

# COUNTY OF BUCKS, PENNSYLVANIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED  
DECEMBER 31, 2014

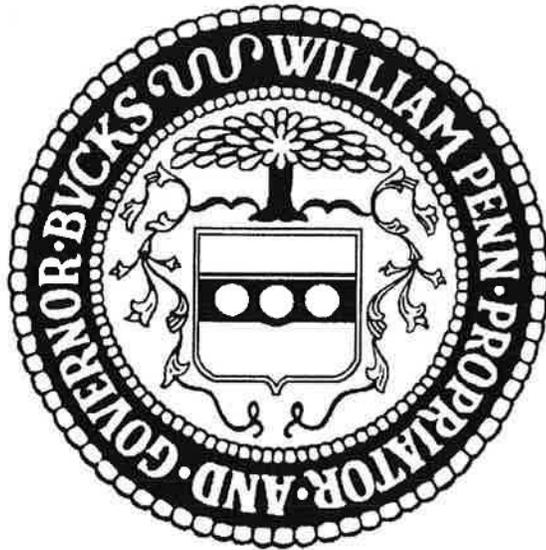
Prepared by the Office of the Controller





*Bucks County Courthouse  
Doylestown, Pennsylvania*

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## INTRODUCTORY SECTION

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**COUNTY OF BUCKS, PENNSYLVANIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
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# CONTROLLER'S OFFICE

## COUNTY OF BUCKS

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

June 30, 2015

To the citizens of Bucks County, Pennsylvania:

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

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

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

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

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

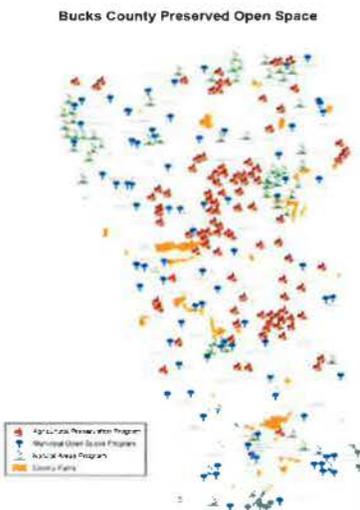
This report includes all funds of the County. The County provides a full range of human services that include the operation of a nursing facility, county-wide health services, park system and judicial system. In addition to general County activities, the Commissioners have financial accountability for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

## ECONOMIC CONDITION AND OUTLOOK

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

## COUNTY OPEN SPACE PROGRAM

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



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

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

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

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



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

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



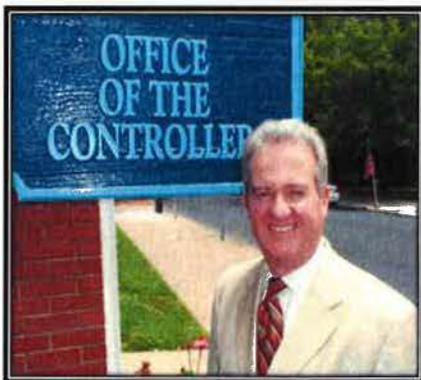
*The Hager/Haney Farm, Durham Township*

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

## YEAR IN REVIEW

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

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



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

## FINANCIAL INFORMATION

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

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

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

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

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

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

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

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

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

## JUSTICE CENTER



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

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

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

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

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

## HIGHLIGHTED DEPARTMENT



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

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

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



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

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

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

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

#### OTHER INFORMATION

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

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

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

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

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

Sincerely,



Kimberly S. Doran, CPA  
Acting Controller

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*COUNTY OF BUCKS  
CONTROLLER'S OFFICE  
MISSION STATEMENT*

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



Government Finance Officers Association

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

Presented to

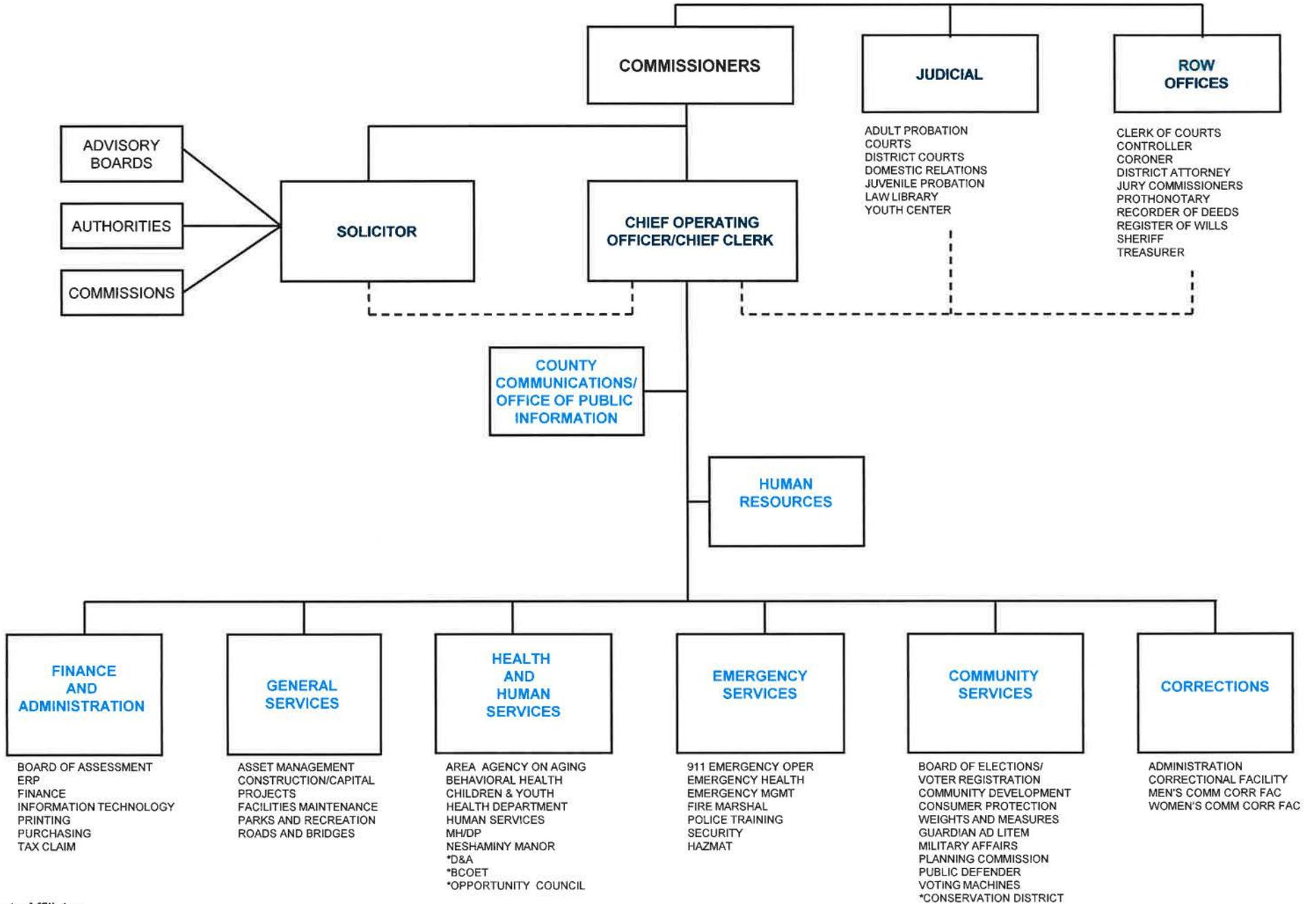
**County of Bucks  
Pennsylvania**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

# COUNTY OF BUCKS ORGANIZATION CHART ELECTORATE



AIX

\* County Affiliates

# COUNTY OF BUCKS, PENNSYLVANIA

## PRINCIPAL OFFICIALS

### COUNTY COMMISSIONERS

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

### ROW OFFICERS

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

### JUDICIARY

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





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## FINANCIAL SECTION

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# Zelenkofske Axelrod LLC

## INDEPENDENT AUDITORS' REPORT

County Commissioners  
County of Bucks  
Doylestown, Pennsylvania

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF BUCKS, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the COUNTY OF BUCKS' basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the discretely presented component units' financial statements for the Bucks County Airport Authority, the Bucks County Community College, the Bucks County Community College Authority, the Bucks County Drug and Alcohol Commission, the Bucks County Free Library and the Bucks County Housing Authority which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those aggregate discretely presented component units, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Bucks County Community College, the Bucks County Community College Authority, the Bucks County Free Library and the Bucks County Airport Authority were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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#### **Harrisburg**

830 St Thomas Court, Suite 100  
Harrisburg, PA 17109  
717.561.9200 Fax 717.561.9202

#### **Philadelphia**

2370 York Road, Suite A-5  
Jamison, PA 18929  
215.918.2277 Fax 215.918.2302

#### **Pittsburgh**

3800 McKnight E. Drive, Suite 3805  
Pittsburgh, PA 15237  
412.367.7102 Fax 412.367.7103

# Zelenkofske Axelrod LLC

County Commissioners  
County of Bucks  
Doylestown, Pennsylvania

## **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the COUNTY OF BUCKS, as of December 31, 2014, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Adoptions of Governmental Accounting Standards Board Pronouncements**

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of employer contributions and funding progress, schedule of pension liability and plan fiduciary net position, schedule of county contributions, schedule of investment returns, and budgetary comparison schedules on pages 5 through 14, 71, 72, 73, and pages 74 through 79 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF BUCKS' basic financial statements. The introductory section, combining and individual fund financial statements and budget and actual schedules (other supplementary information), and statistical section are presented for the purposes of additional analysis and are not a required part of the financial statements.

# Zelenkofske Axelrod LLC

County Commissioners  
County of Bucks  
Doylestown, Pennsylvania

The combining and individual fund financial statements, budget and actual schedules, schedules of capital assets and schedules of county general obligations payable are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget and actual schedules, schedule of capital assets and schedules of county general obligations payable are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

## **Other Reporting Required by Government Auditing Standards**

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



ZELENKOSKE AXELROD LLC

Jamison, Pennsylvania  
June 30, 2015

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## **Management's Discussion and Analysis**

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## COUNTY OF BUCKS MANAGEMENT'S DISCUSSION AND ANALYSIS

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

### Financial Highlights

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

### Overview of the Financial Statements

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

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

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

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

## COUNTY OF BUCKS MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Government-wide Financial Analysis**

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

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

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

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

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

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

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

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

**Governmental Activities**

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

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

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

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

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

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

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

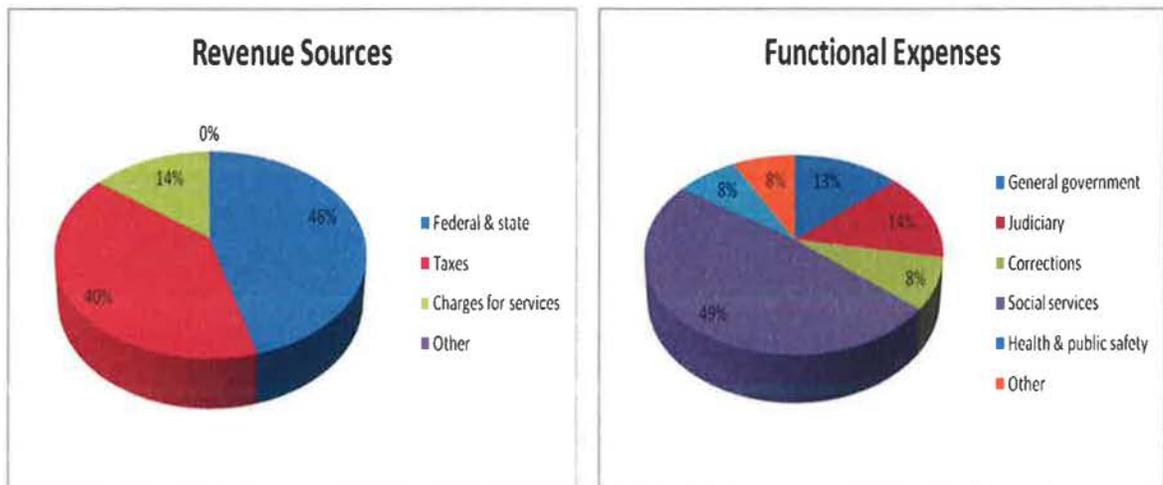
Investment earnings remained consistent in 2014 due to the low interest rates. The average rate of return in 2014 was .12% and in 2013 was .15%.

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

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

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

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



# COUNTY OF BUCKS MANAGEMENT'S DISCUSSION AND ANALYSIS

## **Financial Analysis of the Government's Funds**

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

### **Restricted, Assigned and Unassigned Fund Balances**

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

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

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

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

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

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

### **General Fund Budgetary Highlights**

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

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

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

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

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

**Capital Asset and Debt Administration**

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

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

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

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

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

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

**Long-term Liabilities of Bucks County**

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

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

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

**Economic Factors and Next Year's Budgets and Rates**

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

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

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

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

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

**Requests for information**

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



## **Basic Financial Statements**

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# COUNTY OF BUCKS, PENNSYLVANIA

## STATEMENT OF NET POSITION

December 31, 2014

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

See accompanying notes to the financial statements.

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

# COUNTY OF BUCKS, PENNSYLVANIA

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

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

See accompanying notes to the financial statements.

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

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# COUNTY OF BUCKS, PENNSYLVANIA

## BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2014

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

See accompanying notes to the financial statements.

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

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

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

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

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

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

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

Balances at December 31, 2014 are:

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

See accompanying notes to the financial statements.

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**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

See accompanying notes to the financial statements.

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

# COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

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

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

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

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

|                |            |            |
|----------------|------------|------------|
| Repayments     | 29,286,750 |            |
| Net adjustment |            | 29,286,750 |

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

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

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

See accompanying notes to the financial statements.

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

See accompanying notes to the financial statements.

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

See accompanying notes to the financial statements.

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**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

See accompanying notes to the financial statements.

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

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

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

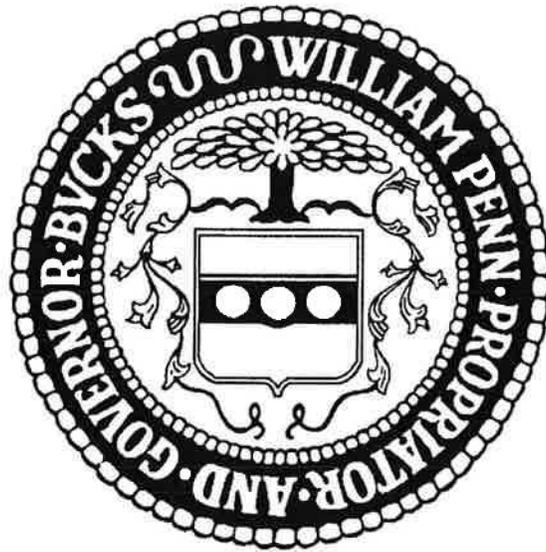
See accompanying notes to the financial statements.

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

**Net (Expense) Revenues and Changes in Net Position**

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

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## **Basic Financial Statements**

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## **Basic Financial Statements**

Notes to the Financial Statements

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# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### 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, 2014

### C. Fund Financial Statements

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

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

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

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

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

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

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

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

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

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

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

Additionally, the County reports the following fiduciary funds:

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

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

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

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

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

### E. Budgetary Accounting Controls

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

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

### F. Encumbrances

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

### G. Cash and Cash Equivalents

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

### H. Investments

All investments of the County are stated at fair value.

### I. Receivables

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

### J. Loans Receivable

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

### K. Interfund Transactions

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### L. Capital Assets

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

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

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

### M. Unearned Revenues

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

### N. Long-term Obligations Payable

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### O. Fund Balance

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

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

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

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

### P. Net Position

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

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### Q. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government had two items that qualified for reporting in this category. Under the modified accrual basis of accounting, the governmental funds report unavailable revenue from property taxes as a deferred inflow of resources. Under the accrual basis of accounting, the government wide statement of net position reports deferred gain on refunding as a deferred inflow of resources.

### R. Transfers

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

### S. Indirect Costs

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

### T. Compensated Absences Payable

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

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

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

### U. Estimates

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

### V. Adoption of GASB Statements

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

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

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

### W. GASB Pronouncements

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

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

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

In June 2015, the GASB issued Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". The County is required to adopt statement No. 73 for its calendar year 2016 financial statements. The County is currently evaluating the effect of implementation of this Statement.

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

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

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

## 2. **REPORTING ENTITY**

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### A. Discretely Presented Component Units

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

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

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

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

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

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

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### Administrative Offices

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

Bucks County Community College  
Newtown, PA 18940

Bucks County Community College Authority  
Newtown, PA 18940

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

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

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

### B. Related Organizations

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### 3. COMPONENT UNITS - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### A. Bucks County Airport Authority

##### Basis of Accounting

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

##### Capital Assets

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

|                            |                |
|----------------------------|----------------|
| Buildings and Improvements | 20 to 30 years |
| Equipment                  | 10 years       |

#### B. Bucks County Community College

##### Basis of Accounting

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

##### Cash and Cash Equivalents

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

##### Receivables

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

##### Capital Assets

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

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

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

##### Compensated Absences Payable

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

COUNTY OF BUCKS, PENNSYLVANIA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014

C. Bucks County Community College Authority

Basis of Accounting

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

Future Revenue Receivables

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

D. Bucks County Drug and Alcohol Commission

Basis of Accounting

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

E. Bucks County Free Library

Basis of Accounting

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

Investments

Investments are stated at their fair values.

F. Bucks County Housing Authority

Basis of Accounting

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

Cash and Cash Equivalents

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

Capital Assets

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### 4. DEPOSITS AND INVESTMENT RISK

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

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

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

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

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

#### A. Cash and Cash Equivalents, Restricted

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

#### B. GASB Statement No. 40

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

C. Deposits & Investment Risk

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

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

D. Interest Rate Risk

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

E. Credit Risk

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

F. Custodial Credit Risk

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

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

G. Concentration of Credit Risk

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

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

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

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

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

### H. Interest Rate Risk

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

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

### I. Credit Risk

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

**J. Concentration of Credit Risk**

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

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

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

**5. COMPONENT UNITS - DEPOSITS AND INVESTMENTS**

**A. Bucks County Airport Authority**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

**B. Bucks County Community College**

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

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

**C. Bucks County Community College Authority**

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

|   |                  |
|---|------------------|
| Amount insured by the FDIC or collateralized with securities held by the financial institution. | <u>\$ 25,000</u> |
|---|------------------|

**D. Bucks County Drug and Alcohol Commission**

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

|   |                     |
|---|---------------------|
| Amount insured by the FDIC or collateralized with securities held by the Commission's agent in the Commission's name. | <u>\$ 1,305,845</u> |
|---|---------------------|

**E. Bucks County Free Library**

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

**F. Bucks County Housing Authority**

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

|   |                      |
|---|----------------------|
| Amount insured by the FDIC or collateralized with securities held by the financial institution. | <u>\$ 37,715,649</u> |
|---|----------------------|

**6. REAL ESTATE TAXES RECEIVABLE**

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

**COUNTY OF BUCKS, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS  
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**7. INTERGOVERNMENTAL RECEIVABLES**

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

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

**8. CAPITAL ASSETS**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**9. COMPONENT UNITS – CAPITAL ASSETS**

A. Bucks County Airport Authority

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

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

B. Bucks County Community College

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

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

C. Bucks County Free Library

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS  
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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, 2014:

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

**10. EMPLOYES' RETIREMENT SYSTEMS**

A. Bucks County Employees' Retirement System

Plan Description

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

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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Rate of Return

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation for the 2014 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

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

*Discount rate.* The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

Funding Policy

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

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

### Investments

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

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

### Actuarial Valuation

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

|                                 |                        |
|---------------------------------|------------------------|
| Total pension liability         | \$ 672,813,183         |
| Plan fiduciary net position     | <u>666,242,886</u>     |
| County's net position liability | <u>\$ 6,570,297.00</u> |

|   |        |
|---|--------|
| Plan fiduciary net position as a percentage<br>of the total pension liability | 99.02% |
|---|--------|

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

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

Three Year Trend Information

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

Contributions Required and Contributions Made

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

**B. Health Department**

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

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

**11. COMPONENT UNITS - EMPLOYEES' RETIREMENT SYSTEM**

|  | <b>Bucks County<br/>Community College (BCCC)</b> |                    |                     | <b>Bucks County<br/>Free Library</b> |                   |
|--|--|--------------------|---------------------|--------------------------------------|-------------------|
|  | <b><u>SERS</u></b>                               | <b><u>TIAA</u></b> | <b><u>PSERS</u></b> | <b><u>TIAA</u></b>                   | <b><u>AUL</u></b> |
| Payroll for covered employees                              | \$ 2,624,000                                     | \$ 23,963,600      | \$ 5,678,867        | \$ 556,595                           | \$ 1,526,116      |
| Total contributions  | \$ 561,000                                       | \$ 3,544,000       | \$ 907,000          | \$ 98,467                            | \$ 228,280        |
| Employer contributions                                     | \$ 397,000                                       | \$ 2,226,000       | \$ 481,000          | \$ 32,155                            | \$ 79,739         |
| Employer contributions as<br>percentage of covered payroll | 15.13%   | 9.29%              | 8.47%               | 5.78%                                | 5.22%             |
| Employee contributions                                     | \$ 164,000                                       | \$ 1,318,000       | \$ 426,000          | \$ 66,312                            | \$ 148,541        |
| Employee contributions as<br>percentage of covered payroll | 6.25%  | 5.50%              | 7.50%               | 11.91%                               | 9.73%             |

**A. SERS**

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

**B. TIAA**

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

**C. PSERS**

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

The PSERS also provides for disability retirement benefits and death benefits. Participants are eligible for disability retirement benefits after completion of 5 years of eligible service. Such benefits are equal to 2% of the member's final average salary multiplied by the number of years of credited service, but not less than one third of such salary, nor greater than the benefit the member would have had at superannuation retirement age.

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

**D. American United Life Insurance Company (AUL)**

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

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

**12. SELF-INSURANCE PROGRAM**

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

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

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

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

### 13. LONG-TERM OBLIGATIONS

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

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

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

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

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

**A. County General Obligation Bonds**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**B. Lease Rentals Payable**

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

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

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

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

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

**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.

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

C. Guaranty Agreements

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

D. County Debt Margin

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

**14. ADVANCE REFUNDING**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS  
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**15. COMPONENT UNITS - LONG-TERM OBLIGATIONS**

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

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

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

**A. Bucks County Airport Authority**

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

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

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

**NOTES TO THE FINANCIAL STATEMENTS  
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**B. Bucks County Community College Authority**

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

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

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

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

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

**C. Bucks County Housing Authority**

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

HUD Guaranteed Bonds and Notes

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

RD Mortgages

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

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

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

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

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

Housing Trust Fund Loan

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

**16. INTERFUND RECEIVABLES AND PAYABLES**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

**17. TRANSFERS IN/OUT RECONCILIATION**

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

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

**18. FUND BALANCE/NET POSITION**

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

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

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

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

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

**Net Position**

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

**Governmental Activities**

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

**Fiduciary Funds**

**Pension Trust Fund**

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2014

### 19. RELATED PARTY TRANSACTIONS

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

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

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

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

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

### 20. COMMITMENTS AND CONTINGENCIES

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

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

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

### 21. COMPONENT UNITS - COMMITMENTS AND CONTINGENCIES

#### Leases

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

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

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

**22. LITIGATION**

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

**23. DEBT SERVICE FUND/FUND BALANCE**

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

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

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

**25. SUBSEQUENT EVENTS**

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

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

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**Required Supplementary Information**

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**COUNTY OF BUCKS, PENNSYLVANIA**

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

**1. SCHEDULE OF EMPLOYER CONTRIBUTIONS**

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

**2. SCHEDULE OF FUNDING PROGRESS**

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

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

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

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

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

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

**Schedule of County Contributions**  
**Last 10 Fiscal Years**

|  | <u>2014</u>      | <u>2013</u>       | <u>2012</u>       | <u>2011</u>       | <u>2010</u>       | <u>2009</u>      | <u>2008</u>      | <u>2007</u>      | <u>2006</u>      | <u>2005</u>      |
|--|------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution                                  | \$ 5,797,038     | \$ 10,892,672     | \$ 12,496,284     | \$ 12,117,361     | \$ 14,452,118     | \$ 8,720,402     | \$ 1,062,592     | \$ 3,386,984     | \$ 2,616,102     | \$ 2,852,135     |
| Contributions in relation to the actuarially determined contribution | <u>5,797,038</u> | <u>10,892,672</u> | <u>12,496,284</u> | <u>12,117,361</u> | <u>14,452,118</u> | <u>8,720,402</u> | <u>1,062,592</u> | <u>3,386,984</u> | <u>2,616,102</u> | <u>2,852,135</u> |
| Contribution deficiency (excess)                                     | \$ -             | \$ -              | \$ -              | \$ -              | \$ -              | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |
| Covered-employee payroll   | \$ 142,420,818   | \$ 140,885,869    | \$ 144,641,742    | \$ 143,033,179    | \$ 137,116,868    | \$ 136,395,447   | \$ 122,136,993   | \$ 122,456,667   | \$ 118,477,064   | \$ 113,891,100   |
| Contributions as a percentage of covered-employee payroll            | 4.07%            | 7.73%             | 8.64%             | 8.47%             | 10.54%            | 6.39%            | 0.87%            | 2.77%            | 2.21%            | 2.50%            |

**Notes to Schedule**

Valuation date January 1, 2014

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

Methods and assumptions used to determine contribution rates:

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

**Schedule of Investment Returns**  
**Last 10 Fiscal Years**

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

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

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

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

**(Continued)**

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

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

**(Continued)**

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

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

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

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

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

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

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

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

(Continued)

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

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

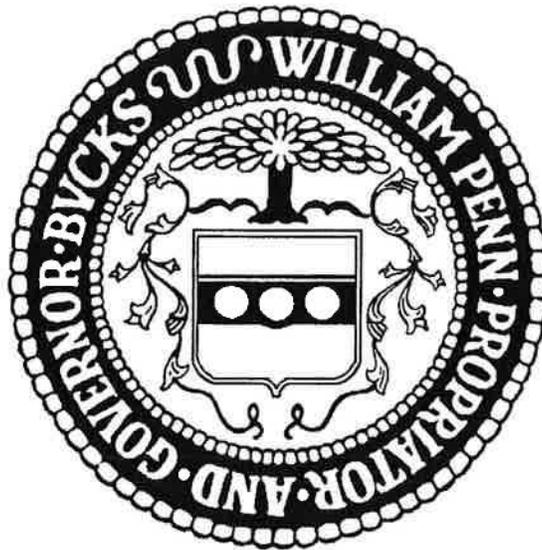
Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds.

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**Other Supplementary Information**

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## **Other Supplementary Information**

Combining and Individual  
Fund Statements and Schedules

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# COUNTY OF BUCKS, PENNSYLVANIA

## NONMAJOR GOVERNMENTAL FUNDS

### DESCRIPTION OF FUNDS

#### SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

#### CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**Capital Projects Funds**

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**Capital Projects Funds**

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**(Continued)**

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

|                            | <u>Budgeted Amounts</u> |                | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|----------------------------|-------------------------|----------------|---------------------------|---|
|                            | <u>Original</u>         | <u>Final</u>   |                           |   |
| Revenues:                  |                         |                |                           |   |
| Intergovernmental          | \$ 575,000              | \$ 575,000     | \$ 525,598                | \$ (49,402)   |
| Interest                   | <u>-</u>                | <u>-</u>       | <u>66</u>                 | <u>66</u>   |
| Total revenues             | <u>575,000</u>          | <u>575,000</u> | <u>525,664</u>            | <u>(49,336)</u>   |
| Expenditures:              |                         |                |                           |   |
| Current:                   |                         |                |                           |   |
| Bridges                    | <u>575,000</u>          | <u>575,000</u> | <u>525,664</u>            | <u>49,336</u>   |
| Total expenditures         | <u>575,000</u>          | <u>575,000</u> | <u>525,664</u>            | <u>49,336</u>   |
| Net change in Fund balance | -                       | -              | -                         | -   |
| Fund balance - January 1   | <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 BALANCE  
BUDGET AND ACTUAL - MENTAL HEALTH / DEVELOPMENTAL PROGRAMS  
THE YEAR ENDED DECEMBER 31, 2014**

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

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

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**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**(Continued)**

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

|                             | <u>Budgeted Amounts</u> |                        | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|-----------------------------|-------------------------|------------------------|---------------------------|---|
|                             | <u>Original</u>         | <u>Final</u>           |                           |   |
| Revenue:                    |                         |                        |                           |   |
| Interest                    | \$ <u>          -</u>   | \$ <u>          -</u>  | \$ <u>          8</u>     | \$ <u>          8</u>   |
| Expenditures:               |                         |                        |                           |   |
| Current:                    |                         |                        |                           |   |
| General government          | <u>          -</u>      | <u>          -</u>     | <u>          -</u>        | <u>          -</u>  |
| Capital projects:           |                         |                        |                           |   |
| Parks                       | <u>      164,000</u>    | <u>      161,800</u>   | <u>      161,783</u>      | <u>          17</u>   |
| Total capital projects      | <u>      164,000</u>    | <u>      161,800</u>   | <u>      161,783</u>      | <u>          17</u>   |
| Total expenditures          | <u>      164,000</u>    | <u>      161,800</u>   | <u>      161,783</u>      | <u>          17</u>   |
| Other financing uses:       |                         |                        |                           |   |
| Transfers out               | <u>          -</u>      | <u>          (700)</u> | <u>          (641)</u>    | <u>          59</u>   |
| Total other financing uses: | <u>          -</u>      | <u>          (700)</u> | <u>          (641)</u>    | <u>          59</u>   |
| Net change in Fund balance  | <u>      (164,000)</u>  | <u>      (162,500)</u> | <u>      (162,416)</u>    | <u>          84</u>   |
| Fund balance - January 1    | <u>      164,000</u>    | <u>      162,500</u>   | <u>      162,416</u>      | <u>          (84)</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 - 2003 NOTES CAPITAL ACQUISITION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

|                            | <u>Budgeted Amounts</u> |                 | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|----------------------------|-------------------------|-----------------|---------------------------|---|
|                            | <u>Original</u>         | <u>Final</u>    |                           |   |
| Revenue:                   |                         |                 |                           |   |
| Interest                   | \$ <u>-</u>             | \$ <u>200</u>   | \$ <u>197</u>             | \$ <u>(3)</u>   |
| Expenditures:              |                         |                 |                           |   |
| Current:                   |                         |                 |                           |   |
| General government         | <u>-</u>                | <u>-</u>        | <u>-</u>                  | <u>-</u>  |
| Capital projects:          |                         |                 |                           |   |
| Park capital improvements  | <u>80,000</u>           | <u>-</u>        | <u>-</u>                  | <u>-</u>  |
| Total capital projects     | <u>80,000</u>           | <u>-</u>        | <u>-</u>                  | <u>-</u>  |
| Total expenditures         | <u>80,000</u>           | <u>-</u>        | <u>-</u>                  | <u>-</u>  |
| Other financing uses:      |                         |                 |                           |   |
| Transfers out              | <u>-</u>                | <u>(80,300)</u> | <u>(80,267)</u>           | <u>33</u>   |
| Total other financing uses | <u>-</u>                | <u>(80,300)</u> | <u>(80,267)</u>           | <u>33</u>   |
| Net change in Fund balance | <u>(80,000)</u>         | <u>(80,100)</u> | <u>(80,070)</u>           | <u>30</u>   |
| Fund balance - January 1   | <u>80,000</u>           | <u>80,100</u>   | <u>80,070</u>             | <u>(30)</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, 2014**

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

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**COUNTY OF BUCKS, PENNSYLVANIA**

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

(Continued)

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

(Continued)

**COUNTY OF BUCKS, PENNSYLVANIA**

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

(Continued)

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

(Continued)

**COUNTY OF BUCKS, PENNSYLVANIA**

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

(Continued)

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

(Continued)

**COUNTY OF BUCKS, PENNSYLVANIA**

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

(Continued)

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

(Continued)

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

(Continued)

**COUNTY OF BUCKS, PENNSYLVANIA**

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

(Continued)

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

(Continued)

**COUNTY OF BUCKS, PENNSYLVANIA**

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

(Continued)

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

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**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

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**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

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

| <b>Bond - 2013<br/>Series</b> |                          | <b>Note - 2013<br/>Series (1)</b> |                          | <b>Bond - 2013<br/>A Series</b> |                          | <b>Totals</b>         |
|-------------------------------|--------------------------|-----------------------------------|--------------------------|---------------------------------|--------------------------|-----------------------|
| <b>Principal</b>              | <b>Interest<br/>Rate</b> | <b>Principal</b>                  | <b>Interest<br/>Rate</b> | <b>Principal</b>                | <b>Interest<br/>Rate</b> |                       |
| 3,385,000                     | 4.00%                    | 2,089,000.00                      | 1.23%                    | 805,000                         | 0.557%                   | 23,219,000            |
| 3,520,000                     | 1.25-4.00%               | 2,115,000.00                      | 1.23%                    | 6,120,000                       | 0.656%                   | 29,080,000            |
| 3,630,000                     | 4.00%                    | 2,142,000.00                      | 1.23%                    | 6,160,000                       | 0.971%                   | 29,742,000            |
| 3,775,000                     | 1.50-4.00%               | 2,169,000.00                      | 1.23%                    | 6,220,000                       | 1.17%                    | 25,569,000            |
| 3,875,000                     | 4.00%                    | 2,197,000.00                      | 1.23%                    | 6,290,000                       | 1.50%                    | 26,407,000            |
| 4,030,000                     | 5.00%                    | 2,225,000.00                      | 1.23%                    | 6,385,000                       | 1.70%                    | 27,330,000            |
| 4,230,000                     | 5.00%                    | -                                 |                          | 6,495,000                       | 2.07%                    | 24,080,000            |
| 4,440,000                     | 5.00%                    | -                                 |                          | 6,630,000                       | 2.27%                    | 25,025,000            |
| 4,665,000                     | 4.00%                    | -                                 |                          | 6,780,000                       | 2.47%                    | 22,005,000            |
| 4,850,000                     | 5.00%                    | -                                 |                          | 6,950,000                       | 2.62%                    | 22,910,000            |
| 5,090,000                     | 4.00%                    | -                                 |                          | -                               |                          | 11,675,000            |
| 5,295,000                     | 4.00%                    | -                                 |                          | -                               |                          | 12,210,000            |
| 5,505,000                     | 4.00%                    | -                                 |                          | -                               |                          | 5,505,000             |
| 5,725,000                     | 4.00%                    | -                                 |                          | -                               |                          | 5,725,000             |
| <b>\$ 62,015,000</b>          |                          | <b>\$ 12,937,000</b>              |                          | <b>\$ 58,835,000</b>            |                          | <b>\$ 290,482,000</b> |

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## STATISTICAL SECTION

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# COUNTY OF BUCKS, PENNSYLVANIA

## STATISTICAL SECTION

This section of the County of Bucks' annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

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

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## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

## COUNTY OF BUCKS, PENNSYLVANIA

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

| Primary Government-<br>Governmental Activities | Fiscal Year             |                         |                         |                         |                         |                         |                         |                         |                         |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|  | 2005                    | 2006                    | 2007                    | 2008                    | 2009                    | 2010                    | 2011                    | 2012                    | 2013                    | 2014                    |
| <b>Program Expenses</b>                        |                         |                         |                         |                         |                         |                         |                         |                         |                         |                         |
| General government                             | \$ 48,255,877           | \$ 47,330,623           | \$ 58,972,861           | \$ 46,856,323           | \$ 91,591,316           | \$ 52,454,349           | \$ 66,430,005           | \$ 66,110,304           | \$ 65,264,698           | \$ 61,811,436           |
| Judiciary                                      | 46,731,828              | 48,393,426              | 49,092,882              | 54,752,779              | 58,351,757              | 63,545,970              | 67,989,986              | 66,197,992              | 65,734,815              | 65,743,203              |
| Corrections                                    | 28,340,933              | 28,953,636              | 30,355,089              | 33,255,114              | 35,368,917              | 37,220,613              | 38,489,415              | 37,434,942              | 37,578,263              | 38,105,157              |
| Authorities                                    | 17,897,422              | 18,672,209              | 20,447,049              | 19,747,938              | 20,038,165              | 20,553,198              | 20,531,184              | 20,857,109              | 20,604,855              | 20,460,186              |
| Social services                                | 212,625,960             | 225,956,458             | 225,022,409             | 248,325,978             | 235,097,807             | 220,229,893             | 225,798,807             | 223,844,221             | 223,700,942             | 222,591,974             |
| Bridges  | 1,646,710               | 731,925                 | 1,115,553               | 1,200,417               | 1,839,018               | 1,503,949               | 2,813,243               | 3,086,309               | 2,445,315               | 3,101,909               |
| Health   | 13,294,754              | 14,654,476              | 13,424,791              | 15,378,311              | 15,912,950              | 16,282,095              | 16,672,969              | 15,595,944              | 15,415,371              | 15,003,734              |
| Public safety                                  | 16,566,392              | 16,755,923              | 18,485,800              | 17,227,331              | 19,321,677              | 19,568,595              | 20,275,833              | 20,742,490              | 19,949,064              | 20,011,672              |
| Interest on long-term debt                     | 15,507,809              | 13,467,979              | 11,757,310              | 8,991,097               | 12,991,408              | 10,606,612              | 13,931,424              | 12,415,243              | 17,457,157              | 12,150,315              |
| <b>Total program expenses</b>                  | <b>\$ 400,867,685</b>   | <b>\$ 414,916,655</b>   | <b>\$ 428,673,744</b>   | <b>\$ 445,735,288</b>   | <b>\$ 490,513,015</b>   | <b>\$ 441,965,274</b>   | <b>\$ 472,932,866</b>   | <b>\$ 466,284,554</b>   | <b>\$ 468,150,480</b>   | <b>\$ 458,979,586</b>   |
| <b>Program Revenues</b>                        |                         |                         |                         |                         |                         |                         |                         |                         |                         |                         |
| <b>Charges for services:</b>                   |                         |                         |                         |                         |                         |                         |                         |                         |                         |                         |
| General government                             | \$ 13,837,248           | \$ 13,180,184           | \$ 16,292,147           | \$ 15,321,724           | \$ 14,481,383           | \$ 14,819,851           | \$ 14,897,508           | \$ 18,322,793           | \$ 18,540,036           | \$ 16,478,492           |
| Judiciary                                      | 11,195,798              | 11,596,942              | 12,585,398              | 13,457,294              | 14,664,216              | 14,127,263              | 13,781,158              | 14,401,708              | 15,538,109              | 15,301,350              |
| Corrections                                    | 1,247,589               | 1,375,705               | 1,223,180               | 1,234,559               | 1,469,048               | 939,718                 | 929,671                 | 1,223,131               | 1,085,113               | 995,684                 |
| Authorities                                    | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       |
| Social services                                | 13,935,565              | 14,529,431              | 14,101,233              | 15,966,265              | 17,413,902              | 17,678,403              | 19,616,975              | 21,277,856              | 20,701,810              | 19,837,953              |
| Bridges  | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | 855,024                 |
| Health   | 1,611,759               | 1,884,901               | 1,696,295               | 1,537,051               | 1,410,780               | 1,446,186               | 1,443,263               | 1,550,946               | 1,691,296               | 1,796,833               |
| Public safety                                  | 5,245,928               | 4,901,956               | 4,642,375               | 7,238,372               | 3,991,917               | 8,941,109               | 10,255,527              | 8,411,841               | 11,066,845              | 12,649,039              |
| <b>Operating grants and contributions:</b>     |                         |                         |                         |                         |                         |                         |                         |                         |                         |                         |
| General government                             | 3,356,463               | 2,827,770               | 1,759,314               | 3,086,631               | 924,436                 | 1,204,147               | 325,699                 | 909,205                 | 2,858,066               | 1,232,317               |
| Judiciary                                      | 9,464,868               | 8,640,300               | 8,993,898               | 8,437,029               | 9,514,899               | 8,881,731               | 9,653,530               | 8,626,568               | 10,643,585              | 8,804,850               |
| Corrections                                    | 522,129                 | 403,176                 | 334,636                 | 472,129                 | 314,716                 | 447,892                 | 323,103                 | 276,485                 | 37,297                  | -                       |
| Authorities                                    | 1,427,327               | 2,092,480               | 1,994,113               | 2,502,488               | 2,397,753               | 2,797,181               | 2,640,261               | 2,898,710               | -                       | -                       |
| Social services                                | 187,912,068             | 200,587,664             | 206,881,369             | 215,063,068             | 203,276,023             | 188,246,135             | 186,990,297             | 185,416,239             | 189,734,509             | 189,689,255             |
| Bridges  | 347,416                 | 351,576                 | 578,986                 | 739,310                 | 667,279                 | 706,110                 | 1,144,478               | 2,399,281               | 1,751,860               | 608,780                 |
| Health   | 7,015,169               | 8,281,055               | 7,784,164               | 8,091,663               | 8,230,116               | 8,760,965               | 7,653,450               | 6,961,795               | 7,219,979               | 6,891,832               |
| Public safety                                  | 1,476,273               | 2,715,966               | 2,117,231               | 3,352,569               | 1,569,884               | 2,939,550               | 135,861                 | 255,246                 | 306,141                 | 130,232                 |
| Capital projects                               | 440,112                 | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       | -                       |
| Capital grants and contributions               | -                       | 3,078,077               | 1,999,441               | -                       | 5,497,354               | 8,526,737               | 10,248,211              | 5,449,755               | 3,415,241               | 5,092,407               |
| <b>Total program revenues</b>                  | <b>\$ 259,035,712</b>   | <b>\$ 276,447,183</b>   | <b>\$ 282,983,780</b>   | <b>\$ 296,500,152</b>   | <b>\$ 285,823,706</b>   | <b>\$ 280,462,978</b>   | <b>\$ 280,038,992</b>   | <b>\$ 278,381,559</b>   | <b>\$ 284,589,887</b>   | <b>\$ 280,364,048</b>   |
| <b>Net expense</b>                             | <b>\$ (141,831,973)</b> | <b>\$ (138,469,472)</b> | <b>\$ (145,689,964)</b> | <b>\$ (149,235,136)</b> | <b>\$ (204,689,309)</b> | <b>\$ (161,502,296)</b> | <b>\$ (192,893,874)</b> | <b>\$ (187,902,995)</b> | <b>\$ (183,560,593)</b> | <b>\$ (178,615,538)</b> |

(Continued)

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

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

Schedule 3

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

# COUNTY OF BUCKS, PENNSYLVANIA

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

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

Schedule 4

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

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

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## COUNTY OF BUCKS, PENNSYLVANIA

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

#### Property Value (1)

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

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

Sources: County Board of Assessment

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

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

(Continued)

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

Source: Bucks County Board of Assessment

## COUNTY OF BUCKS, PENNSYLVANIA

Principal Property Taxpayers  
December 31, 2014  
Unaudited

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

Source: County Board of Assessment

**COUNTY OF BUCKS, PENNSYLVANIA**

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

**Last Ten Years  
Unaudited**

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

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

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

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

Note: (1) Dollars in Thousands.

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

N/A - Information not available

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

**COUNTY OF BUCKS, PENNSYLVANIA**

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

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

(Continued)

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

# COUNTY OF BUCKS, PENNSYLVANIA

## Legal Debt Margin Information Last Ten Fiscal Years Unaudited

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

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

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

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

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

## COUNTY OF BUCKS, PENNSYLVANIA

### Demographic and Economic Statistics Last Ten Fiscal Years Unaudited

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

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

N/A - Information not available

## COUNTY OF BUCKS, PENNSYLVANIA

Principal Employers  
December 31, 2014  
Unaudited

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

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

N/A - Not available

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

(Continued)

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

## COUNTY OF BUCKS, PENNSYLVANIA

**Operating Indicators by Function  
Last Ten Fiscal Years  
Unaudited**

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

(Continued)

## COUNTY OF BUCKS, PENNSYLVANIA

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

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

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

N/A - Not available

## COUNTY OF BUCKS, PENNSYLVANIA

**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**  
**Unaudited**

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