



COUNTY OF CAMBRIA
PENNSYLVANIA

Basic Financial Statements

December 31, 2019

COUNTY OF CAMBRIA

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MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

This section of the County of Cambria's annual financial report provides the reader with an introduction to the basic financial statements and an analytical overview of the financial activities for the year ended December 31, 2019. It is best understood if read in conjunction with accompanying basic financial statements, notes to the financial statements, and supplementary information.

The Management Discussion and Analysis section of the financial report began with the implementation of Statement No. 34 of the Governmental Accounting Standards Board, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (GASB 34). The intent of the Management Discussion and Analysis is to focus on the current year's activities and resulting changes in the County's financial position. It also includes currently known facts that may have a significant impact on the County's financial position.

GASB 34 establishes the required elements of the general purpose external financial report as:

- Management's Discussion and Analysis
- Basic Financial Statements
 - *Government-wide Financial Statements*
 - *Fund Financial Statements*
 - *Notes to the Financial Statements*
- Required Supplementary Information

FINANCIAL HIGHLIGHTS

The following financial highlights are described in more detail in the analysis sections of the Management Discussion and Analysis:

- The General Fund reported an ending fund balance of \$3.53 million, which was an increase of \$624 thousand from 2018.
- The General Fund unassigned fund balance was \$3.53 million, an increase of \$624 thousand from the 2018 unassigned fund balance.
- Government-wide net position (assets plus deferred outflows less liabilities and deferred inflows) at the end of the year was (\$88.74) million, a decrease of \$2.98 million from 2018. Of the decrease, \$80,364 represents a prior period adjustment related to a correction of the deferred loss on advance refunding of the General Obligation Bonds, Series of 2014.
- The balance of outstanding bonds and notes payable was \$39.09 million, a decrease of \$3.29 million from 2018. The outstanding balance of obligations under capital leases was \$221,667, a decrease of \$50,144 from 2018. Therefore, outstanding long-term obligations decreased by \$3.34 million from 2018.
- For calendar year 2019, the County's real property tax rate remained at 33.5 mills.

OVERVIEW OF THE FINANCIAL REPORT

Cambria County's reporting entity is comprised of the primary government and its component units. Component units are legally separate organizations for which the County is financially accountable, or for which, there is a significant relationship.

Government-wide Financial Statements

The government-wide financial statements provide information on governmental and business-type activities excluding fiduciary activities in a manner similar to the private sector. The statements are prepared using the accrual basis of accounting. Revenues and expenses are taken into account when earned or incurred regardless of when cash is received or paid.

Governmental and business-type activities are reported in separate columns which add to a total for the Primary Government. The government-wide financial statements also include segregated information for entities known as Component Units. Component Units are legally separate units which are substantially funded or influenced by the county. Cambria County has ten (10) component units – Planning Commission, Redevelopment Authority, Library Association, Municipal Airport Authority, Transit Authority, Solid Waste Management Authority, Conservation and Recreation Authority, Pennsylvania Highlands Community College, Behavioral Health of Cambria County, and War Memorial Arena Authority.

The statement of Net Position reports all assets and deferred outflows, and liabilities and deferred inflows, both current and non-current, with the difference reported as net position.

Over time, increases and decreases in net position may serve as one indicator of whether the County's financial position is improving or deteriorating. Additionally, non-financial factors, such as changes in the real estate tax base or the condition of County facilities, should be considered to assess the overall financial condition of the County.

The Statement of Activities shows the extent to which program revenues offset the expenses of governmental and business-type activities. This is intended to summarize and simplify users' analysis of the cost of various governmental services and/or subsidy to business-type activities. The statement also reports the change in net position as a result of the fiscal year's revenue and expenses. The governmental activities included in the statement reflect Cambria County's basic services, including general government, judicial government, public safety, corrections, public works, human services, culture and recreation, conservation and development, emergency communication services, employee benefits, and debt service. Taxes, charges for services, and intergovernmental revenues primarily finance these services. The primary government has one business-type activities fund – Central Park Complex. The Central Park Complex generates rental income from the agencies and tenants that occupy the building to help offset the operating costs.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements more familiar. A fund is a separate fiscal and accounting entity that is used to segregate sources and uses of funding for specific purposes. Cambria County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the County are divided into three (3) categories – governmental, proprietary, and fiduciary. Each category is reported using the measurement focus and basis of accounting required for that category.

Governmental Funds:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide Statement of Activities. However, unlike the government-wide statements, the governmental fund statements focus on current sources and uses of expendable resources available at the end of the year. Cambria County has thirty-seven (37) individual governmental funds. Of these funds, four (4) have been identified as major funds based on minimum criteria set forth in GASB 34. The major governmental funds reported in the financial statements for the County are the General Fund, the Health Choices Fund, the Children and Youth Fund, and the Behavioral Health/Intellectual Disabilities & Early Intervention Fund. The non-major funds reported in the financial statements are – 9-1-1 Emergency Communications, Domestic Relations Office, Juvenile Probation, Booking Center, Farmland Preservation, Hazardous Materials Emergency Response Account (HMER), Special Hazardous Assistance Response Team (SHARP), Emergency Management Agency, Court Special Admin, Substance Abuse, Jail/Detention, Protection from Abuse, Veteran's Court Administration, Mental Health Court, County Records Improvement, Clerk of Courts Automation, Prothonotary Automation, Register of Wills Automation, Sheriff's Automation, Coroner Vital Statistics, Liquid Fuels Tax, Hotel Tax, Parks & Playgrounds, Act 13, Affordable Housing, Redevelopment Authority, Act 152, Area Agency on Aging, Foster Grandparents, Drug and Alcohol, Human Services, and Capital Projects, and Debt Service.

Proprietary Funds:

Proprietary funds are financed and operated in a manner similar to private business enterprises in which costs are recovered primarily through user charges. Cambria County maintained two (2) different types of proprietary funds that utilize the accrual basis of accounting. An enterprise fund is used to report the same functions as presented in a business-type activity in the government-wide financial statements. As stated previously, the County has one (1) enterprise fund – Central Park Complex. The County also has an internal service fund through which the activity for the health insurance plan is recorded, with each department and fund contributing to their share of the costs of providing the insurance.

Fiduciary Funds:

Fiduciary funds are used to account for resources held for the benefit of the parties outside of the government. Cambria County is responsible for ensuring that the assets of these funds are used for the intended purposes. The County is the trustee, or fiduciary, for the following funds – Prison Resident, Prison Canteen, Recorder of Deeds, Register of Wills, Sheriff's Office, Office of the Prothonotary, Clerk of Courts, Domestic Relations Support, Intermediate Punishment Unit, Workers' Compensation, and Retirement Trust. Fiduciary activities are reported in a manner similar to proprietary funds in a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Fiduciary funds are excluded from the government-wide financial statements because the assets of these funds are not available to support Cambria County's programs.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes immediately follow the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Government-wide Statement of Net Position

The table below summarizes the Statement of Net Position for the primary government as of December 31, 2019 and 2018.

Cambria County Primary Government Summary of Net Position December 31, 2019 and 2018							
		Governmental Activities		Business-type Activities		Total	
		2019	2018	2019	2018	2019	2018
Assets:							
	Current Assets	\$ 33,245,887	\$ 33,240,643	\$ 166,718	\$ 175,674	\$ 33,412,605	\$ 33,416,317
	Non-current Assets	<u>50,143,552</u>	<u>49,705,063</u>	<u>2,604,219</u>	<u>2,823,437</u>	<u>52,747,771</u>	<u>52,528,500</u>
	Total Assets	<u>83,389,439</u>	<u>82,945,706</u>	<u>2,770,937</u>	<u>2,999,111</u>	<u>86,160,376</u>	<u>85,944,817</u>
Deferred Outflows:							
	Deferred Loss on Advance Refunding	357,088	360,649	---	---	357,088	360,649
	Prepaid Expenses	184,258	166,785	---	---	184,258	166,785
	Deferred Pension Outflows	23,820,679	26,714,680	---	---	23,820,679	26,714,680
	Deferred OPEB Outflows	11,515,346	---	---	---	11,515,346	---
	Bond Issue Discount	<u>184,802</u>	<u>204,255</u>	<u>23,351</u>	<u>25,809</u>	<u>208,153</u>	<u>230,064</u>
	Total Deferred Outflows	<u>36,062,173</u>	<u>27,446,369</u>	<u>25,809</u>	<u>25,809</u>	<u>36,085,524</u>	<u>27,472,178</u>
	Total Assets and Deferred Outflows	<u>\$119,451,612</u>	<u>\$ 110,392,075</u>	<u>\$ 2,794,288</u>	<u>\$ 3,024,920</u>	<u>\$ 122,245,900</u>	<u>\$113,416,995</u>
Liabilities:							
	Current Liabilities	\$ 22,431,530	\$ 22,469,673	\$ 298,955	\$ 296,053	\$ 22,730,485	\$ 22,765,726
	Non-current Liabilities	<u>154,731,797</u>	<u>159,079,383</u>	<u>2,427,534</u>	<u>2,640,175</u>	<u>157,159,331</u>	<u>161,719,558</u>
	Total Liabilities	<u>177,163,327</u>	<u>181,549,056</u>	<u>2,726,489</u>	<u>2,936,228</u>	<u>179,889,816</u>	<u>184,485,284</u>
Deferred Inflows:							
	Unearned Revenues	3,228,946	3,643,815	597	225	3,229,543	3,644,040
	Bond Issue Premium	928,043	1,221,713	67,202	88,467	995,245	1,310,180
	Deferred Pension Inflows	<u>26,869,419</u>	<u>9,741,481</u>	<u>---</u>	<u>---</u>	<u>26,869,419</u>	<u>9,741,481</u>
	Total Deferred Inflows	<u>31,026,408</u>	<u>14,607,009</u>	<u>67,799</u>	<u>88,692</u>	<u>31,094,207</u>	<u>14,695,701</u>
Net Position:							
	Investment in Capital Assets, Net Of Related Debt	9,961,543	6,314,342	(123,769)	(132,028)	9,837,774	6,182,314
	Unrestricted	(101,984,597)	(95,384,323)	123,769	132,028	(101,860,828)	(95,252,295)
	Restricted	<u>3,284,931</u>	<u>3,305,991</u>	<u>---</u>	<u>---</u>	<u>3,284,931</u>	<u>3,305,991</u>
	Total Net Position	<u>(88,738,123)</u>	<u>(85,763,990)</u>	<u>---</u>	<u>---</u>	<u>(88,738,123)</u>	<u>(85,763,990)</u>
	Total Liabilities, Deferred Inflows, and Net Position	<u>\$119,451,612</u>	<u>\$110,392,075</u>	<u>\$ 2,794,288</u>	<u>\$ 3,024,920</u>	<u>\$ 122,245,900</u>	<u>\$113,416,995</u>

Total net position: Net position of the County's governmental activities was (\$88.74) million, a decrease of \$3.05 million from 2018. Of this amount, \$9.96 million represents investment in capital assets, net of related debt. The unrestricted net position balance as of the end of the year was (\$101.98) million which represents a decrease of \$6.60 million from 2018. The County's deferred outflows exceeded deferred inflows in 2019 by \$4.99 million, to be recognized in future years. The 2019 restricted net position balance represents the Debt Service Fund balance of \$246,475, which is restricted by the County Tax Assessment. The restricted net position balance also includes \$2,015,021 restricted by the PA Department of Transportation under PA Title 75, Chapter 90, \$945,364 restricted by the PA Department of Transportation under PA Act 13 of 2012, and \$78,071 restricted by the PA General Assembly under PA Act 152 of 2016.

Net position of the County's business-type activities was \$0, which was no change from 2018. Of the total net position, (\$123,769) represents investment in capital assets, net of related debt. The unrestricted net position balance at year-end was \$123,769, which represents a decrease of \$8,259 from 2018.

Government-wide Statement of Activities

The table below summarizes the changes of net position for the primary government for the period ended December 31, 2019 and 2018:

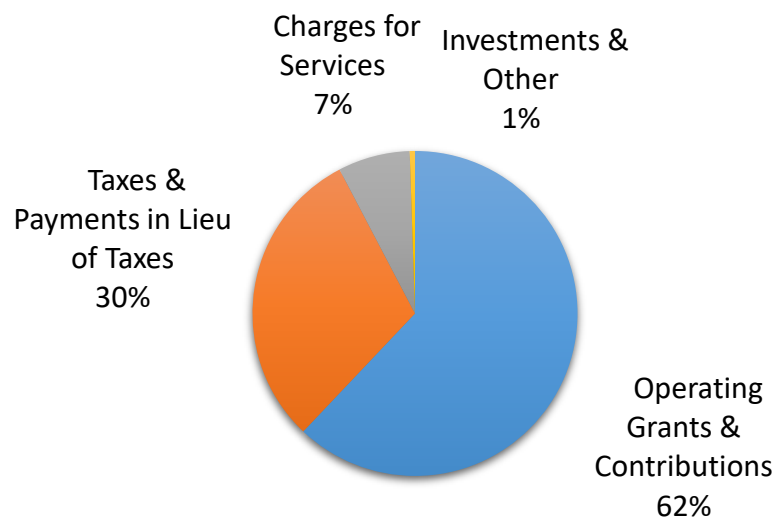
Cambria County Primary Government Summary of Changes in Net Position For the Years Ended December 31, 2019 and 2018

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for Services	\$ 10,105,134	\$ 10,304,907	\$ 678,173	\$ 640,363	\$10,783,307	\$10,945,270
Operating Grants & Contributions	87,566,927	88,697,666	---	---	87,566,927	86,697,666
Capital Grants & Contributions	---	---	---	---	---	---
General Revenues:						
Taxes & Payments in Lieu of Taxes	42,673,406	42,650,560	---	---	42,673,406	42,650,560
(Loss)/Gain from Sale of Assets	(38,927)	(16,605)	---	---	(38,927)	(16,605)
Unrestricted Investment Earnings	269,485	187,946	155	124	269,640	188,070
Other Revenues	505,472	331,331	88,252	---	593,724	331,331
Total Revenues	141,081,497	142,155,805	766,580	640,487	141,848,077	142,796,292
Expenses:						
General Government-Administrative	7,063,715	9,091,787	---	---	7,063,715	9,091,787
General Government-Judicial	11,749,557	11,798,936	---	---	11,749,557	11,798,936
Public Safety	6,910,473	7,285,158	---	---	6,910,473	7,285,158
Corrections	17,972,940	16,530,035	---	---	17,972,940	16,530,035
Public Works	1,141,869	1,276,275	---	---	1,141,869	1,276,275
Human Services	75,381,898	74,787,874	---	---	75,381,898	74,787,874
Culture and Recreation	575,040	1,663,673	---	---	575,040	1,663,673
Conservation and Development	1,440,830	1,016,664	---	---	1,440,830	1,016,664
Emergency Communications Services	2,518,034	2,562,411	---	---	2,518,034	2,562,411
Employee Benefits	9,937,537	10,144,808	---	---	9,937,537	10,144,808
Debt Service	1,492,172	1,614,217	---	---	1,492,172	1,614,217
Unallocated Depreciation	3,815,859	3,693,279	---	---	3,815,859	3,693,279
Central Park Complex	---	---	1,071,664	943,326	---	943,326
Total Expenses	139,999,924	141,465,117	1,071,664	943,326	141,071,588	142,408,443
Changes in Net Position before Transfers and Capital Contributions	1,081,573	690,688	(305,084)	(302,839)	776,489	387,849
Transfers in/(out) Primary Government	(305,084)	(302,839)	305,084	302,839	---	---
Transfers in/(out) Component Units	(3,830,986)	(3,943,613)	---	---	(3,830,986)	(3,943,613)
Change in Net Position	(3,054,497)	(3,555,764)	---	---	(3,054,497)	(3,555,764)

Net Position – Beginning of Year	(85,763,990)	(6,218,188)	---	---	(85,763,990)	(16,218,188)
Prior Period Adjustment	80,364	(65,990,038)	---	---	80,364	(65,990,038)
Net Position – Beginning of Year, as restated	(85,683,626)	(82,208,226)	---	---	(85,683,626)	(82,208,226)
Net Position – End of Year	<u>\$ (88,738,123)</u>	<u>\$(85,763,990)</u>	<u>\$ ---</u>	<u>\$ ---</u>	<u>\$ (88,738,123)</u>	<u>\$85,763,990)</u>

Governmental activities revenues: Revenues for Cambria County's governmental activities were \$141.1 million for the year ended December 31, 2019, a decrease of 0.8% from 2018. The following pie chart reflects the sources of those revenues by percent:

Revenues by Source - Governmental Activities For the Year Ended December 31, 2019



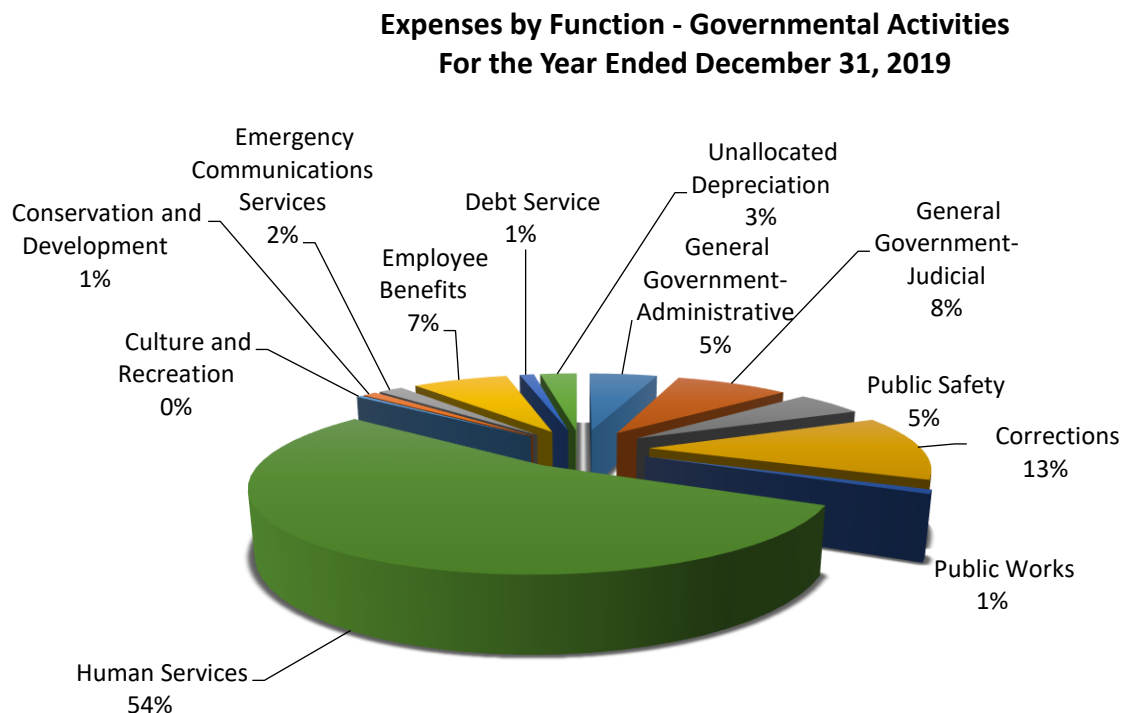
The largest source of governmental activities revenue is operating grants and contributions amounting to \$87.6 million or 62.1%. The Human Services agencies, including Behavioral Health/Intellectual Disabilities & Early Intervention, Children & Youth Services, Drug and Alcohol, Area Agency on Aging, Foster Grandparents, Human Services, and Health Choices receive the largest portion of operating grants and contributions at \$72.7 million or 83.0% of those revenues. For the most part, Human Services operating grants fund mandated services, which usually require that general fund revenue be used to fund a portion of the costs.

Taxes and payments in lieu of taxes provide the next largest source of governmental activities revenue at \$42.67 million or 30.2%. For 2019, the real estate tax rate remained the same at 33.5 mills. Of this amount, 27.5 mills was designated for general purposes, 4 mills for debt service, 1 mill for the Penn Highlands Community College, 0.5 mill for the Cambria County Library System, and 0.5 mill for parks and playgrounds. Real estate taxes generated \$41.83 million in governmental activities revenue in 2019. In addition, the County levies a 5% hotel lodging tax. Proceeds from the hotel tax are used to assist in tourist promotional activities of the Cambria County Visitors and Convention Bureau. For the year ending 2019, the hotel tax receipts amounted to \$722,544. Cambria County also receives payments in lieu of taxes from various sources. The County received \$122,137 in payments in lieu of taxes in 2019.

Charges for services amounted to \$10.11 million or 7.2% of governmental activities funding sources. Charges for services include fees, fines, licenses, permits, 9-1-1 line charges, and housing revenues at the prison and the detention/shelter facility.

Investment earnings, gain from the sale of assets, capital grants and contributions, and other revenues amounted to \$736,031 or 0.5% of governmental activities revenue.

Governmental activities expenses: Expenses for Cambria County's governmental activities were \$140.0 million for the year ended December 31, 2019. The chart below reflects the uses of those expenses:



As indicated by the chart, the County's human services programs comprised the largest portion of governmental activities expenses. They amounted to \$75.4 million or 53.8% for 2019.

The general government-judicial is composed of the Court of Common Pleas, Magistrates, Constables, Court Special Admin, Law Library, Domestic Relations, Coroner Vital Statistics, Substance Abuse, Protection from Abuse, and Veteran's Court. Also included are the row offices that provide services to the courts, which include the District Attorney, Public

Defender, Clerk of Courts, Prothonotary, Register of Wills, and Sheriff. Expenses for general government-judicial were \$11.8 million or 8.4% in 2019.

Public Safety includes Emergency Management, HMER, SHARP, and Sheriff's Automation. Expenses in 2019 were 4.9% or \$6.9 million.

Corrections expenses reflect costs associated with the Prison, including Adult Probation, Juvenile Court, Booking Center and Detention/Shelter. These expenses were \$18.0 million or 12.9%.

Employee Benefits were \$9.9 million or 7.1% of governmental activities expenses. This includes retiree hospitalization, workers' compensation, retiree life insurance, employer taxes, and unemployment. Most general fund employee benefits are expensed to the departmental budget.

General Government-Administrative expenses reflect costs associated with the administration of Cambria County government. These expenses were \$7.1 million or 5.1%.

Debt Service on the County's Lease Rental Indebtedness, Bonds and Notes was \$1.5 million or 1.1% of governmental activities expenses.

The remaining expenses of \$9.5 million or 6.8% were for Public Works, Culture and Recreation, Conservation and Development, Emergency Communications Services, and Unallocated Depreciation.

Funds Financial Analysis

As noted previously, Cambria County uses fund accounting to comply with finance-related legal requirements.

Governmental Funds: The accounting focus of the County's governmental funds, which include the Major Funds of the General Fund, Health Choices Fund, Children and Youth Fund, and Behavioral Health/Intellectual Disabilities & Early Intervention, is to provide information on near-term inflows, outflows and balances of expendable resources. Such information is valuable in assessing the County's financing requirements. In particular, unrestricted fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year.

At December 31, 2019, the General Fund reported a fund balance of \$3.53 million, which was an increase of \$624 thousand from the prior year's fund balance of \$2.91 million. For 2019, revenues and other financing sources exceeded expenditures and other financing uses by \$624 thousand.

The Health Choices Fund maintains a zero fund balance. Revenues in the Health Choices Fund increased \$2,154,273 or 5.1% to \$44.5 million in 2019.

The Children and Youth Fund also maintains a zero fund balance. The revenue for the Children and Youth Fund increased \$183,008 or 1.8% to \$10.5 million in 2019.

The Behavioral Health/Intellectual Disabilities & Early Intervention special revenue fund maintains no fund balance. Revenues in the fund increased to \$9.9 million from \$9.4 million in 2019, an increase of \$486,217 or 5.2%.

Proprietary Funds: In 2019, Cambria County maintained one enterprise fund, the Central Park Complex Fund. The fund financial statements for the business-type activity enterprise fund contain the same information as the government-wide statements, but in greater detail.

The net position of the Central Park Complex (CPC) fund was \$0 on December 31, 2019. The net position reflects that \$123,769 was unrestricted and (\$123,769) was invested in capital assets, net of related debt, netting to a zero balance in the fund.

General Fund Budgetary Highlights

This section provides a summary of the major factors involved in the variances in the General Fund revenue and expenditure budgets. The summary provides a comparison between the original budget and the final amended budget. It also provides a comparison between the final amended budget and the actual amounts for the general fund. The following narrative should be read in conjunction with the Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual-General Fund in the audit report.

The original budgeted general fund revenue was \$58.0 million in 2019 and \$62.4 million in 2018. The final budgeted general fund revenue was \$58.7 million in 2019 and \$62.4 million in 2018. The actual revenue received during 2019 was \$57.0 million. The following are negative variances in final budgeted revenue to actual revenue during 2019: actual charges for services was \$160,851 or 1.9% less than budgeted; actual intergovernmental revenues was \$1,426,131 or 18.4% under budget; actual other revenues was \$47,121 or 5.2% under budget.

The original budgeted general fund expenditure amounts were \$49.1 million in 2019 and \$52.6 million in 2018. The final budgeted general fund expenditure amounts were \$49.8 million in 2019 and \$52.6 million in 2018. The actual expenditures were \$46.3 million for 2019. Positive variances were in general government – judicial for \$663,650 or 7.0%, public safety for \$72,748 or 1.1%, corrections for \$732,568 or 4.8%, public works for \$93,687 or 6.9%, culture and recreation for \$310,023 or 33.2%, conservation and development for \$1,630,212 or 48.6%, employee benefits for \$314,513 or 10.3%, and debt service for \$73,312 or 96.4%. Negative variances were in general government - administrative for \$318,505 or 3.9% and human services for \$91,079 or 7.4%.

The original budgeted operating transfers in were \$1,327,973 in 2019 and \$451,500 in 2018. The final budgeted operating transfers in were \$1,327,973 in 2019 and \$451,500 in 2019. For 2019, the actual operating transfers in were \$748,709 under budget. The original budgeted operating transfers out were \$10.2 million in 2019 and \$10.2 million in 2018. The final budgeted operating transfers out were \$10.2 million in 2019 and \$10.2 million in 2018. The actual operating transfers out were \$499,719 or 4.9% over budget in 2019.

Overall, the general fund had an excess of revenues and other financing sources over/(under) expenditures and other financing uses of \$624 thousand for the year ending December 31, 2019.

Capital Assets and Debt Administration

Capital Assets:

The County's investment in capital assets at December 31, 2019, net of accumulated depreciation, amounted to \$50.3 million. This was an increase of \$2.6 million or 5.5% from the previous year. The following table summarizes the County's investment in capital assets:

Summary of Capital Assets			
	Governmental Activities	Business-type Activities	Balance at December 31, 2019
Construction-in-progress	\$ 668,196	\$ ---	\$ 668,196
Land	---	290,116	290,116
Site/land improvements	8,863,592	417,204	9,280,796
Infrastructure	18,271,304	---	18,271,304
Building and permanent fixtures	50,597,667	6,383,472	56,981,139
Office furniture and equipment	2,688,226	---	2,688,226
General equipment	6,448,865	---	6,448,865
Machinery and equipment	---	62,005	62,005
Radio equipment	13,508,865	---	13,508,865
Computer hardware and software	5,447,612	3,716	5,451,328
Vehicles	5,492,883	---	5,492,883
Less accumulated depreciation	(64,327,020)	(4,552,294)	(68,879,314)
Total	\$ 47,660,190	\$ 2,604,219	\$ 50,264,409

Additional detailed information on the County's capital assets can be found in Note 5 of the Notes to the Financial Statements.

Long-term Debt:

The Commonwealth of Pennsylvania Local Government Unit Debt Act governs the amount of indebtedness the County can incur. Under this act, the County can legally incur nonelectoral debt equal to three hundred percent (300%) of its borrowing base. The borrowing base is calculated as one third of total revenues for the past three (3) years minus certain statutory deductions.

As of December 31, 2019, Cambria County had outstanding debt and capital lease obligations of \$39.3 million. During 2019, the County's bonds, notes and capital leases decreased by \$3.3 million or 7.8%.

Cambria County entered into a \$3 million loan agreement with First National Bank of Pennsylvania on December 19, 2017. The thirteen (13) month loan was for capital projects at various county facilities. The debt service will be funded with existing debt service funds. The final payment on the debt was made in January 2019.

Additional detailed information on the County's long-term debt can be found in Note 10 and the capital leases in Note 11 of the Notes to the Financial Statements.

Economic Factors and the 2020 Budget:

The key economic factors affecting the County include the following:

The County's unemployment rate, as of April 2020, was 18.2%. This was an increase from the April 2019 rate of 4.5%. The statewide unemployment rate was 15.1% for April 2020. The increase reflects the effects of business and school closures to mitigate the spread of coronavirus (COVID-19).

The July 1, 2019 population estimate for Cambria County was 130,192. This was a 9.4% decrease from the 2010 census of 143,679.

The total 2020 budget is \$182,728,191, and the 2020 General Fund budget is \$58,912,047. This is a decrease of \$1,084,783 or 0.6% from the amended 2019 total budget. The General Fund budget decreased \$1,840,286 or 3.0% from the amended 2019 budget.

The total real estate millage for 2020 remained at 33.5 mills. Of that, 27.5 mills are dedicated to general purposes, 4.0 mills are for debt service, 1.0 mill is for the Pennsylvania Highlands Community College, 0.5 mill for the Cambria County Library, and 0.5 mill for parks and playgrounds.

On March 19, 2020, Governor Wolf ordered all non-life sustaining businesses to close their businesses to slow the spread of COVID-19 in the Commonwealth of Pennsylvania. The overall impact on budgeted revenue for 2020 is unknown as of this date. The CARES County Relief Block Grant Program will provide \$11.75 million in funds to Cambria County.

Eligible expenditures must have been incurred during the period from March 1, 2020, through December 30, 2020. Funds appropriated to the county through the COVID-19 County Relief Block Grant shall be used for the following purposes:

- Offsetting cost of direct county response, planning, and outreach efforts.
- Purchase of Personal Protective Equipment (PPE) in response to pandemic.
- Administration of the grant by the county of no more than 2% of funds received or \$200,000, whichever is less.
- Assistance to the county's municipalities for response and planning efforts, including purchase of PPE.
- To small business grant programs for businesses with fewer than 100 employees and that did not receive funding through the Federal Paycheck Protection Program or the Economic Injury Disaster Loan Program established under the CARES Act.
- To tourism businesses of all sizes, including state and county fairs. CDFIs can be used to administer the grant program for small businesses and tourism businesses.
- Grant programs to support costs of assisting businesses during COVID – CEDOs, LDDs, IRCs, SBDCs, and EDCs.
- Behavioral health and substance use disorder treatment services.
- Broadband deployment with priority to unserved or underserved areas.
- Nonprofit assistance programs for 501(c)(3) and 501(c)(19) organizations.

On June 15, 2016, S&P Global Ratings revised its outlook on Cambria County's general obligation (GO) bonds to negative from stable. While affirming the County's 'BBB' rating, they cited "fiscal imbalances over the past two fiscal years, which have reduced the county's general fund reserve to negative \$8.6 million" for the negative outlook. On November 7, 2017, S&P Global Ratings revised its outlook on Cambria County's GO bonds to stable from negative and affirmed its 'BBB' long-term rating. On August 16, 2019, the outlook was again revised from stable to positive. As a result of 'deep economic contraction', on April 17, 2020, Standard & Poor's revised outlooks to stable from positive for a number of local governments with outstanding tax-secured debt including Cambria County.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, investors, customers, and creditors with a general overview of Cambria County's finances. Questions regarding this report or requests for additional financial information should be directed, in writing, to Michael Gelles, Chief Clerk, County of Cambria, 200 S. Center St., Ebensburg, PA 15931.

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
County of Cambria
Ebensburg, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Cambria, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County of Cambria's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The County of Cambria's 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 financial statements of the Cambria County Planning Commission, Cambria Library Association, Johnstown-Cambria County Airport Authority, Cambria County Transit Authority, Cambria County Solid Waste Management Authority, and Cambria County War Memorial Arena Authority, all of which are discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, is based solely on the reports 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Cambria Library Association, Cambria County Solid Waste Management Authority, and Behavioral Health of Cambria County, discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

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 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.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Cambria, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 19 of the financial statements, net position has been restated to correct misstatements in prior periods. Our opinion is not modified with respect to this matter.

As discussed in Note 20 of the financial statements, on March 19, 2020, Governor Wolf ordered all non-life sustaining businesses to close their businesses to slow the spread of COVID-19. Given the uncertainty of the situation, the duration of any business disruption and related financial impact cannot be reasonably estimated at this time. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of employer contributions, changes in net pension liability and related ratios, County contributions, investment returns, and budgetary comparison information on pages III-XV and 73-76 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 inquiries 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 Cambria's basic financial statements. The combining and individual nonmajor fund financial statements and the combining and individual component unit financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The information is the responsibility of management and was derived from and relates 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our separate report dated June 26, 2020, on our consideration of the County of Cambria's 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 Cambria's internal control over financial reporting and compliance.



WESSEL & COMPANY
Certified Public Accountants

June 26, 2020

COUNTY OF CAMBRIA
GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Units
ASSETS:				
<u>Current Assets:</u>				
Cash and cash equivalents (Note 2)	\$ 11,817,660	\$ 1,378	\$ 11,819,038	\$ 19,523,761
Investments (Note 2)	-	-	-	2,086,375
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	144,437	-	144,437	-
Receivables (net of allowance for uncollectibles)				
Accounts	3,675,737	7,613	3,683,350	1,033,410
Taxes (Note 3)	5,843,296	-	5,843,296	-
Due from other governments (Note 4)	11,922,484	-	11,922,484	9,220,983
Other assets	-	-	-	489,300
Internal balances (Note 1k)	(157,727)	157,727	-	-
Inventory	-	-	-	480,729
Total Current Assets	33,245,887	166,718	33,412,605	32,834,558
<u>Non-Current Assets:</u>				
Other assets	-	-	-	573,898
Note receivable (Note 16)	2,483,362	-	2,483,362	-
Fixed assets, net of accumulated depreciation (Note 5)	47,660,190	2,604,219	50,264,409	72,988,086
Total Non-Current Assets	50,143,552	2,604,219	52,747,771	73,561,984
<u>DEFERRED OUTFLOWS:</u>				
Deferred loss on advance refunding (Note 1r)	357,088	-	357,088	-
Prepaid expenses	184,258	-	184,258	518,493
Deferred pension outflows (Note 6)	23,820,679	-	23,820,679	346,425
Deferred OPEB outflows (Note 7)	11,515,346	-	11,515,346	-
Bond issue discount (Note 1r)	184,802	23,351	208,153	-
Total Deferred Outflows	36,062,173	23,351	36,085,524	864,918
Total Assets and Deferred Outflows	\$ 119,451,612	\$ 2,794,288	\$ 122,245,900	\$ 107,261,460
<u>LIABILITIES:</u>				
<u>Current Liabilities:</u>				
Accounts payable and accrued liabilities	\$ 16,627,000	\$ 29,969	\$ 16,656,969	\$ 3,420,848
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	144,437	-	144,437	-
Due to other governments (Note 4)	255,217	-	255,217	5,674,211
Compensated absences (Note 13)	1,737,848	9,593	1,747,441	-
Bonds and notes payable (Note 10)	2,965,772	213,373	3,179,145	785,977
Obligations under capital leases (Note 12)	54,395	-	54,395	135,454
Accrued interest	639,799	46,020	685,819	-
Other liabilities	7,062	-	7,062	-
Total Current Liabilities	22,431,530	298,955	22,730,485	10,016,490
<u>Non-Current Liabilities:</u>				
Compensated absences (Note 13)	331,663	2,790	334,453	-
Bonds and notes payable (Note 10)	33,485,256	2,424,744	35,910,000	3,071,583
Estimated workers' compensation claim (Note 8)	334,392	-	334,392	-
Net OPEB liability (Note 7)	79,073,326	-	79,073,326	-
Net pension liability (Note 6)	41,339,888	-	41,339,888	-
Obligations under capital leases (Note 12)	167,272	-	167,272	102,806
Other liabilities	-	-	-	1,351,548
Total Non-Current Liabilities	154,731,797	2,427,534	157,159,331	4,525,937
<u>DEFERRED INFLOWS:</u>				
Unearned revenues (Note 1f)	3,228,946	597	3,229,543	10,306,486
Bond issue premium, net (Note 1r)	928,043	67,202	995,245	-
Deferred pension inflows (Note 6)	26,869,419	-	26,869,419	355,561
Total Deferred Inflows	31,026,408	67,799	31,094,207	10,662,047
<u>NET POSITION:</u>				
Investment in capital assets, net of related debt	9,961,543	(123,769)	9,837,774	69,123,506
Unrestricted	(101,984,597)	123,769	(101,860,828)	7,272,280
Restricted (Note 1m)	3,284,931	-	3,284,931	5,661,200
Total Net Position	(88,738,123)	-	(88,738,123)	82,056,986
Total Liabilities, Deferred Inflows and Net Position	\$ 119,451,612	\$ 2,794,288	\$ 122,245,900	\$ 107,261,460

COUNTY OF CAMBRIA
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Program Revenues					Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Governmental Activities	Primary Government		
						Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General government - administrative	\$ 7,063,715	\$ 2,114,096	\$ 185,344	\$ -	\$ (4,764,275)	\$ -	\$ (4,764,275)	
General government - judicial	11,749,557	2,161,529	2,748,840	-	(6,839,188)	-	(6,839,188)	
Public safety	6,910,473	668,224	3,993,701	-	(2,248,548)	-	(2,248,548)	
Corrections	17,972,940	3,519,477	1,905,301	-	(12,548,162)	-	(12,548,162)	
Public works	1,141,869	-	1,688,155	-	546,286	-	546,286	
Human services	75,381,898	1,288,438	72,846,366	-	(1,247,094)	-	(1,247,094)	
Culture and recreation	575,040	40,720	-	-	(534,320)	-	(534,320)	
Conservation and development	1,440,830	312,650	1,054,502	-	(73,678)	-	(73,678)	
Emergency communication services	2,518,034	-	3,144,718	-	626,684	-	626,684	
Employee benefits	9,937,537	-	-	-	(9,937,537)	-	(9,937,537)	
Debt service	1,492,172	-	-	-	(1,492,172)	-	(1,492,172)	
Unallocated depreciation and amortization	3,815,859	-	-	-	(3,815,859)	-	(3,815,859)	
Total Governmental Activities	139,999,924	10,105,134	87,566,927	-	(42,327,863)	-	(42,327,863)	
Business-type Activities:								
Central Park Complex	1,071,664	678,173	-	-	-	(393,491)	(393,491)	
Total Business-type Activities	1,071,664	678,173	-	-	-	(393,491)	(393,491)	
Total Primary Government	\$ 141,071,588	\$ 10,783,307	\$ 87,566,927	\$ -	\$ (42,327,863)	\$ (393,491)	\$ (42,721,354)	
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes					\$ 34,995,097	\$ -	\$ 34,995,097	
Property Taxes, Levied for Debt Retirement					4,977,869	-	4,977,869	
Property Taxes, Levied for Community College					1,237,004	-	1,237,004	
Property Taxes, Levied for County Library					618,755	-	618,755	
Payments in Lieu of Taxes					122,137	-	122,137	
County Hotel Lodging Taxes					722,544	-	722,544	
(Loss) from Sale of Assets					(38,927)	-	(38,927)	
Transfers in/(out) primary government					(305,084)	305,084	-	
Transfers in/(out) component units					(3,830,986)	-	(3,830,986)	
Unrestricted Investment Earnings					269,485	155	269,640	
Other Revenues					505,472	88,252	593,724	
Total General Revenues and Transfers					39,273,366	393,491	39,666,857	
Total Change in Net Position					(3,054,497)	-	(3,054,497)	
Net Position - Beginning of Year					(85,763,990)	-	(85,763,990)	
Prior Period Adjustment (Note 19)					80,364	-	80,364	
Net Position - Beginning of Year, as restated					(85,683,626)	-	(85,683,626)	
Net Position - End of Year					\$ (88,738,123)	\$ -	\$ (88,738,123)	

See Independent Auditor's Report and Accompanying Notes to Financial Statements

COUNTY OF CAMBRIA
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Component Units:	Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
		Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Component Units
Governmental Activities: Redevelopment Authority Library Association Conservation and Recreation Authority		\$ 761,951	\$ 30,770	\$ 498,204	\$ -	\$ (232,977)
		1,701,490	89,342	880,494	-	(731,654)
		1,653,027	-	1,572,728	-	(80,299)
	Total Component Unit Governmental Activities	4,116,488	120,112	2,951,426	-	(1,044,930)
Business-type Activities: Planning Commission Municipal Airport Authority Transit Authority Solid Waste Management Authority Community College Behavioral Health of Cambria County War Memorial Arena Authority		380,579	312,667	-	-	(67,912)
		2,036,594	382,440	-	-	(1,654,154)
		13,413,271	988,665	8,686,351	-	(3,738,255)
		460,712	1,716	69,276	-	(389,720)
		13,527,173	7,748,383	3,992,238	-	(1,786,552)
		41,998,006	-	41,666,851	-	(331,155)
		2,865,862	2,528,108	-	-	(337,754)
	Total Component Unit Business-type Activities	74,682,197	11,961,979	54,414,716	-	(8,305,502)
Total Component Units		\$ 78,798,665	\$ 12,082,091	\$ 57,366,142	\$ -	\$ (9,350,432)
	General Revenues:					
	(Loss) from Sale of Assets					\$ (164,022)
	Unrestricted Investment Earnings					237,949
	Other Revenues					928,730
	Transfers from Primary Government					3,830,986
	Total General Revenues and Transfers					4,833,643
	Change in Net Position Before Capital Contributions					(4,516,789)
	Capital Contributions					9,441,694
	Total Change in Net Position					4,924,905
Net Position - Beginning of Year						74,915,030
	Prior Period Adjustment (Note 19)					2,217,051
	Net Position - Beginning of Year, as restated					77,132,081
	Net Position - End of Year					\$ 82,056,986

See Independent Auditor's Report and Accompanying Notes to Financial Statements

COUNTY OF CAMBRIA
BALANCE SHEET - GOVERNMENTAL FUNDS
(INCLUDING THE RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES)
DECEMBER 31, 2019

	Major Funds				Other Nonmajor Governmental Funds	Totals
	General	Health Choices Fund	Children and Youth Fund	Behavioral Health/ Intellectual Disabilities & Early Intervention		
ASSETS:						
Cash and cash equivalents	\$ 1,046,323	\$ 168	\$ -	\$ 947,531	\$ 8,490,068	\$ 10,484,090
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-	144,437	144,437
Receivables (net of allowance for uncollectibles)						
Accounts	1,303,449	-	59,410	18,800	1,313,673	2,695,332
Taxes	5,843,296	-	-	-	-	5,843,296
Due from other governments	99,861	7,219,460	3,796,520	8,841	720,670	11,845,352
Due from other funds (Note 1k)	6,188,150	-	-	595,675	1,062,842	7,846,667
Total Assets	14,481,079	7,219,628	3,855,930	1,570,847	11,731,690	38,859,174
DEFERRED OUTFLOWS:						
Prepaid expenses	166,257	-	18,001	-	-	184,258
Total Assets and Deferred Outflows	\$ 14,647,336	\$ 7,219,628	\$ 3,873,931	\$ 1,570,847	\$ 11,731,690	\$ 39,043,432
LIABILITIES:						
Accounts payable and accrued liabilities	\$ 4,012,392	\$ 7,219,628	\$ 1,242,634	\$ 1,372,877	\$ 1,845,799	\$ 15,693,330
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-	144,437	144,437
Other liabilities	7,062	-	-	-	-	7,062
Due to other governments	-	-	213,523	-	30,245	243,768
Due to other funds (Note 1k)	2,169,094	-	2,417,774	-	1,971,538	6,558,406
Total Liabilities	6,188,548	7,219,628	3,873,931	1,372,877	3,992,019	22,647,003
DEFERRED INFLOWS:						
Unearned revenues	4,924,561	-	-	197,970	2,924,312	8,046,843
FUND BALANCE						
Unassigned fund balance/(deficit)	3,534,227	-	-	-	(567,338)	2,966,889
Assigned fund balance	-	-	-	-	2,097,766	2,097,766
Restricted (Note 1)	-	-	-	-	3,284,931	3,284,931
Total Fund Balance	3,534,227	-	-	-	4,815,359	8,349,586
Total Liabilities, Deferred Inflows and Fund Balance	\$ 14,647,336	\$ 7,219,628	\$ 3,873,931	\$ 1,570,847	\$ 11,731,690	\$ 39,043,432

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

Long-term liabilities, including bonds payable, net pension liability, other post-employment benefits liability, accrued interest on bonds, compensated absences, and certain amounts due to other governments are not due and payable in the current period and therefore are not reported as a fund liability

Deferred inflows and outflows related to participation in the defined benefit pension plan are not reported in the funds.

The difference in net position between full accrual accounting and modified accrual accounting due to differing revenue recognition

criteria between the two methods

Capital assets in governmental activities are not financial resources and, therefore, are not reported in the funds

Net position of governmental activities

(158,032,402)
8,466,606
4,817,897
47,660,190
<u>\$ (88,738,123)</u>

COUNTY OF CAMBRIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Major Funds				Other Nonmajor Governmental Funds	Totals
	General	Health Choices Fund	Children and Youth Fund	Behavioral Health/ Intellectual Disabilities & Early Intervention		
Revenues						
Real estate taxes	\$ 41,617,326	\$ -	\$ -	\$ -	\$ -	\$ 41,617,326
Charges for services	8,183,193	-	153,598	955,880	569,899	9,888,570
Interest and investment income	68,260	1,810	-	9,347	190,068	269,485
Intergovernmental revenues	6,308,694	44,529,805	10,356,218	8,938,268	16,351,970	86,484,955
Other income	860,737	-	-	11,347	1,871,033	2,743,117
Total Revenues	57,044,210	44,531,615	10,509,816	9,914,842	18,982,970	140,983,453
Expenditures						
General government - administrative	8,485,004	-	-	-	229,888	8,714,892
General government - judicial	8,873,848	-	-	-	2,950,757	11,824,605
Public safety	6,685,695	-	-	-	356,159	7,041,854
Corrections	14,560,523	-	-	-	3,433,732	17,994,255
Public works	1,265,542	-	-	-	1,376,870	2,642,412
Human services	1,315,879	44,531,615	11,846,087	10,220,910	9,192,854	77,107,345
Culture and recreation	625,000	-	-	-	553,453	1,178,453
Conservation and development	1,723,336	-	-	-	1,079,936	2,803,272
Employee benefits	2,736,207	-	-	-	-	2,736,207
Emergency communication services	-	-	-	-	3,498,389	3,498,389
Debt service	2,714	-	-	-	4,864,811	4,867,525
Capital projects	-	-	-	-	299,053	299,053
Total Expenditures	46,273,748	44,531,615	11,846,087	10,220,910	27,835,902	140,708,262
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	10,770,462	-	(1,336,271)	(306,068)	(8,852,932)	275,191
Other Financing Sources/(Uses)						
Noncash revenue - Region 13 assets	-	-	-	-	26,477	26,477
Operating transfers in	579,264	-	1,336,271	306,068	9,037,629	11,259,232
Operating transfers (out)	(10,725,960)	-	-	-	(838,356)	(11,564,316)
Total Other Financing Sources/(Uses)	(10,146,696)	-	1,336,271	306,068	8,225,750	(278,607)
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	623,766	-	-	-	(627,182)	(3,416)
Fund Balance/(Deficit) - Beginning of Year, as originally stated	2,874,961	-	-	-	5,478,041	8,353,002
Prior Period Adjustment (Note 19)	35,500	-	-	-	(35,500)	-
Fund Balance/(Deficit) - Beginning of Year, as restated	2,910,461	-	-	-	5,442,541	8,353,002
Fund Balance/(Deficit) - End of Year	\$ 3,534,227	\$ -	\$ -	\$ -	\$ 4,815,359	\$ 8,349,586

See Independent Auditor's Report and Accompanying Notes to Financial Statements

COUNTY OF CAMBRIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

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

Net change in fund balance - total governmental funds (page 8)	\$ (3,416)
The portion of accrued wages and benefits in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds (compensated absences, workers' compensation, etc.)	87,274
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of the differences in the treatment of long-term debt on the statement of activities.	3,328,391
Accrued interest expense in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds.	46,962
Contributions to the pension plan are recognized as an expenditure in the governmental funds when they are due, and thus requires the use of current financial resources. The net pension liability and deferred inflows and outflows related to the participation in the defined benefit pension plan in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(5,073,365)
The Other Post Employment Benefit (OPEB) liability and deferred inflows and outflows related to participation in the OPEB plan in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(2,212,368)
The difference in the change in net position between full accrual accounting and modified accrual accounting due to differing revenue recognition criteria between the two accounting methods	333,536
The net effect of various transactions involving capital assets, (i.e. purchases, disposals, depreciation, etc.) is to increase net position	191,484
Notes receivable recorded as cash outlays in the funds	<u>247,005</u>
Change in net position of governmental activities (page 5)	<u><u>\$ (3,054,497)</u></u>

COUNTY OF CAMBRIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2019

Business-type Activities Enterprise Funds	Governmental Activities
Central Park Complex	Internal Service

ASSETS AND DEFERRED OUTFLOWS

Current Assets		
Cash and cash equivalents	\$ 1,378	\$ 1,333,570
Accounts receivable	7,613	980,405
Due from other funds	157,727	-
Total Current Assets	166,718	2,313,975
Non-current Assets		
Fixed assets (net of accumulated depreciation and amortization)	2,604,219	-
Total Assets	2,770,937	2,313,975
Deferred Outflows		
Bond issue discount	23,351	-
Total Assets and Deferred Outflows	\$ 2,794,288	\$ 2,313,975

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

Current Liabilities		
Accounts payable and accrued liabilities	\$ 29,969	\$ 933,670
Accrued interest	46,020	-
Compensated absences	9,593	-
Bonds and notes payable	213,373	-
Due to other governments	-	11,449
Due to other funds	-	1,368,856
Total Current Liabilities	298,955	2,313,975
Non-current Liabilities		
Compensated absences	2,790	-
Bonds and notes payable	2,424,744	-
Total Non-current Liabilities	2,427,534	-
Deferred Inflows		
Unearned revenue	597	-
Bond issue premium, net	67,202	-
Total Deferred Inflows	67,799	-
Net Position		
Investment in capital assets, net of related debt	(123,769)	-
Unrestricted	123,769	-
Total Net Position	-	-
Total Liabilities, Deferred Inflows and Net Position	\$ 2,794,288	\$ 2,313,975

COUNTY OF CAMBRIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-type Activities Enterprise Funds Central Park Complex	Governmental Activities Internal Service
Operating Revenues:		
Charges for service	\$ -	\$ 12,420,648
Stop loss payments	-	190,024
Rental income	678,173	-
	<u>678,173</u>	<u>-</u>
Total Operating Revenues	<u>678,173</u>	<u>12,610,672</u>
Operating Expenses:		
Depreciation and amortization	226,112	-
Maintenance and operating	730,086	12,652,517
	<u>956,198</u>	<u>12,652,517</u>
Total Operating Expenses	<u>956,198</u>	<u>12,652,517</u>
Operating Income/(Loss)	(278,025)	(41,845)
Non-Operating Revenues/(Expenses):		
Investment income	155	41,845
Other income	88,252	-
Interest expense	(115,466)	-
	<u>(27,059)</u>	<u>41,845</u>
Total Non-Operating Revenues/(Expenses)	<u>(27,059)</u>	<u>41,845</u>
Income/(Loss) Before Transfers	(305,084)	-
Other Financing Sources/(Uses):		
Operating transfers in	305,084	-
Operating transfers (out)	-	-
	<u>305,084</u>	<u>-</u>
Total Other Financing Sources/(Uses)	<u>305,084</u>	<u>-</u>
Change in Net Position	-	-
Net Position - Beginning of Year	-	-
Net Position - End of Year	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF CAMBRIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-type Activities Enterprise Funds		Governmental Activities
	Central Park Complex	Total	Internal Service
Cash Flows From Operating Activities			
Cash received from customers	\$ 672,736	\$ 672,736	\$ -
Cash received from interfund services provided	-	-	12,474,214
Cash received from provider	-	-	190,024
Cash payments to employees for services	(171,250)	(171,250)	-
Cash payments to suppliers for goods and services	(559,905)	(559,905)	(12,809,047)
Net Cash (Used For) Operating Activities	(58,419)	(58,419)	(144,809)
Cash Flows From Non-Capital Financing Activities			
Transfers in from other funds	393,336	393,336	-
Net Cash Provided By Non-Capital Financing Activities	393,336	393,336	-
Cash Flows From Capital and Related Financing Activities			
Purchase of property and equipment	24,831	24,831	-
Payment on debt (net)	(255,802)	(255,802)	-
Interest paid	(118,866)	(118,866)	-
Net increase/(decrease) in interfund payables	9,400	9,400	(140,149)
Net Cash (Used For) Capital and Related Financing Activities	(340,437)	(340,437)	(140,149)
Cash Flows From Investing Activities			
Interest on cash equivalents	155	155	41,845
Net Cash Provided By Investing Activities	155	155	41,845
Net (Decrease) in Cash and Cash Equivalents	(5,365)	(5,365)	(243,113)
Cash and Cash Equivalents Beginning of Year	6,743	6,743	1,576,683
Cash and Cash Equivalents at End of Year	\$ 1,378	\$ 1,378	\$ 1,333,570

COUNTY OF CAMBRIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities Enterprise Funds		Governmental Activities
	Central Park Complex	Total	Internal Service
Reconciliation of Operating Income to Net Cash (Used For)/Provided By Operating Activities:			
Operating (Loss)	\$ (278,025)	\$ (278,025)	\$ (41,845)
Adjustments to reconcile operating income to net cash provided by/(used in) operating activities:			
Depreciation	226,112	226,112	-
Changes in assets, deferred outflows, liabilities and deferred inflows:			
(Increase)/decrease in accounts receivable	(5,809)	(5,809)	53,566
(Decrease) in accounts payable and accrued liabilities	(2,665)	(2,665)	(156,530)
Increase in unearned revenue	372	372	-
Increase in accrued vacation	1,596	1,596	-
Total Adjustments	219,606	219,606	(102,964)
Net Cash (Used For) Operating Activities	<u>\$ (58,419)</u>	<u>\$ (58,419)</u>	<u>\$ (144,809)</u>

COUNTY OF CAMBRIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	<u>Prison Resident Fund</u>	<u>Prison Canteen Fund</u>	<u>Recorder of Deeds</u>
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Cash and cash equivalents	\$ 61,991	\$ 127,833	\$ 380,716
Investments	-	-	-
Accounts receivable	-	2,877	-
Due from other governments	-	3,046	-
	<u>-</u>	<u>3,046</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>\$ 61,991</u>	<u>\$ 133,756</u>	<u>\$ 380,716</u>
<u>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>			
Liabilities			
Due to other governments	\$ 14,803	\$ -	\$ 380,412
Other liabilities	47,188	56,434	304
Due to other funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>61,991</u>	<u>56,434</u>	<u>380,716</u>
Net Position			
Restricted (Note 1m)	-	77,322	-
	<u>-</u>	<u>77,322</u>	<u>-</u>
Total Net Position	<u>-</u>	<u>77,322</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 61,991</u>	<u>\$ 133,756</u>	<u>\$ 380,716</u>

COUNTY OF CAMBRIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	<u>Register of Wills</u>	<u>Sheriff's Office</u>	<u>Office of the Prothonotary</u>
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Cash and cash equivalents	\$ 87,955	\$ 320,472	\$ 194,160
Investments	-	-	-
Accounts receivable	-	-	-
Due from other governments	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets and Deferred Outflows	<u>\$ 87,955</u>	<u>\$ 320,472</u>	<u>\$ 194,160</u>
<u>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>			
Liabilities			
Due to other governments	\$ 87,955	\$ 63,259	\$ 30,194
Other liabilities	-	257,213	163,966
Due to other funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>87,955</u>	<u>320,472</u>	<u>194,160</u>
Net Position			
Restricted (Note 1m)	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Net Position	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 87,955</u>	<u>\$ 320,472</u>	<u>\$ 194,160</u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

COUNTY OF CAMBRIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	Clerk of Courts	Domestic Relations Support	Intermediate Punishment Unit
	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Cash and cash equivalents	\$ 780,249	\$ 86,161	\$ 142,656
Investments	-	-	-
Accounts receivable	-	-	-
Due from other governments	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets and Deferred Outflows	<u><u>\$ 780,249</u></u>	<u><u>\$ 86,161</u></u>	<u><u>\$ 142,656</u></u>
<u>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>			
Liabilities			
Due to other governments	\$ 420,489	\$ -	\$ -
Other liabilities	359,760	86,161	142,656
Due to other funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>780,249</u>	<u>86,161</u>	<u>142,656</u>
Net Position			
Restricted (Note 1m)	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Net Position	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Net Position	<u><u>\$ 780,249</u></u>	<u><u>\$ 86,161</u></u>	<u><u>\$ 142,656</u></u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

COUNTY OF CAMBRIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019

	Retirement Trust Fund	Workers' Compensation Trust Fund	Total
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Cash and cash equivalents	\$ 4,299,624	\$ -	\$ 6,481,817
Investments	207,807,626	874,898	208,682,524
Accounts receivable	318,631	7,168	328,676
Due from other governments	-	-	3,046
Total Assets and Deferred Outflows	<u>\$ 212,425,881</u>	<u>\$ 882,066</u>	<u>\$ 215,496,063</u>
<u>LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>			
Liabilities			
Due to other governments	\$ -	\$ -	\$ 997,112
Other liabilities	127,628	820	1,242,130
Due to other funds	77,132	-	77,132
Total Liabilities	<u>204,760</u>	<u>820</u>	<u>2,316,374</u>
Net Position			
Restricted (Note 1m)	<u>212,221,121</u>	<u>881,246</u>	<u>213,179,689</u>
Total Net Position	<u>212,221,121</u>	<u>881,246</u>	<u>213,179,689</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 212,425,881</u>	<u>\$ 882,066</u>	<u>\$ 215,496,063</u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

COUNTY OF CAMBRIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
WORKERS' COMPENSATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

Revenues	
Interest income	\$ 25,940
Net appreciation in fair value of investments	<u>30,804</u>
Total Revenues	<u>56,744</u>
Expenses	
Operating expenses	<u>3,235</u>
Total Expenses	<u>3,235</u>
Other Financing Sources/(Uses)	
Operating transfers in	<u>-</u>
Total Sources/(Uses)	<u>-</u>
Excess/(Deficiency) of Revenues Over Other Financing Sources/(Uses)	53,509
Net Position:	
Beginning of Year	<u>827,737</u>
End of Year	<u><u>\$ 881,246</u></u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

COUNTY OF CAMBRIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
RETIREMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

Additions

Contributions:

Employer	\$ 2,902,207
Employee	<u>2,925,550</u>

Total Contributions	<u>5,827,757</u>
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Investment Income:

Interest	1,447,845
Dividends	2,454,848
Net appreciation in fair value of investments	<u>34,808,402</u>

38,711,095

Less: Investment expense	<u>498,409</u>
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Net investment income	<u>38,212,686</u>
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Total Additions	<u>44,040,443</u>
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Deductions

Benefits	14,861,642
Administrative expenses	<u>88,723</u>

Total Deductions	<u>14,950,365</u>
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Increase in Net Position	29,090,078
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Net Position:

Beginning of Year	<u>183,131,043</u>
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End of Year	<u><u>\$ 212,221,121</u></u>
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COUNTY OF CAMBRIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Cambria (the "County") is a fourth class county that was formed on March 26, 1804, and operates under the direction of an elected Board of Commissioners, and provides the following services: general administrative services, tax assessment and collection, judicial, public improvements, public safety, corrections, conservation and development, culture and recreation, and human services programs.

The County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) Accounting Standards Codification to its business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements.

The following is a summary of significant accounting policies of the County of Cambria:

a. Financial Reporting Entity

The County follows the Statement of Governmental Accounting Standards Board No. 61, "The Financial Reporting Entity." The County's combined financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The County holds the corporate powers of the organization
- The County appoints a voting majority of the organization's board
- The County is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the County
- There is fiscal dependency by the organization on the County

Based on the aforementioned criteria, the County of Cambria has the following discretely presented component units:

Cambria County Planning Commission

The members of the governing board of the Cambria County Planning Commission are appointed by the Board of County Commissioners. The County provides financial support through its obligation to fund deficits. In addition, the County must approve any issuance of debt. The reporting period for the Cambria County Planning Commission is June 30, 2019.

Redevelopment Authority of Cambria County

The members of the governing board of the Redevelopment Authority of Cambria County are appointed by the Board of County Commissioners. The County provides financial support through its obligation to fund deficits. In addition, the County must approve any issuance of debt.

Cambria Library Association

The County provides financial support through a tax levy which supplements State Library Aid and fees to fund operating expenditures. In addition, the County must approve any issuance of debt.

Johnstown-Cambria County Airport Authority

The members of the governing board of the Johnstown-Cambria County Airport Authority are appointed by the Board of County Commissioners. The County provides financial support through appropriations and its obligation to fund deficits. In addition, the County must approve any issuance of debt.

Cambria County Transit Authority

The members of the governing board of the Cambria County Transit Authority are appointed by the Board of County Commissioners. The County provides financial support through its obligation to fund deficits. In addition, the County must approve any issuance of debt. The reporting period for the Cambria County Transit Authority is June 30, 2019.

Cambria County Solid Waste Management Authority

The members of the governing board of the Cambria County Solid Waste Management Authority are appointed by the Board of County Commissioners. The County provides financial support through appropriations. In addition, the County must approve any issuance of debt.

Cambria County Conservation and Recreation Authority

The members of the governing board of the Cambria County Conservation and Recreation Authority are appointed by the Board of County Commissioners. The County provides financial support through its obligation to fund deficits.

Pennsylvania Highlands Community College

The members of the governing board of the Pennsylvania Highlands Community College are appointed by the Board of County Commissioners. The County provides financial support through its obligation to fund deficits. In addition, the County must approve any issuance of debt. The reporting period for the Pennsylvania Highlands Community College is June 30, 2019.

Cambria County War Memorial Arena Authority

The County provides financial support through its obligation to fund deficits. In addition, the County must approve any issuance of debt. The reporting period for the Cambria County War Memorial Arena Authority is June 30, 2019.

Behavioral Health of Cambria County

The members of the governing board of Behavioral Health of Cambria County are appointed by the Board of County Commissioners. The County provides financial support through its obligation to fund deficits. The reporting period for the Behavioral Health of Cambria County is June 30, 2019.

Complete financial statements of the individual Component Units can be obtained from their respective administrative offices.

Administrative Offices:

Cambria County Planning Commission
PO Box 89
Ebensburg, PA 15931

Redevelopment Authority of Cambria County
401 Candlelight Drive, Suite 209
Ebensburg, PA 15931

Cambria Library Association
248 Main Street
Johnstown, PA 15901

Johnstown-Cambria County Airport Authority
479 Airport Road, Suite 1
Johnstown, PA 15904

Cambria County Transit Authority
502 Maple Avenue
Johnstown, PA 15901

Cambria County Solid Waste Management Authority
PO Box 445
507 Manor Drive
Ebensburg, PA 15931

Cambria County Conservation and Recreation Authority
401 Candlelight Drive, Suite 234
Ebensburg, PA 15931

Pennsylvania Highlands Community College
101 Community College Way
Johnstown, PA 15904

Cambria County War Memorial Arena Authority
326 Napoleon Street
Johnstown, PA 15901

Behavioral Health of Cambria County
100 Franklin Street
Suite 100
Johnstown, PA 15901

Related Organizations

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

- Cambria County General Financing Authority
- Cambria County Industrial Development Authority
- Cambria Somerset Authority

b. Basis of Presentation

The County's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

c. Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three (3) categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows, and liabilities and deferred inflows, is reported as fund balance.

The following are the County's major governmental funds:

General Fund

The General Fund is the general operating fund of the County used to account for all financial resources, except those required to be accounted for in another fund. General tax revenues of the County, as well as other resources received and not designated for a specific purpose, are accounted for in the General Fund.

Health Choices Fund

The Health Choices fund is utilized to account for all financial resources used to operate, manage and administer the Health Choices Behavioral Health Program of Cambria County. The funding of the Health Choices Program is received from the PA Department of Human Services.

Children and Youth Fund

The PA Department of Human Services provides the majority of the funding for this program. This funding is comprised of both state and federal monies. These monies are used to provide protective children services to the age of twenty-one (21), through counseling, in-home and residential services.

Behavioral Health/Intellectual Disabilities & Early Intervention Programs

The Behavioral Health/Intellectual Disabilities & Early Intervention Programs both receive the majority of their funding from the PA Department of Human Services. This funding is both state and federal monies. The Behavioral Health program provides behavioral health services such as outpatient, partial hospitalization, and residential to Cambria County residents. The Intellectual Disabilities program provides services to clients with intellectual disabilities through residential placement.

The other governmental funds of the County account for grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and payment of debt; and the acquisition or construction of major capital facilities.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The County's proprietary funds may be used to account for any activity for which a fee is charged to external users for goods or services.

The following are the County's major proprietary funds:

Central Park Complex Fund

The County owns the building called "Central Park Complex" in downtown Johnstown. The County collects rents from tenants in the building (e.g. Human Services Programs such as Area Agency on Aging, Behavioral Health/Intellectual Disabilities & Early Intervention, Children and Youth, and Drug and Alcohol). The rental income is used to maintain the building and pay the related utility bills for the building.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The County's investment trust fund accounts for the external portion of the cash management pool, which represents resources that belong to legally separate entities. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

d. Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements, component unit financial statements, and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows, liabilities, and deferred inflows (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounts, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of timing of related cash flows.

The County and its component units apply all GASB pronouncements and all Financial Accounting Standards Board (FASB) Accounting Standards Codification, unless they conflict with GASB pronouncements.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows and current liabilities and deferred inflows are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Proprietary Fund Financial Statements

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise activities.

Proprietary funds separate all activity into two (2) categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and non-capital financing activities and investing activities.

e. Basis of Accounting for Component Units

Cambria County Planning Commission

The Cambria County Planning Commission's financial statements are presented on the full accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). The Commission applies all Governmental Accounting Standards Board (GASB) pronouncements. All activities of the Commission are accounted for within a single proprietary (enterprise) fund.

Redevelopment Authority of Cambria County

The Redevelopment Authority of Cambria County's financial statements are prepared in accordance with generally accepted accounting principles. The activities of the Authority are accounted for within a general fund, special revenue funds, and one business-type activities fund. The government-wide financial statements and proprietary fund financial statements are prepared using the accrual basis of accounting. The governmental fund financial statements are prepared on the modified accrual basis of accounting.

Cambria Library Association

The financial statements of the Cambria Library Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The financial statement preparation follows the recommendations of the Financial Accounting Standards Board ASC, Financial Statements of Not-for-Profit Organizations. Under the FASB ASC, the library is required to report information regarding its financial position and activities according to two (2) classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Johnstown-Cambria County Airport Authority

The Johnstown-Cambria County Airport Authority's financial statements are presented on the accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP). The activities of the Authority are accounted for within a single proprietary (enterprise) fund. An enterprise fund is used to account for operations, which are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Cambria County Transit Authority

The financial statements of the Cambria County Transit Authority have been prepared in conformity with Generally Accepted Accounting Principles (GAAP). The operations of the Authority are accounted for through a single proprietary (enterprise) fund. The enterprise fund is accounted for on a flow of economic resources measurement focus.

Cambria County Solid Waste Management Authority

The financial statements of the Cambria County Solid Waste Management Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The operations of the Authority are accounted for through a single proprietary (enterprise) fund. The enterprise fund is accounted for on a flow of economic resources measurement focus.

Cambria County Conservation and Recreation Authority

The Cambria County Conservation and Recreation Authority's financial statements are accounted for using the accrual basis of accounting. Under this method, revenues are recognized when received, unless they are susceptible to accrual, and expenses are recognized when incurred. The accounts of the Authority are organized on the basis of a proprietary fund type, specifically an enterprise fund.

Pennsylvania Highlands Community College

The Pennsylvania Highlands Community College's financial statements are reported using the economic resources measurement focus and presented on the full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP). The College applies all Governmental Accounting Standards Board (GASB) pronouncements. All activities of the College are accounted for within a single proprietary (enterprise) fund.

Cambria County War Memorial Arena Authority

The Cambria County War Memorial Arena Authority's financial statements are presented on the full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP). The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements. All activities of the Authority are accounted for within a single proprietary (enterprise) fund.

Behavioral Health of Cambria County

The financial statements of the Behavioral Health of Cambria County have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The financial statement preparation follows the recommendations of the Financial Accounting Standards Board ASC, Financial Statements of Not-for-Profit Organizations. Under the FASB ASC, the organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

f. Unearned Revenues

Unearned revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim at December 31, 2019, but were levied to finance 2019 operations, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as unearned revenue.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as unearned revenue.

g. Investments

Investments of all funds are stated at fair value.

h. Budgets and Budgetary Accounting

Commonwealth of Pennsylvania statutes require that County Governments establish budgetary systems and adopt annual operating budgets. The County's annual budget includes the General Fund and Certain Special Revenue Funds, and is based on estimates of revenues and expenditures approved by the Commissioners. The County of Cambria follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the department heads submit to the County Commissioners proposed operating budgets for the fiscal year which commences on January 1.
2. The County Finance Director assembles the preliminary projections of revenues and expenditures into a formal budget incorporating any revisions or adjustments resulting from the Commissioners' review.

3. Public hearings are conducted on the proposed budget. The proposed budget is available for public inspection for twenty (20) days prior to final adoption.
4. After the twenty (20)-day inspection period, but prior to December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.
5. The formal budgetary process is employed as a planning device. The adopted budget is on a basis consistent with GAAP. Budget amounts are as originally adopted by the County Commissioners. All budget adjustments are prepared and signed by the department head or row officer. Any overall budget increases/decreases are prepared and approved by the Commissioner's office.

i. Cash and Cash Equivalents

The County considers all unrestricted highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

j. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the governmental-wide financial statements and in the fund financial statements for proprietary funds. Capital assets are defined by the County as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

Cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Infrastructure assets are reported in the business-type and governmental activities columns. Infrastructure in the business-type activities columns is classified as improvements other than buildings and consists of water and sewer lines. Infrastructure reported in the governmental activities column consists of County bridges constructed after 1980.

The County depreciates assets on a straight line basis using the following estimated useful lives.

<u>Description</u>	<u>Estimated Lives</u>
Infrastructure	50 years
Site Improvements	15-30 years
Office Furniture & Equipment	8-15 years
Building & Permanent Fixtures	20-40 years
General Equipment	10-15 years
Radio Equipment	10 years
Computer Hardware & Software	5 years
Vehicles	8 years

Capital Assets and Depreciation – Component Units

The component units record assets at cost. The assets are depreciated on the straight-line method using three (3) to thirty (30) year estimated useful lives. Upon retirement, asset cost and related depreciation are removed from the books. Repairs and maintenance are expensed when incurred.

k. **Interfund Receivables/Payables**

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as “Interfund Receivables/Payables.” Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as “Internal Balances.”

Balances at December 31, 2019 were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
<u>Governmental Fund Types</u>		
General Fund	\$ <u>6,188,150</u>	\$ <u>2,169,094</u>
Special Revenue Funds		
911 Emergency Communications	---	646,162
Domestic Relations	---	341,561
Juvenile Probation	---	46,922
Booking Center	---	530,142
Farmland Preservation	2,319	---
HMER A	---	4
Emergency Management Agency	---	49,320
Court Special Admin	---	9,296
County Records Improvement	---	331
Clerk of Courts Automation	---	60
Prothonotary Automation	---	3,017
Register of Wills Automation	---	1,366
Sheriff's Automation	---	2,712
Parks and Playgrounds	---	35,753
Area Agency on Aging	752,747	---
Foster Grandparents	---	8,862
Children and Youth	---	2,417,774
Drug and Alcohol	61,301	---
Human Services	---	51,702
Capital Projects	---	244,328
Behavioral Health/Intellectual Disabilities & Early Intervention	<u>595,675</u>	<u>---</u>
Total Special Revenue Funds	<u>1,412,042</u>	<u>4,389,312</u>
Debt Service Fund	<u>246,475</u>	<u>---</u>
Total Governmental Fund Types	<u>7,846,667</u>	<u>6,558,406</u>

Proprietary Fund Types

Central Park Complex	157,727	---
Internal Service	---	<u>1,368,856</u>
Total Proprietary Fund Types	<u>157,727</u>	<u>1,368,856</u>

Fiduciary Fund Types

Retirement Trust Fund	---	<u>77,132</u>
Total Fiduciary Fund Types	---	<u>77,132</u>
Total Interfunds	<u>\$ 8,004,394</u>	<u>\$ 8,004,394</u>

I. Fund Balance

The County follows GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement requires the governmental funds' fund balances to be classified into the following five categories.

Nonspendable – fund balance permanently restricted and unavailable for current operations

Restricted – fund balance temporarily restricted for specified purposes stipulated by constitution, external resource providers, or through enabling legislation

Committed – fund balance temporarily restricted for specified purposes established by a formal action by the Board of Commissioners. Formal action by the Board of Commissioners is also necessary to modify or rescind a fund balance commitment.

Assigned – fund balance intended for a specific purpose that does not meet the criteria to be classified as restricted or committed. The Board of Commissioners has authorized the Chief Clerk and the County Controller as the officials authorized to assign fund balance to a specific purpose.

Unassigned – fund balance available for operations without any restriction

The Board of Commissioners will spend the most restricted dollars before less restricted in the order as defined above.

The County of Cambria reports the following as restricted and committed fund balance:

Debt Service Fund

Restricted – Tax Assessment \$ 246,475

These funds include money collected by the County, which are restricted for debt service, at a rate of 4 mills in 2019.

Liquid Fuels Tax Fund

Restricted – PA Department of Transportation \$ 2,015,021

These funds include money received from the PA Department of Transportation, which are restricted under Act 44, Act 89 and PA Title 75, Chapter 90.

Act 13 Fund

Restricted – PA Department of Transportation \$ 945,364

These funds include money received from the PA Department of Transportation, which are restricted under Pennsylvania Act 13 of 2012.

Act 152 Fund

Restricted – PA General Assembly \$ 78,071

These funds include money collected by the County Recorder of Deeds which are restricted under Pennsylvania Act 152 of 2016.

m. Net Position

Net position represents the difference between assets, deferred outflows, liabilities, and deferred inflows. Net position is classified in the following three components:

Investment in capital assets, net of related debt – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Unrestricted – This component of net position consists of net positions that do not meet the definition of “restricted” or “investment in capital assets, net of related debt.”

The County’s policy is to first apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

The following is a summary of the County’s restricted net positions as of December 31, 2019:

Primary Government

Restricted by Tax Assessment \$ 246,475

Restricted by PA Department of Transportation \$ 2,960,385

Restricted by PA General Assembly \$ 78,071

Fiduciary Funds

Retirement Trust Fund \$ 212,221,121

This represents funds restricted for retirement fund use for the future payment of members' benefits.

Workers' Compensation Trust \$ 881,247

This represents funds restricted to fund workers' compensation claims.

Prison Canteen/Resident \$ 77,322

This represents funds restricted for the welfare of prison inmates.

Component Units

Cambria Library Association \$ 525,095

This restriction has been established to segregate donor restricted funds or restrictions otherwise not available for general operation purposes.

Municipal Airport Authority \$ 55,383

This represents funds restricted as collateral for a letter of credit.

Community College \$ 1,321,651

This restriction has been established for resources which the Foundation is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Behavioral Health of Cambria County \$ 3,613,030

This restriction has been established for Pennsylvania Department of Human Services Reinvestment Funds and Risk and Contingency Funds that have not yet been spent for the specified purpose.

War Memorial Arena Authority \$ 2,175

This represents funds restricted for the veteran's museum and seat plaques for veterans.

n. *Property Tax Revenues*

Property taxes collected within sixty (60) days subsequent to December 31, are recognized as revenue for the year ending December 31, in accordance with applicable GASB standards. County policy is to establish a reserve for uncollectible real estate taxes, which are generally defined as those in excess of two (2) years past due, unless unusual circumstances exist.

o. Interfund Transfers

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

p. Indirect Costs, Maintenance in Lieu of Rent, Allocated Costs

Indirect costs, maintenance in lieu of rent, and allocated costs are charged to various state and federal programs based on a formal plan developed annually by the County. These costs are reflected as expenditures/ expenses in those funds benefiting from the services provided and as a reduction of expenditures in the General Fund which provides the services. These costs are recorded on a full absorption basis in order to reflect the total cost of operations of the various funds.

q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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 and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net 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. Deferred inflows of resources reported in the governmental fund financial statements represent revenues that are measureable but not available and, in accordance with the modified accrual basis of accounting, are reported as deferred inflows of resources. The County deems revenues received within ninety (90) days of year-end to be available with the exception of property taxes, which must be received within sixty (60) days of year-end to be deemed available.

r. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position. In the government-wide financial statements, bond premiums and discounts, and deferred losses on defeasement (deferred outflows) are deferred and amortized over the term of the bonds using the effective interest method. In the governmental funds, these costs are reported as expenditures when the related liability is incurred.

s. Estimates

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

t. Joint Venture

The County of Cambria participates in a joint venture with Somerset County, Pennsylvania. This joint venture, Cambria Somerset Authority and Combined Affiliates, is described as follows:

Reporting Entity and Nature of Activities

The combined financial statements present the accounts and transactions of the Cambria Somerset Authority ("CSA") and its Combined Affiliates ("the Authority"), Cambria and Somerset Counties Conservancy ("CSCC") and Manufacturer's Water Company ("MWC"). All significant inter-company transactions have been eliminated in the combination.

CSA was incorporated by the counties of Cambria and Somerset in 1999, under the Municipalities Act of 1945 as amended in order to acquire the operations and property of MWC, an entity owned by Bethlehem Steel Corporation. The common stock of MWC was actually acquired by CSCC (formerly CSA Nonprofit, Inc.), a nonprofit component unit of CSA. Together, all three of these entities (CSA, CSCC and MWC) comprise the Cambria Somerset Authority and Combined Affiliates (the "Authority"). CSA owns and operates five dams in the counties of Cambria and Somerset.

Financial Information

Selected financial information from the most recently issued reports of the Authority is presented below. Complete financial statements are available from the Authority's offices at 110 Franklin Street, Suite 200, Johnstown, Pennsylvania 15901.

	Year Ended December 31, 2019
Current Assets	\$ 981,317
Total Assets	13,954,013
Deferred Outflows of Resources	27,129
Current Liabilities	1,222,272
Total Liabilities	11,993,169
Net Position	1,987,973
Operating Revenues	1,308,181
Operating Expenses	(1,652,276)
Non-Operating Revenues	50,708
Non-Operating Expenses	(277,189)
Capital Contributions	167,288
Change in Net Position	(403,288)

Financial Reporting Relationship between Cambria County and Cambria Somerset Authority

Cambria County has provided a guaranty agreement in which the County guarantees the payment of \$1,798,434 of the Authority's Guaranteed 2015 Water Revenue Note. See Note 16 for further details.

u. Pending Changes in Accounting Principles

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The County is required to adopt Statement No. 83 for its 2020 financial statements.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The County is required to adopt Statement No. 84 for its fiscal year 2020 financial statements.

In June 2017, the GASB issued Statement No. 87, *Leases*. The County is required to adopt Statement No. 87 for its 2022 financial statements.

In April 2018, the GASB issued Statement No. 88, *Certain Disclosures Relating to Debt, including Direct Borrowings and Direct Placements*. The County is required to adopt Statement No. 88 for its 2020 financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The County is required to adopt Statement No. 89 for its 2021 financial statements.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 71*. The County is required to adopt Statement No. 90 for its 2020 financial statements.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The County is required to adopt Statement No. 91 for its 2022 financial statements.

NOTE 2 CASH AND INVESTMENTS

Under Section 1706 of the County Code of the Commonwealth of Pennsylvania, the County is authorized to invest its 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 or any of its agencies or instrumentalities backed by the full faith and credit of the United States, 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, which 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 deposit may not exceed twenty percent (20%) of a bank's total capital surplus or twenty percent (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, which are fully collateralized by obligations of the United States of America.

In addition, the County Code provides that the Retirement Trust Fund may make any investment authorized by 20 PA.A. Ch. 7302b (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).

It is the policy of the County to invest funds under the County's control principally in certificates of deposit, repurchase agreements, U.S. Government Securities, and money market mutual funds. Funds under the County's direct control exclude monies in the Retirement Trust Fund, Projects Funds, and Workmen's Compensation Trust Fund.

As of December 31, 2019, cash balances were covered by the FDIC or by pledged collateral held by the financial institutions' trust departments or custodial agents for the benefit of the County.

Cash and investments as of December 31, 2019 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$ 11,819,038
Cash held for clients as representative payee and guardianship program	144,437
Statement of Fiduciary net position:	
Cash and investments	<u>215,164,341</u>
Total Cash and Investments	<u>\$ 227,127,186</u>

Cash and investments as of December 31, 2019 consist of the following:

Cash on hand	\$ 31,670
Deposits with financial institutions	18,413,622
Investments	<u>208,682,524</u>
Total Cash and Investments	<u>\$ 227,127,186</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the County's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity:

Type	12 Months or Less	13 to 36 Months	37 to 60 Months	More Than 60 Months
Fixed Income Securities	<u>\$ 14,387,037</u>	<u>\$ 13,702,434</u>	<u>\$ 12,928,402</u>	<u>\$ 16,189,339</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of year end for each type of fixed income investment that received a rating:

Type	Aaa	Aa	A	Baa	Ba	NR
Government:						
Treasury	\$ 21,603,904	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Agency	4,580,755	---	---	---	---	---
Corporate:						
Industrial	1,262,378	1,208,567	8,217,392	1,836,444	137,390	64,115

Utility	847,919	712,721	514,773	---	---	---
Finance	---	1,051,178	2,982,796	325,156	---	---
Yankee	---	---	1,840,876	---	---	---
Other	<u>586,197</u>	<u>178,607</u>	<u>---</u>	<u>5,953,623</u>	<u>---</u>	<u>3,302,421</u>
Totals	<u>\$ 28,881,153</u>	<u>\$ 3,151,073</u>	<u>\$ 13,555,837</u>	<u>\$ 8,115,223</u>	<u>\$137,390</u>	<u>\$3,366,536</u>

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Pennsylvania Government Code and the County's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The Pennsylvania Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool equal at least one hundred ten percent (110%) of the total amount deposited by the public agencies.

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: As of December 31, 2019, County investments by the following investment types were uncollateralized, which includes deposits collateralized by securities held by the pledging financial institution or by its trust department or agent, but not in the County's name. County investments subject to this risk include investments in the pension trust fund and the worker's compensation fund.

<u>Investment</u>	<u>Reported Amount</u>
Fixed	\$ 58,189,192
Domestic Equity	102,463,937
International Equity	17,387,612
Real Estate	27,005,710
Non Traditional	68,308
Temporary Investment - Cash	<u>4,861,936</u>
	<u>\$ 209,976,695</u>

Foreign Currency

Foreign currency risk is the risk that the changes in foreign exchange rates will adversely affect the fair value of an investment. The County has \$17,387,612 in investments subject to foreign currency risk at year end.

Investment Risk

The Cambria County Employees Retirement Fund is a limited partner in Ironsides Co-Investment Fund III, L.P. Constitution Capital Partners, LLC serves as the investment management and is registered with the U.S. Securities and Exchange Commission under the Investment Advisors Act of 1940, as amended. The Fund is an investment company in accordance with Accounting Standards Codification 946. Therefore the Fund follows the accounting and reporting guidance for investment companies. The Fund is organized for the purpose of investing in privately negotiated transactions, generally sourced on a co-investment basis with certain private equity partnerships in companies whose principal operations are in North America in accordance with the investment objectives, policies, procedures and restrictions.

The methods used to value these investments may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments – Fair Value Measurements

Generally accepted accounting principles define fair value, describe a framework for measuring fair value, and require disclosure about fair value measurements. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. The established framework includes a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the assets or liabilities fall within different levels of the hierarchy, the classification is based on the lowest level input that is significant to the fair value measurement of the asset or liability. Classification of assets and liabilities within the hierarchy considers the markets in which the assets and liabilities are traded and reliability and transparency of the assumptions used to determine fair value. The hierarchy requires the use of observable market data when available. The levels of the hierarchy and those investments included in each are as follows:

Level 1 – Represented by quoted prices available in an active market. Level 1 securities include highly liquid government bonds, treasury securities, mortgage products and exchange traded equities and mutual funds.

Level 2 – Represented by assets and liabilities similar to Level 1 where quoted prices are not available, but are observable, either directly or indirectly through corroboration with observable market data, such as quoted prices for similar securities and quoted prices in inactive markets and estimated using price models or discounted cash flows. Level 2 securities would include U.S. agency securities, mortgage-based agency securities, obligations of states, and political subdivisions and certain corporate, asset backed securities, swap agreements, and life insurance contracts.

Level 3 – Represented by financial instruments where there is limited activity or unobservable market prices and pricing models significant to determining the fair value measurement include the reporting entity's own assumptions about the market risk. Level 3 securities would include hedge funds, private equity securities, and those with internally developed values.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following is a description of the valuation methodologies used for instruments measured at fair value on the statement of fiduciary net position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Mutual Funds and Stocks: Valued at the closing price reported on the active market on which the securities are traded.

Government Obligations and Corporate Bonds: Government obligations consisting of U.S. Treasury bonds and notes, agency securities, mortgage backed securities and corporate debt obligations consisting of bonds are generally valued at the most recent price of the equivalent quotes yield for such securities, or those of comparable maturity, quality and type. Such investments are generally classified within Level 2 of the valuation hierarchy.

Private Equity Securities: The Cambria County Employees Retirement Fund is a limited partner in Ironside Co-Investment Fund III. Investments are stated at fair value, as determined in good faith by the General Partner, after consideration of pertinent information including available market prices, types of securities, marketability, restrictions on disposition, subsequent purchases of the same or similar securities by other investors, pending mergers or acquisitions, current financial position, operating results and other appropriate information. The fair values assigned to the securities held are based on available information and do not necessarily represent amounts which might ultimately be realized, since such amounts depend on future circumstances and may not be reasonably determined until the individual positions are liquidated. Such securities are classified within Level 3 of the valuation hierarchy.

The following table sets forth by level within the fair value hierarchy, the financial assets that were accounted for at fair value on a recurring basis as of December 31, 2019:

	Fair Value Measurements at Reporting Date		
	Using		
December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds	\$ 102,827,864	\$ ---	\$ ---
Government Obligations	---	24,031,589	---
Stocks	37,297,644	---	---
Corporate Bonds	---	24,307,776	6,081,832
Private Equity Securities	---	---	13,260,921
	<u>\$ 140,125,508</u>	<u>\$ 48,339,365</u>	<u>\$ 19,342,753</u>

NOTE 3 REAL ESTATE TAXES

Real estate taxes attach an enforceable lien on property on January 1. Taxes are billed on or about March 1, payable under the following terms: two percent (2%) discount, March 1 through April 30; face amount, May 1 through June 30, and ten percent (10%) penalty after July 1. The County bills these taxes, which are collected by elected local tax collectors. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities. Real estate tax revenues are recognized in the period in which they become susceptible to accrual, that is, when they become both measurable and available.

The rate of taxation in 2019 was 33.5 mills, of which 4 mills were designated for debt service, 1 mills were designated for community college purposes, .50 mills were designated for county library purposes, .50 mills for parks and playgrounds purposes, and the remaining 27.5 mills for general purposes.

The County, in accordance with GAAP, recognized the delinquent and unpaid taxes receivable reduced by an allowance for uncollectible taxes as determined by the administration. The net amount estimated to be collectible which was measurable and available within sixty (60) days was recognized as revenue. All taxes, net of uncollectible amounts, are recognized in the period for which levied in the government-wide financial statements, regardless of when collected.

Taxes Receivable:

Fund Financial Statement

Taxes receivable in the amount of \$5,843,296 as stated on the Governmental Funds Balance Sheet, are actual legal claims of lien properties. The County has recorded unearned taxes receivable of \$4,817,897 on the fund level financial statements, to comply with GASB No. 22, reported on the modified accrual basis of accounting.

Government-Wide Financial Statement

In addition to the taxes receivable noted above, the Statement of Net Position includes taxes receivable from years 2019 and prior that are summarized as follows:

	<u>Gross Taxes Receivable</u>	<u>Allowance for Uncollectibles</u>	<u>Net Estimated to be Collectible</u>
Property taxes	<u>\$7,936,614</u>	<u>\$(2,093,318)</u>	<u>\$ 5,843,296</u>

NOTE 4 DUE FROM / DUE TO OTHER GOVERNMENTS

Amounts due from other governments are generally comprised of amounts due from Federal, State, and Local governmental units for reimbursement due under the grant programs at December 31, 2019.

Amounts due to other governments are generally comprised of interest earned on state grants required to be returned to the state for which program expenditures have not occurred at December 31, 2019.

During 2015, the Commonwealth of Pennsylvania Auditor General performed an audit of Children and Youth funds for fiscal years 2009 and 2010. The State determined that the County started receiving Special Grants in 2008, which were for specific purposes and fall outside of the Act 148 funding. However, expenditures relating to these Special Grants were included in the Act 148 reports and therefore included in the reimbursement calculations from the State. As a result, the County received reimbursement on both the Special Grants and the Act 148 Funds for the same expenditures. The balance of the overpayment at December 31, 2018, was \$450,947. Payments of \$207,179 were made during 2019, and the balance of \$243,768 is included in the amounts due to other governments.

NOTE 5 FIXED ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Balance			Balance
<i>Government activities:</i>	<u>12/31/18</u>	<u>Additions</u>	<u>Disposals</u>	<u>12/31/19</u>
Capital assets not being depreciated:				
Construction-in-progress	\$ <u>919,751</u>	\$ <u>302,078</u>	\$ <u>(553,633)</u>	\$ <u>668,196</u>
Total capital assets not being depreciated	<u>919,751</u>	<u>302,078</u>	<u>(553,633)</u>	<u>668,196</u>
Other capital assets:				
Site improvements	8,502,319	341,773	---	8,844,092
Infrastructure	16,954,720	1,359,047	(42,463)	18,271,304
Building and permanent fixtures	50,475,357	145,070	(3,260)	50,617,167
Office furniture and equipment	2,666,655	39,175	(17,604)	2,688,226
General equipment	5,233,662	1,236,327	(21,124)	6,448,865
Radio equipment	13,013,807	528,804	(33,746)	13,508,865
Computer hardware and software	6,813,665	280,945	(1,646,998)	5,447,612
Vehicles	<u>5,838,865</u>	<u>381,127</u>	<u>(727,109)</u>	<u>5,492,883</u>
Total capital assets, at cost	<u>109,499,050</u>	<u>4,312,268</u>	<u>(2,492,304)</u>	<u>111,319,014</u>
Less accumulated depreciation for:				
Site improvements	(2,087,280)	(324,303)	---	(2,411,583)
Infrastructure	(6,371,639)	(339,537)	15,307	(6,695,869)

Building and permanent fixtures	(28,325,119)	(1,177,183)	1,318	(29,500,984)
Office furniture and equipment	(2,049,686)	(209,878)	16,207	(2,243,357)
General equipment	(4,105,741)	(382,130)	21,124	(4,466,747)
Radio equipment	(9,133,962)	(811,079)	21,560	(9,923,481)
Computer hardware and software	(6,417,262)	(226,068)	1,646,998	(4,996,332)
Vehicles	<u>(4,459,406)</u>	<u>(345,683)</u>	<u>716,422</u>	<u>(4,088,667)</u>
Total accumulated Depreciation	<u>(62,950,095)</u>	<u>(3,815,861)</u>	<u>2,438,936</u>	<u>(64,327,020)</u>
Governmental activities capital assets, net	\$ <u>47,468,706</u>	\$ <u>798,485</u>	\$ <u>(607,001)</u>	\$ <u>47,660,190</u>

Business-type activities:

Capital assets not being depreciated:

Land	\$ 290,116	\$ ---	\$ ---	\$ 290,116
Construction-in-progress	<u>5,403</u>	<u>---</u>	<u>(5,403)</u>	<u>---</u>
Total capital assets not being depreciated	<u>295,519</u>	<u>---</u>	<u>(5,403)</u>	<u>290,116</u>

Other Capital assets:

Buildings and permanent fixtures	6,383,472	---	---	6,383,472
Land improvements	396,904	20,300	---	417,204
Computer hardware and software	3,716	---	---	3,716
Machinery & equipment	<u>51,200</u>	<u>10,805</u>	<u>---</u>	<u>62,005</u>
Total capital assets at cost	<u>6,835,292</u>	<u>31,105</u>	<u>---</u>	<u>6,866,397</u>

Less accumulated depreciation for:

Buildings and permanent fixtures	(4,260,717)	(218,047)	---	(4,478,764)
Land improvements	(18,607)	(22,785)	---	(41,392)

Computer hardware And software	(1,342)	(1,239)	---	(2,581)
Machinery & equipment	<u>(26,708)</u>	<u>(2,849)</u>	<u>---</u>	<u>(29,557)</u>
Total accumulated depreciation	<u>(4,307,374)</u>	<u>(244,920)</u>	<u>--</u>	<u>(4,552,294)</u>
Business-type activities capital assets, net	\$ <u>2,823,437</u>	\$ <u>(213,215)</u>	\$ <u>(5,403)</u>	\$ <u>2,604,219</u>

COMPONENT UNITS:

Summaries of the component units' fixed assets as of December 31, 2019 follow:

	<u>Balance 12/31/18</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/19</u>
<i>Planning Commission:</i>				
Equipment	\$ 30,250	\$ ---	\$ ---	\$ 30,250
Less: Accumulated depreciation	<u>(27,662)</u>	<u>(1,115)</u>	<u>---</u>	<u>(28,777)</u>
Total capital assets, net	\$ <u>2,588</u>	\$ <u>(1,115)</u>	\$ <u>---</u>	\$ <u>1,473</u>
<i>Redevelopment Authority:</i>				
Land	\$ 70,768	\$ ---	\$ ---	\$ 70,768
Land Improvements	61,193	---	---	61,193
Buildings & improvements	1,801,425	---	---	1,801,425
Furniture & equipment	<u>11,178</u>	<u>---</u>	<u>(313)</u>	<u>10,866</u>
Total capital assets at cost	<u>1,944,654</u>	<u>---</u>	<u>(313)</u>	<u>1,944,341</u>
Less: Accumulated depreciation	<u>(549,377)</u>	<u>(86,774)</u>	<u>313</u>	<u>(635,838)</u>
Total capital assets, net	\$ <u>1,395,187</u>	\$ <u>(86,774)</u>	\$ <u>---</u>	\$ <u>1,308,413</u>
<i>Library Association:</i>				
Books & audio visual	\$ 1,895,873	\$ 74,742	\$ (25,638)	\$ 1,944,977
Improvements	332,318	5,050	---	337,368
Furniture & equipment	133,754	---	---	133,754
Software	143,672	---	---	143,672
Computer equipment	179,237	---	---	179,237

Automobiles	<u>18,800</u>	<u>---</u>	<u>---</u>	<u>18,800</u>
Total capital assets at cost	<u>2,703,654</u>	<u>79,792</u>	<u>(25,638)</u>	<u>2,757,808</u>
Less: Accumulated depreciation	<u>(2,049,786)</u>	<u>(119,517)</u>	<u>25,638</u>	<u>(2,143,665)</u>
Total capital assets, net	<u>\$ 653,868</u>	<u>\$ (39,725)</u>	<u>\$ ---</u>	<u>\$ 614,143</u>

Municipal Airport Authority:

Land	\$ 2,056,191	\$ 113,939	\$ ---	\$ 2,170,130
Construction-in-progress	806,617	1,278,307	---	2,084,924
Land improvements	42,628,103	---	---	42,628,103
Building & improvements	4,243,774	---	---	4,243,774
Vehicles & equipment	<u>3,995,638</u>	<u>137,176</u>	<u>---</u>	<u>4,132,814</u>
Total capital assets at cost	<u>53,730,323</u>	<u>1,529,422</u>	<u>---</u>	<u>55,259,745</u>
Less: Accumulated depreciation	<u>(40,098,853)</u>	<u>(1,255,585)</u>	<u>---</u>	<u>(41,354,438)</u>
Total capital assets, net	<u>\$ 13,631,470</u>	<u>\$ 273,837</u>	<u>\$ ---</u>	<u>\$ 13,905,307</u>

Transit Authority:

Land – Inclined Plane	\$ 860,792	\$ ---	\$ ---	\$ 860,792
Construction in Progress	1,944	574,576	(1,944)	574,576
Land Improvements	34,115	---	---	34,115
Buildings & Improvements	40,036,485	1,791,264	(242,374)	41,585,375
Vehicles, equipment and other	<u>21,923,449</u>	<u>4,974,016</u>	<u>(2,101,905)</u>	<u>24,795,560</u>
Total capital assets at cost	<u>62,856,785</u>	<u>7,339,856</u>	<u>(2,346,223)</u>	<u>67,850,418</u>
Less: Accumulated depreciation	<u>(30,955,858)</u>	<u>(2,511,507)</u>	<u>2,180,258</u>	<u>(31,287,107)</u>
Total capital assets, net	<u>\$ 31,900,927</u>	<u>\$ (4,828,349)</u>	<u>\$ (165,965)</u>	<u>\$ 36,563,311</u>

Solid Waste Management Authority:

Furniture & fixtures	\$ 19,098	\$ ---	\$ ---	\$ 19,098
Equipment	191,487	2,185	(27,816)	165,856
Improvements	<u>9,611</u>	<u>---</u>	<u>---</u>	<u>9,611</u>
Total capital assets at cost	<u>220,196</u>	<u>2,185</u>	<u>(27,816)</u>	<u>194,565</u>

Less: Accumulated depreciation	<u>(91,433)</u>	<u>(8,855)</u>	<u>27,816</u>	<u>(721,472)</u>
Total capital assets, net	<u>\$ 128,763</u>	<u>\$ (6,670)</u>	<u>\$ ---</u>	<u>\$ 122,093</u>

*Conservation & Recreation
Authority:*

Land	\$ 7,712,369	\$ 175,364	\$ ---	\$ 7,887,733
Construction in Progress	106,090	134,473	(106,090)	134,473
Building	1,046,071	---	---	1,046,071
Equipment	<u>133,530</u>	<u>3,222</u>	<u>---</u>	<u>136,752</u>
Total capital assets at cost	<u>8,998,060</u>	<u>313,059</u>	<u>(106,090)</u>	<u>9,205,029</u>
Less: Accumulated depreciation	<u>(425,087)</u>	<u>(32,364)</u>	<u>---</u>	<u>(457,451)</u>
Total capital assets, net	<u>\$ 8,572,973</u>	<u>\$ 280,695</u>	<u>\$ (106,090)</u>	<u>\$ 8,747,578</u>

*Pennsylvania Highlands
Community College:*

Equipment	\$ 4,412,960	\$ 260,471	\$ ---	\$ 4,673,431
Construction-In-Progress	2,344,646	---	(2,326,348)	18,298
Leasehold improvements	12,881,535	1,924,823	---	14,806,358
Computer software	<u>240,166</u>	<u>---</u>	<u>---</u>	<u>240,166</u>
Total capital assets at cost	<u>19,879,307</u>	<u>(2,185,294)</u>	<u>(2,326,348)</u>	<u>19,738,253</u>
Less: Accumulated depreciation	<u>(9,197,952)</u>	<u>(978,887)</u>	<u>---</u>	<u>(10,176,839)</u>
Total capital assets, net	<u>\$ 10,681,355</u>	<u>\$ 1,206,407</u>	<u>\$ (2,326,348)</u>	<u>\$ 9,561,414</u>

War Memorial Arena Authority:

Equipment	\$ 389,959	\$ 24,345	\$ ---	\$ 414,304
Leasehold improvements	<u>1,450,265</u>	<u>57,056</u>	<u>---</u>	<u>1,507,321</u>
Total capital assets at cost	<u>1,840,224</u>	<u>81,401</u>	<u>---</u>	<u>1,921,625</u>
Less: Accumulated depreciation	<u>(710,885)</u>	<u>(79,414)</u>	<u>---</u>	<u>(790,299)</u>
Total capital assets, net	<u>\$ 1,129,339</u>	<u>\$ 1,987</u>	<u>\$ ---</u>	<u>\$ 1,131,326</u>

*Behavioral Health of Cambria
County:*

Equipment	\$ 33,828	\$ 46,557	\$ (11,035)	\$ 69,350
Vehicles	17,539	15,933	(17,539)	15,933
Office Space	---	977,294	---	977,294
Construction in progress	<u>48,555</u>	<u>15,731</u>	<u>(64,286)</u>	<u>---</u>
Total capital assets at cost	<u>99,922</u>	<u>1,055,515</u>	<u>(92,860)</u>	<u>1,062,577</u>
Less: Accumulated depreciation	<u>(45,317)</u>	<u>(12,805)</u>	<u>28,573</u>	<u>(29,549)</u>
Total capital assets, net	<u>\$ 54,605</u>	<u>\$ 1,042,710</u>	<u>\$ (64,287)</u>	<u>\$ 1,033,028</u>
Total Component Unit Capital Assets at December 31, 2019				<u>\$ 73,027,811</u>

NOTE 6 EMPLOYEE RETIREMENT TRUST PLAN

Plan Description

The County of Cambria provides a single-employer defined benefit pension plan which is included in the financial statements of the County of Cambria as a retirement trust fund. The plan provides retirement, disability and death benefits to plan members and their beneficiaries pursuant to Act 96 of 1971 of the Commonwealth of Pennsylvania (County Pension Law), which may be amended by the General Assembly of the Commonwealth of Pennsylvania. Cost-of-living adjustments (COLA) are provided at the discretion of the County Retirement Board.

Plan Administration

The pension plan is administered by the County Retirement Board. Per the plan document, the Retirement board is comprised of five (5) individuals consisting of the three (3) county commissioners, the county controller and the county treasurer. The Retirement Board has the discretion and authority to interpret the Plan and to determine the eligibility and benefits of participants and beneficiaries pursuant to the provisions of the plan. On all such matters, the decision of a quorum of the then members of the Retirement Board shall govern and be binding upon the Employer, participants, and beneficiaries. The Retirement Board meets monthly during the year. However, the Retirement Board need not call or hold any meeting for the purpose of rendering decisions but such decisions may be evidenced by a written document designed by the members.

Basis of Accounting

The financial statements of the retirement trust fund are prepared on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

All investments of the retirement trust fund 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. Investments that do not have an established market are reported at estimated fair value.

Contributions

Plan members are required to contribute nine percent (9%) of their annual covered salary. The County contributions are determined as part of an annual actuarial valuation. Per Act 96 of 1971, as amended, contribution requirements of the plan members and the County are established and may be amended by the General Assembly of the Commonwealth of Pennsylvania. Administrative costs of the plan are financed through investment earnings.

Membership

Membership of the plan consisted of the following at December 31, 2019, the date of the latest actuarial valuation:

Retirees and Beneficiaries Receiving Benefits	1,121
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	135
Active Plan Members	<u>628</u>
	<u>1,884</u>

Actuarial Methods and Assumptions

The County has an actuarial valuation prepared on an annual basis. The following methods and assumptions were used to prepare the valuation:

Valuation Date:	December 31, 2019
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value of Assets
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Projected Salary Increases	3.50%
Mortality Rates	Pub-2010 General Amount-Weighted Mortality tables with MP-2019 generational improvement scale

Annual Pension Cost and Net Pension Obligation

The County's Annual Required Contribution for 2019 was determined as part of the December 31, 2018, actuarial valuation. The County's annual required contribution and net pension obligation to the Cambria County Employee's Retirement System were \$2,902,207 for 2019. The Entry Age Normal actuarial cost method was used to determine the annual required contribution.

Funded Status and Funding Progress

As of December 31, 2019, the most recent actuarial valuation date, the Plan was valued under the Entry Age Actuarial Cost Method. Under this basis, the Plan was eighty-four percent (84%) funded. The Entry Age actuarial accrued liability for benefits was \$253.6 million, and the actuarial value of assets was \$212.2 million, resulting in an unfunded Entry Age actuarial accrued liability (UAAL) of \$41.4 million. The covered payroll (annual payroll of active employees covered by the Plan) was \$25.1 million and the ratio of the UAAL to the covered payroll was one hundred sixty-four percent (164%).

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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 employer 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.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase/(Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at 12/31/18	\$ 239,419,506	\$ 183,131,044	\$ 56,288,462
Changes for the year:			
Service cost	4,347,938	---	4,347,938
Interest	15,194,050	---	15,194,050
Difference between expected and actual experience	1,139,839	---	1,139,839
Assumption Changes	8,286,645	---	8,286,645
Contributions – employer	---	2,902,207	(2,902,207)
Contributions – employee	---	2,925,549	(2,925,549)
Net investment income	---	38,213,311	(38,213,311)
Benefit payments	(14,826,968)	(14,826,968)	---
Administrative expenses	---	(124,021)	124,021
Net changes	14,141,504	29,090,078	(14,948,574)
Balances at 12/31/19	<u>\$ 253,561,010</u>	<u>\$ 212,221,122</u>	<u>\$ 41,339,888</u>

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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>-1% (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>+1% (8.00%)</u>
Net pension liability	\$64,717,243	\$41,339,888	\$21,776,088

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2019, the County recognized pension expense of \$7,975,572. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,933,710	\$ ---
Change of assumptions	7,388,697	---
Net difference between projected and actual earnings on pension plan investments	<u>14,498,272</u>	<u>(26,869,419)</u>
Total	<u>\$23,820,679</u>	<u>\$ (26,869,419)</u>

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

2020	\$ 652,696
2021	(607,594)
2022	2,047,768
2023	(5,141,610)

Rate of Return on Investments

For the 2019 measurement period, the annual money-weighted rate of return on the County's pension plan investments, net of pension plan investment expense, was 21.4%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the County Retirement Board by a majority vote of its members. It is the policy of County Retirement Board to broadly diversify the plan's investments to maximize long-term investment returns and minimize the risk of substantial loss as measured by a percentage of the plan's assets.

The plan will be invested consistent with an overall asset allocation strategy. This strategy identifies a portfolio structure and sets a long term percentage target for the amount of the plan's market value that is to be invested in each asset class. It is the general policy to have the assets of the plan invested in accordance with the following asset allocation model:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>December 31, 2019 Actual Allocation</u>
Money Market	0.0%	1.4%
Equities	57.0%	58.0%
Fixed Income	30.0%	27.2%
Real Estate	5.0%	4.9%
Non-Traditional	<u>8.0%</u>	<u>8.5%</u>
Total	<u>100.0%</u>	<u>100.0%</u>

Concentrations

As of December 31, 2019, the pension plan held the following investments that represented five percent (5%) or more of the pension plan's fiduciary net position:

<u>Investment</u>	<u>Balance</u>
Vanguard Russell 1000 Growth Index Instl	\$ 31,545,305
Vanguard Russell 1000 Value Index Instl	\$ 30,615,479

See the Required Supplementary Information schedules for additional required financial statement disclosures related to the County's pension plan.

NOTE 7 OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

Cambria County sponsors a single-employer post retirement medical plan. The plan provides medical and death benefits to eligible retirees and their spouses.

Funding Policy

The County intends to fully fund any annual short-fall between OPEB annual required contribution and actual pay-go expense into a legally executed trust fund. The trust fund will be invested as a long-term pension trust, using an appropriately balanced portfolio of equities and debt instruments, to prudently maximize long-term investment returns.

Membership

Membership of the plan consisted of the following at December 31, 2019, the date of the latest actuarial valuation:

Retirees and Spouses with Medical Coverage	699
Inactive with Life Coverage Only	624
Active Plan Members	<u>639</u>
	<u>1,962</u>

Actuarial Methods and Assumptions

The County has an actuarial valuation prepared on an annual basis. The following methods and assumptions were used to prepare the valuation:

Valuation Date:	December 31, 2019
Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Projected Salary Increases	3.50%
Mortality Rates	Pub-2010 General Employees Headcount- Weighted Mortality with MP-2019 general improvement scale
Trend Rates	6.00% per year gradually declining to an ultimate rate of 4.50% after three (3) years; 4.50% per year for post-65

Funded Status and Funding Progress

As of December 31, 2019, the most recent actuarial valuation date, the Plan was 0% funded. The actuarial accrued liability for benefits was \$79,073,326 and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability (UAAL) of \$79,073,326. The estimated covered payroll (annual payroll of active employees covered by the plan) was \$24,728,000 and the ratio of the UAAL to the covered payroll was three hundred twenty percent (320%).

The total OPEB liability by active/inactive participants is as follows:

Active Employees	\$ 18,751,094
Inactive Participants	<u>60,322,232</u>
Total OPEB Liability	<u>\$ 79,073,326</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.74%. As the Plan is unfunded, the Plan's projected benefits are discounted back using rates equivalent to Aa twenty (20) year municipal bonds. The GO Bond Buyer Index was used to approximate those yields as of December 31, 2019.

Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Increase/(Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balances at 12/31/18	\$ 65,345,612	\$ ---	\$ 65,345,612
Changes for the year:			
Service cost	237,812	---	237,812
Interest	2,597,522	---	2,597,522
Difference between expected and actual experience	---	---	---
Assumption Changes	14,602,570	---	14,602,570
Contributions – employer	---	3,710,190	(3,710,190)
Contributions – employee	---	---	---
Net investment income	---	---	---
Benefit payments	(3,710,190)	(3,710,190)	---
Administrative expenses	---	---	---
Net changes	<u>13,727,714</u>	<u>---</u>	<u>13,727,714</u>
Balances at 12/31/19	<u>\$ 79,073,326</u>	<u>\$ ---</u>	<u>\$ 79,073,326</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the County, calculated using the discount rate of 2.74%, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.74%) or 1-percentage-point higher (3.74%) than the current rate:

	-1% (1.74%)	Current Discount Rate (2.74%)	+1% (3.74%)
Net OPEB liability	\$91,239,618	\$79,073,326	\$69,623,534

Sensitivity of the Net OPEB Liability to Changes in Health Care Trend Rates

The following presents the net OPEB liability of the County, calculated using the trend rate of 6.00% to 4.50% (4.50% post-65), as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00% to 3.50%, 3.50% Post-65) or 1-percentage-point higher (7.00% to 5.50%, 5.50% Post-65) than the current rate:

	-1% (5.00% to 3.50%)	Current Trend Rate (6.00% to 4.50%)	+1% (7.00% to 5.50%)
Net OPEB liability	\$68,233,438	\$79,073,326	\$93,011,711

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the County recognized OPEB expense of \$5,922,558. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ ---	\$ ---
Change of assumptions	11,515,346	---
Net difference between projected and actual earnings on OPEB plan investments	---	---
Total	\$ 11,515,346	\$ ---

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

2020	\$ 3,087,224
2021	3,087,224
2022	3,087,224
2023	2,253,674

See the Required Supplementary Information schedules for additional required financial statement disclosures related to the County's OPEB plan.

NOTE 8 RISK MANAGEMENT

Workers' Compensation

The County is exposed to risk of loss related to self-insurance activities for workers' compensation. The Government-Wide Statement of Net Position accounts for the risk associated with the workers' compensation.

The County is self-insured for workers' compensation. The County has excess workers' compensation insurance with a self-insured retention per occurrence of \$550,000, and a maximum indemnity per occurrence of \$1,000,000. As required by the Pennsylvania Department of Labor and Industry, the County has established an Expendable Trust Fund for workers' compensation. The purpose of the fund is to provide a source of funds for claimants entitled to benefits under Article III Section 305 of the Pennsylvania Workers' Compensation Act.

The County maintains workers' compensation reserves for claims incurred and claims incurred but not reported in the funds to which, per the County's estimate, they apply. The reserves are recorded in the Government-Wide Statement of Net Position.

The accrued liability for workers' compensation is determined by an actuary in accordance with actuarial principles. There have been no changes in insurance coverage, retention limits or excess loss policies from the prior year.

The accrued workers' compensation self-insurance liability at December 31, 2019, is \$334,392, which is included as a long-term obligation on the government-wide statement of net position.

The following summary provides aggregate information on workers' compensation self-insurance liabilities; incurred claims and payments during the years ended December 31, 2019 and 2018:

<u>Year</u>	<u>January 1, Liability</u>	<u>Net Incurred/(Settled) Claims</u>	<u>Payments</u>	<u>December 31, Liability</u>
2019	\$ <u>418,795</u>	\$ <u>(43,080)</u>	\$ <u>(41,323)</u>	\$ <u>334,392</u>
2018	\$ <u>332,322</u>	\$ <u>(436)</u>	\$ <u>86,909</u>	\$ <u>418,795</u>

Medical Insurance

The County maintains a self-insurance plan to provide medical benefits to employees and retirees. Self-insurance for retirees covers only those that are pre-Medicare. When a retiree qualifies for Medicare, they are moved into the HMO Medicare group, which is fully insured. As part of the self-insurance plan, the County entered into a stop-loss agreement whereby they would be reimbursed for any individual claim in excess of \$250,000 per year per covered individual. The activity for the health insurance plan is recorded within an Internal Service Fund with each department and fund contributing to their share of the costs of providing the insurance.

NOTE 9 CAPITAL CONTRIBUTIONS

Component Units

Summaries of the component units' capital contributions as of December 31, 2019, follow:

Municipal Airport Authority

Certain expenditures for airport capital improvements are significantly funded through the Airport Improvement Program (AIP) of the FAA, with certain matching funds provided by the State and the Authority, or from various state allocations or grant programs. Capital assets purchased with funds contributed by federal and state governments through airport improvement grants are recorded at cost. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Grants, entitlements, shared revenues and the fair market value of donated property are reported in the Statement of Revenues, Expenses, and Changes in Net Position, after non-operating revenues and expenses as capital contributions which amounted to \$1,522,042 at December 31, 2019.

Transit Authority

Capital grant contributions from federal and state governments amounted to \$7,338,069 for the Transit Authority at June 30, 2019.

Solid Waste Management Authority

Capital grant contributions amounted to \$350,000 for the Solid Waste Management Authority for the year ended December 31, 2019.

Pennsylvania Highlands Community College

Capital government grants used to purchase capital equipment totaled \$214,083 for the year ended June 30, 2019.

War Memorial Arena Authority

Capital contributions included recognition of one-tenth of the contract acquisition right contribution received from SMG equating to \$17,500 for the year ended June 30, 2019.

NOTE 10 BONDS AND NOTES PAYABLE

Long-term liability activity for the year ended December 31, 2019, was as follows:

	<u>Balance 12/31/18</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/19</u>	<u>Amounts Due Within One Year</u>
<i>Governmental Activities:</i>					
Bonds and Notes Payable:					
2014 General Obligation Bonds	\$ 21,414,341	\$ ---	\$ (2,811,418)	\$ 18,602,923	\$ 2,923,315
2015 General Obligation Bond	19,451	---	(10,028)	9,423	9,423
2015 General Obligation Bond	20,060	---	(10,337)	9,722	9,722
2016 General Obligation Notes	17,852,272	---	(23,312)	17,828,960	23,312
2017 General Obligation Note	<u>232,859</u>	<u>---</u>	<u>(232,859)</u>	<u>---</u>	<u>---</u>
Governmental Activities Bonds and Notes Payable	<u>\$ 39,538,983</u>	<u>\$ ---</u>	<u>\$ (3,087,954)</u>	<u>\$ 36,451,029</u>	<u>\$ 2,965,772</u>
	<u>Balance 12/31/18</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/19</u>	<u>Amounts Due Within One Year</u>
<i>Business-type Activities:</i>					
Bonds and Notes Payable:					
2014 General Obligation Bonds	\$ 1,550,659	\$ ---	\$ (203,582)	\$ 1,347,077	\$ 211,685

2016 General Obligation Bonds	<u>1,292,728</u>	<u>---</u>	<u>(1,688)</u>	<u>1,291,040</u>	<u>1,688</u>
Business-type Activities Bonds and Notes Payable	<u>\$ 2,843,387</u>	<u>\$ ---</u>	<u>\$ (205,270)</u>	<u>\$ 2,638,117</u>	<u>\$ 213,373</u>

Description of Debt

Pertinent information regarding general obligation debt outstanding is presented below:

General Obligation Bonds, Series of 2014

In August 2014, the County issued General Obligation Bonds, Series of 2014, in the amount of \$48,625,000 with an interest rate ranging from 3.0% to 5.0%, resulting in an effective interest rate of 4.684%. The proceeds of the bonds were used for the current refunding of the General Obligation Notes, Series of 2006, Tax Exempt Bank Loan, Series of 2006, General Obligation Note, Series of 2011, Series 2006 A and 2006B Lease Revenue Notes, 2013 Upper Yoder Township Authority Lease Revenue Note, and to pay the costs of issuing the bonds. In addition, a portion of the proceeds were used to advance refund the 2007 Cambria County General Financing Authority lease purchase agreement by establishing a separate irrevocable trust. \$6,871,930 was transferred into the trust and used to purchase investments. The investments and fixed earnings from the investments are sufficient to fully secure the defeased debt until the debt is called or matures. In July 2016, a portion of the General Obligation Bonds, Series of 2014, were currently refunded by the issuance of General Obligation Notes, Series A/B of 2016.

General Obligation Bond, Series A of 2015

In November 2015, the County issued General Obligation Bond, Series A of 2015, in the amount of \$49,900 with an interest rate of 3.25%. Principal and interest are payable in sixty (60) monthly payments. The debt was issued through the United States Department of Agriculture Rural Housing Service in conjunction of a federal grant.

General Obligation Bond, Series C of 2015

In November 2015, the County issued General Obligation Bond, Series C of 2015, in the amount of \$48,400 with an interest rate of 3.25%. Principal and interest are payable in sixty (60) monthly payments. The debt was issued through the United States Department of Agriculture Rural Housing Service in conjunction of a federal grant.

General Obligation Notes, Series A/B 2016

In July 2016, the County issued General Obligation Notes, Series A of 2016, and General Obligation Notes, Series B of 2016 in the total amount of \$19,210,000 with an interest rate ranging from 1.4% to 3.91%, resulting in an effective interest rate of 3.5%. The proceeds of the bonds were used to refund, on a current refunding basis, a portion of the County's August 1, 2016 debt service payment in respect to its General Obligation Bonds, Series of 2014 and to pay the cost of issuance. In addition, a portion of the proceeds were used to advance refund a portion of the General Obligation Bonds, Series of 2014 that mature in 2017 through 2023 by establishing a separate irrevocable trust. \$13,366,140 was transferred into the trust and used to purchase investments. The investments and fixed earnings from the investments are sufficient to fully secure the defeased debt until the debt is called or matures.

General Obligation Note, Series of 2017

In December 2017, the County issued General Obligation Note, Series of 2017 in the amount of \$3,000,000 with an interest rate of 1.79%. Principal and interest are payable in thirteen (13) monthly payments. The proceeds were used for various capital improvements and purchases.

Debt Maturity

An analysis of debt service requirements to maturity on these obligations follows:

	<u>Principal Requirements</u>	<u>Interest Requirements</u>	<u>Total Debt Service Requirements</u>
<i>2014 General Obligation Bond</i>			
<u>Years Ending December 31:</u>			
2020	\$ 3,135,000	\$ 1,293,600	\$ 4,428,600
2021	3,290,000	1,038,100	4,328,100
2022	3,455,000	769,100	4,224,100
2023	3,630,000	517,350	4,147,350
2024	1,070,000	300,600	1,370,600
2025-2029	4,860,000	784,250	5,644,250
2030	<u>510,000</u>	<u>25,500</u>	<u>535,500</u>
	<u>\$ 19,950,000</u>	<u>\$ 4,728,500</u>	<u>\$ 24,678,500</u>
To be Retired by:			
Business-Type Activities	\$ 1,347,077	\$ 319,281	\$ 1,666,358
Governmental Activities	<u>18,602,923</u>	<u>4,409,219</u>	<u>23,012,142</u>
	<u>\$ 19,950,000</u>	<u>\$ 4,728,500</u>	<u>\$ 24,678,500</u>
<i>2016 General Obligation Notes</i>			
<u>Years Ending December 31:</u>			
2020	\$ 25,000	\$ 663,157	\$ 688,157
2021	30,000	662,524	692,524
2022	30,000	661,776	691,776
2023	25,000	661,028	686,028
2024	2,770,000	660,395	3,430,395
2025-2029	<u>16,240,000</u>	<u>1,724,999</u>	<u>17,964,999</u>
	<u>\$ 19,120,000</u>	<u>\$ 5,033,879</u>	<u>\$ 24,153,879</u>
To be Retired by:			
Business-Type Activities	\$ 1,291,040	\$ 339,902	\$ 1,630,942
Governmental Activities	<u>17,828,960</u>	<u>4,693,977</u>	<u>22,522,937</u>
	<u>\$ 19,120,000</u>	<u>\$ 5,033,879</u>	<u>\$ 24,153,879</u>

NOTE 11 CAPITAL LEASES

	Balance 12/31/18	Additions	Reductions	Balance 12/31/19	Amounts Due Within One Year
<i>Governmental Activities:</i>					
Capital Leases:					
2008 Equipment Lease	\$ <u>271,811</u>	---	\$ <u>(50,144)</u>	\$ <u>221,667</u>	\$ <u>54,395</u>
Governmental Activities Capital Leases	\$ <u>271,811</u>	\$ <u>---</u>	\$ <u>(50,144)</u>	\$ <u>221,667</u>	\$ <u>54,395</u>

Description of Leases

Former Laurel Crest Rehabilitation and Special Care Center Leases

During 2008, the County leased additional equipment costing \$580,620 through a capital lease, which requires a monthly payment varying from \$3,348 to \$5,700 for one hundred eighty (180) months. The capital lease has an effective interest rate of 4.23%. Equipment valued at \$435,465 was for Laurel Crest Manor and \$145,155 was for general operations.

During 2009, the County leased additional equipment costing \$170,000 through a capital lease, which requires a monthly payment of \$2,410 for eighty-four (84) months. The capital lease has an effective interest rate of 4.33%. Equipment valued at \$127,500 was for Laurel Crest Manor and \$42,500 was for general operations. The lease liability was paid off in 2016.

As a result of the sale of Laurel Crest Rehabilitation and Special Care Center on January 1, 2010, the obligations previously reported within the Laurel Crest Manor fund became general obligations of the County and are being paid back through the debt service fund.

The required principal payments for the leases mentioned above for the next five (5) years are as follows.

2020	\$ 54,395
2021	58,862
2022	63,586
2023	<u>44,824</u>
	\$ <u>221,667</u>
To be retired by:	
Government Type Activities	\$ <u>221,667</u>

NOTE 12 COMMITMENTS AND CONTINGENCIES

Component Units

Redevelopment Authority of Cambria County

Guarantees of Indebtedness

The Authority, through the County of Cambria, is acting as a guarantee of indebtedness in the Federal Section 108 Loan Guarantee Program. The County of Cambria has guaranteed the county entitlement portion of the Community Development Block Grant ("CDBG") as collateral for loans in the amount of \$5,833,333. The Section 108 Loan Guarantee Program permits the borrowing of funds fully guaranteed by the Federal government which is in excess of the annual CDBG county entitlement. The funds were requested by Boscov's for financial assistance in the purchase and restructure of the Company in order to emerge from bankruptcy. The Commonwealth of Pennsylvania has pledged funds to fully guarantee the payment of the Section 108 Loan should Boscov's default on its loan payments.

NOTE 13 COMPENSATED ABSENCES

County policy applicable to vacation, sick pay, and paid time off for employees is as follows:

Vacation Pay

Time accrues for all union employees at various rates based on length of service. Employees are encouraged to utilize earned vacation time by December 31, of each period. If the employee would leave employment, they are paid for any unused or accrued days.

PTO (Paid-Time-Off)

Starting in 2010, all management, middle management, and non-union employees began earning PTO days instead of vacation, sick, personal or floating holidays. PTO time is earned at various rates based on length of service. The appropriate amount of PTO time is credited to the employee's account on January 1st of each year. Employees are encouraged to utilize their time as needed however they are permitted to rollover up to ten (10) unused PTO days per year on December 31. These ten (10) unused days accumulate in a PTO rollover bank up to a maximum of fifty (50) days. If the employee would leave employment, they are paid for any unused PTO days at fifty percent (50%) of their value.

Sick Pay

County union employees may accumulate their unused sick days up to a maximum of one hundred fifty (150) days to be taken in any given year. Starting in 2010, for any employees who started receiving PTO time in lieu of sick time, their old unused sick leave was placed into a "sick grandfathered" bank and no additional days accrue. This old sick time can only be used for approved sick leaves that meet specific guidelines. Upon retirement only, employees are reimbursed for a portion of their accrued or vested sick time.

The entire compensated absences liability is reported on the government-wide financial statements. On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. The noncurrent portion of the liability is not reported. At December 31, 2019, \$1,737,848 is reported on the government-wide financial statements for accrued vacation pay and \$334,392 for accrued sick pay, respectively. For enterprise funds, the entire amount of compensated absences is reported as a fund liability. At December 31, 2019, \$9,593 is reported on the enterprise funds for accrued vacation pay and \$2,790 for accrued sick pay, respectively.

NOTE 14 EXPENDITURES IN EXCESS OF BUDGET

For the year ended December 31, 2019, the following funds' expenditures exceeded budget by the following amounts:

<u>Fund</u>	<u>Amount</u>
Booking Center	\$ 17,286
Emergency Management Agency	\$ 10,822
Court Special Admin	\$ 184,483
Hotel Tax Fund	\$ 46,409
Human Services	\$ 132,005
Central Park Complex	\$ 37,755

Additional unbudgeted sources of general and intergovernmental revenue received in the current year or appropriations in the subsequent year provide the authority for these over expenditures.

NOTE 15 ACCOUNTABILITY

The following funds had deficit fund balances or net position as of December 31, 2019.

<u>Fund</u>	<u>Amount</u>
Booking Center	\$ 531,585
Parks and Playground	\$ 35,753

NOTE 16 RELATED PARTY TRANSACTIONS

County Appropriations to Component Units:

The County provides appropriations to several of its Component Units that are disclosed in Note 1A of the financial statements.

Cambria County Planning Commission	\$ <u>70,000</u>
Redevelopment Authority of Cambria County	\$ <u>100,000</u>
Cambria Library Association	\$ <u>615,000</u>
Johnstown-Cambria County Airport Authority	\$ <u>174,000</u>
Cambria County Transit Authority	\$ <u>695,145</u>

Cambria County Solid Waste Management Authority	\$ <u>340,700</u>
Cambria County Conservation and Recreation Authority	\$ <u>166,931</u>
Pennsylvania Highlands Community College	\$ <u>1,205,000</u>
Cambria County War Memorial Arena Authority	\$ <u>287,466</u>

County Appropriations to Related Organizations:

Cambria Somerset Authority	\$ <u>47,550</u>
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Cambria Library Association

The main library occupies a building owned by the County. The Association is not charged for the use of the facility and no value representing the rental value of the facility has been determined.

County Loans to Related Organizations

In August of 2011, the County entered into a loan agreement with the Cambria Somerset Authority whereby the County agreed to advance the Authority such amounts as may be necessary for the Authority to make their bond payments. The amounts advanced for 2011 through 2018 totaled \$2,236,357. The County advanced an additional \$247,004 in 2019, resulting in a total loan receivable balance of \$2,483,361 as of December 31, 2019. The non-interest bearing loan shall be repaid by the Authority to the County as revenue becomes available to the Authority in excess of its reasonable and necessary operations and activities in such amounts as are reasonable and possible under the Authority's operating plan. As a result, the loan receivable is classified as a long-term asset within the Government-Wide Statement of Net Position.

Commitment and Contingency – Cambria County War Memorial Authority

Amendment

On July 10, 2014, the Authority and SMG amended the original management agreement to extend the management term from July 1, 2014 to June 30, 2019. The management agreement was further amended, effective July 1, 2017, through June 30, 2022.

Management Fees

The base management fee will be paid in monthly installments of \$8,000 plus an inflationary adjustment for each fiscal year.

In addition to the base fee, the management company is entitled to an annual incentive fee with respect to each fiscal year. The incentive fee shall be equal to twenty-five percent (25%) of the operating profits of the facilities in excess of \$80,000 for the fiscal year. The incentive fee is due thirty (30) days after the Authority is provided with an invoice setting forth the operating revenues, operating expenses and net operating profit for the previous fiscal year and showing the calculation of the incentive fee payable. Under the terms of the contract, the financial records and reporting are the responsibility of SMG, as well as, to manage and operate the Arena and NCRC. The Authority has the right to audit the annual financial statements for any fiscal year under the agreement and the incentive fee shall be adjusted based on the audited statements. There were no incentive fees due to the management company under the new management agreement for the years ended June 30, 2019 and 2018. The incentive fee for the year ended June 30, 2017 was calculated under the former management agreement, whereby the fee was calculated based on 15% of net operating profit.

Capital Equipment and Improvements

The obligation to finance, as well as to perform, direct and supervise capital improvements and capital equipment purchases remains with the Authority. Such costs are not considered operating expenses under the terms of the agreement. The Authority maintains ownership of capital investments.

Contract Right Capital Contribution

Upon execution of the second amendment to the management agreement, SMG paid a contract acquisition right in the form of an additional capital contribution in the amount of \$175,000 to the Authority. The funds are to be used at the discretion of the Authority, and the amount shall be amortized on a noncash basis over a period of ten (10) years during the management term and the renewal term, if applicable, on a straight-line, non-interest bearing basis. In the event of the expiration or termination of the agreement for any reason, the Authority or the County shall pay to SMG the unamortized amount of the contract right capital contribution existing as of such expiration or termination. The Authority recognized \$17,500 in capital contribution revenue as of June 30, 2019. The Authority further recorded a liability for the unamortized balance of the capital contribution in the amount of \$157,500 as of June 30, 2018, with \$140,000 as of June 30, 2019, with \$17,500 and \$122,500 included in the current and long-term portions of unearned revenues, respectively.

Termination or Default

Per the existing contract language, in the event this Agreement expires or is terminated (i) all operating expenses incurred or committed for prior to the date of expiration or termination shall be paid using funds on deposit in the accounts described in the agreement and to the extent such funds are not sufficient, Authority shall pay all such operating expenses, and (ii) Authority shall pay SMG all fees earned to the date of expiration or termination (the fees described above hereof being subject to proration). Upon such termination or expiration, all further obligations of the parties hereunder shall terminate except for the obligations that are expressly intended to survive the termination or expiration of this Agreement.

Naming Rights Revenue

On August 29, 2017, the Authority approved the naming rights agreement with 1st Summit Bank. The agreement commenced as of September 1, 2017, and continues through August 31, 2027. As part of the agreement, the Cambria County War Memorial Arena was renamed as the 1st Summit Area at the Cambria County War Memorial. In exchange for naming rights, 1st Summit Bank shall provide annual payments totaling \$720,000 over the period of the agreement.

As part of the agreement, the Cambria County Commissioners endeavor to maintain the current funding levels to the Authority for Arena operations for the term of the agreement. If the County Commissioners should decide to lower the annual contribution to the Authority below an amount equal to \$150,000 less the prior year's net Authority profit/fund balance, then 1st Summit Bank may cancel the remainder of the contract. If 1st Summit Bank cancels the naming rights agreements pursuant to these provisions, the County shall reimburse 1st Summit Bank the actual cost of outside signage, not to exceed \$75,000.

NOTE 17 CASH HELD FOR CLIENTS

In the operation of the representative payee program, the County receives cash on behalf of its clients. Such cash is used to pay the related bills and expenses of each participant. This cash is merely held for others and is not available to fund operations of the County. Accordingly, the balances in the accounts are recorded as an asset, cash held for clients as representative payee and guardianship program of \$144,437 as of December 31, 2019. An offsetting liability is recorded, reserved cash held for clients as representative payee and guardianship program, in the accompanying governmental funds balance sheet.

NOTE 18 COMMITMENTS AND CONTINGENCIES

Litigation

The County is involved in various lawsuits arising in the ordinary course of its municipal activities. The County Solicitor and County management believe that the resolution of these actions is not expected to have a material adverse effect on the financial statements of the County.

NOTE 19 PRIOR PERIOD ADJUSTMENT

The County has restated beginning net position as of January 1, 2019, to reflect a correction to the deferred loss on advance refunding of the General Obligation Bonds, Series of 2014. The impact on net position is as follows:

Net Position, beginning, as originally stated:	\$ (85,763,990)
Deferred loss on advance refunding	<u>80,364</u>
Net Position, beginning, as restated:	<u>\$ (85,683,626)</u>

Additionally, the County has restated beginning fund balance as of January 1, 2019, to reflect the effects of prior year amounts that were paid by the General and Capital Projects funds on behalf on the Parks and Playgrounds fund. The impact on beginning fund balance was an increase to the General fund of \$35,500, an increase to the Capital Projects fund of \$42,840, and a decrease to the Parks and Playgrounds fund of \$78,340, respectively. There was no impact on beginning net position.

Solid Waste Management Authority

Due to an understated grant receivable (\$6,070) and an understated account payable (\$3,573), the Authority restated its financial statements for the year ended December 31, 2018. The effect of the restatement on the Authority's net position and change in net position for the year ending December 31, 2018 was as follows:

	As Previously Reported	Adjusted	Restated
Net position as of 1/1/18	\$ 159,444	\$ (796)	\$ 158,648
Operating grants	74,805	6,578	81,383
Vehicle expense	(51,818)	<u>(3,285)</u>	(55,103)
Total restatement		<u>\$ 2,497</u>	

Behavioral Health of Cambria County

As a result of contract close-out with Value Behavioral Health (VBH), the former BHMCO, it was discovered that there were errors in medical claims processing for years ending June 30, 2016 and prior. As a result of these errors, \$5,173,372 was recovered by the BHMCO during the year ended June 30, 2019. Of the funds recovered, PA DHS reclaimed \$2,178,799, Cambria County reclaimed \$683,122, and other adjustments to deferred revenue were made totaling \$96,987. Net assets were restated as follows:

Net Assets at July 1, 2017, as originally stated	\$ 3,701,502
Add amounts recovered from prior year excess payments	<u>2,214,554</u>
Net Assets at July 1, 2017, as restated	<u>\$ 5,916,056</u>

NOTE 20 SUBSEQUENT EVENTS

Tax Anticipation Note

In January 2020, the County issued a tax and revenue anticipation note of \$10,000,000 with an interest rate of 1.78%. The note was paid in full on May 5, 2020.

General Obligation Notes, Series A/B 2020

In February 2020, the County issued General Obligations Notes, Series A of 2020, and General Obligation Notes, Series B of 2020 in the total amount of \$26,400,000 with an interest rate ranging from 2.00% to 4.00%. The proceeds of the bond were used to refund a portion of the County's debt service payments in respect to its General Obligation Bonds, Series of 2014 and to pay the cost of issuance. In addition, proceeds were used to fund various capital projects of the County, and fund a capitalized interest account.

COVID-19

In January 2020, the World Health Organization declared COVID-19 to constitute a "Public Health Emergency of International Concern." On March 19, 2020, Governor Wolf ordered all non-life sustaining businesses to close their businesses to slow the spread of COVID-19 in the Commonwealth of Pennsylvania. Given the uncertainty of the situation, the duration of any business disruption and related financial impact to the County cannot be reasonably estimated at this time.

Subsequent events were evaluated through June 26, 2020, the date the financial statements were available to be issued.

REQUIRED
SUPPLEMENTARY
INFORMATION

COUNTY OF CAMBRIA
EMPLOYEE RETIREMENT PLAN
SCHEDULE OF CHANGES IN THE COUNTY'S
NET PENSION LIABILITY AND RELATED RATIOS

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total pension liability										
Service cost	\$ 4,347,938	\$ 4,341,345	\$ 4,168,271	\$ 4,242,364	\$ 4,275,209	\$ 4,161,171				
Interest	15,194,050	14,811,499	14,533,018	14,250,805	13,741,605	13,437,290				
Differences between expected and actual experience	1,139,839	1,378,955	1,557,418	(542,492)	(11,131)	-				
Change in assumptions	8,286,645	-	4,694,855	-	7,766,474	-				
Benefit payments	(14,826,968)	(14,629,083)	(14,799,120)	(14,043,814)	(13,084,781)	(12,117,503)				
Net change in pension liability	14,141,504	5,902,716	10,154,442	3,906,863	12,689,376	5,480,958	-	-	-	-
Total pension liability/(asset) - beginning	239,419,506	233,516,790	223,362,348	219,455,485	206,766,109	201,285,151				
Total pension liability/(asset) - ending (A)	<u>\$ 253,561,010</u>	<u>\$ 239,419,506</u>	<u>\$ 233,516,790</u>	<u>\$ 223,362,348</u>	<u>\$ 219,455,485</u>	<u>\$ 206,766,109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position										
Contributions - employer	2,902,207	2,753,574	2,610,651	2,572,080	2,273,003	2,313,521	2,203,855	2,251,888	2,146,500	2,265,930
Contributions - member	2,925,549	2,826,918	2,823,824	2,700,332	2,747,588	2,697,915	2,643,996	2,605,602	2,559,625	2,523,952
Net investment income	38,213,311	(10,300,668)	28,000,943	14,152,279	(2,241,937)	12,086,403	27,949,301	15,323,823	128,307	17,457,428
Benefit payments	(14,826,968)	(14,629,083)	(14,799,120)	(14,043,814)	(13,084,781)	(12,117,503)	(12,136,736)	(11,216,503)	(10,176,963)	(10,927,356)
Administrative expenses	(124,021)	(123,615)	(96,718)	(94,473)	(84,377)	(80,771)	(85,507)	(91,459)	(87,181)	(89,395)
Other	-	-	-	-	-	-	(110,089)	10,872	(26,188)	7,354
Net change in plan fiduciary net position	29,090,078	(19,372,874)	18,539,580	5,286,404	(10,390,504)	4,899,565	20,464,820	8,884,223	(5,455,900)	11,237,913
Plan fiduciary net position - beginning	183,131,044	202,503,918	183,964,338	178,677,934	189,068,438	184,168,873	163,704,053	154,819,830	160,275,730	149,037,817
Plan fiduciary net position - ending (B)	<u>\$ 212,221,122</u>	<u>\$ 183,131,044</u>	<u>\$ 202,503,918</u>	<u>\$ 183,964,338</u>	<u>\$ 178,677,934</u>	<u>\$ 189,068,438</u>	<u>\$ 184,168,873</u>	<u>\$ 163,704,053</u>	<u>\$ 154,819,830</u>	<u>\$ 160,275,730</u>
County's net pension liability/(asset) - ending (A-B)	<u>\$ 41,339,888</u>	<u>\$ 56,288,462</u>	<u>\$ 31,012,872</u>	<u>\$ 39,398,010</u>	<u>\$ 40,777,551</u>	<u>\$ 17,697,671</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position as a percentage of the total pension liability	84%	76%	87%	82%	81%	91%				
Covered employee payroll	<u>\$ 25,146,475</u>	<u>\$ 25,563,000</u>	<u>\$ 25,615,030</u>	<u>\$ 25,305,286</u>	<u>\$ 25,770,772</u>	<u>\$ 26,196,931</u>	<u>\$ 23,984,033</u>	<u>\$ 24,987,019</u>	<u>\$ 25,387,686</u>	<u>\$ 25,223,262</u>
County's net pension liability as a percentage of covered employee payroll	164%	220%	121%	156%	158%	68%				

Notes to Schedule:

The years presented in this schedule are all the years in which information is available; the net change in pension liability was not available prior to 2014 and the implementation of GASB 67.

COUNTY OF CAMBRIA
EMPLOYEE RETIREMENT PLAN
SCHEDULE OF COUNTY CONTRIBUTIONS

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 2,753,574	\$ 2,753,574	\$ 2,610,651	\$ 2,572,080	\$ 2,273,003	\$ 2,313,521	\$ 2,203,855	\$ 2,251,888	\$ 2,146,500	\$ 2,265,930
Contributions in relation to the actuarially determined contributions	2,753,574	2,753,574	2,610,651	2,572,080	2,273,003	2,313,521	2,203,855	2,251,888	2,146,500	2,265,930
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	\$ 25,563,300	\$ 25,615,030	\$ 25,305,286	\$ 25,770,772	\$ 26,196,931	\$ 24,983,033	\$ 24,987,019	\$ 25,387,686	\$ 25,223,262	\$ 25,896,346
County's contributions as a percentage of covered employee payroll	10.77%	10.75%	10.32%	9.98%	8.68%	9.26%	8.82%	8.87%	8.51%	8.75%

Notes to Schedule:

Valuation Date:

12/31/2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Straight line
Remaining amortization period	25 years
Asset valuation method	Market value of assets
Inflation	N/A
Salary increases	3.50%
Investment rate of return	7.00%
Retirement age	Age 60, or age 55 with twenty years of service
Mortality	See accompanying footnotes to the financial statements.

Note: The years presented in this schedule are all of the years in which information is available.

COUNTY OF CAMBRIA
EMPLOYEE RETIREMENT PLAN
SCHEDULE OF INVESTMENT RETURNS

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Annual money-weighted rate of return, net of investment expense	21.40%	-5.20%	15.62%	8.12%	-1.21%	6.69%	17.81%	10.44%	0.36%	12.30%

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COUNTY OF CAMBRIA
OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF CHANGES IN THE COUNTY'S
NET OPEB LIABILITY AND RELATED RATIOS

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB liability										
Service cost	\$ 237,812	\$ 217,588								
Interest	2,597,522	2,630,347								
Differences between expected and actual experience		-								
Change in assumptions	14,602,570	(3,591,994)								
Benefit payments	(3,710,190)									
Net change in OPEB liability	13,727,714	(744,069)	-	-	-	-	-	-	-	-
Total OPEB liability(asset) - beginning	65,345,612	66,089,671								
Total OPEB liability(asset) - ending (A)	\$ 79,073,326	\$ 65,345,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position										
Contributions - employer	3,710,190	3,591,994	3,614,815	3,526,240	3,488,186	3,277,551				
Contributions - member	-	-	-	-	-	-				
Net investment income	-	-	-	-	-	-				
Benefit payments	(3,710,190)	(3,591,994)	(3,614,815)	(3,526,240)	(3,488,186)	(3,277,551)				
Administrative expenses	-	-	-	-	-	-				
Other	-	-	-	-	-	-				
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending (B)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's net OPEB liability(asset) - ending (A-B)	\$ 79,073,326	\$ 65,345,612								
Plan fiduciary net position as a percentage of the total OPEB liability										
Covered employee payroll	0%	0%								
County's net OPEB liability as a percentage of covered employee payroll	24,728,179	24,728,179	\$ 24,752,000	\$ 27,716,366	\$ 25,169,000	\$ 25,070,000				
	320%	264%								

Notes to Schedule:

The years presented in this schedule are all the years in which information is available; the net change in OPEB liability was not available prior to 2017 and the implementation of GASB 75.

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COUNTY OF CAMBRIA
OTHER POST EMPLOYEE BENEFITS PLAN
SCHEDULE OF COUNTY CONTRIBUTIONS

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 3,710,190	\$ 3,591,994	\$ 3,614,815	\$ 3,526,240	\$ 3,488,186	\$ 3,277,551				
Contributions in relation to the actuarially determined contributions	3,710,190	3,591,994	3,614,815	3,526,240	3,488,186	3,277,551				
Contribution deficiency/(excess)	-	-	-	-	-	-	-	-	-	-
Covered employee payroll	\$ 24,728,179	\$ 24,752,000	\$ 27,716,366	\$ 25,169,000	\$ 25,070,000	\$ 25,070,000				
County's contributions as a percentage of covered employee payroll	15.00%	14.51%	13.04%	14.01%	13.91%	13.07%				

Notes to Schedule:

Valuation Date:

12/31/2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Salary increases	3.50%
Retirement age	Age 60, or age 55 with twenty years of service
Mortality	See accompanying footnotes to the financial statements.

Note: The years presented in this schedule are all of the years in which information is available.

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COUNTY OF CAMBRIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
Revenues				
Real estate taxes	\$ 41,612,557	\$ 41,612,557	\$ 41,617,326	\$ 4,769
Charges for services	8,286,817	8,350,044	8,189,193	(160,851)
Interest and investment income	46,000	46,000	68,260	22,260
Intergovernmental revenues	7,424,643	7,734,825	6,308,694	(1,426,131)
Other	585,155	907,858	860,737	(47,121)
Total Revenues	57,955,172	58,651,284	57,044,210	(1,607,074)
Expenditures				
General government - Administrative	7,826,679	8,166,499	8,485,004	(318,505)
General government - Judicial	9,454,763	9,537,498	8,873,848	663,650
Public safety	6,736,289	6,758,443	6,685,695	72,748
Corrections	15,223,147	15,293,091	14,560,523	732,568
Public works	1,304,957	1,359,229	1,265,542	93,687
Human services	1,224,800	1,224,800	1,315,879	(91,079)
Culture and recreation	917,776	935,023	625,000	310,023
Conservation and development	3,338,625	3,353,548	1,723,336	1,630,212
Employee benefits	3,000,720	3,050,720	2,736,207	314,513
Debt service	67,630	76,026	2,714	73,312
Total Expenditures	49,095,386	49,754,877	46,273,748	3,481,129
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	8,859,786	8,896,407	10,770,462	1,874,055
Other Financing Sources/(Uses)				
Operating transfers in	1,327,973	1,327,973	579,264	(748,709)
Operating transfers (out)	(10,187,759)	(10,226,241)	(10,725,960)	(499,719)
Total Other Financing Sources/(Uses)	(8,859,786)	(8,898,268)	(10,146,696)	(1,248,428)
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	-	(1,861)	623,766	625,627
Fund Balance/(Deficit) - Beginning of Year	-	-	2,874,961	2,874,961
Fund Balance/(Deficit) - End of Year	\$ -	\$ (1,861)	\$ 3,534,227	\$ 3,536,088

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COUNTY OF CAMBRIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HEALTH CHOICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
Revenues				
Intergovernmental revenues	\$ 36,000,000	\$ 36,000,000	\$ 44,529,805	\$ 8,529,805
Charges for services	-	-	-	-
Interest and investment income	800	800	1,810	1,010
Other income	-	-	-	-
Total Revenues	36,000,800	36,000,800	44,531,615	8,530,815
Expenditures				
Human services	36,000,800	36,000,800	44,531,615	(8,530,815)
Total Expenditures	36,000,800	36,000,800	44,531,615	(8,530,815)
(Deficiency)/Excess of Revenue Over/(Under)				
Expenditures	-	-	-	-
Other Financing Sources/(Uses)				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	-	-
Excess of Revenues and Other				
Financing Sources Over/(Under)				
Expenditures and Other Financing Uses	-	-	-	-
Fund Balance/(Deficit) - Beginning of Year	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -

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COUNTY OF CAMBRIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CHILDREN AND YOUTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
Revenues				
Intergovernmental revenues	\$ 11,233,413	\$ 11,233,413	\$ 10,356,218	\$ (877,195)
Charges for services	165,445	165,445	153,598	(11,847)
Interest and investment income	-	-	-	-
Other income	-	-	-	-
Total Revenues	<u>11,398,858</u>	<u>11,398,858</u>	<u>10,509,816</u>	<u>(889,042)</u>
Expenditures				
Human services	<u>13,424,018</u>	<u>13,424,018</u>	<u>11,846,087</u>	<u>1,577,931</u>
Total Expenditures	<u>13,424,018</u>	<u>13,424,018</u>	<u>11,846,087</u>	<u>1,577,931</u>
(Deficiency)/Excess of Revenue Over/(Under)				
Expenditures	<u>(2,025,160)</u>	<u>(2,025,160)</u>	<u>(1,336,271)</u>	<u>688,889</u>
Other Financing Sources/(Uses)				
Operating transfers in	2,025,160	2,025,160	1,336,271	(688,889)
Operating transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources/ (Uses)	<u>2,025,160</u>	<u>2,025,160</u>	<u>1,336,271</u>	<u>(688,889)</u>
Excess of Revenues and Other Financing Sources Over/(Under)				
Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance/(Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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COUNTY OF CAMBRIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BEHAVIORAL HEALTH/INTELLECTUAL DISABILITIES & EARLY INTERVENTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Favorable/ (Unfavorable)
Revenues				
Intergovernmental revenues	9,159,153	9,244,153	\$ 8,938,268	\$ (305,885)
Charges for services	1,151,170	1,151,170	955,880	(195,290)
Interest and investment income	5,660	5,660	9,347	3,687
Other income	11,152	11,152	11,347	195
Total Revenues	10,327,135	10,412,135	9,914,842	(497,293)
Expenditures				
Human services	10,327,135	10,412,135	10,220,910	191,225
Total Expenditures	10,327,135	10,412,135	10,220,910	191,225
(Deficiency)/Excess of Revenue Over/(Under)				
Expenditures	-	-	(306,068)	(306,068)
Other Financing Sources/(Uses)				
Operating transfers in	-	-	306,068	306,068
Operating transfers (out)	-	-	-	-
Total Other Financing Sources/ (Uses)	-	-	306,068	306,068
Excess of Revenues and Other Financing Sources Over/(Under)	-	-	-	-
Expenditures and Other Financing Uses	-	-	-	-
Fund Balance/(Deficit) - Beginning of Year	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -

See Independent Auditor's Report

SUPPLEMENTARY
INFORMATION

COUNTY OF CAMBRIA
NONMAJOR FUNDS

The following are the County's nonmajor funds, for the year ending December 31, 2019:

SPECIAL REVENUE FUNDS:

911 EMERGENCY COMMUNICATIONS FUND: The 911 fund is funded by fees collected on all phone lines (wireline, wireless and VoIP (Voice over IP)) in the County. In June 2015, the state increased the fee to \$1.65 for every line effective 7/1/2015. The fee is collected by each local telephone company and remitted monthly to PEMA at the Commonwealth of Pennsylvania. PEMA quarterly remits a portion of the fees to each County to be used to run the entire emergency communications including 911 call answering, dispatch, etc.

DOMESTIC RELATIONS OFFICE FUND: The PA Department of Human Services provides IV-D monies. These monies are comprised of both state and federal funding. The department uses the funds to provide citizens of Cambria County with domestic relations support. This primarily entails establishment and enforcement of child support orders.

JUVENILE PROBATION FUND: The PA Department of Human Services (state and federal monies), PA Commission on Crime and Delinquency (state and federal monies), and the Juvenile Court Judges Commission (state monies) along with County monies provide the funding to run the Juvenile Probation Office. The funds are used to administer the entire Juvenile Court process.

BOOKING CENTER FUND: Cambria County opened a Central Booking Center (CBC) located at the Cambria County Prison. The CBC was designed to streamline arrests allowing police to return to their community faster, set specific arraignment times for all District Magistrates, and establish an automated centralized fingerprinting facility handling all arrests. The facility opened in May 2013 for the northern areas of Cambria County, going into full operations in July bring the southern end of the county including the City of Johnstown. The CBC is available 24/7 to police as well as established hours for walk-in fingerprinting for those arrested and not under police custody. The revenue is generated by assessing a booking fee to individuals processed by the Center. The fees are collected through the Clerk of Courts office and paid over to the County at the end of each month.

FARMLAND PRESERVATION FUND: The PA Department of Agriculture funds this program along with a contribution from Cambria County. The program's purpose is to buy easement rights or development rights to local farms. By doing so, the farms will remain as farms forever. If a farmer wants to be considered for the program, an appraisal must be performed. The farmer will pay a \$1,750 appraisal security deposit. If the farmer opts into the program, the \$1,750 deposit is returned. If refused, the \$1,750 deposit is kept to cover the appraisal fee.

HAZARDOUS MATERIALS EMERGENCY RESPONSE ACCOUNT FUND (HMER): The main source of revenue for this fund comes from Company assessment fees. These fees are charged to businesses, e.g., Agway, on an annual basis that use, manufacture or transport hazardous chemicals or materials. The HMER agency sends an invoice to a business asking for composition and fee calculation for all hazardous materials on-site, the fee amounting to \$75 per each hazardous material. In addition an annual \$100 fee is charged for the agency developing an emergency response plan for any occurrence of an accidental release of hazardous materials, such as a road spill or a release into the atmosphere. The state matches the Company assessments dollar for dollar, subject to funds availability, and forwards the matching to this agency which deposits these monies into this fund.

SPECIAL HAZARDOUS ASSISTANCE RESPONSE TEAM FUND (SHARP): This fund is related to the HMER fund discussed above in that the SHARP fund is comprised of volunteers who are paid to respond to emergency situations. These individuals operate a HAZMAT (hazardous materials) truck (a self-contained response truck) which aids in the assistance of responding to and cleaning up an

accident site. After this team has responded to an accident, this agency will send out a billing to the responsible party for the rendered services. If the team was assisted by another unit, such as a fire company, in taking care of an accident, this agency will make certain that the assisting unit will receive its proper share of the billing.

EMERGENCY MANAGEMENT AGENCY FUND (EMA): This department was included in the 911 Fund from 2012 to 2015 when it was segregated to better track the costs associated with the agency. The agency coordinates efforts with PEMA (Pennsylvania Emergency Management Agency) and FEMA (Federal Emergency Management Agency). They provide comprehensive planning and operational readiness to municipalities, groups, businesses and individuals in preparing for, supporting, and recovering from the impact of natural or man-made disasters. In addition the department oversees the response and mitigation of the impact of hazardous materials and other community risk incidents. The funding for the department comes from Federal and State grants in addition funding from the General Fund.

COURT SPECIAL ADMIN FUND: The Cambria County Clerk of Courts collects court ordered fees monthly and deposits it to the Court Special Admin Fund. The fees include CRN (Court Related Network), Tuition (regular or ARD), and Breathalyzer. The fees are used as approved by the President Judge for court-related imprisonment issues such as drug and alcohol education, or help with the detention home, jail, or prisoners.

SUBSTANCE ABUSE FUND: The purpose of this fund is to segregate the substance abuse aspect of the Court Special Admin Fund into a separate fund. A portion of these monies are used for drug prevention programs in local schools and during summer youth fairs hosted by Cambria County Courts.

JAIL/DETENTION FUND: The purpose of this fund is to segregate the jail/detention charges aspect of the Court Special Admin Fund into a separate fund.

PROTECTION FROM ABUSE FUND: A fee of \$150 is charged to defendants of Protection from Abuse orders. That fee will be placed into a separate account and the revenue will be used to pay attorney fees for cases that require an attorney to be court appointed.

VETERAN'S COURT FUND: A fee of \$250 is assessed to defendants that are accepted into the Veteran's Court. That fee will be placed into a specific account and the revenue will be used to help offset the cost of assessments that are not covered by the Veteran's Hospital.

MENTAL HEALTH COURT: The Mental Court was formed in 2015 as a special court to process individuals who have committed a crime and have been evaluated with a Mental Health problem. A plan is designed to treat the individual. The defendant is charged a fee on a case by case level determined by the Judge. The defendant is given treatment through local Behavioral Health agency and they must meet with the Judge on a weekly basis who oversees their case.

COUNTY RECORDS IMPROVEMENT FUND: The Cambria County Recorder of Deeds collects a \$5 fee on each recorded deed. Two dollars (\$2) of the fee can be used by the County to maintain and improve the retention of County records. The remaining three dollars is to be used exclusively by the Recorder of Deeds office to maintain and improve their records retention.

CLERK OF COURTS AUTOMATION FUND: The Clerk of Courts office collects a \$5 fee per new case. This money may be used to improve the Clerk of Courts Office automation (e.g. purchase of computers, printers, computer systems, or installation of new wiring).

PROTHONOTARY AUTOMATION FUND: The Office of Prothonotary collects a \$5 fee per new item recorded (e.g. divorce, custody agreement, etc). This money may be used to improve the Prothonotary's Office automation (e.g. purchase of computers, printers, computer systems, or installation of new wiring).

REGISTER OF WILLS AUTOMATION FUND: The Office of the Register of Wills collects a fee for services provided. This money may be used to improve the Register of Wills automation (e.g. purchase of computers, printers, computer systems or installation of new wiring).

SHERIFF'S AUTOMATION FUND: The Sheriff's automation fee is a \$100 fee charged on each Sheriff's Sale on foreclosed property. The fee is collected and turned over at the end of each month to the Treasurer's Office to be receipted. The funds collected are used for the maintenance of the computer system used for the Sheriff's Office.

CORONER VITAL STATISTICS FUND: The Office of the Coroner receives a vital statistic fee collected by the State Vital Statistics agency. For each death certificate filed with the Registrar, a \$1 (one dollar) fee is charged. The total of all fees collected on each death certificate in Cambria County are remitted by the Commonwealth of PA to the County Coroner each June 30th. The funds are utilized by the Coroner's Office for office improvements, equipment and training

LIQUID FUELS TAX FUND: The County receives grants from the state and federal government to repair or replace county owned bridges. In addition, the County receives a portion of the overall state's liquid fuels tax. The County reallocates a portion of these amounts to all municipalities within Cambria County based upon their requests and final decision of the County Commissioners. The remaining liquid fuels monies are used for bridge repair and maintenance.

HOTEL TAX FUND: Each hotel in Cambria County is responsible for collecting a three percent (3%) room tax, which increased to five percent (5%), effective June 1, 2016, on each room rented on a non-permanent basis. Each hotel remits their collections to the County and the County uses these proceeds for promoting tourism in the area.

PARKS & PLAYGROUNDS FUND: The Parks & Playgrounds Fund is used to account for the accumulation of resources for, and the payment of, operational and capital expenditures of County owned parks and playgrounds.

ACT 13 FUND: Pennsylvania Act 13 of 2012 (Impact Fee) provides for the imposition of an unconventional gas well fee (or impact fee) and these fees are distributed to local and state governments. A portion of the fees established a Marcellus Legacy Fund to be allocated to the Highway Bridge Improvement. The funds under the Marcellus Legacy Funds are distributed to Counties proportionately based on population. The funds are used to replace or repair locally owned, at-risk, deteriorated bridges.

AFFORDABLE HOUSING FUND: The Recorder of Deeds for the County collects a \$13 fee for each deed or mortgage recorded. This fee is remitted to the County at the end of each month. The funds are used paid out to the Cambria County Redevelopment Authority on an as needed basis for assisting Cambria County citizens with affordable housing.

REDEVELOPMENT AUTHORITY: This fund receives funds from the state and passes them through to the Redevelopment Authority of Cambria County.

ACT 152 FUND: The Recorder of Deeds for the County collects \$15 fee for each deed or mortgage recorded. This fee is remitted to the County at the end of each month. The funds are used paid out to the Cambria County Redevelopment Authority on an as needed basis for assisting with demolition of blighted housing.

AREA AGENCY ON AGING FUND: The PA Department of Aging provides the majority of the funding for this program. This funding is comprised of both state and federal monies. The agency uses these monies to benefit any Cambria County citizen ages sixty (60) and older (e.g. Meals on Wheels, Senior Centers).

FOSTER GRANDPARENTS FUND: The Foster Grandparent program receives federal funding through the National Senior Service Corporation. The program is made up of individuals sixty (60) years and older who volunteer twenty (20) hours a week and receive a small stipend. These individuals work with children with special needs at head starts, schools, day care centers, emergency shelters, and hospitals.

DRUG & ALCOHOL FUND: The PA Department of Drug & Alcohol and the PA Department of Human Services provide the majority of the funding for this program. This funding is comprised of both state and federal monies. The program provides drug and alcohol treatment programs, prevention programs, counseling and in-home service to Cambria County residents.

HUMAN SERVICES FUND: The PA Department of Human Services provides the majority of the funding for this program. This funding is comprised of all state monies. The fund is used to fill in the gaps of the Human Services agencies (i.e. Area Agency on Aging, Children and Youth, Drug and Alcohol, and Behavioral Health/Intellectual Disabilities & Early Intervention).

CAPITAL PROJECTS FUND: The Capital Projects fund is utilized to track the expense of certain capital projects within the County. The projects are approved by the County Commissioners at public meetings. The funding of these projects comes from Bond or Loan proceeds or state or federal grants.

DEBT SERVICE FUND: The Debt Service fund is used to account for the accumulated of resources for, and the payment of, general long-term debt principal, interest, and related costs.

COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	911 Emergency Communication Fund	Domestic Relations Office Fund	Juvenile Probation Fund
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Cash and cash equivalents	\$ 709,973	\$ 1,025,815	\$ -
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-
Accounts receivable	763,472	-	-
Due from other governments	-	323,602	282,833
Due from other funds	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>\$ 1,473,445</u>	<u>\$ 1,349,417</u>	<u>\$ 282,833</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>			
Liabilities			
Accounts payable and accrued liabilities	\$ 303,331	\$ 93,826	\$ 205,666
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-
Due to other governments	-	-	30,245
Due to other funds	646,162	341,561	46,922
	<u>646,162</u>	<u>341,561</u>	<u>46,922</u>
Total Liabilities	<u>949,493</u>	<u>435,387</u>	<u>282,833</u>
Deferred Inflows			
Unearned revenues	523,952	914,030	-
	<u>523,952</u>	<u>914,030</u>	<u>-</u>
Fund Balance			
Unassigned	-	-	-
Assigned	-	-	-
Restricted (Note 11)	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 1,473,445</u>	<u>\$ 1,349,417</u>	<u>\$ 282,833</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Booking Center Fund	Farmland Preservation Fund	HMER A Fund
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Cash and cash equivalents	\$ 35	\$ 1,899	\$ 72,191
Cash Held for Clients as Representative			
Payee and Guardianship Program (Note 17)	-	-	-
Accounts receivable	13,662	10,752	-
Due from other governments	-	-	14,384
Due from other funds	-	2,319	-
	<u>-</u>	<u>2,319</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>\$ 13,697</u>	<u>\$ 14,970</u>	<u>\$ 86,575</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>			
Liabilities			
Accounts payable and			
accrued liabilities	\$ 15,140	\$ 1,751	\$ 5,425
Reserved Cash Held for Clients as Representative			
Payee and Guardianship Program (Note 17)	-	-	-
Due to other governments	-	-	-
Due to other funds	530,142	-	4
	<u>530,142</u>	<u>-</u>	<u>4</u>
Total Liabilities	<u>545,282</u>	<u>1,751</u>	<u>5,429</u>
Deferred Inflows			
Unearned revenues	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance			
Unassigned	(531,585)	-	-
Assigned	-	13,219	81,146
Restricted (Note 11)	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>(531,585)</u>	<u>13,219</u>	<u>81,146</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 13,697</u>	<u>\$ 14,970</u>	<u>\$ 86,575</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	SHARP Fund	Emergency Management Agency Fund	Court Special Admin Fund
	<u>SHARP Fund</u>	<u>Emergency Management Agency Fund</u>	<u>Court Special Admin Fund</u>
<u>ASSETS AND DEFERRED OUTFLOWS</u>			
Assets			
Cash and cash equivalents	\$ 10,071	\$ -	\$ 598,436
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-
Accounts receivable	-	-	106,103
Due from other governments	-	59,858	-
Due from other funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets and Deferred Outflows	<u>\$ 10,071</u>	<u>\$ 59,858</u>	<u>\$ 704,539</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>			
Liabilities			
Accounts payable and accrued liabilities	\$ -	\$ 10,538	\$ 50,926
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-
Due to other governments	-	-	-
Due to other funds	-	49,320	9,296
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>59,858</u>	<u>60,222</u>
Deferred Inflows			
Unearned revenues	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Fund Balance			
Unassigned	-	-	-
Assigned	10,071	-	644,317
Restricted (Note 11)	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>10,071</u>	<u>-</u>	<u>644,317</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 10,071</u>	<u>\$ 59,858</u>	<u>\$ 704,539</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Substance Abuse Fund	Jail/ Detention Fund	Protection From Abuse Fund	Veteran's Court Fund
<u>ASSETS AND DEFERRED OUTFLOWS</u>				
Assets				
Cash and cash equivalents	\$ 22,794	\$ 44,757	\$ 30,336	\$ 14,960
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-
Accounts receivable	25,980	1,631	404	596
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Total Assets and Deferred Outflows	<u>\$ 48,774</u>	<u>\$ 46,388</u>	<u>\$ 30,740</u>	<u>\$ 15,556</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>				
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 150	\$ 1,550
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>150</u>	<u>1,550</u>
Deferred Inflows				
Unearned revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance				
Unassigned	-	-	-	-
Assigned	48,774	46,388	30,590	14,006
Restricted (Note 1I)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>48,774</u>	<u>46,388</u>	<u>30,590</u>	<u>14,006</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 48,774</u>	<u>\$ 46,388</u>	<u>\$ 30,740</u>	<u>\$ 15,556</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Mental Health Court Fund	County Records Improvement Fund	Clerk of Courts Automation Fund	Prothonotary Automation Fund
<u>ASSETS AND DEFERRED OUTFLOWS</u>				
Assets				
Cash and cash equivalents	\$ 10,179	\$ 284,155	\$ 60,729	\$ 24,169
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-
Accounts receivable	18	-	-	-
Due from other governments	-	5,730	485	1,037
Due from other funds	-	-	-	-
Total Assets and Deferred Outflows	<u>\$ 10,197</u>	<u>\$ 289,885</u>	<u>\$ 61,214</u>	<u>\$ 25,206</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>				
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ 5,052	\$ 30	\$ 617
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	331	60	3,017
Total Liabilities	<u>-</u>	<u>5,383</u>	<u>90</u>	<u>3,634</u>
Deferred Inflows				
Unearned revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance				
Unassigned	-	-	-	-
Assigned	10,197	284,502	61,124	21,572
Restricted (Note 1I)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>10,197</u>	<u>284,502</u>	<u>61,124</u>	<u>21,572</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 10,197</u>	<u>\$ 289,885</u>	<u>\$ 61,214</u>	<u>\$ 25,206</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Register of Wills Automation Fund	Sheriff's Automation Fund	Coroner Vital Statistics	Liquid Fuels Tax Fund
<u>ASSETS AND DEFERRED OUTFLOWS</u>				
Assets				
Cash and cash equivalents	\$ 28,903	\$ 57,147	\$ 27,801	\$ 2,015,667
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-
Accounts receivable	650	800	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets and Deferred Outflows	<u>\$ 29,553</u>	<u>\$ 57,947</u>	<u>\$ 27,801</u>	<u>\$ 2,015,667</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>				
Liabilities				
Accounts payable and accrued liabilities	\$ 683	\$ 10,041	\$ -	\$ 646
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	1,366	2,712	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>2,049</u>	<u>12,753</u>	<u>-</u>	<u>646</u>
Deferred Inflows				
Unearned revenues	-	-	27,801	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balance				
Unassigned	-	-	-	-
Assigned	27,504	45,194	-	-
Restricted (Note 11)	-	-	-	2,015,021
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>27,504</u>	<u>45,194</u>	<u>-</u>	<u>2,015,021</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 29,553</u>	<u>\$ 57,947</u>	<u>\$ 27,801</u>	<u>\$ 2,015,667</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Hotel Tax Fund	Parks & Playgrounds Fund	Act 13 Fund	Affordable Housing Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS AND DEFERRED OUTFLOWS</u>				
Assets				
Cash and cash equivalents	\$ 21,395	\$ -	\$ 945,364	\$ 142,231
Cash Held for Clients as Representative				
Payee and Guardianship Program (Note 17)	-	-	-	-
Accounts receivable	165,369	-	-	-
Due from other governments	-	-	-	8,176
Due from other funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets and Deferred Outflows	<u>\$ 186,764</u>	<u>\$ -</u>	<u>\$ 945,364</u>	<u>\$ 150,407</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>				
Liabilities				
Accounts payable and				
accrued liabilities	\$ 186,764	\$ -	\$ -	\$ -
Reserved Cash Held for Clients as Representative				
Payee and Guardianship Program (Note 17)	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	35,753	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>186,764</u>	<u>35,753</u>	<u>-</u>	<u>-</u>
Deferred Inflows				
Unearned revenues	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balance				
Unassigned	-	(35,753)	-	-
Assigned	-	-	-	150,407
Restricted (Note 11)	-	-	945,364	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>-</u>	<u>(35,753)</u>	<u>945,364</u>	<u>150,407</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 186,764</u>	<u>\$ -</u>	<u>\$ 945,364</u>	<u>\$ 150,407</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Redevelopment Authority	Act 152 Fund	Area Agency on Aging Fund	Foster Grand- Parents Fund
<u>ASSETS AND DEFERRED OUTFLOWS</u>				
Assets				
Cash and cash equivalents	\$ -	\$ 167,614	\$ 522,121	\$ 263
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	144,437	-
Accounts receivable	-	8,522	108,142	-
Due from other governments	-	-		24,565
Due from other funds	-	-	752,747	-
	<u>-</u>	<u>-</u>	<u>752,747</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>\$ -</u>	<u>\$ 176,136</u>	<u>\$ 1,527,447</u>	<u>\$ 24,828</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>				
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ 98,065	\$ 477,168	\$ 15,966
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	144,437	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	8,862
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,862</u>
Total Liabilities	<u>-</u>	<u>98,065</u>	<u>621,605</u>	<u>24,828</u>
Deferred Inflows				
Unearned revenues	-	-	905,842	-
	<u>-</u>	<u>-</u>	<u>905,842</u>	<u>-</u>
Fund Balance				
Unassigned	-	-	-	-
Assigned	-	-	-	-
Restricted (Note 1I)	-	78,071	-	-
	<u>-</u>	<u>78,071</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>-</u>	<u>78,071</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ -</u>	<u>\$ 176,136</u>	<u>\$ 1,527,447</u>	<u>\$ 24,828</u>

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COUNTY OF CAMBRIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	Drug and Alcohol Fund	Human Services Fund	Capital Projects Fund	Debt Service Fund	Total
<u>ASSETS AND DEFERRED OUTFLOWS</u>					
Assets					
Cash and cash equivalents	\$ 684,517	\$ 102,544	\$ 864,002	\$ -	\$ 8,490,068
Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-	144,437
Accounts receivable	97,855	9,717	-	-	1,313,673
Due from other governments	-	-	-	-	720,670
Prepaid expenses and other assets	-	-	-	-	-
Due from other funds	61,301	-	-	246,475	1,062,842
Total Assets and Deferred Outflows	<u>\$ 843,673</u>	<u>\$ 112,261</u>	<u>\$ 864,002</u>	<u>\$ 246,475</u>	<u>\$ 11,731,690</u>
<u>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</u>					
Liabilities					
Accounts payable and accrued liabilities	\$ 290,986	\$ 60,559	\$ 10,919	\$ -	\$ 1,845,799
Reserved Cash Held for Clients as Representative Payee and Guardianship Program (Note 17)	-	-	-	-	144,437
Due to other funds	-	51,702	244,328	-	1,971,538
Total Liabilities	<u>290,986</u>	<u>112,261</u>	<u>255,247</u>	<u>-</u>	<u>3,992,019</u>
Deferred Inflows					
Unearned revenues	<u>552,687</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,924,312</u>
Fund Balance					
Unassigned	-	-	-	-	(567,338)
Assigned	-	-	608,755	-	2,097,766
Restricted (Note 1I)	-	-	-	246,475	3,284,931
Total Fund Balance	<u>-</u>	<u>-</u>	<u>608,755</u>	<u>246,475</u>	<u>4,815,359</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 843,673</u>	<u>\$ 112,261</u>	<u>\$ 864,002</u>	<u>\$ 246,475</u>	<u>\$ 11,731,690</u>

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	911 Emergency Communication Fund	Domestic Relations Office Fund	Juvenile Probation Fund
Revenues			
Intergovernmental revenues	\$ 3,139,568	\$ 1,353,425	\$ 1,155,975
Charges for services	-	10,216	-
Interest and investment income	18,232	729	-
Other income	5,150	9,477	38,213
	<u>3,162,950</u>	<u>1,373,847</u>	<u>1,194,188</u>
Total Revenues			
Expenditures			
General government - administrative	-	-	-
Human services	-	-	-
General government - judicial	-	2,429,817	-
Public safety	-	-	-
Corrections	-	-	3,108,681
Public works	-	-	-
Culture and recreation	-	-	-
Emergency communication services	3,498,389	-	-
Debt service	-	-	-
Conservation and development	-	-	-
	<u>3,498,389</u>	<u>2,429,817</u>	<u>3,108,681</u>
Total Expenditures			
(Deficiency)/Excess of Revenue			
Over/(Under) Expenditures	<u>(335,439)</u>	<u>(1,055,970)</u>	<u>(1,914,493)</u>
Other Financing Sources/(Uses)			
Noncash revenue - Region 13 assets	-	-	-
Operating transfers in	335,439	1,055,970	1,914,493
Operating transfers (out)	-	-	-
	<u>335,439</u>	<u>1,055,970</u>	<u>1,914,493</u>
Total Other Financing Sources/ (Uses)			
(Deficiency)/Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Beginning of Year	-	-	-
Prior Period Adjustment (Note 19)	-	-	-
Fund Balance - Beginning of Year, as restated	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditor's Report

COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Booking Center Fund	Farmland Preservation Fund	HMER Fund
Revenues			
Intergovernmental revenues	\$ -	\$ -	\$ 24,730
Charges for services	193,334	-	24,950
Interest and investment income	155	75	1,858
Other income	-	17,352	-
Total Revenues	193,489	17,427	51,538
Expenditures			
General government - administrative	-	-	-
Human services	-	-	-
General government - judicial	-	-	-
Public safety	-	-	43,171
Corrections	325,051	-	-
Public works	-	-	-
Culture and recreation	-	-	-
Emergency communication services	-	-	-
Debt service	-	-	-
Conservation and development	-	22,541	-
Total Expenditures	325,051	22,541	43,171
(Deficiency)/Excess of Revenue (Under) Expenditures	(131,562)	(5,114)	8,367
Other Financing Sources/(Uses)			
Noncash revenue - Region 13 assets	-	-	-
Operating transfers in	200,000	7,000	-
Operating transfers (out)	-	-	-
Total Other Financing Sources/ (Uses)	200,000	7,000	-
(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	68,438	1,886	8,367
Fund Balance - Beginning of Year	(600,023)	11,333	72,779
Prior Period Adjustment (Note 19)	-	-	-
Fund Balance - Beginning of Year, as restated	(600,023)	11,333	72,779
Fund Balance - End of Year	\$ (531,585)	\$ 13,219	\$ 81,146

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	SHARP Fund	Emergency Management Agency Fund	Court Special Admin Fund
Revenues			
Intergovernmental revenues	\$ -	\$ 51,032	\$ -
Charges for services	-	-	-
Interest and investment income	274	-	17,122
Other income	300	-	606,108
	<u>574</u>	<u>51,032</u>	<u>623,230</u>
Total Revenues			
Expenditures			
General government - administrative	-	-	-
Human services	-	-	-
General government - judicial	-	-	206,322
Public safety	7,749	292,486	-
Corrections	-	-	-
Public works	-	-	-
Culture and recreation	-	-	-
Emergency communication services	-	-	-
Debt service	-	-	-
Conservation and development	-	-	-
	<u>7,749</u>	<u>292,486</u>	<u>206,322</u>
Total Expenditures			
(Deficiency)/Excess of Revenue			
Over/(Under) Expenditures	<u>(7,175)</u>	<u>(241,454)</u>	<u>416,908</u>
Other Financing Sources/(Uses)			
Noncash revenue - Region 13 assets	-	26,477	-
Operating transfers in	-	214,977	-
Operating transfers (out)	-	-	(500,000)
	<u>-</u>	<u>241,454</u>	<u>(500,000)</u>
Total Other Financing Sources/ (Uses)			
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>(7,175)</u>	<u>-</u>	<u>(83,092)</u>
Fund Balance - Beginning of Year	17,246	-	727,409
Prior Period Adjustment (Note 19)	-	-	-
Fund Balance - Beginning of Year, as restated	<u>17,246</u>	<u>-</u>	<u>727,409</u>
Fund Balance - End of Year	<u>\$ 10,071</u>	<u>\$ -</u>	<u>\$ 644,317</u>

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Substance Abuse Fund	Jail/ Detention Fund	Protection From Abuse Fund	Veteran's Court Fund
Revenues				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Interest and investment income	1,861	688	225	302
Other income	218,734	16,556	5,710	3,413
Total Revenues	220,595	17,244	5,935	3,715
Expenditures				
General government - administrative	-	-	-	-
Human services	-	-	-	-
General government - judicial	267,125	-	6,749	5,058
Public safety	-	-	-	-
Corrections	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Emergency communication services	-	-	-	-
Debt service	-	-	-	-
Conservation and development	-	-	-	-
Total Expenditures	267,125	-	6,749	5,058
(Deficiency)/Excess of Revenue Over/(Under) Expenditures	(46,530)	17,244	(814)	(1,343)
Other Financing Sources/(Uses)				
Noncash revenue - Region 13 assets	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Total Other Financing Sources/ (Uses)	-	-	-	-
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(46,530)	17,244	(814)	(1,343)
Fund Balance - Beginning of Year	95,304	29,144	31,404	15,349
Prior Period Adjustment (Note 19)	-	-	-	-
Fund Balance - Beginning of Year, as restated	95,304	29,144	31,404	15,349
Fund Balance - End of Year	\$ 48,774	\$ 46,388	\$ 30,590	\$ 14,006

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Mental Health Court Fund	County Records Improvement Fund	Clerk of Courts Automation Fund	Prothonotary Automation Fund
Revenues				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Charges for services	-	162,439	-	-
Interest and investment income	65	6,717	1,318	439
Other income	2,495	-	6,185	13,249
Total Revenues	2,560	169,156	7,503	13,688
Expenditures				
General government - administrative	-	225,888	-	-
Human services	-	-	-	-
General government - judicial	-	-	559	12,694
Public safety	-	-	-	-
Corrections	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Emergency communication services	-	-	-	-
Debt service	-	-	-	-
Conservation and development	-	-	-	-
Total Expenditures	-	225,888	559	12,694
Excess of Revenue Over/(Under) Expenditures	2,560	(56,732)	6,944	994
Other Financing Sources/(Uses)				
Noncash revenue - Region 13 assets	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Total Other Financing Sources/ (Uses)	-	-	-	-
(Deficiency)/Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	2,560	(56,732)	6,944	994
Fund Balance - Beginning of Year	7,637	341,234	54,180	20,578
Prior Period Adjustment (Note 19)	-	-	-	-
Fund Balance - Beginning of Year, as restated	7,637	341,234	54,180	20,578
Fund Balance - End of Year	\$ 10,197	\$ 284,502	\$ 61,124	\$ 21,572

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Register of Wills Automation Fund	Sheriff's Automation Fund	Coroner Vital Statistics	Liquid Fuels Tax Fund
Revenues				
Intergovernmental revenues	\$ -	\$ -	\$ 8,017	\$ 1,290,541
Charges for services	-	-	-	-
Interest and investment income	670	1,011	514	39,413
Other income	12,730	15,000	-	-
Total Revenues	13,400	16,011	8,531	1,329,954
Expenditures				
General government - administrative	-	-	-	-
Human services	-	-	-	-
General government - judicial	13,902	-	8,531	-
Public safety	-	12,753	-	-
Corrections	-	-	-	-
Public works	-	-	-	1,376,870
Culture and recreation	-	-	-	-
Emergency communication services	-	-	-	-
Debt service	-	-	-	-
Conservation and development	-	-	-	-
Total Expenditures	13,902	12,753	8,531	1,376,870
Excess of Revenue Over/(Under) Expenditures	(502)	3,258	-	(46,916)
Other Financing Sources/(Uses)				
Noncash revenue - Region 13 assets	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Total Other Financing Sources/ (Uses)	-	-	-	-
Excess of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(502)	3,258	-	(46,916)
Fund Balance - Beginning of Year	28,006	41,936	-	2,061,937
Prior Period Adjustment (Note 19)	-	-	-	-
Fund Balance - Beginning of Year, as restated	28,006	41,936	-	2,061,937
Fund Balance - End of Year	\$ 27,504	\$ 45,194	\$ -	\$ 2,015,021

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Hotel Tax Fund	Parks & Playgrounds Fund	Act 13 Fund	Affordable Housing Fund
Revenues				
Intergovernmental revenues	\$ -	\$ -	\$ 238,889	\$ -
Charges for services	-	-	-	-
Interest and investment income	665	-	15,882	2,881
Other income	722,544	-	-	98,195
Total Revenues	723,209	-	254,771	101,076
Expenditures				
General government - administrative	-	-	-	-
Human services	-	-	-	-
General government - judicial	-	-	-	-
Public safety	-	-	-	-
Corrections	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	553,453	-	-
Emergency communication services	-	-	-	-
Debt service	-	-	-	-
Conservation and development	694,281	-	-	95,000
Total Expenditures	694,281	553,453	-	95,000
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	28,928	(553,453)	254,771	6,076
Other Financing Sources/(Uses)				
Noncash revenue - Region 13 assets	-	-	-	-
Operating transfers in	-	618,755	-	-
Operating transfers (out)	(28,928)	-	-	-
Total Other Financing Sources/ (Uses)	(28,928)	618,755	-	-
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	-	65,302	254,771	6,076
Fund Balance - Beginning of Year	-	(22,715)	690,593	144,331
Prior Period Adjustment (Note 19)	-	(78,340)	-	-
Fund Balance - Beginning of Year, as restated	-	(101,055)	690,593	144,331
Fund Balance - End of Year	\$ -	\$ (35,753)	\$ 945,364	\$ 150,407

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Redevelopment Authority	Act 152 Fund	Area Agency on Aging Fund	Foster Grand- Parents Fund
Revenues				
Intergovernmental revenues	\$ 140,061	\$ 104,453	\$ 5,669,543	\$ 383,880
Charges for services	-	-	178,960	-
Interest and investment income	-	2,363	32,815	121
Other income	-	-	19,719	59,903
Total Revenues	<u>140,061</u>	<u>106,816</u>	<u>5,901,037</u>	<u>443,904</u>
Expenditures				
General government - administrative	-	-	-	-
Human services	-	-	5,901,037	443,904
General government - judicial	-	-	-	-
Public safety	-	-	-	-
Corrections	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Emergency communication services	-	-	-	-
Debt service	-	-	-	-
Conservation and development	<u>140,061</u>	<u>128,053</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>140,061</u>	<u>128,053</u>	<u>5,901,037</u>	<u>443,904</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	<u>-</u>	<u>(21,237)</u>	<u>-</u>	<u>-</u>
Other Financing Sources/(Uses)				
Noncash revenue - Region 13 assets	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources/ (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	<u>-</u>	<u>(21,237)</u>	<u>-</u>	<u>-</u>
Fund Balance - Beginning of Year	-	99,308	-	-
Prior Period Adjustment (Note 19)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Beginning of Year, as restated	-	99,308	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 78,071</u>	<u>\$ -</u>	<u>\$ -</u>

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Drug and Alcohol Fund	Human Services Fund	Capital Projects Fund	Debt Service Fund	Total
Revenues					
Intergovernmental revenues	\$ 2,310,492	\$ 481,364	\$ -	\$ -	\$ 16,351,970
Charges for services	-	-	-	-	569,899
Interest and investment income	15,842	6,353	21,478	-	190,068
Other income	-	-	-	-	1,871,033
Total Revenues	2,326,334	487,717	21,478	-	18,982,970
Expenditures					
General government - administrative	-	-	4,000	-	229,888
Human services	2,360,196	487,717	-	-	9,192,854
General government - judicial	-	-	-	-	2,950,757
Public safety	-	-	-	-	356,159
Corrections	-	-	-	-	3,433,732
Public works	-	-	-	-	1,376,870
Culture and recreation	-	-	-	-	553,453
Emergency communication services	-	-	-	-	3,498,389
Debt service	-	-	-	4,864,811	4,864,811
Conservation and development	-	-	-	-	1,079,936
Capital projects	-	-	299,053	-	299,053
Total Expenditures	2,360,196	487,717	303,053	4,864,811	27,835,902
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	(33,862)	-	(281,575)	(4,864,811)	(8,852,932)
Other Financing Sources/(Uses)					
Noncash revenue - Region 13 assets	-	-	-	-	26,477
Operating transfers in	33,862	-	-	4,657,133	9,037,629
Operating transfers (out)	-	-	(309,428)	-	(838,356)
Total Other Financing Sources/ (Uses)	33,862	-	(309,428)	4,657,133	8,225,750
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	-	-	(591,003)	(207,678)	(627,182)
Fund Balance - Beginning of Year	-	-	1,156,918	454,153	5,478,041
Prior Period Adjustment (Note 19)	-	-	42,840	-	(35,500)
Fund Balance - Beginning of Year, as restated	-	-	1,199,758	454,153	5,442,541
Fund Balance - End of Year	\$ -	\$ -	\$ 608,755	\$ 246,475	\$ 4,815,359

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COMPONENT UNIT COMBINING
AND
INDIVIDUAL FUND
FINANCIAL STATEMENTS

COUNTY OF CAMBRIA
COMBINING STATEMENT OF NET POSITION - COMPONENT UNITS
DECEMBER 31, 2019

	Planning Commission	Redevelopment Authority	Library Association	Municipal Airport Authority	Transit Authority
ASSETS					
Current assets					
Cash and cash equivalents	\$ 155,279	\$ 83,654	\$ 248,161	\$ 660,807	\$ 432,940
Restricted cash	-	-	-	55,383	6,428,286
Investments	-	-	1,326,743	759,632	-
Accounts receivable	82,010	-	11,832	130,917	65,319
Due from other governments	-	284,596	-	198,989	830,762
Inventory	-	-	-	-	468,273
Other assets	-	-	-	-	-
Total current assets	237,289	368,250	1,586,736	1,805,728	8,225,580
Non-current assets					
Fixed assets (net of accumulated depreciation)	1,473	1,308,413	614,143	13,905,307	36,563,311
Other assets	-	573,898	-	-	-
Total non-current assets	1,473	1,882,311	614,143	13,905,307	36,563,311
DEFERRED OUTFLOWS					
Deferred pension outflows	-	-	-	-	285,720
Prepaid expenses	754	-	13,816	-	204,527
Total deferred outflows	754	-	13,816	-	490,247
Total Assets and Deferred Outflows	\$ 239,516	\$ 2,250,561	\$ 2,214,695	\$ 15,711,035	\$ 45,279,138
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	\$ 6,493	\$ 212,787	\$ 66,532	\$ 35,005	\$ 935,589
Due to other governments	-	100,000	-	-	-
Bonds and notes payable	-	-	-	49,840	-
Obligation under capital lease	-	-	-	-	-
Total current liabilities	6,493	312,787	66,532	84,845	935,589
Non-current liabilities					
Other liabilities	-	-	-	-	1,097,891
Bonds and notes payable	-	-	-	156,570	-
Obligation under capital lease	-	-	-	-	-
Total non-current liabilities	-	-	-	156,570	1,097,891
DEFERRED INFLOWS					
Deferred pension inflows	-	-	-	-	198,809
Unearned revenue	-	333,898	135,896	965,467	6,972,099
Total deferred inflows	-	333,898	135,896	965,467	7,170,908
NET POSITION					
Investment in fixed assets, net of related debt	1,473	1,308,413	614,143	13,698,897	36,563,311
Restricted (Note 1m)	-	-	668,961	55,383	-
Unrestricted	231,550	295,463	729,163	749,873	(488,561)
Total Net Position	233,023	1,603,876	2,012,267	14,504,153	36,074,750
Total Liabilities, Deferred Inflows and Net Position	\$ 239,516	\$ 2,250,561	\$ 2,214,695	\$ 15,711,035	\$ 45,279,138

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COUNTY OF CAMBRIA
COMBINING STATEMENT OF NET POSITION - COMPONENT UNITS
DECEMBER 31, 2019

	Solid Waste Management Authority	Conservation and Recreation Authority	Penn Highlands Community College	Behavioral Health of Cambria County	War Memorial Arena Authority	Totals
ASSETS						
Current assets						
Cash and cash equivalents	\$ 16,848	\$ 252,160	\$ 5,375,085	\$ 5,523,064	\$ 292,094	\$ 13,040,092
Restricted cash	-	-	-	-	-	6,483,669
Investments	-	-	-	-	-	2,086,375
Accounts receivable	443,182	-	187,813	153	112,184	1,033,410
Due from other governments	-	839,937	135,573	6,931,126	-	9,220,983
Inventory	-	-	-	-	12,456	480,729
Other assets	-	-	489,300	-	-	489,300
Total current assets	460,030	1,092,097	6,187,771	12,454,343	416,734	32,834,558
Non-current assets						
Fixed assets (net of accumulated depreciation)	122,093	8,747,578	9,561,414	1,033,028	1,131,326	72,988,086
Other assets	-	-	-	-	-	573,898
Total non-current assets	122,093	8,747,578	9,561,414	1,033,028	1,131,326	73,561,984
DEFERRED OUTFLOWS						
Deferred pension outflows	-	-	60,705	-	-	346,425
Prepaid expenses	8,185	-	234,506	52,365	4,340	518,493
Total deferred outflows	8,185	-	295,211	52,365	4,340	864,918
Total Assets and Deferred Outflows	\$ 590,308	\$ 9,839,675	\$ 16,044,396	\$ 13,539,736	\$ 1,552,400	\$ 107,261,460
LIABILITIES						
Current liabilities						
Accounts payable and accrued liabilities	\$ 25,392	\$ 850,482	\$ 1,053,215	\$ 89,064	\$ 146,289	\$ 3,420,848
Due to other governments	-	-	-	5,574,211	-	5,674,211
Bonds and notes payable	335,992	-	250,771	67,813	81,561	785,977
Obligation under capital lease	-	-	135,454	-	-	135,454
Total current liabilities	361,384	850,482	1,439,440	5,731,088	227,850	10,016,490
Non-current liabilities						
Other liabilities	-	-	253,657	-	-	1,351,548
Bonds and notes payable	57,844	-	1,773,651	823,876	259,642	3,071,583
Obligation under capital lease	-	-	102,806	-	-	102,806
Total non-current liabilities	57,844	-	2,130,114	823,876	259,642	4,525,937
DEFERRED INFLOWS						
Deferred pension inflows	-	-	156,752	-	-	355,561
Unearned revenue	-	83,758	308,611	1,303,578	203,179	10,306,486
Total deferred inflows	-	83,758	465,363	1,303,578	203,179	10,662,047
NET POSITION						
Investment in fixed assets, net of related debt	100,836	8,747,578	7,298,732	-	790,123	69,123,506
Restricted (Note 1m)	-	-	1,321,651	3,613,030	2,175	5,661,200
Unrestricted	70,244	157,857	3,389,096	2,068,164	69,431	7,272,280
Total Net Position	171,080	8,905,435	12,009,479	5,681,194	861,729	82,056,986
Total Liabilities, Deferred Inflows and Net Position	\$ 590,308	\$ 9,839,675	\$ 16,044,396	\$ 13,539,736	\$ 1,552,400	\$ 107,261,460

COUNTY OF CAMBRIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN NET POSITION - GOVERNMENTAL TYPE COMPONENT UNITS
 FOR THE YEAR ENDED DECEMBER 31, 2019

	Redevelopment Authority	Library Association	Conservation and Recreation Authority	Total
Revenues:				
Intergovernmental revenues	\$ 498,204	\$ 880,494	\$ 1,572,728	\$ 2,951,426
County appropriations	100,000	615,000	166,931	881,931
Charges for services	30,770	89,342	-	120,112
Interest and investment income	-	17,888	5,221	23,109
Realized gain/(loss) on investments	-	18,751	-	18,751
Unrealized gain/(loss) on investments	-	127,033	-	127,033
Other	21,283	100,757	61,908	183,948
Total Revenues	650,257	1,849,265	1,806,788	4,306,310
Expenditures:				
Conservation and development	761,951	-	1,653,027	2,414,978
Culture and recreation	-	1,701,490	-	1,701,490
Total Expenditures	761,951	1,701,490	1,653,027	4,116,468
Change in Net Position	(111,694)	147,775	153,761	189,842
Net Position - Beginning of Year	1,715,570	1,864,492	8,751,674	12,331,736
Net Position - End of Year	\$ 1,603,876	\$ 2,012,267	\$ 8,905,435	\$ 12,521,578

See Independent Auditor's Report

COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR BUSINESS-TYPE ACTIVITY COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Planning Commission	Municipal Airport Authority	Transit Authority	Solid Waste Management Authority
Operating Revenues:				
Charges for services	\$ 312,667	\$ 382,440	\$ 988,665	\$ 1,716
Intergovernmental revenues	-	-	1,017,644	69,276
Other	11,226	435,910	327,539	3,553
Total Operating Revenues	323,893	818,350	2,333,848	74,545
Operating Expenses:				
Public works	379,464	777,215	10,182,244	447,235
Human Services	-	-	-	-
Education and general	-	-	-	-
Conservation and development	-	-	-	-
Depreciation	1,115	1,255,585	3,231,027	8,855
Total Operating Expenses	380,579	2,032,800	13,413,271	456,090
Operating Income/(Loss)	(56,686)	(1,214,450)	(11,079,423)	(381,545)
Non-Operating Revenues/(Expenses):				
Investment income	131	24,402	27	342
Gain/(loss) on sale of assets	-	-	(164,022)	-
Federal appropriations	-	-	700,000	-
State appropriations	-	-	6,968,707	-
Financial Aid Revenue	-	-	-	-
Financial Aid (Expenses)	-	-	-	-
County appropriations	70,000	174,000	847,826	340,700
Other non-operating revenue/(expense)	-	31,551	-	(298,746)
Interest expense	-	(3,794)	-	(4,622)
Total Non-Operating Revenues/ (Expenses)	70,131	226,159	8,352,538	37,674
Change in Net Position Before Capital Contributions	13,445	(988,291)	(2,726,885)	(343,871)
Gain on Extinguishment of Debt	-	-	-	-
Capital Contributions	-	1,522,042	7,338,069	350,000
Total Change in Net Position	13,445	533,751	4,611,184	6,129
Net Position Beginning of Year	219,578	13,970,402	31,463,566	162,454
Prior Period Adjustment (Note 19)	-	-	-	2,497
Net Position Beginning of Year, as restated	219,578	13,970,402	31,463,566	164,951
Net Position - End of Year	\$ 233,023	\$ 14,504,153	\$ 36,074,750	\$ 171,080

COUNTY OF CAMBRIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR BUSINESS-TYPE ACTIVITY COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Penn Highlands Community College	Behavioral Health of Cambria County	War Memorial Arena Authority	Total
Operating Revenues:				
Charges for services	\$ 7,748,383	\$ -	\$ 2,528,108	\$ 11,961,979
Intergovernmental revenues	243,794	41,666,851	-	42,997,565
Other	79,234	-	-	857,462
Total Operating Revenues	8,071,411	41,666,851	2,528,108	55,817,006
Operating Expenses:				
Public works	-	-	-	11,786,158
Human Services	-	41,998,006	-	41,998,006
Education and general	12,483,158	-	2,775,095	15,258,253
Conservation and development	-	-	-	-
Depreciation	978,887	-	79,414	5,554,883
Total Operating Expenses	13,462,045	41,998,006	2,854,509	74,597,300
Operating Income/(Loss)	(5,390,634)	(331,155)	(326,401)	(18,780,294)
Non-Operating Revenues/(Expenses):				
Investment income	-	42,434	1,720	69,056
Gain/(loss) on sale of assets	-	-	-	(164,022)
Federal appropriations	-	-	-	700,000
State appropriations	3,748,444	-	-	10,717,151
Financial Aid Revenue	6,822,952	-	-	6,822,952
Financial Aid (Expenses)	(6,822,952)	-	-	(6,822,952)
County appropriations	1,229,063	-	287,466	2,949,055
Other non-operating revenue/(expense)	127,320	-	27,195	(112,680)
Interest expense	(65,128)	-	(11,353)	(84,897)
Total Non-Operating Revenues/ (Expenses)	5,039,699	42,434	305,028	14,073,663
Change in Net Position Before Capital Contributions	(350,935)	(288,721)	(21,373)	(4,706,631)
Gain on Extinguishment of Debt	-	-	-	-
Capital Contributions	214,083	-	17,500	9,441,694
Total Change in Net Position	(136,852)	(288,721)	(3,873)	4,735,063
Net Position Beginning of Year	12,146,331	3,755,361	865,602	62,583,294
Prior Period Adjustment (Note 19)	-	2,214,554	-	2,217,051
Net Position Beginning of Year, as restated	12,146,331	5,969,915	865,602	64,800,345
Net Position - End of Year	\$ 12,009,479	\$ 5,681,194	\$ 861,729	\$ 69,535,408

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