

COUNTY OF BUCKS, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED
DECEMBER 31, 2016

Prepared by the Office of the Controller
Michael J. Gallagher, Controller



Michael J. Gallagher
Controller
County of Bucks, Pennsylvania



*Bucks County
Administration Building
Doylestown, Pennsylvania*



INTRODUCTORY SECTION

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COUNTY OF BUCKS, PENNSYLVANIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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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 29, 2017

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, 2016, 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, 2015, 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, 2016. 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 626,399 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.

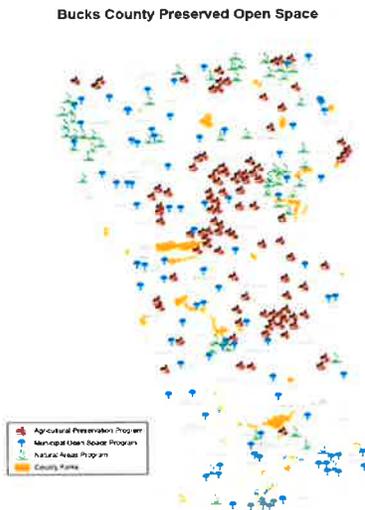
This report includes all funds of the County. The County provides a full range of human services that include the operation of a nursing facility, county-wide health services, park system and judicial system. In addition to general County activities, the Commissioners have financial accountability for 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 4.6% unemployment rate compared favorably to the statewide rate of 5.4% and the national rate of 4.9% at December 31, 2016. 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 2016 are as follows:

- *Farmland preservation* – In 2016, the Agricultural Land Preservation Program continued to work toward its goal of preserving 17,000 acres by the year 2017. 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. The County remains the leader among Pennsylvania counties in entering into partnerships with municipalities in acquiring agricultural conservation easements.



*The Baringer Farm,
Springfield Township*

- Since its formation in 1989, Bucks County farmland preservation has preserved 196 farms totaling over 15,850 acres. The Michini farm is the 35th farm preserved by the Agriculture Land Preservation Program in Bedminster Township. The 38.82 acre farm raises pasture-fed turkeys, grass-fed sheep, and pasture-fed hogs and sell their products at local farm markets in the area. The Michini's also participate in the Bucks County's Taste and Tour Program and they are a great example of young farmers starting out with their operation in Bucks County.



*The Michini Farm
Bedminster Township*

- 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.
- *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.
- *Natural areas* - The Natural Areas Program, under the umbrella of the Bucks County Open Space Program, has completed 102 projects, protecting over 4,250 acres. The Natural Areas Program provides financial assistance to protect significant examples of biological diversity throughout the County. The Natural Areas Inventory of Bucks County identifies 13 conservation landscapes that represent Bucks County's natural diversity including wildlife habitat, streams, forests, wetlands, unique geological formations and more. Parcels within these areas are field assessed for ecological importance and conservation value. Funding through the program is available to municipalities and land trusts and may be used to acquire conservation easements on privately owned land as well as fee simple purchases that ensure perpetual natural resource protection.

YEAR IN REVIEW

The year 2016 represents a vibrant time of capital growth, service excellence and fiscal prudence.

- On March 30, 2016, the County Commissioners joined the Planning Commission and members of the business community to host the County's first-ever Farm Summit. The event united approximately 100 members of the farming, food manufacturing and tourism sectors. The purpose of the Farm Summit was to identify strategic and valuable steps the County, local governments, and the community can take that will strengthen the farm, agribusiness, and food manufacturing industries.
- In April 2016, Bucks County's Medication Take Back Day established record numbers at 43 public sites around the County. The 13th Semi-Annual event produced a combined total of 10,394 pounds of medication at permanent medication drop boxes and at the take back day collection sites. Since the inception of the program in September, 2010, a grand total of 70,370 pounds has been safely disposed through an incinerator. The Council of Southeast Pennsylvania, Inc. thank the Commissioners, the District Attorney's Office, the Drug & Alcohol Commission and community partners for their dedication to this initiative.
- On April 20, 2016, the Bucks County Board of Commissioners joined County colleagues and friends of the Churchville Nature Center to cut the ribbon on the facility's "green" expansion. The Churchville Nature Center's new LEED (Leadership in Energy and Environmental Design) certified green building will enhance the programs and operations by providing a teachable structure that will educate as well as inspire others to develop their own green practices and building projects. The building incorporates geothermal heating and cooling, a living green roof, recycled materials, a grey water system, energy efficient lighting and water fixtures as well as many other green sustainable design features included throughout the building. During the design and building process teams worked hard to insure the building was the greenest it could be. Builders and contractors followed strict guidelines to insure waste was recycled and building products met green standards.
- The County once again held a successful annual Household Hazardous Waste Collection Program. This was the fifteenth 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 4,876 County participants with 273,065 pounds of material collected which is an average of 56 pounds of material per participant.
- In October 2016, Foundations Community Partnership recognized twelve Bucks County non-profit community programs making a difference in the lives of local children and their families by presenting them each with a \$3,000 grant. John Corr, director of the Bucks County Youth Center, accepted the award for the Bucks County, which operates a detention center for youth between the ages of 10 and 18. The grant will support an adventure based challenge program for moderate to high-risk youth offenders.
- In March 2016, the Bucks County Sheriff's Department held the first Sheriff's Citizen Academy. The academy is a class that is designed to offer an insight to the citizens of Bucks County of the training and duties performed by the Bucks County Sheriff's Office. The academy demonstrates the basic training the duties must complete prior to working as a Sheriff's deputy.
- The Bucks County Department of Parks and Recreation celebrated Silver Lake Nature Center's 50th anniversary. The Silver Lake Nature Center inspires connections with nature for people of all ages, interests, and abilities through education, recreation, preservation, research, and advocacy. The Nature Center grounds consist of 235 acres of woods, lakes, marshes, and meadows on 4.5 miles of trails. The center also preserves approximately 43 PA species of Special Concern.

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 2016.

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 .42%. Interest earnings for the governmental activities totaled \$699,104 in 2016.

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 2016, the County continued a self-insurance program for medical benefit coverage and hospitalization, 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.

HIGHLIGHTED DEPARTMENT



Each year, the County selects a department to highlight for its accomplishments and efforts. This year, the County has chosen to focus on the Coroner's Office.

Dr. Joseph Campbell is the elected Row Officer holding the position as Coroner for the County of Bucks. He has held that office since January 2000. The Coroner's chief duty is to investigate all sudden, unexplained, or violent deaths occurring within the County. When no physician has attended the deceased, burial is not permitted until the Coroner issues a certificate stating the cause of death.

The Coroner's Office is staffed by seven full time and three part time employees. This includes the Chief Deputy Coroner, the 1st Deputy Coroner, Executive Secretary, Morgue Manager, two full time Deputy Coroners and three part time Deputy Coroners.



The Coroner's Office is located in a state of the art facility at 850 Eagle Boulevard in Warminster, PA. The facility can hold up to 70 corpses, which can be housed in a refrigerated room, creating a regional mass casualty repository should the need arise. A small freezer is available for long-term storage of unclaimed bodies – which are becoming more prevalent.

In 2016 the Coroner's Office conducted 641 death investigations, an increase of 58 from 2015. The office also performed autopsies in 200 of those cases, an increase of 55 from the previous year. Unfortunately, due to the ongoing opioid addiction crisis, there has been a sharp increase in opioid overdose deaths. In 2013 there were 103 accidental drug & alcohol related deaths. In 2016, that number jumped up to 168. Due to potential criminal prosecutions for any person identified supplying the fatal dose of drugs, all of these overdose deaths require the necessity of extensive toxicology testing and an autopsy. This has obviously put quite an extra burden on the budget and the staff in the Coroner's Office.



The Coroner's Office has two vehicles which respond out to death scene investigations. In addition to the ability to transport bodies, they are fully equipped with all the tools and equipment needed to process the scene.

The Coroner's Office works closely with the Bucks County District Attorney's Office as well as State and Local law enforcement agencies located within the County. In 2016, the Coroner's Office assisted law enforcement in eleven homicide investigations. The office is equipped with all the latest forensic tools needed to process any evidence that will be necessary to present for any criminal prosecutions. In addition, the office also is required to maintain a large amount of evidence recovered from the investigations that they have conducted.



The Coroner as well as all of his deputies are required to successfully complete the Pennsylvania State Coroner's Basic Education course. In addition, they all must undergo annual continuing education to maintain their certification.

In addition to their stated duty, the Coroner's Office continues to work and train in order to provide compassionate care and assistance to those affected by the loss of a loved one.

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 Uniform Guidance. 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, with the exception of the claim disclosed in note 22.

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, 2015. This was the thirty-second 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,



Michael J. Gallagher
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

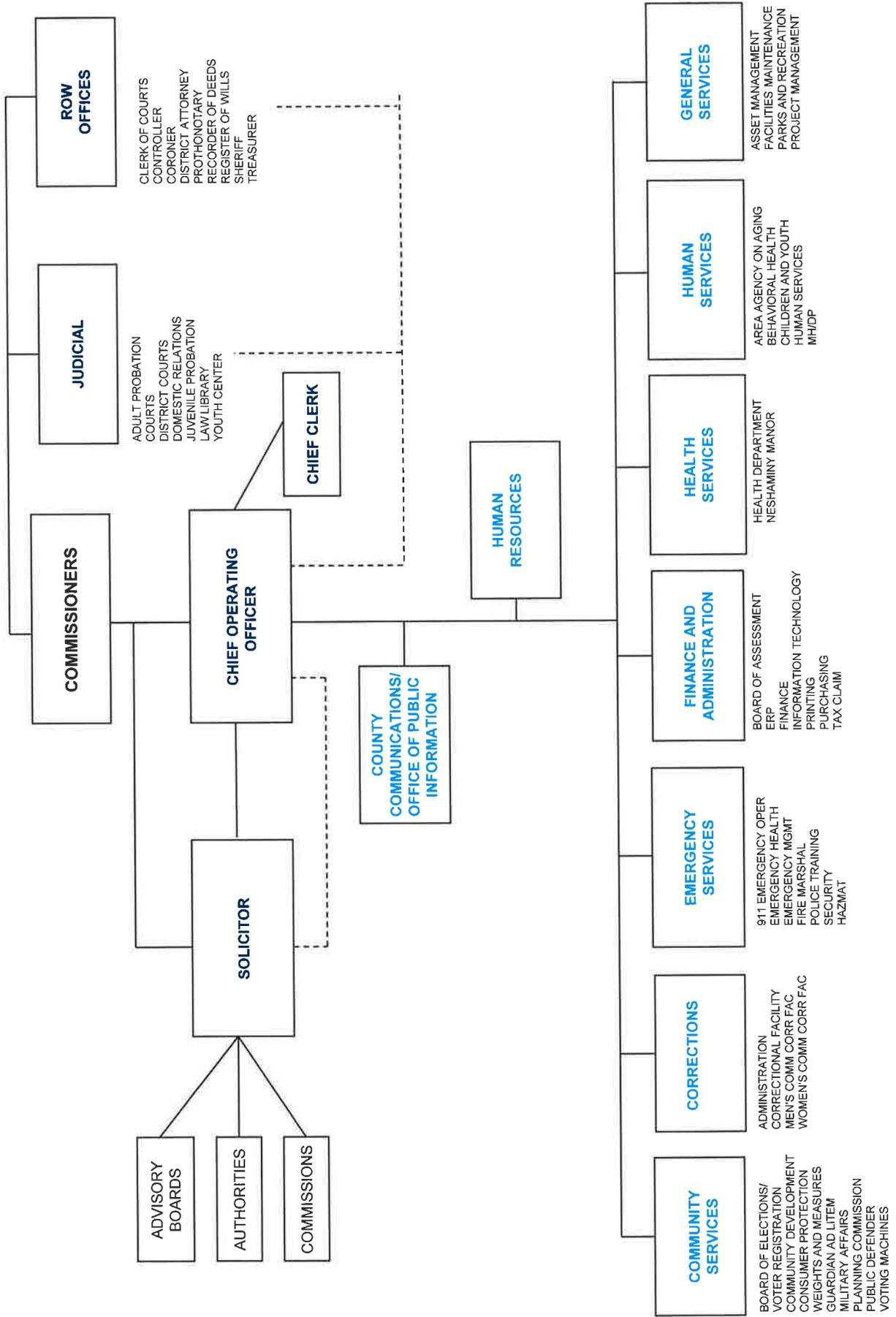
**County of Bucks
Pennsylvania**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

COUNTY OF BUCKS ORGANIZATION CHART ELECTORATE



COUNTY OF BUCKS, PENNSYLVANIA

PRINCIPAL OFFICIALS

COUNTY COMMISSIONERS

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

ROW OFFICERS

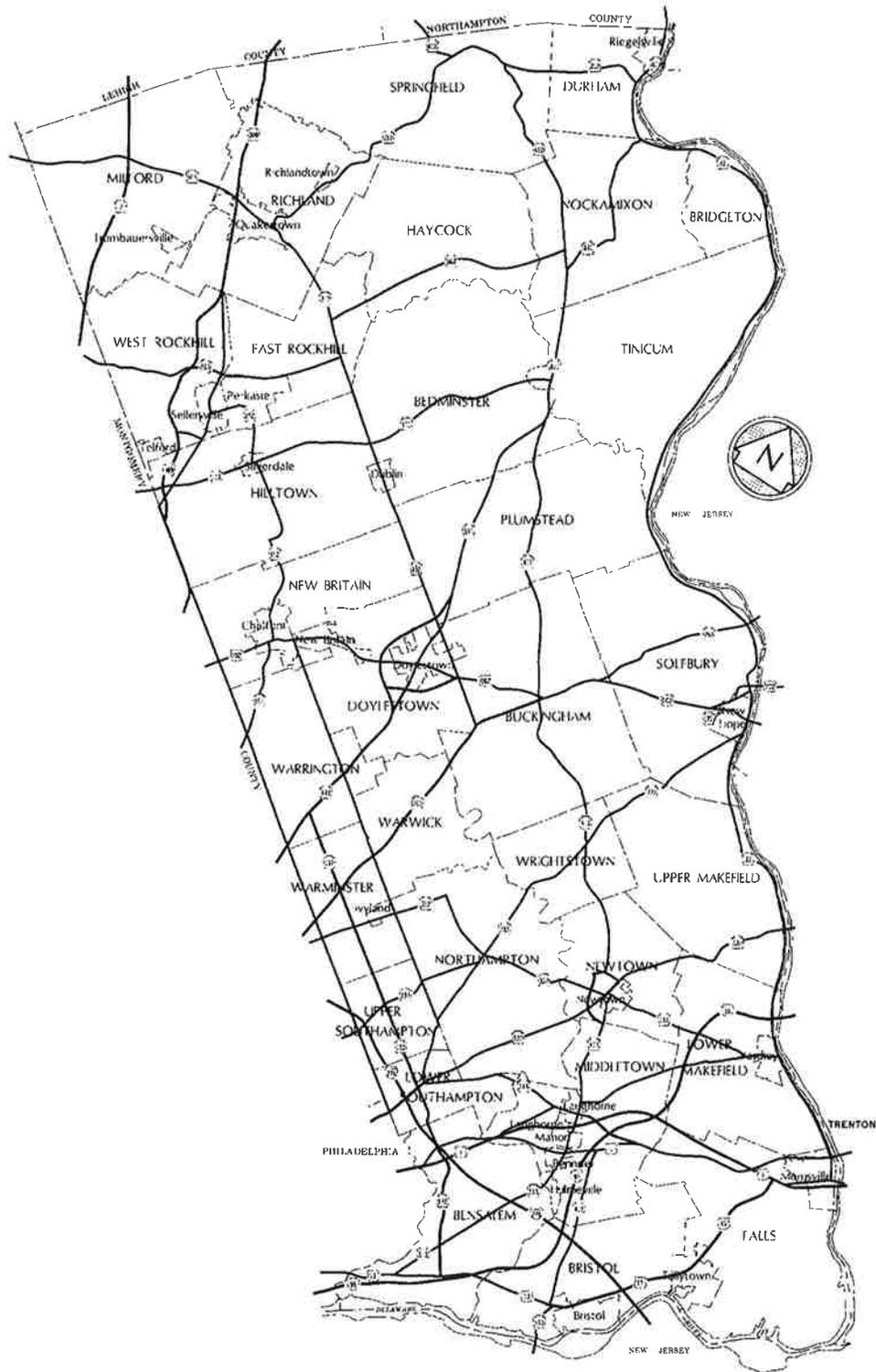
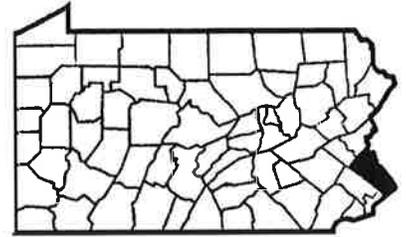
Mary K. Smithson, Clerk of Courts
Michael J. Gallagher, Controller
Dr. Joseph P. Campbell, III, Coroner
Matthew D. Weintraub, Esquire, District Attorney
Patricia L. Bachtle, Prothonotary
Joseph J. Szafran, Recorder of Deeds
Donald Petrille Jr., Register of Wills
Edward J. Donnelly, Sheriff
Thomas E. Panzer, Esquire, 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 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 Raymond F. McHugh, Judge
Honorable Brian T. McGuffin, Judge
Honorable Jeffrey G. Trauger, Judge



BUCKS COUNTY PENNSYLVANIA



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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, 2016, 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.

Harrisburg	Philadelphia	Pittsburgh	Greensburg
830 Sir Thomas Court, Suite 100 Harrisburg, PA 17109 717.561.9200 Fax 717.561.9202	2370 York Road, Suite A-5 Jamison, Pa 18929 215.918.2277 Fax 215.918.2302	3800 McKnight E. Drive, Suite 3805 Pittsburgh, PA 15237 412.367.7102 Fax 412.367.7103	210 Tollgate Hill Road Greensburg, PA 15601 724.834.2151 Fax 724.834.5969

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, 2016, 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 2016 the COUNTY OF BUCKS adopted the provisions of Governmental Accounting Standards Board's Statement No. 72, "*Fair Value Measurement and Application*", the provisions of Statement No. 73, "*Accounting and Financial Reporting for Pension 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 provisions of Statement No. 76, "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*". The provisions of Statement No. 77, "*Tax Abatement Disclosures*", the provisions of Statement No. 78, "*Pensions Provided through Certain Multiple – Employer Benefit Plans*", and the provisions of Statement No. 79, "*Certain External Investment Pools and Pool Participants*". Our opinion is 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 funding progress, schedule of changes in the net pension liability and related ratios, schedule of county contributions, schedule of investment returns, and budgetary comparison schedules on pages 5 through 14, 71, 72, 73, and pages 74 through 80 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, budget and actual schedules, schedule of capital assets, schedules of county general obligations payable (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.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Jamison, Pennsylvania
June 29, 2017

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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, 2016 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 \$223,999,982 resulting from an excess of its assets and deferred outflows of resources over its liabilities and deferred inflows of resources, however, its unrestricted net position showed a deficit balance of \$(287,403,404).
- The County's property tax rate remained at 23.20 mills for calendar year 2016. 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 decreased by \$12,437,327 during the current calendar year. This is 2.39% of the annual operating costs of the County. The decrease in net position is attributed to the increase in expenses without a corresponding increase in charges for services and real estate taxes. Although the property tax rate remained constant at 23.20 mills, the County's debt service millage increased to 4.8798 in 2016.
- For the current calendar year, the County's governmental funds reported a combined ending fund balance of \$94,242,914, an increase of \$8,190,431 from the prior year. This year's ending balance includes \$47,337,733 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 (\$1,888,650) at year end.
- The fund balance of the County's general fund at the end of the calendar year was \$47,337,733, a decrease of (\$5,309,013) from last year. The unassigned general fund balance was \$47,337,733. General fund revenues for the current year were \$206,816,850 as compared to \$209,598,455 for the prior year, while current year expenditures amounted to \$195,416,738 compared to \$187,701,936 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 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 2016 series bond fund which are considered to be major funds. Data for the remaining fifteen 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 2016, net position decreased \$12,437,327 or 5.26% to \$223,999,982.

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, \$471,946,572. 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, \$39,456,814 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 \$(287,403,404). 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, 2016</u>	<u>December 31, 2015</u>	Percentage Change
Current and other assets	\$ 206,048,428	\$ 178,823,285	15.22%
Capital assets	497,450,148	497,588,614	(0.03%)
Total assets	<u>703,498,576</u>	<u>676,411,899</u>	
Deferred outflows of resources	<u>48,342,995</u>	<u>45,686,631</u>	
Current and other liabilities	143,429,197	112,092,961	27.96%
Long-term liabilities outstanding	<u>374,806,518</u>	<u>368,078,260</u>	1.83%
Total liabilities	<u>518,235,715</u>	<u>480,171,221</u>	
Deferred inflows of resources	<u>9,605,874</u>	<u>5,490,000</u>	
Net Position:			
Net investment in capital assets	471,946,572	456,055,104	3.48%
Restricted	39,456,814	37,479,215	5.28%
Unrestricted (deficit)	<u>(287,403,404)</u>	<u>(257,097,010)</u>	11.79%
Total net position	<u>\$ 223,999,982</u>	<u>\$ 236,437,309</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 \$520,704,617. These expenses cover a wide range of services, of which approximately 49.69% are related to social services.

The County's total revenues this year were \$508,267,290. This is an increase of \$33,210,465 from 2015. The County's property tax rate remained at 23.20 mills in 2016. Approximately 36.70% of all revenue comes from property taxes. State, Federal and local grants account for another 49.13%, with the remainder of the revenue coming from user charges, fines, fees and various other sources.

Governmental Activities

In 2016, the County's net position decreased by \$12,437,327. 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					
	2016			2015		
	<u>Program Costs</u>	<u>Program Revenue</u>	<u>Net Costs</u>	<u>Program Costs</u>	<u>Program Revenue</u>	<u>Net Costs</u>
General government	\$ 73,956,995	\$ 14,726,687	\$ 59,230,308	\$ 55,245,999	\$ 13,665,310	\$ 41,580,689
Judiciary	71,259,178	29,331,204	41,927,974	67,372,984	29,471,102	37,901,882
Corrections	39,632,649	1,051,945	38,580,704	38,475,635	1,156,230	37,319,405
Social services	263,534,251	247,694,470	15,839,781	233,517,508	219,247,791	14,269,717
Health & public safety	36,353,336	24,678,415	11,674,921	35,556,245	19,801,656	15,754,589
Other	35,968,208	2,087,336	33,880,872	42,473,187	2,985,222	39,487,965
	<u>\$ 520,704,617</u>	<u>\$ 319,570,057</u>	<u>\$ 201,134,560</u>	<u>\$ 472,641,558</u>	<u>\$ 286,327,311</u>	<u>\$ 186,314,247</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 \$520,704,617; however the amount that taxpayers paid for these programs through tax payments was only \$186,348,957. The federal and state governments subsidized certain programs with grants and contributions in the amount of \$249,444,245, while those who benefited from the programs paid \$70,125,812 through fees and charges. Unrestricted grants and contributions and other general types of revenues accounted for the balance of revenues in the amount of \$2,348,276.

Taxes account for \$186,348,957 of the revenue. In 2016, the real estate tax rate remained at 23.20 mills. The millage rate has remained constant since 2012.

Charges for services increased by \$4,991,317 in 2016. Charges for services include licenses and fees, fines, permits and commissions collected by County courts, Row Offices and departments.

Operating grants and contributions increased by \$28,171,181 in 2016. This relates to an increase of \$25,187,928 in Behavioral Health Services intergovernmental revenue. Children & Youth Services and Mental Health/DP revenue increased by \$1,338,878 and \$1,358,578, respectively. Also, Neshaminy Manor intergovernmental revenue increased by \$934,300 in 2016.

Health & Public Safety fee revenue increased by \$4,876,759 related to an increase in Emergency Response 911 fees.

Investment earnings remained consistent in 2016 due to the low interest rates. The average rate of return in 2016 was .42% and in 2015 was .16%.

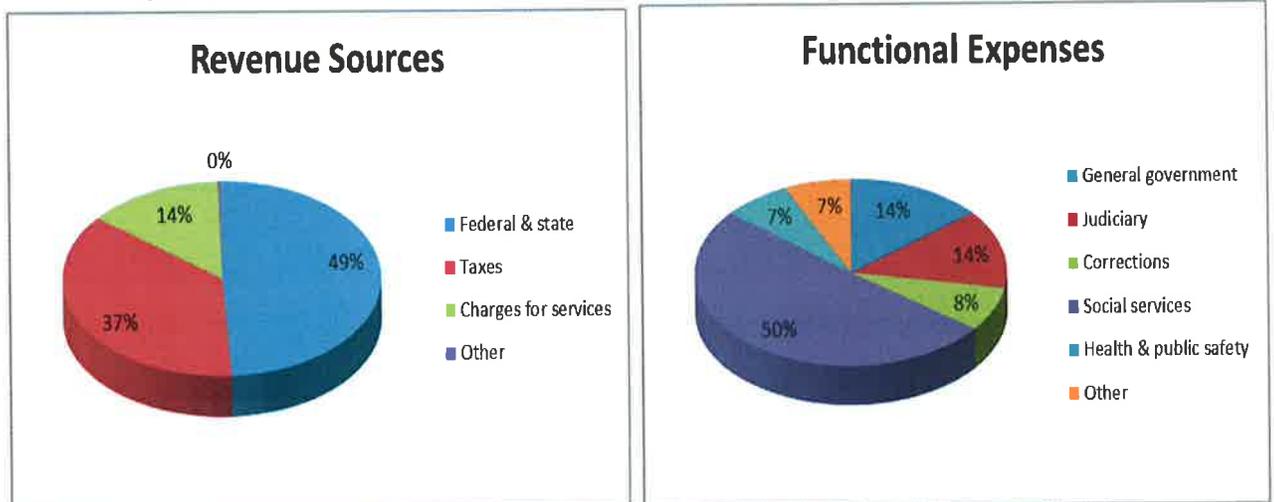
COUNTY OF BUCKS MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2016.

Governmental Activities

	Activities <u>2016</u>	Activities <u>2015</u>	Changes from <u>2015 to 2016</u>
Revenues			
Program revenues:			
Charges for services	\$ 70,125,812	\$ 65,134,495	\$ 4,991,317
Operating grants and contributions	248,576,307	220,405,126	28,171,181
Capital grants and contributions	867,938	787,690	80,248
General revenues:			
Real estate taxes	186,348,957	187,782,458	(1,433,501)
Unrestricted grants and contributions	1,649,172	664,883	984,289
Unrestricted investment earnings	699,104	282,173	416,931
Total revenues	<u>508,267,290</u>	<u>475,056,825</u>	<u>33,210,465</u>
Expenses			
General government	73,956,995	55,245,999	18,710,996
Judiciary	71,259,178	67,372,984	3,886,194
Corrections	39,632,649	38,475,635	1,157,014
Authorities	21,593,437	20,739,370	854,067
Social services	263,534,251	233,517,508	30,016,743
Bridges	2,625,996	3,160,642	(534,646)
Health	15,245,558	15,136,894	108,664
Public safety	21,107,778	20,419,351	688,427
Interest on long-term debt	11,748,775	18,573,175	(6,824,400)
Total expenses	<u>520,704,617</u>	<u>472,641,558</u>	<u>48,063,059</u>
Increase in net position	(12,437,327)	2,415,267	(14,852,594)
Net position - January 1	236,437,309	210,164,516	26,272,793
Net position - December 31	<u>\$ 223,999,982</u>	<u>\$ 212,579,783</u>	<u>\$ 11,420,199</u>
Net position for 2015 was restated to \$236,437,309.			

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 2016, the County's governmental funds reported a combined fund balance of \$94,242,914, an increase of \$8,190,431 over last year. Of the total fund balance, \$39,456,814 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 \$9,336,294 of loans receivable not available for current use. The \$47,337,733 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 (\$1,888,650) 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 \$47,337,733 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 24.22% and 24.22%, respectively.

The total fund balance of the general fund decreased by \$5,309,013 during the current calendar year. Some of the key factors for this decrease are the decrease in real estate taxes recorded by \$4,030,371 and the increase of \$2,239,137 in general governmental expenditures.

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. Both intergovernmental revenue and behavioral health service expenditures increased by approximately \$25,000,000.

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 2016 was \$11,786,584 or 19.93% of the total cost of the program. The budgeted contribution was \$11,787,000.

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 increased by \$797,925 from a negative fund balance of (\$2,686,575) to a negative fund balance of (\$1,888,650). The County's debt service fund millage increased from 4.4497 mills to 4.8798 mills for 2016. 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 and Administration building renovations, open space preservation, 911 radio system upgrade and other capital items.

The 2016 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 2016 include a Correctional Facility budget increase for \$851,500. The adjustment was to fund unanticipated costs associated with housing inmates at the prison. The County approved a budget adjustment for an additional \$1,963,000 for the Neshaminy Manor Nursing Facility to fund increased expenditures. The County Department of Information Services was under budget by \$464,145 and the Controller's Office was under budget by \$225,345. The Courts were under budget by \$381,588.

The general fund transfers out were \$137,283 under budget. The original transfers out budget was increased by \$2,231,400 to \$17,446,600. The County's contribution to the Area Agency on Aging Fund was \$1,291,597 and transfers to MH/DP were \$1,656,076 which was \$22,576 more than budgeted. The County transfer to the Children & Youth Fund was \$11,786,584 which was budgeted for \$11,787,000. The transfer to the Neshaminy Manor Fund was \$1,962,847.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets amounts to \$497,450,148 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 decreased by \$138,466 in 2016 with \$18,341,316 additions to assets and \$18,243,698 depreciation expense. Major capital asset events occurring during the current year included the following:

- The County spent over \$4,802,092 on the new Court facility.
- The County spent over \$2,468,330 upgrading 911 radio system narrowbanding infrastructure.
- Open space programs including farmland, park and natural areas preservation amounted to more than \$3,494,700.
- Improvements to the Administration Building totaled over \$5,311,670.
- Other areas where significant capital investments were made include Information Systems of over \$595,900.

Capital Assets of Bucks County (Net of depreciation)	Governmental Activities	Governmental Activities
	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Land	\$ 116,303,381	\$ 112,893,216
Construction in progress	36,804,218	82,100,916
Buildings	198,769,326	152,729,162
Improvements other than buildings	20,697,430	21,168,089
Machinery & equipment	25,626,750	29,448,188
Infrastructure	9,417,789	9,417,789
Leasehold buildings and improvements	89,831,254	89,831,254
Total	<u>\$ 497,450,148</u>	<u>\$ 497,588,614</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, 2016, the County had \$378,206,518 in long-term liabilities. The following schedule shows a summary of all long-term liabilities.

Long-term Liabilities of Bucks County

	Governmental Activities <u>2016</u>	Governmental Activities <u>2015</u>	Percentage <u>Change</u>
General obligation bonds and notes	\$ 277,282,000	\$ 276,253,000	0.37%
Unamortized premium	30,513,836	22,157,913	37.71%
Lease rental debt	45,772,573	49,090,024	(6.76%)
Compensated absences	15,581,592	15,332,615	1.62%
Self insurance claims	9,056,517	8,944,708	1.25%
Total	<u>\$ 378,206,518</u>	<u>\$ 371,778,260</u>	1.73%

In March 2016, the County issued the 2016 Series Bonds in the amount of \$55,255,000. The funds are to be used for the renovation and improvement of the County administration building and the former family court building, the County's Open Space Plan and certain technology upgrades and to advance refund a portion of the County's General Obligation Bonds, Series of 2008.

On April 19, 2017, the Commissioners approved Ordinance #153 authorizing the incurrence of electoral and nonelectoral debt with the issuance of General Obligation Bonds, Series of 2017 in the amount of \$39,000,000. The proceeds of the bonds will be used to finance the current refunding of a portion of the County's outstanding General Obligation Bonds, Series of 2011 and pay the costs and expenses related to the issuance of the bonds.

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 \$1,187,193,828 for general obligation bonds and \$1,629,384,193 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 621,144 to 626,399, 0.84% from 2007 to 2016. The market value of taxable real estate decreased over the same period from \$86,123,602 to \$72,629,800. The County has remained primarily a residential and small business community with 79.4% of the tax base on residential properties. Our ten largest taxpayers account for only 1.25% of the total real estate tax base, with no single taxpayer exceeding .64% 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 2017 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 2017 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 2016, 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, 2016

	<u>Primary Government</u>	<u>Component Units</u>
ASSETS	Governmental Activities	
Cash and cash equivalents	\$ 116,960,260	\$ 50,820,908
Cash and cash equivalents, restricted	-	34,804,529
Investments	36,590,143	19,089,638
Receivables: (net of allowance for uncollectibles)		
Intergovernmental	18,010,724	1,034,459
Taxes	4,291,530	-
Accounts	15,881,427	7,605,605
Loans	9,336,294	-
Lease rentals from primary government	-	45,772,573
Deferred charges	-	-
Due from agencies	1,643,331	-
Other assets	3,334,719	6,583,582
Pension assets	-	-
Capital assets		156,295,654
Land	116,303,381	-
Construction in progress	36,804,218	-
Buildings, net	198,769,326	-
Improvements, net	20,697,430	-
Machinery and equipment, net	25,626,750	-
Infrastructure, net	9,417,789	-
Leasehold buildings and improvements, net	<u>89,831,254</u>	<u>-</u>
Total assets	<u>703,498,576</u>	<u>322,006,948</u>
DEFERRED OUTFLOW OF RESOURCES:		
Deferred outflow related to pension	<u>48,342,995</u>	<u>-</u>
Total deferred outflows of resources	<u>48,342,995</u>	<u>-</u>
LIABILITIES		
Accounts payable and accrued liabilities	37,329,210	7,018,558
Payroll items payable	5,082,977	4,840,548
Insurance claims	3,400,000	-
Interest payable	713,787	-
Miscellaneous liabilities	11,218,608	21,405,443
Compensated absences payable	-	643,123
Unearned revenues	45,688,108	2,923,011
Net pension liability	39,996,507	-
Long-term obligations payable:		
Due within one year	39,939,083	9,554,286
Due in more than one year	<u>334,867,435</u>	<u>119,558,872</u>
Total liabilities	<u>518,235,715</u>	<u>165,943,841</u>
DEFERRED INFLOW OF RESOURCES:		
Deferred inflow related to refunding	4,270,000	-
Deferred inflow related to pension	<u>5,335,874</u>	<u>-</u>
Total deferred inflows of resources	<u>9,605,874</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	471,946,572	109,358,810
Restricted for:		
Capital improvements	39,456,814	4,867,647
Unrestricted (deficit)	<u>(287,403,404)</u>	<u>41,836,650</u>
Total net position	<u>\$ 223,999,982</u>	<u>\$ 156,063,107</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, 2016.

COUNTY OF BUCKS, PENNSYLVANIA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016*

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Indirect Expense Allocation</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenues and Changes in Net Position</u>	
			<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Operating Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>	<u>Component Units</u>
Primary government:							
Governmental activities:							
General government	\$ 80,419,190	\$ (6,462,195)	\$ 13,452,004	\$ 521,556	\$ 753,127	\$ (59,230,308)	
Judiciary	70,466,005	793,173	19,352,318	-	9,978,886	(41,927,974)	
Corrections	39,632,649	-	854,173	-	197,772	(38,580,704)	
Authorities	21,593,437	-	-	-	-	(21,593,437)	
Social services	258,736,361	4,797,890	18,529,735	-	229,164,735	(15,839,781)	
Bridges	2,625,996	-	1,408,885	346,382	332,069	(538,660)	
Health	14,374,426	871,132	1,925,280	-	6,890,681	(6,429,597)	
Public safety	21,107,778	-	14,603,417	-	1,259,037	(5,245,324)	
Interest on long-term debt	11,748,775	-	-	-	-	(11,748,775)	
Total primary government	\$ 520,704,617	\$ -	\$ 70,125,812	\$ 867,938	\$ 248,576,307	(201,134,560)	
Component units:							
Airport	\$ 1,541,395	\$ -	\$ 1,202,012	\$ 737,537	\$ -		\$ 398,154
Community college	83,477,775	-	35,228,981	4,223,072	47,694,209		3,668,487
Drug and alcohol	6,174,923	-	480,336	-	5,775,746		81,159
Library	10,053,606	-	565,489	-	9,909,960		421,843
Housing	31,590,069	-	5,389,968	665,759	25,321,063		(213,279)
Total component units	\$ 132,837,768	\$ -	\$ 42,866,786	\$ 5,626,368	\$ 88,700,978	-	4,356,364
General revenues:							
Real estate tax						186,348,957	-
Unrestricted investment earnings						699,104	1,144,557
Miscellaneous						1,649,172	338,730
Total general revenues						188,697,233	1,483,287
Change in net position						(12,437,327)	5,839,651
Net position - January 1 (as restated) See Note 24						236,437,309	150,223,456
Net position - December 31						\$ 223,999,982	\$ 156,063,107

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, 2016.

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COUNTY OF BUCKS, PENNSYLVANIA

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2016

ASSETS	Special Revenue Funds		
	General Fund	Behavioral Health Services	Children and Youth Services
Cash and cash equivalents	\$ 38,340,027	\$ 38,011,653	\$ -
Investments	10,677,518	-	-
Receivables:			
Intergovernmental	3,655,327	3,325,175	4,442,911
Taxes	6,441,607	-	-
Accounts	14,842,161	-	105,130
Loans	-	-	-
Due from agencies	1,643,331	-	-
Due from other funds	25,970,094	-	-
Other assets	<u>2,268,476</u>	<u>-</u>	<u>53,765</u>
 Total assets	 <u>\$ 103,838,541</u>	 <u>\$ 41,336,828</u>	 <u>\$ 4,601,806</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 9,039,551	\$ 14,653,765	\$ 3,407,830
Payroll items payable	5,082,977	-	-
Miscellaneous liabilities	23,731,031	-	237,179
Due to other funds	1,666,005	1,834,742	956,797
Unearned revenue-other	<u>16,981,244</u>	<u>24,848,321</u>	<u>-</u>
 Total liabilities	 <u>56,500,808</u>	 <u>41,336,828</u>	 <u>4,601,806</u>
 Deferred inflow of resources:			
Unavailable revenue-property taxes	<u>-</u>	<u>-</u>	<u>-</u>
 Total deferred inflows of resources	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Fund Balances:			
Non Spendable	-	-	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	<u>47,337,733</u>	<u>-</u>	<u>-</u>
 Total fund balances	 <u>47,337,733</u>	 <u>-</u>	 <u>-</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 103,838,541</u>	 <u>\$ 41,336,828</u>	 <u>\$ 4,601,806</u>

See accompanying notes to the financial statements.

<u>Mental Health/ Developmental Programs</u>	<u>Debt Service Fund Debt Service</u>	<u>Capital Projects Fund 2016 Series Bond</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,034,132	-	\$ -	\$ 34,574,448	\$ 116,960,260
-	-	25,912,625	-	36,590,143
132,089	-	88,871	6,366,351	18,010,724
-	-	-	-	6,441,607
4	-	-	934,132	15,881,427
-	-	-	9,336,294	9,336,294
-	-	-	-	1,643,331
-	-	-	1,666,005	27,636,099
45,714	-	23,723	943,041	3,334,719
<u>\$ 6,211,939</u>	<u>\$ -</u>	<u>\$ 26,025,219</u>	<u>\$ 53,820,271</u>	<u>\$ 235,834,604</u>
\$ 4,196,308	\$ -	\$ 1,139,002	\$ 4,892,754	\$ 37,329,210
-	-	-	-	5,082,977
-	-	-	-	23,968,210
1,336,012	1,888,650	167,601	19,786,292	27,636,099
679,619	-	-	5,066,010	47,575,194
<u>6,211,939</u>	<u>1,888,650</u>	<u>1,306,603</u>	<u>29,745,056</u>	<u>141,591,690</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	9,336,294	9,336,294
-	-	24,718,616	14,738,198	39,456,814
-	-	-	723	723
-	(1,888,650)	-	-	45,449,083
-	(1,888,650)	24,718,616	24,075,215	94,242,914
<u>\$ 6,211,939</u>	<u>\$ -</u>	<u>\$ 26,025,219</u>	<u>\$ 53,820,271</u>	<u>\$ 235,834,604</u>

COUNTY OF BUCKS, PENNSYLVANIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

December 31, 2016

Total fund balances for governmental funds \$ 94,242,914

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	\$ 116,303,381	
Construction in progress	36,804,218	
Buildings, net of \$110,847,025 accumulated depreciation	198,769,326	
Improvements other than buildings, net of \$34,399,748 accumulated depreciation	20,697,430	
Machinery and equipment, net of \$124,819,774 accumulated depreciation	25,626,750	
Infrastructure, net of \$6,881,135 accumulated depreciation	9,417,789	
Leasehold buildings and improvements, net of \$29,194,260 accumulated depreciation	<u>89,831,254</u>	
Total capital assets		497,450,148

Net pension obligation is reflected on the statement of net position but is not a current expenditure for the fund statement. (39,996,507)

Deferred outflows related to pension 48,342,995

Deferred inflow related to pension (5,335,874)

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. (262,991)

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, 2016 are:

Accrued interest on bonds	\$ (713,787)	
Bonds and notes payable	(277,282,000)	
Bonds premium	(30,513,836)	
Deferred gain - refunding	(4,270,000)	
Lease rental debt	(45,772,573)	
Compensated absences	<u>(11,888,507)</u>	
		<u>(370,440,703)</u>
Total net position of governmental activities		\$ <u>223,999,982</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, 2016**

	<u>Special Revenue Funds</u>		
	<u>General Fund</u>	<u>Behavioral Health Services</u>	<u>Children and Youth Services</u>
Revenues:			
Real estate taxes	\$ 147,375,999	\$ -	\$ -
Licenses and fees	16,230,340	-	808,856
Judiciary costs and fines	19,173,003	-	-
Intergovernmental	20,558,229	114,006,679	46,541,909
Interest	488,008	-	-
Other	2,991,271	-	1,099
	<hr/>	<hr/>	<hr/>
Total revenues	206,816,850	114,006,679	47,351,864
Expenditures:			
Current:			
General government	45,729,378	-	-
Judiciary	68,725,472	-	-
Corrections	38,279,689	-	-
Authorities	21,593,437	-	-
Social services	991,596	114,006,679	59,138,448
Bridges	-	-	-
Health	15,153,178	-	-
Public safety	4,198,777	-	-
Debt service	-	-	-
Capital projects	745,211	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	195,416,738	114,006,679	59,138,448
Excess of revenues over (under) expenditures	<hr/>	<hr/>	<hr/>
	11,400,112	-	(11,786,584)
Other financing sources (uses):			
Issuance of bonds	-	-	-
Transfers in	600,192	-	11,786,584
Bond premium	-	-	-
Issuance of refunding bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers out	(17,309,317)	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(16,709,125)	-	11,786,584
Net change in fund balances	(5,309,013)	-	-
Fund balances - January 1	<hr/>	<hr/>	<hr/>
	52,646,746	-	-
Fund balances - December 31	<hr/>	<hr/>	<hr/>
	\$ 47,337,733	\$ -	\$ -

See accompanying notes to the financial statements.

<u>Mental Health/ Developmental Programs</u>	<u>Debt Service Fund</u>	<u>Capital Project Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Debt Service</u>	<u>2016 Series Bond</u>		
\$ -	\$ 39,235,948	\$ -	\$ -	\$ 186,611,947
7,329	-	-	33,519,852	50,566,377
-	-	-	-	19,173,003
31,733,149	-	-	35,006,734	247,846,700
45,792	-	81,739	170,255	785,794
-	271,416	63,495	219,178	3,546,459
<u>31,786,270</u>	<u>39,507,364</u>	<u>145,234</u>	<u>68,916,019</u>	<u>508,530,280</u>
-	-	2,048,573	1,608,924	49,386,875
-	-	-	-	68,725,472
-	-	-	-	38,279,689
-	-	-	-	21,593,437
33,442,346	-	-	54,552,144	262,131,213
-	-	-	2,617,864	2,617,864
-	-	-	-	15,153,178
-	-	-	14,315,788	18,514,565
-	40,943,439	-	-	40,943,439
-	-	8,194,716	9,401,389	18,341,316
<u>33,442,346</u>	<u>40,943,439</u>	<u>10,243,289</u>	<u>82,496,109</u>	<u>535,687,048</u>
<u>(1,656,076)</u>	<u>(1,436,075)</u>	<u>(10,098,055)</u>	<u>(13,580,090)</u>	<u>(27,156,768)</u>
-	-	24,240,559	-	24,240,559
1,656,076	2,234,000	-	4,424,361	20,701,213
-	-	11,108,418	-	11,108,418
-	-	31,014,441	-	31,014,441
-	-	(31,016,219)	-	(31,016,219)
-	-	(530,528)	(2,861,368)	(20,701,213)
<u>1,656,076</u>	<u>2,234,000</u>	<u>34,816,671</u>	<u>1,562,993</u>	<u>35,347,199</u>
-	797,925	24,718,616	(12,017,097)	8,190,431
-	(2,686,575)	-	36,092,312	86,052,483
<u>\$ -</u>	<u>\$ (1,888,650)</u>	<u>\$ 24,718,616</u>	<u>\$ 24,075,215</u>	<u>\$ 94,242,914</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, 2016

Net change in fund balances - total governmental funds \$ 8,190,431

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 \$18,341,316 exceeded depreciation \$(18,243,698) in the current period and the sale of assets. 1,594,382

Changes in net pension obligation and deferred outflows/inflows is reflected on the statement of net position but is not a current expenditure for the fund statement. (11,949,525)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (262,990)

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.

Issuance of general obligation bonds and notes	(55,255,000)	
Amortization related to refunding of debt	1,220,000	
Bond premium	(11,108,418)	
Debt Repayments	<u>57,543,451</u>	
Net adjustment		<u>(7,599,967)</u>

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	341,944	
Amortization of bond premium	(2,752,495)	
Accrued interest on bonds	<u>893</u>	
Combined adjustment		<u>(2,409,658)</u>

Change in net position of governmental activities **\$ (12,437,327)**

See accompanying notes to the financial statements.

COUNTY OF BUCKS, PENNSYLVANIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2016**

	Pension Trust Employees' Retirement System	Agency Funds
<u>Assets</u>		
Cash and cash equivalents	\$ 22,293,712	\$ 26,523,834
Investments:		
Bonds, debentures, bills, and notes:		
Government obligations	23,439,512	-
Corporate obligations	42,181,137	-
Common stock	130,360,202	-
Mutual funds	336,921,673	-
Fixed income securities	138,166,851	-
Repurchase agreement	-	-
Total investments	<u>671,069,375</u>	<u>-</u>
Receivables:		
Intergovernmental	-	1,562,934
Accounts	<u>1,320,744</u>	<u>8,847,625</u>
Total receivables	<u>1,320,744</u>	<u>10,410,559</u>
Total assets	\$ <u>694,683,831</u>	\$ <u>36,934,393</u>
<u>Liabilities</u>		
Accounts payable	\$ 7,398,096	\$ 20,589,440
Due to other governmental units	<u>-</u>	<u>16,344,953</u>
Total liabilities	<u>7,398,096</u>	\$ <u>36,934,393</u>
<u>Net Position</u>		
Net position restricted for pension benefits	\$ <u>687,285,735</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, 2016**

	Pension Trust
Additions:	
Contributions	
Employee	\$ 14,485,377
Employer	<u>10,390,836</u>
Total contributions	<u>24,876,213</u>
Investment Income:	
Net realized gain and unrealized appreciation in fair value of investments	38,111,042
Interest	3,637,946
Dividends	<u>5,354,954</u>
Total investment income	47,103,942
Less investment expense	<u>1,855,526</u>
Net investment income	<u>45,248,416</u>
Miscellaneous income	<u>241,924</u>
Total additions	<u>70,366,553</u>
Deductions:	
Benefit payments	31,259,940
Refunds of employee contributions	1,320,640
Interest on refunds of employee contributions and other expenses	<u>214,845</u>
Total deductions	<u>32,795,425</u>
Net increase in plan net position	<u>37,571,128</u>
Net position restricted for pension benefits:	
Beginning of year	<u>649,714,607</u>
End of year	<u>\$ 687,285,735</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, 2016***

	Bucks County Airport <u>Authority</u>	Bucks County Community <u>College</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 812,037	\$ 7,614,051
Investments	-	8,505,530
Receivables:		
Intergovernmental	-	598,825
Accounts	51,185	4,095,539
Lease rentals from primary government	-	-
Restricted cash	341,482	16,061,478
Other assets	49,133	2,858,315
Capital assets	<u>23,228,763</u>	<u>111,068,297</u>
 Total assets	 <u>\$ 24,482,600</u>	 <u>\$ 150,802,035</u>
<u>Liabilities</u>		
Accounts payable	\$ 107,443	\$ 2,812,961
Payroll items payable	3,219	4,710,521
Compensated absences	-	-
Miscellaneous liabilities	85,614	4,728,154
Unearned revenues	96,202	2,760,813
Long-term obligations payable:		
Due within one year	377,608	5,633,680
Due in more than one year	<u>1,317,939</u>	<u>71,998,346</u>
 Total liabilities	 <u>1,988,025</u>	 <u>92,644,475</u>
<u>Net Position</u>		
Net investment in capital assets	21,533,216	67,547,999
Restricted	7,330	-
Unrestricted	<u>954,029</u>	<u>(9,390,439)</u>
 Total net position	 <u>\$ 22,494,575</u>	 <u>\$ 58,157,560</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, 2016

Bucks County Community College Authority	Bucks County Drug and Alcohol Commission	Bucks County Free Library	Bucks County Housing Authority	Totals
\$ -	\$ 1,621,133	\$ 1,640,359	\$ 39,133,328	\$ 50,820,908
-	-	10,584,108	-	19,089,638
-	435,634	-	-	1,034,459
-	85,520	170,132	3,203,229	7,605,605
45,772,573	-	-	-	45,772,573
16,097,292	-	-	2,304,277	34,804,529
2,069,707	18,623	-	1,587,804	6,583,582
-	-	3,672,452	18,326,142	156,295,654
<u>\$ 63,939,572</u>	<u>\$ 2,160,910</u>	<u>\$ 16,067,051</u>	<u>\$ 64,554,780</u>	<u>\$ 322,006,948</u>
\$ 69,721	\$ 1,319,105	\$ 334,806	\$ 2,374,522	\$ 7,018,558
-	35,262	91,546	-	4,840,548
-	53,722	246,614	342,787	643,123
16,097,292	-	-	494,383	21,405,443
-	65,996	-	-	2,923,011
3,492,998	-	-	50,000	9,554,286
44,271,588	-	-	1,970,999	119,558,872
<u>63,931,599</u>	<u>1,474,085</u>	<u>672,966</u>	<u>5,232,691</u>	<u>165,943,841</u>
-	-	3,672,452	16,605,143	109,358,810
7,973	21,329	4,831,015	-	4,867,647
-	665,496	6,890,618	42,716,946	41,836,650
<u>\$ 7,973</u>	<u>\$ 686,825</u>	<u>\$ 15,394,085</u>	<u>\$ 59,322,089</u>	<u>\$ 156,063,107</u>

COUNTY OF BUCKS, PENNSYLVANIA

COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS FOR THE YEAR ENDED DECEMBER 31, 2016*

<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	\$ 1,541,395	\$ 1,202,012	\$ 737,537	\$ -	\$ 398,154
Community college:					
Community college	81,815,509	35,228,981	4,223,072	46,031,943	-
Community college authority	<u>1,662,266</u>	<u>-</u>	<u>-</u>	<u>1,662,266</u>	<u>-</u>
Total community college	83,477,775	35,228,981	4,223,072	47,694,209	-
Drug and alcohol	6,174,923	480,336	-	5,775,746	-
Library	10,053,606	565,489	-	9,909,960	-
Housing	<u>31,590,069</u>	<u>5,389,968</u>	<u>665,759</u>	<u>25,321,063</u>	<u>-</u>
 Total component units	 <u>\$ 132,837,768</u>	 <u>\$ 42,866,786</u>	 <u>\$ 5,626,368</u>	 <u>\$ 88,700,978</u>	 <u>398,154</u>
General revenues:					
					935
					-
					<u>935</u>
					399,089
					<u>22,095,486</u>
					<u>\$ 22,494,575</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, 2016.

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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 398,154
3,668,487	-	-	-	-	3,668,487
-	-	-	-	-	-
<u>3,668,487</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,668,487</u>
-	-	81,159	-	-	81,159
-	-	-	421,843	-	421,843
-	-	-	-	(213,279)	(213,279)
<u>3,668,487</u>	<u>-</u>	<u>81,159</u>	<u>421,843</u>	<u>(213,279)</u>	<u>4,356,364</u>
-	7,973	1,413	761,334	372,902	1,144,557
-	-	11,078	2,293	325,359	338,730
-	<u>7,973</u>	<u>12,491</u>	<u>763,627</u>	<u>698,261</u>	<u>1,483,287</u>
3,668,487	7,973	93,650	1,185,470	484,982	5,839,651
<u>54,489,073</u>	<u>-</u>	<u>593,175</u>	<u>14,208,615</u>	<u>58,837,107</u>	<u>150,223,456</u>
<u>\$ 58,157,560</u>	<u>\$ 7,973</u>	<u>\$ 686,825</u>	<u>\$ 15,394,085</u>	<u>\$ 59,322,089</u>	<u>\$ 156,063,107</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, 2016

1. 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, 2016

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, 2016 (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 mental health/developmental programs fund accounts for state and federal revenue that provides programs for MHDP clients. 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 2016 series bond fund accounts for the renovation and improvement of the County administration building and renovation of the County's former family court building, the County's Open Space Program, 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 2016, 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, 2016 (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 \$9,336,294 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, 2016, appropriate interfund receivables or payables have been established in the fund financial statements.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

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, 2016

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, 2016

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.

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 three 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 and pension related items 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 seventeen (17) 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. 72, "Fair Value Measurement and Application". The adoption of this statement had no effect on previously reported amounts but did require additional disclosure information in Note 4.

The County adopted the requirements of GASB 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 adoption of this statement had no effect on previously reported amounts.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

The County adopted the requirements of GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". The adoption of this statement had no effect on previously reported amounts.

The County adopted the requirements of GASB Statement No. 77, "Tax Abatement Disclosures". The adoption of this statement had no effect on previously reported amounts.

The County adopted the requirements of GASB Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans". The adoption of this statement had no effect on previously reported amounts.

The County adopted the requirements of GASB Statement No. 79, "Certain External Investment Pools and Pool Participants". The adoption of this statement had no effect on previously reported amounts.

W. GASB Pronouncements

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.

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.

In January 2016, the GASB issued Statement No. 80, "Blending Requirements for Certain Component Units". The effective date is for reporting periods beginning after June 15, 2016.

In March 2016, the GASB issued Statement No. 81, "Irrevocable Split-Interest Agreements". The effective date is for reporting periods beginning after December 15, 2016.

In March 2016, the GASB issued Statement No. 82, "Pension Issues – an amendment of GASB Statements No.67, No. 68 and No.73". The effective date is for reporting periods beginning after June 15, 2017.

In November 2016, the GASB issued Statement No. 83, "Certain Asset Retirement Obligations". The effective date is for reporting periods beginning after June 15, 2018.

In January 2017, the GASB issued Statement No. 84, "Fiduciary Activities". The effective date is for reporting periods beginning after December 15, 2018.

In March 2017, the GASB issued Statement No. 85, "Omnibus 2017". The effective date is for reporting periods beginning after June 15, 2017.

In May 2017, The GASB issued Statement No. 86, "Certain Debt Extinguishment Issues". The effective date is for reporting periods beginning after June 15, 2017.

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.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

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.

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, 2016. 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, 2016.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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

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.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

Receivables

Accounts receivable for the Community College is recorded net of an allowance for uncollectible amounts of \$1,301,210 at June 30, 2016.

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.

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.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

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

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. 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, 2016**

B. Deposits & Investment Risk

As of December 31, 2016, 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	\$ 13,526,038	\$ 10,689,979	\$ 2,836,059
US government agencies	5,697,129	3,807,427	1,889,702
Corporate bonds	4,490,909	1,168,908	3,322,001
Certificate of Deposit	12,876,067	12,876,067	-
Total debt securities	<u>\$ 36,590,143</u>	<u>\$ 28,542,381</u>	<u>\$ 8,047,762</u>

C. 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.

D. Credit Risk

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

E. 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 \$174,753,905 at December 31, 2016, \$3,032,153 was insured by the FDIC. The balance of \$171,721,752 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.

F. 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
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As of December 31, 2016, the County investments in debt securities have received the following ratings from Standard and Poor's:

Investment Type	Standard & Poor's Rating	Fair Value	Percentage of Debt Securities
US Government treasuries	AAA	\$ 3,416,712	14.41%
US Government treasuries	AA+	10,109,326	42.63%
US Government agencies	AA+	5,346,600	22.55%
US Government agencies	Not Rated	350,528	1.48%
Corporate bonds	AA+	352,734	1.49%
Corporate bonds	AA-	1,392,697	5.87%
Corporate bonds	A+	798,692	3.37%
Corporate bonds	A	789,671	3.33%
Corporate bonds	A-	441,616	1.86%
Corporate bonds	BBB+	265,678	1.12%
Corporate bonds	BBB-	54,559	0.23%
Corporate bonds	Not Rated	395,263	1.67%
		<u>\$ 23,714,076</u>	<u>100.00%</u>

As of December 31, 2016, the pension trust fund had the following debt investments and maturities:

	Fair Value	Maturity in Years			
		Less than 1 year	1-5 years	6-10 years	More than 10 years
US government treasuries	\$ 23,329,338	\$ 1,105,862	\$ 9,384,768	\$ 11,098,599	\$ 1,740,109
US government agencies	110,174	-	-	110,174	-
Corporate debt	42,181,137	873,903	6,886,438	21,895,485	12,525,311
Municipal bonds	5,150,584	-	-	280,373	4,870,211
	<u>\$ 70,771,233</u>	<u>\$ 1,979,765</u>	<u>\$ 16,271,206</u>	<u>\$ 33,384,631</u>	<u>\$ 19,135,631</u>

G. 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.

H. 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.

I. Concentration of Credit Risk – Retirement Fund

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, 2016, 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	AAA	\$ 23,329,338	32.96%
US government agencies	Not Rated	110,174	0.16%
Corporate debt	AAA	772,424	1.09%
Corporate debt	AA+	102,586	0.14%
Corporate debt	AA	2,451,723	3.46%
Corporate debt	AA-	517,475	0.73%
Corporate debt	A+	1,474,066	2.08%
Corporate debt	A	2,742,614	3.88%
Corporate debt	A-	4,743,568	6.70%
Corporate debt	BBB+	15,868,172	22.42%
Corporate debt	BBB	6,242,210	8.82%
Corporate debt	BBB-	5,650,224	7.98%
Corporate debt	BB+	670,545	0.95%
Corporate debt	BB-	695,237	0.98%
Corporate debt	Not Rated	250,293	0.35%
Municipal bonds	AA	1,355,989	1.92%
Municipal bonds	AA-	3,111,797	4.40%
Municipal bonds	BBB+	682,798	0.96%
Total investments		<u>\$ 70,771,233</u>	

Investments are measured at fair value on a recurring basis. GASB Statement No. 72 sets the structure for measuring fair value. The County’s investments by fair value as of December 31, 2016 are as follows:

	<u>Fair Value Measurements Using</u>			
	<u>12/31/2016</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Investments by fair value level				
Bonds, debentures, bills, and notes				
Government obligations	\$ 23,439,512	\$ 23,439,512	\$ -	\$ -
Corporate obligations	42,181,137	-	42,181,137	-
Other fixed income securities	138,166,851	-	112,970,526	25,196,325
Common stock	130,360,202	122,729,265	7,630,937	
Mutual funds	<u>336,921,673</u>	<u>99,254,329</u>	<u>213,721,983</u>	<u>23,945,361</u>
Total investments by fair value level	<u>\$ 671,069,375</u>	<u>\$ 245,423,106</u>	<u>\$ 376,504,583</u>	<u>\$ 49,141,686</u>

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

The three levels of the fair value hierarchy are: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date. Level 2 inputs are other than quoted prices, included in Level 1 that are observable for an asset or liability. Level 3 inputs are unobservable inputs for an asset or liability.

5. COMPONENT UNITS - DEPOSITS AND INVESTMENTS

A. Bucks County Airport Authority

At December 31, 2016, the carrying amount of Bucks County Airport Authority's deposits with financial institutions was \$1,153,519, and the bank balance was \$1,154,832, 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>904,832</u>
Total bank balance	<u>\$ 1,154,832</u>

B. Bucks County Community College

At June 30, 2016, the carrying amount of Bucks County Community College's deposits with financial institutions was \$7,614,051 and the bank balance was \$8,772,791, 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.	\$ 2,901,987
Collateralized with securities held by the pledging financial institution's trust department or agent not in the College's name.	5,870,804
Amount uninsured by the FDIC or collateralized with securities held by the College or by its agent in the College's name.	<u>-</u>
Total bank balance	<u>\$ 8,772,791</u>

C. Bucks County Community College Authority

As of June 30, 2016, The Bucks County Community College Authority had the following debt investments and cash equivalents recorded at fair value as follows: cash equivalents \$6,982,499 and US government agency \$9,114,793. These restricted investments totaled \$16,097,292.

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, 2016, the carrying amount of Bucks County Drug and Alcohol Commission's deposits with financial institutions was \$1,621,133, and the bank balance was \$1,621,133 which is categorized as follows:

Amount insured by the FDIC or collateralized with securities held by the financial institution.	<u>\$ 1,621,133</u>
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E. Bucks County Free Library

As of December 31, 2016, 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 \$231,332, real estate investment trust \$184,942, mutual funds \$6,421,374, and equity funds \$3,746,460. These investments total \$10,584,108. At December 31, 2016, the carrying amount of the Library's deposits with financial institutions was \$1,708,859 and the bank balance was \$2,010,269. Of the bank balance, \$500,000 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.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

F. Bucks County Housing Authority

At December 31, 2016, the carrying amount of Bucks County Housing Authority's deposits and investments with financial institutions was \$41,437,605, and the bank balance was \$41,662,443, which is categorized as follows:

Amount insured by the FDIC or collateralized with securities
held by the financial institution. \$ 41,662,443

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 2016 are recorded as receivables, net of allowance for uncollectibles of \$1,887,086.

7. **INTERGOVERNMENTAL RECEIVABLES**

Amounts due from other governments at December 31, 2016 are summarized as follows:

<u>Fund Category</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 1,036,378	\$ 2,618,949	\$ 3,655,327
Children and youth services	4,442,911	-	4,442,911
Mental health/developmental programs	113,974	18,115	132,089
Behavioral health services	-	3,325,175	3,325,175
2016 series bond	-	88,871	88,871
Nonmajor governmental funds	<u>523,307</u>	<u>5,843,044</u>	<u>6,366,351</u>
Totals	<u>\$ 6,116,570</u>	<u>\$ 11,894,154</u>	<u>\$ 18,010,724</u>

8. **CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2016 was as follows:

<u>Primary Government</u>	<u>Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 112,893,216	\$ 3,410,165	\$ -	\$ 116,303,381
Construction in progress	<u>82,100,916</u>	<u>5,653,052</u>	<u>(50,949,750)</u>	<u>36,804,218</u>
Total capital assets, not being depreciated	<u>194,994,132</u>	<u>9,063,217</u>	<u>(50,949,750)</u>	<u>153,107,599</u>
Capital assets, being depreciated:				
Buildings	255,197,189	55,449,162	(1,030,000)	309,616,351
Improvements other than buildings	54,933,909	163,269	-	55,097,178
Machinery and equipment	145,724,365	5,079,734	(357,575)	150,446,524
Infrastructure	16,298,924	-	-	16,298,924
Leasehold buildings and improvements	<u>119,025,514</u>	<u>-</u>	<u>-</u>	<u>119,025,514</u>
Total capital assets being depreciated	<u>591,179,901</u>	<u>60,692,165</u>	<u>(1,387,575)</u>	<u>650,484,491</u>
Less accumulated depreciation:				
Buildings	(102,468,027)	(8,708,598)	329,600	(110,847,025)
Improvements other than buildings	(33,765,820)	(633,928)	-	(34,399,748)
Machinery and equipment	(116,276,177)	(8,901,172)	357,575	(124,819,774)
Infrastructure	(6,881,135)	-	-	(6,881,135)
Leasehold buildings and improvements	<u>(29,194,260)</u>	<u>-</u>	<u>-</u>	<u>(29,194,260)</u>
Total accumulated depreciation	<u>(288,585,419)</u>	<u>(18,243,698)</u>	<u>687,175</u>	<u>(306,141,942)</u>
Total capital assets, being depreciated, net	<u>\$ 302,594,482</u>	<u>\$ 42,448,467</u>	<u>\$ (700,400)</u>	<u>\$ 344,342,549</u>
Governmental activities capital assets, net	<u>\$ 497,588,614</u>	<u>\$ 51,511,684</u>	<u>\$ (51,650,150)</u>	<u>\$ 497,450,148</u>

COUNTY OF BUCKS, PENNSYLVANIA

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

Governmental activities:	
General government	\$ 10,260,269
Judiciary	2,533,706
Corrections	1,352,960
Social services	1,403,038
Bridges	8,132
Health	92,380
Public safety	<u>2,593,213</u>
Total depreciation expense - governmental activities	\$ <u>18,243,698</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, 2016:

Land, not being depreciated	\$ 11,493,812
Easements, not being depreciated	214,561
Buildings and improvements	23,667,917
Equipment	694,198
Accumulated depreciation	<u>(12,841,725)</u>
	\$ <u>23,228,763</u>

B. Bucks County Community College

The following is a summary of the Bucks County Community College's capital assets at June 30, 2016:

Land	\$ 4,839,020
Furniture and equipment	23,712,409
Leasehold improvements	131,144,497
Library equipment	4,182,381
Construction in progress	13,828,861
Accumulated depreciation	<u>(66,638,871)</u>
	\$ <u>111,068,297</u>

C. Bucks County Free Library

The following is a summary of the Bucks County Free Library's capital assets at December 31, 2016:

Building improvements	\$ 3,802,452
Furniture and equipment	1,022,658
Library book collections	5,435,876
Accumulated depreciation	<u>(6,588,534)</u>
	\$ <u>3,672,452</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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D. Bucks County Housing Authority

The following is a summary of the Bucks County Housing Authority's capital assets at December 31, 2016:

Land, not being depreciated	\$ 3,952,868
Buildings	62,304,925
Furniture and equipment	1,747,974
Construction in progress	252,049
Accumulated depreciation	<u>(49,931,674)</u>
	<u>\$ 18,326,142</u>

10. EMPLOYEES' 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). The plan is administered by the County Retirement Board. 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>Membership</u>	<u>December 31, 2016</u>
Inactive plan members or beneficiaries currently receiving benefits	1,332
Inactive plan members entitled to but not yet receiving benefits	324
Active plan members:	
Fully vested	1,814
Nonvested	613

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. The cost of living adjustments are provided at the discretion of the Retirement Board.

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." A plan member who leaves County service with less than 5 years of service may withdraw his/her contributions plus any accumulated interest.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

Rate of Return

As of December 31, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.20%. 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 2016 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
Domestic equity	5.4 - 6.4%	40 - 50%
International equity	5.5 - 6.5%	15 - 25%
Fixed income	1.3 - 3.3%	25 - 35%
Real Estate/Alternative	4.5 - 5.5%	0 - 10%
Cash	0 - 1.0%	0 - 10%

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. (i.e. no depletion date is projected to occur).

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 (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase 8.50%
County's net pension liability \$	121,356,651	\$ 39,996,507	\$ (18,332,672)

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 5.5% 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.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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, 2016:

	<u>Cost</u>	<u>Fair Value</u>
Bonds, debentures, bills, and notes		
Government obligations	\$ 23,968,401	\$ 23,439,512
Corporate obligations	43,046,957	42,181,137
Common stock	114,706,747	130,360,202
Mutual funds	259,195,697	336,921,673
Fixed income securities	<u>129,563,073</u>	<u>138,166,851</u>
Subtotal - investments	<u>570,480,875</u>	<u>671,069,375</u>
Principal and income cash account	<u>22,293,712</u>	<u>22,293,712</u>
Total	<u>\$ 592,774,587</u>	<u>\$ 693,363,087</u>

Actuarial Valuation

The annual required contribution was determined based on the most recent annual actuarial valuation dated as of January 1, 2016. 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.

For 2016, mortality rates were based on the RP-2013 Annuitant and Non-Annuitant Mortality Tables for males and females with no projected improvement. Prior to 2016, the plan had used the GAM83 mortality table. This change in assumption has resulted in a deferred outflows of resources in 2016.

Under the Act, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once every three years subsequent to the member's retirement date. The adjustment, should the 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.

The actuarial assumptions used in the valuation for the 2016 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.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

The components of the net pension liability of the County for the 2016 measurement period were as follows:

Total pension liability	\$ 727,282,242
Plan fiduciary net position	<u>687,285,735</u>
County's net position liability	<u>\$ 39,996,507</u>
 Plan fiduciary net position as a percentage of the total pension liability	 94.50%

Changes in the Net Pension Liability

	<u>Increase/(Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances as of December 31, 2015 (as restated, see Note 24)	\$ 677,761,588	\$ 649,714,606	\$ 28,046,982
Changes for the Year:			
1. Service Cost	21,519,050	-	21,519,050
2. Interest	51,237,559	-	51,237,559
3. Changes of Benefit Terms	2,088,402	-	2,088,402
4. Differences Between Expected and Actual Experience	7,256,223	-	7,256,223
5. Changes of Assumptions	-	-	-
6. Contributions - Employer	-	10,390,836	(10,390,836)
7. Contributions - Member	-	14,485,377	(14,485,377)
8. Net Investment Income	-	45,490,341	(45,490,341)
9. Benefit Payments, Including Refunds of Member Contributions	(32,580,580)	(32,580,580)	-
10. Plan Administrative Expenses	-	-	-
11. Other Changes	-	(214,845)	214,845
Net Changes	<u>\$ 49,520,654</u>	<u>\$ 37,571,129</u>	<u>\$ 11,949,525</u>
Balances as of December 31, 2016	<u>\$ 727,282,242</u>	<u>\$ 687,285,735</u>	<u>\$ 39,996,507</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

For the 2016 measurement period, the County recognized pension expense (income) of \$25,019,871 and reported deferred outflows of resources and deferred inflows of resources that relate to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 6,139,881	\$ (5,335,874)
Change of assumptions	7,132,515	-
Net difference between projected and actual earnings on pension plan investments	<u>35,070,599</u>	<u>-</u>
Total	<u>\$ 48,342,995</u>	<u>\$ (5,335,874)</u>

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

Year Ended	
2017	\$ 12,890,291
2018	12,890,291
2019	12,890,291
2020	1,987,980
2021	1,397,086
Thereafter	951,182

Contributions Required and Contributions Made

The Retirement Board establishes contribution rates based on an actuarially determined contribution recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

The actuarially required contribution (ARC) to the retirement fund for 2016 was \$10,390,836. The County contributed cash of \$10,390,836 on December 29, 2016. The contributions represented 6.78 percent of covered payroll. All contributions were for normal cost. Employee contributions in 2016 totaled \$14,485,377. These contributions represented 9.57 percent of covered payroll.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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 30, 2016 was \$216,412; the County's total payroll was \$152,337,819.

The total contribution for the year ended December 31, 2016 was \$73,184, which consisted of \$59,658 from the County and \$13,526 from employees. These contributions represented 27.57 percent and 6.25 percent of covered payroll, respectively. The County's contributions for the years ending December 31, 2016, 2015, and 2014 were \$59,658, \$65,744, and \$65,470, respectively, equal to the required contributions for each year.

11. COMPONENT UNITS – EMPLOYEE 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/BPAS</u>
Payroll for covered employees	\$ 1,943,480	\$ 22,560,000	\$ 2,608,323	\$ 186,443	\$ 1,961,357
Total contributions	\$ 571,011	\$ 3,792,000	\$ 857,367	\$ 30,346	\$ 295,435
Employer contributions	\$ 449,511	\$ 2,382,000	\$ 661,767	\$ 10,321	\$ 102,805
Employer contributions as percentage of covered payroll	23.13%	10.56%	25.37%	5.54%	5.24%
Employee contributions	\$ 121,500	\$ 1,410,000	\$ 195,600	\$ 20,025	\$ 192,630
Employee contributions as percentage of covered payroll	6.25%	6.25%	7.50%	10.74%	9.82%

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, 2016, 2015, and 2014 were \$449,511, \$417,494, and \$397,000, 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, 2016 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.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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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.

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, 2016, 2015, and 2014 were \$661,767, \$555,370, and \$481,000, 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, 2016 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 2016, 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>2009-2016</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

**NOTES TO THE FINANCIAL STATEMENTS
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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 \$3,514,603, 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, 2015 and December 31, 2016:

	<u>Year Ended</u> <u>December 31, 2015</u>	<u>Year Ended</u> <u>December 31, 2016</u>
Beginning year liability	\$ 9,151,609	\$ 8,944,708
Claims and changes in estimates	3,580,543	3,514,603
Claims payments	<u>(3,787,444)</u>	<u>(3,402,794)</u>
Ending year liability	<u>\$ 8,944,708</u>	<u>\$ 9,056,517</u>

13. LONG-TERM OBLIGATIONS

On March 8, 2016, the County issued General Obligation Bonds, Series of 2016 in the amount of \$55,255,000. The bonds have variable interest rates (of 3-5%) and mature in 2030. A portion of the proceeds were used to currently refund a portion of the County's General Obligation Bonds, Series of 2008 and advance refund \$31,016,219 of the County's General Obligation Bonds, Series of 2008 and fund certain capital projects of the County including the County's Open Space Program, the renovation and improvement of certain existing facilities and other capital projects. The advance refunding was undertaken to reduce debt service payments over the next 9 years by \$2,494,071 and resulted in an economic gain of \$2,486,023.

The proceeds included a premium of \$11,108,418 and issuance costs of \$323,477. Interest is due semi-annually on May 1st and November 1st.

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, 2016 does not expect to incur a liability.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

The following summary reflects the changes in long-term obligations for the year ended December 31, 2016:

	January 1, 2016	Additions	(Retirements)	December 31, 2016	Due Within One Year
Governmental activities:					
Bonds and notes payable:					
County general obligation bonds and notes	\$ 276,253,000	\$ 55,255,000	\$ (54,226,000)	\$ 277,282,000	\$ 32,753,000
Lease rental debt	49,090,024	-	(3,317,451)	45,772,573	3,492,998
Total bonds and notes	325,343,024	55,255,000	(57,543,451)	323,054,573	36,245,998
Other liabilities:					
Compensated absences	15,332,615	16,516,757	(16,267,780)	15,581,592	3,693,085
Self-insurance claims	8,944,708	3,514,603	(3,402,794)	9,056,517	3,400,000
Total other liabilities	24,277,323	20,031,360	(19,670,574)	24,638,109	7,093,085
Subtotal	349,620,347	\$ 75,286,360	\$ (77,214,025)	347,692,682	\$ 43,339,083
Unamortized premium	22,157,913			30,513,836	
Total governmental activities long-term liability	\$ 371,778,260			\$ 378,206,518	

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, 2016 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, 2016 are as follows:

Series	Original Issue	Purpose	Interest Rates	Final Maturity	Principal	Interest	Total
2008	64,370,000	Fund capital and non-capital projects - governmental activities and refund the 1998 bond series	4.70 - 5.25%	2024	8,605,000	609,000	9,214,000
2011	75,065,000	Fund capital and non-capital projects - governmental activities	2.00 - 5.00%	2026	56,485,000	14,379,850	70,864,850
2013	65,300,000	Refund portion of 2004 bond series	1.25 - 5.00%	2028	55,110,000	16,364,500	71,474,500
2013A	59,615,000	Fund capital and non-capital projects - governmental activities	.557 - 2.62%	2024	51,910,000	5,128,713	57,038,713
2013 Note	15,000,000	Purchase mobile radios for the municipalities of the County	Variable	2020	8,733,000	207,078	8,940,078
2015	38,085,000	Refund 2005 series and 2007 series bonds	2.00 - 5.00%	2022	31,695,000	3,928,656	35,623,656
2015 Note	11,000,000	Fund replacement of certain 911 equipment	Variable	2022	9,489,000	5,035,200	14,524,200
2016	55,255,000	Refund portion of 2008 series bonds and fund certain capital projects	3.00 - 5.00%	2030	55,255,000	17,057,300	72,312,300
Total					\$ 277,282,000	\$ 62,710,297	\$ 339,992,297

Interest on the variable rate Notes (maximum 15%) is calculated based on the Bond Market Association Index which is adjusted on a weekly basis.

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
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The requirements to amortize all County general obligation bonds outstanding as of December 31, 2016, 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>
2017	\$ 32,753,000	\$ 11,716,965	\$ 44,469,965
2018	28,645,000	10,419,701	39,064,701
2019	29,628,000	9,136,401	38,764,401
2020	30,711,000	7,845,892	38,556,892
2021	27,612,000	6,545,316	34,157,316
2022-2026	106,198,000	15,493,222	121,691,222
2027-2030	<u>21,735,000</u>	<u>1,552,800</u>	<u>23,287,800</u>
Total	<u>\$ 277,282,000</u>	<u>\$ 62,710,297</u>	<u>\$ 339,992,297</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 2016, no payments were required by the County. The Authority's debt related to this note at June 30, 2015 totaled \$6,765,024.

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.

COUNTY OF BUCKS, PENNSYLVANIA

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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.

In December 2014, the Authority issued College Building Revenue Bonds, Series of 2014 totaling \$25,585,000. The proceeds will be used to fund the outfitting and renovations to Founders Hall Science Building at the College's main campus. In conjunction with the issuance of these bonds, the Authority, College and the County entered into the second supplemental lease and sublease agreement. The County will lease the project assets from the Authority and will sublease the project assets related to the Founders Hall projects to the College. Lease payments made by the College will be sufficient to satisfy the debt service.

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, 2005 and 2015 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 2015, no such payments were required to be made by the County. At December 31, 2016 the outstanding principal amount of guaranteed debt is \$1,695,547. (See Note 15A.) At December 31, 2016 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, 2016, computed in accordance with the Commonwealth of Pennsylvania's Local Government Unit Debt Act of 1972, as amended, is \$1,187,743,828 for general obligation bonds and \$1,630,117,526 for general obligation bonds and lease rental debt. The County is in compliance with all applicable debt covenants at December 31, 2016.

14. **ADVANCE REFUNDING**

In 1992, 1998, 2005, 2008, 2013, 2015 and 2016 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, 2016, which are considered defeased:

<u>Bonds</u>	<u>Amounts</u>
1990 First Series Bonds	\$ 9,805,000
1995 Series Bonds	1,695,000
1997 Series Bonds	2,985,000
1998 Series Bonds	1,970,000
2004 Series Bonds	44,935,000
2005 Series Bonds	10,590,000
2007 Series Bonds	21,055,000
2008 Series Bonds	<u>25,695,000</u>
	<u>\$ 118,730,000</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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, 2016:

	<u>January 1,</u> <u>2016</u>	<u>Additions</u>	<u>(Retirements)</u>	<u>December 31,</u> <u>2016</u>
Bucks County Airport Authority	\$ 2,403,702	\$ -	\$ (708,155)	\$ 1,695,547
Bucks County Community College Authority (1)	49,090,024	-	(3,317,451)	45,772,573
Bucks County Housing Authority	<u>2,070,678</u>	<u>-</u>	<u>(49,679)</u>	<u>2,020,999</u>
Total long-term obligations - Component Units	<u>\$ 53,564,404</u>	<u>\$ -</u>	<u>\$ (4,075,285)</u>	<u>\$ 49,489,119</u>

(1) Bucks County Community College Authority is presented for the year ended June 30, 2016.

A. Bucks County Airport Authority

The Bucks County Airport Authority (the Airport Authority) long-term obligations at December 31, 2016 are as follows:

<u>Series</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal (2)</u>
1997	Interest rate 1.95%	2017	\$ 84,547
2002	Interest rate varies weekly, currently averaging 0.1454%	2021	372,000
2003	Interest rate varies weekly, currently averaging 0.9356%	2018	123,000
2004	Interest rate varies weekly, currently averaging 0.1454%	2021	588,000
2015	Interest rate varies weekly, currently averaging 0.9356%	2035	<u>528,000</u>
			<u>\$ 1,695,547</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, 2016, including principal payments, for the next five years and thereafter are as follows:

<u>Series</u>	<u>Amounts</u>
2017	\$ 353,547
2018	275,000
2019	216,000
2020	219,000
2021	223,000
2022 - 2026	132,000
2027 - 2031	147,000
2032 - 2035	<u>130,000</u>
Total	<u>\$ 1,695,547</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

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, 2016 are as follows:

<u>Series</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal</u>
2007 Bond	4.00 - 5.00%	2017	\$ 1,160,000
2007 Note	3.99%	2027	\$ 6,342,573
2008 Bond	3.70 - 5.00%	2028	\$ 14,125,000
2014 Bond	2.00 - 5.00%	2034	\$ 24,145,000

The requirements to amortize the Authority bonds and notes outstanding at June 30, 2016 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>
2017	\$ 3,492,998	\$ 1,918,213	\$ 5,411,211
2018	2,422,422	1,769,127	4,191,549
2019	2,512,637	1,684,149	4,196,786
2020	2,608,168	1,586,833	4,195,001
2021	2,710,542	1,483,739	4,194,281
2022 - 2026	15,568,220	5,400,335	20,968,555
2027 - 2031	11,177,586	2,036,806	13,214,392
2032 - 2035	<u>5,280,000</u>	<u>400,875</u>	<u>5,680,875</u>
Total	<u>\$ 45,772,573</u>	<u>\$ 16,280,077</u>	<u>\$ 62,052,650</u>

C. Bucks County Housing Authority

Long-term obligations of the Bucks County Housing Authority (the Housing Authority) totaling \$2,020,999 at December 31, 2016, consisted of Rural Housing Community Development Service (RD) mortgages totaling \$1,720,999 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, 2016**

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, 2016</u>
Sellersville Heights	10/85	\$ 2,200,000	10.75%	\$ 4,661	\$ 1,720,999

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

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, 2016**

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, 2016 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Primary government		
Governmental activities:		
Major governmental funds:		
General fund	\$ 25,970,094	\$ 1,666,005
Behavioral health services fund	-	1,834,742
Children and youth services fund	-	956,797
Mental health/developmental programs fund	-	1,336,012
Debt service fund	-	1,888,650
2016 series bond fund	-	167,601
Total major governmental funds	<u>25,970,094</u>	<u>7,849,807</u>
Nonmajor governmental funds:		
Area agency on aging fund	-	4,021,815
Bridge reconstruction fund	284,800	-
Community and business development fund	-	2,428,846
Emergency response 911 fund	-	4,477,467
Hazardous material emergency response fund	-	404,180
HOME fund	-	1,408,998
Liquid fuels tax fund	-	1,107,263
Neshaminy Manor fund	-	3,827,194
2005 series bond	143,045	-
2008 series bond fund	-	427
2011 series bond fund	-	1,064,269
2013 series bond fund	535,767	-
2015 notes capital acquisition	-	551,486
Open space fund	-	494,347
Miscellaneous capital projects fund	702,393	-
Total nonmajor governmental funds	<u>1,666,005</u>	<u>19,786,292</u>
Total primary government	<u>27,636,099</u>	<u>27,636,099</u>

COUNTY OF BUCKS, PENNSYLVANIA

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

17. TRANSFERS IN/OUT RECONCILIATION

During 2016, 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, 2016 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Transfers in/out:		
Governmental activities:		
Major governmental funds:		
General fund	\$ 600,192	\$ 17,309,317
Children and youth services fund	11,786,584	-
Mental health/developmental programs	1,656,076	-
2016 series bond	-	530,528
Debt service fund	<u>2,234,000</u>	<u>-</u>
Total major governmental funds	<u>16,276,852</u>	<u>17,839,845</u>
Nonmajor governmental funds	<u>4,424,361</u>	<u>2,861,368</u>
Total transfers in/out	<u>\$ 20,701,213</u>	<u>\$ 20,701,213</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 \$46,787,733 was unassigned.

The 2013 Series Bond fund has a nonspendable fund balance of \$9,336,294. The funds are related to loans receivable from municipal public safety constituents.

The negative unassigned fund balance of (\$1,888,650) in the debt service fund is debt payments in excess of real estate taxes and other income. The 2016 Series Bond fund has restricted fund balance of \$24,718,616 for the payment of capital project expenditures.

In the nonmajor capital project funds, a total of \$14,738,198 of fund balance was restricted for the payment of capital project expenditures.

The restriction on net position included in the fiduciary funds represents \$687,375,076 of net position held in trust for pension benefits for future payments to members.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

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 restricted for pension benefits \$687,285,735
This represents amounts that are held in trust for future payments of members' benefits.

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 2016, the County provided operating and capital subsidies to SEPTA aggregating \$3,237,000 and \$390,000, respectively. Such subsidies are classified as Authorities in the general fund operating statement. As of December 31, 2016, the County's commitment to fund future SEPTA capital projects is \$368,755.

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 2016, the County expended \$10,559,843 for employee health care coverage to IBC and \$18,475,505 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, 2016. Rental expense for all operating leases amounted to \$1,039,265 in 2016.

<u>Years</u>	<u>Amounts</u>
2017	\$ 788,122
2018	634,813
2019	219,710
Total	<u>\$ 1,642,645</u>

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

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.

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 are as follows:

<u>Years</u>	<u>Amounts</u>
2017	\$ 1,218,000

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 with the exception of the claim noted below.

From February 26, 2013 through April 10, 2014, a Plaintiff filed a complaint and two amended complaints against several defendants and the County of Bucks. The claims against the County alleged that the County's Inmate Lookup tool wrongfully disseminated his criminal history record information in violation of Pennsylvania Criminal History Records Information Act ("CHRIA"), 18 Pa.C.S.A. §§ 9101 *et seq.* Plaintiff seeks damages and injunctive relief against the County. Plaintiff also brought this action as a class action on behalf of all persons whose criminal history record information was made available on the BCCF Inmate Lookup Tool. After the parties filed cross motions for summary judgement, the court agreed with the County on March 28, 2016 that the Plaintiff had not suffered any "actual injury" and thus could not recover actual and real damages for himself or members of the putative class.

On May 4, 2016, the court granted Plaintiff's motion for class certification under Fed.R.Civ.P.23(b)(3), certifying a class comprised of "all persons whose criminal history record information was made available on the BCCF Inmate Lookup Tool." This class consists of 66,799 persons with potential punitive damages exposure between \$1,000 - \$10,000 per violation. The County believes it has a strong basis for appeal. Thus on May 17, 2016, the County filed a petition for permission to appeal the class certification order, pursuant to Fed. R. Civ. P. 23(f), with the United States Court of Appeals for the Third Circuit and permission was granted. The County filed its opening brief for the appeal in October 2016 and arguments were heard in March 2017. No decision on this appeal has been rendered. The County does not have any insurance covering this claim. The County will continue to defend this case vigorously at both the district court and appellate court.

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 2017, the County plans to increase the fund balance by increasing the debt service fund transfers from the General Fund.

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016

24. RESTATEMENT OF NET POSITION/CHANGE IN ACCOUNTING PRINCIPLE

The net position – January 1, in the Statement of Activities of the government-wide financial statements has been restated by \$23,857,526 from \$212,579,783 to \$236,437,309 to reflect an overstatement of net pension liability and deferred outflow of resources related to the pension. The net pension liability was reduced by \$45,410,673 and the deferred outflow related to pension was reduced by \$21,553,147.

25. SUBSEQUENT EVENTS

On April 5, 2017, the Commissioners approved Ordinance #152 authorizing the incurrence of lease rental debt pursuant to a guaranty agreement for the Bucks County Community College Authority in the amount of \$7,500,000.

On April 19, 2017, the Commissioners approved Ordinance #153 authorizing the incurrence of electoral and nonelectoral debt with the issuance of General Obligation Bonds, Series of 2017 in the amount of \$39,000,000. The proceeds of the bonds will be used to finance the advance refunding of a portion of the County's outstanding General Obligation Bonds, Series of 2011 and paying for the costs, fees and expenses related to the issuance of bonds.

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Required Supplementary Information

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

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability			
Service cost	\$ 21,519,050	\$ 21,218,792	\$ 19,835,549
Interest	51,237,559	47,217,839	44,831,746
Changes of benefit terms	2,088,402	1,543,979	4,802,609
Differences between expected and actual experience	7,256,223	(7,003,334)	2,407,516
Changes of assumptions	-	9,361,427	-
Benefit payments, including refunds of member contributions	<u>(32,580,580)</u>	<u>(34,215,161)</u>	<u>(28,721,358)</u>
Net change in total pension liability	49,520,654	38,123,542	43,156,062
Total pension liability - beginning	\$ <u>677,761,588</u>	\$ <u>639,638,046</u>	\$ <u>596,481,984</u>
Total pension liability - ending (a)	\$ <u>727,282,242</u>	\$ <u>677,761,588</u>	\$ <u>639,638,046</u>
 Plan fiduciary net position			
Contributions - employer	\$ 10,390,836	\$ 7,865,947	\$ 5,797,038
Contributions - member	14,485,377	14,702,227	13,490,845
Net investment income	45,490,341	(4,624,721)	38,265,726
Benefit payments, including refunds of member contributions	(32,580,580)	(34,215,161)	(28,721,357)
Administration expense	-	-	-
Other	<u>(214,845)</u>	<u>(256,571)</u>	<u>(367,854)</u>
Net change in plan fiduciary net position	37,571,129	(16,528,279)	28,464,398
Plan fiduciary net position - beginning	\$ <u>649,714,606</u>	\$ <u>666,242,885</u>	\$ <u>637,778,487</u>
Plan fiduciary net position - ending (b)	\$ <u>687,285,735</u>	\$ <u>649,714,606</u>	\$ <u>666,242,885</u>
 County's Net Pension liability	 \$ <u>39,996,507</u>	 \$ <u>28,046,982</u>	 \$ <u>(26,604,839)</u>
 Plan fiduciary net position as a percentage of the total pension liability	 94.50%	 95.86%	 104.16%
 Covered-employee payroll	 \$ 153,253,605	 \$ 144,353,180	 \$ 142,420,818
 County's net pension liability as a percentage of covered-employee payroll	 26.1%	 19.4%	 -18.7%

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

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

Schedule of County Contributions
Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Actuarially determined contribution	\$ 10,390,836	\$ 7,865,947	\$ 5,797,038	\$ 10,892,672	\$ 12,496,284	\$ 12,117,361	\$ 14,452,118	\$ 8,720,402	\$ 1,062,592	\$ 3,386,984
Contributions in relation to the actuarially determined contribution	<u>10,390,836</u>	<u>7,865,947</u>	<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>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 153,253,605	\$ 144,353,180	\$ 142,420,818	\$ 140,885,869	\$ 144,641,742	\$ 143,033,179	\$ 137,116,868	\$ 136,395,447	\$ 122,136,993	\$ 122,456,667
Contributions as a percentage of covered-employee payroll	6.78%	5.45%	4.07%	7.73%	8.64%	8.47%	10.54%	6.39%	0.87%	2.77%

Notes to Schedule

Valuation date January 1, 2016

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	25 years
Asset valuation method	Market value adjusted for unrecognized gains and losses from prior years
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

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

Schedule of Investment Returns
Last 10 Fiscal Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Annual money-weighted rate of return, net of investment expense	7.20%	(0.37)%	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, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Real estate taxes	\$ 148,575,500	\$ 148,575,500	\$ 147,375,999	\$ (1,199,501)
Licenses and fees	18,154,600	18,157,600	16,230,340	(1,927,260)
Judiciary costs and fines	19,691,200	19,771,200	19,173,003	(598,197)
Intergovernmental	21,383,200	21,607,200	20,558,229	(1,048,971)
Interest	957,600	957,600	488,008	(469,592)
Other	2,551,700	2,567,700	2,991,271	423,571
Total revenues	<u>211,313,800</u>	<u>211,636,800</u>	<u>206,816,850</u>	<u>(4,819,950)</u>
Expenditures:				
Current:				
General government:				
Agricultural extension service	349,200	349,200	349,200	-
Allocated costs	(5,781,900)	(6,313,400)	(5,835,672)	(477,728)
Commissioners	943,800	974,800	974,312	488
Consumer protection	550,800	558,800	557,647	1,153
Controller	2,478,900	2,478,900	2,253,555	225,345
Emergency management	707,800	679,800	566,407	113,393
Employee benefits	-	-	-	-
ERP	688,300	700,300	699,268	1,032
Finance	820,000	820,000	681,657	138,343
Fire marshal	422,400	422,400	336,389	86,011
Housing & Emergency Shelter	150,000	150,000	150,000	-
Human resources	880,000	880,000	859,328	20,672
Information systems	5,875,400	5,710,400	5,246,255	464,145
Insurance	1,575,000	1,575,000	1,453,059	121,941
Mail room	599,000	648,000	646,705	1,295
Microfilming, printing and reproduction	257,100	257,100	194,183	62,917
Military affairs	387,900	397,900	370,651	27,249
Opportunity council	267,400	267,400	267,400	-
Parks and recreation	4,556,800	4,556,800	4,460,769	96,031
Planning and zoning	2,994,600	2,994,600	2,983,443	11,157
Public defender	3,976,900	4,008,900	3,985,175	23,725
Public information	461,400	461,400	454,295	7,105
Public works/County properties	9,980,000	9,960,000	9,942,212	17,788
Purchasing	587,000	587,000	541,047	45,953
Recorder of deeds	1,941,800	1,941,800	1,871,617	70,183
Self Insurance	3,500,000	3,500,000	3,383,021	116,979
Solicitor	1,075,000	1,131,000	1,130,451	549
Tax assessment	2,223,400	2,223,400	2,157,920	65,480
Tax claim bureau	612,800	612,800	605,891	6,909
Tax collectors	1,266,000	1,288,000	1,285,982	2,018
Treasurer	928,300	928,300	907,194	21,106
Voter registration	1,685,200	1,701,200	1,696,036	5,164
Voting machines	557,400	567,400	553,981	13,419
Total general government	<u>47,517,700</u>	<u>47,019,200</u>	<u>45,729,378</u>	<u>1,289,822</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, 2016
(Continued)**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	
Judiciary:				
Adult probation & parole	\$ 7,802,900	\$ 7,937,900	\$ 7,892,369	\$ 45,531
Clerk of courts	1,974,300	2,015,300	2,012,139	3,161
Constables	2,124,500	2,124,500	1,938,134	186,366
Coroner	1,080,200	1,193,200	1,192,997	203
Court stenographers	2,644,200	2,665,200	2,655,196	10,004
Courts	9,527,600	9,214,100	8,832,512	381,588
District attorney	10,331,200	10,746,200	10,687,272	58,928
District courts	9,101,200	9,101,200	8,892,994	208,206
Domestic relations	8,252,200	8,450,700	8,425,270	25,430
Grand jury	43,700	45,700	43,989	1,711
Juvenile probation & parole	5,025,100	5,466,700	5,437,296	29,404
Law library	409,700	415,700	415,692	8
Prothonotary	2,226,500	2,226,500	2,160,986	65,514
Register of wills	1,583,500	1,583,500	1,492,957	90,543
Sheriff	6,603,600	6,683,600	6,645,669	37,931
Total judiciary	<u>68,730,400</u>	<u>69,870,000</u>	<u>68,725,472</u>	<u>1,144,528</u>
Corrections:				
Administration	3,342,600	3,282,600	3,272,151	10,449
County correctional facility	26,503,700	27,355,200	27,351,258	3,942
Men's community correction center	7,195,300	7,020,300	6,985,919	34,381
Women's community correction center	685,400	675,400	670,361	5,039
Total corrections	<u>37,727,000</u>	<u>38,333,500</u>	<u>38,279,689</u>	<u>53,811</u>
Authorities:				
BC transportation authority	2,516,900	2,516,900	2,439,537	77,363
Civic groups	200,000	200,000	199,900	100
Community college appropriation	8,970,000	8,970,000	8,970,000	-
Drug and alcohol appropriation	354,000	354,000	354,000	-
Library appropriation	6,003,000	6,003,000	6,003,000	-
Transportation authority	3,627,000	3,627,000	3,627,000	-
Total authorities	<u>21,670,900</u>	<u>21,670,900</u>	<u>21,593,437</u>	<u>77,463</u>
Social services:				
Guardian ad litem	96,200	106,200	101,812	4,388
Human services	805,600	863,600	830,699	32,901
Victim witness pass through	86,000	86,000	59,085	26,915
Total social services	<u>987,800</u>	<u>1,055,800</u>	<u>991,596</u>	<u>64,204</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, 2016
(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	\$ 622,900	\$ 632,900	\$ 616,070	\$ 16,830
Health department	<u>14,527,100</u>	<u>14,539,100</u>	<u>14,537,108</u>	<u>1,992</u>
Total health	<u>15,150,000</u>	<u>15,172,000</u>	<u>15,153,178</u>	<u>18,822</u>
Public safety:				
Emergency services training center	1,300,000	1,300,000	1,288,184	11,816
Hazardous waste program	223,500	223,500	194,586	28,914
Police training center	295,800	316,800	300,376	16,424
Security courthouse	<u>2,281,300</u>	<u>2,441,300</u>	<u>2,415,631</u>	<u>25,669</u>
Total public safety	<u>4,100,600</u>	<u>4,281,600</u>	<u>4,198,777</u>	<u>82,823</u>
Capital projects:				
Consumer protection	8,000	-	-	-
Coroner	25,000	-	-	-
County correctional facility	89,000	123,500	123,487	13
Courts	100,000	100,000	-	100,000
District attorney	6,000	7,000	6,815	185
Emergency management	-	28,000	27,200	800
Fire marshal	33,800	33,800	29,368	4,432
Health department	-	16,000	15,649	351
Information systems center	50,000	215,000	212,012	2,988
Parks and recreation	75,000	75,000	53,702	21,298
Public works/County properties	100,000	120,000	118,081	1,919
Register of wills	10,000	10,000	8,545	1,455
Sheriff	<u>160,000</u>	<u>160,000</u>	<u>150,352</u>	<u>9,648</u>
Total capital projects	<u>656,800</u>	<u>888,300</u>	<u>745,211</u>	<u>143,089</u>
Total expenditures	<u>196,541,200</u>	<u>198,291,300</u>	<u>195,416,738</u>	<u>2,874,562</u>
Excess of revenues over expenditures	<u>14,772,600</u>	<u>13,345,500</u>	<u>11,400,112</u>	<u>(1,945,388)</u>
Other financing sources (uses):				
Transfers in	495,200	495,200	600,192	104,992
Proceeds of refunding bonds	-	-	-	-
Bond premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers out	<u>(15,215,200)</u>	<u>(17,446,600)</u>	<u>(17,309,317)</u>	<u>137,283</u>
Total other financing sources (uses)	<u>(14,720,000)</u>	<u>(16,951,400)</u>	<u>(16,709,125)</u>	<u>242,275</u>
Net change in fund balance	52,600	<u>(3,605,900)</u>	(5,309,013)	(1,703,113)
Fund balance - January 1	<u>49,931,800</u>	<u>49,931,800</u>	<u>52,646,746</u>	<u>2,714,946</u>
Fund balance - December 31	<u>\$ 49,984,400</u>	<u>\$ 46,325,900</u>	<u>\$ 47,337,733</u>	<u>\$ 1,011,833</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, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 89,433,500	\$ 113,927,800	\$ 114,006,679	\$ 78,879
Interest	<u>75,000</u>	<u>83,400</u>	<u>-</u>	<u>(83,400)</u>
Total revenues	<u>89,508,500</u>	<u>114,011,200</u>	<u>114,006,679</u>	<u>(4,521)</u>
Expenditures:				
Current:				
Social services	<u>89,508,500</u>	<u>114,011,200</u>	<u>114,006,679</u>	<u>4,521</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, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Revenues:				
Licenses and fees	\$ 860,100	\$ 927,100	\$ 808,856	\$ (118,244)
Intergovernmental	48,247,300	47,614,300	46,541,909	(1,072,391)
Other	1,000	1,000	1,099	99
Total revenues	49,108,400	48,542,400	47,351,864	(1,190,536)
Expenditures:				
Current:				
Social services:				
Children & youth agency:				
Administration	5,180,000	5,215,000	5,283,949	(68,949)
Adoption	4,995,000	5,095,000	5,593,688	(498,688)
Bridge housing	220,000	220,000	232,169	(12,169)
Caseworker visitation	16,000	16,800	16,759	41
Community residential	3,635,000	3,056,200	2,863,737	192,463
Counseling	1,235,000	1,275,000	1,470,613	(195,613)
Day care	115,000	173,000	169,918	3,082
Day treatment	55,000	65,000	92,704	(27,704)
Emergency shelter	319,500	319,500	268,006	51,494
Family center	176,820	176,820	179,786	(2,966)
Foster family	7,672,500	7,672,500	7,615,363	57,137
Independent living	980,000	900,000	790,640	109,360
Intake and referral	2,635,000	2,935,000	2,617,683	317,317
Juvenile act proceedings	645,000	645,000	632,400	12,600
Life skills	460,000	506,000	468,619	37,381
PRF/CAP	28,600	28,600	31,482	(2,882)
Protective services	10,846,700	10,856,700	10,602,385	254,315
Residential	410,000	425,000	478,965	(53,965)
Special grant initiatives	1,024,100	1,044,100	1,086,443	(42,343)
SPLC	835,840	859,840	810,430	49,410
TLFR	184,340	184,340	197,548	(13,208)
Youth center:				
RSU	2,532,800	2,582,800	2,549,863	32,937
Youth center	5,294,100	5,411,100	5,394,009	17,091

(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, 2016
(Continued)

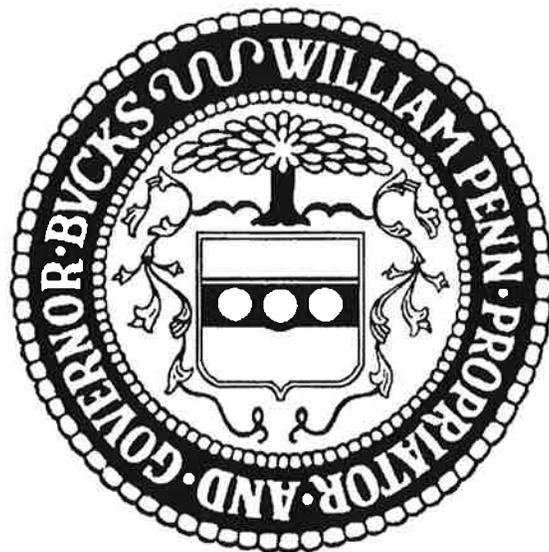
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Juvenile probation:				
Administration	669,800	234,200	336,020	(101,820)
Alternative treatment	134,000	134,000	22,597	111,403
Community residential	1,920,000	1,722,000	1,547,647	174,353
Counseling	3,400,000	3,433,600	3,240,300	193,300
Day treatment	160,000	228,000	237,674	(9,674)
Detention out of county	400	800	544	256
Emergency shelter	6,000	6,000	5,661	339
Foster family services	270,000	270,000	208,620	61,380
Juvenile act proceedings	170,000	170,000	144,664	25,336
Residential	2,700,000	2,680,000	2,276,818	403,182
YDC/YFC	1,757,500	1,787,500	1,670,744	116,756
Total social services	60,684,000	60,329,400	59,138,448	1,190,952
Capital projects	-	-	-	-
Total expenditures	60,684,000	60,329,400	59,138,448	1,190,952
Excess of revenues under expenditures	(11,575,600)	(11,787,000)	(11,786,584)	416
Other financing sources:				
Transfers in	11,575,600	11,787,000	11,786,584	(416)
Net change in Fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	\$ -	\$ -	\$ -	\$ -

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 BALANCE
BUDGET AND ACTUAL - MENTAL HEALTH / DEVELOPMENTAL PROGRAMS
THE YEAR ENDED DECEMBER 31, 2016

	<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	\$ 75,000	\$ 45,000	\$ 7,329	\$ (37,671)
Intergovernmental	30,886,700	32,144,700	31,733,149	(411,551)
Interest	<u>18,100</u>	<u>18,100</u>	<u>45,792</u>	<u>27,692</u>
Total revenues	<u>30,979,800</u>	<u>32,207,800</u>	<u>31,786,270</u>	<u>(421,530)</u>
Expenditures:				
Current:				
Social services:				
Administration	5,400,000	5,005,800	5,322,448	(316,648)
Mental health services	16,316,300	16,076,800	16,842,511	(765,711)
Developmental programs	5,200,000	5,775,700	4,964,353	811,347
Resource Coordination	40,000	29,500	3,216	26,284
Early intervention	<u>5,600,000</u>	<u>6,953,500</u>	<u>6,309,818</u>	<u>643,682</u>
Total expenditures	<u>32,556,300</u>	<u>33,841,300</u>	<u>33,442,346</u>	<u>398,954</u>
Excess of revenues under expenditures	<u>\$ (1,576,500)</u>	<u>\$ (1,633,500)</u>	<u>\$ (1,656,076)</u>	<u>\$ (22,576)</u>
Other financing sources:				
Transfers in	<u>1,576,500</u>	<u>1,633,500</u>	<u>1,656,076</u>	<u>22,576</u>
Total other financing sources	<u>1,576,500</u>	<u>1,633,500</u>	<u>1,656,076</u>	<u>22,576</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.



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 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 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 2013 series bond fund is used to account for a portion of the construction of the new Justice Center and improvements to other County facilities, the County's Open Space program, the Emergency Services narrowbanding project and technology upgrades.

The 2015 notes capital acquisitions fund is used to account for the replacement of equipment related to the County's 911 system.

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, 2016**

	<u>Special Revenue Funds</u>						
	<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>
ASSETS							
Cash and cash equivalents	\$ 6,186,680	\$ -	\$ 2,266,668	\$ 4,683,190	\$ 365,527	\$ 1,515,818	\$ 1,790,804
Receivables:							
Intergovernmental	189,093	229,994	356,125	1,039,892	44,304	167,182	-
Accounts	5,087	-	-	-	-	10,304	-
Loans	-	-	-	-	-	-	-
Due from other funds	-	284,800	-	-	-	-	-
Other assets	10,753	-	-	930,608	-	-	-
Total assets	<u>\$ 6,391,613</u>	<u>\$ 514,794</u>	<u>\$ 2,622,793</u>	<u>\$ 6,653,690</u>	<u>\$ 409,831</u>	<u>\$ 1,693,304</u>	<u>\$ 1,790,804</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 633,991	\$ 514,794	\$ 83,105	\$ 161,464	\$ 4,928	\$ 273,288	\$ 1,017
Due to other funds	4,021,815	-	2,428,846	4,477,467	404,180	1,408,998	1,107,263
Unearned revenue	1,735,807	-	110,842	2,014,759	-	11,018	682,524
Total liabilities	<u>6,391,613</u>	<u>514,794</u>	<u>2,622,793</u>	<u>6,653,690</u>	<u>409,108</u>	<u>1,693,304</u>	<u>1,790,804</u>
Fund balances:							
Non Spendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Assigned	-	-	-	-	723	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>723</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 6,391,613</u>	<u>\$ 514,794</u>	<u>\$ 2,622,793</u>	<u>\$ 6,653,690</u>	<u>\$ 409,831</u>	<u>\$ 1,693,304</u>	<u>\$ 1,790,804</u>

Capital Projects Funds

<u>Neshaminy Manor</u>	<u>2005 Series Bond</u>	<u>2008 Series Bond</u>	<u>2011 Series Bond</u>	<u>2013 Series Bond</u>	<u>2015 Notes Capital Acquisitions</u>	<u>Open Space Fund</u>	<u>Miscellaneous Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>	
\$ -	\$ -	\$ 427	\$ 1,397,385	\$ -	\$ 9	\$ 10,975,857	\$ 5,392,083	\$ -	\$ 34,574,448
4,339,761	-	-	-	-	-	-	-	6,366,351	
906,493	-	-	-	-	12,248	-	-	934,132	
-	-	-	-	9,336,294	-	-	-	9,336,294	
-	143,045	-	-	535,767	-	-	702,393	1,666,005	
1,680	-	-	-	-	-	-	-	943,041	
<u>\$ 5,247,934</u>	<u>\$ 143,045</u>	<u>\$ 427</u>	<u>\$ 1,397,385</u>	<u>\$ 9,872,070</u>	<u>\$ 10,988,105</u>	<u>\$ 5,392,083</u>	<u>\$ 702,393</u>	<u>\$ 53,820,271</u>	
\$ 1,401,845	\$ -	\$ -	\$ 44,346	\$ 152,057	\$ 1,259,487	\$ 362,432	\$ -	\$ 4,892,754	
3,827,194	-	427	1,064,269	-	1,486	1,044,347	-	19,786,292	
18,895	-	-	-	-	-	354,165	138,000	5,066,010	
<u>5,247,934</u>	<u>-</u>	<u>427</u>	<u>1,108,615</u>	<u>152,057</u>	<u>1,260,973</u>	<u>1,760,944</u>	<u>138,000</u>	<u>29,745,056</u>	
-	-	-	-	9,336,294	-	-	-	9,336,294	
-	143,045	-	288,770	383,719	9,727,132	3,631,139	564,393	14,738,198	
-	-	-	-	-	-	-	-	723	
-	-	-	-	-	-	-	-	-	
<u>-</u>	<u>143,045</u>	<u>-</u>	<u>288,770</u>	<u>9,720,013</u>	<u>9,727,132</u>	<u>3,631,139</u>	<u>564,393</u>	<u>24,075,215</u>	
<u>\$ 5,247,934</u>	<u>\$ 143,045</u>	<u>\$ 427</u>	<u>\$ 1,397,385</u>	<u>\$ 9,872,070</u>	<u>\$ 10,988,105</u>	<u>\$ 5,392,083</u>	<u>\$ 702,393</u>	<u>\$ 53,820,271</u>	

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Special Revenue Funds</u>						
	<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>
Revenues:							
Licenses and fees	\$ 4,637	\$ 1,408,885	\$ 33,481	\$ 14,210,819	\$ 186,598	\$ 995,010	\$ -
Intergovernmental	8,040,566	346,382	1,323,627	-	44,304	673,651	328,137
Interest	34,612	-	-	758	1,596	-	3,932
Other	139,245	-	-	-	-	-	-
Total revenues	<u>8,219,060</u>	<u>1,755,267</u>	<u>1,357,108</u>	<u>14,211,577</u>	<u>232,498</u>	<u>1,668,661</u>	<u>332,069</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Social services	9,510,657	-	1,357,108	-	-	1,668,661	-
Bridges	-	2,285,795	-	-	-	-	332,069
Public safety	-	-	-	14,071,705	244,083	-	-
Capital projects	-	-	-	139,872	-	-	-
Total expenditures	<u>9,510,657</u>	<u>2,285,795</u>	<u>1,357,108</u>	<u>14,211,577</u>	<u>244,083</u>	<u>1,668,661</u>	<u>332,069</u>
Excess of revenues over (under) expenditures	<u>(1,291,597)</u>	<u>(530,528)</u>	<u>-</u>	<u>-</u>	<u>(11,585)</u>	<u>-</u>	<u>-</u>
Other financing sources :							
Proceeds from notes	-	-	-	-	-	-	-
Transfers in	1,291,597	530,528	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources	<u>1,291,597</u>	<u>530,528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,585)</u>	<u>-</u>	<u>-</u>
Fund balances:							
January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,308</u>	<u>-</u>	<u>-</u>
December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 723</u>	<u>\$ -</u>	<u>\$ -</u>

Capital Projects Funds

Neshaminy Manor	2005 Series Bond	2008 Series Bond	2011 Series Bond	2013 Series Bond	2015 Notes Capital Acquisitions	Open Space Fund	Miscell- aneous Capital Projects	Total Nonmajor Governmental Funds
\$ 16,680,422	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,519,852
23,501,117	91,232	-	-	-	-	-	657,718	35,006,734
-	-	5,245	9,341	9,452	87,989	17,330	-	170,255
-	-	-	-	-	-	-	79,933	219,178
<u>40,181,539</u>	<u>91,232</u>	<u>5,245</u>	<u>9,341</u>	<u>9,452</u>	<u>87,989</u>	<u>17,330</u>	<u>737,651</u>	<u>68,916,019</u>
-	-	831,615	16,188	19,975	-	59,288	681,858	1,608,924
42,015,718	-	-	-	-	-	-	-	54,552,144
-	-	-	-	-	-	-	-	2,617,864
-	-	-	-	-	-	-	-	14,315,788
<u>128,668</u>	<u>117,756</u>	<u>-</u>	<u>1,231,773</u>	<u>6,047,282</u>	<u>1,298,309</u>	<u>86,666</u>	<u>351,063</u>	<u>9,401,389</u>
<u>42,144,386</u>	<u>117,756</u>	<u>831,615</u>	<u>1,247,961</u>	<u>6,067,257</u>	<u>1,298,309</u>	<u>145,954</u>	<u>1,032,921</u>	<u>82,496,109</u>
<u>(1,962,847)</u>	<u>(26,524)</u>	<u>(826,370)</u>	<u>(1,238,620)</u>	<u>(6,057,805)</u>	<u>(1,210,320)</u>	<u>(128,624)</u>	<u>(295,270)</u>	<u>(13,580,090)</u>
-	-	-	-	-	-	-	-	-
1,962,847	-	-	-	-	-	-	639,389	4,424,361
<u>-</u>	<u>-</u>	<u>(27,176)</u>	<u>-</u>	<u>(2,234,000)</u>	<u>-</u>	<u>(600,192)</u>	<u>-</u>	<u>(2,861,368)</u>
<u>1,962,847</u>	<u>-</u>	<u>(27,176)</u>	<u>-</u>	<u>(2,234,000)</u>	<u>-</u>	<u>(600,192)</u>	<u>639,389</u>	<u>1,562,993</u>
-	(26,524)	(853,546)	(1,238,620)	(8,291,805)	(1,210,320)	(728,816)	344,119	(12,017,097)
-	169,569	853,546	1,527,390	18,011,818	10,937,452	4,359,955	220,274	36,092,312
<u>\$ -</u>	<u>\$ 143,045</u>	<u>\$ -</u>	<u>\$ 288,770</u>	<u>\$ 9,720,013</u>	<u>\$ 9,727,132</u>	<u>\$ 3,631,139</u>	<u>\$ 564,393</u>	<u>\$ 24,075,215</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, 2016**

	<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	\$ 1,800	\$ 1,800	\$ 4,637	\$ 2,837
Intergovernmental	8,041,900	8,082,900	8,040,566	(42,334)
Interest	14,000	14,000	34,612	20,612
Other	<u>141,000</u>	<u>151,000</u>	<u>139,245</u>	<u>(11,755)</u>
Total revenues	<u>8,198,700</u>	<u>8,249,700</u>	<u>8,219,060</u>	<u>(30,640)</u>
Expenditures:				
Current:				
Social services:				
Administration	5,543,100	5,470,300	5,549,088	(78,788)
Care management	195,800	238,800	235,827	2,973
Congregate meals	689,800	740,800	837,496	(96,696)
Cons reimb-federal	63,600	68,600	69,357	(757)
Cons reimb-state	66,300	66,300	62,993	3,307
Counseling	3,000	1,500	-	1,500
Daycare/in home services	1,882,400	1,792,400	1,594,061	198,339
Employment	10,200	9,200	5,788	3,412
Environment modification	10,000	8,000	6,908	1,092
Family caregiver support	500	425	425	-
Home delivered meals	245,700	288,275	268,762	19,513
Information & referral	196,100	205,700	196,539	9,161
Legal services	70,000	75,200	78,895	(3,695)
OBRA	900	400	-	400
Ombudsman	64,000	61,000	51,784	9,216
Pre admission assistance II	4,800	6,300	4,865	1,435
Protective services	44,000	44,000	50,265	(6,265)
Recreation & socialization	376,600	462,600	395,714	66,886
RSVP	17,300	20,300	12,324	7,976
Transportation	<u>165,500</u>	<u>140,500</u>	<u>89,566</u>	<u>50,934</u>
Total social services	<u>9,649,600</u>	<u>9,700,600</u>	<u>9,510,657</u>	<u>189,943</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, 2016
(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>9,649,600</u>	<u>9,700,600</u>	<u>9,510,657</u>	<u>189,943</u>
Excess of revenues under expenditures	<u>(1,450,900)</u>	<u>(1,450,900)</u>	<u>(1,291,597)</u>	<u>159,303</u>
Other financing sources: Transfers in	<u>1,450,900</u>	<u>1,450,900</u>	<u>1,291,597</u>	<u>(159,303)</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, 2016**

	<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	\$ 3,173,500	\$ 2,642,500	\$ 1,408,885	\$ (1,233,615)
Intergovernmental	<u>1,492,000</u>	<u>1,492,000</u>	<u>346,382</u>	<u>(1,145,618)</u>
Total revenues	<u>4,665,500</u>	<u>4,134,500</u>	<u>1,755,267</u>	<u>(2,379,233)</u>
Expenditures:				
Current:				
Bridges	<u>4,665,500</u>	<u>4,665,500</u>	<u>2,285,795</u>	<u>2,379,705</u>
Excess of revenues under expenditures	<u>-</u>	<u>(531,000)</u>	<u>(530,528)</u>	<u>472</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>531,000</u>	<u>530,528</u>	<u>(472)</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 - COMMUNITY AND BUSINESS DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<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	\$ -	\$ -	\$ 33,481	\$ 33,481
Intergovernmental	<u>4,127,700</u>	<u>4,127,700</u>	<u>1,323,627</u>	<u>(2,804,073)</u>
Total revenues	<u>4,127,700</u>	<u>4,127,700</u>	<u>1,357,108</u>	<u>(2,770,592)</u>
Expenditures:				
Current:				
Social services	<u>4,127,700</u>	<u>4,127,700</u>	<u>1,357,108</u>	<u>2,770,592</u>
Total expenditures	<u>4,127,700</u>	<u>4,127,700</u>	<u>1,357,108</u>	<u>2,770,592</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, 2016**

	<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	\$ 14,829,700	\$ 14,829,700	\$ 14,210,819	\$ (618,881)
Interest	<u>-</u>	<u>-</u>	<u>758</u>	<u>758</u>
Total revenues	<u>14,829,700</u>	<u>14,829,700</u>	<u>14,211,577</u>	<u>(618,123)</u>
Expenditures:				
Current:				
Public safety	14,452,100	14,590,600	14,071,705	518,895
Capital projects	<u>377,600</u>	<u>239,100</u>	<u>139,872</u>	<u>99,228</u>
Total expenditures	<u>14,829,700</u>	<u>14,829,700</u>	<u>14,211,577</u>	<u>618,123</u>
Excess of revenues under expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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, 2016**

	<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	\$ 175,000	\$ 175,000	\$ 186,598	\$ 11,598
Intergovernmental	60,500	60,500	44,304	(16,196)
Interest	-	-	1,596	1,596
	<u>235,500</u>	<u>235,500</u>	<u>232,498</u>	<u>(3,002)</u>
Total revenues				
Expenditures:				
Current:				
Public safety	<u>259,700</u>	<u>259,700</u>	<u>244,083</u>	<u>15,617</u>
Excess of revenues under expenditures	<u>(24,200)</u>	<u>(24,200)</u>	<u>(11,585)</u>	<u>12,615</u>
Other financing sources:				
Transfers in	<u>24,200</u>	<u>24,200</u>	<u>-</u>	<u>(24,200)</u>
Net change in Fund balance	<u>-</u>	<u>-</u>	<u>(11,585)</u>	<u>(11,585)</u>
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>12,308</u>	<u>12,308</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 723</u>	<u>\$ 723</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, 2016**

	<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	\$ 500,000	\$ 500,000	\$ 995,010	\$ 495,010
Intergovernmental	<u>1,955,000</u>	<u>1,955,000</u>	<u>673,651</u>	<u>(1,281,349)</u>
Total revenues	<u>2,455,000</u>	<u>2,455,000</u>	<u>1,668,661</u>	<u>(786,339)</u>
Expenditures:				
Current:				
Social services	<u>2,455,000</u>	<u>2,455,000</u>	<u>1,668,661</u>	<u>786,339</u>
Total expenditures	<u>2,455,000</u>	<u>2,455,000</u>	<u>1,668,661</u>	<u>786,339</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, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 695,000	\$ 695,000	\$ 328,137	\$ (366,863)
Interest	-	-	3,932	3,932
Total revenues	<u>695,000</u>	<u>695,000</u>	<u>332,069</u>	<u>(362,931)</u>
Expenditures:				
Current:				
Bridges	<u>695,000</u>	<u>695,000</u>	<u>332,069</u>	<u>362,931</u>
Total expenditures	<u>695,000</u>	<u>695,000</u>	<u>332,069</u>	<u>362,931</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 - NESHAMINY MANOR FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<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	\$ 17,926,000	\$ 16,878,500	\$ 16,680,422	\$ (198,078)
Intergovernmental	<u>22,191,100</u>	<u>23,304,100</u>	<u>23,501,117</u>	<u>197,017</u>
Total revenues	<u>40,117,100</u>	<u>40,182,600</u>	<u>40,181,539</u>	<u>(1,061)</u>
Expenditures:				
Current:				
Social services:				
Activities	990,800	1,036,694	1,036,694	-
Business office	4,172,100	4,196,329	4,196,661	(332)
Dietary/café	4,260,500	4,236,297	4,236,297	-
Housekeeping	2,010,400	2,037,901	2,037,901	-
Laundry services	1,091,700	1,077,489	1,077,489	-
Nursing services - administration	2,849,500	2,919,346	2,919,346	-
Nursing services - CNA's	12,167,500	13,551,731	13,550,517	1,214
Nursing services - LPN's	3,168,400	3,577,702	3,577,702	-
Nursing services - Pool	425,700	459,691	459,691	-
Nursing services - RN's	2,892,000	3,274,873	3,274,873	-
Operation of facilities	1,305,400	1,416,472	1,416,472	-
Pharmacy	535,900	444,646	444,646	-
Physician	684,400	730,126	730,126	-
Procurement/utilities	700,000	688,704	688,704	-
Social services	491,500	510,997	510,997	-
Therapy	<u>2,271,300</u>	<u>1,857,602</u>	<u>1,857,602</u>	<u>-</u>
Total social services	<u>40,017,100</u>	<u>42,016,600</u>	<u>42,015,718</u>	<u>882</u>
Capital projects	<u>100,000</u>	<u>129,000</u>	<u>128,668</u>	<u>332</u>
Total expenditures	<u>40,117,100</u>	<u>42,145,600</u>	<u>42,144,386</u>	<u>1,214</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, 2016
(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	\$ <u>-</u>	\$ <u>(1,963,000)</u>	\$ <u>(1,962,847)</u>	\$ <u>153</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>1,963,000</u>	<u>1,962,847</u>	<u>(153)</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 - 2005 SERIES BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Intergovernmental	\$ 116,200	\$ 116,200	\$ 91,232	\$ (24,968)
Total revenues	<u>116,200</u>	<u>116,200</u>	<u>91,232</u>	<u>(24,968)</u>
Expenditures:				
Current:				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital projects:				
Administration Building	118,000	117,600	110,110	7,490
Information systems	103,000	103,000	7,646	95,354
Public safety training center	<u>65,200</u>	<u>65,200</u>	<u>-</u>	<u>65,200</u>
Total capital projects	<u>286,200</u>	<u>285,800</u>	<u>117,756</u>	<u>168,044</u>
Total expenditures	<u>286,200</u>	<u>285,800</u>	<u>117,756</u>	<u>168,044</u>
Excess of revenues under expenditures	<u>(170,000)</u>	<u>(169,600)</u>	<u>(26,524)</u>	<u>143,076</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	(170,000)	(169,600)	(26,524)	143,076
Fund balance - January 1	<u>170,000</u>	<u>169,600</u>	<u>169,569</u>	<u>(31)</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 143,045</u>	<u>\$ 143,045</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, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ <u>5,000</u>	\$ <u>5,300</u>	\$ <u>5,245</u>	\$ <u>(55)</u>
Expenditures:				
Current:				
General government	<u>632,000</u>	<u>831,700</u>	<u>831,615</u>	<u>85</u>
Capital projects:				
Information systems	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Parkland acquisitions	<u>192,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital projects	<u>198,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>830,000</u>	<u>831,700</u>	<u>831,615</u>	<u>85</u>
Excess of revenues under expenditures	<u>(825,000)</u>	<u>(826,400)</u>	<u>(826,370)</u>	<u>30</u>
Other financing uses:				
Transfers out	<u>(25,000)</u>	<u>(27,200)</u>	<u>(27,176)</u>	<u>24</u>
Total other financing uses	<u>(25,000)</u>	<u>(27,200)</u>	<u>(27,176)</u>	<u>24</u>
Net change in Fund balance	<u>(850,000)</u>	<u>(853,600)</u>	<u>(853,546)</u>	<u>54</u>
Fund balance - January 1	<u>850,000</u>	<u>853,600</u>	<u>853,546</u>	<u>(54)</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 - 2011 SERIES BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ <u>5,000</u>	\$ <u>5,000</u>	\$ <u>9,341</u>	\$ <u>4,341</u>
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>9,341</u>	<u>4,341</u>
Expenditures:				
Current:				
General government	<u>550,000</u>	<u>30,000</u>	<u>16,188</u>	<u>13,812</u>
Capital projects:				
Court facility	475,000	1,168,200	1,019,634	148,566
Emergency Communications	50,000	27,600	27,516	84
Parkland acquisition	500,000	-	-	-
Information systems	405,000	294,800	172,898	121,902
Neshaminy Manor	<u>-</u>	<u>11,800</u>	<u>11,725</u>	<u>75</u>
Total capital projects	<u>1,430,000</u>	<u>1,502,400</u>	<u>1,231,773</u>	<u>270,627</u>
Total expenditures	<u>1,980,000</u>	<u>1,532,400</u>	<u>1,247,961</u>	<u>284,439</u>
Excess of revenues under expenditures	<u>(1,975,000)</u>	<u>(1,527,400)</u>	<u>(1,238,620)</u>	<u>288,780</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	(1,975,000)	(1,527,400)	(1,238,620)	288,780
Fund balance - January 1	<u>1,975,000</u>	<u>1,527,400</u>	<u>1,527,390</u>	<u>(10)</u>
Fund balance - December 31	\$ <u>-</u>	\$ <u>-</u>	\$ <u>288,770</u>	\$ <u>288,770</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, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenue:				
Interest	\$ <u>25,000</u>	\$ <u>25,000</u>	\$ <u>9,452</u>	\$ <u>(15,548)</u>
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>9,452</u>	<u>(15,548)</u>
Expenditures:				
Current:				
General government	<u>314,000</u>	<u>20,000</u>	<u>19,975</u>	<u>25</u>
Capital projects:				
Administration Building	835,000	722,800	364,311	358,489
Correctional facility	-	43,800	43,768	32
Court facility	1,320,000	3,876,400	3,782,458	93,942
Emergency Communications	3,920,000	1,142,600	1,142,505	95
Farmland preservation	1,310,000	596,400	596,374	26
Library buildings	-	199,400	117,866	81,534
Natural areas preservation	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital projects	<u>7,885,000</u>	<u>6,581,400</u>	<u>6,047,282</u>	<u>534,118</u>
Total expenditures	<u>8,199,000</u>	<u>6,601,400</u>	<u>6,067,257</u>	<u>534,143</u>
Excess of revenues under expenditures	<u>(8,174,000)</u>	<u>(6,576,400)</u>	<u>(6,057,805)</u>	<u>518,595</u>
Other financing uses:				
Transfers out	<u>(2,234,000)</u>	<u>(2,234,000)</u>	<u>(2,234,000)</u>	<u>-</u>
Total other financing sources	<u>(2,234,000)</u>	<u>(2,234,000)</u>	<u>(2,234,000)</u>	<u>-</u>
Net change in Fund balance	(10,408,000)	(8,810,400)	(8,291,805)	518,595
Fund balance - January 1	<u>20,050,000</u>	<u>18,011,900</u>	<u>18,011,818</u>	<u>(82)</u>
Fund balance - December 31	\$ <u>9,642,000</u>	\$ <u>9,201,500</u>	\$ <u>9,720,013</u>	\$ <u>518,513</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2015 NOTES CAPITAL ACQUISITION FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ <u>55,000</u>	\$ <u>55,000</u>	\$ <u>87,989</u>	\$ <u>32,989</u>
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>87,989</u>	<u>32,989</u>
Expenditures:				
Current:				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital projects:				
Emergency Communications	<u>11,000,000</u>	<u>10,992,500</u>	<u>1,298,309</u>	<u>9,694,191</u>
Total capital projects	<u>11,000,000</u>	<u>10,992,500</u>	<u>1,298,309</u>	<u>9,694,191</u>
Total expenditures	<u>11,000,000</u>	<u>10,992,500</u>	<u>1,298,309</u>	<u>9,694,191</u>
Excess of revenues under expenditures	<u>(10,945,000)</u>	<u>(10,937,500)</u>	<u>(1,210,320)</u>	<u>9,727,180</u>
Other financing uses:				
Proceeds from notes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in Fund balance	<u>(10,945,000)</u>	<u>(10,937,500)</u>	<u>(1,210,320)</u>	<u>9,727,180</u>
Fund balance - January 1	<u>10,945,000</u>	<u>10,937,500</u>	<u>10,937,452</u>	<u>(48)</u>
Fund balance - December 31	\$ <u>-</u>	\$ <u>-</u>	\$ <u>9,727,132</u>	\$ <u>9,727,132</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, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest	\$ <u>10,000</u>	\$ <u>10,000</u>	\$ <u>17,330</u>	\$ <u>7,330</u>
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>17,330</u>	<u>7,330</u>
Expenditures:				
Current:				
General government	<u>65,000</u>	<u>65,000</u>	<u>59,288</u>	<u>5,712</u>
Capital projects:				
Neshaminy Manor Center	<u>-</u>	<u>-</u>	<u>2,050</u>	<u>(2,050)</u>
Park improvements	<u>3,564,800</u>	<u>3,509,800</u>	<u>84,616</u>	<u>3,425,184</u>
Total capital projects	<u>3,564,800</u>	<u>3,509,800</u>	<u>86,666</u>	<u>3,423,134</u>
Total expenditures	<u>3,629,800</u>	<u>3,574,800</u>	<u>145,954</u>	<u>3,428,846</u>
Excess of revenues under expenditures	<u>(3,619,800)</u>	<u>(3,564,800)</u>	<u>(128,624)</u>	<u>3,436,176</u>
Other financing uses:				
Transfers out	<u>(795,200)</u>	<u>(795,200)</u>	<u>(600,192)</u>	<u>195,008</u>
Total other financing uses	<u>(795,200)</u>	<u>(795,200)</u>	<u>(600,192)</u>	<u>195,008</u>
Net change in Fund balance	<u>(4,415,000)</u>	<u>(4,360,000)</u>	<u>(728,816)</u>	<u>3,631,184</u>
Fund balance - January 1	<u>4,415,000</u>	<u>4,360,000</u>	<u>4,359,955</u>	<u>(45)</u>
Fund balance - December 31	\$ <u>-</u>	\$ <u>-</u>	\$ <u>3,631,139</u>	\$ <u>3,631,139</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, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Intergovernmental	\$ 840,600	\$ 958,600	\$ 657,718	\$ (300,882)
Other	<u>-</u>	<u>-</u>	<u>79,933</u>	<u>79,933</u>
Total revenues	<u>\$ 840,600</u>	<u>\$ 958,600</u>	<u>\$ 737,651</u>	<u>\$ (220,949)</u>
Expenditures:				
Current:				
General government	<u>918,900</u>	<u>918,900</u>	<u>681,858</u>	<u>237,042</u>
Capital projects:				
Information systems	-	106,400	106,384	16
Parks capital improvements	768,700	663,300	144,214	519,086
Public works	<u>-</u>	<u>105,500</u>	<u>100,465</u>	<u>5,035</u>
Total capital projects	<u>768,700</u>	<u>875,200</u>	<u>351,063</u>	<u>524,137</u>
Total expenditures	<u>1,687,600</u>	<u>1,794,100</u>	<u>1,032,921</u>	<u>761,179</u>
Excess of revenues under expenditures	<u>(847,000)</u>	<u>(835,500)</u>	<u>(295,270)</u>	<u>540,230</u>
Other financing sources:				
Transfers in	<u>613,000</u>	<u>615,200</u>	<u>639,389</u>	<u>24,189</u>
Total other financing sources	<u>613,000</u>	<u>615,200</u>	<u>639,389</u>	<u>24,189</u>
Net change in Fund balance	(234,000)	(220,300)	344,119	564,419
Fund balance - January 1	<u>234,000</u>	<u>220,300</u>	<u>220,274</u>	<u>(26)</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 564,393</u>	<u>\$ 564,393</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, 2016**

	<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	\$ 39,574,500	\$ 39,574,500	\$ 39,235,948	\$ (338,552)
Other	271,500	271,500	271,416	(84)
Total revenues	<u>39,846,000</u>	<u>39,846,000</u>	<u>39,507,364</u>	<u>(338,636)</u>
Expenditures:				
Debt service	<u>42,080,000</u>	<u>42,080,000</u>	<u>40,943,439</u>	<u>1,136,561</u>
Total expenditures	<u>42,080,000</u>	<u>42,080,000</u>	<u>40,943,439</u>	<u>1,136,561</u>
Excess of revenues under expenditures	<u>(2,234,000)</u>	<u>(2,234,000)</u>	<u>(1,436,075)</u>	<u>797,925</u>
Other financing sources:				
Transfers in	<u>2,234,000</u>	<u>2,234,000</u>	<u>2,234,000</u>	<u>-</u>
Total other financing sources	<u>2,234,000</u>	<u>2,234,000</u>	<u>2,234,000</u>	<u>-</u>
Net change in Fund balance	-	-	797,925	797,925
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>(2,686,575)</u>	<u>(2,686,575)</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,888,650)</u>	<u>\$ (1,888,650)</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - 2016 SERIES BOND FUND
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Interest	\$ 50,000	\$ 50,000	\$ 81,739	\$ 31,739
Other	-	-	63,495	63,495
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>145,234</u>	<u>95,234</u>
Expenditures:				
Current:				
General government	<u>2,300,000</u>	<u>2,300,000</u>	<u>2,048,573</u>	<u>251,427</u>
Capital projects:				
Administration building	17,500,000	16,684,000	4,837,255	11,846,745
Correctional facility	500,000	500,000	32,492	467,508
Courts	600,000	600,000	114,339	485,661
Farmland preservation	5,000,000	5,000,000	2,767,991	2,232,009
Information systems	1,250,000	1,250,000	308,974	941,026
Library buildings	400,000	400,000	-	400,000
Natural areas preservation	1,000,000	1,000,000	45,000	955,000
Parkland acquisition	1,000,000	1,000,000	800	999,200
Public works	500,000	375,000	365	374,635
Parking garage	-	410,000	87,500	322,500
Total capital projects	<u>27,750,000</u>	<u>27,219,000</u>	<u>8,194,716</u>	<u>19,024,284</u>
Total expenditures	<u>30,050,000</u>	<u>29,519,000</u>	<u>10,243,289</u>	<u>19,275,711</u>
Excess of revenues under expenditures	<u>(30,000,000)</u>	<u>(29,469,000)</u>	<u>(10,098,055)</u>	<u>19,370,945</u>
Other financing sources uses:				
Proceeds from bonds	35,000,000	66,350,000	55,255,000	(11,095,000)
Bond premium	-	-	11,108,418	11,108,418
Payment to refunded bond escrow agent	-	(31,350,000)	(31,016,219)	333,781
Transfers out	-	(531,000)	(530,528)	472
Total other financing sources	<u>35,000,000</u>	<u>34,469,000</u>	<u>34,816,671</u>	<u>347,671</u>
Net change in Fund balance	5,000,000	5,000,000	24,718,616	19,718,616
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 24,718,616</u>	<u>\$ 19,718,616</u>

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

(Continued)

	Balance January 1, <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2016</u>
ACT 515/319				
<u>Assets</u>				
Cash and cash equivalents	\$ 25,790	\$ 433,109	\$ (431,226)	\$ 27,673
<u>Liabilities</u>				
Accounts payable	\$ 25,790	\$ 433,109	\$ (431,226)	\$ 27,673
 AID FOR DEPENDENT CHILDREN				
<u>Assets</u>				
Cash and cash equivalents	\$ 457,695	\$ 5,411,632	\$ (5,410,071)	\$ 459,256
Intergovernmental receivables	1,496,692	1,562,934	(1,496,692)	1,562,934
Total assets	\$ 1,954,387	\$ 6,974,566	\$ (6,906,763)	\$ 2,022,190
<u>Liabilities</u>				
Accounts payable	\$ 1,954,387	\$ 6,974,566	\$ (6,906,763)	\$ 2,022,190
 AREA AGENCY ON AGING				
<u>Assets</u>				
Cash and cash equivalents	\$ 1,157	\$ 913	\$ (913)	\$ 1,157
<u>Liabilities</u>				
Accounts payable	\$ 1,157	\$ 913	\$ (913)	\$ 1,157

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

(Continued)

	Balance January 1, <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2016</u>
BID DEPOSITS				
<u>Assets</u>				
Accounts receivable	\$ 137,862	\$ 32,014	\$ (120,390)	\$ 49,486
<u>Liabilities</u>				
Accounts payable	\$ 137,862	\$ 32,014	\$ (120,390)	\$ 49,486
 CLERK OF COURTS				
<u>Assets</u>				
Cash and cash equivalents	\$ 4,055,516	\$ 9,995,428	\$ (9,787,076)	\$ 4,263,868
Investments	-	-	-	-
Total assets	\$ 4,055,516	\$ 9,995,428	\$ (9,787,076)	\$ 4,263,868
<u>Liabilities</u>				
Accounts payable	\$ 3,648,607	\$ 6,998,546	\$ (6,629,158)	\$ 4,017,995
Due to other governmental units	406,909	2,996,882	(3,157,918)	245,873
Total liabilities	\$ 4,055,516	\$ 9,995,428	\$ (9,787,076)	\$ 4,263,868
 CORRECTIONS				
<u>Assets</u>				
Cash and cash equivalents	\$ 644,034	\$ 4,625,391	\$ (4,613,116)	\$ 656,309
<u>Liabilities</u>				
Accounts payable	\$ 644,034	\$ 4,625,391	\$ (4,613,116)	\$ 656,309

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

(Continued)

	<u>Balance</u> <u>January 1,</u> <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2016</u>
DISTRICT COURTS				
<u>Assets</u>				
Cash and cash equivalents	\$ 1,054,199	\$ 15,699,991	\$ (15,640,714)	\$ 1,113,476
<u>Liabilities</u>				
Accounts payable	\$ 249,737	\$ 5,791,565	\$ (5,640,591)	\$ 400,711
Due to other governmental units	804,462	9,908,426	(10,000,123)	712,765
Total liabilities	\$ 1,054,199	\$ 15,699,991	\$ (15,640,714)	\$ 1,113,476
DOMESTIC RELATIONS				
<u>Assets</u>				
Cash and cash equivalents	\$ 50,800	\$ 2,851,892	\$ (2,844,397)	\$ 58,295
<u>Liabilities</u>				
Due to other governmental units	\$ 50,800	\$ 2,851,892	\$ (2,844,397)	\$ 58,295
ESCHEAT FUNDS				
<u>Assets</u>				
Cash and cash equivalents	\$ 85,761	\$ 15,996	\$ (7,465)	\$ 94,292
Accounts receivable	1,095,884	218,398	(78,452)	1,235,830
Total assets	\$ 1,181,645	\$ 234,394	\$ (85,917)	\$ 1,330,122
<u>Liabilities</u>				
Due to other governmental units	\$ 1,181,645	\$ 234,394	\$ (85,917)	\$ 1,330,122
INMATE CANTEEN				
<u>Assets</u>				
Accounts receivable	\$ 967,587	\$ 1,181,894	\$ (908,179)	\$ 1,241,302
<u>Liabilities</u>				
Accounts payable	\$ 967,587	\$ 1,181,894	\$ (908,179)	\$ 1,241,302

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Continued)**

	<u>Balance</u> <u>January 1,</u> <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31,</u> <u>2016</u>
LODGING ROOM RENTAL				
TAX ESCROW				
<u>Assets</u>				
Cash and cash equivalents	\$ 103,981	\$ 2,803,142	\$ (2,799,203)	\$ 107,920
<u>Liabilities</u>				
Accounts payable	\$ 103,981	\$ 2,803,142	\$ (2,799,203)	\$ 107,920
 MISCELLANEOUS				
<u>Assets</u>				
Cash and cash equivalents	\$ 19,722	\$ 26,733	\$ (24,512)	\$ 21,943
Accounts receivable	6,125	-	(6,125)	-
Total assets	\$ 25,847	\$ 26,733	\$ (30,637)	\$ 21,943
<u>Liabilities</u>				
Accounts payable	\$ 25,847	\$ 26,733	\$ (30,637)	\$ 21,943
 NESHAMINY MANOR				
<u>Assets</u>				
Cash and cash equivalents	\$ 229,539	\$ 818,492	\$ (777,123)	\$ 270,908
Accounts receivable	-	-	-	-
Total assets	\$ 229,539	\$ 818,492	\$ (777,123)	\$ 270,908
<u>Liabilities</u>				
Accounts payable	\$ 229,539	\$ 818,492	\$ (777,123)	\$ 270,908
 PINE RUN ESCROW				
<u>Assets</u>				
Accounts receivable	\$ 16,871	\$ 28	\$ -	\$ 16,899
<u>Liabilities</u>				
Accounts payable	\$ 16,871	\$ 28	\$ -	\$ 16,899

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

(Continued)

	Balance January 1, <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2016</u>
PROTHONOTARY				
<u>Assets</u>				
Cash and cash equivalents	\$ 2,333,518	\$ 5,965,627	\$ (4,984,726)	\$ 3,314,419
<u>Liabilities</u>				
Accounts payable	\$ 2,271,542	\$ 5,601,546	\$ (4,586,998)	\$ 3,286,090
Due to other governmental units	61,976	364,081	(397,728)	28,329
Total liabilities	\$ 2,333,518	\$ 5,965,627	\$ (4,984,726)	\$ 3,314,419
 RECORDER OF DEEDS				
<u>Assets</u>				
Cash and cash equivalents	\$ 10,036,350	\$ 138,440,383	\$ (141,219,893)	\$ 7,256,840
<u>Liabilities</u>				
Accounts payable	\$ 2,232,455	\$ 5,317,560	(5,211,982)	\$ 2,338,033
Due to other governmental units	7,803,895	133,122,823	(136,007,911)	4,918,807
Total liabilities	\$ 10,036,350	\$ 138,440,383	\$ (141,219,893)	\$ 7,256,840
 REGISTER OF WILLS				
<u>Assets</u>				
Cash and cash equivalents	\$ 903,574	\$ 2,524,757	\$ (2,473,079)	\$ 955,252
<u>Liabilities</u>				
Accounts payable	\$ 891,238	\$ 2,342,317	(2,291,543)	\$ 942,012
Due to other governmental units	12,336	182,440	(181,536)	13,240
Total liabilities	\$ 903,574	\$ 2,524,757	\$ (2,473,079)	\$ 955,252

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016
(Continued)**

	Balance January 1, <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2016</u>
SECURITY ESCROW				
<u>Assets</u>				
Accounts receivable	\$ 35,741	\$ 14	\$ -	\$ 35,755
<u>Liabilities</u>				
Accounts payable	\$ 35,741	\$ 14	\$ -	\$ 35,755
 SHERIFF				
<u>Assets</u>				
Cash and cash equivalents	\$ 3,815,855	\$ 36,844,281	\$ (35,617,911)	\$ 5,042,225
<u>Liabilities</u>				
Accounts payable	\$ 3,775,593	\$ 36,680,210	\$ (35,451,681)	\$ 5,004,122
Due to other governmental units	40,262	164,071	(166,230)	38,103
Total liabilities	\$ 3,815,855	\$ 36,844,281	\$ (35,617,911)	\$ 5,042,225
 TAX CLAIM BUREAU				
<u>Assets</u>				
Cash and cash equivalents	\$ 2,509,372	\$ 4,185,427	\$ (3,868,936)	\$ 2,825,863
Accounts receivable	7,447,760	37,529,923	(38,858,145)	6,119,538
Total assets	\$ 9,957,132	\$ 41,715,350	\$ (42,727,081)	\$ 8,945,401
<u>Liabilities</u>				
Due to other governmental units	\$ 9,957,132	\$ 41,715,350	\$ (42,727,081)	\$ 8,945,401

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

(Continued)

	Balance January 1, <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2016</u>
TAX PROTEST ESCROW				
<u>Assets</u>				
Accounts receivable	\$ 148,696	\$ 119	\$ -	\$ 148,815
<u>Liabilities</u>				
Accounts payable	\$ 148,696	\$ 119	\$ -	\$ 148,815
 TREASURER LICENSES				
<u>Assets</u>				
Cash and cash equivalents	\$ 54,018	\$ 503,952	\$ (503,832)	\$ 54,138
<u>Liabilities</u>				
Accounts payable	\$ 679	\$ 120	\$ (679)	\$ 120
Due to other governmental units	53,339	503,832	(503,153)	54,018
Total liabilities	\$ 54,018	\$ 503,952	\$ (503,832)	\$ 54,138
 TOTAL AGENCY FUNDS				
<u>Assets</u>				
Cash and cash equivalents	\$ 26,380,881	\$ 231,147,146	\$ (231,004,193)	\$ 26,523,834
Investments	-	-	-	-
Receivables:				
Intergovernmental	1,496,692	1,562,934	(1,496,692)	1,562,934
Accounts	9,856,526	38,962,390	(39,971,291)	8,847,625
Total assets	\$ 37,734,099	\$ 271,672,470	\$ (272,472,176)	\$ 36,934,393
<u>Liabilities</u>				
Accounts payable	\$ 17,361,343	\$ 79,628,279	\$ (76,400,182)	\$ 20,589,440
Due to other governmental units	20,372,756	192,044,191	(196,071,994)	16,344,953
Total liabilities	\$ 37,734,099	\$ 271,672,470	\$ (272,472,176)	\$ 36,934,393

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF CAPITAL ASSETS BY FUNCTION AND ACTIVITY
AS OF DECEMBER 31, 2016**

	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>
General government	\$ 115,085,245	\$ 124,720,710	\$ 51,425,849
Judiciary	470,020	86,430,681	2,026,378
Corrections	13,501	41,086,893	201,739
Social services	720,575	44,897,462	1,438,642
Bridges	-	254,705	-
Health	-	17,968	-
Public safety	<u>14,040</u>	<u>12,207,932</u>	<u>4,570</u>
 Total capital assets allocated to functions	 116,303,381	 309,616,351	 55,097,178
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>
 Total capital assets	 <u>\$ 116,303,381</u>	 <u>\$ 309,616,351</u>	 <u>\$ 55,097,178</u>

	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Leasehold Buildings and Improvements</u>	<u>Totals</u>
\$	73,270,208	\$ -	\$ 119,025,514	\$ 483,527,526
	15,653,184	-	-	104,580,263
	7,131,839	-	-	48,433,972
	8,347,652	-	-	55,404,331
	334,492	16,298,924	-	16,888,121
	947,182	-	-	965,150
	<u>44,761,967</u>	<u>-</u>	<u>-</u>	<u>56,988,509</u>
	150,446,524	16,298,924	119,025,514	766,787,872
	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,804,218</u>
\$	<u>150,446,524</u>	<u>16,298,924</u>	<u>119,025,514</u>	<u>803,592,090</u>

COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Capital Assets January 1, <u>2016</u>	<u>Additions</u>	<u>Deductions</u>	Capital Assets December 31, <u>2016</u>
General government	\$ 479,363,035	\$ 5,260,991	\$ (1,096,500)	\$ 483,527,526
Judiciary	48,639,304	55,960,959	(20,000)	104,580,263
Corrections	48,304,529	193,561	(64,118)	48,433,972
Social services	55,263,938	140,393	-	55,404,331
Bridges	16,888,121	-	-	16,888,121
Health	949,501	15,649	-	965,150
Public safety	<u>54,664,689</u>	<u>2,530,777</u>	<u>(206,957)</u>	<u>56,988,509</u>
Subtotals	704,073,117	64,102,330	(1,387,575)	766,787,872
Construction in progress	<u>82,100,916</u>	<u>5,653,052</u>	<u>(50,949,750)</u>	<u>36,804,218</u>
Total capital assets	<u>\$ 786,174,033</u>	<u>\$ 69,755,382</u>	<u>\$ (52,337,325)</u>	<u>\$ 803,592,090</u>

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COUNTY OF BUCKS, PENNSYLVANIA

**SCHEDULE OF COUNTY GENERAL OBLIGATIONS PAYABLE
DECEMBER 31, 2016**

Year	Bond - 2008 Series		Bond - 2011 Series		Bond - 2013 Series		Note - 2013 Series (1)	
	Principal	Interest Rate	Principal	Interest Rate	Principal	Interest Rate	Principal	Interest Rate
2017	5,030,000	5.00%	4,550,000	5.00%	3,630,000	4.00%	2,142,000.00	1.23%
2018	3,575,000	5.00%	4,775,000	5.00%	3,775,000	1.50-4.00%	2,169,000.00	1.23%
2019	-	5.25%	5,025,000	5.00%	3,875,000	4.00%	2,197,000.00	1.23%
2020	-	4.70%	5,255,000	4.00%	4,030,000	5.00%	2,225,000.00	1.23%
2021	-	5.13%	5,470,000	4.00%	4,230,000	5.00%	-	
2022	-	5.13%	5,695,000	4.00%	4,440,000	5.00%	-	
2023	-	5.25%	5,955,000	5.00%	4,665,000	4.00%	-	
2024	-	5.25%	6,260,000	5.00%	4,850,000	5.00%	-	
2025	-		6,585,000	5.00%	5,090,000	4.00%	-	
2026	-		6,915,000	5.00%	5,295,000	4.00%	-	
2027	-		-		5,505,000	4.00%	-	
2028	-		-		5,725,000	4.00%	-	
2029	-		-		-		-	
2030	-		-		-		-	
	<u>\$ 8,605,000</u>		<u>\$ 56,485,000</u>		<u>\$ 55,110,000</u>		<u>\$ 8,733,000</u>	

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

<u>Bond - 2013 A Series</u>		<u>Bond - 2015 Series</u>		<u>Note - 2015 Series(1)</u>		<u>Bond - 2016 Series</u>		<u>Totals</u>
<u>Principal</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest Rate</u>	
6,160,000	0.971%	8,180,000	5.000%	1,531,000	1.43%	1,530,000	3.00%	32,753,000
6,220,000	1.17%	4,985,000	5.000%	1,551,000	1.43%	1,595,000	5.00%	28,645,000
6,290,000	1.50%	5,240,000	5.000%	1,571,000	1.43%	5,430,000	5.00%	29,628,000
6,385,000	1.70%	5,515,000	5.000%	1,591,000	1.43%	5,710,000	5.00%	30,711,000
6,495,000	2.07%	3,800,000	5.000%	1,612,000	1.43%	6,005,000	5.00%	27,612,000
6,630,000	2.27%	3,975,000	5.000%	1,633,000	1.43%	6,305,000	5.00%	28,678,000
6,780,000	2.47%	-	-	-	-	6,635,000	5.00%	24,035,000
6,950,000	2.62%	-	-	-	-	6,975,000	5.00%	25,035,000
-	-	-	-	-	-	2,225,000	5.00%	13,900,000
-	-	-	-	-	-	2,340,000	5.00%	14,550,000
-	-	-	-	-	-	2,460,000	5.00%	7,965,000
-	-	-	-	-	-	2,575,000	4.00%	8,300,000
-	-	-	-	-	-	2,680,000	4.00%	2,680,000
-	-	-	-	-	-	2,790,000	4.00%	2,790,000
<u>\$ 51,910,000</u>		<u>\$ 31,695,000</u>		<u>\$ 9,489,000</u>		<u>\$ 55,255,000</u>		<u>\$ 277,282,000</u>

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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	121-127
These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.		
Revenue Capacity	5 - 9	128-135
These schedules contain information to help the reader assess the County's most significant local revenue source, property tax.		
Debt Capacity.....	10 - 13	136-141
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.		
Demographic and Economic Information.....	14 - 15	142-143
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.		
Operating Information.....	16 - 18	144 - 148
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.		

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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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net investment in capital assets	\$ 252,647,091	\$ 289,782,125	\$ 278,377,964	\$ 313,045,181	\$ 323,373,667	\$ 397,558,253	\$ 405,193,449	\$ 434,457,767	\$ 456,055,104	\$ 471,946,572
Restricted	17,181,472	18,393,218	14,724,376	8,671,487	89,009,536	55,454,007	92,513,287	42,506,034	37,479,215	39,456,814
Unrestricted	(17,828,275)	(23,896,482)	(36,816,231)	(50,681,970)	(158,529,763)	(201,553,597)	(245,184,633)	(216,163,740)	(280,954,536)	(287,403,404)
Total net position	\$ 252,000,288	\$ 284,278,861	\$ 256,286,109	\$ 271,034,698	\$ 253,853,440	\$ 251,458,663	\$ 252,522,103	\$ 260,800,061	\$ 212,579,783	\$ 223,999,982

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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Program Expenses										
General government	\$ 58,972,861	\$ 46,856,323	\$ 91,591,316	\$ 52,454,349	\$ 66,430,005	\$ 66,110,304	\$ 65,264,698	\$ 61,811,436	\$ 55,245,999	\$ 73,956,995
Judiciary	49,092,882	54,752,779	58,351,757	63,545,970	67,989,986	66,197,992	65,734,815	65,743,203	67,372,984	71,259,178
Corrections	30,355,089	33,255,114	35,368,917	37,220,613	38,489,415	37,434,942	37,578,263	38,105,157	38,475,635	39,632,649
Authorities	20,447,049	19,747,938	20,038,165	20,553,198	20,551,184	20,857,109	20,604,855	20,460,186	20,739,370	21,593,437
Social services	225,022,409	248,325,978	235,097,807	220,229,893	225,798,807	223,844,221	223,700,942	222,591,974	233,517,508	263,534,251
Bridges	1,115,553	1,200,417	1,839,018	1,503,949	2,813,243	3,086,309	2,445,315	3,101,909	3,160,642	2,625,996
Health	13,424,791	15,378,311	15,912,950	16,282,095	16,672,969	15,595,944	15,415,371	15,003,734	15,136,894	15,245,558
Public safety	18,485,800	17,227,331	19,321,677	19,568,595	20,275,833	20,742,490	19,949,064	20,011,672	20,419,351	21,107,778
Interest on long-term debt	11,757,310	8,991,097	12,991,408	10,606,612	13,931,424	12,415,243	17,457,157	12,150,315	18,573,175	11,748,775
Total program expenses	\$ 428,673,744	\$ 445,735,288	\$ 490,513,015	\$ 441,965,274	\$ 472,932,866	\$ 466,284,554	\$ 468,150,480	\$ 458,979,586	\$ 472,641,558	\$ 520,704,617
Program Revenues										
Charges for services:										
General government	\$ 16,292,147	\$ 15,321,724	\$ 14,481,383	\$ 14,819,851	\$ 14,897,508	\$ 18,322,793	\$ 18,540,036	\$ 16,478,492	\$ 12,877,620	\$ 13,452,004
Judiciary	12,585,398	13,457,294	14,664,216	14,127,263	13,781,158	14,401,708	15,538,109	15,301,350	19,268,479	19,352,318
Corrections	1,223,180	1,234,559	1,469,048	939,718	929,671	1,223,131	1,085,113	995,684	922,854	854,173
Authorities	-	-	-	-	-	-	-	-	-	-
Social services	14,101,233	15,966,265	17,413,902	17,678,403	19,616,975	21,277,856	20,701,810	19,837,953	19,014,373	18,529,735
Bridges	-	-	-	-	-	-	-	855,024	1,643,565	1,408,885
Health	1,696,295	1,537,051	1,410,780	1,446,186	1,443,263	1,550,946	1,691,296	1,796,833	1,800,634	1,925,280
Public safety	4,642,375	7,238,372	3,991,917	8,941,109	10,255,527	8,411,841	11,066,845	12,649,039	9,606,970	14,603,417
Operating grants and contributions:										
General government	1,759,314	3,086,631	924,436	1,204,147	325,699	909,205	2,858,066	1,232,317	-	753,127
Judiciary	8,993,898	8,437,029	9,514,899	8,881,731	9,653,530	8,626,568	10,643,585	8,804,850	10,202,623	9,978,886
Corrections	334,636	472,129	314,716	447,892	323,103	276,485	37,297	-	233,376	197,772
Authorities	1,994,113	2,502,488	2,397,753	2,797,181	2,640,261	2,898,710	-	-	-	-
Social services	206,881,369	215,063,068	203,276,023	188,246,135	186,990,297	185,416,239	189,734,509	189,689,255	200,233,418	229,164,735
Bridges	578,986	739,310	667,279	706,110	1,144,478	2,399,281	1,751,860	608,780	1,341,657	332,069
Health	7,784,164	8,091,663	8,230,116	8,760,965	7,653,450	6,961,795	7,219,979	6,891,832	7,036,746	6,890,681
Public safety	2,117,231	3,352,569	1,569,884	2,939,550	135,861	255,246	306,141	130,232	1,357,306	1,259,037
Capital projects	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	1,999,441	-	5,497,354	8,526,737	10,248,211	5,449,755	3,415,241	5,092,407	787,690	867,938
Total program revenues	\$ 282,983,780	\$ 296,500,152	\$ 285,823,706	\$ 280,462,978	\$ 280,038,992	\$ 278,381,559	\$ 284,589,887	\$ 280,364,048	\$ 286,327,311	\$ 319,570,057
Net expense	\$ (145,689,964)	\$ (149,235,136)	\$ (204,689,309)	\$ (161,502,296)	\$ (192,893,874)	\$ (187,902,995)	\$ (183,560,593)	\$ (178,615,538)	\$ (186,314,247)	\$ (201,134,560)

(Continued) (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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Taxes:										
Real estate tax	\$ 172,997,312	\$ 175,396,724	\$ 173,341,168	\$ 173,974,589	\$ 174,400,398	\$ 183,686,655	\$ 184,730,262	\$ 185,097,728	\$ 187,782,458	\$ 186,348,957
Grant and contributions not restricted to specific programs	663,839	886,516	420,287	291,851	-	-	-	-	-	-
Unrestricted investment earnings	9,853,494	5,230,469	2,935,105	1,984,445	556,340	472,566	411,050	397,945	282,173	699,104
Miscellaneous	-	-	-	-	755,878	1,348,997	1,065,759	1,397,823	664,883	1,649,172
Total general revenue	\$ 183,514,645	\$ 181,513,709	\$ 176,696,560	\$ 176,250,885	\$ 175,712,616	\$ 185,508,218	\$ 186,207,071	\$ 186,893,496	\$ 188,729,514	\$ 188,697,233
Net (expense) revenue	\$ 37,824,681	\$ 32,278,573	\$ (27,992,749)	\$ 14,748,589	\$ (17,181,258)	\$ (2,394,777)	\$ 2,646,478	\$ 8,277,958	\$ 2,415,267	\$ (12,437,327)

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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General fund					
Reserved	\$ 409,157	\$ 232,057	\$ 274,703	\$ 209,801	\$ -
Unreserved	69,917,510	73,670,388	63,256,018	57,798,371	-
Restricted	-	-	-	-	-
Assigned	-	-	-	-	1,785,000
Unassigned	-	-	-	-	43,855,928
Total general fund	<u>\$ 70,326,667</u>	<u>\$ 73,902,445</u>	<u>\$ 63,530,721</u>	<u>\$ 58,008,172</u>	<u>\$ 45,640,928</u>
All other governmental funds					
Reserved:					
Debt service funds	\$ 11,883,569	\$ 12,634,540	\$ 9,277,817	\$ 5,202,815	\$ -
Capital projects funds	-	-	-	-	-
Unreserved:					
Special revenue funds	5,297,903	5,758,678	5,446,559	3,468,672	-
Capital projects funds	62,185,106	95,083,164	59,647,010	36,143,643	-
Non Spendable:					
Debt service funds	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Restricted:					
Debt service funds	-	-	-	-	1,828,301
Special revenue funds	-	-	-	-	1,400,867
Capital projects funds	-	-	-	-	85,780,368
Assigned:					
Debt service funds	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	7,843,579
Unassigned:					
Debt service funds	-	-	-	-	-
Special revenue funds	-	-	-	-	56,652
Capital projects funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 79,366,578</u>	<u>\$ 113,476,382</u>	<u>\$ 74,371,386</u>	<u>\$ 44,815,130</u>	<u>\$ 96,909,767</u>
Total fund balances of all governmental funds	<u>\$ 149,693,245</u>	<u>\$ 187,378,827</u>	<u>\$ 137,902,107</u>	<u>\$ 102,823,302</u>	<u>\$ 142,550,695</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>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
500,000	-	-	-	-
<u>43,271,835</u>	<u>49,053,161</u>	<u>49,656,040</u>	<u>52,646,746</u>	<u>47,337,733</u>
<u>\$ 43,771,835</u>	<u>\$ 49,053,161</u>	<u>\$ 49,656,040</u>	<u>\$ 52,646,746</u>	<u>\$ 47,337,733</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	6,285,723	13,080,063	11,680,852	9,336,294
-	-	-	-	-
403,619	381,241	-	-	-
37,194	-	-	-	-
55,013,194	85,846,323	36,319,685	24,399,152	39,456,814
-	-	-	-	-
-	-	-	12,308	723
7,575,939	7,590,709	-	-	-
-	-	(2,436,930)	(2,686,576)	(1,888,650)
-	-	-	-	-
<u>\$ 63,029,946</u>	<u>\$ 100,103,996</u>	<u>\$ 46,962,818</u>	<u>\$ 33,405,736</u>	<u>\$ 46,905,181</u>
<u>\$ 106,801,781</u>	<u>\$ 149,157,157</u>	<u>\$ 96,618,858</u>	<u>\$ 86,052,482</u>	<u>\$ 94,242,914</u>

COUNTY OF BUCKS, PENNSYLVANIA

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

	Fiscal Year			
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues:				
Real estate taxes	\$ 172,902,475	\$ 173,391,040	\$ 173,836,964	\$ 173,483,637
Licenses and fees	40,139,991	43,833,854	40,964,054	46,345,642
Judiciary costs and fines	10,400,637	10,974,010	11,987,883	11,606,888
Intergovernmental	230,764,395	240,522,839	231,625,482	221,288,523
Interest	11,255,055	6,138,711	3,525,110	2,222,537
Other	941,035	1,147,723	1,076,566	1,275,684
Total revenues	<u>466,403,588</u>	<u>476,008,177</u>	<u>463,016,059</u>	<u>456,222,911</u>
Expenditures:				
Current:				
General government	42,390,938	46,938,111	56,783,539	54,748,710
Judiciary	49,904,096	53,801,403	57,454,636	62,907,760
Corrections	29,253,862	31,976,444	33,967,624	36,333,379
Authorities	18,913,957	19,747,938	20,038,165	20,553,198
Social services	233,382,229	246,787,461	233,791,777	219,384,008
Bridges	946,993	1,026,199	1,642,042	1,491,172
Health	15,153,303	15,310,893	15,903,338	16,250,189
Public safety	15,922,816	15,808,082	17,821,175	18,616,597
Debt service:				
Principal	23,312,000	22,020,000	22,415,000	16,477,000
Interest	13,611,351	11,840,077	14,884,560	14,536,331
Capital projects	24,708,515	28,331,324	37,790,923	30,003,372
Total expenditures	<u>467,500,060</u>	<u>493,587,932</u>	<u>512,492,779</u>	<u>491,301,716</u>
Excess of revenues over (under) expenditures	(1,096,472)	(17,579,755)	(49,476,720)	(35,078,805)
Other financing sources (uses):				
Transfers in	21,585,943	24,741,211	23,682,688	18,040,570
Proceeds from loan	-	-	-	-
Issuance of debt	44,000,000	64,370,000	-	-
Bond discount	-	-	-	-
Issuance of refunding bonds	-	-	-	-
Bond premium	1,272,138	2,020,648	-	-
Payment to refunded bond escrow agent	-	(11,125,312)	-	-
Transfers out	(21,585,943)	(24,741,211)	(23,682,688)	(18,040,570)
Contribution to pension trust	-	-	-	-
Total other financing sources (uses)	<u>45,272,138</u>	<u>55,265,336</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 44,175,666</u>	<u>\$ 37,685,581</u>	<u>\$ (49,476,720)</u>	<u>\$ (35,078,805)</u>
Debt service as a percentage of noncapital expenditures	8.40%	7.27%	7.00%	6.72%

Schedule 4

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ 175,012,541	\$ 183,749,448	\$ 184,861,750	\$ 185,141,716	\$ 187,373,525	\$ 186,611,947
48,112,313	50,683,252	52,861,897	51,613,194	46,022,998	50,566,377
12,811,789	13,608,003	14,143,188	14,932,974	19,111,497	19,173,003
216,681,202	212,766,741	215,232,060	212,159,479	220,219,289	247,846,700
714,375	662,444	506,218	373,679	405,219	785,794
<u>2,527,771</u>	<u>2,482,681</u>	<u>3,323,333</u>	<u>3,081,190</u>	<u>2,693,645</u>	<u>3,546,459</u>
<u>455,859,991</u>	<u>463,952,569</u>	<u>470,928,446</u>	<u>467,302,232</u>	<u>475,826,173</u>	<u>508,530,280</u>
56,518,099	54,366,211	57,080,210	53,551,192	44,851,368	49,386,875
66,562,244	64,388,101	64,463,835	64,423,434	66,053,215	68,725,472
37,159,001	36,076,663	36,269,421	36,833,472	37,203,950	38,279,689
20,531,184	20,857,109	20,604,855	20,460,186	20,739,370	21,593,437
224,424,546	222,330,904	222,407,294	221,300,715	232,226,249	262,131,213
2,805,264	3,070,090	2,437,183	3,093,777	3,152,510	2,617,864
16,583,421	15,509,461	15,330,278	14,918,268	15,051,428	15,153,178
18,075,091	18,025,554	18,070,032	17,385,772	17,793,451	18,514,565
16,945,000	19,358,000	20,700,000	25,798,000	23,484,000	26,591,000
14,169,141	16,645,995	15,139,806	16,196,266	14,648,751	14,352,439
27,766,432	29,073,395	46,707,954	45,879,449	22,475,738	18,341,316
<u>501,539,423</u>	<u>499,701,483</u>	<u>519,210,868</u>	<u>519,840,531</u>	<u>497,680,030</u>	<u>535,687,048</u>
(45,679,432)	(35,748,914)	(48,282,422)	(52,538,299)	(21,853,857)	(27,156,768)
22,739,634	21,291,591	20,758,786	19,279,166	22,286,177	20,701,213
75,065,000	-	-	-	11,000,000	-
-	-	80,300,000	-	-	24,240,559
-	-	-	-	-	-
-	-	59,615,000	-	38,085,000	31,014,441
10,341,825	-	10,026,839	-	3,924,424	11,108,418
-	-	(59,304,041)	-	(41,721,942)	(31,016,219)
(22,739,634)	(21,291,591)	(20,758,786)	(19,279,166)	(22,286,177)	(20,701,213)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>85,406,825</u>	<u>-</u>	<u>90,637,798</u>	<u>-</u>	<u>11,287,482</u>	<u>35,347,199</u>
<u>\$ 39,727,393</u>	<u>\$ (35,748,914)</u>	<u>\$ 42,355,376</u>	<u>\$ (52,538,299)</u>	<u>\$ (10,566,376)</u>	<u>\$ 8,190,431</u>
6.57%	7.65%	7.59%	8.86%	8.02%	7.91%

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>
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
2015	187,373,525	-	187,373,525
2016	186,611,947	-	186,611,947

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
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
2015 (3)	6,413,282	1,156,191	215,130	329,972 (2)	942,181
2016 (3)	6,460,955	1,155,245	216,884	329,650 (2)	953,071

- 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

<u>Governmental and Institutional Taxable</u>	<u>Total Taxable Assessed Value</u>		<u>Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value As A Percentage Of Actual Value</u>
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%
19,962	8,404,000		23.20	71,716,800	11.7%
21,874	8,134,540		23.20	72,629,800	11.2%

COUNTY OF BUCKS, PENNSYLVANIA

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

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
TOTAL COUNTY DIRECT RATE	21.94	21.94	21.94	21.94	21.94	23.20	23.20	23.20	23.20	23.20
General County	16.06	16.53	16.58	17.51	17.45	17.84	17.75	17.25	17.21	17.21
Debt Service	4.83	4.35	4.27	3.36	3.44	4.31	4.40	4.90	4.88	4.88
Community College	1.05	1.06	1.09	1.07	1.05	1.05	1.05	1.05	1.11	1.11
School District Rates										
Bensalem Township	126.00	130.40	134.00	139.47	141.43	144.35	144.35	148.97	151.80	155.44
Bristol Borough	114.00	120.00	120.00	138.00	154.00	154.00	154.00	154.00	154.00	154.00
Bristol Township	171.18	176.45	177.07	185.28	188.31	192.27	196.50	201.80	206.65	213.05
Centennial	91.45	96.45	102.70	108.54	113.58	116.07	118.04	122.17	126.76	132.69
Central Bucks	105.87	110.50	114.80	119.20	120.80	122.80	122.80	124.10	124.10	124.10
Council Rock	101.46	105.41	107.96	110.68	110.68	112.56	114.02	114.72	115.01	117.77
Morrisville Borough	205.10	187.30	177.30	177.30	177.30	177.30	180.31	187.87	192.19	197.57
Neshaminy	142.30	148.60	152.00	152.00	152.00	152.00	152.00	152.00	152.00	152.00
New Hope/Solebury	71.83	76.70	79.84	82.15	83.30	84.72	86.15	87.97	89.64	93.94
Palisades	95.38	100.00	104.10	108.85	110.34	110.34	110.34	110.34	111.24	112.24
Penndel	111.69	116.60	119.55	123.02	123.02	123.02	125.11	129.62	132.09	135.26
Pennsbury	139.40	145.00	148.80	150.30	150.30	150.30	150.30	153.45	157.89	161.36
Quakertown	120.09	125.50	125.50	138.37	140.25	141.51	143.92	146.65	149.73	153.32
Borough Rates										
Bristol	49.89	49.89	49.89	49.89	49.89	49.89	49.89	56.64	56.64	57.89
Chalfont	9.50	11.50	11.50	12.00	13.00	13.50	15.50	15.50	17.00	17.00
Doylestown	8.73	8.73	10.73	10.73	11.23	11.23	12.73	12.73	12.73	12.73
Dublin	10.00	10.00	10.00	10.00	10.00	10.00	10.00	13.00	13.00	15.25
Hulmeville	8.25	8.25	8.52	9.97	9.97	9.97	9.97	12.75	12.75	14.50
Ivyland	11.50	11.25	12.50	12.50	13.50	13.50	13.50	13.50	13.50	13.50
Langhorne	12.20	12.20	12.20	12.20	12.20	12.20	14.20	14.20	18.20	18.20
Langhorne Manor	9.88	9.88	9.88	9.88	9.88	9.38	9.38	12.28	12.27	12.27
Morrisville	30.38	35.93	39.43	39.93	40.93	40.93	40.93	44.56	47.80	51.40
New Britain	15.88	15.88	21.88	21.88	21.88	21.88	22.63	23.63	27.38	27.38
New Hope	9.73	9.73	11.73	11.73	11.73	12.23	12.23	12.23	12.77	13.77
Newtown	6.00	6.00	6.00	6.00	6.00	9.00	9.00	9.00	13.25	13.25
Penndel	9.00	10.50	10.50	12.00	12.50	15.50	18.50	20.00	26.87	26.87
Perkasie	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	6.25	6.25
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	5.00	5.00	5.00
Riegelsville	7.75	8.75	9.75	11.25	11.25	11.75	12.25	12.75	12.75	13.25
Sellersville	7.33	8.33	9.33	12.00	16.00	16.00	17.50	18.00	20.00	24.00
Silverdale	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Telford	4.27	4.52	4.61	4.61	4.63	5.31	5.59	5.33	6.06	6.06
Trumbauersville	3.25	3.25	3.25	2.50	2.50	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	16.74	16.74	16.74	16.74	16.74	16.73	16.73	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)**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Township Rates										
Bedminster	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Bensalem	18.50	18.50	18.50	18.50	19.50	19.50	19.50	19.50	19.50	19.50
Bridgeton	3.00	3.00	3.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Bristol	19.61	19.61	20.99	23.99	23.99	23.99	23.99	23.99	23.98	23.98
Buckingham	1.25	1.25	1.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Doylestown	7.00	7.00	7.25	7.25	10.25	10.25	10.25	10.25	10.25	10.88
Durham	0.83	0.83	0.83	2.00	4.00	4.00	4.00	4.00	4.00	6.00
East Rockhill	5.28	4.28	5.23	7.49	7.49	8.14	8.14	8.14	10.24	10.24
Falls	7.72	7.22	7.22	7.22	7.22	7.22	7.22	7.22	7.22	7.22
Haycock	1.25	1.25	2.50	4.00	5.00	5.00	6.00	6.00	6.00	6.00
Hilltown	6.75	6.75	6.75	6.75	8.75	8.75	8.75	8.75	8.75	8.75
Lower Makefield	12.87	14.87	15.12	15.12	15.12	15.12	15.12	15.12	15.12	15.16
Lower Southampton	13.58	14.08	14.08	14.08	14.08	14.08	14.08	14.08	14.08	14.08
Middletown	13.34	14.84	15.84	17.57	17.57	17.57	17.57	17.57	17.57	17.57
Milford	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
New Britain	11.06	11.06	11.06	11.06	12.06	12.06	12.06	12.06	12.06	12.06
Newtown	2.63	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Nockamixon	1.00	1.00	1.00	6.50	6.00	6.00	6.00	6.00	6.00	6.00
Northampton	7.31	9.06	10.14	11.14	11.14	11.14	11.14	12.93	12.93	12.93
Plumstead	9.00	9.00	9.75	13.25	13.25	13.25	13.25	13.94	13.94	13.94
Richland	2.50	2.50	9.50	9.50	9.50	9.50	9.50	11.30	11.30	11.30
Solebury	14.10	14.10	15.60	15.35	19.06	19.56	19.56	19.56	22.31	22.31
Springfield	3.50	3.50	3.50	3.50	3.50	4.50	4.50	6.00	9.00	12.00
Tinicum	5.25	6.00	7.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
Upper Makefield	12.49	12.35	12.35	13.35	13.35	12.85	12.85	12.85	11.85	9.85
Upper Southampton	15.88	17.88	17.88	18.88	21.88	21.88	21.88	21.88	23.88	23.88
Warminster	12.07	12.07	12.07	12.07	17.07	17.07	17.07	17.07	17.07	17.07
Warrington	8.45	8.45	11.55	11.55	11.55	11.55	12.22	12.84	12.84	12.84
Warwick	10.25	11.25	13.25	15.25	15.25	15.25	15.25	15.25	15.25	15.25
West Rockhill	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	7.25	7.25
Wrightstown	6.92	6.92	6.92	6.58	6.58	6.58	6.58	5.33	5.33	7.33

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, 2016
Unaudited

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Keystone Turf Club, Inc.	\$ 52,152,340	1	.64%	\$ 12,101,920	3	.15%
McStome, Inc. c/o Kravco, Inc.	8,618,000	2	.11%	23,226,840	1	.29%
Neshaminy Mall Joint Venture Ltd.	7,871,500	3	.09%	11,630,360	4	.15%
Open Door Estates	6,741,880	4	.08%	6,741,880	7	.09%
Salem Harbour Assoc	5,045,800	5	.06%			
Oxford Valley Road Associates	4,732,560	6	.06%	6,314,040	10	.08%
Valley Square Owner LLC	4,621,410	7	.06%			
Doylestown Hospital	4,380,640	8	.05%	9,530,430	5	.12%
800 (Eight) Trenton Assoc, LP	4,368,800	9	.05%			
Village Pennbrook 2 LLC	4,320,000	10	.05%			
Korman Financing Partnership, LP				12,194,520	2	.15%
KRT Properties Holding, Inc.				6,751,630	6	.09%
F Greek Bristol Properties, LP				6,697,630	8	.08%
Weissenberger Guntram				6,656,440	9	.08%
	<u>\$ 102,852,930</u>		<u>1.25%</u>	<u>\$ 101,845,690</u>		<u>1.28%</u>

Source: County Board of Assessment

COUNTY OF BUCKS, PENNSYLVANIA

**REAL ESTATE AND PERSONAL PROPERTY
TAX LEVIES AND REVENUES**

**Last Ten Years
Unaudited**

<u>Year Ended December 31,</u>	<u>Total Tax (1)</u>	<u>Levy</u>	<u>Current Tax Revenues (2)</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Revenues (3)</u>	<u>Total Tax Revenues</u>	<u>Percent of Total Tax Revenues To Levy</u>	<u>Outstanding Taxes</u>	<u>Percent of Outstanding Taxes to Levy</u>
Real Estate:									
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%
2015	188,703,210		184,133,785	97.6%	3,239,740	187,373,525	99.3%	6,729,630	3.6%
2016	189,578,750		183,119,060	96.6%	3,492,887	186,611,947	98.4%	6,336,082	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>								
<u>Fiscal Year</u>	<u>General Obligation Bond</u>	<u>Lease Rental Bond Debt</u>	<u>Unamortized Premium</u>	<u>Total Primary Government</u>	<u>Taxable Assessed Valuation (1)</u>	<u>Percentage of Actual Value Of Taxable Property</u>	<u>Debt Per Capita</u>	<u>Percentage of Personal Income</u>
2007 (2)	219,620,000	15,195,000	4,470,762	239,285,762	7,909,951	0.27%	378.04	0.74%
2008 (2)	250,890,000	14,590,000	6,154,029	271,634,029	7,982,750	0.31%	427.06	0.86%
2009 (2)	228,475,000	41,739,000	5,690,358	275,904,358	8,019,889	0.37%	431.64	0.82%
2010 (2)	211,998,000	38,817,183	5,226,686	256,041,869	7,989,842	0.31%	401.14	0.76%
2011 (2)	270,118,000	35,885,744	15,104,840	321,108,584	8,014,285	0.38%	488.16	0.88%
2012	250,760,000	32,834,922	13,951,713	297,546,635	8,053,283	0.35%	452.27	0.83%
2013	316,460,000	29,677,303	22,156,970	368,294,273	8,226,636	0.42%	550.75	0.97%
2014	290,482,000	26,368,553	20,335,387	337,185,940	8,104,154	0.39%	505.60	0.87%
2015	276,253,000	49,090,024	22,157,913	347,500,937	8,404,000	0.39%	553.90	0.81%
2016	277,282,000	45,772,573	30,513,836	353,568,409	8,134,540	0.40%	564.45	N/A

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>Unamortized Premium</u>	<u>Total</u>	<u>Percentage of Actual Value Of Taxable Property</u>	<u>Debt Per Capita</u>	<u>Percentage of Personal Income</u>
2007 (1)	219,620,000	15,195,000	4,470,762	239,285,762	0.27%	378.04	0.74%
2008 (1)	250,890,000	14,590,000	6,154,029	271,634,029	0.31%	427.06	0.86%
2009 (1)	228,475,000	41,739,000	5,690,358	275,904,358	0.37%	431.64	0.82%
2010 (1)	211,998,000	38,817,183	5,226,686	256,041,869	0.31%	401.14	0.76%
2011 (1)	270,118,000	35,885,744	15,104,840	321,108,584	0.38%	488.16	0.88%
2012 (1)	250,760,000	32,834,922	13,951,713	297,546,635	0.35%	452.27	0.83%
2013 (1)	316,460,000	29,677,303	22,156,970	368,294,273	0.42%	550.75	0.97%
2014 (1)	290,482,000	26,368,553	20,335,387	337,185,940	0.39%	505.60	0.87%
2015 (1)	276,253,000	49,090,024	22,157,913	347,500,937	0.39%	553.90	0.81%
2016 (1)	277,282,000	45,772,573	30,513,836	353,568,409	0.40%	564.45	N/A

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, 2016

<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	\$ 114,346,664	100.0%	\$ 114,346,664
Bristol Borough	12,375,320	100.0%	12,375,320
Bristol Township	122,056,754	100.0%	122,056,754
Centennial	120,617,238	100.0%	120,617,238
Central Bucks	86,570,445	100.0%	86,570,445
Council Rock	194,791,288	100.0%	194,791,288
Morrisville Borough	6,531,205	100.0%	6,531,205
Neshaminy	130,502,821	100.0%	130,502,821
New Hope/Solebury	26,715,982	100.0%	26,715,982
Palisades	17,309,646	100.0%	17,309,646
Pennridge	111,470,400	100.0%	111,470,400
Pennsbury	150,726,210	100.0%	150,726,210
Quakertown	117,501,943	100.0%	117,501,943
	<u>\$ 1,211,515,916</u>		<u>\$ 1,211,515,916</u>
Boroughs			
Bristol	\$ 7,283,000	100.0%	\$ 7,283,000
Chalfont	-		-
Doylestown	2,810,114	100.0%	2,810,114
Dublin	432,331	100.0%	432,331
Hulmeville	-		-
Ivyland	-		-
Langhorne	-		-
Langhorne Manor	-		-
Morrisville	-		-
New Britain	-		-
New Hope	2,492,000	100.0%	2,492,000
Newtown	N/A		N/A
Penn del	1,067,000	100.0%	1,067,000
Perkasie	4,651,687	100.0%	4,651,687
Quakertown	6,386,180	100.0%	6,386,180
Richlandtown	-		-
Riegelsville	9,099	100.0%	9,099
Sellersville	684,084	100.0%	684,084
Silverdale	-		-
Telford	411,604	100.0%	411,604
Trumbauersville	-		-
Tullytown	-		-
Yardley	-		-
	<u>\$ 26,227,099</u>		<u>\$ 26,227,099</u>

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

Direct and Overlapping Governmental Activities Debt
As of December 31, 2016
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	\$ 2,444,345	100.0%	\$ 2,444,345
Bensalem	39,583,000	100.0%	39,583,000
Bridgeton	-		-
Bristol	26,693,406	100.0%	26,693,406
Buckingham	11,999,994	100.0%	11,999,994
Doylestown	-		-
Durham	-		-
East Rockhill	1,566,558	100.0%	1,566,558
Falls	-		-
Haycock	-		-
Hilltown	-		-
Lower Makefield	46,551,984	100.0%	46,551,984
Lower Southampton	7,331,904	100.0%	7,331,904
Middletown	26,334,114	100.0%	26,334,114
Milford	3,877,422	100.0%	3,877,422
New Britain	679,040	100.0%	679,040
Newtown	6,690,551	100.0%	6,690,551
Nockamixon	-		-
Northampton	21,356,041	100.0%	21,356,041
Plumstead	19,222,078	100.0%	19,222,078
Richland	3,295,000	100.0%	3,295,000
Solebury	24,255,095	100.0%	24,255,095
Springfield	4,185,000	100.0%	4,185,000
Tinicum	6,789,000	100.0%	6,789,000
Upper Makefield	11,116,993	100.0%	11,116,993
Upper Southampton	2,974,805	100.0%	2,974,805
Warminster	3,966,643	100.0%	3,966,643
Warrington	39,880,656	100.0%	39,880,656
Warwick	5,164,778	100.0%	5,164,778
West Rockhill	3,159,373	100.0%	3,159,373
Wrightstown	2,165,138	100.0%	2,165,138
Total townships	<u>\$ 321,282,918</u>		<u>\$ 321,282,918</u>
Total overlapping debt			<u>\$ 1,559,025,933</u>
County of Bucks direct debt			<u>353,568,409</u>
Total direct and overlapping debt			<u>\$ 1,912,594,342</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

	2007	2008	2009	2010
<u>Borrowing Base Revenues (1):</u>				
Two years prior	\$ 429,996,691	\$ 452,890,419	\$ 516,230,910	\$ 464,830,652
Prior year	452,890,419	516,230,910	464,830,652	460,560,281
Current Year	516,230,910	464,830,652	460,560,281	470,872,941
Total borrowing base revenues	\$ 1,399,118,020	\$ 1,433,951,981	\$ 1,441,621,843	\$ 1,396,263,874
Average borrowing base revenues	\$ 466,372,673	\$ 477,983,994	\$ 480,540,614	\$ 465,421,291
<u>Debt Limit For General Obligation Bonds:</u>				
Average borrowing base revenues	\$ 466,372,673	\$ 477,983,994	\$ 480,540,614	\$ 465,421,291
Debt limit percent	x 300%	x 300%	x 300%	x 300%
Debt limit	1,399,118,020	1,433,951,981	1,441,621,843	1,396,263,874
Total amount of debt applicable to debt limit (2)	(218,690,979)	(249,565,178)	(227,394,877)	(211,097,064)
Legal debt margin	\$ 1,180,427,041	\$ 1,184,386,803	\$ 1,214,226,966	\$ 1,185,166,810
Total net debt applicable to the limit as a percentage of debt limit	15.63%	17.40%	15.77%	15.12%
<u>Debt Limit For General Obligation Bonds and Lease Rental Debt:</u>				
Average borrowing base revenues	\$ 466,372,673	\$ 477,983,994	\$ 480,540,614	\$ 465,421,291
Debt limit percent	x 400%	x 400%	x 400%	x 400%
Debt limit	1,865,490,693	1,911,935,975	1,922,162,457	1,861,685,165
Total amount of debt applicable to debt limit	(243,675,619)	(264,078,136)	(268,936,555)	(249,749,284)
Legal debt margin	\$ 1,621,815,074	\$ 1,647,857,839	\$ 1,653,225,902	\$ 1,611,935,881
Total net debt applicable to the limit as a percentage of debt limit	13.06%	13.81%	13.99%	13.42%

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

Schedule 13

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ 460,560,281	\$ 470,872,941	\$ 464,766,172	\$ 465,542,162	\$ 455,939,059	\$ 488,513,499
470,872,941	464,766,172	465,542,162	455,939,059	488,513,499	435,530,163
<u>464,766,172</u>	<u>465,542,162</u>	<u>455,939,059</u>	<u>488,513,499</u>	<u>435,530,163</u>	<u>539,269,236</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>1,379,982,721</u>	\$ <u>1,463,312,898</u>
\$ <u>465,399,798</u>	\$ <u>467,060,425</u>	\$ <u>462,082,464</u>	\$ <u>469,998,240</u>	\$ <u>459,994,240</u>	\$ <u>487,770,966</u>
\$ 465,399,798	\$ 467,060,425	\$ 462,082,464	\$ 469,998,240	\$ 459,994,240	\$ 487,770,966
x <u>300%</u>					
1,396,199,394	1,401,181,275	1,386,247,393	1,409,994,720	1,379,982,721	1,463,312,898
<u>(269,234,701)</u>	<u>(249,687,467)</u>	<u>(315,350,543)</u>	<u>(289,249,661)</u>	<u>(275,013,402)</u>	<u>(276,119,070)</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>	\$ <u>1,104,969,319</u>	\$ <u>1,187,193,828</u>
19.28%	17.82%	22.75%	20.51%	19.93%	18.87%
\$ 465,399,798	\$ 467,060,425	\$ 462,082,464	\$ 469,998,240	\$ 459,994,240	\$ 487,770,966
x <u>400%</u>					
1,861,599,192	1,868,241,700	1,848,329,857	1,879,992,960	1,839,976,961	1,951,083,864
<u>(305,003,097)</u>	<u>(282,381,950)</u>	<u>(344,923,802)</u>	<u>(315,506,348)</u>	<u>(323,883,150)</u>	<u>(321,699,671)</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>	\$ <u>1,516,093,811</u>	\$ <u>1,629,384,193</u>
16.38%	15.11%	18.66%	16.78%	17.60%	16.49%

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>
2007	621,144	31,758,600	51,129	N/A	93,197	3.8%
2008	621,643	31,046,441	49,943	41	92,897	4.8%
2009	626,015	33,034,820	52,770	41	91,963	7.2%
2010	625,249	32,999,810	52,478	42	91,327	7.9%
2011	626,854	34,740,248	55,420	41	90,835	7.3%
2012	627,053	34,232,169	54,609	42	89,985	7.4%
2013	628,487	35,540,382	56,678	44	89,353	6.9%
2014	626,685	36,347,753	57,973	42	88,640	5.2%
2015	627,367	40,343,409	64,306	43	88,226	4.5%
2016	626,399	N/A	N/A	43	86,771	4.6%

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, 2016
Unaudited

<u>Employer</u>	<u>2016</u>			<u>2007</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>
Central Bucks School District	N/A	1	N/A	N/A	1	N/A
Giant Food Stores LLC	N/A	2	N/A	N/A	7	N/A
St. Mary Medical Center	N/A	3	N/A	N/A	4	N/A
Doylestown Hospital	N/A	4	N/A	N/A	5	N/A
Northtec LLC	N/A	5	N/A	N/A	6	N/A
Bucks County	N/A	6	N/A	N/A	2	N/A
Woods Services	N/A	7	N/A			
Wal-Mart Associates Inc	N/A	8	N/A	N/A	10	N/A
Grand View Health	N/A	9	N/A			
Pennsbury School District	N/A	10	N/A	N/A	8	N/A
Healthcare Services				N/A	3	N/A
The Woods School				N/A	9	N/A
	<u>0</u>		<u>N/A</u>	<u>0</u>		<u>N/A</u>
Total Employees in County	326,672			334,141		

Source: Center for Workforce Information & Analysis as of 3rd Quarter 2016
Center for Workforce Information & Analysis as of 4th Quarter 2007

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

Full-time Equivalent Employees as of December 31										
Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Commissioners	8	10	10	10	9	9	9	8	8	8
Solicitor	7	8	8	8	8	8	8	8	8	9
Voter Registration	11	12	10	10	11	10	9	9	9	10
Board of Assessment	32	31	30	32	31	27	25	23	23	24
Consumer Protection	9	9	9	9	7	6	6	6	6	6
Treasurer	10	11	11	11	11	11	11	11	11	10
Tax Claim	7	5	6	8	8	6	6	6	6	6
Controller	31	30	29	28	30	27	27	23	27	27
Voting Machines	4	4	4	4	3	3	3	3	3	3
Planning Commission	32	31	33	33	32	28	25	25	25	26
Recorder of Deeds	26	26	27	26	23	23	21	22	23	22
Central Telephone & Service	2	2	2	2	2	-	-	-	-	-
Information Systems	51	51	53	48	45	38	37	35	32	36
Purchasing	8	8	8	8	7	7	6	4	7	7
Microfilming & Reproduction	6	6	5	6	5	5	5	5	3	2
Public Information	7	7	7	6	6	6	5	4	4	4
ERP	2	2	2	4	4	4	3	3	4	4
Fire Marshall	4	4	4	4	4	3	2	3	2	2
Finance	7	8	7	7	7	6	6	5	5	5
Public Works	150	158	156	111	106	101	90	86	100	99
Human Resources	10	8	10	10	10	9	9	7	9	10
Mail Room	2	2	2	2	2	2	1	1	2	2
Public Defender	37	36	36	36	36	35	34	37	36	37
Military Affairs	3	3	3	3	3	3	3	3	3	3
Community Development	8	8	8	7	8	7	6	6	6	6
Parks and Recreation	36	37	37	39	38	35	33	31	33	33
Total General Government	510	517	517	472	456	419	390	374	395	401
Judiciary										
Register of Wills	22	20	21	21	18	19	17	17	18	18
Sheriff	67	65	67	72	69	66	64	69	75	72
Coroner	5	8	8	8	8	8	7	7	8	8
Prothonotary	29	29	30	30	29	29	25	25	28	28
Clerk of Courts	24	25	25	24	25	25	24	24	24	25
Domestic Relations	86	89	88	88	87	83	82	82	84	84
District Attorney	75	76	78	79	78	78	70	71	82	83
Law Library	2	2	2	2	2	2	2	2	2	2
Courts	84	85	81	84	86	85	76	71	82	80
Jury Commissioners	2	2	2	2	2	2	-	-	-	-
Crime Lab	3	3	3	4	5	5	3	5	-	-
Court Stenographers	20	21	21	21	20	20	20	21	21	22
Adult Probation and Parole	60	69	72	68	71	69	67	70	74	78
Juvenile Probation & Parole	50	51	51	49	51	49	44	46	45	54
District Courts	106	121	112	108	105	106	93	97	103	105
Total Judiciary	635	666	661	660	656	646	594	607	646	659

(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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Corrections										
Corrections - Administration	17	16	16	17	18	18	16	15	17	16
Women's Community Correction Center	10	10	10	10	9	9	9	7	8	8
Prison	244	250	254	256	253	244	240	252	244	246
Men's Community Correction Center	66	62	67	67	66	66	62	62	66	66
Total Corrections	337	338	347	350	346	337	327	336	335	336
Health										
Health Dept-Admin-State	7	7	6	6	6	5	5	5	3	2
Health Dept-Admin-County	117	113	117	114	113	105	78	80	81	83
Emergency Health	6	6	6	6	6	5	5	5	5	5
Total Health	130	126	129	126	125	115	88	90	89	90
Public Safety										
Emergency Management	5	5	3	4	4	2	4	2	4	6
Police Training	1	1	1	1	1	1	1	1	2	2
Security	25	26	24	27	27	27	23	25	28	27
Hazardous Material	2	2	2	2	2	2	1	2	2	2
Emergency Reponse/911	129	126	131	133	136	127	124	121	123	123
Total Public Safety	162	160	161	167	170	159	153	151	159	160
Social Services										
Guardian Ad Litem	6	6	6	6	6	6	6	6	7	7
Human Services	3	3	3	4	4	4	2	4	4	4
Children & Youth	177	179	173	180	179	177	172	169	184	193
Youth Center	66	68	68	68	70	72	70	69	69	69
Juvenile Probation & Parole	9	9	9	9	8	8	8	8	8	-
Neshaminy Manor	308	301	309	367	362	341	336	336	350	360
Area Agency on Aging	55	54	54	55	53	51	48	45	51	47
MH/Developmental Programs	44	44	42	50	50	45	41	40	42	42
Behavioral Health	-	-	-	-	-	-	4	6	6	8
Total Social Services	668	664	664	739	732	704	687	683	721	730
	2,442	2,471	2,479	2,514	2,485	2,380	2,239	2,241	2,345	2,376

COUNTY OF BUCKS, PENNSYLVANIA

Operating Indicators by Function
Last Ten Fiscal Years
Unaudited

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Fiscal Affairs										
Property transfers recorded	14,019	11,913	10,913	10,607	10,172	11,690	13,172	12,510	13,725	14,314
Subdivision plans filed	434	395	239	269	171	181	200	148	139	124
New building permits received	1,359	1,110	459	440	418	561	841	758	931	944
Administration										
General election information										
Registered voters	416,609	444,962	430,463	434,183	420,769	435,735	429,036	432,509	428,779	460,583
Votes cast	122,023	335,982	110,319	231,993	109,662	322,400	103,752	200,373	116,778	349,791
Percent of votes cast	29.29%	75.51%	25.63%	53.43%	26.06%	73.99%	24.18%	46.33%	27.24%	75.95%
Court System										
Court Services										
Criminal cases filed	10,114	8,639	8,172	8,204	8,380	8,535	8,486	7,865	8,154	8,741
Civil cases filed	N/A	N/A	3,557	4,282	8,017	7,689	6,925	6,786	6,791	5,765
Protection from abuse										
cases filed	N/A	774	783	704	592	568	513	478	487	664
Estates probated	584	583	756	770	766	699	777	881	822	765
Wills probated	2,268	2,585	2,998	3,059	2,399	2,318	3,189	2,372	2,597	3,307
Marriage licenses issued	3,771	3,574	3,284	4,052	3,358	3,473	3,475	3,887	3,727	4,049
Child adoptions	259	213	255	283	207	155	105	115	130	140
Child relinquishments	159	169	129	N/A	N/A	154	74	131	167	157
Court Administration										
Criminal cases tried	N/A	N/A	197	92	97	115	142	126	113	108
Criminal cases negotiated										
plea settlements	N/A	N/A	184	453	629	726	734	759	690	687
Accelerated rehabilitative										
disposition (ARD) cases	N/A	1,733	1,440	1,419	2,054	2,087	2,246	2,016	1,874	1,771
New civil arbitration filings	N/A	397	403	294	378	469	459	363	364	407
Civil cases tried	N/A	128	119	108	68	94	126	166	141	195
Civil cases settled	206	206	162	168	1,771	169	1,689	210	164	137
District judge case filings	128,927	133,017	121,716	122,717	122,014	116,850	118,526	108,544	102,714	101,775
New juvenile probation cases	N/A	1,507	1,415	1,415	1,082	1,018	780	694	559	552
Youth Facility										
Average daily population	36	31	27	27	24	23	21	18	24	22
Annual admissions	694	671	709	707	599	624	554	547	508	562
Corrections										
Maximum Security										
Average daily population										
High	785	798	796	782	819	883	880	864	880	913
Low	661	750	737	746	737	809	791	758	813	825
Annual admissions	7,432	7,682	7,430	7,254	7,565	7,180	6,946	6,453	6,736	6,828
Minimum Custody										
Average daily population										
High	306	316	311	311	314	312	318	303	270	272
Low	282	300	290	277	272	263	269	250	227	224
House Arrest										
Average daily population										
High	277	295	294	234	256	231	202	179	186	156
Low	206	222	232	186	194	183	160	130	145	126

(Continued)

COUNTY OF BUCKS, PENNSYLVANIA

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

<u>Function</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>	<u>2015</u>	<u>2016</u>
Parks										
Park reservations	1,282	1,320	1,335	1,425	1,343	1,311	1,322	1,301	1,325	1,487
Human Services										
Area Agency on Aging										
Case management clients - long term	2,550	1,332	2,395	2,198	2,661	2,676	2,676	2,491	1,416	1,550
Meals provided	89,159	91,174	82,612	82,204	78,157	82,862	51,440	63,584	53,709	45,433
In-home services clients	533	669	453	410	296	328	333	451	611	604
Adult day care clients	98	100	81	69	48	37	38	61	68	52
Home-delivered meals	89,290	92,948	66,646	105,950	113,579	92,877	127,756	75,988	89,685	103,731
Children and Youth										
Children served	556	647	6,336	540	512	580	582	562	513	518
Placement days	124,681	169,312	114,411	82,753	154,544	121,590	126,541	129,608	117,012	112,088
Child abuse reports	622	842	711	847	800	737	886	N/A	1,400	1,601
Neshaminy Manor										
Days of care	130,658	130,663	130,192	129,896	128,985	129,395	130,298	130,499	130,687	131,097
Mental Health										
Emergency/crisis										
intervention hours	17,678	33,236	10,764	9,498	15,263	8,229	15,512	17,293	21,728	22,035
Community residential days	62,201	63,556	55,727	58,510	83,756	68,100	73,906	70,498	71,484	72,976
Community employment hours	21,568	21,693	6,130	5,869	6,080	5,125	5,804	4,331	10,858	13,710
Service case management hours	67,544	69,199	20,067	13,933	16,125	12,692	22,568	18,744	15,836	15,734
Day treatment hours	19,108	14,227	16,659	4,668	7,354	3,547	6,667	5,911	4,525	4,630
Outpatient hours	15,982	15,217	32,647	9,208	9,760	6,255	8,789	6,423	3,484	2,392
Family support hours	2,235	2,323	1,020	1,325	1,734	7,530	2,937	8,439	1,048	2,454
Family based hours	1,821	1,976	510	2,140	2,688	797	3,307	2,210	N/A	N/A
Mental Retardation										
Adult development hours	463,200	233,574	124,408	14,082	14,524	14,063	9,668	9,531	8,422	8,941
Vocational rehabilitation hours	382,030	555,280	284,846	37,291	34,864	32,939	27,296	26,442	28,498	25,217
Supported employment hours	68,646	64,578	28,192	3,375	3,419	3,037	2,528	1,726	1,711	1,522
Residential services clients	496	505	877	56	54	51	53	52	49	50
Early intervention clients	2,913	3,088	5,927	1,882	1,785	1,865	1,845	2,172	1,962	2,082
Family support services	3,058	37,479	27,645	44,581	37,541	21,573	27,067	31,717	N/A	N/A

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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Government										
Motor Vehicles (2)	46	47	59	60	55	51	53	43	47	49
Judiciary										
Motor Vehicles (2)	104	109	71	68	65	62	65	74	77	84
Corrections										
Motor Vehicles (2)	47	47	44	42	41	40	39	39	39	39
Social Services										
Motor Vehicles (2)	2	-	-	-	-	-	-	-	-	-
Nursing Facility										
Motor Vehicles (2)	11	11	8	8	8	8	8	8	8	8
Health										
Motor Vehicles (2)	2	3	3	3	3	3	3	3	3	3
Roads and Bridges										
Motor Vehicles (2)	15	15	8	6	6	6	6	6	6	6
Parks										
Motor Vehicles (2)	63	63	47	47	45	45	45	47	47	45
Emergency Services										
Motor Vehicles (2)	13	13	9	9	9	9	9	9	8	4
Public Works										
County-owned bridges (1)	115	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