

# County of Crawford, Pennsylvania

## Single Audit

**MaherDuessel**  
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

Pursuing the profession while promoting the public good®  
[www.md-cpas.com](http://www.md-cpas.com)

# **County of Crawford, Pennsylvania**

Financial Statements  
and Required Supplementary  
and Supplementary Information

Year Ended December 31, 2012  
with Independent Auditor's Reports

# COUNTY OF CRAWFORD, PENNSYLVANIA

YEAR ENDED DECEMBER 31, 2012

## TABLE OF CONTENTS

	<u>Page No.</u>
<b>Independent Auditor's Report</b>	
<b>Management's Discussion and Analysis</b>	i
<b>Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements:	
Balance Sheet – Governmental Funds	3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	7
Statement of Net Position – Proprietary Funds	8
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	9
Statement of Cash Flows – Proprietary Funds	10
Statement of Net Position – Fiduciary Funds	11
Statement of Changes in Net Position – Fiduciary Funds	12

# COUNTY OF CRAWFORD, PENNSYLVANIA

YEAR ENDED DECEMBER 31, 2012

## TABLE OF CONTENTS

(Continued)

	<u>Page No.</u>
Notes to Financial Statements	13
 <b>Required Supplementary Information:</b>	
Pension:	
Schedule of Funding Progress	40
Schedule of Contributions from Employers and Other Contributing Entities	41
Note to Supplementary Schedules	42
 <b>Supplementary Information:</b>	
Combining Balance Sheet – Nonmajor Governmental Funds	43
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental funds	44
Statement of Changes in Assets and Liabilities – All Agency Funds	45
Schedule of Expenditures of Federal Awards	46
Notes to Schedule of Expenditures of Federal Awards	48
Schedule of Department of Public Welfare Expenditures	49
 <b>Independent Auditor's Reports in Accordance with OMB Circular A-133:</b>	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	50

# COUNTY OF CRAWFORD, PENNSYLVANIA

YEAR ENDED DECEMBER 31, 2012

## TABLE OF CONTENTS

(Continued)

	<u>Page No.</u>
Independent Auditor's Report on Compliance for Each Major Federal and Pennsylvania Department of Public Welfare (DPW) Program and on Internal Control over Compliance Required by OMB Circular A-133 and the DPW Compliance Supplement	52
Schedule of Findings and Questioned Costs	55
Summary Schedule of Prior Audit Findings	60
 <b>DPW-Funded Financial Assistance Program Exhibits:</b>	
Independent Accountant's Report on Applying Agreed-Upon Procedures	63
Exhibits	65
 <b>Single Audit Report Distribution List to State and Federal Entities</b>	
	80

## Independent Auditor's Report

Board of County Commissioners  
County of Crawford, Pennsylvania

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Crawford, Pennsylvania, (County) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We 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 *Governmental 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County'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.

### ***Basis for Adverse Opinion on Aggregate Discretely Presented Component Units***

The financial statements referred to above do not include financial data for the County's legally separate component units. Accounting principles generally accepted in the United States of America require

financial data for those component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that include the financial data for its component units. The County has not issued such reporting entity financial statements. We cannot determine the amounts of assets, liabilities, net assets, revenues, and expenses that the accompanying statements should present for the omitted discretely-presented component units in order to comply with accounting principles generally accepted in the United States of America.

***Adverse Opinion on Aggregate Discretely Presented Component Units***

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the county as of December 31, 2012 or the changes in financial position thereof for the year then ended.

***Unmodified Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the County as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension information on pages i through xiv and 40 through 42 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's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of

additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are 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 also issued our report dated September 4, 2013, on our consideration of the County'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's internal control over financial reporting and compliance.

***Mahe Duessel***

Pittsburgh, Pennsylvania  
September 4, 2013



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

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## ***INTRODUCTION***

The management of the County of Crawford, Pennsylvania (County) is pleased to present to the readers of the County's financial statements this narrative overview and analysis of the financial activities of the County as of and for the year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements (pages 1 - 12) and the notes to financial statements (pages 13 - 39).

## ***FINANCIAL HIGHLIGHTS***

- The assets of the County exceeded its liabilities by \$61.2 million at December 31, 2012.
- As of December 31, 2012, unrestricted net position was \$39.4 million or 65% of total expenses.
- The total fund balance of the General Fund at December 31, 2012 was \$26.8 million or 93% of the total fund balance.
- The County's real property tax rate was 18.85 mills for 2012 and 2011.

## ***OVERVIEW OF THE FINANCIAL STATEMENTS***

This Management's Discussion and Analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements consist of three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to financial statements.

This report also contains other supplementary information in addition to the financial statements themselves.

A detailed explanation of all three components follows:

***1. Government-wide Financial Statements*** – The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to the private sector. There are two government-wide financial statements. They are:

- The *statement of net position* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the County is improving or deteriorating.
- The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include: general government, public safety, public works, human services, culture and recreation, and conservation and development. The business-type activities of the County include the operation of the Crawford County Care Center. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The government-wide financial statements can be found on pages 1 and 2 of the financial statements.

**2. Fund Financial Statements** – The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

*Governmental Funds* – Governmental funds are used to account for essentially the same functions as reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of expendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County reports two major governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for these two *major* funds (General and Human Services). Data from the other *nonmajor* governmental funds are combined into a single, aggregated presentation (total nonmajor funds). Individual fund data for the other governmental funds is provided as additional information in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The governmental funds financial statements can be found on pages 3 to 7 of this report.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

*Proprietary Funds* – The County maintains two proprietary funds. One is an enterprise fund and the other is an Internal Service Fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The County uses enterprise funds to account for the Crawford County Care Center. Internal service funds are established to finance, administer, and account for departments or agencies of a government whose exclusive or nearly exclusive purpose is to provide goods or services to the government's other departments on a cost-reimbursement basis. The County established an Internal Service Fund to account for self-insured general liability and workers' compensation charges to other departments or agencies of the government. The proprietary fund financial statements can be found on pages 8 to 10.

*Fiduciary Funds* – Fiduciary funds are used to account for resources held for the benefits of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

The fiduciary funds financial statements can be found on pages 11 and 12 of this report. They include the Pension Trust Fund and the Agency Funds. The Agency Funds are the fees, fines, and costs, etc. collected by the County Row Officers, held in trust for disbursement to third parties.

3. ***Notes to Financial Statements*** – The notes provide additional information that are essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 13 to 39 of this report.

**Required Supplementary Information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding and its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 40 to 42 of this report.

The combining and individual fund statements are presented as additional information immediately following the required pension supplementary information on pages 43 to 45 of this report.

### ***FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE***

The County presents its financial statements using the reporting model required by GASB Statement No. 34, "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.*" The statement of net position and the statement of activities report information about the County as a whole and about its activities to measure the results of the year's activities.

### ***GOVERNMENT-WIDE FINANCIAL STATEMENTS***

The County's net position at December 31, 2012 and 2011 is presented below:

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## County of Crawford, Pennsylvania Summary Statements of Net Position December 31, 2012 and 2011

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>Assets</b>						
Current and other assets	\$ 41,406,726	\$ 40,365,051	\$ 6,143,031	\$ 6,725,147	\$ 47,549,757	\$ 47,090,198
Capital assets	22,878,654	20,837,585	1,255,768	1,429,167	24,134,422	22,266,752
<b>Total Assets</b>	<b>64,285,380</b>	<b>61,202,636</b>	<b>7,398,799</b>	<b>8,154,314</b>	<b>71,684,179</b>	<b>69,356,950</b>
<b>Liabilities</b>						
Current and other liabilities	5,884,314	5,230,685	1,384,191	1,102,776	7,268,505	6,333,461
Non-current liabilities	3,263,577	4,142,342	-	383,964	3,263,577	4,526,306
<b>Total Liabilities</b>	<b>9,147,891</b>	<b>9,373,027</b>	<b>1,384,191</b>	<b>1,486,740</b>	<b>10,532,082</b>	<b>10,859,767</b>
<b>Net Position</b>						
Net investment in capital assets	19,126,044	16,894,402	866,213	774,373	19,992,257	17,668,775
Restricted	1,784,987	-	-	-	1,784,987	-
Unrestricted	34,226,458	34,935,207	5,148,395	5,893,201	39,374,853	40,828,408
<b>Total Net Position</b>	<b>\$ 55,137,489</b>	<b>\$ 51,829,609</b>	<b>\$ 6,014,608</b>	<b>\$ 6,667,574</b>	<b>\$ 61,152,097</b>	<b>\$ 58,497,183</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's assets exceeded liabilities by \$61.2 million at December 31, 2012, an increase from December 31, 2011 of approximately \$2.7 million. The increase is namely attributable to the purchase of capital assets and payments of long-term debt.

Of the net position, \$1.8 million is restricted for various purposes; \$39.4 million is unrestricted and available to support operations or provide for the payment of long-term debt at the government-wide level; and \$20 million is net investment in capital assets.

The following table presents the change in net position for the years ended December 31, 2012 and 2011:

# MANAGEMENT'S DISCUSSION AND ANALYSIS

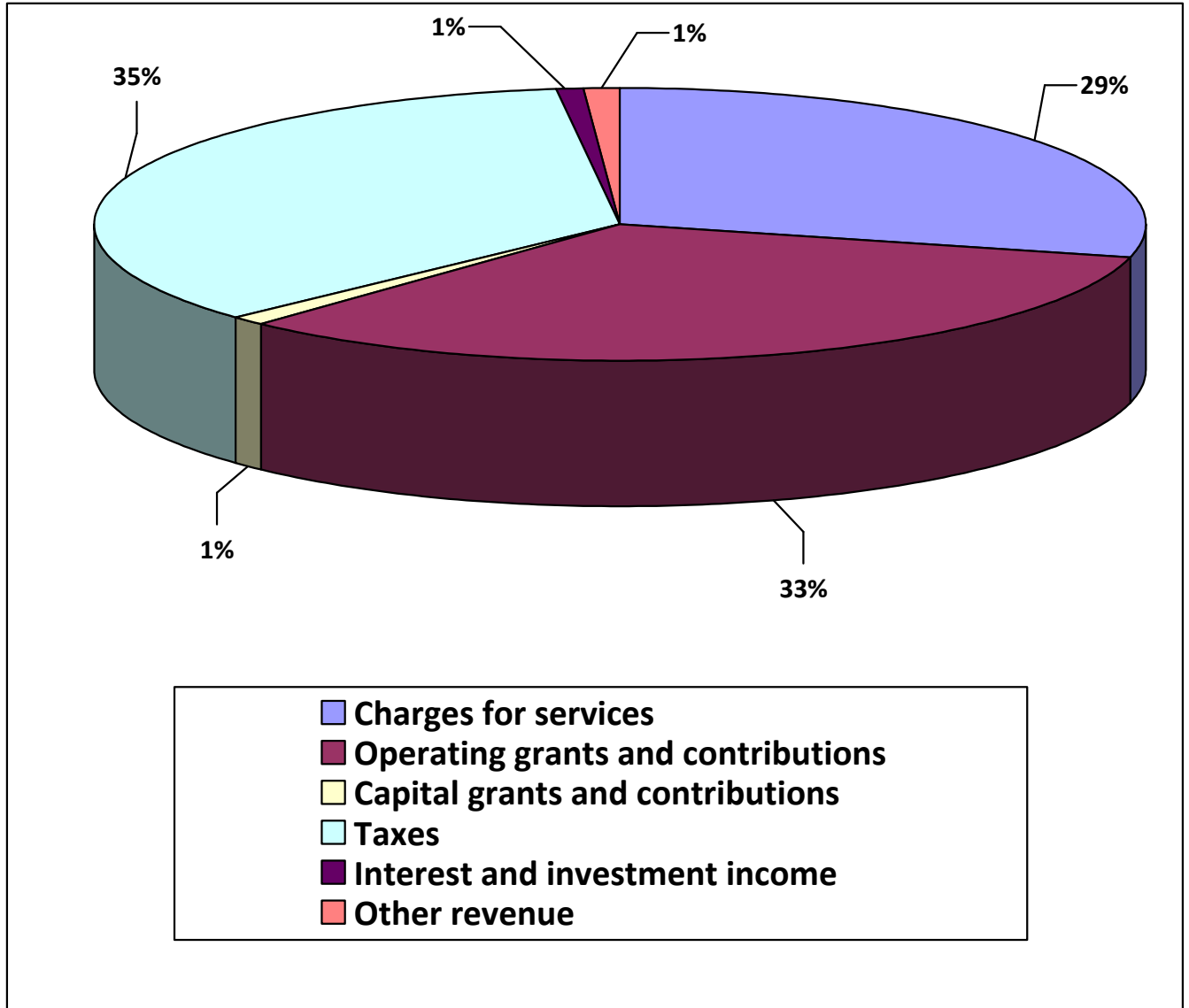
County of Crawford, Pennsylvania						
Change in Net Position						
Year Ended December 31, 2012						
(With Comparative Totals for the Year Ended December 31, 2011)						
	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 6,725,595	\$ 6,490,774	\$ 12,005,898	\$ 12,203,152	\$ 18,731,493	\$ 18,693,926
Operating grants and contributions	20,985,568	22,811,820	-	-	20,985,568	22,811,820
Capital grants and contributions	330,502	1,861,185	-	-	330,502	1,861,185
General revenues:						
Taxes	22,913,664	22,925,180	-	-	22,913,664	22,925,180
Interest and investment income	57,692	72,825	1,757	371	59,449	73,196
Other	740,307	177,126	-	-	740,307	177,126
Total revenues	<u>51,753,328</u>	<u>54,338,910</u>	<u>12,007,655</u>	<u>12,203,523</u>	<u>63,760,983</u>	<u>66,542,433</u>
Program expenses:						
General government	14,368,799	13,724,919	-	-	14,368,799	13,724,919
Public safety	11,757,647	12,909,143	-	-	11,757,647	12,909,143
Public works	859,857	773,159	-	-	859,857	773,159
Human services	20,382,432	22,846,467	12,623,553	12,047,319	33,005,985	34,893,786
Culture and recreation	579,490	399,092	-	-	579,490	399,092
Conservation and development	336,347	411,370	-	-	336,347	411,370
Interest	160,876	203,804	37,068	61,130	197,944	264,934
Total program expenses	<u>48,445,448</u>	<u>51,267,954</u>	<u>12,660,621</u>	<u>12,108,449</u>	<u>61,106,069</u>	<u>63,376,403</u>
<b>Change in Net Position</b>	<b>3,307,880</b>	<b>3,070,956</b>	<b>(652,966)</b>	<b>95,074</b>	<b>2,654,914</b>	<b>3,166,030</b>
Net position - beginning, as restated	<u>51,829,609</u>	<u>48,758,653</u>	<u>6,667,574</u>	<u>6,572,500</u>	<u>58,497,183</u>	<u>55,331,153</u>
Net position - ending	<u>\$ 55,137,489</u>	<u>\$ 51,829,609</u>	<u>\$ 6,014,608</u>	<u>\$ 6,667,574</u>	<u>\$ 61,152,097</u>	<u>\$ 58,497,183</u>

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## *SOURCES OF REVENUES*

The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2012:

**County of Crawford, Pennsylvania  
Government-Wide Sources of Revenues  
Total Revenues \$63,760,983**



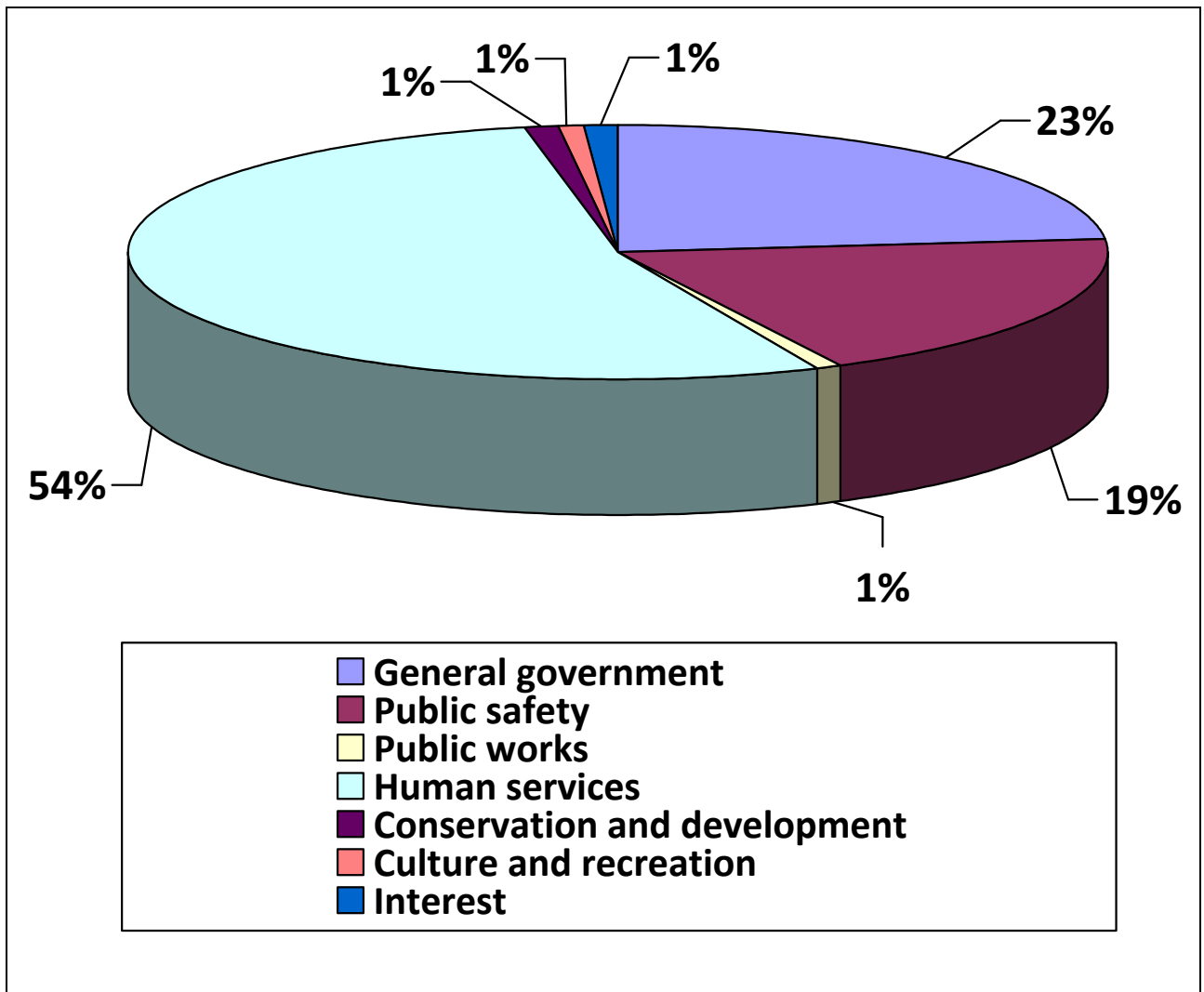
The government-wide revenues of \$63.8 million were derived primarily from taxes, which make up 35% of total revenues. The second largest source of revenue for the County was program-based operating grants and contributions, representing 33% of the total revenues. The third largest source of revenue was charges for services, which is 29% of the total revenues.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## *PROGRAM EXPENSES*

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2012:

**County of Crawford, Pennsylvania  
Government-Wide Program Expenses  
Total Expenses \$61,106,069**



The largest area of expenses was Human Services which totaled \$33 million or 54% of all expenses. Human Services provides a vast array of social services programs including Children and Youth, Mental Health, Intellectual Disabilities, and Early Intervention Services. Human Service Expenses also include the operation of the Crawford County Care Center, a county operated nursing home. Following Human Services totaling \$14.4 million, General Government represented 23% of all expenses, followed by Public Safety with \$11.8 million in expenses representing 19% of expenses. The next largest area of expense was Public Works at \$0.9 million or 1% of the total, followed by Culture and Recreation, with \$0.6 million in expenses or

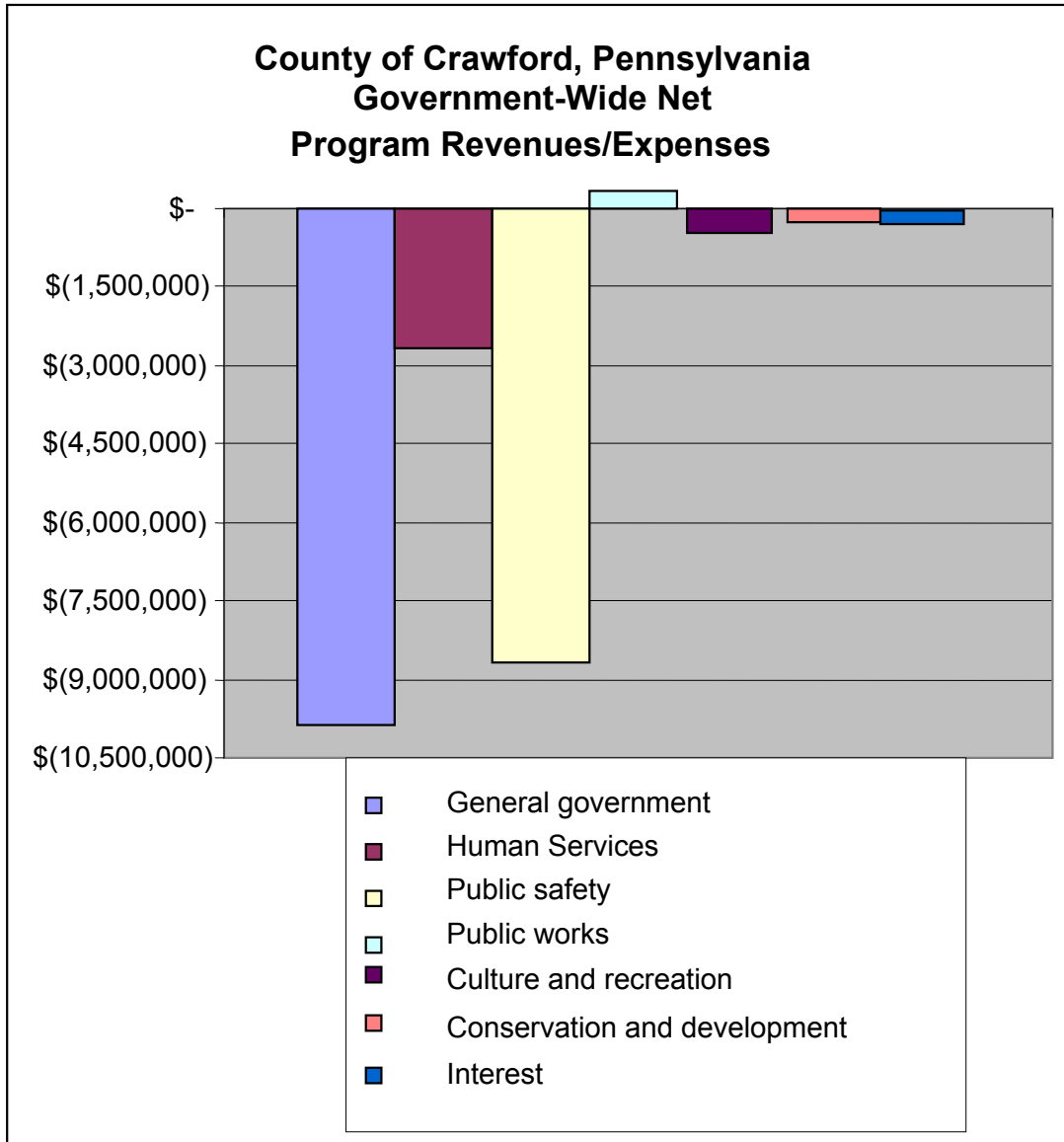


# MANAGEMENT'S DISCUSSION AND ANALYSIS

1%, Conservation and Development at \$0.3 million or 1%, and interest payments on long-term debt at \$0.2 million or 1%.

## *NET PROGRAM EXPENSES/REVENUES*

Net program expenses/revenues indicate the amount of support required from taxes and other general revenues for the year. The following chart graphically depicts the net program expenses/revenues by function/program for the year ended December 31, 2012.



General government required the most general revenues for support needing \$9.7 million during 2012.

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## ***FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS***

The County reports two major governmental funds (General and Human Services). The Human Services Fund consists of Mental Health and Intellectual disabilities and Children and Youth Services.

The County also reports total nonmajor governmental funds which includes several nonmajor funds. The largest of these include: Liquid Fuels, 911, 911 Wireless, CDBG, and Capital Projects. The combining statements of the nonmajor governmental funds can be found on pages 43 through 44.

As mentioned earlier, the focus of the governmental funds is to provide information on the near-term inflows, outflows, and the balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balances may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

The following table presents the statements of revenues, expenditures, and changes in fund balances for the years ended December 31, 2012 and 2011:

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

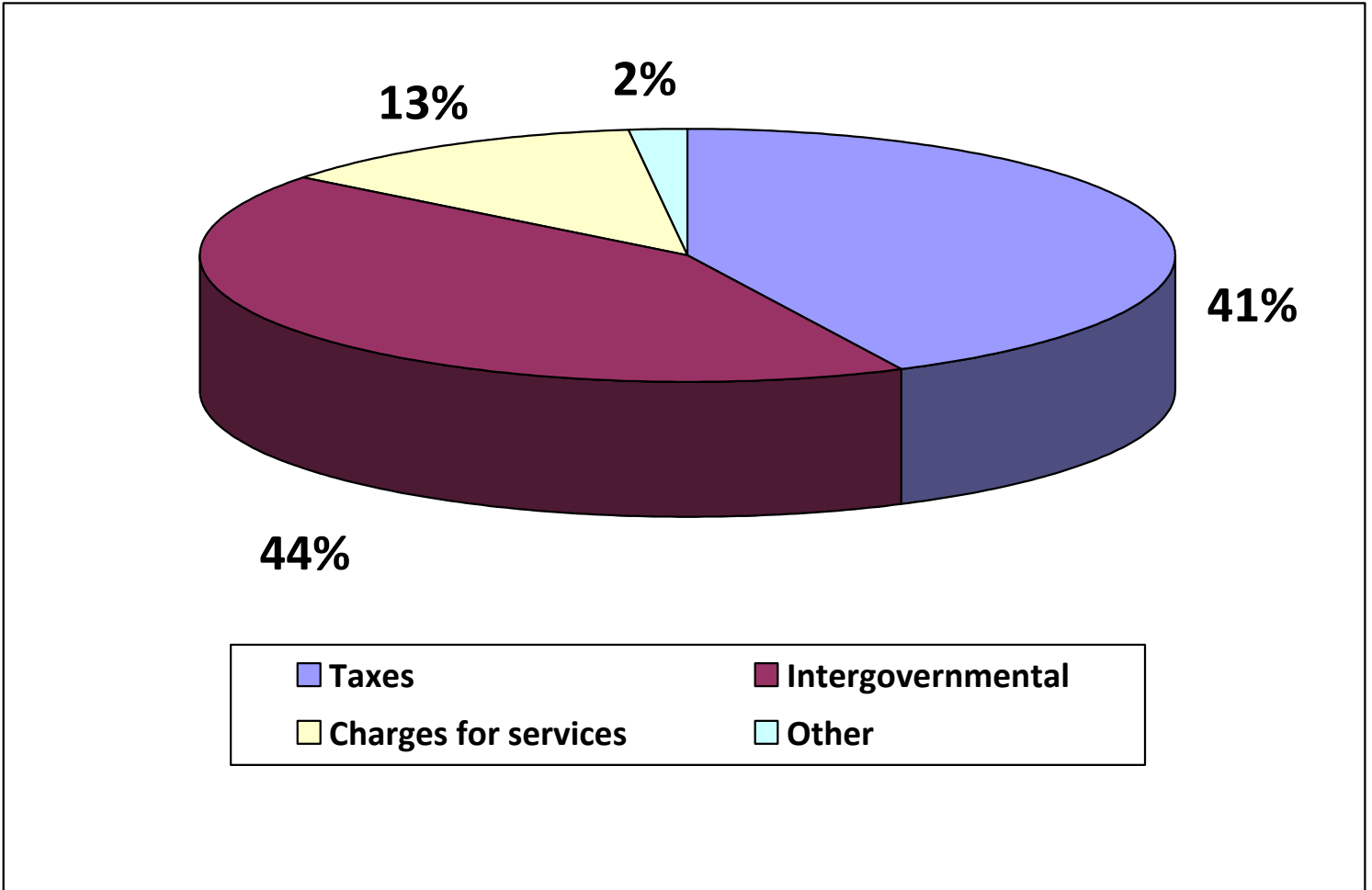
## **County of Crawford, Pennsylvania Statements of Revenues, Expenditures, and Changes in Fund Balances Years Ended December 31, 2012 and 2011**

	<b>Governmental Funds</b>	
	<b>2012</b>	<b>2011</b>
<b>Revenues:</b>		
Taxes	\$ 22,856,259	\$ 22,862,820
Intergovernmental	21,316,070	24,673,005
Charges for services	6,343,156	5,103,461
Fine and forfeitures	290,961	326,405
Investment earnings	43,149	59,632
Rental income	17,562	319,033
Payment in lieu of taxes	153,213	162,612
Miscellaneous	584,310	741,883
Total revenues	<u>51,604,680</u>	<u>54,248,851</u>
<b>Expenditures:</b>		
General government	15,074,230	13,686,826
Public safety	11,638,797	12,481,802
Public works	1,760,499	2,442,619
Human services	20,404,019	22,659,694
Culture and recreation	466,154	275,454
Conservation and recreation	330,537	413,089
Debt service	1,009,322	3,363,196
Total expenditures	<u>50,683,558</u>	<u>55,322,680</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>921,122</u>	<u>(1,073,829)</u>
<b>Other Financing Sources (Uses):</b>		
Transfers in	1,696,750	4,500
Transfers out	<u>(1,718,591)</u>	<u>(4,500)</u>
Total other financing sources and uses	<u>(21,841)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	899,281	(1,073,829)
Fund balance, beginning as restated	<u>27,889,554</u>	<u>28,963,383</u>
Fund balance, ending	<u>\$ 28,788,835</u>	<u>\$ 27,889,554</u>

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Governmental funds revenues, by source, for the year ended December 31, 2012 were:

**County of Crawford, Pennsylvania  
Governmental Fund  
Revenues Classified by Source  
Total Revenues \$51,604,680**

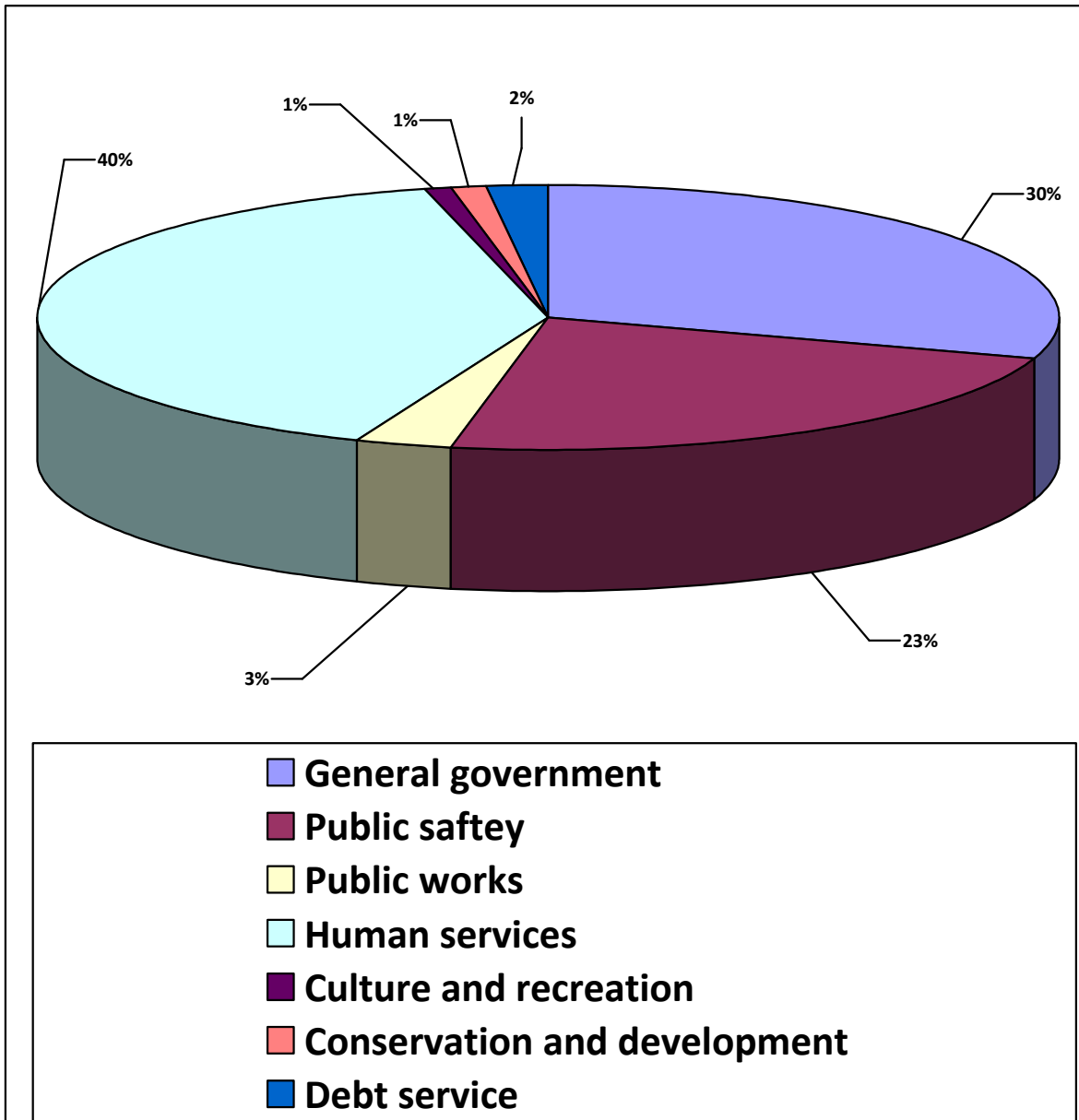


Governmental funds revenues totaled \$51.6 million for the year ending December 31, 2012, of which \$22.9 million (44%) came from Taxes. Intergovernmental (Federal and State) revenues accounted for \$21.3 million (41%) in revenue. Charges for services reached \$6.3 million (13%) in revenue. Other revenues including fines and forfeitures, investment earnings, rental income, payment in lieu of taxes and miscellaneous revenues in total comprise approximately 2% of total revenues.

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Governmental funds expenditures, by function, for the year ended December 31, 2012 were:

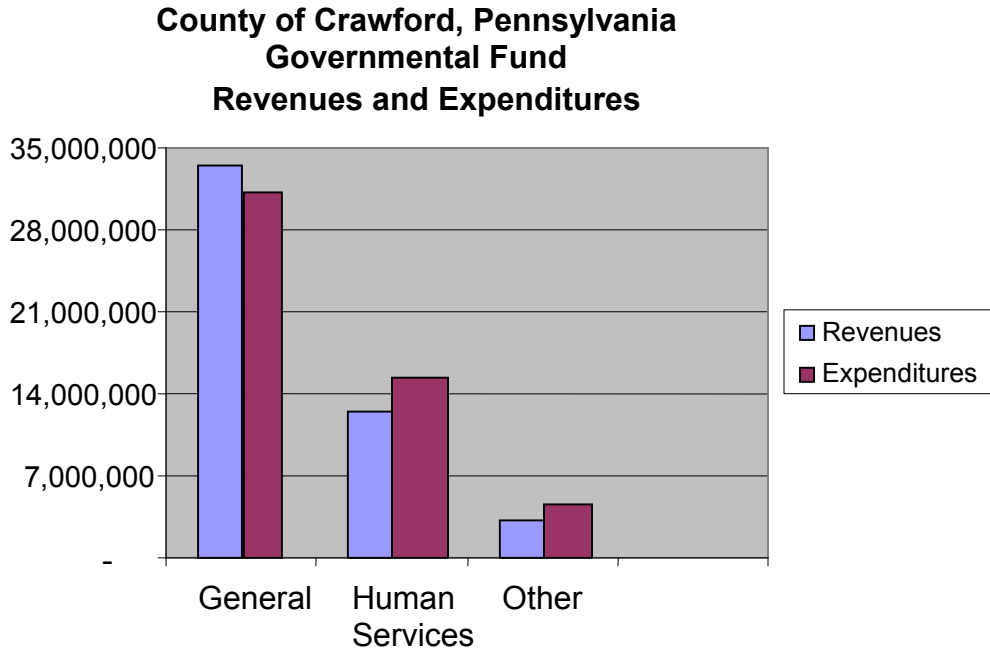
**County of Crawford, Pennsylvania  
Governmental Fund  
Expenditures Classified by Function  
Total Expenditures \$ 50,683,558**



Governmental funds expenditures totaled \$50.7 million for the year ending December 31, 2012, of which \$20.4 million (40%) were human services expenditures. General government and public safety expenditures were \$15.1 million (30%) and \$11.6 million (23%).

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following chart graphically depicts the total revenues received and expenditures incurred for the governmental funds for the year ended December 31, 2012:



## ***GENERAL FUND BUDGETARY HIGHLIGHTS***

The statement of revenues, expenditures, and changes in fund balance – budget to actual – General Fund for the year ended December 31, 2012 is found on page 7 of the financial statements.

Overall, the County had a favorable variance between the final budget and the actual net change in fund balance of \$4.6 million.

The County had a variance between the final budget and actual revenue of approximately (\$331,000). The largest contributors to the variance was the deficiency of tax revenue versus the budget, as the County budget includes the collection of the school, city, township and borough taxes, which are transferred to an Agency fund at year end. In addition, there was a surplus of intergovernmental revenues and charges for services over the budgeted amount due to non-budgeting for several pass-through grants, increased CYS Title IV-E funding, increased Domestic Relations Title IV-D funding, and receipt of the Act 13 Unconventional Wells grant.

The County had a favorable variance between the final budget and actual expenditures of approximately \$5,336,000. The majority of this variance occurred in the General Government function, which shows approximately \$5.5 million in favorable variance. The variance is primarily due to the County budgeting for school, city, township and borough taxes collected and remitted; however, similar to the tax revenues noted above, such activity is transferred to an Agency fund at year end.

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## ***CAPITAL ASSETS***

The County's total investment in capital assets including infrastructure as of December 31, 2012 amounts to \$24,128,831, net of accumulated depreciation. This investment includes land and land improvements, construction in progress, buildings, equipment, vehicles, and infrastructure. There was an increase in capital assets during the year due to the purchase of county vehicles, IT equipment, Talon construction projects, bridge maintenance, security equipment, video upgrades and Tower construction.

In addition during the year the County changed its capitalization threshold from \$500 to \$5,000.

## ***LONG-TERM DEBT***

As of December 31, 2012, the County has \$5,544,773 of long-term debt, including compensated absences, of which \$2,653,877 is payable in 2013.

## ***FUND BALANCE RESTATEMENT***

The County had several restatements to fund balance as of December 31, 2011. Many of the accounts restated were inactive and no longer being used. Other funds were closed because they should not have a fund balance at the end of the calendar year

## ***CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT***

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the County's finances and to demonstrate the County's accountability. Questions concerning this report or requests for additional information should be directed, in writing, to:

Office of the County Commissioners  
County of Crawford, Pennsylvania  
903 Diamond Park  
Meadville, PA 16335

## **Financial Statements**



# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF NET POSITION

DECEMBER 31, 2012

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 32,117,965	\$ 5,068,766	\$ 37,186,731
Receivables:			
Accounts receivable, net	961,069	2,267,904	3,228,973
Taxes receivable, net	4,147,217	-	4,147,217
Intergovernmental receivable	2,398,209	-	2,398,209
Internal balances	1,272,645	(1,272,645)	-
Prepaid expenses and other assets	509,621	79,006	588,627
Capital assets, not being depreciated/amortized	2,063,025	-	2,063,025
Capital assets, net of accumulated depreciation/amortization	20,815,629	1,250,177	22,065,806
Unamortized bond costs	-	5,591	5,591
<b>Total Assets</b>	<b>64,285,380</b>	<b>7,398,799</b>	<b>71,684,179</b>
<b>Liabilities</b>			
Accounts payable	2,077,856	380,311	2,458,167
Accrued payroll and related liabilities	667,884	319,255	987,139
Accrued interest payable	38,483	-	38,483
Intergovernmental payable	44,252	-	44,252
Unearned revenues	1,086,587	-	1,086,587
Net pension obligation	372,681	-	372,681
Noncurrent liabilities:			
Due within one year	1,969,252	684,625	2,653,877
Due in more than one year	2,890,896	-	2,890,896
<b>Total Liabilities</b>	<b>9,147,891</b>	<b>1,384,191</b>	<b>10,532,082</b>
<b>Net Position</b>			
Net investment in capital assets	19,126,044	866,213	19,992,257
Restricted for:			
Adoption counseling, expendable	14,014	-	14,014
Offender supervision, expendable	270,964	-	270,964
Operating reserve, expendable	98,462	-	98,462
Substance abuse education, expendable	12,714	-	12,714
District attorney, expendable	41,462	-	41,462
Roads and bridges, expendable	577,430	-	577,430
Emergency services, expendable	406,031	-	406,031
Other special revenue fund services, expendable	363,856	-	363,856
Unrestricted	34,226,512	5,148,395	39,374,907
<b>Total Net Position</b>	<b>\$ 55,137,489</b>	<b>\$ 6,014,608</b>	<b>\$ 61,152,097</b>

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2012

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government</b>							
<u>Governmental activities:</u>							
General government	\$ 14,368,799	\$ 3,164,597	\$ 1,527,410	\$ -	\$ (9,676,792)	\$ -	\$ (9,676,792)
Public safety	11,757,647	1,427,184	1,550,687	-	(8,779,776)	-	(8,779,776)
Public works	859,857	1,253,393	50,519	330,502	774,557	-	774,557
Human services	20,382,604	673,848	17,559,137	-	(2,149,619)	-	(2,149,619)
Culture and recreation	579,490	142,580	66,000	-	(370,910)	-	(370,910)
Conservation and development	336,347	63,993	231,815	-	(40,539)	-	(40,539)
Interest	160,876	-	-	-	(160,876)	-	(160,876)
Total governmental activities	48,445,620	6,725,595	20,985,568	330,502	(20,403,955)	-	(20,403,955)
<u>Business-type activities:</u>							
Human services	12,623,553	12,005,898	-	-	-	(617,655)	(617,655)
Interest	37,068	-	-	-	-	(37,068)	(37,068)
Total business-type activities	12,660,621	12,005,898	-	-	-	(654,723)	(654,723)
Total primary government	\$ 61,106,241	\$ 18,731,493	\$ 20,985,568	\$ 330,502	(20,403,955)	(654,723)	(21,058,678)
<u>General revenues:</u>							
Taxes:							
Property taxes					22,427,802	-	22,427,802
Per capita tax					225,584	-	225,584
Hotel tax					260,278	-	260,278
Payments in lieu of taxes					153,213	-	153,213
Unrestricted investment earnings					57,692	1,757	59,449
Loss on disposal of capital asset					(2,671)	-	(2,671)
Miscellaneous					589,937	-	589,937
Total general revenues					23,711,835	1,757	23,713,592
<b>Change in Net Position</b>					3,307,880	(652,966)	2,654,914
Net position - beginning, as restated					51,829,609	6,667,574	58,497,183
Net position - ending					\$ 55,137,489	\$ 6,014,608	\$ 61,152,097

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2012

	General Fund	Human Services Fund	Total Nonmajor Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 24,877,341	\$ -	\$ 5,235,696	\$ 30,113,037
Receivables:				
Accounts receivable, net	289,272	153,309	226,559	669,140
Taxes receivable, net	4,147,217	-	-	4,147,217
Intergovernmental receivable	1,013,085	1,306,442	78,682	2,398,209
Due from other funds	1,503,126	900,063	7,340	2,410,529
Prepaid expenses and other assets	503,621	-	6,000	509,621
<b>Total Assets</b>	<b>\$ 32,333,662</b>	<b>\$ 2,359,814</b>	<b>\$ 5,554,277</b>	<b>\$ 40,247,753</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 808,472	\$ 613,912	\$ 170,392	\$ 1,592,776
Cash advance from General Fund	-	2,969,709	-	2,969,709
Accrued payroll and related liabilities	478,244	186,080	3,560	667,884
Intergovernmental payable	11,379	-	32,873	44,252
Due to other funds	1,022,886	621,004	204,787	1,848,677
Unearned revenue	3,249,033	515,813	570,774	4,335,620
<b>Total Liabilities</b>	<b>5,570,014</b>	<b>4,906,518</b>	<b>982,386</b>	<b>11,458,918</b>
<b>Fund Balances:</b>				
Nonspendable - prepaid items	110,415	-	-	110,415
Restricted:				
Adoption counseling	14,014	-	-	14,014
Offender supervision	270,964	-	-	270,964
Operating Reserve	98,462	-	-	98,462
Substance abuse education	12,714	-	-	12,714
District attorney	41,462	-	-	41,462
Roads and bridges	-	-	577,430	577,430
Emergency services	-	-	406,031	406,031
Other special revenue	-	-	363,856	363,856
Committed:				
Operating Reserve	237,428	-	-	237,428
District attorney	1,263	-	-	1,263
Warden	4,010	-	-	4,010
Woodcock Park	3,641	-	-	3,641
Debt service	859,261	-	-	859,261
Assigned:				
Capital projects	-	-	3,224,574	3,224,574
Unassigned	25,110,014	(2,546,704)	-	22,563,310
<b>Total Fund Balances (Deficits)</b>	<b>26,763,648</b>	<b>(2,546,704)</b>	<b>4,571,891</b>	<b>28,788,835</b>
<b>Total Liabilities and Fund Balances (Deficits)</b>	<b>\$ 32,333,662</b>	<b>\$ 2,359,814</b>	<b>\$ 5,554,277</b>	<b>\$ 40,247,753</b>

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2012

<b>Total Fund Balances - Governmental Funds</b>			\$ 28,788,835
Amounts reported for governmental activities in the statement of net position (page 1) are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			22,878,654
Property taxes receivable will be collected next year and are not available to pay for current-period expenditures and, therefore, are unearned in the funds.			3,249,033
Internal service funds are used by management to charge the costs of general liability and workers' compensation insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			5,492,279
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities at year-end consist of:			
Bonds payable	\$ (3,115,000)		
Notes payable	(637,610)		
Accrued interest on bonds	(38,483)		
Compensated absences	<u>(1,107,538)</u>	(4,898,631)	
Net pension obligation is reflected on the statement of financial position, but is not considered a use of available resources for the fund statements.			<u>(372,681)</u>
<b>Net Position of Governmental Activities</b>			<u>\$ 55,137,489</u>

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2012

	General Fund	Human Services Fund	Total Nonmajor Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 22,856,259	\$ -	\$ -	\$ 22,856,259
Intergovernmental	6,159,065	12,897,047	2,259,958	21,316,070
Charges for services	3,565,339	692,752	2,085,065	6,343,156
Fines and forfeitures	290,961	-	-	290,961
Investment earnings	27,861	-	15,288	43,149
Rental income	17,562	-	-	17,562
Payment in lieu of taxes	153,213	-	-	153,213
Miscellaneous	433,673	129,626	21,011	584,310
	<b>Total revenues</b>	<b>13,719,425</b>	<b>4,381,322</b>	<b>51,604,680</b>
<b>Expenditures:</b>				
Current:				
General government	14,535,145	-	539,085	15,074,230
Public safety	9,455,792	692,549	1,490,456	11,638,797
Public works	290,539	-	1,469,960	1,760,499
Human services	4,468,918	14,611,964	1,323,137	20,404,019
Culture and recreation	466,154	-	-	466,154
Conservation and development	330,537	-	-	330,537
Debt service:				
Principal	800,000	-	44,232	844,232
Interest	130,226	-	34,864	165,090
	<b>Total expenditures</b>	<b>15,304,513</b>	<b>4,901,734</b>	<b>50,683,558</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>3,026,622</b>	<b>(1,585,088)</b>	<b>(520,412)</b>	<b>921,122</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	1,696,750	-	1,696,750
Transfers out	(1,718,591)	-	-	(1,718,591)
	<b>Total other financing sources (uses)</b>	<b>1,696,750</b>	<b>-</b>	<b>(21,841)</b>
<b>Net Change in Fund Balances</b>	<b>1,308,031</b>	<b>111,662</b>	<b>(520,412)</b>	<b>899,281</b>
Fund balances - beginning, as restated	25,455,617	(2,658,366)	5,092,303	27,889,554
Fund balances (deficit) - ending	<b>\$ 26,763,648</b>	<b>\$ (2,546,704)</b>	<b>\$ 4,571,891</b>	<b>\$ 28,788,835</b>

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2012

**Net Change in Fund Balances - Total Governmental Funds** \$ 899,281

Amounts reported for governmental activities in the statement of activities (page 2) are different because:

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period. 2,079,578

Losses on disposal of capital assets occur only in the statement of activities, as capital assets are expensed when purchased in governmental funds. (2,671)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 57,405

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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 793,880

Internal service funds are used by management to charge the costs of general liability and workers' compensation insurance to individual funds. The net revenue (loss) of certain activities of internal service funds is reported with governmental activities. (263,774)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental (255,819)

**Change in Net Position of Governmental Activities** \$ 3,307,880

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

YEAR ENDED DECEMBER 31, 2012

	Budgeted Amounts		Actual amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final	(See Note 2)	
<b>Revenues:</b>				
Taxes	\$ 27,866,000	\$ 27,866,000	\$ 22,624,237	\$ (5,241,763)
Intergovernmental	5,910,500	5,910,500	7,722,859	1,812,359
Charges for services	2,339,208	2,339,208	4,470,583	2,131,375
Fines and forfeitures	277,010	277,010	366,829	89,819
Investment earnings	32,350	32,350	34,935	2,585
Rental income	1,000	1,000	22,021	21,021
Payment in lieu of taxes	155,942	155,942	192,114	36,172
Miscellaneous	125,325	125,325	942,855	817,530
<b>Total revenues</b>	<b>36,707,335</b>	<b>36,707,335</b>	<b>36,376,433</b>	<b>(330,902)</b>
<b>Expenditures:</b>				
Current:				
General government	19,845,386	19,845,386	14,342,886	5,502,500
Public safety	9,100,636	9,100,636	9,331,714	(231,078)
Public works	250,000	250,000	286,727	(36,727)
Human services	4,616,641	4,616,641	4,410,277	206,364
Culture and recreation	371,724	371,724	460,037	(88,313)
Conservation and development	341,225	341,225	326,200	15,025
Debt service:				
Principal	800,000	800,000	789,502	10,498
Interest	86,451	86,451	128,517	(42,066)
<b>Total expenditures</b>	<b>35,412,063</b>	<b>35,412,063</b>	<b>30,075,860</b>	<b>5,336,203</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>1,295,272</b>	<b>1,295,272</b>	<b>6,300,573</b>	<b>5,005,301</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	727,655	727,655	-	(727,655)
Transfers out	(2,022,927)	(2,022,927)	(1,718,591)	304,336
<b>Total other financing sources (uses)</b>	<b>(1,295,272)</b>	<b>(1,295,272)</b>	<b>(1,718,591)</b>	<b>(423,319)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>4,581,982</b>	<b>4,581,982</b>
Fund balances - beginning, as restated	25,455,617	25,455,617	25,455,617	
Fund balances - ending	<u>\$ 25,455,617</u>	<u>\$ 25,455,617</u>	<u>\$ 30,037,599</u>	

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS

DECEMBER 31, 2012

	Business-type Activities Crawford County Care Center	Governmental Activities Internal Service Fund	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 5,068,766	\$ 4,974,637	\$ 10,043,403
Receivables:			
Accounts receivable, net	2,267,904	291,929	2,559,833
Due from other funds	112,902	-	112,902
Prepaid expenses and other assets	79,006	-	79,006
Capital assets, net of accumulated depreciation and amortization of \$4,951,444	1,250,177	-	1,250,177
Unamortized bond costs	5,591	-	5,591
<b>Total Assets</b>	8,784,346	5,266,566	14,050,912
<b>Liabilities</b>			
Accounts payable	380,311	485,080	865,391
Accrued payroll and related liabilities	319,255	-	319,255
Due to other funds	674,754	-	674,754
Compensated absences	300,661	-	300,661
Bonds payable	383,964	-	383,964
<b>Total Liabilities</b>	2,058,945	485,080	2,544,025
<b>Net Position</b>			
Net investment in capital assets	866,213	-	866,213
Unrestricted	5,859,188	4,781,486	10,640,674
<b>Total Net Position</b>	6,725,401	\$ 4,781,486	\$ 11,506,887
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time	(710,793)		
<b>Net Position of Business-type Activities (page 1)</b>	<b>\$ 6,014,608</b>		

See accompanying notes to financial statements.



# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2012

	Business-type Activities Crawford County Care Center	Governmental Activities Internal Service Fund
<b>Operating Revenues:</b>		
Charges for services	\$ 11,989,837	\$ -
Miscellaneous	16,061	25,001
Employer contributions	-	27,271
Total Operating Revenues	12,005,898	52,272
<b>Operating Expenses:</b>		
General government	-	114,793
Human services	12,650,824	-
Benefits expense	-	264,908
Total Operating Expenses	12,650,824	379,701
Operating income (loss)	(644,926)	(327,429)
<b>Nonoperating Revenues (Expenses):</b>		
Investment earnings	1,757	14,543
Interest expense	(37,068)	-
Total nonoperating revenues (expenses)	(35,311)	14,543
<b>Income Before Transfers</b>	(680,237)	(312,886)
Transfers in	-	21,841
<b>Change in Net Position</b>	(680,237)	(291,045)
Net position - beginning, as restated	7,405,638	5,072,531
Net position - ending	6,725,401	\$ 4,781,486
Adjustment for the net effect of the current year activity between the internal service fund and the enterprise fund.	(27,271)	
<b>Change in Net Position of Business-type Activities (page 2)</b>	\$ (652,966)	

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2012

	Business-type Activities Crawford County Care Center	Governmental Activities Internal Service Fund
<b>Cash Flows from Operating Activities:</b>		
Receipts from customers	\$ 11,916,785	\$ 52,272
Payments to employees for salaries and benefits	(9,097,869)	-
Payments to suppliers and claimants	(3,021,556)	(142,968)
Net cash provided by (used in) operating activities	(202,640)	(90,696)
<b>Cash Flows from Investing Activities:</b>		
Interest on investments	1,757	14,543
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Transfers from other funds	403,062	21,841
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition and construction of capital assets	(80,339)	-
Principal paid on capital debt	(395,000)	-
Interest paid on capital debt	(37,068)	-
Net cash provided by (used in) capital and related financing activities	(512,407)	-
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(310,228)	(54,312)
Cash and cash equivalents at January 1, 2012	5,378,994	5,028,949
Cash and cash equivalents at December 31, 2012	\$ 5,068,766	\$ 4,974,637
<b>Reconciliation of Changes in Net Position to Net Cash Provided by (Used in) Operating Activities:</b>		
Operating income (loss)	\$ (644,926)	\$ (327,429)
Adjustments to reconcile change in operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	247,963	-
Accreted interest expense	37,068	-
Change in current assets:		
Accounts receivable	(89,113)	-
Prepaid expenses and other assets	(9,016)	-
Change in current liabilities:		
Accounts payable	220,270	236,733
Accrued payroll and related liabilities	39,458	-
Compensated absences	(4,344)	-
Net cash provided by (used in) operating activities	\$ (202,640)	\$ (90,696)

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF NET POSITION FIDUCIARY FUNDS

DECEMBER 31, 2012

	Nonexpendable Pension Trust Fund	Agency Funds
<hr/> <b>Assets</b> <hr/>		
Cash and cash equivalents	\$ 3,530,470	\$ 2,615,559
Receivables	59,749	-
Investments, at fair value:		
Money market funds	246,614	-
Bond mutual funds	17,070,509	-
Equity mutual funds	25,155,954	-
Corporate bonds	2,047,178	-
Other funds	5,318,254	-
<b>Total Assets</b>	<u>53,428,728</u>	<u>2,615,559</u>
<hr/> <b>Liabilities</b> <hr/>		
Due to Others	<u>-</u>	<u>2,615,559</u>
<b>Net Position Held in Trust for Pension Benefits</b>	<u>\$ 53,428,728</u>	<u>-</u>

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF CHANGES IN NET POSITION FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2012

	<u>Nonexpendable Pension Trust</u>
<b>Additions:</b>	
<hr/>	
Contributions:	
Employer	\$ 2,381,375
Plan members	1,908,301
	<hr/>
Total contributions	4,289,676
	<hr/>
Investment earnings:	
Net increase in the fair value of investments	3,408,072
Interest and dividends	1,566,579
	<hr/>
Total investment earnings	4,974,651
Less investment expense	-
	<hr/>
Net investment earnings	4,974,651
	<hr/>
Total additions	9,264,327
	<hr/>
<b>Deductions:</b>	
<hr/>	
Administrative expenses	29,063
Benefits	3,226,259
	<hr/>
Total deductions	3,255,322
	<hr/>
<b>Change in Net Position</b>	6,009,005
Net position - beginning	47,419,723
	<hr/>
Net position - ending	<u>\$ 53,428,728</u>

See accompanying notes to financial statements.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

### 1. REPORTING ENTITY

The County of Crawford, Pennsylvania (County) is a municipal government governed by a three member elected Board of Commissioners. The County provides services in many areas to its residents, including various general government services, public safety, human services, and culture and recreation. These programs are financed mainly through the assessment of taxes, charges for services, and federal and state grants.

The reporting entity for the County includes the accounts of all County operations, including administrative and judicial general government, corrections, and health and welfare. These financial statements include the primary government (the County, a general purpose local government, and all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from the County) and do not reflect all component units that meet the criteria for inclusion under GASB Statement No. 61, *“The Financial Reporting Entity: Omnibus.”*

#### **Related Organizations**

The following separately administered organizations are related organizations to the County. Such organizations have the majority of their governing board appointed by the County Commissioners and some of which the County is financially accountable for. However, as described in Note 1, these financial statements include only the primary government.

Crawford County Drug and Alcohol Executive Commission, Inc. - This non-profit commission operates the drug and alcohol abuse prevention and treatment program for the County. In addition to providing County match funds and federal and state pass-through grant funding to the organization, the County provides payroll services for the Commission.

Crawford Area Transportation Authority - This is an operating authority created to provide and coordinate mass transportation services to the County. The County provides local match funds to the Authority.

The Quality Living Center of Crawford County - This non-profit corporation operates a personal care facility. The County owns the land and building operated by the Center which they lease to the Center at an annual rent of \$1. The County is responsible for maintenance and repairs of the leased property.

Crawford County Solid Waste Authority - This authority was created to oversee the management of municipal solid waste in Crawford County. The County subsidizes the operations of the authority.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

Crawford County Hospital Authority - This authority was created for the purpose of financing hospitals within the County.

Crawford County Industrial Development Authority - This authority was created for the purpose of developing industry by securing low interest loans for businesses in Crawford County.

Crawford County Redevelopment Authority - This authority was created for the purpose of revitalizing the Crawford County Industrial Park.

Crawford County Airport Authority - This authority oversees the operations of the Port Meadville Airport.

Crawford County Soil Conservation District - This locally organized and operated unit of government, functioning under Pennsylvania law, was created to promote protection, maintenance, improvement, and wise use of the land, water, and other related resources.

Crawford County Fair – This non-profit organization plans and operates the annual Crawford County Fair. The County owns the fairground’s land and buildings, which they rent to the Fair for two weeks of the year. The County is responsible for maintenance and repairs of the fairgrounds.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental grants, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers for services provided and rents and 2) operating grants. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

---

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The financial statements of the County are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, franchise taxes, licenses, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of receivables due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenues when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and pension trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The Crawford County Care Center patient revenue is reported at the estimated net realizable amounts from the residents and

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

third-party payers. Revenues under third-party payer agreements are subject to audit and retroactive adjustment. Provisions for estimated third-party payer settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued and ultimate final settlements are reported as adjustments become known.

The Agency Fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

The County reports the following major governmental funds:

The *General Fund* is the principal operating fund of the County, which is used to account for all financial resources not accounted for in other funds.

The *Human Services Fund* accounts for the expenditure of a combination of revenues received from various federal, state, and County sources. These accounts are restricted for the provision of specified social services to eligible recipients. The Human Services Fund is comprised of Children and Youth Services and Mental Health and Intellectual Disabilities Services provided by the County.

The County reports the following major proprietary fund:

The *Crawford County Care Center Fund* accounts for the operations of the Crawford County Care Center (Care Center), which is a skilled nursing facility that provides long-term nursing care. The Care Center is reported by the County as an enterprise fund.

Additionally, the County reports the following funds:

The *Internal Service Fund* accounts for self-insured general liability and workers' compensation charges to other departments or agencies of the government.

The *Pension Trust Fund* accounts for the activities related to accumulation of resources for the benefit of current and future retirees of the County.

The *Agency Funds* are custodial in nature and do not involve measurement of results of operations. Agency funds are used to account for cash collected by elected row officers (Register of Wills and Recorder of Deeds, Sheriff, Prothonotary and Clerk of Courts, and Treasurer) and other County offices that are subsequently disbursed to the County, other governments, or individuals for whom it was collected.



# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

### Interfund Activity in the Government-Wide Financial Statements

The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are the transfers between governmental funds and business-type and fiduciary funds. Elimination of these amounts would distort the direct costs and program revenues reported for the various functions concerned.

### Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include all highly liquid investments with a maturity of three months or less when purchased.

### Investments

Investments are stated at fair value based on current market prices.

### Interfund Receivables and Payables

Activities between governmental funds that are representative of temporary lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). All other balances outstanding between the governmental activities and fiduciary funds are reported in the government-wide financial statements as "internal balances."

### Inventories and Prepaid Items

Inventories used in governmental funds, principally supplies, are accounted for as expenditures when purchased. The amount of inventory at December 31, 2012 is not significant.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

### Capital Assets

Capital assets, which include land and land improvements, building and improvements, machinery and equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the County as assets with initial, individual cost of more than of \$5,000 and an estimated useful life in excess of three years. Such assets are valued at historical cost or estimated

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. These costs are charged to operations when incurred.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Infrastructure	50 years
Buildings	20 - 50 years
Site improvements	16 - 30 years
Equipment	5 - 20 years
Vehicles	4 – 10 years

### Compensated Absences

The County follows the provisions of GASB Statement No. 16, “*Accounting for Compensated Absences.*” Calculation of the liability amount is determined by the appropriate vacation, sick, and lump sum payments, which would be available to employees if they would leave or retire from the County.

The County accrues accumulated unpaid vacation when (1) the obligation relates to rights that vest or accumulate, (2) the payment of the obligation is probable, and (3) the amount can be reasonably estimated. Unused vacation leave is paid upon an employee's retirement or upon termination after one year of service. Sick leave not taken is paid only to retiring employees, at varying rates. No liability for these amounts is included in the governmental funds.

### 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 statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are deferred and amortized over the term of the related debt using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the

---

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of restriction placed upon the funds. These levels are as follows:

- Nonspendable – This category represents funds that are not in spendable form and includes such items as advances, prepaid expenditures, and inventory.
- Restricted – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties. The County's restricted fund balances consist of external enabling legislation for the federal, state or local government grants. This category includes funds that are legally restricted for adoption counseling, offender supervision, operating reserve, substance abuse education, district attorney, roads and bridges, emergency services, hazmat, affordable housing, and records improvement.
- Committed – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending imposed by the County Commissioners. Such commitment is made via a resolution of the County Commissioners and must be made prior to the end of the fiscal year. A commitment can only be modified or removed by an equal action of the County Commissioners. This category includes operating reserve, district attorney, warden, woodcock park, and debt service.
- Assigned – This category represents intentions of the County to use the funds for specific purposes. The County Commissioners have the authority to assign amounts to be used for specific purposes. This category includes amounts set aside for capital projects.
- Unassigned – This category includes the residual classification for the County's General Fund and includes all spendable amounts not contained in other classifications.

The County's policy is to apply expenditures against any non-spendable funds, restricted fund balance, committed fund balance, assigned fund balance, and then unassigned fund balances.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

### Net Position

Accounting standards requires the classification of net position into these components – net investment in capital assets; restricted; and unrestricted. These classifications are defined below:

- Net investment in capital assets – This component of net position consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- Restricted – This component of net position consists of constraints placed on net position use through external restrictions. Two categories are used to further describe restricted net position:
  - Expendable – can be expended in compliance with external restriction
  - Nonexpendable – net position that are required to be retained in perpetuity

Expendable restricted net position at December 31, 2012 of the County consists of: \$14,014 for adoption counseling, \$270,964 for offender supervision, \$98,462 for operating reserve, \$12,714 for substance abuse education, \$41,462 for district attorney, \$577,484 for roads and bridges, \$406,031 for emergency services, \$117,230 for hazmat, \$66,015 for affordable housing, and \$180,611 for records improvement.

- Unrestricted – The component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

### Allocation of Indirect Expenses

The County allocates indirect expenses, primarily comprised of central governmental services, to operating functions and programs benefiting from those services. Central services include overall County management, centralized budgetary formulation and oversight, accounting, financial reporting, personnel, purchasing, cash management, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. These charges are included in direct expenses in the statement of activities.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

### Budgets and Budgetary Accounting

The County adopts an annual budget for its general fund on a cash basis. Unexpended budget appropriations expire at year-end and do not carry forward to future periods

On or before October 1 of each year, each department submits a proposed operating budget for the ensuing calendar year. The proposed budgets include proposed expenditures and the means of financing them. The proposed budget is compiled and made available for public inspection for at least 20 days prior to the date for adopting the budget. After the inspection period has been satisfied, the budget is legally adopted no later than December 31 of the year before the one for which it is effective.

The appropriated budget is prepared by fund, function and department. The County's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Encumbrance accounting is employed in the liquid fuels fund, one of the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be appropriated and honored during the subsequent year.

The following is a reconciliation of the actual results of operations in the statement of revenues, expenditures, and changes in fund balance – General Fund to the budgetary cash basis of accounting used in the statement of revenues, expenditures, and changes in fund balance – budget and actual – General Fund.

	<u>General Fund</u>
Net change in fund balance - General Fund as presented (modified accrual)	\$ 1,311,170
Adjustment to reconcile accounts and real estate taxes receivable to budgetary basis	2,870,911
Adjustment to reconcile prepaids and accounts and wages payable to budgetary basis	<u>399,901</u>
Net change in fund balance - General Fund budgetary basis (cash basis)	<u><u>\$ 4,581,982</u></u>

---

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

For the year ended December 31, 2012, expenditures exceeded appropriations in the public safety department, public works department, culture and recreation department, and debt service interest payments of the General Fund. These overages were funded by greater than anticipated revenues and by available fund balance. Also, taxes revenue and general government expenses were significantly less than budgeted as the County budgets for the school, city, township and borough taxes; however, such funds are reclassified to an Agency Fund at year end.

### Estimates

The preparation of the financial statements in conformity with accounting standards generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ than those estimates.

### Adopted Pronouncements

GASB Statement No. 61, *“The Financial Reporting Entity: Omnibus.”* The statement improves financial reporting for a governmental financial reporting entity by modifying existing requirements for the assessment of potential component units.

GASB Statement No. 62, *“Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.”* The statement codifies into the GASB standards guidance located in FASB and AICPA pronouncements.

GASB issued Statement No. 63, *“Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.”* This statement provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of net position and related disclosures. The primary impact of this statement on the County’s 2012 financial statements related to reporting the residual of assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources as net “position,” rather than net “assets.” As of December 31, 2012, the County had no items that qualified for reporting in the deferred inflow of resources or deferred outflow of resources categories.

### Pending Pronouncements

GASB has issued Statement No. 65, *“Items Previously Reported as Assets and Liabilities”* effective for period beginning after December 15, 2012. This statement reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, this statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources.

---

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

GASB has issued Statement No. 67, “*Financial Reporting for Pension Plans*,” effective for periods beginning after June 15, 2013 and has also issued GASB Statement No. 68, “*Accounting and Financial Reporting for Pensions*,” effective for periods beginning after June 15, 2014. These statements revise existing guidance for the financial reports of most pension plans, and establish new financial reporting requirements for most governments that provide their employees with pension benefits.

GASB has issued Statement No. 70, “*Accounting and Financial Reporting for Non-exchange Financial Guarantees*,” effective for financial statements for periods beginning after June 15, 2013. This statement specifies the information required to be disclosed by governments that extend non-exchange financial guarantees, and requires a government that extends a non-exchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee.

Management has not yet determined the impact of these statements on the County’s financial statements.

### 3. DEPOSITS AND INVESTMENTS

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for investment purposes.

In addition to the investments authorized for governmental funds, fiduciary fund investments may also be made in corporate stocks and bonds and other investments consistent with sound business practice.

The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The County has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. As of December 31, 2012, investments in PLGIT and INVEST have received an AAAM rating from Standard & Poor’s.

#### Deposits

The following is a description of the County’s deposit risks:

*Custodial Credit Risk* – Custodial credit risk is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County does not have a formal deposit

---

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

policy for custodial credit risk. Of the bank balance of \$37,890,719 at December 31, 2012, \$2,365,593 was covered by federal depository insurance. The remaining balance of \$35,525,126 was collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and has the collateral held by an approved custodian in the institution's name. These deposits, with carrying amounts as of December 31, 2012, of \$37,186,731, are reported as cash and cash equivalents in the statement of net position.

### Agency Fund

The County maintains bank accounts for the elected row officers and other County offices. The balance of these accounts is reflected in the statement of fiduciary net position. The carrying amount of deposits for the row offices and other County offices was \$2,615,559 and the bank balance was \$2,653,494. Of the bank balance, \$1,218,874 was covered by federal depository insurance. The remaining balance of \$1,434,620 was collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and has the collateral held by an approved custodian in the institution's name.

### Pension Trust Fund – Deposits

The pension trust fund deposits are held separately from those of other County funds. The pension trust fund cash and cash equivalents include book value of \$3,530,470 at December 31, 2012. The bank balance of the checking and money market deposits as of December 31, 2012 was \$3,535,068. The bank balance was collateralized in accordance with Act 72 of the Pennsylvania state legislature which requires the institution to pool collateral for all governmental deposits and has the collateral held by an approved custodian in the institution's name.

### Pension Trust Fund

The Pension Trust Fund investments are held separately from those of other County funds. Investments of the plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. The County's Pension Committees determine the investment managers for the Pension Trust Funds and meet periodically with the trustees to discuss the general categories of investments to be made.

As of December 31, 2012, the County Pension Trust Fund held the following investments:



# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Cash or Investment Type	Fair Market Value
Bond mutual funds	\$ 19,117,687
<b>Total debt securities</b>	<b>19,117,687</b>
Money markets	246,614
Alternative invest mutual funds	3,160,129
Domestic equity funds	14,815,965
International equity funds	10,339,989
Hedge funds	2,158,125
<b>Total other investments</b>	<b>30,720,822</b>
<b>Total Pension Trust Fund investments reported on statement of net position - fiduciary funds</b>	<b>\$ 49,838,509</b>

The following is a description of the County's Pension Trust Fund deposit and investment risks:

*Credit risk* - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The County does not have a formal investment policy for credit risk.

As of December 31, 2012, the County's Pension Trust Fund investments in debt securities have received the following ratings from Moody's:

Investment Type	Moody's Rating	Percentage of Total Pension Trust Fund Debt Securities
Bonds	AAA	41%
Bonds	AA	1%
Bonds	A	3%
Bonds	BBB	4%
Bonds	BB	1%
Bonds	B	1%
Bonds	Below B	9%
Bonds	Unrated	40%
		100%

*Custodial Credit Risk* - For deposits and investments, custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the Pension Trust Funds will not be able to recover the value of their deposits or investments or collateral securities that are in the

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

possession of an outside entity. The County's Pension Trust Fund does not have a formal investment policy for custodial credit risk. The County's Pension Trust Fund investments in mutual funds cannot be classified by risk category because they are not evidenced by securities that exist in physical or book entry form. Money market investments include short-term U.S. Treasury and agency obligations, certificates of deposits, and commercial paper. As of December 31, 2012, the County's Pension Trust Fund money markets balance of \$246,614 included in investments (bank and book balance) was exposed to custodial credit risk.

*Interest Rate Risk* – The Pension Trust Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

### Risks and Uncertainties

Financial instruments, which potentially expose the County to concentrations of credit risk, include investments in marketable securities. As a matter of policy, the County maintains investment balances only with institutions having a high credit quality. Concentration of credit risk for investments in marketable securities is mitigated by the overall diversification of managed investment portfolios. Investment securities are also exposed to various other risks such as interest rate risk and market risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such a change could materially affect the amount reported on the statement of net position.

## **4. REAL ESTATE TAXES**

The County is permitted by state law to levy taxes up to 25 mills of assessed valuation. The millage rate levied by the County for the year ended December 31, 2012 was 18.25 mills (real estate tax) and 0.6 mills (library tax assessment) applied to an assessable base of \$1,178,938,455 for general County purposes. Real estate taxes attach as an enforceable lien on property as of January 1 and are levied on March 1. These taxes are billed by the County and collected by elected tax collectors. Taxes paid through April 30 are reduced by a 3% discount. Amounts paid after June 30 are assessed a 10% penalty. The current year tax levy becomes delinquent at December 31. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities.

Current real estate taxes receivable at December 31, 2012 consist of the face value of the tax levy uncollected at year end. Taxes collected within 60 days are recorded as revenue in the fund-level statements with the balance of the levy accounted for as deferred revenue.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

### 5. ALLOWANCE FOR UNCOLLECTIBLES

All trade and taxes receivables are shown net of an allowance for uncollectibles. The County estimates the allowance for uncollectibles using historical collection data and in certain cases, specific account analysis.

Crawford County Care Center accounts receivables are shown net of an allowance for uncollectible accounts totaling \$464,179.

Property tax receivables are shown net of an allowance for uncollectibles equal to \$460,454 calculated as follows:

<u>Year</u>	<u>Uncollectible</u>
2012	2%
2011	5%
2010	8%
2009	70%
2008	50%
2007 and prior	100%

Per capita tax receivables are shown net of an allowance for uncollectibles equal to \$9,432.

### 6. PROMISSORY NOTES

Included in other assets on the statement of net position are two promissory notes from the Crawford County Regional Airport Authority (Airport Authority) and the Crawford County Fair Dairy Committee (Dairy Committee). In 2008, the County loaned the Airport Authority \$393,206 to be repaid by increasing increments over a fifteen-year term at zero percent interest, beginning in 2009. The County also loaned the Dairy Committee \$130,000 in 2008, to be repaid in annual installments of \$15,000 at zero percent interest. As of December 31, 2012, promissory notes receivable total \$393,206.

### 7. CAPITAL ASSETS

A summary of governmental activities fixed assets for the year ended December 31, 2012 was as follows:

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

	Balance at January 1, 2012	Transfers/ Additions	Transfers/ Deletions	Balance at December 31, 2012
<b>Governmental Activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 637,636	\$ -	\$ -	\$ 637,636
Construction in progress	140,967	1,284,422	-	1,425,389
Total capital assets, not being depreciated	778,603	1,284,422	-	2,063,025
Capital assets, being depreciated:				
Buildings	19,784,162	-	-	19,784,162
Land improvements	1,083,176	9,230	-	1,092,406
Equipment	6,183,304	600,839	-	6,784,143
Vehicles	1,273,258	145,871	(126,755)	1,292,374
Infrastructure	9,609,453	1,112,633	-	10,722,086
Total capital assets, being depreciated	37,933,353	1,868,573	(126,755)	39,675,171
Less: accumulated depreciation	(17,910,209)	(1,073,417)	124,084	(18,859,542)
Total capital assets, being depreciated net	20,023,144	795,156	(2,671)	20,815,629
Governmental activities, capital assets, net	\$ 20,801,747	\$ 2,079,578	\$ (2,671)	\$ 22,878,654

At December 31, 2012, the construction in progress account balance relates to preliminary costs associated with the renovations of the Judicial and Governmental Centers. Such balance also includes \$98,812 of capitalized interest.

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 182,836
Public safety	475,407
Public works	209,941
Human services	78,974
Culture and recreation	126,259
Total depreciation expense - governmental activities	\$ 1,073,417

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

A summary of business-type activities fixed assets for the year ended December 31, 2012 was as follows:

	January 1, 2012	Additions	Deletions	December 31, 2012
<b>Business-Type Activities:</b>				
Capital assets, being depreciated:				
Buildings	\$ 5,111,190	\$ 39,868	\$ -	\$ 5,151,058
Land improvements	413,695	18,947	-	432,642
Equipment	485,344	21,524	-	506,868
Vehicles	111,053	-	-	111,053
	6,121,282	80,339	-	6,201,621
Less: accumulated depreciation	4,703,481	247,963	-	4,951,444
Total capital assets, being depreciated net	1,417,801	(167,624)	-	1,250,177
Business-type activities, capital assets, net	\$ 1,417,801	\$ (167,624)	\$ -	\$ 1,250,177

Depreciation and amortization expense charged to the single business-type activity was \$247,963 and was charged to human services expense.

### 8. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Individual fund receivable and payable balances at December 31, 2012, as well as interfund transfers for the year ended December 31, 2012, were as follows:

Funds	Interfund Receivables	Interfund Payables	Transfers In	Transfers Out
Governmental activities:				
General	\$ 1,503,126	\$ 1,022,886	\$ -	\$ 1,718,591
Human Services	900,063	621,004	1,696,750	-
Aggregate remaining funds	7,340	204,787	-	-
Business-type activities:				
Care Center	112,902	674,754	-	-
Internal Service Fund	-	-	21,841	-
	\$ 2,523,431	\$ 2,523,431	\$ 1,718,591	\$ 1,718,591

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

A large portion of the General Fund interfund transfers out and Human Service Fund transfers in represents the County's required contribution to various programs based upon Department of Public Welfare requirements. The purpose of the majority of the interfund payables due from the General Fund are amounts due for Human Services unpaid match contributions. The primary purpose of the interfund payable amounts due for the Human Services, Aggregate Remaining, and Care Center funds is for expenses, such as pension and payroll, which are initially paid and reimbursed to the General Fund.

### 9. CRAWFORD COUNTY EMPLOYEES' RETIREMENT SYSTEM

#### Plan Description

The Crawford County Employees' Retirement System (Plan), as administrated by the County, is a single employer defined benefit pension plan governed by the County Pension Law Act 96 (Act) of 1971, as amended, enacted by the General Assembly of the Commonwealth of Pennsylvania. The Plan is reported as the Employees' Retirement Fund in the accompanying financial statements. Separate Plan financial statements are not available. The benefit provisions were established by action of the Board of Trustees of the system January 1, 1962. The Board retains exclusive control over the plan document. The plan is qualified under Internal Revenue Code Section 401 (a) and thus is tax exempt.

All full-time County employees become plan participants immediately upon becoming an employee. Membership in the Plan is optional for elected officials. The plan requires each member to contribute a percentage of their salary to the plan. The Plan provides retirement, death and disability benefits to plan members and their beneficiaries.

At January 1, 2012, the date of the most recent valuation, participants in the Plan were as follows:

Retirees and beneficiaries	214
Deferred vested	41
Active employees:	
Vested	267
Nonvested	315

#### Summary of Significant Accounting Policies

Financial information of the Plan is presented 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 as required by the Act and the

---

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

employer has made a formal commitment to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments of the Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges 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. Gains (losses) on unrealized appreciation (depreciation) of investments' market value above (below) cost are recognized in the period of appreciation (depreciation).

At December 31, 2012, there were no individual investments that are required to be disclosed that constituted more than 5% of any of the Plan net position available for benefits. In addition, the Plan did not have any investment transactions with related parties during the year.

### Contributions and Funding Policy

The Plan participants and the County are obligated by the plan document to make all required contributions to the plan. Participants are required to contribute 8% of their annual covered salary. The contributions required of the County are actuarially determined using the entry age funding method. Participant contributions totaled \$1,908,301 in 2012. The costs of administering the plan are financed through investment earnings.

The County's annual pension cost and related information is as follows:

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

Annual pension cost	\$ 2,381,375
Contributions made	\$ 2,381,375
Actuarial valuation date	1/1/2012
Actuarial cost method	Entry Age
	5-Year
Asset valuation method	Smoothed
	Market
Amoritization method	Level Percentage of
	Projected Payroll
Amoritization period	9.54 years
Actuarial assumptions:	
Investment rate of return*	7.5%
Projected salary increases*	4.5%
Cost of living adjustments	35% change in C.P.I.

\* Includes inflation at 3%.

The County has a net pension obligation (NPO) of \$372,681 as of December 31, 2012.

### Trend Information

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
12/31/2010	\$ 1,778,081	100.0%	\$ 408,150
12/31/2011	2,092,659	100.0%	389,856
12/31/2012	2,381,375	100.0%	372,681

### Funded Status

The County's funded status and related information for the Plan as of the latest actuarial valuation date, January 1, 2012, is as follows:



# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Excess of Assets Over (Under) AAL	Funded Ratio	Covered Payroll	Excess of AAL as a Percentage of Covered Payroll
\$ 48,912,973	\$ 62,824,581	\$(13,911,608)	77.9%	\$ 21,092,999	-66.0%

The required schedule of funding progress included as required supplementary information immediately following the notes to financial statements presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

As noted above, certain pension information and calculations are based upon an actuarial valuation performed as of January 1, 2012. The next actuarial valuation will be performed as of January 1, 2013.

### Annual Pension Cost and Net Pension Obligation

The County's annual pension cost and net pension obligation to the plan for the current year is as follows:

Annual required contribution (ARC)	\$ 2,381,375
Interest on net pension obligation	29,239
Adjustment to the ARC	<u>(46,414)</u>
Annual pension cost (APC)	2,364,200
Contribution made	<u>2,381,375</u>
Change in net pension obligation (NPO)	(17,175)
NPO, January 1, 2012	<u>389,856</u>
NPO, December 31, 2012	<u><u>\$ 372,681</u></u>

## 10. LONG-TERM LIABILITIES

### General Obligation Bonds

In October, 1991, the County issued \$5,558,566 of General Obligation Bonds of which \$2,680,000 are current interest bonds issued at par and \$2,878,566 are capital appreciation bonds. The proportionate shares of the initial liability were recorded in the primary government governmental activities and business-type activities in the amounts of \$1,216,626 and \$4,341,940, respectively. These activities are being charged annually for

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

their proportionate shares of the interest accreting on the capital appreciation bonds. The liability in the primary governmental activities was fully paid off in 2004. Proceeds, net of \$148,022 issuance costs, were placed into an escrow fund to defease \$3,740,000 of the Series 1988 and \$1,205,000 of the Series 1989 bonds. The remaining \$133,550 was placed into the Crawford County Construction Fund. The bonds mature beginning December 1, 1991 through June 1, 2013. The interest rates, which vary according to maturity date, range from 4.40% to 7.05%. The annual debt service requirements remaining to maturity are in 2013 with principal payments being \$383,964 and related interest payments totaling \$11,035.

On December 30, 2010, the County issued \$2,410,000 of Refunding Bonds, Series C of 2010. The Series C Bonds bear interest at 1.66% and are due September 1, 2011 - 2013. The proceeds were used to pay issuance costs of \$17,054, to redeem \$2,345,000 remaining principal balance on 1999 General Obligation Bonds and to pay interest on those bonds to February 1, 2011, the date on which the 1999 Bonds were called.

Additionally, on December 30, 2010, the County issued an aggregate amount \$2,300,000 General Obligation Bonds, comprised of \$612,000 Taxable Build America Bonds, Series A of 2010, bearing interest at 4.11% and maturing September 1, 2014 - 2016; and \$1,688,000 Taxable Recovery Zone Economic Development Bonds, Series B of 2010, bearing interest at 4.51% and maturing September 1, 2016 - 2020. The proceeds of the Series A and B bonds, net of issuance costs of \$32,553, were deposited into the Capital Projects Fund to be used to fund certain capital projects. The County has filed irrevocable elections to be eligible for 35% and 45% interest refunds on the Series A and B bonds, respectively. The amounts of expected interest refunds over the life of the bonds are \$39,272 and \$274,977 on these respective Series' of bonds.

### Note Payable

A 5.25% note is payable in monthly installments of \$6,591, including interest commencing July 1, 1998 and continuing until July 9, 2016, at which time a balloon payment is due. The purpose of the note is to help fund renovations at the Quality Living Center. The note is collateralized by the tangible property located within the Quality Living Center.

Annual debt service requirements to maturity related to the above-discussed long-term liabilities are as follows:

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

Years Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2013	\$ 861,714	\$ 148,787	\$ 1,010,501
2014	299,226	132,558	431,784
2015	331,874	119,492	451,366
2016	794,796	95,992	890,787
2017	330,000	66,989	396,989
2018-2020	1,135,000	105,906	1,240,906
	\$ 3,752,610	\$ 669,724	\$ 4,422,333

### Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2012 was as follows:

	Balance at January 1, 2012	Additions	Reductions	Balance at December 31, 2012	Due Within One Year
<b>Governmental Activities</b>					
QLC Note	\$ 681,842	\$ -	\$ (44,232)	\$ 637,610	\$ 46,714
GOB, Series A of 2010	612,000	-	-	612,000	-
GOB, Series B of 2012	1,688,000	-	-	1,688,000	-
GOB, Series C of 2012	1,615,000	-	(800,000)	815,000	815,000
Compensated Absences	830,330	1,528,817	(1,251,609)	1,107,538	1,107,538
Long-term liabilities	\$ 5,427,172	\$ 1,528,817	\$ (2,095,841)	\$ 4,860,148	\$ 1,969,252
<b>Business-Type Activities</b>					
Bond series - 1991	\$ 741,896	\$ 37,068	\$ (395,000)	\$ 383,964	\$ 383,964
Compensated Absences	305,005	436,443	(440,787)	300,661	300,661
Long-term liabilities	\$ 1,046,901	\$ 473,511	\$ (835,787)	\$ 684,625	\$ 684,625

## 11. LEASES

The County leases certain office space and equipment under operating lease arrangements expiring over the next several years, which contain cancellation provisions and are subject to annual appropriations. The following is a schedule of future minimum lease payments for operating leases with initial or remaining lease terms in excess of one year as of December 31, 2012:

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

2013	\$ 622,276
2014	528,851
2015	464,977
2016	362,764
2017	<u>330,158</u>
	<u>\$ 2,309,026</u>

Total rent payments made during 2012 amounted to \$556,853.

### 12. SELF-INSURANCE

The County maintains a self-insurance program for its worker's compensation coverage plan and a self-insurance program for a portion of its liability coverage plan, which are being accounted for as an internal service fund. In addition, effective January 1, 2013, the County will maintain a self-insurance program for health care coverage.

The County has long been granted an exemption from the necessity of insuring its liability to pay compensation under the Pennsylvania Workers Compensation Act (the "Act"), 77 P.S. p.1 et. Seq, such exemption being commonly referred to as self-insured status. In order to continue to remain in self-insured status, the County secures the payment of benefits under the Act in accordance with section 501 of the Act and applicable regulations.

On a regular basis, the Pennsylvania Department of Labor and Industry, Bureau of Workers Compensation Division, calculates the funding status of the County's Workers Compensation dedicated asset account. This dedicated asset account must meet the required asset level as prescribed by applicable regulations. The County has recently received exemption from the Department of Labor from the necessity of insuring its liability to pay compensation as provided for and subject to the Act and authorized it to operate as a self-insurer for the period of January 1, 2012 to January 1, 2013. The State has changed the beginning of the future annual self-insurance periods to January 1, the beginning of the County's fiscal year. This realignment will enable the State to monitor the filing of each renewal application.

The outstanding liability is calculated based on taking an average of the last three years' outstanding liabilities. The average calculation took into consideration any change in the number of claims between years and any change in the number of long-term claims. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The County's self-funded liability coverage plan covers the first \$125,000 of claims with any excess claims being covered through commercial insurance policies. The fund charges

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

premiums to the general fund based on an amount determined by the administering insurance company. Insurance companies serve as claims administrators whereby they review and process claims. The premiums are based on anticipated claims, estimated costs of administering the plan and satisfying claims. The County maintains insurance policies that limit the County's maximum worker's compensation liability per occurrence to \$350,000 and the maximum commercial liability per occurrence to \$25,000. Claims' expenditures and liabilities are reported when it is probable that a loss can be reasonably estimated.

The following represents changes in those aggregate liabilities for workmen's compensation during the past year:

	Workmen's Compensation Coverage Plan	Liability Coverage Plan	Total
Liability at January 1, 2011	\$ 210,477	\$ 770,412	\$ 980,889
Incurred claims and claim adjustments	64,060	38,686	102,746
Payments on claims and claim adjustment expenses	(83,127)	(752,161)	(835,288)
Liability at December 31, 2011	<u>191,410</u>	<u>56,937</u>	<u>248,347</u>
Incurred claims and claim adjustments	260,964	86,995	347,959
Payments on claims and claim adjustment expenses	(67,335)	(43,891)	(111,226)
Liability at December 31, 2012	<u>\$ 385,039</u>	<u>\$ 100,041</u>	<u>\$ 485,080</u>

### 13. COMMITMENTS AND CONTINGENCIES

The County participates in both state and federally assisted grant programs. These grant programs are subject to program compliance audits by the grantors or their representatives. The County is potentially liable for any expenditure which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

The Care Center is subject to the laws and regulations governing the Medicare and Medicaid programs. These laws and regulations are complex and subject to interpretation. The Care Center believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government reviews and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

### 14. REVENUE CONCENTRATION

Of the County's total governmental revenues for the primary government, approximately 44% and 41% is derived from taxes and intergovernmental revenues, respectively. Taxes consist of the collection of real estate and per capita taxes. Intergovernmental revenues consist of federal and state operating grants from various funding sources used to finance projects and services provided to Crawford County citizens. Substantially all revenue received in the enterprise fund is derived predominantly from third-party payers. The County has amounts receivable arising from the property tax levies, earned income and various other activities. These amounts are generally due from taxpayers and citizens of The County of Crawford, Pennsylvania and are, thus, subject to the economic conditions of that geographic area.

### 15. FUND BALANCE AND NET POSITION RESTATEMENT

The County made various restatements to the fund balance reported as of December 31, 2011. For the Government-wide statements, the County changed their fixed asset capitalization threshold from \$500 to \$5,000. In addition, the County recorded a net pension obligation beginning of year balance, which was previously unreported. The total government-wide, governmental fund restatement was \$3,400,646 as follows:

Net position at December 31, 2011, as previously presented	\$ 55,230,255
Fund balance restatement	(2,039,336)
Internal service fund net position restatement	(151,667)
Net position restatement	<u>(1,209,643)</u>
Net position at December 31, 2011, as restated	<u>\$ 51,829,609</u>

Governmental fund balance was restated to adjust beginning of the year balance sheet accounts including: accounts payable, accounts receivable, taxes receivable, other assets, due to/due from, prepaid insurance, and deferred revenue. In addition, the fund balance for a previously reported special revenue fund was transferred to the general fund, as it did not meet the criteria for being reported as a special revenue fund. Also, the accumulated fund balance related to a previously reported component was removed as such did not meet the definition to be blended. The total governmental fund balance restatement was \$2,039,336 as follows:

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

---

Fund balance at December 31, 2011, as previously presented	\$ 29,928,890
General Fund restatements:	
Beginning of the year balance sheet restatements	(2,731,610)
Removal of blended componet unit	(651,027)
Transfer in of previsouly reported special revenue fund	232,584
Human Services restatements:	
Beginning of the year balance sheet restatements	1,743,732
Aggregate remaining restatements:	
Liquid Fuels:	
Beginning of the year balance sheet restatements	7,388
911 Wireless:	
Beginning of the year balance sheet restatements	(322,901)
Special Revenue - other:	
Beginning of the year balance sheet restatements	(84,918)
Transfer out of previsouly reported Special Revenue Fund	<u>(232,584)</u>
Fund balance at December 31, 2011, as restated	<u><u>\$ 27,889,554</u></u>

Proprietary funds net position restatements were made to adjust beginning of the year balance sheet accounts including: accreted interest accrual, accounts receivable, due from balance, and bonds payable. In addition, the County Care Center changed their fixed asset capitalization threshold from \$500 to \$5,000. The total proprietary fund restatement was \$2,537,588 as follows:

Net position at December 31, 2011, as previously presented	\$ 9,940,581
Crawford County Care Center:	
Beginning of the year balance sheet restatement	2,971,177
Change in fixed asset capitalization threshold	(281,922)
Internal Service Fund:	
Beginning of the year balance sheet restatement	<u>(151,667)</u>
Net position at December 31, 2011, as restated	<u><u>\$ 12,478,169</u></u>

**Required Supplementary  
Information**



# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	Excess of AAL as a Percentage of Covered Payroll
1/1/2007	\$ 39,162,765	\$ 43,158,367	\$ (3,995,602)	90.7%	\$ 17,452,557	-22.9%
1/1/2008	45,333,128	46,873,125	(1,539,997)	96.7%	18,333,627	-8.4%
1/1/2009	45,042,546	50,076,977	(5,034,431)	89.9%	17,830,389	-28.2%
1/1/2010	45,440,729	55,168,873	(9,728,144)	82.4%	20,157,693	-48.3%
1/1/2011	46,393,920	58,385,248	(11,991,328)	79.5%	20,755,123	-57.8%
1/1/2012	48,912,973	62,824,581	(13,911,608)	77.9%	21,092,999	-66.0%

See accompanying note to supplementary schedules.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF CONTRIBUTIONS FROM EMPLOYERS AND OTHER CONTRIBUTING ENTITIES

DECEMBER 31, 2012

<u>Calendar Year</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2007	\$ 963,949	100%
2008	730,553	100%
2009	1,111,705	112%
2010	1,778,081	100%
2011	2,092,659	100%
2012	2,381,375	100%

See accompanying note to supplementary schedules.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTE TO SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2012

---

The information presented in the required supplementary pension schedule was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Actuarial valuation date	1/1/2012
Actuarial cost method	Entry Age
Asset valuation method	5-Year Smoothed Market
Amortization method	Level Percentage of Projected Payroll
Amortization period	9.54 years
Actuarial assumptions:	
Investment rate of return*	7.5%
Projected salary increases*	4.5%
Cost of living adjustments	35% change in C.P.I.

\* Includes inflation at 3%.

## **Supplementary Information**

## **OTHER GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned for specified purposes other than debt services or capital projects. Following are the Special Revenue Funds used by the County:

The **Liquid Fuels Fund** accounts for state aid revenues used for the building and improving of roads and bridges through the County.

The **Community Development Block Grant Fund** is used to account for the revenue and expenditures appropriated from the Housing and Community Act of 1974 for the purpose of improving water systems, sanitary sewer systems, storm sewers, housing rehabilitation, public/community facilities, streets and roads, and the removal of architectural barriers.

The **911 and 911 Wireless Funds** are used to account for money received from phone user charges and potential County contributions to operate the County's emergency communication systems, as well as grants received from the state for E-911 upgrades.

The **Special Revenue All Other Fund** accounts for all other funds that account for proceeds of resources that are restricted or committed for purposes other than debt service or capital projects. The restricted or committed resources comprise a substantial portion of the inflows reported in the special revenue fund.

### **Capital Projects Fund**

The following Capital Project Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds:

The **Capital Projects Fund** accounts for financial resources to be used to fund certain capital projects.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2012

Assets	Special Revenue Funds					Capital Projects	Total Nonmajor Governmental Funds
	Liquid Fuels	CDBG	911	911 Wireless	Special Revenue All Other		
Cash and cash equivalents	\$ 582,394	\$ 379	\$ 488,558	\$ 535,923	\$ 400,560	\$ 3,227,882	\$ 5,235,696
Receivables:							
Accounts receivable, net	106,212	-	81,080	-	39,267	-	226,559
Intergovernmental receivable	56,214	9,930	-	-	12,538	-	78,682
Due from other funds	-	-	-	7,340	-	-	7,340
Prepaid expenses and other assets	-	-	-	-	6,000	-	6,000
<b>Total Assets</b>	<b>\$ 744,820</b>	<b>\$ 10,309</b>	<b>\$ 569,638</b>	<b>\$ 543,263</b>	<b>\$ 458,365</b>	<b>\$ 3,227,882</b>	<b>\$ 5,554,277</b>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 144,960	\$ 2,810	\$ 7,578	\$ 8,879	\$ 6,165	\$ -	\$ 170,392
Accrued payroll and related liabilities	3,385	-	37	137	1	-	3,560
Intergovernmental payable	-	-	-	-	32,873	-	32,873
Due to other funds	19,045	7,499	155,992	-	18,943	3,308	204,787
Unearned revenue	-	-	-	534,247	36,527	-	570,774
<b>Total Liabilities</b>	<b>167,390</b>	<b>10,309</b>	<b>163,607</b>	<b>543,263</b>	<b>94,509</b>	<b>3,308</b>	<b>982,386</b>
<b>Fund Balances:</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted:							
Roads and bridges	577,430	-	-	-	-	-	577,430
Emergency services	-	-	406,031	-	-	-	406,031
Hazmat	-	-	-	-	117,230	-	117,230
Affordable housing	-	-	-	-	66,015	-	66,015
Records improvement	-	-	-	-	180,611	-	180,611
Assigned	-	-	-	-	-	3,224,574	3,224,574
<b>Total Fund Balances</b>	<b>577,430</b>	<b>-</b>	<b>406,031</b>	<b>-</b>	<b>363,856</b>	<b>3,224,574</b>	<b>4,571,891</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 744,820</b>	<b>\$ 10,309</b>	<b>\$ 569,638</b>	<b>\$ 543,263</b>	<b>\$ 458,365</b>	<b>\$ 3,227,882</b>	<b>\$ 5,554,277</b>

## COUNTY OF CRAWFORD, PENNSYLVANIA

### COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2012

	Special Revenue Funds					Capital Projects	Total Nonmajor Governmental Funds
	Liquid Fuels	CDBG	911	911 Wireless	Total Other Special Revenue		
<b>Revenues:</b>							
Intergovernmental	\$ 330,502	\$ 112,683	\$ -	\$ 411,646	\$ 1,405,127	\$ -	\$ 2,259,958
Charges for services	1,253,393	-	622,928	-	208,744	-	2,085,065
Investment earnings	3,750	3	903	4,213	1,436	4,983	15,288
Miscellaneous	11	-	20,284	-	716	-	21,011
<b>Total revenues</b>	<b>1,587,656</b>	<b>112,686</b>	<b>644,115</b>	<b>415,859</b>	<b>1,616,023</b>	<b>4,983</b>	<b>4,381,322</b>
<b>Expenditures:</b>							
Current:							
General government	-	112,686	-	-	67,960	358,439	539,085
Public safety	-	-	952,312	415,859	122,285	-	1,490,456
Public works	1,469,960	-	-	-	-	-	1,469,960
Human services	-	-	-	-	1,323,137	-	1,323,137
Debt service:							
Principal	-	-	-	-	44,232	-	44,232
Interest	-	-	-	-	34,864	-	34,864
<b>Total expenditures</b>	<b>1,469,960</b>	<b>112,686</b>	<b>952,312</b>	<b>415,859</b>	<b>1,592,478</b>	<b>358,439</b>	<b>4,901,734</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>117,696</b>	<b>-</b>	<b>(308,197)</b>	<b>-</b>	<b>23,545</b>	<b>(353,456)</b>	<b>(520,412)</b>
<b>Net Change in Fund Balances</b>	<b>117,696</b>	<b>-</b>	<b>(308,197)</b>	<b>-</b>	<b>23,545</b>	<b>(353,456)</b>	<b>(520,412)</b>
Fund balances - beginning, as restated	459,734	-	714,228	-	340,311	3,578,030	5,092,303
Fund balances - ending	<b>\$ 577,430</b>	<b>\$ -</b>	<b>\$ 406,031</b>	<b>\$ -</b>	<b>\$ 363,856</b>	<b>\$ 3,224,574</b>	<b>\$ 4,571,891</b>

## **AGENCY FUNDS**

Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds are used to account for cash collected by elected row officers (Sheriff, Treasurer's Office, Register of Wills/Recorder of Deeds, Prothonotary, District Justice Courts, and Clerk of Courts) and other County offices that are subsequently disbursed to the County, other governments, or individuals for whom it was collected.



# COUNTY OF CRAWFORD, PENNSYLVANIA

## STATEMENT OF CHANGES IN ASSETS AND LIABILITIES ALL AGENCY FUNDS

YEAR ENDED DECEMBER 31, 2012

	Balance at January 1, 2012	Additions	Deductions	Balance at December 31, 2012
<b>Assets</b>				
Cash and cash equivalents	\$ 2,433,426	\$ 15,326,197	\$ 15,144,064	\$ 2,615,559
<b>Total Assets</b>	<u>\$ 2,433,426</u>	<u>\$ 15,326,197</u>	<u>\$ 15,144,064</u>	<u>\$ 2,615,559</u>
<b>Liabilities</b>				
Due to others	\$ 2,433,426	\$ 15,326,197	\$ 15,144,064	\$ 2,615,559
Total Liabilities	<u>\$ 2,433,426</u>	<u>\$ 15,326,197</u>	<u>\$ 15,144,064</u>	<u>\$ 2,615,559</u>

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2012

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Passed Through the Pennsylvania Department of Agriculture: Conservation Reserve Program	N/A	10.069	\$ 1,136	\$ 1,136
Emergency Food Assistance Cluster:				
Emergency Food Assistance Program (Administrative Costs)	N/A	10.568	7,281	10,055
Emergency Food Assistance Program (Food Commodities)	N/A	10.569	48,194	48,194
Subtotal				58,249
Passed Through the Department of Public Welfare: State Administration Matching Grants for Supplemental Nutrition Assistance Program	N/A	10.561	19,561	19,561
Total U.S. Department of Agriculture				78,946
<u>U.S. Department of Housing and Urban Development</u>				
Home Investment Partnerships Program	N/A	14.239	132,348	134,255
Passed Through the Pennsylvania Department of Community and Economic Development:				
Community Development Block Grant	N/A	14.228	112,683	112,686
Emergency Solutions Grant Program	N/A	14.231	63,553	63,553
ARRA - Homelessness Prevention and Rapid Re-Housing Program (Recovery Act Funded)	N/A	14.257	38,854	38,854
Subtotal				215,093
Total U.S. Department of Housing and Urban Development				349,348
<u>U.S. Department of Justice</u>				
Bulletproof Vest Partnership Program	N/A	16.607	3,076	3,076
Passed Through the Pennsylvania Commission on Crime and Delinquency:				
Juvenile Accountability Block Grants	2010-JB-09-22149	16.523	27,500	30,000
Juvenile Accountability Block Grants	2010-JB-01-22771	16.523	5,000	5,000
Subtotal				35,000
Violence Against Women Formula Grants	2007-VA-06-19145	16.588	37,430	41,697
Violence Against Women Formula Grants	N/A	16.588	62,880	72,477
Subtotal				114,174
State Criminal Alien Assistance Program	2009-AP-BX-0014	16.606	2,159	2,159
Edward Byrne Memorial Justice Assistance Grant Program	N/A	16.738	2,264	2,264
Total U.S. Department of Justice				156,673
<u>U.S. Department of Transportation</u>				
Passed Through the Pennsylvania Department of Transportation: Highway Planning and Construction	N/A	20.205	515,650	477,104
Passed Through the Pennsylvania Emergency Management Agency: Interagency Hazardous Materials Public Sector Training and Planning Grants	N/A	20.703	22,365	22,365
Total U.S. Department of Transportation				499,469
<u>U.S. Department of Education</u>				
Passed Through the Pennsylvania Department of Public Welfare: Special Education - Grant for Infants and Families	N/A	84.181	92,146	92,146
Total U.S. Department of Education				92,146
<u>U.S. Election Assistance Commission</u>				
Passed Through the Pennsylvania Department of State: Help America Vote Act Requirements Payments	N/A	90.401	14,438	14,438
<u>U.S. Department of Health and Human Services</u>				
Passed Through the Pennsylvania Department of Public Welfare: Guardianship Assistance	N/A	93.090	25,549	25,549

(Continued)

See accompanying notes to schedule of expenditures of federal awards.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2012

(Continued)

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services (continued)</u>				
Passed Through the Pennsylvania Department of Public Welfare:				
Projects for Assistance in Transition from Homelessness (PATH)	N/A	93.150	42,328	42,328
Temporary Assistance for Needy Families	N/A	93.558	323,245	344,117
Temporary Assistance for Needy Families	ME# 9661600620	93.558	20,872	-
Temporary Assistance for Needy Families	N/A	93.558	49,507	<u>49,507</u>
Subtotal				<u>393,624</u>
Child Support Enforcement	ME#3321114020	93.563	748,974	750,817
Child Support Enforcement	N/A	93.563	150,310	<u>181,245</u>
Subtotal				<u>932,062</u>
Child Care Development Fund Cluster:				
Child Care and Development Block Grant	N/A	93.575	866,043	866,043
Child Care Mandatory and Matching Funds of the Child Care Development Fund	N/A	93.596	275,807	<u>275,807</u>
Subtotal				<u>1,141,850</u>
Stephanie Tubbs Jones Child Welfare Services Program	N/A	93.645	246,489	215,764
Foster Care Title IV-E	N/A	93.658	1,493,772	1,632,398
Foster Care Title IV-E	ME#102001600	93.658	7,672	<u>7,672</u>
Subtotal				<u>1,640,070</u>
Adoption Assistance	N/A	93.659	401,923	396,439
Social Services Block Grants	N/A	93.667	286,464	286,464
Chafee Foster Care Independence Program	ME#102011600	93.674	29,118	-
Chafee Foster Care Independence Program	N/A	93.674	13,167	<u>13,167</u>
Subtotal				<u>13,167</u>
Medical Assistance Program - Transportation	N/A	93.778	524,314	528,933
Medical Assistance Program - Children and Youth Services	N/A	93.778	22,036	22,039
Medical Assistance Program -Mental Health/Intellectual Disabilities	N/A	93.778	956,062	862,766
Medical Assistance Program - Early Intervention	N/A	93.778	173,789	<u>173,789</u>
Subtotal				<u>1,587,527</u>
Block Grants for Community Mental Health Services	N/A	93.958	64,761	64,761
Passed Through the Pennsylvania State Department:				
Voting Access for Individuals with Disabilities-Grants to States	N/A	93.617	10,524	<u>10,524</u>
Passed Through the Pennsylvania Drug and Alcohol:				
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	N/A	93.243	4,530	4,530
Passed Through the Pennsylvania Department of Health:				
Substance Abuse and Mental Health Services-Projects of Regional and National Significance	N/A	93.243	45,000	45,000
Block Grants for Prevention and Treatment of Substance Abuse	N/A	93.959	211,189	211,189
Block Grants for Prevention and Treatment of Substance Abuse	N/A	93.959	145,285	<u>145,285</u>
Subtotal				<u>356,474</u>
Total U.S. Department of Health and Human Services				<u>7,156,133</u>
<u>U.S. Department of Homeland Security</u>				
Passed Through the Pennsylvania Emergency Management Agency:				
Emergency Management Performance Grants	N/A	97.042	44,236	<u>44,236</u>
Total U.S. Department of Homeland Security				<u>44,236</u>
Total Expenditures of Federal Awards				<u>\$ 8,391,389</u>

(Concluded)

See accompanying notes to schedule of expenditures of federal awards.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2012

---

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards for the year ended December 31, 2012 is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

### **2. EMERGENCY FOOD ASSISTANCE PROGRAM**

In-kind values are reported in the schedule of expenditures of federal awards at the fair value of the commodities received and disbursed.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF DEPARTMENT OF PUBLIC WELFARE EXPENDITURES

YEAR ENDED DECEMBER 31, 2012

<u>Programs</u>	<u>Combined Federal/ State Expenditures</u>
Mental Health Services	\$ 2,317,568
Intellectual Disabilities Services	1,812,938 *
Early Intervention Services	672,738 *
Child Care Information Services	1,141,850
Children and Youth	8,047,454 *
Homeless Assistance Program	206,298
Medical Assistance Transportation Program	1,101,817 *
Child Support Enforcement	899,284
	<hr/>
Total combined state/federal expenditures	\$ 16,199,947

\* Denotes major programs for DPW purposes. The amount expended under major DPW programs for the year ended December 31, 2012 is \$11,634,947 or 72% of total DPW financial assistance.

**County of Crawford, Pennsylvania**

Independent Auditor's Reports in  
Accordance with OMB Circular A-133

Year Ended December 31, 2012

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards*

Board of County Commissioners  
County of Crawford, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Crawford, Pennsylvania (County), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 4, 2013, which was adverse because the financial statements do not include financial data for the County's legally separate component units.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. See Findings 2012-1, 2012-2, and 2012-3 in the schedule of findings and questioned costs.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **The County's Responses to Findings**

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Maher Duessel*

Pittsburgh, Pennsylvania  
September 4, 2013



Independent Auditor's Report on Compliance for Each Major Federal and Pennsylvania Department of Public Welfare (DPW) Program and on Internal Control over Compliance Required by OMB Circular A-133 and the DPW Compliance Supplement

Board of County Commissioners  
County of Crawford, Pennsylvania

**Report on Compliance for Each Major Federal and DPW Program**

We have audited the County of Crawford, Pennsylvania's (County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the Pennsylvania Department of Public Welfare (DPW) *Single Audit Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2012. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. The County's major DPW programs are identified on the Schedule of DPW Expenditures.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and DPW programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal and DPW programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards, OMB Circular A-133 and the DPW Single Audit supplement require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or DPW program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and DPW program. However, our audit does not provide a legal determination of the County's compliance.

***Basis for Qualified Opinion on Temporary Assistance for Needy Families, Foster Care – Title IV-E, and Adoption Assistance***

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding CFDA 93.558 Temporary Assistance for Needy Families as described in finding number 2012-4 for subrecipient monitoring and CFDA 93.658 Foster Care – Title IV-E as described in finding number 2012-4 for subrecipient monitoring and CFDA 93.659 Adoption Assistance

Board of County Commissioners  
County of Crawford, Pennsylvania  
Independent Auditor's Report on Compliance for Each Major Federal  
and Pennsylvania Department of Public Welfare Program and on  
Internal Control over Compliance

as described in finding number 2012-5 for eligibility. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

***Qualified Opinion on Temporary Assistance for Needy Families, Foster Care – Title IV-E, and Adoption Assistance***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Temporary Assistance for Needy Families, Foster Care – Title IV-E, and Adoption Assistance for the year ended December 31, 2012.

***Unmodified Opinion on Each of the Other Major Federal and DPW Programs***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal and DPW programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2012.

***Other Matters***

The County's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**Report on Internal Control over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or DPW program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or DPW program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a

Board of County Commissioners  
County of Crawford, Pennsylvania  
Independent Auditor's Report on Compliance for Each Major Federal  
and Pennsylvania Department of Public Welfare Program and on  
Internal Control over Compliance

federal or DPW program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or DPW program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance as described in the accompany schedule of findings and questioned costs as item 2012-5 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or DPW program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompany schedule of findings and questioned costs as items 2012-4 to be a significant deficiency.

The County's responses to the internal control over compliance findings in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose

*Mahe Duessel*

Pittsburgh, Pennsylvania  
September 4, 2013

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2012

### I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified

2. Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiencies identified that are not considered to be material weakness(es)?

yes  none reported

3. Noncompliance material to financial statements noted?  yes  no

4. Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiencies identified that are not considered to be material weakness(es)?

yes  none reported

5. Type of auditor's report issued on compliance for major programs: Qualified – Temporary Assistance for Needy Families, Foster Care – Title IV-E, and Adoption Assistance. Unmodified - Highway Planning and Construction and Medical Assistance Program.

6. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?  yes  no

7. Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction
93.558	Temporary Assistance for Needy Families
93.658	Foster Care – Title IV-E
93.659	Adoption Assistance
93.778	Medical Assistance Program

8. Dollar threshold used to distinguish between type A and type B programs: \$300,000

9. Auditee qualified as low-risk auditee?  yes  no

II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2012

### **Finding 2012-1 - Internal Control over Financial Reporting**

Condition: During the audit process, various adjustments were proposed by the auditors in order that the financial statements could be prepared in accordance with accounting principles generally accepted in the United States of America (GAAP financials). Then using the information provided by management, the auditors prepared the GAAP financials, which were subsequently reviewed by management. These adjustments were necessary to adjust the beginning of the year fund balance/net position and to properly reflect current year operations.

Criteria: Auditing standards have placed more emphasis on determining an entity's ability to fully prepare their own external financial statements, including the posting of all adjustments necessary to present GAAP financial and evaluating the need for all necessary financial statement disclosures.

Cause: There are no formal policies and procedures in place to ensure that all information in the accounting system is routinely reviewed for accuracy. As a result, there is the possibility for the occurrence of errors and fraud.

Effect: Adjustments were required to be recorded in order that the financial statements were prepared in accordance with GAAP.

Recommendation: We recommend that the County adopt policies and procedures to ensure their financial statements are prepared in accordance with GAAP. We also recommend that a person independent of the daily general ledger maintenance review the financial statements to ensure the accuracy to such statements.

Views of Responsible Official and Planned Corrective Action: Management agrees with the finding. See separate Corrective Action Plan

### **Finding 2012-2 – Internal Control over Payroll**

Condition: During our review of the payroll process, we noted two out of a sample of forty timesheets tested that did not include approval of employee time entries by the applicable department head. We also noted one employee out of the sample was a department head approving their own timesheet.

Criteria: A key control over the payroll process is the review of employee's hourly reporting. In addition, the County's internal practice requires that all timesheets be approved prior to payroll being processed.

Cause: The County does not have procedures in place to ensure all timesheets are approved before the payroll was processed.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2012

Effect: As the timesheets noted above were not approved, a risk exist that time being reported may include erroneous or fraudulent hours worked or use of personal, sick, vacation, or compensated time off.

Recommendation: We recommend that a process be developed that ensures all timesheets are reviewed and approved prior to payroll being processed.

Views of Responsible Official and Planned Corrective Action: Management agrees with the finding. See separate Corrective Action Plan

### **Finding 2012-3 – Delinquent Tax Collections**

Condition: The County's Treasurer's Office currently acts as the Tax Claim Office collecting both current and delinquent taxes. With only one office collecting these receipts, there is lack of segregation of duties over the tax collection process. This risk is exemplified as various individuals within the Treasurer's office have the ability to make adjustments to assessment balances due.

In addition, the Treasurer's Office currently has approximately \$1.4 million of cash recorded in a tax claim bank account which has undistributed tax sale funds dating back to 1980.

Criteria: Segregation of duties is a key tool in the internal control monitoring of financial activity.

Cause: The County does not have procedures in place to segregate the collection of current and delinquent year taxes. In addition, the County does not have reconciliation procedures in place to ensure that funds collected from tax sales are paid out in a timely manner.

Effect: The amount of taxes receipted by the County could be inaccurate, as the risk of errors or irregularities occurring increases due to the lack of segregation between the collection of current and delinquent taxes. With regards to the adjustments in assessments, an outstanding tax balances could be fraudulently or erroneously altered without being detected.

In addition, a risk exists that money is sitting in the Tax Claim cash account could be misappropriated as there is no timely reconciliation being completed of tax sales with money in the account. Completion of such reconciliation is essential for the timely remittance of such funds.

Recommendation: We recommend that the County consider segregating the responsibility for the collection of delinquent and current taxes. In addition the County should institute procedures for monitoring the collection delinquent tax collections, including the review of all assessment changes by a party independent of such changes. These procedures would help to ensure the completeness and integrity of the outstanding tax balances and ensure that the County receives all money collected.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2012

Also, the Treasurer's Office should continue to research and disburse the unknown tax sale funds being held in the Tax Claim bank account. Subsequently, a reconciliation should be completed monthly to ensure monies being held are disbursed in a timely manner.

Views of Responsible Official and Planned Corrective Action: Management agrees with the finding. See separate Corrective Action Plan

### III. Findings and questioned costs for federal awards.

#### **Finding 2012-4 – Subrecipient Monitoring**

Federal Agency: Department of Health and Human Services

Pass-through Agency: Pennsylvania Department of Public Welfare

Programs: Temporary Assistance for Needy Families – CFDA No. 93.558 and Foster Care – Title IV-E – CFDA No. 93.658

Condition: The County did not consistently inform their subrecipients of the total amount provided to them from each federal program.

Criteria: Per the requirements in the OMB Circular A-133 Compliance Supplement for subrecipient monitoring, a pass-through entity is responsible for identifying the total amount provided to subrecipients from each federal program, making subrecipients aware of the federal award information, (i.e. CFDA title and number, award name and number, and name of federal awarding agency) and informing subrecipients of the applicability of any compliance requirements.

Cause: The County does not have procedures in place to adequately track the subrecipients that should be notified of the amount of funding which is being distributed to them under each federal program.

Effect: The subrecipients may not be aware that they are receiving federal funding and that there are certain requirements that need to be followed as a result. Subrecipients rely on information provided by the County when preparing financial statements. If incorrect information is reported it could cause errors in determination of major federal and state programs by the subrecipients, as well as determining if a single audit is required.

Recommendation: We recommend the County implement procedures to track the subrecipients that should be notified of the amount of funding distributed to them under each federal program and then notify those subrecipients of the federal award information on an annual basis.

Questioned Costs: None

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2012

Views of Responsible Official and Planned Corrective Action: Management agrees with the finding. See separate Corrective Action Plan

### **Finding 2012-5 – Eligibility Documentation**

Federal Agency: Department of Health and Human Services

Pass-through Agency: Pennsylvania Department of Public Welfare

Programs: Adoption Assistance – CFDA No. 93.659

Condition: Of the twenty-five participant files reviewed in the Adoption Assistance program, we noted four files in which the required eligibility documentation was not maintained. The missing eligibility documentation in the noted files supports that the child had special needs, that a reasonable effort was made to place the child for adoption without a subsidy, and that the agreement for the subsidy was signed and in effect before the final decree of adoption.

The lack of such eligibility documentation was due to an employee shredding the file documents required to be maintained. Effective July 1, 2012, the County discontinued billing for adoption assistance for those children without the required eligibility documentation. For the period January 1, 2012 through June 30, 2012, we estimate that approximately \$140,000 in adoption assistance payments were billed by the County for approximately 50 files without the required eligibility documentation.

Criteria: Per the requirements in the OMB Circular A-133 Compliance Supplement for eligibility, the County is responsible for obtaining and maintaining all required documentation to support the participant's eligibility.

Cause: The County does not have adequate internal control procedures established for document destruction of case file contents.

Effect: Ineligible participants could have received adoption assistance prior to July 1, 2012.

Recommendation: We recommend that the County implement procedures to ensure that proper documentation is maintained to support the outlined eligibility requirements per the Compliance Supplement. In addition, we recommend that the County implement a formal documents destruction policy to ensure future eligibility documentation is maintained for all active participants.

Questioned Costs: Unknown

Views of Responsible Official and Planned Corrective Action: Management agrees with the finding. See separate Corrective Action Plan.



# COUNTY OF CRAWFORD, PENNSYLVANIA

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2012

### **Finding 2011-1- Interfund Activity**

Condition: When expenditures are made from one fund to benefit another fund, the off-setting entry is a "Due From" account. The balance in the Due To and Due From accounts are not reconciled on a timely basis.

Recommendation: Procedures should be designed and implemented to ensure that all transactions between funds are accounting for in each of the affected funds on a monthly basis.

Status: Finding remains, see current year finding 2012-1.

### **Finding 2011-2 - General Fund Cash Reconciliation**

Condition: Items identified as reconciling items during the monthly cash account reconciliations are not always reported to the business office to afford the opportunity of making appropriate correcting journal entries on a timely basis.

Recommendation: Procedures should be designed and implemented to ensure that the business office is aware of all reconciling items and so the business office makes appropriate adjustments on a timely basis.

Status: Finding was resolved in 2012.

### **Finding 2011-3 - General Fund Cash Reconciliation**

Condition: The monthly reconciliation process starts with the prior month's balance, applies all current month activity, identifies items on the bank statement but not in the general ledger and identifies items in the general ledger but not on the bank statement. Based on this, a new month-end balance is then computed. However, the amount so computed is not compared with the general ledger to ensure that all current and prior activity has been reflected in the accounting records.

Recommendation: Procedures should be designed and implemented to ensure that the business office is aware of all reconciling items so the business office makes appropriate adjustments on a timely basis.

Status: Finding was resolved in 2012.

### **Finding 2011-4 - Care Center Cash**

Condition: Two of the cash accounts at the Care Center did not reconcile to the general ledger balances at December 31, 2011. The condition was caused by failure to record

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2012

electronic payments of \$150,599 and having credited the incorrect account with a \$400,000 payment on the bonds.

Recommendation: A procedure should be implemented to compare the system-generated month-end balance to the general ledger balance and follow-up on all reconciling items.

Status: Finding was resolved in 2012.

### **Finding 2011-5 - Care Center Accounts Receivable Valuation**

Condition: The collectible amount of receivables are affected by several variables, including the amounts due from different third-party payors, co-insurance and deductible amounts and the credit worthiness of the resident as to any other self-pay amounts. At December 31, 2011, the aging report indicated accounts over 150 days old constituted approximately 31% of the gross amount of receivables. Historically, that category represented approximately 6%. Further analysis revealed a significant portion of those accounts were still unpaid in mid-August 2012. This condition resulted in an increase to the bad debt reserve as of December 31, 2011 in the amount of \$272,000.

Recommendation: Procedures should be in place to review the accounts receivable aging and the reasonableness of the reserve at the end of each month. Additionally there should be procedures to identify specific actions, with time tables, for follow-up on any accounts that appear to be outside of expected normal aging categories.

Status: Finding was resolved in 2012.

### **Finding 2011-6 - Care Center Prior Period Adjustment**

Condition: During the 2011 audit, it was discovered that \$118,208 of deferred revenue from the date of conversion to a new billing program in 2009 had not been taken into income and that at December 31, 2010 prepaid insurance of \$53,860, insurance expense of \$26,930 and accounts payable of \$80,789 had not been recorded.

Recommendation: Procedures should be in place to review the asset and liability accounts at the end of each accounting period to determine that all transactions affecting account balance have been accounted for.

Status: Finding was resolved in 2012.

### **Finding 2011-7 - Internal Service Fund Prior Period Adjustment**

Condition: During the 2011 audit, there were unusual disbursements from the Internal Service Fund. Inquiry led to discovery of the fact that there were insurance claims made in 2010 which should have been reported as a receivable at December 31, 2010.

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2012

Recommendation: Procedures should be in place to ensure that all non-recurring transactions are included in the financial statements.

Status: Finding was resolved in 2012.

### **Finding 2011-E - Allocating Expenditures**

Federal Agency: Department of Health and Human Services

Pass-through Agency: Pennsylvania Department of Public Welfare

Program: Medical Assistance Program – CFDA No. 93.778

Condition: There were instances noted for which the Program did not correctly allocate expenditures between federal and non-federal programs.

Recommendation: It is recommended that the Program modify their existing accounting policies and require that allocations between federal and non-federal programs be reviewed for accuracy by the Chief Financial Officer.

Status: Finding was resolved in 2012.

**County of Crawford, Pennsylvania**

DPW-Funded Financial Assistance  
Program Exhibits

Years Ended June 30, 2012 and December 31, 2012  
with Independent Accountant's Report

Independent Accountant’s Report on Applying Agreed-Upon Procedures

Board of County Commissioners  
County of Crawford, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Public Welfare (DPW), and the County of Crawford, Pennsylvania (County) solely to assist you with respect to the financial schedules and exhibits of the County required by the DPW Single Audit Supplement for the fiscal years ended June 30, 2012 and December 31, 2012. This agreed upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The procedures and associated findings are as follows:

- a. We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DPW for the fiscal years ended June 30, 2012 and December 31, 2012, have been accurately compiled and reflect the audited books and records of the County. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

<u>Program Name</u>	<u>Number</u>	<u>Referenced Schedule/Exhibit</u>
Child Support Enforcement	A-1 (a)	Comparison of Single Audit Expenditures with Reported Expenditures
Medical Assistance		
Transportation Program	III	Schedule of Revenues and Expenditures
Mental Health Services	IV (a) MH	Schedule of Revenues, Expenditures, and Carryover Funds
	IV (b) MH	Report of Income and Expenditures
Intellectual Disabilities Services	IV (c) ID	Schedule of Revenues, Expenditures, and Carryover Funds
	IV (d) ID	Report of Income and Expenditures

Board of County Commissioners  
 County of Crawford, Pennsylvania  
 Independent Accountant's Report on  
 Applying Agreed-Upon Procedures

Early Intervention Services	V (a) EI	Schedule of Revenues, Expenditures, and Carryover Funds
	V (b) EI	Report of Income and Expenditures
Child Care Information Services	VIII (b) - (d)	CCIS Recap
Combined Homeless Assistance Program	XIX (a)	Schedule of Funding and Expenses

- b. We have inquired of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DPW for the period in question.
- c. The processes detailed in paragraphs (a) and (b) above disclosed no adjustments.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial schedules and exhibits. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

\* \* \* \* \*

This report is intended solely for the information and use of the Department of Public Welfare and should not be used by those who have not agreed to the procedures, and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Maher Duessel*

Pittsburgh, Pennsylvania  
 September 4, 2013

**COUNTY OF CRAWFORD, PENNSYLVANIA**  
**CHILD SUPPORT ENFORCEMENT**  
**COMPARISON OF SINGLE AUDIT EXPENDITURES WITH REPORTED EXPENDITURES**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2012**

**Exhibit A-1 (a)**

	Single Audit Expenditures					Reported Expenditures					Single Audit Over/(Under) Reported				
	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A - B - C)	Amt. Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A - B - C)	Amt. Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A - B - C)	Amt. Paid
<b>Quarter Ending: 3/31/2012</b>															
1. Salary & Overhead	\$ 324,877	\$ 11,321	\$ 26,557	\$ 286,999	\$ 189,419	\$ 324,877	\$ 11,321	\$ 26,557	\$ 286,999	\$ 189,419	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	7,891	239	-	7,652	5,050	7,891	239	-	7,652	5,050	-	-	-	-	-
4. Blood Testing Fees	522	-	-	522	345	522	-	-	522	345	-	-	-	-	-
5. Blood Testing Costs	800	-	800	-	-	800	-	800	-	-	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 317,264	\$ 11,082	\$ 27,357	\$ 278,825	\$ 184,024	\$ 317,264	\$ 11,082	\$ 27,357	\$ 278,825	\$ 184,024	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Quarter Ending: 6/30/2012</b>															
1. Salary & Overhead	\$ 286,675	\$ 12,015	\$ 21,713	\$ 252,947	\$ 166,945	\$ 286,675	\$ 12,015	\$ 21,713	\$ 252,947	\$ 166,945	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	6,247	201	-	6,046	3,990	6,247	201	-	6,046	3,990	-	-	-	-	-
4. Blood Testing Fees	590	-	-	590	389	590	-	-	590	389	-	-	-	-	-
5. Blood Testing Costs	1,440	-	1,440	-	-	1,440	-	1,440	-	-	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 281,278	\$ 11,814	\$ 23,153	\$ 246,311	\$ 162,566	\$ 281,278	\$ 11,814	\$ 23,153	\$ 246,311	\$ 162,566	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Quarter Ending: 09/30/2012</b>															
1. Salary & Overhead	\$ 307,506	\$ 12,380	\$ 21,377	\$ 273,749	\$ 180,674	\$ 307,506	\$ 12,380	\$ 21,377	\$ 273,749	\$ 180,674	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	6,729	230	-	6,499	4,289	6,729	230	-	6,499	4,289	-	-	-	-	-
4. Blood Testing Fees	740	-	-	740	488	740	-	-	740	488	-	-	-	-	-
5. Blood Testing Costs	1,792	-	1,792	-	-	1,792	-	1,792	-	-	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 301,829	\$ 12,150	\$ 23,169	\$ 266,510	\$ 175,897	\$ 301,829	\$ 12,150	\$ 23,169	\$ 266,510	\$ 175,897	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Quarter Ending: 12/31/2012</b>															
1. Salary & Overhead	\$ 370,675	\$ 13,331	\$ 15,118	\$ 342,226	\$ 225,869	\$ 370,675	\$ 13,331	\$ 15,118	\$ 342,226	\$ 225,869	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	5,818	198	-	5,620	3,709	5,818	198	-	5,620	3,709	-	-	-	-	-
4. Blood Testing Fees	299	-	-	299	197	299	-	-	299	197	-	-	-	-	-
5. Blood Testing Costs	1,632	-	1,632	-	-	1,632	-	1,632	-	-	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 366,190	\$ 13,133	\$ 16,750	\$ 336,307	\$ 221,963	\$ 366,190	\$ 13,133	\$ 16,750	\$ 336,307	\$ 221,963	\$ -	\$ -	\$ -	\$ -	\$ -

# COUNTY OF CRAWFORD, PENNSYLVANIA

## MEDICAL ASSISTANCE TRANSPORTATION PROGRAM SCHEDULE OF REVENUES AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit III

	<u>Reported</u>	<u>Actual</u>
<b>Service Data:</b>		
<hr/>		
Expenditures:		
Group I clients	\$ 937,151	\$ 937,151
Group II clients	69,327	69,327
	<hr/>	<hr/>
Total expenditures	<u>\$ 1,006,478</u>	<u>\$ 1,006,478</u>
<b>Allocation Data:</b>		
<hr/>		
Revenues:		
Department of Public Welfare	\$ 1,005,726	\$ 1,005,726
Interest income	752	752
	<hr/>	<hr/>
Total revenues	<u>1,006,478</u>	<u>1,006,478</u>
Funds expended:		
Operating costs	779,399	779,399
Administrative costs	227,079	227,079
	<hr/>	<hr/>
<b>Excess Revenues over Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>



# COUNTY OF CRAWFORD, PENNSYLVANIA

## MENTAL HEALTH SERVICES SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit IV(a)MH

Sources of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6A)	CSR State Grant Fund Adjustments (6B)	CSR - Promise Adjustments (6C)	TOTAL FUND BALANCE (7)
	Carryover (1)	Allotment (2)	Total Allocation (3)						
A. MH Services	\$ -	\$ 2,388,048	\$ 2,388,048	\$ 2,388,048	\$ -	\$ -	\$ -	\$ -	\$ -
B. OTHER STATE FUNDS									
1. Specialized Residences	-	-	-	-	-	-	-	-	-
2. BH Initiative	-	129,257	129,257	129,257	-	-	-	-	-
3. New Directions	-	-	-	-	-	-	-	-	-
4. Personal Care Homes	-	-	-	-	-	-	-	-	-
5. County Assistance Offices	-	-	-	-	-	-	-	-	-
6. Autism Intervention Services	-	-	-	-	-	-	-	-	-
7. Facility and Services Enhancements	-	-	-	-	-	-	-	-	-
8. Reserved	-	-	-	-	-	-	-	-	-
9. Total Other State	-	129,257	129,257	129,257	-	-	-	-	-
C. SSBG	-	38,065	38,065	38,065	-	-	-	-	-
D. CMHSBG	-	64,597	64,597	64,597	-	-	-	-	-
E. OTHER FEDERAL FUNDS									
1. Max. Part. Project	-	-	-	-	-	-	-	-	-
2. Medical Assistance/TTI	-	-	-	-	-	-	-	-	-
3. PATH Homeless	-	42,328	42,328	42,328	-	-	-	-	-
4. Capitalization of POMS	-	-	-	-	-	-	-	-	-
5. MH Systems Transformation	-	-	-	-	-	-	-	-	-
6. Youth Suicide Prevention	-	-	-	-	-	-	-	-	-
7. Jail Diversion & Trauma Recovery	-	-	-	-	-	-	-	-	-
8. Terrorism Related Disaster Relief	-	-	-	-	-	-	-	-	-
9. Hospital Prep Program - Crisis Counseling	1,531	-	1,531	1,531	-	-	-	-	-
10. Bioterrorism Hosp Preparedness & Response Grant	-	-	-	-	-	-	-	-	-
11. Reserved	-	-	-	-	-	-	-	-	-
12. Total Other Federal	1,531	42,328	43,859	43,859	-	-	-	-	-
F. TOTAL	\$ 1,531	\$ 2,662,295	\$ 2,663,826	\$ 2,663,826	\$ -	\$ -	\$ -	\$ -	\$ -

# COUNTY OF CRAWFORD, PENNSYLVANIA

## MENTAL HEALTH SERVICES REPORT OF INCOME AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit IV(b)MH

	Admin Management	Admin Office	Crisis Intervention	Community Services	Emergency Services	Farm Based Services	Housing Support Svcs
I. TOTAL ALLOCATION	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
II. TOTAL EXPENDITURES	433,791	619,421	136,846	410,666	7,844	95,590	219,759
III. COSTS OVER ALLOCATION							
A. County Funded Eligible	-	-	-	-	-	-	-
B. County Funded Ineligible	-	1,343	-	-	-	-	-
C. Other Eligible	-	-	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-	-	-
E. Total Costs Over Allocation	-	1,343	-	-	-	-	-
IV. REVENUES							
A. Program Service Fees	-	-	-	-	-	-	-
B. Private Insurance Fees	-	-	-	32,350	-	-	-
C. Medical Assistance	-	-	-	-	-	35,001	-
D. Medical Assistance - Administrative Claims	-	1,717	-	-	-	-	-
E. Room and Board	-	-	-	-	-	-	-
F. Earned Interest	-	448	84	496	-	-	714
G. Other	4,120	114,887	-	212,582	-	54	60,540
H. Total Revenue	4,120	117,052	84	245,428	-	35,055	61,254
V. DPW REIMBURSEMENT							
A. Base Allocation 90%	354,737	407,027	-	79,245	7,060	-	24,531
B. Base Allocation 100%	-	-	111,762	-	-	44,940	-
C. DPW Categorical Funding 90% Subtotal	-	-	-	-	-	-	19,991
D. DPW Categorical Funding 100% Subtotal	35,519	48,475	25,000	77,188	-	15,595	54,683
E. SSBG 90% Adult	-	-	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-	-	-
SSBG 100% Adult	-	-	-	-	-	-	-
SSBG 100% Child	-	-	-	-	-	-	-
F. CMHSBG 90% Non-Categorical Funding	-	-	-	-	-	-	-
CMHSBG 100% Non-Categorical Funding	-	-	-	-	-	-	54,353
CMHSBG Categorical Funding	-	-	-	-	-	-	-
VI. 10% County Match	39,415	45,524	-	8,805	784	-	4,947
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	429,671	501,026	136,762	165,238	7,844	60,535	158,505
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

# COUNTY OF CRAWFORD, PENNSYLVANIA

## MENTAL HEALTH SERVICES REPORT OF INCOME AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit IV(b)MH

(Continued)

	Int Case Mgmt	Outpatient	Psychiatric Rehab	Comm Res Services	Social Rehab Services	Totals
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -		\$ 2,663,826
II. TOTAL EXPENDITURES	446,192	757,345	293,443	1,398,300	298,478	5,117,675
III. COSTS OVER ALLOCATION						
A. County Funded Eligible	-	-	-	-	-	-
B. County Funded Ineligible	-	-	-	-	-	1,343
C. Other Eligible	-	-	-	-	-	-
D. Other Ineligible	-	-	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-	-	1,343
IV. REVENUES						
A. Program Service Fees	-	1,040	-	-	-	1,040
B. Private Insurance Fees	-	43,813	-	-	-	76,163
C. Medical Assistance	3,001	2,654	-	-	-	40,656
D. Medical Assistance - Administrative Claims	-	-	-	-	-	1,717
E. Room and Board	-	-	-	1,031,964	-	1,031,964
F. Earned Interest	-	-	4,231	1,971	4,241	12,185
G. Other	251,490	120,252	47,207	212,516	108,365	1,132,013
H. Total Revenue	254,491	167,759	51,438	1,246,451	112,606	2,295,738
V. DPW REIMBURSEMENT						
A. Base Allocation 90%	-	484,684	-	24,697	4,030	1,386,011
B. Base Allocation 100%	93,700	-	-	-	-	250,402
C. DPW Categorical Funding 90% Subtotal	-	-	-	-	2,221	22,212
D. DPW Categorical Funding 100% Subtotal	98,001	51,048	242,005	124,408	130,617	902,539
E. SSBG 90% Adult	-	-	-	-	-	-
SSBG 90% Child	-	-	-	-	-	-
SSBG 100% Adult	-	-	-	-	38,065	38,065
SSBG 100% Child	-	-	-	-	-	-
F. CMHSBG 90% Non-Categorical Funding	-	-	-	-	-	-
CMHSBG 100% Non-Categorical Funding	-	-	-	-	10,244	64,597
CMHSBG Categorical Funding	-	-	-	-	-	-
VI. 10% County Match	-	53,854	-	2,744	695	156,768
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	191,701	589,586	242,005	151,849	185,872	2,820,594
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Concluded)

# COUNTY OF CRAWFORD, PENNSYLVANIA

## INTELLECTUAL DISABILITIES SERVICES SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit IV(c)ID

Sources of DPW Funding	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6A)	CSR State Grant Fund Adjustments (6B)	CSR- Promise Adjustments (6C)	TOTAL FUND BALANCE (7)
	Carryover (1)	Allotment (2)	Total Allocation (3)						
A. ID Services									
1. Community (NR/Res)	\$ 101,536	\$ 650,040	\$ 751,576	\$ 712,971	\$ 38,605	\$ 3,921	\$ -	\$ -	\$ 42,526
2. SSBG	-	38,262	38,262	38,262	-	-	-	-	-
3. Reserved	-	-	-	-	-	-	-	-	-
4. Subtotal ID Services	101,536	688,302	789,838	751,233	38,605	3,921	-	-	42,526
B. Waiver									
1. Waiver Administration	39,123	348,901	388,024	356,402	31,622	196	-	-	31,818
2. Reserved	-	-	-	-	-	-	-	-	-
3. Subtotal Waiver	39,123	348,901	388,024	356,402	31,622	196	-	-	31,818
C. Other									
1. Elwyn	-	-	-	-	-	-	-	-	-
2. Money Follows the Person	-	-	-	-	-	-	-	-	-
3. Services for individuals with Autism	-	-	-	-	-	-	-	-	-
4. Reserved	-	-	-	-	-	-	-	-	-
5. Subtotal Other	-	-	-	-	-	-	-	-	-
E. TOTAL	\$ 140,659	\$ 1,037,203	\$ 1,177,862	\$ 1,107,635	\$ 70,227	\$ 4,117	\$ -	\$ -	\$ 74,344

# COUNTY OF CRAWFORD, PENNSYLVANIA

## INTELLECTUAL DISABILITIES SERVICES REPORT OF INCOME AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit IV(d)ID

		Admin Office	Community Res	FD/FS	Home & Community	Pre-Voc
I.	TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ -
II.	TOTAL EXPENDITURES	615,324	4,061	55,073	239,976	74,141
III.	COSTS OVER ALLOCATION					
	A. County Funded Eligible	-	-	-	-	-
	B. County Funded Ineligible	-	-	-	-	-
	C. Other Eligible	-	-	-	-	-
	D. Other Ineligible	-	-	-	-	-
	E. Total Costs Over Allocation	-	-	-	-	-
IV.	REVENUES					
	A. Program Service Fees	-	-	-	1,778	-
	B. Private Insurance Fees	-	-	-	-	-
	C. Medical Assistance	-	-	-	-	-
	D. Medical Assistance - Administrative Claims	38,268	-	-	-	-
	E. Room and Board	-	-	-	-	-
	F. Earned Interest	-	-	-	249	-
	G. Other	1,000	-	9	6,208	-
	H. Total Revenue	39,268	-	9	8,235	-
V.	DPW REIMBURSEMENT					
	A. Base Allocation 90%	163,247	-	14,348	208,567	66,727
	B. Base Allocation 100%	-	4,061	-	-	-
	C. DPW Categorical Funding 90% Subtotal	-	-	-	-	-
	D. DPW Categorical Funding 100% Subtotal	394,670	-	-	-	-
	E. SSBG 90% Adult	-	-	7,743	-	-
	SSBG 90% Child	-	-	-	-	-
	SSBG 100% Adult	-	-	-	-	-
	SSBG 100% Child	-	-	30,519	-	-
VI.	10% County Match	18,139	-	2,454	23,174	7,414
VII.	TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	576,056	4,061	55,064	231,741	74,141
VIII.	TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

# COUNTY OF CRAWFORD, PENNSYLVANIA

## INTELLECTUAL DISABILITIES SERVICES REPORT OF INCOME AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit IV(d)ID

(Continued)

		Respite	Spec Supp	Supp Coor	Trans	Totals
I.	TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ -	\$ 1,177,862
II.	TOTAL EXPENDITURES	1,133	1,626	189,458	50,174	1,230,966
III.	COSTS OVER ALLOCATION					
	A. County Funded Eligible	-	-	-	-	-
	B. County Funded Ineligible	-	-	-	-	-
	C. Other Eligible	-	-	-	-	-
	D. Other Ineligible	-	-	-	-	-
	E. Total Costs Over Allocation	-	-	-	-	-
IV.	REVENUES					
	A. Program Service Fees	-	240	-	-	2,018
	B. Private Insurance Fees	-	-	-	-	-
	C. Medical Assistance	-	-	-	-	-
	D. Medical Assistance - Administrative Claims	-	-	-	-	38,268
	E. Room and Board	-	-	-	-	-
	F. Earned Interest	-	-	-	-	249
	G. Other	-	203	-	-	7,420
	H. Total Revenue	-	443	-	-	47,955
V.	DPW REIMBURSEMENT					
	A. Base Allocation 90%	1,020	1,464	2,831	45,156	503,360
	B. Base Allocation 100%	-	-	-	-	4,061
	C. DPW Categorical Funding 90% Subtotal	-	-	167,282	-	167,282
	D. DPW Categorical Funding 100% Subtotal	-	-	-	-	394,670
	E. SSBG 90% Adult	-	-	-	-	7,743
	SSBG 90% Child	-	-	-	-	-
	SSBG 100% Adult	-	-	-	-	-
	SSBG 100% Child	-	-	-	-	30,519
VI.	10% County Match	113	162	18,902	5,018	75,376
VII.	TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	1,133	1,626	189,015	50,174	1,183,011
VIII.	TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ -	\$ 70,227

(Concluded)

# COUNTY OF CRAWFORD, PENNSYLVANIA

## EARLY INTERVENTION SERVICES SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit V(a)EI

Sources of Funding	DPW Funds Available			Cost Eligible for DPW Participation	Balance of Funds	Grant Fund Adjs.	TOTAL FUND BALANCE
	Carryover	Allotment	Total Allocation				
A. Early Intervention							
1. State Early Intervention	\$ 89,851	\$ 201,568	\$ 291,419	\$ 291,419	\$ -	\$ -	\$ -
2. State EI - Training	-	4,431	4,431	4,431	-	-	-
3. EI Administration	-	100,169	100,169	94,955	5,214	-	5,214
4. Infant & Toddlers w/Disabilities (Part C)	-	96,865	96,865	96,865	-	-	-
5. IT&F Waiver Admin	-	12,802	12,802	12,802	-	-	-
6. Infant & Toddlers w/Disabilities (Part C) ARRA	-	27,829	27,829	27,829	-	-	-
7. Total	\$ 89,851	\$ 443,664	\$ 533,515	\$ 528,301	\$ 5,214	\$ -	\$ 5,214

# COUNTY OF CRAWFORD, PENNSYLVANIA

## EARLY INTERVENTION SERVICES REPORT OF INCOME AND EXPENDITURES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit V(b)EI

	Admin Office	Early Intervention	Supports Coordination	Totals
I. TOTAL ALLOCATION	\$ -	\$ -	\$ -	\$ 533,515
II. TOTAL EXPENDITURES	118,307	812,264	297,050	1,227,621
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	-	-	-	-
B. County Funded Ineligible	-	-	-	-
C. Other Eligible	-	-	-	-
D. Other Ineligible	-	-	-	-
E. Total Costs Over Allocation	-	-	-	-
IV. REVENUES				
A. Program Service Fees	-	-	-	-
B. Private Insurance Fees	-	-	-	-
C. Medical Assistance - MA EI	-	473,660	170,460	644,120
D. Medical Assistance - Administrative Claims	-	-	-	-
E. Earned Interest	-	-	913	913
F. Other	-	-	-	-
G. Total Revenue	-	473,660	171,373	645,033
V. DPW REIMBURSEMENT				
A. Base Allocation 90%	-	-	-	-
B. Base Allocation 100%	-	-	-	-
C. DPW Categorical Funding 90% Subtotal	94,955	279,697	113,018	487,670
D. DPW Categorical Funding 100% Subtotal	12,802	27,829	-	40,631
VI. 10% County Match	10,550	31,078	12,659	54,287
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	118,307	338,604	125,677	582,588
VIII. TOTAL CARRYOVER	\$ -	\$ -	\$ -	\$ 5,214



# COUNTY OF CRAWFORD, PENNSYLVANIA

## CHILD CARE INFORMATION SERVICES CCIS RECAP

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit VIII(b)

CONTRACTOR:	Crawford County Commissioners	COUNTY:	Crawford
FEDERAL ID NO.:	25-6001059	PREPARED BY:	Stacey L. Baker
CONTRACT NO.:	11-209545	PHONE NO.:	814-337-8055

	Low Income		Former TANF		LI & FT TOTAL
	ADMIN	SERVICE	ADMIN	SERVICE	
<b>Revenue</b>					
DPW Funds	\$ 220,440	\$ 1,319,943	\$ 45,817	\$ 363,979	\$ 1,950,179
Interest		376			376
Audit Adjustments					-
Other (e.g., Penalties)					-
					-
Cashed/voided checks FY 09-10		39			39
Cashed/voided checks FY 10-11		154			154
					-
					-
<b>Total Revenue</b>	\$ 220,440	\$ 1,320,512	\$ 45,817	\$ 363,979	\$ 1,950,748
<b>Expenditures</b>					
Final Report Totals	\$ 215,902	\$ 1,321,078	\$ 43,211	\$ 364,768	\$ 1,944,959
Carry Forward Amount					-
					-
					-
					-
					-
<b>Total Expenditures</b>	\$ 215,902	\$ 1,321,078	\$ 43,211	\$ 364,768	\$ 1,944,959
<b>Subtotal-LIFT</b>	\$ 4,538	\$ (566)	\$ 2,606	\$ (789)	\$ 5,789

# COUNTY OF CRAWFORD, PENNSYLVANIA

## CHILD CARE INFORMATION SERVICES CCIS RECAP

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit VIII(b) (Continued)

CONTRACTOR:	Crawford County Commissioners	COUNTY:	Crawford
FEDERAL ID NO.:	25-6001059	PREPARED BY:	Stacey L. Baker
CONTRACT NO.:	11-209545	PHONE NO.:	814-337-8055

	TANF FSS	TANF SERVICE			TANF TOTAL
		TRAINING	WS- TRAINING	WORKING	
<b>Revenue</b>					
DPW Funds	\$ 38,712	\$ 177,441		\$ 91,148	\$ 307,301
Interest		-		-	-
Audit Adjustments	-				-
Other (e.g., Penalties)	-				-
		-		-	-
		-		-	-
		-		-	-
		-		-	-
		-		-	-
<b>Total Revenue</b>	\$ 38,712	\$ 177,441		\$ 91,148	\$ 307,301
<b>Expenditures</b>					
Final Report Totals	\$ 38,291	\$ 177,818		\$ 92,634	\$ 308,743
		-		-	-
		-		-	-
		-		-	-
		-		-	-
		-		-	-
<b>Total Expenditures</b>	\$ 38,291	\$ 177,818		\$ 92,634	\$ 308,743
<b>TOTAL DUE DPW</b>	\$ 421	\$ (377)		\$ (1,486)	\$ (1,442)

# COUNTY OF CRAWFORD, PENNSYLVANIA

## CHILD CARE INFORMATION SERVICES CCIS RECAP

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit VIII(c)

CONTRACTOR:	Crawford County Commissioners	COUNTY:	Crawford
FEDERAL ID NO.:	25-6001059	PREPARED BY:	Stacey L. Baker
CONTRACT NO.:	11-209545	PHONE NO.:	814-337-8055

	STATE MOE/GA FSS	SERVICE		STATE MOE/GA TOTAL
		STATE MOE	GENL ASSIST/WS2	
<b>Revenue</b>				
DPW Funds	\$ 8,651	\$ 46,808	\$ -	\$ 55,459
Interest		-	-	-
Audit Adjustments	-			-
Other (e.g., Penalties)	-			-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		\$ -	\$ -	\$ -
<b>Total Revenue</b>	\$ 8,651	\$ 46,808	\$ -	\$ 55,459
<b>Expenditures</b>				
Final Report Totals	\$ 8,557	\$ 48,325	\$ -	\$ 56,882
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
<b>Total Expenditures</b>	\$ 8,557	\$ 48,325	\$ -	\$ 56,882
<b>TOTAL DUE DPW</b>	\$ 94	\$ (1,517)	\$ -	\$ (1,423)

# COUNTY OF CRAWFORD, PENNSYLVANIA

## CHILD CARE INFORMATION SERVICES CCIS RECAP

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit VIII(d)

CONTRACTOR:	Crawford County Commissioners	COUNTY:	Crawford
FEDERAL ID NO.:	25-6001059	PREPARED BY:	Stacey L. Baker
CONTRACT NO.:	11-209545	PHONE NO.:	814-337-8055

	FOOD STAMPS			TOTAL
	FSS	SERVICE	TOTAL	
<b>Revenue</b>	\$ 13,173	\$ 70,830	\$ 84,003	\$ 446,763
DPW Funds				
Interest		-	-	-
Audit Adjustments	-		-	-
Other (e.g., Penalties)	-		-	-
			-	-
			-	-
			-	-
			-	-
<b>Total Revenue</b>	\$ 13,173	\$ 70,830	\$ 84,003	\$ 446,763
<b>Expenditures</b>	\$ 13,029	\$ 70,110	\$ 83,139	\$ 448,764
Final Report Totals				
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
<b>Total Expenditures</b>	\$ 13,029	\$ 70,110	\$ 83,139	\$ 448,764
<b>TOTAL DUE DPW</b>	\$ 144	\$ 720	\$ 864	\$ (2,001)

# COUNTY OF CRAWFORD, PENNSYLVANIA

## COMBINED HOMELESS ASSISTANCE PROGRAM SCHEDULE OF FUNDING AND EXPENSES

FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 2012

### Exhibit XIX(a)

SOURCES OF FUNDING	TOTAL AVAILABLE FUNDS
DPW Allocation (Must equal Total County HAP Allocation)	A \$ 225,640
Client Contributions	B -
Other	C -
Interest Earned	D 68
<b>TOTAL HAP FUNDING</b>	E \$ 225,708

EXPENSES	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Innovative Supportive Housing Services	TOTAL EXPENSES
On Behalf of Clients	\$ -		\$ 64,923	14,418	\$ 3,204	F \$ 82,545
Personnel	6,000	58,720	37,865		-	G 102,585
Operating	-	9,535	-	7,752	-	H 17,287
Fixed Assets/Equipment	-	-	-		-	I -
Subtotal	\$ 6,000	\$ 68,255	\$ 102,788	\$ 22,170	\$ 3,204	J 202,417
<b>County Administration (Max 10% Total HAP Funding)</b>						K 23,291
<b>Total HAP Expenses (J+K=L)</b>						L 225,708
<b>Total Unexpended Funds (E-L=)</b>						\$ -

# COUNTY OF CRAWFORD, PENNSYLVANIA

## SINGLE AUDIT REPORT DISTRIBUTION LIST TO STATE AND FEDERAL ENTITIES

YEAR ENDED DECEMBER 31, 2012

Single Audit Clearinghouse Bureau of the Census Building 66, Room 2417 1201 East 10th Street Jeffersonville, IN 47132	electronic
Commonwealth of Pennsylvania Audit Guide Coordinator Bureau of Audits Forum Place 555 Walnut Street, Ninth Floor Harrisburg, PA 17101	electronic
Bureau of Workmen's Compensation Self-Insurance Division 1171 South Cameron Street Room 103 Harrisburg, PA 17104	1 copy
Commonwealth of Pennsylvania DPW Bureau of Financial Operations Bertolino Building - Third Floor P.O. Box 2675 Harrisburg, PA 17105-2675	1 copy