395	239	269	171	181	200	148
New building permits received	2,104	1,552	1,359	1,110	459	440	418	561	841	758
Administration										
General election information										
Registered voters	408,513	415,467	416,609	444,962	430,463	434,183	420,769	435,735	429,036	432,509
Votes cast	121,860	236,874	122,023	335,982	110,319	231,993	109,662	322,400	103,752	200,373
Percent of votes cast	29.83%	57.01%	29.29%	75.51%	25.63%	53.43%	26.06%	73.99%	24.18%	46.33%
Court System										
Court Services										
Criminal cases filed	9,144	9,968	10,114	8,639	8,172	8,204	8,380	8,535	8,486	7,865
Civil cases filed	278	276	N/A	N/A	3,557	4,282	8,017	7,689	6,925	6,786
Protection from abuse cases filed	835	691	N/A	774	783	704	592	568	513	478
Estates probated	701	728	584	583	756	770	766	699	777	881
Wills probated	2,701	2,511	2,268	2,585	2,998	3,059	2,399	2,318	3,189	2,372
Marriage licenses issued	3,949	3,783	3,771	3,574	3,284	4,052	3,358	3,473	3,475	38,887
Child adoptions	275	252	259	213	255	283	207	155	105	115
Child relinquishments	108	152	159	169	129	N/A	N/A	154	74	131
Court Administration										
Criminal cases tried	N/A	N/A	N/A	N/A	197	92	97	115	142	126
Criminal cases negotiated plea settlements	N/A	N/A	N/A	N/A	184	453	629	726	734	759
Accelerated rehabilitative disposition (ARD) cases	N/A	N/A	N/A	1,733	1,440	1,419	2,054	2,087	2,246	2,016
New civil arbitration filings	404	371	N/A	397	403	294	378	469	459	363
Civil cases tried	138	126	N/A	128	119	108	68	94	126	166
Civil cases settled	190	178	206	206	162	168	1,771	169	1,689	210
District judge case filings	118,216	125,185	128,927	133,017	121,716	122,717	122,014	116,850	118,526	108,544
New juvenile probation cases	2,383	2,577	N/A	1,507	1,415	1,415	1,082	1,018	780	694
Youth Facility										
Average daily population	32	34	36	31	27	27	24	23	21	18
Annual admissions	716	757	694	671	709	707	599	624	554	547
Corrections										
Maximum Security										
Average daily population										
High	694	702	785	798	796	782	819	883	880	864
Low	626	654	661	750	737	746	737	809	791	758
Annual admissions	7,182	7,182	7,432	7,682	7,430	7,254	7,565	7,180	6,946	6,453
Minimum Custody										
Average daily population										
High	304	308	306	316	311	311	314	312	318	303
Low	288	298	282	300	290	277	272	263	269	250
House Arrest										
Average daily population										
High	217	243	277	295	294	234	256	231	202	179
Low	180	197	206	222	232	186	194	183	160	130

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

Operating Indicators by Function
Last Ten Fiscal Years
Unaudited
(Continued)

<u>Function</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Parks										
Park reservations	1,600	1,596	1,282	1,320	1,335	1,425	1,343	1,311	1,322	1,301
Human Services										
Area Agency on Aging										
Case management clients - long term	2,465	2,694	2,550	1,332	2,395	2,198	2,661	2,676	2,676	2,491
Meals provided	103,716	95,689	89,159	91,174	82,612	82,204	78,157	82,862	51,440	63,584
In-home services clients	466	503	533	669	453	410	296	328	333	451
Adult day care clients	69	94	98	100	81	69	48	37	38	61
Home-delivered meals	80,291	82,553	89,290	92,948	66,646	105,950	113,579	92,877	127,756	75,988
Children and Youth										
Children served	671	631	556	647	6,336	540	512	580	582	562
Placement days	164,035	162,489	124,681	169,312	114,411	82,753	154,544	121,590	126,541	129,608
Child abuse reports	838	752	622	842	711	847	800	737	886	N/A
Neshaminy Manor										
Days of care	130,779	130,003	130,658	130,663	130,192	129,896	128,985	129,395	130,298	130,499
Mental Health										
Emergency/crisis										
intervention hours	59,521	24,600	17,678	33,236	10,764	9,498	15,263	8,229	15,512	17,293
Community residential days	42,534	44,303	62,201	63,556	55,727	58,510	83,756	68,100	73,906	70,498
Community employment hours	30,680	31,572	21,568	21,693	6,130	5,869	6,080	5,125	5,804	4,331
Service case management hours	83,930	81,783	67,544	69,199	20,067	13,933	16,125	12,692	22,568	18,744
Day treatment hours	45,325	58,005	19,108	14,227	16,659	4,668	7,354	3,547	6,667	5,911
Outpatient hours	6,771	5,897	15,982	15,217	32,647	9,208	9,760	6,255	8,789	6,423
Family support hours	3,612	4,545	2,235	2,323	1,020	1,325	1,734	7,530	2,937	8,439
Family based hours	3,125	1,695	1,821	1,976	510	2,140	2,688	797	3,307	2,210
Mental Retardation										
Adult development hours	395,465	390,705	463,200	233,574	124,408	14,082	14,524	14,063	9,668	9,531
Vocational rehabilitation hours	805,812	786,629	382,030	555,280	284,846	37,291	34,864	32,939	27,296	26,442
Supported employment hours	91,250	85,506	68,646	64,578	28,192	3,375	3,419	3,037	2,528	1,726
Residential services clients	428	452	496	505	877	56	54	51	53	52
Early intervention clients	3,024	2,766	2,913	3,088	5,927	1,882	1,785	1,865	1,845	2,172
Family support services	9,268	5,924	3,058	37,479	27,645	44,581	37,541	21,573	27,067	31,717

Source: Administrative Office of Pennsylvania Courts (AOPC)
Various Bucks County government departments

N/A - Not available

COUNTY OF BUCKS, PENNSYLVANIA

Capital Asset Statistics by Function
Last Ten Fiscal Years
Unaudited

<u>Function</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government										
Motor Vehicles (2)	44	45	46	47	59	60	55	51	53	43
Judiciary										
Motor Vehicles (2)	90	96	104	109	71	68	65	62	65	74
Corrections										
Motor Vehicles (2)	41	44	47	47	44	42	41	40	39	39
Social Services										
Motor Vehicles (2)	1	1	2	-	-	-	-	-	-	-
Nursing Facility										
Motor Vehicles (2)	11	11	11	11	8	8	8	8	8	8
Health										
Motor Vehicles (2)	2	2	2	3	3	3	3	3	3	3
Roads and Bridges										
Motor Vehicles (2)	15	15	15	15	8	6	6	6	6	6
Parks										
Motor Vehicles (2)	63	63	63	63	47	47	45	45	45	47
Emergency Services										
Motor Vehicles (2)	13	13	13	13	9	9	9	9	9	9
Public Works										
County-owned bridges (1)	117	115	115	115	115	115	115	115	115	115
Parks										
Number of parks	23	23	23	23	23	23	23	23	23	23
Park acreage	8,273	8,273	8,273	8,273	8,273	8,273	8,273	8,273	8,273	8,273

Note: (1) Demolition of 2 bridges in 2006
(2) Restructure of county fleet in 2009

Source: Various government departments