

# 5th Annual Citizen's Financial Report



A few of  
Cambria County's  
Component Units

For more information see page 11



For the year ended December 31, 2012

**County of Cambria,**  
*Pennsylvania*

Prepared by the Office of the Controller

**Ed Cernic, Jr., Controller**

[www.cambriacountypa.gov](http://www.cambriacountypa.gov)

# A Message from the Controller



To the Citizens of Cambria County:

Once again I present to you the Annual Report to the Citizens of Cambria County on the financial operations and status of Cambria County.

This information is prepared and presented to you in an effort to show you all aspects of the financial operations of your County Government. The following pages present an easy to read and understand overview of the operations of the County in certain Departments and Agencies. If you have any questions about the information enclosed in this booklet, you may refer to the full Audited Financial Statements on the County’s website, or call our office and we will be happy to assist you.

This is the fifth consecutive year we have prepared this report to the Citizens of Cambria County. We strongly feel that the financial information should be presented in a format similar to this so that it can be understood by everyone. This report is presented in a simple format, and does not conform to Generally Accepted Accounting Principles for Governments. It may exclude many material disclosures, financial statements, notes, and schedules that are found in the County Audited Financial Statements. In this report you will find we have presented many comparisons so that you may form an opinion as to how each of these funds are performing and the differences in the income and expenses over the past few years. It will show differences in funding sources the County receives, especially the funding received from the State and Federal Government as they change their requirements.

As always, I would like to acknowledge my entire Staff in the Controller’s Office for their diligence and dedication in the work they did, not only in the preparation of this report, but also the work they do all year long. They are Kristine Segear, Deputy Controller, Dana Descavish, 2<sup>nd</sup> Deputy/ Pension Specialist, Amber Hamilton and Emily Krug, Internal Auditors, and our Accounting Staff, Debbie Markum, Barb Reese, Pam Paronish, and April Goshey.

With Best Wishes,

Ed Cernic, Jr.  
Cambria County Controller

**Contact information:**

Controllers Office:  
Phone: (814) 472-1620  
Fax: (814) 472-5358

Controller’s email:  
ecernic@co.cambria.pa.us

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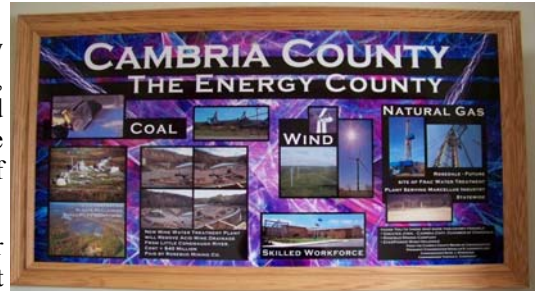
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# WELCOME TO CAMBRIA COUNTY!

Nestled in the heart of the Allegheny Mountains, Cambria County was created on March 26, 1804 from parts of Bedford, Huntingdon and Somerset counties. It was the 41<sup>st</sup> county formed in Pennsylvania. The name Cambria was derived from the ancient Celtic word for Wales, also known as the “land of Compatriots.”

Cambria County is home to the world’s steepest vehicular inclined plane, built in the aftermath of the 1889 flood so that people could live safely off of the floodplain.

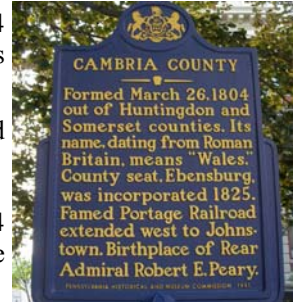


The County has 63 political subdivisions, consisting of one City (Johnstown), 32 boroughs and 30 townships with the Borough of Ebensburg being the County Seat. The County has a population of approximately 144,000 and covers 692 square miles.

Cambria County is home to six colleges and universities, 14 public school districts and many private and parochial schools, as well as many historic sites, state parks and local museums.

The County currently employs 916 full and part-time people and has 962 retirees.

Cambria County has a total assessed value of \$1,705,350,484 which generates approximately \$36,213,095 in tax dollars. More information regarding Real Estate Properties by type can be found on page 7.



## In the Spotlight: Cambria Somerset Authority

The Cambria County and Somerset County Board of Commissioners came together in 1999 to form the Cambria Somerset Authority (CSA) to purchase and operate the land and water properties formerly owned by the Manufacturers Water Company. CSA is a municipal authority guided by an 8 member board, with Cambria and Somerset Counties each appointing four members. Yearly Cambria County appropriates money to CSA, the chart below details the amounts appropriated per year. It should also be noted that in addition to CSA’s yearly appropriation, in August 2011, the County entered into a loan agreement with CSA whereby the County agreed to advance CSA such amounts as may be necessary for CSA to make their bond payments. These amounts are also included in the chart. The loan is non-interest bearing and shall be repaid by CSA to the County as revenue becomes available to CSA in excess of necessary operations and activities. Also during 2012 CSA began utilizing a portion of the County’s Central Park Complex Building in downtown Johnstown, their rent amount is included as part of their appropriation for the year.



Quemahoning Reservoir

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Loan Agreement	\$ -	\$ -	\$ -	\$ 301,300	\$ 325,194
Appropriations	\$ 150,000	\$ 120,000	\$ 140,000	\$ 140,000	\$ 142,927
<b>Total</b>	<b>\$ 150,000</b>	<b>\$ 120,000</b>	<b>\$ 140,000</b>	<b>\$ 441,300</b>	<b>\$ 468,121</b>

Photos throughout the book courtesy of various public internet sources.

## Financial Position Summary

The summary of the County's financial position, below, shows the County's resources versus the amount owed at year-end for the governmental and business-type activities. Net Assets decreased significantly in 2010 as a result of the sale of Laurel Crest Rehabilitation Center finalized on January 1, 2010. A portion of the increase in Net Assets in 2011 was a \$1.4 million transfer from the Workers Compensation Fund into the General Fund as a one time source of revenue used to pay delinquent bills. There was also an increase in the Investments in Capital Assets which includes the Dean Bridge Replacement Project completed in 2011 at a cost of \$1.37 million.

<b>Assets</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Current Assets</b>					
Cash and investments	\$ 10,147,807	\$ 18,224,524	\$ 5,350,064	\$ 4,815,682	\$ 4,838,794
Other current assets	18,812,165	20,126,274	17,092,016	16,820,307	14,402,425
Capital assets and other	82,417,954	82,012,965	64,616,670	62,588,164	59,694,967
<b>Total Assets</b>	<b>111,377,926</b>	<b>120,363,763</b>	<b>87,058,750</b>	<b>84,224,153</b>	<b>78,936,186</b>
<b>Liabilities</b>					
Current Liabilities	28,975,014	44,405,082	25,410,593	24,016,342	23,019,420
Non-current liabilities	71,253,151	65,287,830	60,264,407	56,090,101	51,730,245
<b>Total Liabilities</b>	<b>100,228,165</b>	<b>109,692,912</b>	<b>85,675,000</b>	<b>80,106,443</b>	<b>74,749,665</b>
<b>Net Assets</b>					
Investments in capital assets	10,961,689	11,513,547	2,409,223	4,020,047	4,447,127
Unrestricted	137,167	(849,751)	(1,048,488)	78,673	(268,648)
Restricted	50,905	7,055	23,015	18,990	8,042
<b>Total Net Assets</b>	<b>\$ 11,149,761</b>	<b>\$ 10,670,851</b>	<b>\$ 1,383,750</b>	<b>\$ 4,117,710</b>	<b>\$ 4,186,521</b>

## Revenue Summary, Trends, and Highlights

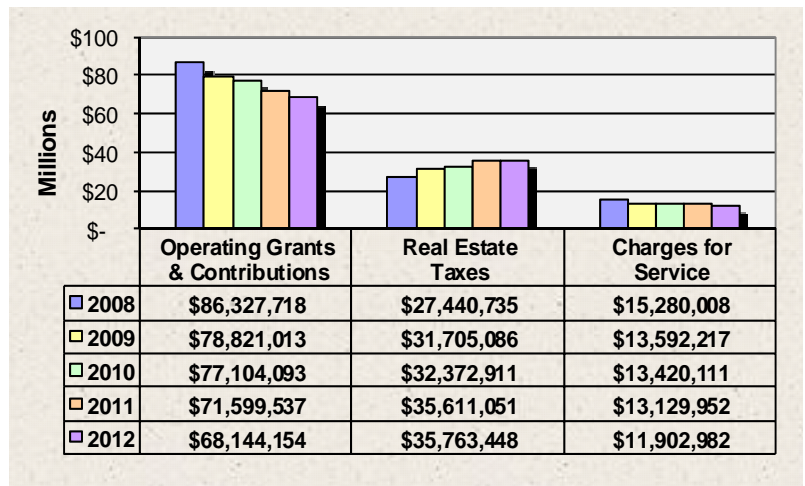
**Summary:** County revenues totaled \$118.9 million in 2012, a decrease of 3.4% from the prior year.

### Highlights:

#### Operating Grants & Contributions

Grant funding for the Human Services agencies receive the largest portion of operating grants and contributions at \$52.5 million or 77.1% of those revenues. Grant funding for County agencies has continued to be reduced since 2009 as a result of the budget cuts made to the State funded programs.

**Real Estate Taxes** – For 2012, the real estate tax rate remained at 29.5 mills.



**Charges for Service** - Charges for service include fees, fines, licenses, permits, 9-1-1 line charges, and housing revenues at the prison and the detention/shelter facility.

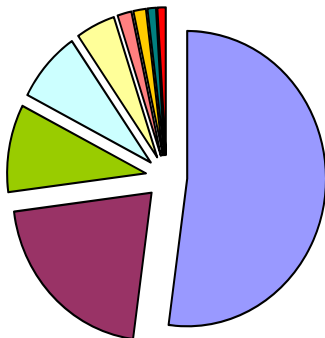


## Expense Summary, Trends, and Highlights

**Expense Summary:** The following chart illustrates the trends in County expenses for funds in which the expenses exceeded \$1 million in 2012. Expenses for all other funds are grouped under the "Other County Funds". Expenses for the County's governmental activities, based upon the modified accrual basis of accounting, were \$119.5 million for 2012. The graph below reflects the use of those expenses. As indicated by the graph, the human services programs comprised the largest portion of the governmental activities expenses, which amounted to 52.1% or \$62 million.

<b>Major Funds:</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
General Fund	\$ 41,543,584	\$ 40,390,042	\$ 45,512,425	\$ 44,492,302	\$ 43,467,237
BH/ID & EI ❖	27,936,744	20,765,123	12,105,561	11,348,015	10,318,962
Health Choices	28,287,659	30,497,779	32,104,155	30,217,058	29,522,586
Children & Youth	8,929,742	8,501,224	8,202,817	8,729,841	8,642,081
<b>Other Governmental Activities:</b>					
Area Agency on Aging	5,794,684	5,931,684	6,081,802	5,892,199	5,996,845
Debt Service	4,247,199	5,181,396	5,542,748	5,547,782	5,365,662
Juvenile Probation	2,925,002	2,767,727	2,778,223	2,981,596	2,893,254
9-1-1	2,531,638	2,556,232	2,895,207	2,709,868	3,136,829
Domestic Relations	2,154,313	2,318,589	2,583,319	2,508,595	2,509,158
Redevelopment Authority	999,136	1,471,598	3,086,330	1,749,430	1,184,125
Drug & Alcohol	1,588,060	1,413,419	1,816,301	1,705,905	1,542,804
Detention Shelter	1,439,951	1,506,048	1,594,568	1,606,521	1,575,336
Other County Funds	4,635,391	5,932,346	4,782,913	4,169,182	3,344,204
<b>TOTAL EXPENSES</b>	<b>\$ 133,013,103</b>	<b>\$ 129,233,207</b>	<b>\$ 129,086,369</b>	<b>\$ 123,658,294</b>	<b>\$ 119,499,083</b>
<b>Business-type Activities:</b>					
Laurel Crest Manor	\$ 28,403,424	\$ 23,742,240	\$ -	\$ -	\$ -
Laurel Crest DME	60,275	8,822	-	-	-
Central Park Complex	863,252	856,075	863,376	855,549	824,958
Cambria County Network	282,534	609,264	683,951	696,738	694,333
<b>TOTAL EXPENSES</b>	<b>\$ 29,609,485</b>	<b>\$ 25,216,401</b>	<b>\$ 1,547,327</b>	<b>\$ 1,552,287</b>	<b>\$ 1,519,291</b>

❖ **BH/ID & EI (Behavioral Health/Intellectual Disabilities & Early Intervention)** Beginning in July 2009, the State began paying service providers directly on behalf of BH/ID & EI, thus the reason for the continued decrease in expenses.



### Governmental Activity Expenses

■ Human Service 52.1%	■ Public Safety 20.8%
■ Judicial 9.6%	■ Administrative 7.8%
■ Debt Service 4.6%	■ Conservation 1.6%
■ Highways/Streets 1.5%	■ Housing 1.0%
■ Culture/Recreation 1.0%	

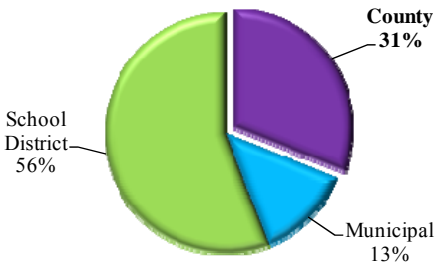
# Your Real Estate Taxes— The County’s Portion

The following represents the County’s millage rates for 2008-2012:

	<b>Millage Rates</b>				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Purposes	17.50	19.85	20.90	23.50	23.50
Debt Service	4.00	5.30	4.00	4.00	4.00
Community College	0.75	0.75	1.00	1.00	1.00
County Library	0.50	0.50	0.50	0.50	0.50
Parks & Playgrounds	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
<b>Total millage rates</b>	<b><u>23.25</u></b>	<b><u>26.90</u></b>	<b><u>26.90</u></b>	<b><u>29.50</u></b>	<b><u>29.50</u></b>

The pie chart illustrates that on average, 31% of your local real estate taxes are paid to the county.

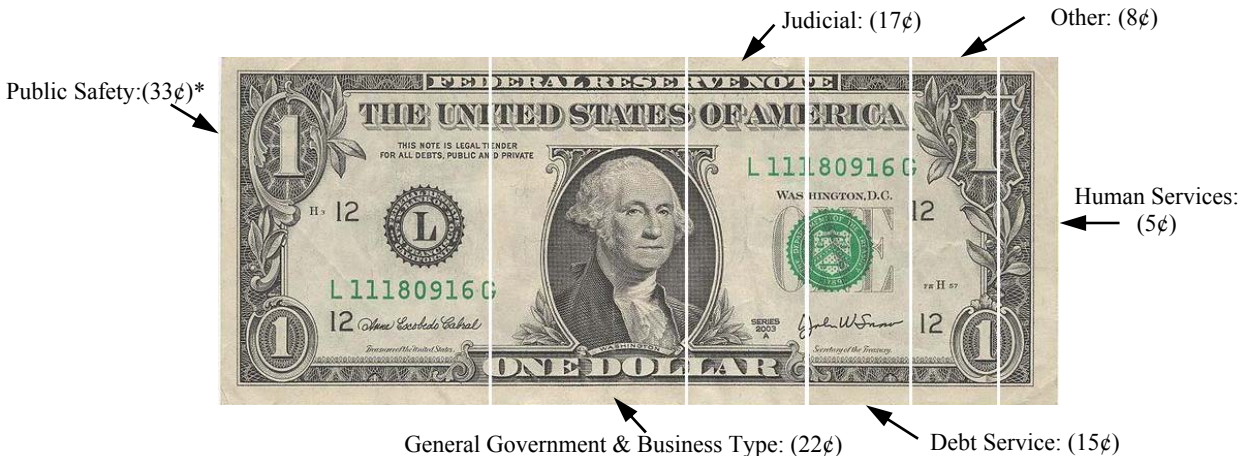
Cambria County residents paid an average of \$950 in local real estate taxes on \$10,000 of assessed value for 2012. Of that average, \$295 (31%) is paid to the county.



The county’s millage rate is 29.5, with each mill generating approximately \$1.23 million in taxes. The county millage rate remained unchanged for 2012.

Below is an illustration of how your County real estate taxes are spent.

The majority (70% or \$84.1 million) of the County’s spending is funded by state and federal grants, charges for services, investments and other income. The remaining (\$35.8 million) must be paid primarily with your County real estate taxes.



\*Public Safety includes: Highway Safety, Sheriff’s Office, Probation, Prison and Detention Home & Shelter

## Real Estate Properties by Property Type

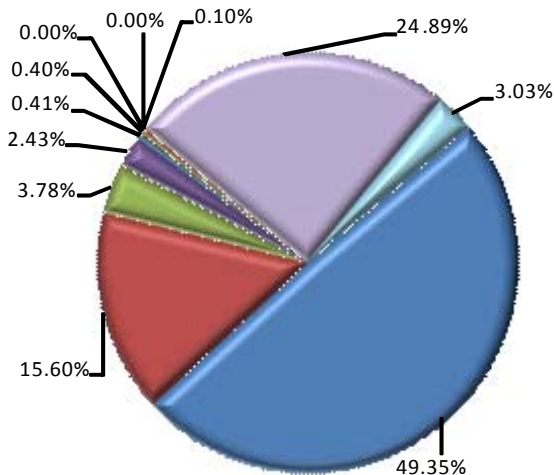
The following represents the number of assessed properties in Cambria County and the total assessed value by type of property. The Cambria County Assessment Office maintains and updates property records for the valuation of real property for ad valorem taxation. This includes the management of all property characteristic and ownership records. The office does not establish the real estate tax levy of millage rates or collect property taxes. Cambria County is a fourth Class County under the Fourth to Eight Class County Code and the General County Assessment Law. The Homestead and Farmstead Exclusion Program (Act 50 & Act 1) and Clean and Green Preferential Assessment Programs (Act 319) are also administered in this office.

### Assessed Properties - 2012

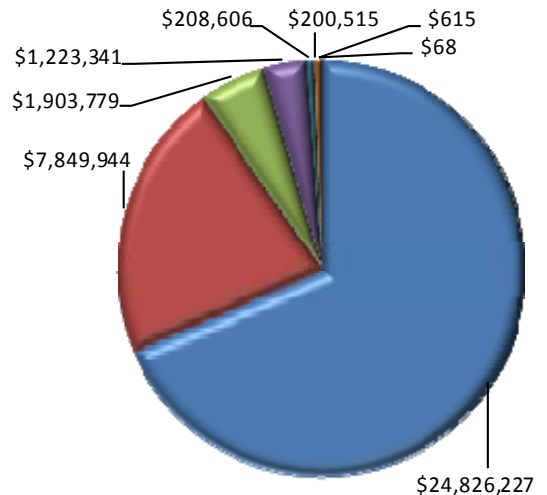
	# of Parcels	Total Assessed Value	Tax Dollars
Residential	70,355	\$ 841,567,030	\$ 24,826,227
Commercial	3,988	266,099,800	7,849,944
Agricultural	4,755	64,534,874	1,903,779
Industrial	445	41,469,180	1,223,341
Trailer on Leased Land	1,636	7,071,390	208,606
Mineral	5,634	6,797,110	200,515
Commonwealth of PA	2	20,860	615
Other	22	2,310	68
DAV Exempt	95	1,737,260	
Exempt	3,632	424,450,290	
Other Exempt	2,014	51,600,380	
<b>TOTAL</b>	<b>92,578</b>	<b>\$ 1,705,350,484</b>	<b>\$ 36,213,095</b>

\* These parcels are not subject to taxation

**% of Assessed Values by Property Type**



**Tax Dollars by Property Type**

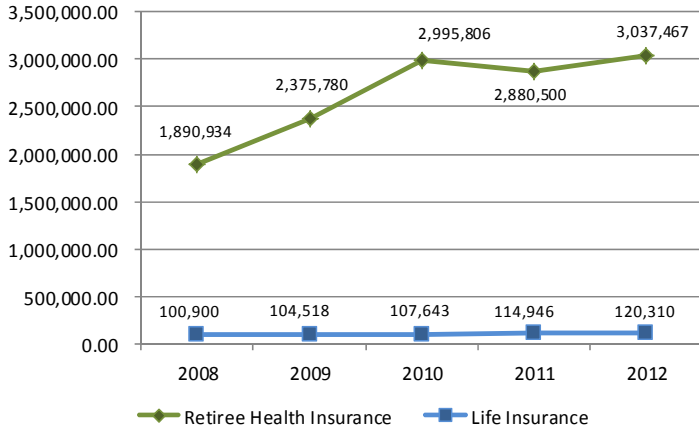


## Retiree Health Insurance and Life Insurance

Cambria County provides Retiree Health Insurance and Life Insurance to qualifying retirees. The qualifications to receive these post employment benefits are determined by the employee’s original date of full time hiring and the number of years of service at the time the employee retires. Any employee hired after 1/1/2005 is not entitled to any of these health care or life insurance benefits. With the cost of health care increasing and

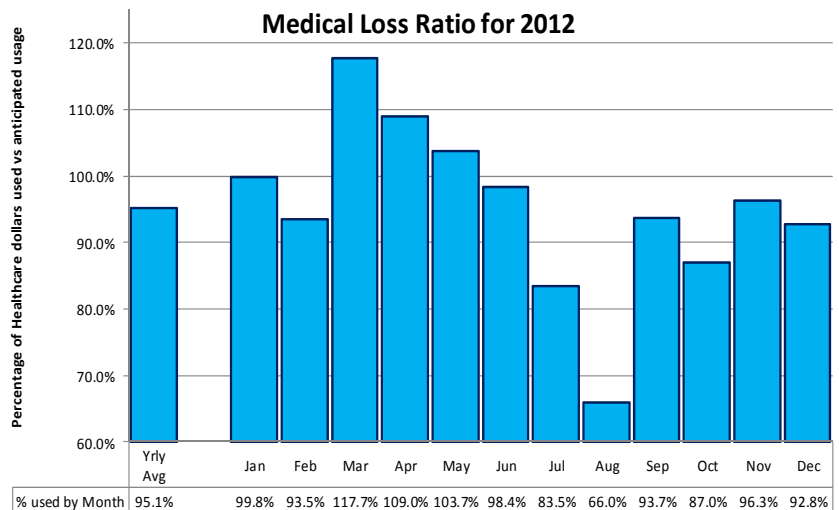


the number of retirees increasing, Cambria County’s cost of these post employment benefits are increasing each year. Starting in 2006, any qualifying employee retiring with health care, must continue to contribute toward the cost of their health care at the same rate they contributed as an employee. For those qualifying for health care coverage, the coverage may be extended to their spouse during the life of the retiree. This chart shows the cost of retiree health insurance and life insurance over the past five years. This is funded from County Operations, not the Retirement Fund.



## Health Insurance

In 2011, Cambria County started a self insurance health care fund using UPMC to administer the plan. This was the first time the County became self insured for its health care needs. The County is protected by Stop Loss insurance for any claims that exceed \$200,000 per year. In 2012, the County experienced a slightly lower than expected medical loss ratio which is calculated as a percentage of healthcare dollars used versus anticipated usage. The County averaged 95.1% of the expected costs as noted in the below chart. The County puts \$924,762 into a Rate Stabilization fund each month to cover the cost of the Administration, Stop Loss insurance and to cover the cost of insurance claims. The County paid out a total of \$11,457,824 in healthcare costs in 2012.





# Employee Retirement Trust Plan

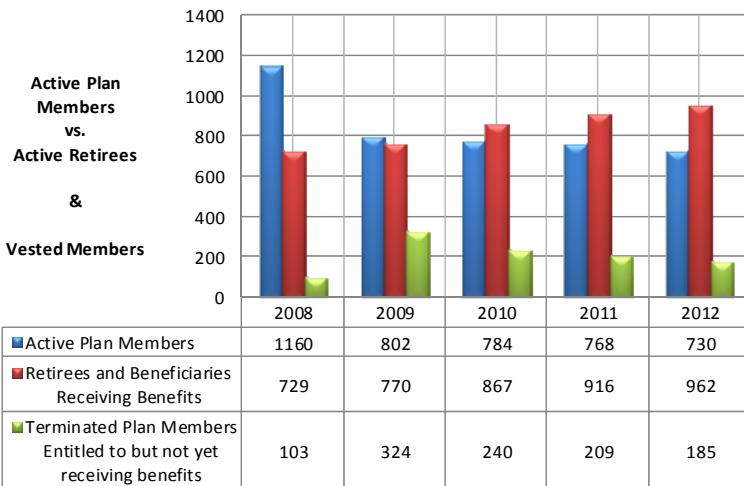
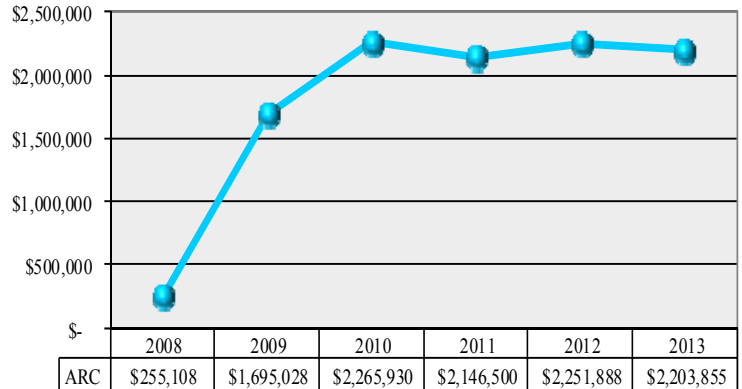


The following graph represents Cambria County’s annual required contribution (ARC) to the Employee Retirement Trust Plan from the County’s operations. The amount is determined by the County’s actuary using the aggregate actuarial cost method.

Cambria County’s Pension Plan is a 403B Defined Benefit Plan. A defined benefit Plan is where the employer guarantees to pay the employee at retirement a fixed monthly income for life.

All County Employees working over 1,000 hours per year are required to enter the Plan, and County elected officials have the option of enrolling in the Plan. Plan members are required to contribute 9% of their salaries, but may elect to contribute up to an additional 10%.

**Annual Required Contribution (ARC)**



This graph represents the Active Plan members vs. the Active Retirees. Over the past five years, the number of retirees receiving benefits from the retirement plan has grown and now is larger than the number of active plan members contributing to the retirement plan.

Retirement payroll continues to increase annually from \$5,817,315 in 2008 to \$9,578,091 in 2012. The Plan also paid out \$1,673,143 in withdrawals for individuals who left County employment and \$75,906 in death benefits for a total \$11,327,069 in 2012.

As of December 31, 2012, there were 1,877 plan members - 962 Retirees and Beneficiaries receiving benefits, 185 Terminated Plan Members entitled to but not yet receiving benefits and 730 Active Plan Members.

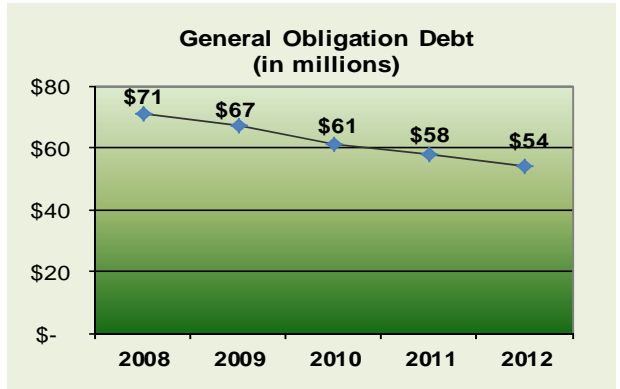
This graph also represents the number of terminated plan members who are entitled to receive benefits in the future. These terminated plan members represent employees who were terminated and are entitled to an involuntary pension and members who were entitled to vest upon leaving County employment. As you can see at year end 2009 the number of terminated plan members increased greatly due to the sale of Laurel Crest.

A complete report of the Employee Retirement Trust Plan is available on the County’s website under the Retirement Board area or by contacting the Controller’s Office.

## General Obligation Debt

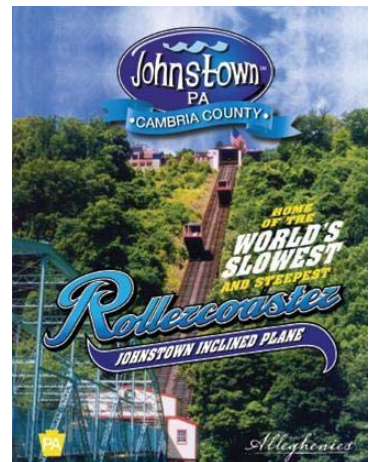
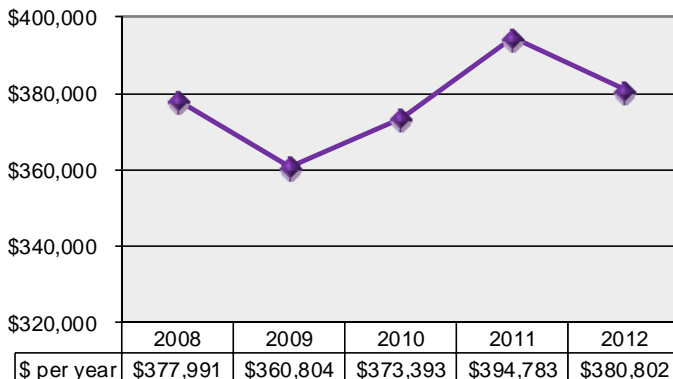
As of December 31, 2012, the County had \$53,918,540 of general obligation debt outstanding.

- In June of 2007, the County entered into a sublease with the Cambria County Financing Authority to finance equipment necessary for the network infrastructure to upgrade the public safety/9-1-1 communication system and to establish broadband internet system. M&T Bank provided the \$10 million equipment lease at 4.356% for a term of 15 years. Effective December 31, 2012, the entire debt was reflected in the Technology Fund; see page 14 for further explanation.
- In 2005, 2008, and 2009, the County entered into lease purchase agreements with Laurel Capital Corporation for additional energy saving improvements to County Service Buildings. The remaining balance as of December 31, 2012 was \$1,024,637.
- On April 1, 2009, the County entered into a lease purchase agreement with Bank Capital Services for security upgrades at the prison. The \$2,020,000 lease is amortized over seven years with an interest rate of 4.33%.
- In June of 2011, the County retired the 1998 General Obligation Bonds by issuing General Obligation Notes through a consortium of local financial institutions. The current interest rate is fixed for a period of five years at 4.1%. This rate will change in 2016. The remaining balance as of December 31, 2012 was \$25,460,000.



## Lodging Room Rental Tax

The rate of tax imposed by Cambria County is 3% from each transaction of renting a room or rooms by a lodging facility. There are 34 Lodging Facilities throughout Cambria County. During 2012, \$388,574 was collected by the Lodging Facilities on behalf of Cambria County, of which \$380,802 was distributed to the Cambria County Visitors Bureau for the benefit of Cambria County residents. The graph represents the amount distributed to the Visitors Bureau.



## Component Units of Cambria County

The following chart illustrates the amount of taxpayer dollars spent to fund the County's Component Units.

	<b>2011 Total Funding</b>	<b>2012 Total Funding</b>
Behavioral Health of Cambria County ♦	\$ 30,216,794	\$ 29,522,142
Redevelopment Authority ♦	1,850,930	1,250,625
Pennsylvania Highlands Community College *	1,205,000	1,205,000
Cambria Library Association *	608,015	615,000
Transit Authority	578,689	558,131
Solid Waste Management Authority	330,000	378,850
Johnstown-Cambria County Airport	156,750	176,750
War Memorial Authority	109,081	125,300
Conservation and Recreation Authority *	142,884	135,740
Planning Commission	90,500	86,387
	<u>\$ 35,288,643</u>	<u>\$ 34,053,925</u>

♦ Total Funding includes State and/or Federal funds that pass through Cambria County. Behavioral Health of Cambria County funding is made up entirely of State funding for 2011 and 2012. The Redevelopment Authority funding includes Federal and State funding totaling \$1,780,930 in 2011 and \$1,184,125 in 2012.

\* In 2012, Cambria County designated 1.0 mills of tax for the Community College, .50 mills for the County Library, and .50 mills for Parks and Recreation. The dedicated tax for Parks and Playgrounds is distributed to the Conservation & Recreation Authority, War Memorial, North Central Recreational Center and Duman Park.

## Children & Youth, Juvenile Court, and Detention/Shelter

The chart below illustrates the amount of County taxpayer monies provided to the Children and Youth, Juvenile Court, and Detention/Shelter Funds due to the excess expenditures over the amount of revenues for each year. The two final columns list the total 2012 expenditures and the percentage of County taxpayer monies of the total expenditures for each fund.

	<u>County Taxpayer Funding</u>					<b>2012 Total Fund Expenditures</b>	<b>2012 County's Taxpayer %</b>
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>		
Children & Youth	1,156,469	1,012,444	907,929	917,464	1,393,122	8,642,081	16.1%
Juvenile Court	1,355,165	1,530,470	1,679,789	1,585,847	1,509,280	2,893,254	52.2%
Detention/Shelter	450,985	511,469	716,429	623,810	667,779	1,575,336	42.4%
	<u>\$ 2,962,618</u>	<u>\$ 3,054,383</u>	<u>\$ 3,304,147</u>	<u>\$ 3,127,121</u>	<u>\$ 3,570,181</u>	<u>\$ 13,110,671</u>	

**Children & Youth Fund** – The PA Department of Welfare 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 child protective services to the age of 21, through counseling, in-home and residential services.

**Juvenile Court Fund** – The PA Department of Welfare (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 Court Office. The funds are used to administer the entire Juvenile Court process.

**Detention/Shelter Fund** – This fund is funded by contracts with 19 counties, including Cambria County, to house delinquent children. In addition, the program receives monies under the Federal School Lunch program. The Detention Home is a 24-hour maximum security facility for youth ages 10-18. The Shelter is staffed as a 24-hour secure facility for youth ages 10-18 with a 30 day limit. The school lunch program provided nutrition funding for breakfast and lunch for all residents.

# Cambria County Prison

The Cambria County Prison has approximately 500 available beds for prisoners. The Prison houses County, State and Federal inmates. On average the Prison houses 70-75 State inmates, 30-35 U.S. Marshall inmates and 30-35 U.S. Immigration inmates as well as, on occasion, other counties inmates.



## Cambria County Prison Profit/(Loss) (in thousands)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Revenues</b>					
Out of County Inmates	\$2,327	\$1,885	\$2,771	\$2,777	\$2,241
In County Inmates	\$33	\$39	\$54	\$62	\$72
Other Revenue	\$314	\$341	\$261	\$251	\$308
<b>Total Revenue</b>	<b>\$2,674</b>	<b>\$2,265</b>	<b>\$3,085</b>	<b>\$3,090</b>	<b>\$2,621</b>
<b>Expenses</b>					
Salaries & Benefits	\$5,006	\$5,140	\$5,512	\$5,637	\$5,713
Retiree Benefits	\$63	\$87	\$120	\$129	\$174
Operating Expenses	\$835	\$775	\$880	\$919	\$871
Inmate Expenses	\$2,003	\$1,917	\$1,973	\$1,980	\$2,019
<b>Total Expenses</b>	<b>\$7,907</b>	<b>\$7,919</b>	<b>\$8,485</b>	<b>\$8,666</b>	<b>\$8,778</b>
<b>Profit/(Loss funded by County taxpayers)</b>	<b>(\$5,233)</b>	<b>(\$5,654)</b>	<b>(\$5,400)</b>	<b>(\$5,576)</b>	<b>(\$6,156)</b>

Currently the County receives approximately \$55 a day for State inmates and \$51.53 a day for Federal inmates.

With the opening of the DRC the prison has reduced the number of housed inmates by approximately 40.

The County received \$2.2 million for Out of County Inmates during 2012. Total revenue for 2012 was \$2.6 million; total expenses was \$8.8 million, resulting in a net loss funded by the taxpayers of \$6.2 million.

## Day Reporting Center

The Day Reporting Center (DRC) is located at 499 Manor Drive, Ebensburg and was opened in May 2012. The goal of the DRC is to reduce prison overcrowding and the rate of recidivism. The program is for nonviolent offenders convicted of crimes such as repeat DUIs, drug violations and burglaries and is utilized as an alternative to prison or an option for early release if the defendant has not had any issues while in prison. The program is also for parole or probation violators when additional monitoring is necessary. Defendants are required to report on a regular basis, go through drug testing, and attend groups based on an individual's plan. Groups include Substance Abuse Treatment & Education, Life Skills, Cognitive Behavioral, Education Programs, Anger Management, and Employment Readiness & Job Search. The DRC currently has approximately 75 participants. The facility is operational 6 days a week, 12 hours a day during the week and half-days on Saturday's.

The County has contracted with Behavioral Interventions, Inc. (BI, Inc.) to operate the facility and the County employs two probation officers to work full-time at the facility. During 2012, it cost the County \$437,894 to operate the facility which equates to approximately \$24 per person per day.



## Liquid Fuels Fund

Cambria 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.



	2008	2009	2010	2011	2012
<b>Beginning Balance in Liquid Fuels on Jan 1st:</b>	<b>\$ 311,043</b>	<b>\$ 310,598</b>	<b>\$ 492,810</b>	<b>\$ 817,577</b>	<b>\$ 802,539</b>
<u>Receipts:</u>					
Commonwealth of PA	504,283	478,049	511,726	512,599	541,151
Interest	9,643	2,052	649	2,493	4,221
Reimbursement Agreements (PennDOT)	10,429	125,886	1,127,102	182,708	49,488
Miscellaneous	60,142	44,788	21,247	21,558	6,058
<b>Total Receipts:</b>	<b>584,497</b>	<b>650,775</b>	<b>1,660,724</b>	<b>719,358</b>	<b>600,918</b>
<u>Expenses:</u>					
County Owned Roads, Highways & Bridges:					
Construction	-	-	(1,046,599)	(318,008)	(14,992)
Maintenance & Repair	(145,427)	(188,182)	(65,505)	(40,344)	(99,092)
Administrative Expenses	(2,715)	(2,706)	(2,878)	(3,894)	(5,132)
Grants to Boroughs & Townships	(436,800)	(277,675)	(220,975)	(372,150)	(466,500)
<b>Total Expenses:</b>	<b>(584,942)</b>	<b>(468,563)</b>	<b>(1,335,957)</b>	<b>(734,396)</b>	<b>(585,716)</b>
<b>Balance in Fund on Dec 31st:</b>	<b>\$ 310,598</b>	<b>\$ 492,810</b>	<b>\$ 817,577</b>	<b>\$ 802,539</b>	<b>\$ 817,741</b>

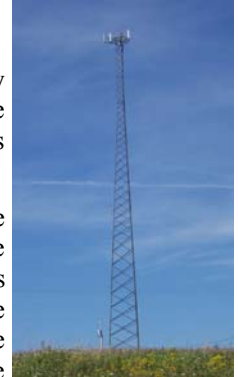
The list below shows the amount of funds paid to Municipalities in 2012:

<u>Municipality</u>	<u>Amts Pd in 2012</u>	<u>Municipality</u>	<u>Amts Pd in 2012</u>	<u>Municipality</u>	<u>Amts Pd in 2012</u>
Adams Twp	\$ 18,000	East Carroll Twp	\$ 7,800	Northern Cambria Boro	\$ 15,000
Allegheny Twp	10,700	East Conemaugh Boro	4,900	Portage Twp	10,500
Ashville Boro	8,500 *	East Taylor Twp	16,800 *	Richland Twp	26,400
Barr Twp	23,500 *	Ebensburg Boro	15,000 *	Scalp Level Boro	9,400 *
Blacklick Twp	7,600	Ehrenfeld Boro	13,300 *	Southfork Boro	4,400
Brownstown Boro	12,000 *	Franklin Boro	6,000	Southmont Boro	5,600
Cambria Twp	17,600	Gallitzin Boro	6,000	Stonycreek Twp	8,300
Carrolltown Boro	4,500	Geistown Boro	16,300 *	Summerhill Twp	19,000 *
Chest Twp	4,000	Hasting Boro	5,300	Susquehanna Twp	10,400
Clearfield Twp	6,900	Jackson Twp	13,800	Upper Yoder Twp	11,900
Croyle Twp	9,200	Lower Yoder Twp	35,000 *	Washington Twp	5,400
Daisytown Boro	3,200	Middle Taylor Twp	4,700	West Taylor Twp	9,200 *
Dale Boro	23,000 *	Munster Twp	9,600 *	Westmont Boro	11,000
Dean Twp	8,800 *	Nanty Glo Boro	8,000	<b>Total Payments</b>	<b>\$466,500</b>

\*Municipality's payment included allocations from multiple years.



## Cambria County Network



In June 2008 the County began operating the Cambria County Network (CCN), formerly Cambria Connected, which supports the County’s 9-1-1 Emergency System as well as the Cambria Connected Internet. The Network consists of 19 core tower sites, 33 WiFi hotspots and two Internet Service Providers; In the Stix Broadband and SkyPacket Networks.

During 2012, the Commissioners made the decision to dissolve the Cambria Connected side of the Network. On December 31, 2012 the Commissioners wrote off \$4.2 million that the Network owed to the County’s General Fund. Further, the full amount of the debt and assets of the Network was then assumed by the new Technology Fund, which combines the County’s Technology Department, previously reported within the County General Fund, the CCN and a portion of 9-1-1 which related solely to the Network. Prior to this, 45% of the Network debt and assets was reported in the CCN fund and 55% was reported within the 9-1-1 fund.

On June 30, 2013 the Cambria Connected side of the Network was dissolved. The County entered into a Wholesale Carrier Service Agreement with In the Stix Broadband (ITS) for the period 7/1/13-6/30/16 which leases a portion of the County’s Network to ITS and allows them to sell broadband to individual customers. SkyPacket Networks sold their customers to ITS. The County still has 33 WiFi hotspots which allow individuals within those areas to purchase internet services through WiFi.

The following chart represents the Income Statement for the Network. By utilizing the Network for internet purposes the County realized cost savings of \$97,605 in 2012. However, \$620,207 of your County tax dollars was still required to support the operations of the Network.

<b>Cambria County Network Income Statement</b>					
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total Revenue	\$ 176,740	\$ 180,660	\$ 246,870	\$ 137,679	\$ 124,049
Total Expenses	\$ 376,128	\$ 789,011	\$ 853,420	\$ 855,474	\$ 841,860
<b>Loss funded by Taxpayers</b>	<b>\$ (199,388)</b>	<b>\$ (608,351)</b>	<b>\$ (606,551)</b>	<b>\$ (717,794)</b>	<b>\$ (717,812)</b>
<b>Cost Savings on Internet</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 81,540</b>	<b>\$ 111,780</b>	<b>\$ 97,605</b>
<b>Net Loss funded by Taxpayers</b>	<b>\$ (199,388)</b>	<b>\$ (608,351)</b>	<b>\$ (525,011)</b>	<b>\$ (606,014)</b>	<b>\$ (620,207)</b>



## Courthouse Renovations

Renovations within the Courthouse continued during 2012. These renovations were funded by the County’s Driving Under the Influence (DUI) Fund. The use of these funds is approved by President Judge Creany.

Some of the renovations included moving the Public Defender’s Office from the basement to the second floor of the Courthouse, the location previously occupied by the District Attorney’s Office – cost \$18,867. The Lawyer Lounge now occupies the third floor of the Courthouse previously occupied by the DA’s Office – cost \$5,288. Other renovations included improvements to the County’s new Day Reporting Center located at 499 Manor Drive – cost \$33,128. The total cost of these 2012 renovations was \$57,283. A majority of the work performed on these renovations was done by County inmates.

## Courthouse Security

During 2012 the Cambria County Sheriff’s Office acquired an X-Ray scanner which is utilized at the main entrance of the Courthouse. When visiting the Courthouse, please be prepared to put your belongings through the scanner.

# CAMBRIA COUNTY ELECTED OFFICIALS



## Board of Commissioners

From left: Mark Wissinger, Vice-Chairman; Douglas Lengenfelder, Chairman; and Thomas Chernisky



**Susan Kuhar**  
*Clerk of Courts*

Records all criminal court procedures, collects fines, costs and restitution for the Court of Common Pleas.



**Andrea Fedore Sims**  
*Recorder of Deeds*

Records all deeds, mortgages, and land related papers for Cambria County properties and collects PA realty transfer tax on those properties.



**Ed Cernic, Jr.**  
*Controller*

Insures the accuracy and legality of fiscal transactions, administers county pension fund, works with county tax collectors and constables, processes accounts payable.



**Patty Sharbaugh**  
*Register of Wills & Clerk of Orphan's Court*

Responsible for issuance of marriage licenses, records inheritance tax, adoptions, birth and death records and wills and estates.



**Dennis Kwiatkowski**  
*Coroner*

Investigates sudden, unexplained violent, or suspicious deaths occurring in the County.



**Robert Kolar**  
*Sheriff*

Responsible for security at County buildings; County law enforcement such as serving bench warrants, posts real estate notices, and issues gun permits.



**Kelly Callihan**  
*District Attorney*

Responsible for the prosecution of criminal activity occurring within the County.



**Lisa Kozorosky**  
*Treasurer*

Responsible for collections of County Real Estate taxes for the City of Johnstown, collecting lodging room rental tax, issuing dog, hunting, fishing, bingo and small game of chance licenses.

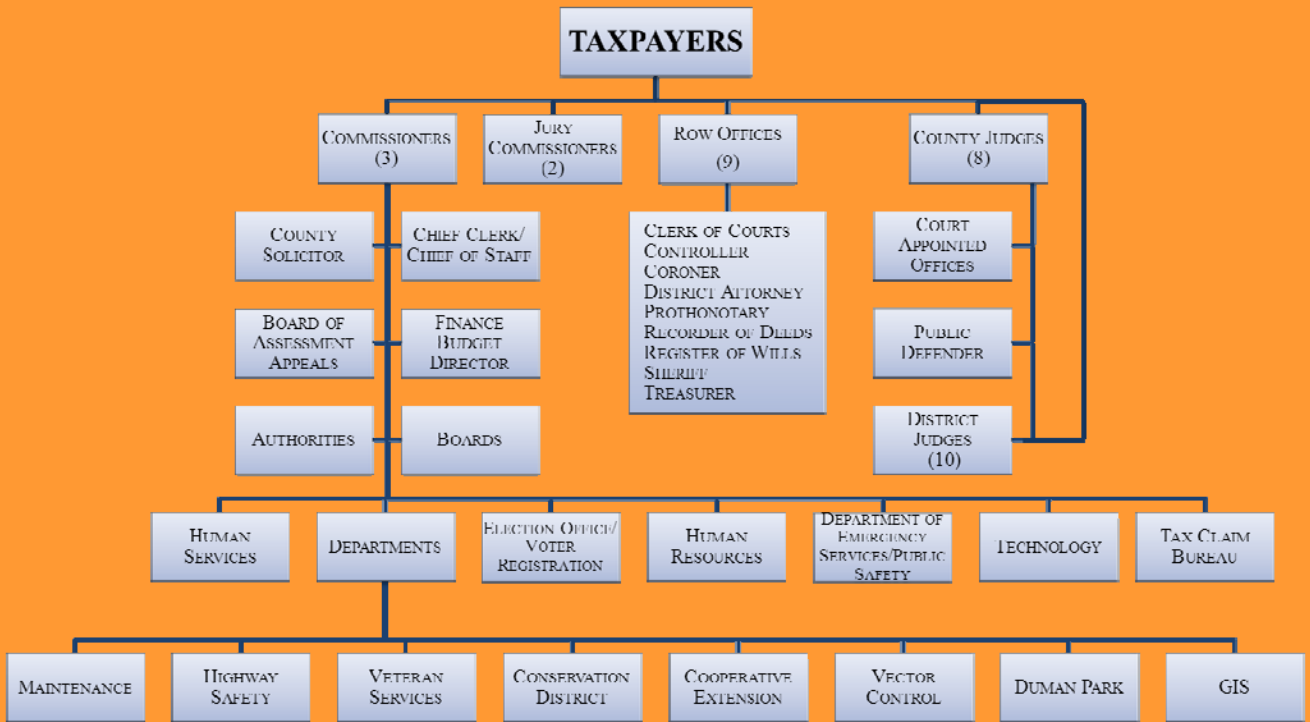


**Debbie Martella**  
*Prothonotary*

Keeper of the Civil records for the court system, processes passports and provides free public access to naturalization records from the early 1800s.

## Vickie Long & Helen Whiteford *Jury Commissioners*

Provide a qualified and diverse pool of jurors to the Court of Common Pleas of Cambria County.



## Do you suspect Fraud or Abuse?

If you think you have knowledge of...

- Suspected theft or misuse of County property or cash
- False reporting of hours worked
- Submission of illegitimate vendor invoices
- Falsification of expense reimbursements
- Mismanagement of tax dollars
- Fraudulent reporting of medical, disability or workers compensation claims
- Other suspected fraud or abuse

To keep it confidential....

- Mail your tip to: The Controller's Office, 200 S Center St., Ebensburg, PA 15931
- Call (814) 472-1623

YOU can help because....

- U.S organizations lose an estimated 5% of their annual revenue to fraud\*
- Median loss caused by fraud is \$100,000\*
- Governments are one of the most commonly victimized industries
- Frauds are more likely to be detected by a tip than by other means\*



\* Source: Association of Certified Fraud Examiners' 2012 Report to the Nation