

COUNTY OF BUTLER, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE YEAR ENDED
DECEMBER 31, 2022

Prepared by the Office of the Controller
Benjamin Holland, Controller

COUNTY OF BUTLER, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS

	<u>Page No.</u>
INTRODUCTORY SECTION	
Butler County Officials	I - 1
Letter of Transmittal	I – 2
GFOA Certificate of Achievement	I - 21
Organizational Chart	I - 22
Butler County Map	I - 23
FINANCIAL SECTION	
Independent Auditor's Report	II - 1
Required Supplementary Information:	
Management's Discussion and Analysis	II - 5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	III - 1
Statement of Activities	III - 2
Fund Financial Statements:	
Balance Sheet – Governmental Funds	III - 3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	III - 5

COUNTY OF BUTLER, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS (Continued)

	<u>Page No.</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	III – 6
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	III - 7
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund	III - 8
Statement of Fiduciary Net Position - Fiduciary Funds	III - 9
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	III - 10
Notes to Financial Statements	III - 11
Required Supplementary Information:	
Schedule of Changes in the Plan's Net Pension Liability and Related Ratios	IV - 1
Schedule of Plan Contributions	IV – 2
Schedule of Investment Returns	IV - 3
Notes to Schedules of Required Supplementary Information	IV - 4
Supplementary Information:	
Combining and Individual Fund Statements:	
Combining Balance Sheet - Other Governmental Funds	V - 1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Other Governmental Funds	V - 5

COUNTY OF BUTLER, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS (Continued)

	<u>Page No.</u>
Combining Statement of Fiduciary Net Position - All Custodial Funds	V - 9
Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds	V – 10
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund - Revenues	V-11
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - General Fund - Expenditures	V-20
Other Information:	
STATISTICAL SECTION	
Fund Information:	
Net Position by Component – Last Ten Years	VI - 1
Changes in Net Position – Last Ten Years	VI – 2
Fund Balances, Governmental Funds – Last Ten Years	VI - 3
Changes in Fund Balances, Governmental Funds – Last Ten Years	VI – 4
General Governmental Expenditures by Function – Last Ten Years – All Governmental Fund Types 2013-2022	VI - 5
General Governmental Revenues by Source – Last Ten Years – All Governmental Fund Types 2013-2022	VI - 6
Property Tax Levies and Collections – Last Ten Years – 2013-2022	VI - 7
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years – 2013-2022	VI - 8

COUNTY OF BUTLER, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS (Continued)

	<u>Page No.</u>
Assessed Value of Property Taxes by Municipality – Last Ten Years – 2013-2022	VI - 9
Property Tax Rates - Direct and Overlapping Governments – Last Ten Years – 2013-2022	VI – 10
Principal Property Taxpayers – Current Year and Nine Years Ago	VI - 17
Ratio of Outstanding Debt by Type – Last Ten Years – 2013-2022	VI - 18
Ratios of General Bonded Debt Outstanding – Last Ten Years – 2013-2022	VI - 19
Direct and Overlapping Governmental Activities Debt	VI - 20
Legal Debt Margin Information – Last Ten Years – 2013-2022	VI - 23
Demographic and Economic Statistics – Last Ten Years – 2013-2022	VI - 24
Principal Employers – Current Year and Nine Years Ago	VI - 25
Full-Time Equivalent County Government Employees by Function/Program – Last Ten Years	VI - 26
Operating Indicators by Function/Program – Last Ten Years	VI - 27
Capital Asset Statistics by Function/Program – Last Ten Years	VI - 28
Butler County Employees' Retirement System – Selected Data – Last Ten Years – 2013-2022	VI - 29
County Expenditures 2022 – \$250,000 or More	VI - 30
Butler County Population	VI - 31

COUNTY OF BUTLER, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS (Continued)

Page No.

Independent Auditor's Report in Accordance with *Government Auditing Standards*:

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>	VII - 1
Schedule of Findings and Responses	VII – 3
Summary Schedule of Prior Findings	VII - 4

INTRODUCTORY SECTION

COUNTY OF BUTLER, PENNSYLVANIA

BUTLER COUNTY OFFICIALS

DECEMBER 31, 2022

JUDICIARY

S. Michael Yeager	President Judge
Timothy F. McCune	Judge
Kelley T. Streib	Judge
William C. Robinson Jr.	Judge
Joseph E. Kubit	Judge
Sue Elaine Haggerty	Magisterial District Judge
Kevin P. O'Donnell	Magisterial District Judge
Joseph J. Nash	Magisterial District Judge
Lewis E. Stoughton	Magisterial District Judge
Kevin J. Flaherty	Magisterial District Judge
Amy M. Marcinkiewicz	Magisterial District Judge
William T. Fullerton	Magisterial District Judge

ELECTED COUNTY OFFICIALS

Leslie A. Osche	County Commissioner, Chair
Kimberly D. Geyer	County Commissioner
Kevin E. Boozel	County Commissioner
Richard A. Goldinger	District Attorney
Diane R. Marburger	Treasurer
Benjamin Holland	Controller
Michele M. Mustello	Recorder of Deeds
Sarah E. Edwards	Register of Wills and Clerk of Orphans' Court
Lisa Weiland Lotz	Clerk of Courts
Kelly Ferrari	Prothonotary
Michael T. Slupe	Sheriff
William F. Young, III	Coroner

Benjamin Holland, CPA
County Controller



Butler County

Pennsylvania

June 30, 2023

To Butler County Citizens and Taxpayers:

It is a privilege and an honor to present Butler County's Annual *Comprehensive Financial Report* for the year ending December 31, 2022. The primary purpose of this report is to provide a detailed accounting of the County's 2022 financial activity. The report is prepared under standards prescribed by the Government Finance Officers Association (GFOA). GFOA conducts a comprehensive review of the reports each year to determine whether they qualify for the prestigious *Certificate of Achievement for Excellence in Financial Reporting*. The County has received this award for twenty-one consecutive years.

The Office of the County Controller prepares the report with assistance from other County officials and employees; and together with the Board of County Commissioners, supplies the commentary appearing in the *Management's Discussion and Analysis*. Departmental directors, elected row officers, and court officials also make significant contributions to the successful completion of the report. Responsibility for the accuracy, reliability, and completeness of the presentation, including all disclosures, rests solely with the County.

We believe that the financial information, as presented, is accurate in all material respects. Additionally, the report is designed to convey the financial position and results of operations of the County precisely, as measured by the financial activity of its various funds and reported by management. All disclosures deemed necessary to enable the reader to gain a clear understanding of the County's finances have been included within this report.

Maher Duessel, Certified Public Accountants, has independently audited the financial statements, as assurance that they are not materially misstated. The audit was conducted in accordance with auditing standards generally accepted in the United States in compliance with *Government Auditing Standards*, as issued by the Comptroller General of the United States. The audit is also in adherence to the American Institute of Certified Public Accountants' (AICPA) standards, AU Section 316. This standard requires that the auditor obtain reasonable assurance about whether the financial statements are free from material misstatement, whether caused by error or fraud.

Maher Duessel provided an unmodified opinion of the County's basic financial statements for the year ended December 31, 2022. The firm also audited federally-funded County programs subject to the auditing standards established by the *Single Audit Act*, as amended. These standards require the independent auditor to report on the fair presentation of the financial statements and, additionally, to report on the County's internal controls and its compliance with the legal requirements set for recipients of federal funds. Although these reports are not included in this report, they are available as a separate Single Audit Report issued by the auditor.

The Annual Report, including its financial statements and statistical tables, was prepared in accordance with the standards established by the Government Accounting Standards Board (GASB), the GFOA, the AICPA, and applicable provisions of the County Code of the Commonwealth of Pennsylvania.

FORMAT OF THE REPORT

The 2022 Annual Report is presented in the following three sections and subsections.

I. *Introductory Section* - (1) a listing of elected officials; (2) this transmittal letter; (3) a copy of the GFOA Certificate of Achievement for Excellence in Financial Reporting for the County's 2021 Annual Report; and (4) the County's organizational chart, relevant maps, and photographs.

II. *Financial Section* - (1) the Independent Auditor's Report; (2) Management's Discussion and Analysis (MD&A); (3) the basic financial statements, which include government-wide financial statements, fund financial statements, and notes to the financial statements; and (4) required supplementary information, individual and combining financial statements, comparative budgetary information, arranged by fund type.

III. *Statistical Section* - Provides the reader with historical financial data and selected demographic and comparative statistical information.

This report is comprehensive in scope, designed to provide the citizenry with an accurate accounting of the County's financial activities during the year, as well as to provide readers with relevant and practical information about the County. The report is also intended for use by investors, creditors, bond underwriters, credit-rating agencies, and other governmental officials.

This report includes all funds, programs, and services provided by the County. Programs and services include the judicial system, the County prison, Emergency Services, and human service programs.

GASB has established criteria for determining whether an organization is considered part of the County's reporting entity, and if it should be included in the Annual Report as a component unit of the County. Under GASB Statement No. 61, the following criteria are used to determine whether an organization should be included as a component unit of the County's reporting entity: (1) the ability of the County to impose its will on the organization; and (2) the ability of the organization to impose a financial benefit or burden on the County. On the basis of these criteria, the Butler County Airport Authority, the Butler Transit Authority, and the Butler County Community College are all included as discretely presented component units.

County Commissioners make a number of appointments to authorities and advisory boards. Since the County's relationship does not extend beyond this appointment process, such groups are precluded from the reporting entity. A more detailed discussion of this is found in notes to the financial statements.

HISTORY AND PROFILE OF BUTLER COUNTY GOVERNMENT

Butler County is located in southwestern Pennsylvania, and the County seat is situated in the City of Butler. The County is bounded on the south by Allegheny County. To the west are Beaver, Lawrence, and Mercer Counties. To the north is Venango County. The County's eastern border is shared with Clarion, Armstrong, and Westmoreland Counties. The County was formed in 1800, portioned from Allegheny County, and took its name from the Revolutionary War hero General Richard Butler, who served on George Washington's staff. Interestingly, there are two other counties in the United States named after General Butler - one in Ohio, and another in Kentucky.

The County has a land area of approximately 789 square miles with an estimated population of 197,300 residents. The U.S. Census Bureau estimated that the County's population increased by 3,027 residents since the last census in 2021. Thirteen of the County's 57 municipalities are estimated to have experienced increases during that same period, thus offsetting estimated declines in population of 44 municipalities. Notably, the townships of Adams, Cranberry, Jackson, Lancaster, Middlesex, and Slippery Rock were amongst the fastest growing municipalities in Pennsylvania between 2020 and 2022. Butler County is comprised of 33 townships, 23 boroughs, and one city.

Pennsylvania is comprised of 67 designated counties. For the purposes of legislation and regulation, a county is further categorized into one of nine classes, as determined by the County's most recent census population. Butler County became a Fourth Class county following the 1990 census, when its population was certified as exceeding 150,000 residents. The 2020 census determined the County's population to be 193,767 residents. This figure is short of the 210,000-person threshold required for Third Class county status.

The County's governing body consists of a three-member Board of Commissioners. Commissioners are elected at large for a term of four years. The County's elected officials are commonly referred to as row officers, and act primarily in an administrative capacity. These row officers are as follows: Clerk of Courts, Controller, Coroner, District Attorney, Prothonotary, Recorder of Deeds, Register of Wills & Clerk of Orphans' Court, Sheriff, and Treasurer.

Butler County's Court of Common Pleas is composed of six elected judges, with the most tenured judge occupying the position of President Judge. Judges are elected to a ten-year term of office. The County Magisterial District Court is made up of seven Magisterial District Judges, who are elected within geographical districts and serve six-year terms. All 13 County judges are State employees, and their compensation is paid entirely by the State. However, the overall cost of operating the court system is assumed largely by the County.

There are four principal Boards with authority over the County's administrative and fiscal matters. The Board of County Commissioners functions as the primary governing body of the County. The other three boards are the County: (1) Salary Board, (2) Prison Board of Inspectors, and (3) Retirement Board.

The County Salary Board, which determines the salaries for all non-elected County positions, is constituted of four permanent members: the three Commissioners and the County Controller. The Board of Commissioners sets the salaries of all elected county officials, with the exception of the District Attorney, whose salary is set by State statute. When an action of the Salary Board affects a position falling under another elected office, that official is entitled to a vote and becomes a fifth member of the Salary Board.

The County Prison Board of Inspectors is responsible for operational oversight of the County Prison. The Prison Board consists of the three Commissioners, County Controller, District Attorney, Sheriff, and one Judge of the Court of Common Pleas. The Prison Board of Inspectors meets in regular public sessions once a month; and must meet at the jail on a quarterly basis.

The County Retirement Board oversees the County Employee Retirement Fund. The Retirement Board is composed of the three Commissioners, County Controller, and County Treasurer. Under Pennsylvania Act 96 of 1971 (*The County Pension Law*), the County Controller serves as Secretary of the Retirement Board and is responsible for administration of the Pension Fund. The Retirement Board holds public meetings once a quarter.

ECONOMIC CONDITION AND OUTLOOK

The local economy continues to rebound from the most recent recession. The Townships of Cranberry, Adams, Middlesex, Clinton, and Buffalo are anticipating accelerated growth as they add infrastructure supportive of population growth resulting primarily from an influx of residents moving from neighboring counties. Butler County has continued to gain population during the last decade, with the County's population growing by more than five percent in the last census. The median age of a County resident is 43 years, according to the U.S. Census Bureau. The southern portion of the County has been experiencing considerable growth since the completion of Route 28 and Interstate 279, with the most notable growth seen in the areas surrounding Interstate 79 and Route 228. Furthermore, the growth of Butler County's tax base has paralleled the boom in residential and commercial construction.

The real estate tax on a parcel of property is determined by applying the County's millage rate to the property's assessed value. Any changes to the millage rate occur in the month of December, when the County's budget is acted on by the Commissioners. In 2022 the County Commissioners adopted a budget that maintained the same tax rate of 27.626, from the previous year. During 2022, the assessed value of taxable property grew by over \$27 million, to \$2.0 billion, according to County assessment records.

Exploration of the Marcellus Shale gas formation continued to impact Butler County residents in 2022. Undoubtedly, many property owners have benefited financially in recent years from efforts to extract natural gas and other products from this enormous reservoir, which runs approximately a mile below the surface in parts of Pennsylvania. Another natural gas reservoir, which exists beneath the Marcellus formation and is known as the Utica Shale, was recently explored in Butler County near Portersville in Muddy Creek Township.

At the end of 2022, Butler County had a total of 594 unconventional producing wells, according to the Pennsylvania Public Utility Commission. That number represents a small increase over the 563 wells in place at the end of 2021. With the passage of Act 13 in 2012, the County began to receive a portion of the annual impact fees collected from natural gas companies. Butler County was allotted over \$3.0 million of 2022 impact fees, up from \$2.4 million in 2021.

According to the PA Department of Labor & Industry, the County's unemployment rate was 3.6% at the end of 2022 - one of the lowest rates among Western Pennsylvania counties. For instance, Westinghouse remains a top employer in the County, with its headquarters in Cranberry Township. Also headquartered in Cranberry Township is Mine Safety Appliances (MSA), the world's largest manufacturer of safety equipment and systems for industrial workers. Additionally, PPG Industries established its North American Architectural Coatings headquarters in Butler County.

Transportation

For years, the County has benefited from an extensive transportation system. Indian trails that traversed the County brought traders and explorers on their way to Erie from Pittsburgh. Today, Interstate 79 follows a similar route as it courses through the western portion of the County. Continuing, Interstate 80 touches the northern border of the County on its journey connecting New York with San Francisco. Both interstates have interchanges affording travelers direct access to the County's other major highways. Specifically, the Pennsylvania Turnpike (Interstate 76) runs along the County's southwestern border, and the Allegheny Valley Expressway (Route 28) crosses the southeastern corner of the County. The Cranberry Connector created a new interchange in southwestern Butler County and provides direct access to the Turnpike from Interstate 79. This project has reduced traffic congestion at the intersection of Route 19 and Route 228, one of the busiest corridors in Western Pennsylvania. Construction completed in 2014 alleviated some of this congestion by adding additional ramps and widening lanes. The project expanded a section of Route 228 about a mile from Route 19 to four westbound and three eastbound lanes. New ramps off of I-79 in Harmony were also recently installed near the newly developed Jackson's Pointe Commerce Park.

Railroads serving the County include the Buffalo and Pittsburgh, the Bessemer and Lake Erie, Norfolk Southern, and the CSX Railroad. Pittsburgh International Airport, providing commercial airline service, is less than a one-hour drive for most County residents. Also, local airports include the Butler County Airport, Zelienople Municipal Airport, Butler Farm Show Airport, and Lakehill Airport. In addition, numerous motor freight carriers conducting business in the County provide commercial trucking service; and the County has access to the nation's largest inland waterway via an Allegheny River port.

Education

Butler County is one of only two counties in Pennsylvania to have both a community college and a State university. Butler County Community College (BC3) opened in 1966, and has been recognized as a regional community college. BC3 is governed by 16 trustees who are appointed by the County Commissioners. The college offers 63 associate degrees, as well as both career and transfer programs. Citizens from the Borough of Slippery Rock founded Slippery Rock Normal School in 1889. The institution was later purchased by the Commonwealth and renamed Slippery Rock State Teachers College. The institution achieved University status in 1989; and Slippery Rock University (SRU) is now a member of the State System of Higher Education. Several other major colleges and nationally ranked universities are within the region surrounding the County, and many of these institutions offer courses and degrees at the Regional Learning Alliance located in Cranberry Township.

Health Care

Independence Health System operates Butler Memorial Hospital, an acute-care general hospital that serves Butler County. Independence Health System also offers four FastERcare (urgent care) facilities and provides primary care as well as specialty care services. UPMC Passavant Hospital has a campus in Cranberry that serves the area as a tertiary care center. It also is one of the locations for STAT MedEvac, which provides air medical transport. Allegheny Health Network (AHN) is also a provider of aeromedical transportation, with one of its LifeFlight emergency medical helicopters situated at the Butler County Airport. Additionally, AHN operated the Cancer Institute in the City of Butler, providing an array of clinical and support services; and access to cancer clinical trials. The Butler Veterans Administration (VA) Hospital is located in Butler Township and provides primary care, behavior health, rehabilitation, and extended care.

Parks & Recreation

The County's premier recreational site is Moraine State Park, a sixteen thousand acre state park surrounding Lake Arthur. The park occupies portions of Brady, Clay, Franklin, Muddy Creek, and Worth Townships and offers hiking, bicycling, boating, swimming, camping, picnicking, and hunting & fishing activities. The park has twice hosted the National Boy Scout Jamboree; and it features Lake Arthur, a 3,225-acre man-made lake with over 42 miles of scenic shoreline. Adjacent to Moraine State Park is the home of the Jennings Environmental Center, site of the only relic prairie in the eastern United States; and its primary goal is to provide environmental education to the citizens of Pennsylvania. Then, located just outside of the County is McConnell's Mill State Park, which is most noted for its gristmill, covered bridge, and gorges, carved by a cascading Slippery Rock Creek.

Butler County maintains Alameda Park, which provides over 408 acres of scenic woodlands, a number of picnic shelters, and an Olympic-size public pool. Noteworthy, many larger communities in the County maintain parks, as well as sports and swimming facilities. As an example, Butler Township recently opened Preston Park, which offers nearly a hundred acres of walking trails, fishing ponds, wildlife, and unique plants. Equally notable, Cranberry Township operates a waterpark and a highly-ranked municipal golf course. Unsurprisingly, there are also numerous fishing streams and game lands.

Pullman Park was built in 1934 by volunteers on land leased from the Standard Steel Car Company. During its prime, historic Pullman Park was home to minor league (farm) teams of the New York Yankees, Cleveland Indians, Detroit Tigers, and Pittsburgh Pirates. The Redevelopment Authority of the City of Butler recently assumed ownership and obtained funding for

construction of the new Pullman Park. As a result, County residents can currently enjoy all home games of the locally-owned Butler Blue Sox franchise. Construction for the new UPMC Lemieux Sports Complex was completed and opened in 2015. Situated in Cranberry Township, this state-of-the-art facility is named after Hall of Fame hockey player Mario Lemieux, and is a partnership between UPMC and the Pittsburgh Penguins. This complex is the primary practice and training facility for the Penguins, and serves as a comprehensive outpatient facility for UPMC Sports Medicine. It features two rinks, and local officials expect the facility to be a major recreational attraction in Butler County. The first rink is an exact replica of PPG Paints Arena located in Pittsburgh, and is primarily used by the Penguins. The second rink will also be scheduled for hockey leagues, tournaments, and public ice skating. Besides being a destination for recreation, athletes of any skill level have access to cutting-edge injury prevention, treatment, and sports performance services from experts in sports medicine. Furthermore, the complex also features a first-of-its-kind medical facility where patients are afforded access to primary care, orthopedic, physical therapy, and imaging services.



History

The County's historical tapestry is rich and colorful, and is recognized as the "Birthplace of the Jeep." In 1940, the Bantam Car Company of Butler won the U.S. Army's contract for the development of a four-wheel drive, light-weight transport vehicle. The design and initial manufacturing of this vehicle, commonly known as the Jeep, was at the Bantam Car plant in Butler County. General Eisenhower considered the Jeep as one of the major factors contributing to the Allies' victory in World War II.

Butler County has a rich history that has fostered a number of historical societies, including ones in Butler, Cranberry, Evans City, Harmony, Lancaster, Mars, Prospect, Saxonburg, Slippery Rock, Valencia and Zelienople. Historical preservation efforts have restored many original homes and businesses dating to the early nineteenth century. One well-known example is the Harmonist Society preservation. Harmonists settled in what is now Harmony Borough, which has been designated as a National Historical District. Other notable preservations include the Old Stone House, the Lowrie House, the Little Red School House, and the Cooper Cabin Pioneer Homestead.

About a decade ago the County completed a project of affixing historical markers along the path taken by George Washington through the County in 1753. The markers display the likely course followed by the future President as he carried out a diplomatic mission to the French garrison at Fort LeBoeuf, near present-day Erie. During Washington's trek through Butler County in 1753, he narrowly escaped death when an Indian assailant fired upon him at close range with a musket. Hence, a large stone marker was placed in Forward Township along Route 68 to identify the approximate site of the assault that marks our County's historical connection to the French and Indian War.





“The First Shot” is a commissioned painting by Deac Mong depicting an Indian shooting at George Washington and Christopher Gist in December 1753.

Tourism

Counties in Pennsylvania have the option of imposing a bed tax on overnight lodging charges. Butler County established a bed tax on January 1, 2002. Collections from the tax generated over \$2.4 million in the past year, at the current rate 5%. Importantly, all collections must be used exclusively for tourism promotion through the County's designated tourism promotion agency. Founded in 2002, the Butler County Tourism & Convention Bureau was designated by the Butler County Commissioners as the official tourism promotion and development organization for the County. Members of the Bureau represent agritourism, fairs & festivals, golf, history, great outdoors, arts & culture, family fun, dining, shopping, and accommodations. The Tourism Bureau also organizes the Butler County Farm Tour. This yearly event showcases the farming community while promoting the agricultural industry. Annually, the County hosts the Bantam Jeep Heritage Festival, which includes the signature Jeep Invasion in downtown Butler, a Jeep Playground, off-road Jeep trails, a World War II encampment, and other historical exhibits.



Culture

Many local organizations provide the local community with a reasonably priced opportunity to enjoy culture and the arts. These include the Butler Arts Council, Associated Artists of Butler County, Blazing Star Choral Society, Butler Little Theater, and Musical Theater Guild. Also of importance, the Butler County Symphony has been considered as one of the State's finest regional professional orchestras, providing quality orchestral performances within a community framework for over 50 years. Cultural opportunities also include the Maridon Museum, which offers entire collections that were gifts endowed by the late Mary Hulton Phillips. Located in the City of Butler, this museum contains an outstanding collection of Chinese and Japanese art objects. It should be noted that it is the only museum in the Western Pennsylvania region with a specific focus on Asian art and culture.

Agriculture

Butler County is an active participant in the Pennsylvania Farmland Preservation Program, which funds the creation of agricultural easements, protecting qualifying farmland from future development. The program provides a financial incentive to eligible farmers who choose to maintain their land exclusively for farming purposes; and through this program, the County's Office of Farmland Preservation has secured 66 farms totaling 6,967 acres of farmland. According to the most recent agriculture census, there are 955 farms in Butler County, with over 133,954 acres of farmland. The Butler County Conservation District provides services for erosion control, obstruction & encroachments, nutrient management, and dirt & gravel road maintenance. The District is governed by a nine-member Board of Directors that includes one County Commissioner. Directors are appointed by the County Commissioners. Also, through the county-based partnership with the Penn State Extension, local residents and businesses benefit from a range of educational programs.

Veteran Affairs

The County's large population of military veterans is served by the County's Veterans Service's office and several active VFW and American Legion Posts. The primary purpose of the office is to assist veterans and their spouses with the filing of claims to the United States Department of Veteran Affairs. It also conducts a Memorial Day Ceremony and a Veterans Day Program. The office also assists with organizing the Memorial Day and Veterans Day parades. Additionally, the office assists in building memorials and paying a small allowance to resident veterans and their spouses to alleviate burial expenses.

MAJOR INITIATIVES AND FACTORS AFFECTING FINANCIAL CONDITION

The County remains a leader in the implementation of emergency management and 911 technologies. It was among the first counties in Pennsylvania to install an enhanced 911 system that automatically displays a caller's physical location when an emergency call is received at its 911 Emergency Facility. This is of major importance because a strong majority of the County's 911 calls originate from cell phones. During 2015, the state legislature increased the monthly fee to \$1.65 on all phone subscribers to help offset the cost of emergency calls from both landline and cell phones. Regrettably, the County has received only a fraction of its eligible reimbursable expenses related to emergency phone calls.

Economic development is encouraged by the County through an annual appropriation to the Butler County Community Development Corporation, and it makes sizeable contributions to its three component units: the Butler County Airport Authority, the Butler Transit Authority, and the Butler County Community College (BC3). Although the Airport Authority and Transit Authorities operate autonomously from the County, the County remains financially accountable for both authorities. However, funding for Community College is guided by state law. When the state legislature passed the Community College Act of 1963, it was intended that the costs of operating a community college would be shared equally among the County (the sponsor), the Commonwealth of Pennsylvania, and local tuition. Nevertheless, the legislation requires that the remaining operating expenses, after tuition and state appropriations have been deducted, are to be assumed by the sponsor.

Butler County has promoted access to public libraries by appropriating funds to its Federated Library System (BCFLS). The County has community libraries in Butler, Chicora, Cranberry, Evans City, Mars, Prospect, Saxonburg, West Sunbury, and Zelienople. The BCFLS also operates a traveling Book Mobile.

The County continues to maintain its membership with the Southwestern Pennsylvania Commission (SPC). The SPC is a ten-county metropolitan planning organization responsible for prioritizing the use of all state and federal transportation and economic development funding allocated to the region.

County officials continue to plan and promote initiatives for economic growth and job development. These initiatives are designed to enhance the overall quality of life for the citizens of Butler County, while simultaneously maintaining lower property taxes. Tax revenues continue to grow for many taxing districts in the County, especially those located in areas experiencing significant residential and commercial growth. Yet even with a relatively static millage rate in the past few years, Butler County property tax revenues continue to increase. Regardless, property taxes constitute over three-fourths of General Fund revenues, while the remaining fourth is acquired through charges for services, fines, forfeitures, and fees.

ACCOUNTING SYSTEM, INTERNAL CONTROL, AND FINANCIAL POLICIES

All Governmental Funds are accounted for on the modified-accrual basis of accounting, while the Fiduciary Funds are on a full-accrual basis of accounting. The government-wide financial statements are prepared under GASB Statement No. 34 on the full-accrual basis of accounting. Under modified-accrual, revenue is recorded when susceptible to accrual and is considered both measurable and available. "Available" is defined as collectible within the current period or soon enough thereafter to pay current liabilities.

Expenditures are generally recognized when the related fund liability is incurred, except for: (1) disbursements for inventory items, which are recorded as expenditures at the time of purchase and (2) principal and interest on long-term debt, which is recognized when it becomes due. Financial statements for the Proprietary and Fiduciary Funds are maintained on a full-accrual basis, with revenue recognized when earned and expenses recorded when incurred.

The adequacy of internal control is given consideration when evaluating the County's accounting system. Internal accounting controls are intended to provide reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition; the financial records used for preparing financial statements are reliable; and accountability for assets is properly maintained. The concept of reasonable assurance recognizes that the cost of maintaining an internal control procedure should not exceed the benefits likely to be derived from it, and also recognizes that any evaluation of cost and benefits involves the use of estimates and judgments by management.

Commissioners are required to adopt an annual budget resolution by the end of each year. The County maintains budgetary controls that ensure compliance within the provisions set by the resolution and Pennsylvania statute. The Budget Director and the County Controller maintain budgetary control at the departmental level through a monitoring and review process, and a description of the budget process is provided in notes to the financial statements.

The commissioners must authorize any expenditure that would cause the budgetary control to be exceeded through a public action. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended.

EXPLANATION OF FUND STRUCTURE

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of self-balancing accounts, comprising of its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures.

SUMMARY OF 2022 FINANCIAL ACTIVITY INCLUDING SIGNIFICANT POLICY DECISIONS AFFECTING THE FINANCIAL STATEMENTS

The governmental funds within the County include the General Fund, thirty-eight Special Revenue Funds, seven Capital Project Funds, and a Debt Service Fund. The governmental funds' total revenues equal \$141,472,956 and total expenditures equal \$144,973,631 for the year. The County no longer has any Proprietary Funds, but maintains a Fiduciary Fund, and ten Custodial Funds.

General Fund revenues, and other financing sources of \$5.7 million, totaled \$76,714,503. General Fund expenditures, and transfers-out of \$16.9 million, totaled \$81,111,538. The schedule appearing on page I-17 displays the 2022 General Fund expenditures, including transfers, by administrative category. For the purposes of this trend analysis, the schedule provides a summary comparison between the 2022 and 2012 expenditures. Compared to 2021, total General Fund revenues, including other financing sources, decreased by \$4.9 million; and total General Fund expenditures, including transfers, increased by \$14.4 million.

The reader is directed to the Management's Discussion and Analysis (MD&A) section of this report for further narrative regarding the County's year-end financial condition and outlook. The MD&A is intended to present an analysis of the 2022 financial performance, and to provide the reader with additional commentary and analysis. The Commissioners, the Budget Director, and the County Controller prepare the MD&A letter.

Butler County's Employee Pension Fund is a fiduciary account established under Pennsylvania Act 96 and offers a defined benefit retirement plan for all eligible County employees. At the end of 2022, the plan's net position held in trust totaled \$226,801,221, and reported a net pension liability of \$59,919,368. The County Pension Fund had 681 active and vested members, and the number of retirees or beneficiaries totaled 642 on December 31, 2022. It should be noted that the County's Pension Fund appropriation represents one of the largest components of the County's budget, as evidenced by its 2022 contribution of \$6,503,153. With approximately a quarter of this appropriation being reimbursed by the State, the County continues to make its actuarially determined employer contribution each year.

As of the most recent actuarial valuation date, the County had funded approximately 79% of its total pension obligation, on a market value of assets basis—a level considered within acceptable standards for an employee pension plan. The County Retirement Board has endorsed the use of conservative actuarial assumptions in valuing its pension liability. Butler County provides no other post-employment benefits (OPEB) except those established through its Pension Plan, or does it have any existing or potential liabilities for benefits granted to employees in prior years.

General Fund Expenditures by Office

For the Periods Ending December 31, 2012 and December 31, 2022

	2012	2022	Change	Per Year %
Board of Commissioners:				
Alameda Park & Pool	\$ 365,644	\$ 598,830	\$ 233,186	6.38%
Budget & Finance	98,808	234,156	135,348	13.70%
Central Phone	160,996	120,774	(40,222)	(2.50%)
Commissioners	802,518	1,029,132	226,614	2.82%
County Solicitor	168,053	144,765	(23,288)	(1.39%)
Election Bureau	507,646	878,244	370,598	7.30%
Facilities & Operations	1,938,600	2,262,729	324,129	1.67%
Grants Management	199,375	-	(199,375)	(10.00%)
Information Technology	723,168	1,219,095	495,927	6.86%
Mail Room	294,905	388,232	93,327	3.16%
Motor Pool	122,813	111,305	(11,508)	(0.94%)
Personnel	430,593	527,941	97,348	2.26%
Planning Commission	212,574	570,349	357,775	16.83%
Public Defender	743,945	1,282,940	538,995	7.25%
Purchasing	68,995	61,237	(7,758)	(1.12%)
Property & Revenue	1,088,765	1,593,634	504,869	4.64%
Tax Collectors	289,993	395,117	105,124	3.63%
Veterans' Services	249,767	354,979	105,212	4.21%
Prison	9,228,465	15,078,639	5,850,174	6.34%
Other County Program Subsidies	6,291,519	16,021,140	9,729,621	15.46%
Outside Organization Contributions	5,903,691	7,115,652	1,211,961	2.05%
Debt Service	4,573,782	5,214,580	640,798	1.40%
Miscellaneous	1,479,130	2,314,559	835,429	5.65%
Total - Board of Commissioners	\$ 35,943,745	\$ 57,518,028	\$ 21,574,283	6.00%

Court of Common Pleas:

Common Pleas / Corrections / DR	\$ 7,813,908	\$ 10,337,656	\$ 2,523,748	3.23%
Magisterial District Judges	2,134,974	2,509,572	374,598	1.75%
Total - Court of Common Pleas	\$ 9,948,882	\$ 12,847,228	\$ 2,898,346	2.91%

Row Offices:

Clerk of Courts	\$ 882,432	\$ 1,147,322	\$ 264,890	3.00%
Controller	709,698	936,962	227,264	3.20%
Coroner	403,286	651,466	248,180	6.15%
District Attorney	1,656,868	2,423,939	767,071	4.63%
Prothonotary	772,819	801,162	28,343	0.37%
Recorder of Deeds	461,772	518,691	56,919	1.23%
Register of Wills / Orphans' Court	583,789	768,542	184,753	3.16%
Sheriff	2,040,909	2,898,699	857,790	4.20%
Treasurer	490,958	599,499	108,541	2.21%
Total - Row Offices	\$ 8,002,531	\$ 10,746,282	\$ 2,743,751	3.43%
GENERAL FUND TOTAL	\$ 53,895,158	\$ 81,111,538	\$ 27,216,380	5.05%

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded *Certificate of Achievement for Excellence in Financial Reporting* to the County of Butler for its annual comprehensive financial report for the year ended December 31, 2021. This was the twenty-first consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual report. This report must satisfy both generally accepted accounting principles, and applicable legal requirements.

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

I wish to acknowledge the assistance of those who contributed to the report's successful completion this year, and also to recognize those who have assisted in its successful completion in past years. Additionally, appreciation is extended to the Board of County Commissioners, the County Treasurer, the County Planning Department, and the County Property and Revenue Office.

Much appreciation is also expressed to the row offices and departments supplying the information presented in the statistical section. Thank you also, Maher Duessel, for your support in successfully completing this report.

It is especially for the dedicated staff in the Controller's office that I reserve the fullest and greatest measure of appreciation and gratitude. Thanks, team!

Respectfully submitted,



Benjamin Holland, CPA
County Controller



***Benjamin Holland, CPA
Controller***





Government Finance Officers Association

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

Presented to

**County of Butler
Pennsylvania**

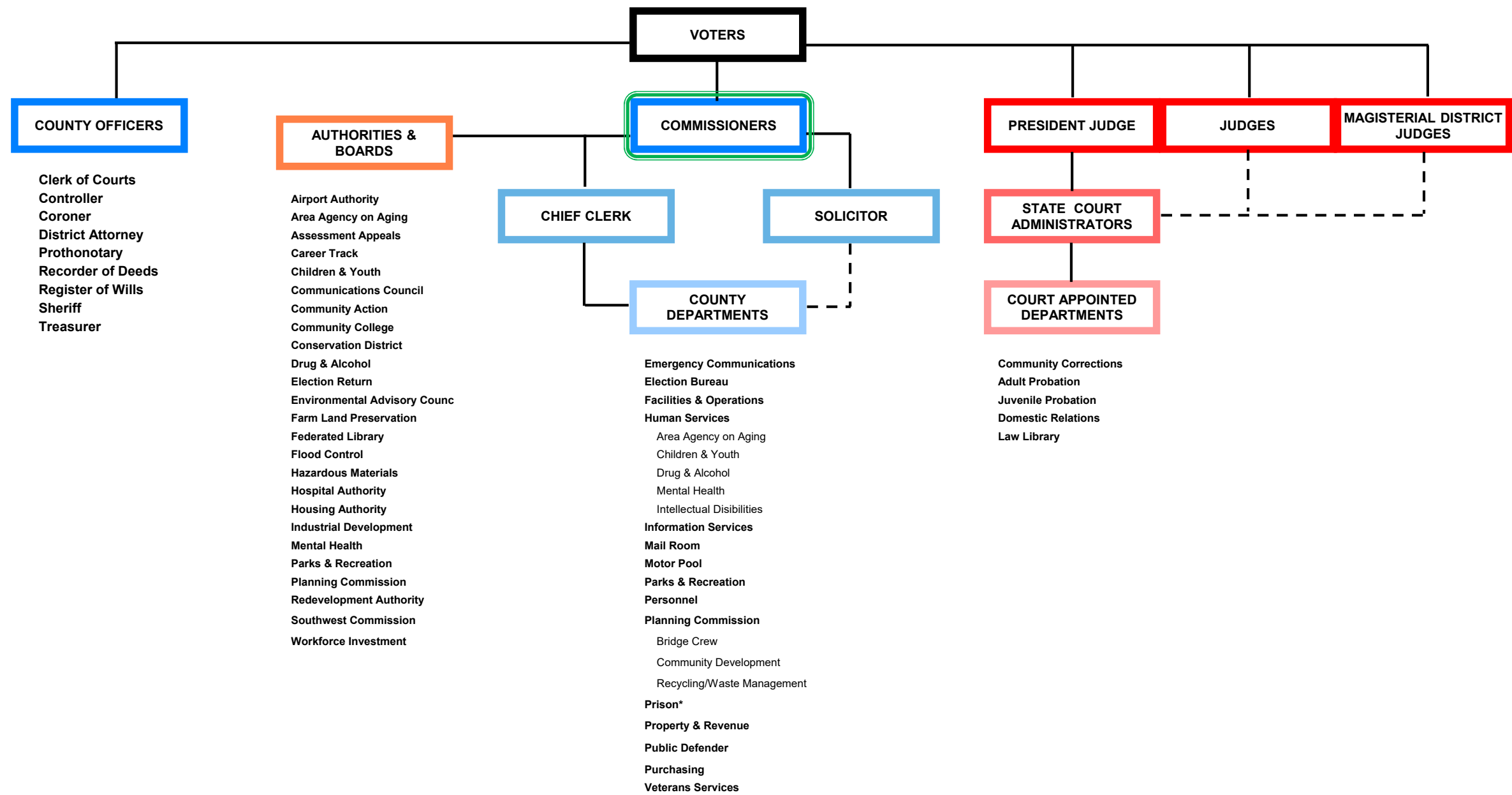
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

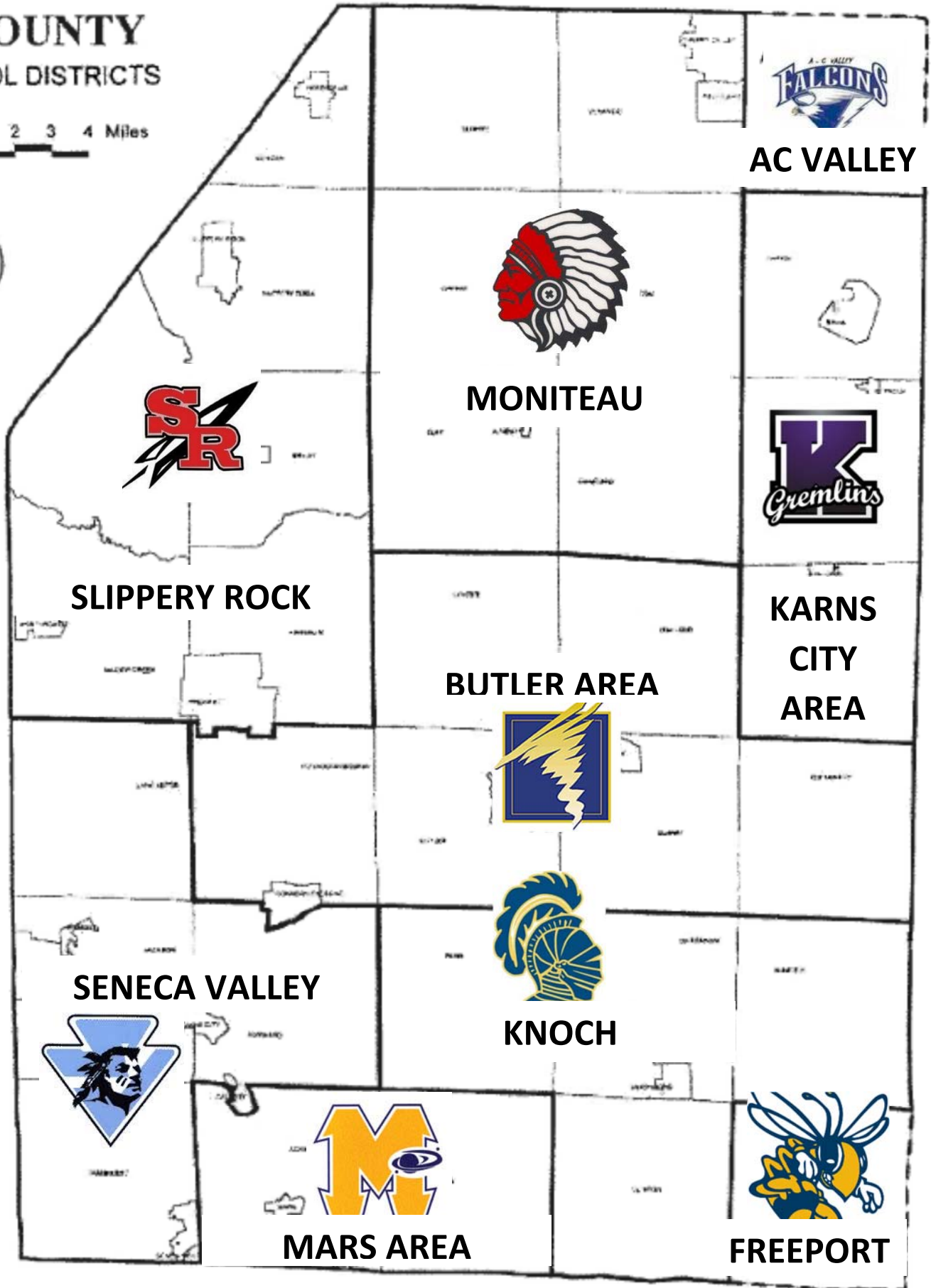
COUNTY OF BUTLER
ORGANIZATIONAL CHART



* The Prison is governed by the Prison Board of Inspectors

BUTLER COUNTY SCHOOL DISTRICTS

1 0 1 2 3 4 Miles



FINANCIAL SECTION

Independent Auditor's Report

**Board of Commissioners and County Controller
County of Butler, Pennsylvania**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Butler, Pennsylvania (County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022, and the respective changes in financial position 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Board of Commissioners and
County Controller
County of Butler, Pennsylvania
Independent Auditor's Report

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information listed in the table of contents. The other information listed in the table of contents does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.

Board of Commissioners and
County Controller
County of Butler, Pennsylvania
Independent Auditor's Report

If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023 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 solely 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 the effectiveness of the County's 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.

Maher Duessel

Pittsburgh, Pennsylvania
June 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

The management of the County of Butler (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 for the year ended December 31, 2022. The information contained herein should be considered in conjunction with the additional information that we have furnished in the letter of transmittal (pages I-2 to I-20), the basic financial statements (pages III-1 to III-10), and the notes to financial statements (pages III-11 to III-121).

Financial Highlights

- The County's net position increased from \$91,597,126 to \$105,591,130 in 2022, and unrestricted net position decreased by \$809,802, from \$24.9 million to \$24.1 million at December 31, 2022. The net pension liability increased to \$59.9 million at year-end; however, the County's pension plan is 79.1% funded.
- The County's real estate property tax rate for general purpose was at 21.723 mills, the tax rate for debt service was 2.968 mills, and the tax rate for payment to Butler County Community College was 2.935 mills.
- As of December 31, 2022, the County had nearly \$71.8 million of debt related to notes and bonds outstanding.
- The total fund balance of the General Fund at December 31, 2022 was approximately \$29.4 million. The assigned fund balance for the 2023 budget was just under \$4.1 million, which represents about 5.9% of the General Fund's annual revenue projected for 2023. The unassigned fund balance decreased by \$5,301,275 to \$22.5 million.

Overview of the Financial Statements

This Management's Discussion and Analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: *government-wide financial statements*, *fund financial statements*, and *notes to financial statements*. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

A detailed explanation of all three components follows:

- **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 a private-sector business.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The *statement of net position* presents information on all of the County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, 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 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 or sick leave).

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, criminal justice system, public safety, public works, human services, culture and recreation, and conservation and economic development.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the component units of Butler County Community College, the Butler County Airport Authority, and the Butler Transit Authority, over which the County exercises some degree of control. Financial information for these component units is reported separately from the financial information presented for the primary government itself. Each of the component units issues separate financial statements.

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

- **Fund Financial Statements:** The fund financial statements provide more detailed information about the County's most significant funds. A *fund* is a grouping of related accounts that is 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 two categories: *governmental funds* and *fiduciary funds*.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- ***Governmental Funds*** – Governmental funds are used to report essentially the same functions presented as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 fiscal 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 government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains 47 individual 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 balance for the eight major funds (General, General Fund Grant, Capital Reserve, Infrastructure Bank, American Rescue Plan, Opioid Abatement, Emergency Communications (911), and Children & Youth Services). Data from the other 39 non-major governmental funds are combined into a single, aggregated presentation (*other governmental funds*). Individual fund data for each of these other governmental funds is provided in the form of combining statements, located elsewhere in this report.

The County legally adopts an annual appropriated budget for the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the County's adopted budget.

The basic governmental fund financial statements can be found on pages III-3 to III-8 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- ***Fiduciary Funds*** – Fiduciary funds are used to account for resources held for the benefit 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 accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages III-9 and III-10 of this report. It includes the *pension trust fund* and the *custodial funds*. The custodial funds are the fees, fines, costs, etc., collected by County Officers, held in trust for disbursement.
- **Notes to Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements and the fund financial statements. The notes to financial statements can be found on pages III-11 to III-121 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 its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages IV-1 through IV-4 of this report.
- **Supplementary Information:** The combining statement referred to earlier in connection with other governmental funds is presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages V-1 to V-52 of this report.

Financial Analysis of the County as a Whole

The County is presenting its financial statements as required by GASB Statement No. 34, "*Basic Financial Statements and Management's Discussion and Analysis (MD&A) for State and Local Governments.*" The statement of net position and the statement of activities report information about the County as a whole to measure the results of the year's activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-Wide Financial Statements

The County's net position at December 31, 2022 and 2021 is presented below:

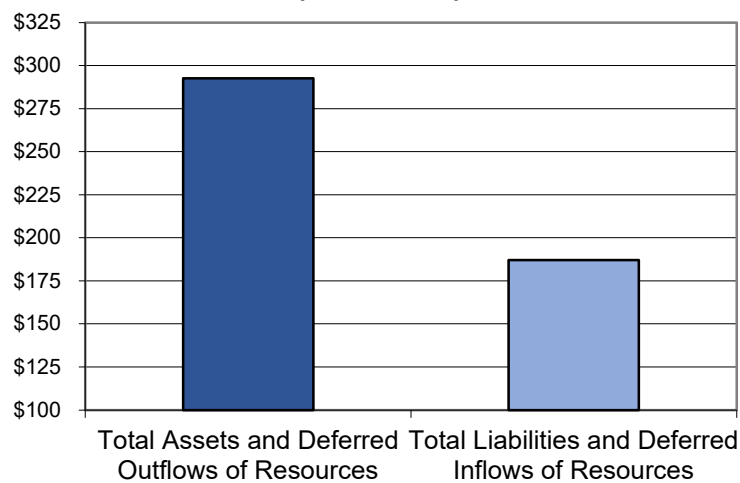
COUNTY OF BUTLER Summary of Statement of Net Position December 31, 2022 (With Comparative Totals for the Year Ended December 31, 2021) (in thousands)		
	Governmental Activities 2022	2021
Current and other assets	\$ 157,721	\$ 133,475
Capital assets	89,685	89,433
Total Assets	247,406	222,908
Deferred loss on refunding	44	67
Deferred outflows of resources for pension	45,288	18,910
Total Deferred Outflows of Resources	45,332	18,977
Current and other liabilities	57,399	44,189
Long-term liabilities outstanding	126,556	79,967
Total Liabilities	183,955	124,156
Deferred revenue - loans	391	373
Deferred gain on refunding	332	415
Deferred inflows or resources for pension	2,012	24,812
Deferred revenue of resources for leases	457	532
Total Deferred Inflows of Resources	3,192	26,132
Net Position:		
Net investment in capital assets	52,055	48,126
Restricted	29,469	18,594
Unrestricted	24,067	24,877
Total Net Position	\$ 105,591	\$ 91,597

MANAGEMENT'S DISCUSSION AND ANALYSIS

Assets and Deferred Outflows of Resources and Liabilities and Deferred Inflows of Resources

The following graph depicts assets and deferred outflows of resources and liabilities and deferred inflows of resources at December 31, 2022:

**Assets and Deferred Outflows of Resources
and Liabilities and Deferred Inflows of Resources
Governmental Activities
(\$ millions)**



Discussion of Summary of Net Position – Governmental Activities

At the end of 2022, the County's total net position related to governmental activities increased by \$13,994,004. Cash and cash equivalents increased from \$84.9 million in 2021 to \$93.1 million at the end of 2022, accounts and loans receivable increased from \$5.3 million in 2021 to \$13.8 million at the end of 2022, and amounts due from other governments increased from \$10.3 million in 2021 to \$12.4 million in 2022. At the end of 2022, the County's total assets (excluding capital assets) related to governmental activities increased by \$24.2 million, mostly the result of an increase in cash, an increase in notes receivable related to the Butler County Infrastructure Bank, and an increase in accounts receivable related to the opioid abatement settlement funds.

Capital assets increased to \$89.7 million in 2022 from \$89.4 million in 2021. GASB Statement No. 34 requires that all capital assets, including infrastructure, be valued and reported in the government-wide financial statements. Retroactive reporting of projects acquired or finished prior to 2003 occurred during 2007 through the County's implementation of retroactive infrastructure.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Deferred outflows of resources increased to \$45.3 million in 2022, from \$18.9 million in 2021. This increase is due to the reporting of pension expense in accordance with GASB Statements. Liabilities also increased to \$184.0 million in 2022, from \$124.2 million in 2021. This is the result of an increase in the Net Pension Liability from \$4.2 million in 2021 to \$59.9 million in 2022.

Total net position amounted to approximately \$105.6 million, of which \$52.0 million is the County's net investment in capital assets and \$29.5 million is restricted for various other purposes. The remaining \$24.1 million is unrestricted net position.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Change in Net Position

The following table presents the change in net position for the years ended December 31, 2022 and 2021:

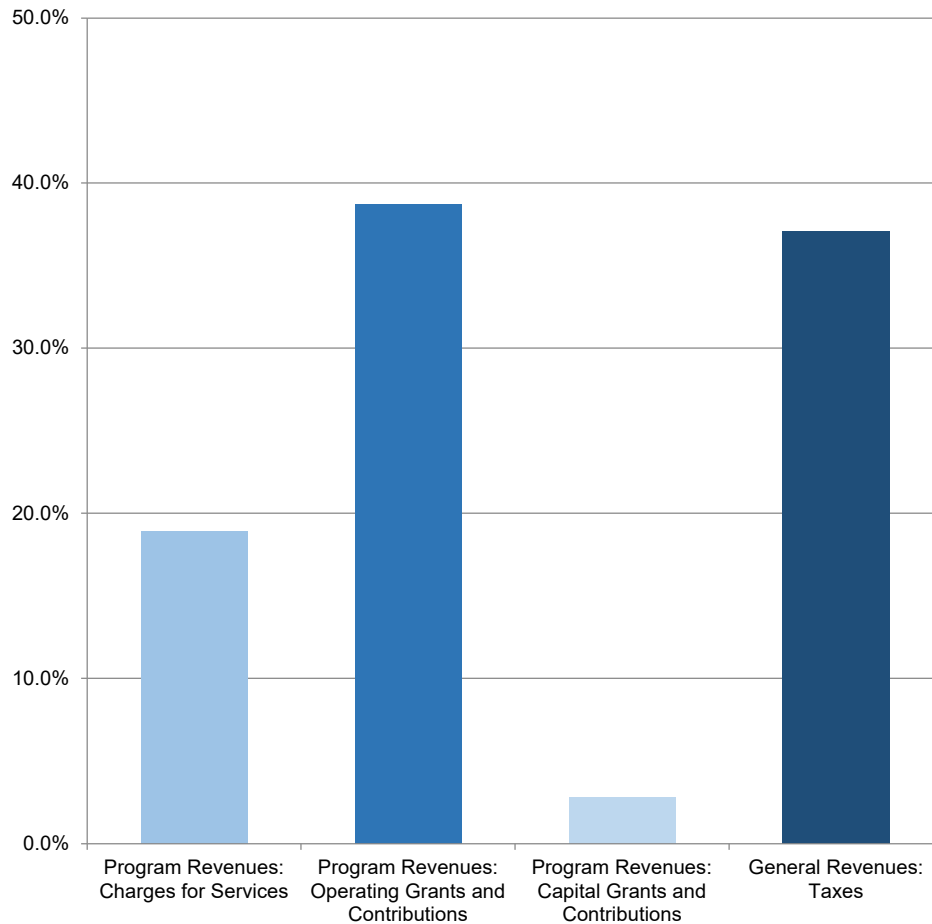
County of Butler Year Ended December 31, 2022 (With Comparative Totals for the Year Ended December 31, 2021) (in thousands)		
	Governmental Activities	
	2022	2021
Revenues:		
Program revenues:		
Fees, fines, and charges for services	\$ 28,637	\$ 19,041
Operating grants and contributions	58,551	62,960
Capital grants and contributions	4,200	4,435
General revenues:		
Taxes	56,038	54,757
Interest and investment income	468	118
Other	3,269	2,073
Total revenues	151,163	143,384
Program expenses:		
General government - administration	15,830	16,055
General government - judicial	20,978	15,942
Public safety	31,618	28,187
Public works and enterprises	3,450	2,308
Human services	57,370	47,641
Culture and recreation	1,851	1,547
Conservation and economic development	4,865	3,977
Interest	1,207	1,012
Total program expenses	137,169	116,669
Change in Net Position	13,994	26,715
Net position - beginning	91,597	64,882
Net position - ending	\$ 105,591	\$ 91,597

MANAGEMENT'S DISCUSSION AND ANALYSIS

Sources of Revenues – Governmental Activities

The following chart graphically depicts the governmental activities sources of revenues for the year ended December 31, 2022:

Sources of Revenues - Governmental Activities Total Revenues: \$151,162,864



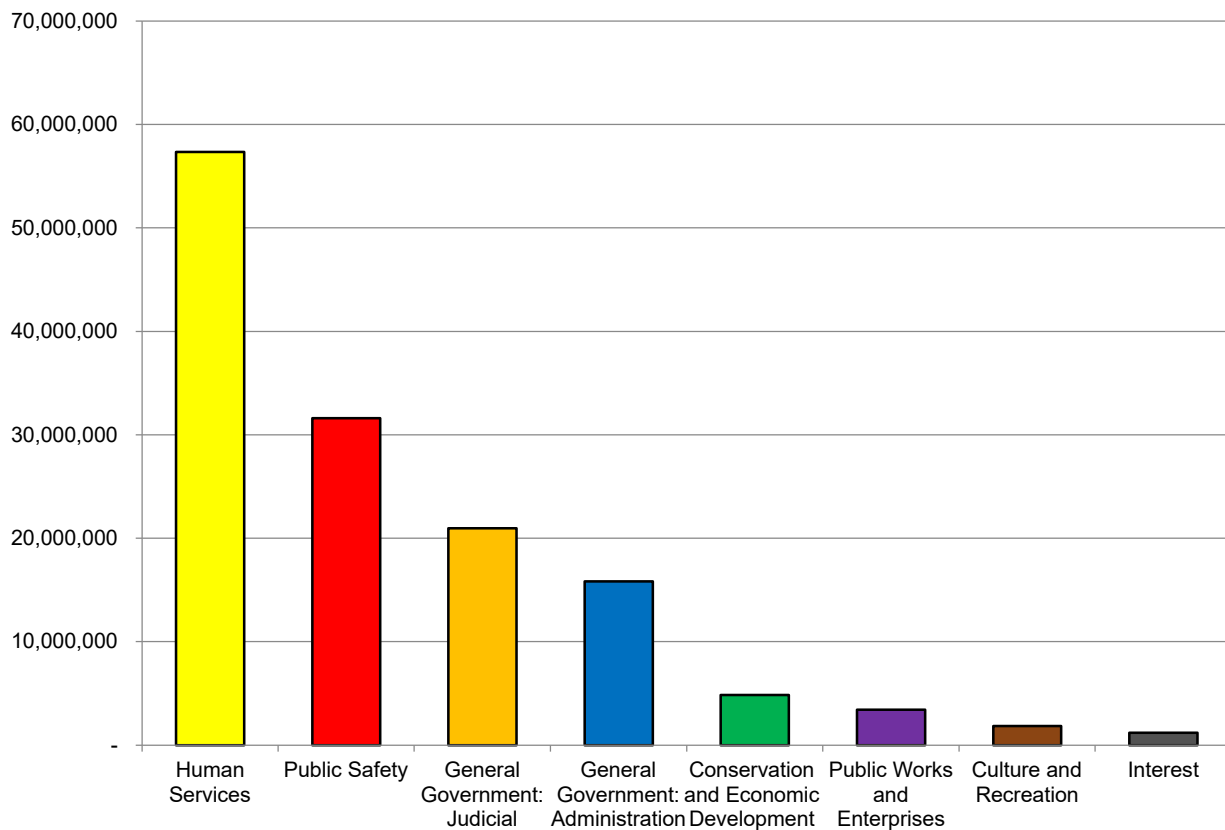
Total revenues from governmental activities for 2022 were \$151,162,864, which was \$7.8 million higher than in 2021. Charges for services increased by \$9.6 million to \$28,636,946 in 2022 from \$19,041,504 in 2021. The County recognized opioid settlement funds of \$9.5 million in 2022. Operating grants and contributions account for 38.7% of the 2022 governmental activities revenue, amounting to \$58,551,598 compared to \$62,959,708 in 2021. Although the County received an additional \$18.2 million in funding from the American Rescue Plan, a total of \$4.7 million was recognized as revenue in 2022, compared to \$12.0 million in 2021. Tax revenue increased to \$56,037,560 in 2022 from \$54,756,633 in 2021, because of increasing assessments from new construction throughout the County, and hotel tax collections rebounding.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Program Expenses – Governmental Activities

The following chart graphically depicts the governmental activities program expenses for the year ended December 31, 2022:

Program Expenses - Governmental Activities Total Expenses: \$137,168,860



Program expenses for the County's governmental activities amounted to approximately \$137.2 million for the year ended 2022. This compares to \$116.7 million for the year ended 2021. General government – judicial expenses increased from \$15.9 million in 2021, to \$21.0 million in 2022, due to an increase in pension expense and capital outlays for leases. Public safety expenses increased from \$28.2 million in 2021 to \$31.6 million in 2022, also due to an increase in pension expense, and increased expenses at the County's Prison. Human services expenses increased from \$47.6 million in 2021, to \$57.4 million in 2022, resulting from Emergency Rental Assistance Program expenses and other increases in spending related to the pandemic. Conservation and economic development expenses increased from \$4.0 million in 2021 to \$4.9 million in 2022, largely affected by higher contributions made to the Tourism Bureau as a result of hotel tax receipts returning to normal levels. The remaining expense categories were consistent with the prior years.

MANAGEMENT'S DISCUSSION AND ANALYSIS

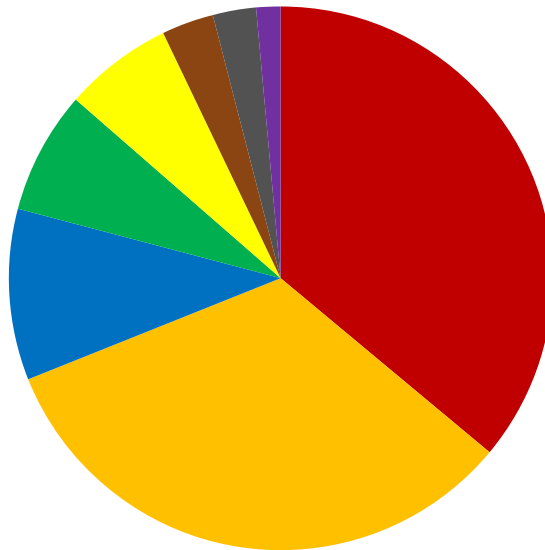
Net Program Expenses/Revenues – Governmental Activities

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 for governmental activities by function for the year ended December 31, 2022:

Net Program Expenses/Revenues - Governmental Activities

Total Net Expenses: \$45,780,603

- Public Safety
- General Government - judicial
- General Government - administration
- Conservation and Economic Development
- Human Services
- Culture and Recreation
- Interest
- Public Works and Enterprises



Net program expenses/revenues for governmental activities increased from (\$30.2) million in 2021 to (\$45.8) million in 2022.

Public Safety includes: Prison, Adult Probation, Juvenile Probation, and Emergency Communications (911). **General Government—Judicial** includes: Court Administration, District Justices, Law Library, Clerk of Courts, Coroner, District Attorney, Prothonotary, Register of Wills, Sheriff, and Domestic Relations. **Human Services** includes Human Services Administration, MH/ID, Drug & Alcohol, Area Agency on Aging, Children & Youth, and Veterans Services. **General Government—Administrative** includes: Commissioners, Election Bureau, Controller, Property & Revenue, Treasurer, Purchasing, Public Defender, Recorder of Deeds, Personnel, Information Technology, Planning Commission, Facilities & Operations, Mailroom, and Motor Pool. **Conservation & Economic Development** includes: Agricultural Easements, and Waste Management. **Culture & Recreation** includes: Parks & Recreation and Inmate Welfare. **Public Works** includes: Bridge Crew.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the County's Funds

Butler County, located in southwestern Pennsylvania, lies on the edge of the Pittsburgh urban area and has been linked to the Pittsburgh area for employment, recreation, and cultural opportunities. Since 1960, it has been the growth county in the southwest region, with a growth rate of 38% (65,822 persons) between 1970 and 2020. During the last census, the population in the County increased from 174,083 in 2000 to 193,763 in 2020.

The County's steady growth can be attributed to its location at the crossroads of several major highways, the availability of developable land served by public utilities, a favorable tax base, and proximity to the Pittsburgh area. During the year ended December 31, 2022, it's estimated that municipalities within the County issued 1,769 building permits, down from 3,303 issued in 2021. The Assessment Office regularly reminds municipalities of their obligation to report all building permit information to the County as per the current requirements of the Uniform Construction Code. The County assessors also canvas each municipality in search of construction for which building permits have not been issued. The fair market value of real estate increased by \$3.1 billion during 2022 to a total fair market value of \$28.1 billion, propelled by the continued growth of residential construction throughout the County. In 2022, the County billed \$493,499 of additional interim taxes; more than the \$387,266 of additional interim taxes that were billed in 2021. The interim tax bills include assessments for new construction from the date of completion, through the remaining months in the calendar year.

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County has 47 governmental funds; eight of them are major funds (General, General Fund Grants, Capital Reserve, Infrastructure Bank, American Rescue Plan, Opioid Abatement Fund, Emergency Communications (911), and Children & Youth Services), and 39 are other governmental funds.

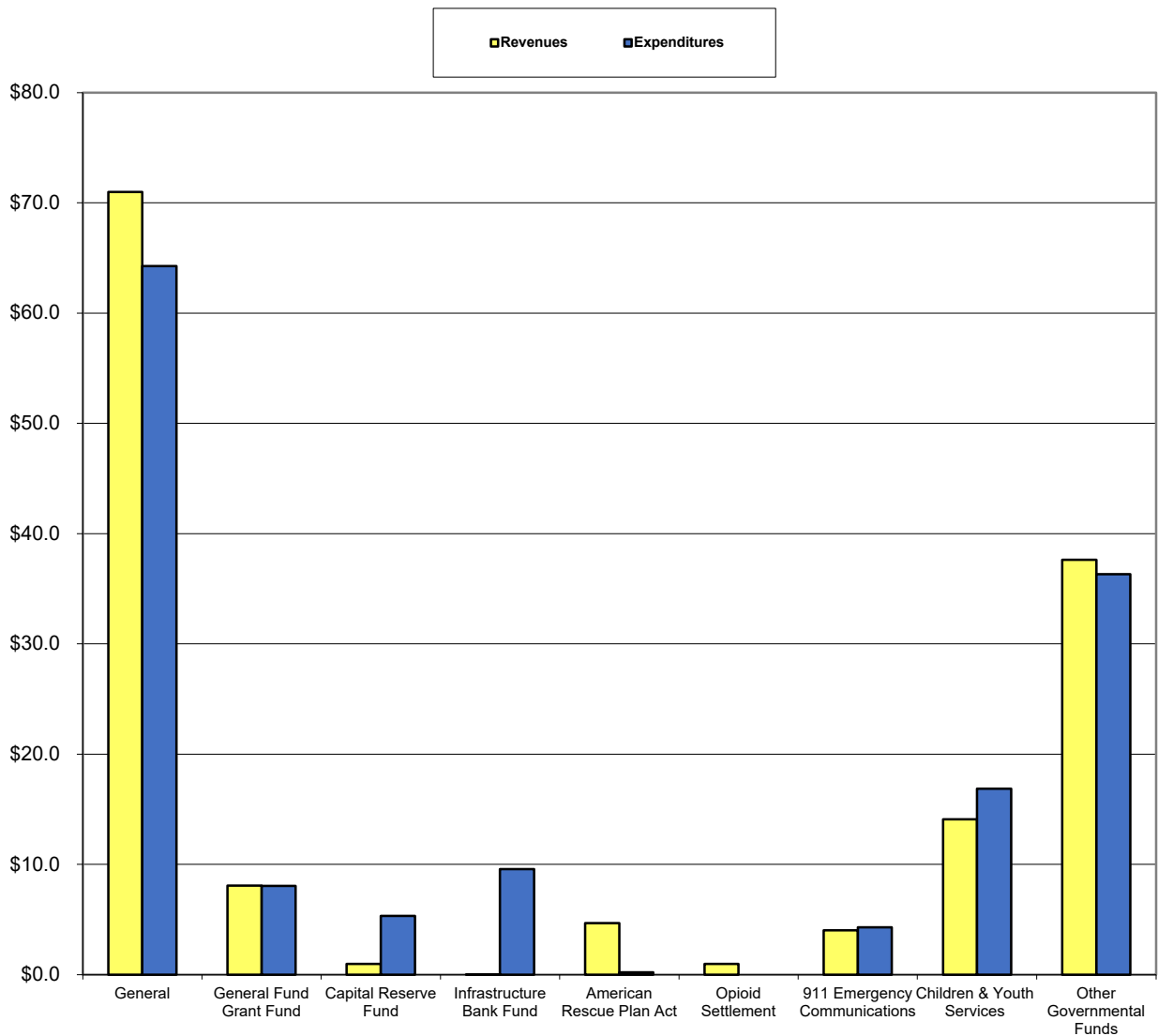
A complete listing of the other governmental funds is on pages V-1 to V-8. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balances may serve as a useful measure of the County's net spendable resources available at the end of the fiscal year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds Revenues/Expenditures

The following chart graphically depicts the total revenues received and expenditures incurred by the Governmental Funds for the year ended December 31, 2022:

**Governmental Fund Revenues and Expenditures
(in millions)**



MANAGEMENT'S DISCUSSION AND ANALYSIS

The majority of revenues and expenditures occurred in the County's General Fund, General Fund Grants Fund, and Children & Youth Services Fund. In the General Fund, revenue from taxes amounted to \$53.6 million. The General Fund Grants Fund and Children & Youth Services Fund recognized \$7.9 million and \$13.9 million, respectively, in base allocation or grant funding.

In 2021, the County was awarded a total of \$36,488,242 from the U.S. Treasury Department, under the provisions of the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan. The program provides governments across the country with the resources needed to: fight the pandemic and support families and businesses struggling with its public health and economic impacts; maintain vital public services, even amid declines in revenue resulting from the crisis; and to build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity to cover the costs that were necessary expenditures incurred due to the public health emergency with respect to COVID-19. The funding was received in two equal tranches. Butler County received its first installment of \$18.2 million in 2021; and the County received the second installment of the same amount, in 2022.

On December 22, 2021, the County adopted Resolution No. 2021-41, which established a policy for the distribution of the SLFRF proceeds (funds) received from the United States Treasury department. The County directed that these funds be utilized, and are to be allocated for the following purposes:

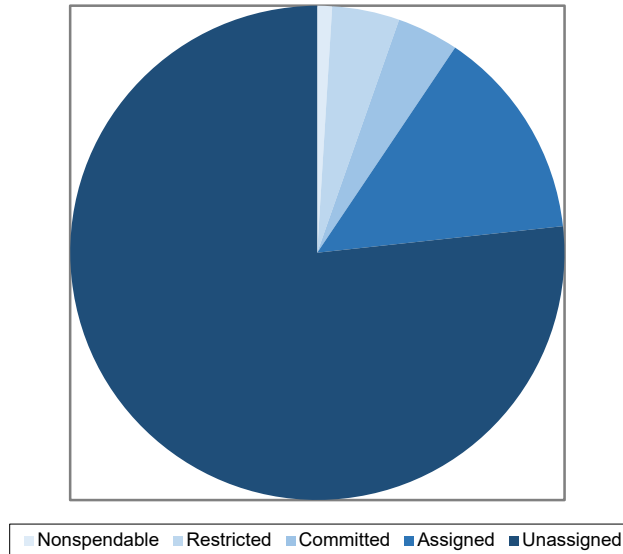
- Forty Five percent (45%) of the funds shall be utilized for County revenue replacement, capital, and public safety programs.
- Thirty-Five percent (35%) of the funds shall be utilized for projects related to County-wide infrastructure and broadband services.
- Fifteen percent (15%) of the funds shall be utilized in areas of public health and services to disproportionately impacted communities throughout the County.
- Five percent (5%) of the funds shall be utilized to offset negative economic impact situations, projects, or studies.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Funds – Fund Balances

The following chart graphically reflects the General Fund fund balance as of December 31st:

General Fund - Fund Balances at December 31, 2022
(in millions)



The General Fund fund balance at December 31, 2022 was approximately \$29.4 million, with \$4.1 million assigned for the 2023 budget. This decrease from the \$33.8 million fund balance at December 31, 2021 is attributable to transfers out of \$16.9 million, which includes transfers of \$11.8 million to the Capital Reserve Fund for ongoing capital projects.

Thus, the Capital Reserve Fund fund balance at December 31, 2022 was approximately \$14.2 million and was assigned and restricted for capital expenditures. This increase from the \$5.6 million in fund balance at December 31, 2021 is largely attributable to the County transferring approximately \$11.8 million from the General Fund for future capital projects.

The Infrastructure Bank Fund fund balance at December 31, 2022 was approximately \$3.9 million, and was committed for the infrastructure projects. This decrease from the \$12.6 million in fund balance at December 31, 2021 is the result of a timing difference between the issuance of the General Obligation Note, Series of 2021 and the disbursement of note proceeds in the amount of \$9,462,425 to local municipalities, which occurred in 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund Budgetary Highlights

The fund balance in the General Fund for the year ended 2022 decreased by approximately \$4.4 million from the 2021 level. At December 31, 2022, the General Fund fund balance was approximately \$29.4 million, of which approximately \$284,000 was nonspendable, \$1.3 million was restricted for operating reserve and agricultural easements, \$1.2 million was committed for worker's compensation, and \$4.1 million was assigned for the 2023 budget. Significant differences in the General Fund between the original and final budget were limited to normal operating transfers for health care benefit payments and contingency expenses. The differences that are worth noting in the General Fund final budget compared to the actual amounts are as follows:

- General government—administration expenditures were under budget by \$1,512,257. This is attributable to budget overestimates, and expenditures were also under budget as a result of a concerted effort by management to control costs.
- General government—judicial expenditures were under budget by \$428,370 (notwithstanding a lease capital outlay of \$811,731 that was not included in the budget). This is attributable to budget overestimates and cost control measures.
- Public safety expenditures were under budget by \$521,549. Consistent with prior years, this is principally attributable to the Prison's expenditures being less than budgeted – the result of budget overestimates.
- Conservation and economic development expenditures were under budget by \$325,426. This is mostly attributable to contingency expenditures not being necessary.
- Other expenditures were under budget by \$3.4 million. This is attributable to unanticipated legal and contingency expenditures being lower than expected.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Asset and Debt Administration

The following is a summary of capital assets for the governmental activities at December 31, 2022 and 2021:

County of Butler Summary of Capital Assets Governmental Activities			
	Balance at December 31, 2022	Balance at December 31, 2021	Increase/ Decrease
Land	\$ 2,366,344	\$ 1,704,544	\$ 661,800
Easements	3,594,897	3,353,586	241,311
Construction in progress	2,685,166	1,820,134	865,032
Infrastructure - bridges	30,553,616	27,883,872	2,669,744
Buildings and improvement	77,919,998	77,187,805	732,193
Right-of-use asset	3,189,499	2,479,038	710,461
Other Capital Assets	39,300,445	38,494,945	805,500
Total capital assets	<u>159,609,965</u>	<u>152,923,924</u>	<u>6,686,041</u>
Less accumulated depreciation/ amortization for:			
Infrastructure - bridges	(19,175,369)	(18,284,809)	(890,560)
Buildings and improvements	(31,482,526)	(29,472,270)	(2,010,256)
Right-of-use asset	(966,064)	(703,906)	(262,158)
Other Capital Assets	(18,301,111)	(15,029,511)	(3,271,600)
Total accumulated depreciation/ amortization	<u>(69,925,070)</u>	<u>(63,490,496)</u>	<u>(6,434,574)</u>
Net Capital Assets	<u>\$ 89,684,895</u>	<u>\$ 89,433,428</u>	<u>\$ 251,467</u>

Capital Assets – Governmental Activities: The County's investment in capital assets and infrastructure for its governmental activities, amounts to approximately \$89.7 as of December 31, 2022 (net of accumulated depreciation/amortization). This investment in capital assets includes land, easements, buildings and renovations, infrastructure (such as roads and bridges), permanent fixtures, equipment, radio/telephone system, furniture and non-permanent fixtures, vehicles, office machines, computer hardware and software, and the right-of-use assets. The increase in capital assets from the prior year is a result of additional right-of-use assets obtained by the County, offset by the normal depreciation and amortization. More detailed information about the County's capital asset activity can be found in Note 3 of the notes to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-Term Debt

At December 31, 2022, the County had total debt of \$74,087,310 outstanding on the General Obligation Bonds, General Obligation Notes, Lease liability, and Finance Purchase Payable.

County of Butler Summary of Long-Term Debt	
	Governmental Activities
Beginning Balance at January 1, 2022	\$ 81,956,977
Additions	811,731
Reductions	<u>(8,681,397)</u>
Ending Balance December 31, 2022	<u>\$ 74,087,311</u>

The County issued no new debt in 2022. More detailed information about the County's long-term debt activity can be found in Note 8 of the notes to the financial statements.

Bond Rating

Throughout the year, the County maintained its bond rating from Standard & Poor's of AA -. The rating reflects the following credit characteristics: the County's strong economy, with access to the diverse Pittsburgh metropolitan statistical area; competent management reflecting adherence to standard financial management practices; strong liquidity; strong institutional framework; strong budget flexibility and budget performance.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 to:

Office of the County Commissioners
Attn: Chief Clerk
County of Butler, Pennsylvania
124 West Diamond Street
P.O. Box 1208
Butler, PA 16003-1208

or

Office of the County Controller
Attn: County Controller
County of Butler, Pennsylvania
124 West Diamond Street
P.O. Box 1208
Butler, PA 16003-1208

BASIC FINANCIAL STATEMENTS

COUNTY OF BUTLER, PENNSYLVANIA

STATEMENT OF NET POSITION

DECEMBER 31, 2022 OR JUNE 30, 2022

		Component Units		
		Butler County Community College (June 30, 2022)	Butler County Airport Authority (Dec. 31, 2022)	Butler Transit Authority (June 30, 2022)
	Governmental Activities			
Assets				
Cash and cash equivalents	\$ 93,054,081	\$ 23,506,359	\$ 1,517,265	\$ 2,269,264
Investments	1,187,836	18,664,520	-	-
Taxes receivable, at estimated realizable value	2,735,020	-	-	-
Accounts and loans receivable, at estimated realizable value	13,779,446	525,611	50,379	232,588
Accounts receivable, students	-	3,807,955	-	-
Notes receivable	33,753,001	-	-	-
Lease receivable	476,853	-	808,858	-
Due from other governments	12,369,950	508,768	-	-
Prepays	365,243	686,913	47,164	-
Inventory	-	295,224	5,153	-
Other assets	-	19,091	-	-
Capital assets:				
Capital assets, not being depreciated/amortized	8,646,407	13,992,050	2,853,362	3,184,530
Capital assets, net of accumulated depreciation/amortization	78,815,053	22,358,475	10,678,074	13,905,614
Right-of-use asset - lease, net	2,223,435	3,513,577	-	-
Total Assets	247,406,325	87,878,543	15,960,255	19,591,996
Deferred Outflows of Resources				
Deferred outflows of resources for pension	45,288,734	959,380	-	-
Deferred charge on refunding	43,746	649,500	-	-
Deferred outflows of resources for OPEB	-	54,920	-	-
Total Deferred Outflows of Resources	45,332,480	1,663,800	-	-
Liabilities				
Accounts payable	10,024,283	1,168,020	31,303	155,586
Accrued payroll and payroll taxes	1,233,522	1,129,273	-	-
Accrued interest payable	430,912	207,619	-	-
Lines of credit	-	227,124	-	-
Due to other governments	259,552	-	-	-
Unearned revenue:				
Current	33,319,539	3,551,016	127,578	2,382,754
Non-current	-	-	27,175	-
Bonds payable:				
Current, includes premium of \$92,651 for governmental activities	3,987,651	2,260,000	-	-
Non-current, includes premium of \$509,581 for governmental activities	25,654,581	23,082,719	-	-
Financed purchase payable:				
Current	18,628	-	-	-
Non-current	-	-	-	-
Note payable:				
Current	5,478,068	522,671	53,046	-
Non-current	37,261,943	1,912,877	40,480	-
Lease liability:				
Current	350,414	902,656	-	-
Non-current	1,938,258	2,834,414	-	-
Workmen's compensation:				
Current	-	-	-	-
Non-current	1,187,836	-	-	-
Compensated absences:				
Current	2,296,828	-	-	-
Non-current	593,946	832,563	-	-
OPEB liability				
Current	-	-	-	-
Non-current	-	333,000	-	-
Net pension liability				
Current	-	-	-	-
Non-current	59,919,368	5,748,000	-	-
Total Liabilities	183,955,329	44,711,952	279,582	2,538,340
Deferred Inflows of Resources				
Deferred revenue - loans	391,192	-	-	-
Deferred inflows of resources for pension	2,012,521	1,422,000	-	-
Deferred inflows of resources for leases	456,918	-	781,775	-
Deferred charge on refunding	331,715	-	-	-
Deferred inflows of resources for OPEB	-	43,000	-	-
Total Deferred Inflows of Resources	3,192,346	1,465,000	781,775	-
Net Position				
Net investment in capital assets	52,055,306	12,305,774	13,437,910	17,122,682
Restricted for:				
Operating reserve, expendable	1,286,418	-	-	-
Agricultural easements, expendable	4,093	-	-	-
Automation/Records improvement, expendable	858,737	-	-	-
Central booking/court restitution, expendable	13,261	-	-	-
Domestic Relations, expendable	92,907	-	-	-
Emergency communications, expendable	159,296	-	-	-
Liquid fuels, expendable	78,050	-	-	-
Roads and bridges, expendable	9,982,844	-	-	-
Inmate welfare fund, expendable	1,262,558	-	-	-
Offender supervision, expendable	890,755	-	-	-
Unconventional gas well impact fees, expendable	4,373,530	-	-	-
Area Program, expendable	978,719	-	-	-
Local victim services, expendable	812	-	-	-
Opioid abatement, expendable	9,486,673	-	-	-
Capital purchases, expendable	-	17,583,603	-	-
Other purposes, nonexpendable	-	3,459,915	-	-
Other purposes, expendable	-	-	41,731	-
Unrestricted	24,067,171	10,016,099	1,419,257	(69,026)
Total Net Position	\$ 105,591,130	\$ 43,365,391	\$ 14,898,898	\$ 17,053,656

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities (Dec. 31, 2022)	Component Units		
						Butler County Community College (June 30, 2022)	Butler County Airport Authority (Dec. 31, 2022)	Butler Transit Authority (June 30, 2022)
Primary government:								
Governmental activities:								
General government - administration	\$ 15,829,818	\$ 2,504,027	\$ 8,516,629	\$ 12,231	\$ (4,796,931)	\$ -	\$ -	\$ -
General government - judicial	20,977,890	3,133,599	2,327,267	-	(15,517,024)	-	-	-
Public safety	31,618,079	9,601,989	5,020,538	-	(16,995,552)	-	-	-
Public works and enterprises	3,450,444	1,076,385	258,682	2,802,005	686,628	-	-	-
Human services	57,369,904	11,518,426	41,850,263	953,661	(3,047,554)	-	-	-
Culture and recreation	1,851,035	369,805	-	15,985	(1,465,245)	-	-	-
Conservation and economic development	4,864,524	432,715	578,219	415,831	(3,437,759)	-	-	-
Interest, premiums, and discounts	1,207,166	-	-	-	(1,207,166)	-	-	-
Total governmental activities	137,168,860	28,636,946	58,551,598	4,199,713	(45,780,603)	-	-	-
Total Primary Government	\$ 137,168,860	\$ 28,636,946	\$ 58,551,598	\$ 4,199,713	(45,780,603)	-	-	-
Component units:								
Butler County Community College	\$ 43,418,051	\$ 12,598,103	\$ 29,478,340	\$ 3,148,119	-	1,806,511	-	-
Butler County Airport Authority	1,545,323	706,950	-	461,351	-	-	(377,022)	-
Butler Transit Authority	3,551,453	189,663	2,015,146	2,059,235	-	-	-	712,591
Total Component Units	\$ 48,514,827	\$ 13,494,716	\$ 31,493,486	\$ 5,668,705	-	1,806,511	(377,022)	712,591
General revenues:								
Taxes:								
Real estate					53,617,367	-	-	-
Hotel tax					2,420,193	-	-	-
Total taxes					56,037,560	-	-	-
Interest and investment income/(loss)					468,270	(402,311)	2,667	-
Gain on sale of capital asset					1,872	-	231,992	-
Other income/(expense)					3,266,905	464,011	(941)	28,740
Total general revenues					59,774,607	61,700	233,718	28,740
Change in Net Position					13,994,004	1,868,211	(143,304)	741,331
Net Position - beginning of year					91,597,126	41,497,180	15,042,202	16,312,325
Net position - ending					\$ 105,591,130	\$ 43,365,391	\$ 14,898,898	\$ 17,053,656

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2022

	General	General Fund Grants	Capital Reserve	Infrastructure Bank	American Rescue Plan	Opioid Abatement	Emergency Communications 911	Children & Youth Services	Other Governmental Funds	Total Governmental Funds
Assets										
Cash and cash equivalents	\$ 27,417,648	\$ 8,141,380	\$ 14,933,109	\$ 3,878,083	\$ 20,156,048	\$ 978,012	\$ 151,792	\$ 27	\$ 17,397,982	\$ 93,054,081
Investments	1,187,836	-	-	-	-	-	-	-	-	1,187,836
Taxes receivable, net of allowance	2,569,056	-	-	-	-	-	-	-	165,964	2,735,020
Accounts and loans receivable, at estimated realizable value	4,283,973	2,254	-	-	-	8,508,661	1,700	13,963	968,895	13,779,446
Lease receivable	-	-	476,853	-	-	-	-	-	-	476,853
Due from other funds	1,642,601	69	122,404	-	-	-	1,339	-	1,050,854	2,817,267
Due from other governments	917,697	127,525	41,544	-	-	-	1,060,666	4,156,048	6,066,470	12,369,950
Advances to other funds	2,950,586	-	-	-	-	-	-	-	-	2,950,586
Prepays	283,858	-	1,500	-	-	-	51,267	-	28,618	365,243
Total Assets	\$ 41,253,255	\$ 8,271,228	\$ 15,575,410	\$ 3,878,083	\$ 20,156,048	\$ 9,486,673	\$ 1,266,764	\$ 4,170,038	\$ 25,678,783	\$ 129,736,282

(Continued)

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2022
(Continued)

	General	General Fund Grants	Capital Reserve	Infrastructure Bank	American Rescue Plan	Opioid Abatement	Emergency Communications 911	Children & Youth Services	Other Governmental Funds	Total Governmental Funds
Liabilities, Deferred Inflows of Resources, and Fund Balance										
Liabilities:										
Accounts payable	\$ 3,032,757	\$ 1,363,503	\$ 759,127	\$ 5,000	\$ 59,324	\$ -	\$ 76,780	\$ 1,014,388	\$ 3,713,404	\$ 10,024,283
Accrued payroll and payroll taxes	906,086	10,765	-	-	-	-	73,628	89,004	154,039	1,233,522
Unearned revenue	917,719	6,882,310	-	-	20,096,724	-	819,251	611,947	3,977,804	33,305,755
Due to other funds	886,174	14,650	132,535	-	-	-	86,542	221,323	1,476,043	2,817,267
Due to other governments	33,350	-	-	-	-	-	-	90,597	135,605	259,552
Advances from other funds	-	-	-	-	-	-	-	2,142,779	807,807	2,950,586
Total Liabilities	5,776,086	8,271,228	891,662	5,000	20,156,048	-	1,056,201	4,170,038	10,264,702	50,590,965
Deferred Inflows of Resources:										
Unavailable revenue - taxes/fees	6,112,525	-	-	-	-	-	-	-	-	6,112,525
Unavailable revenue - loans	-	-	-	-	-	-	-	-	391,192	391,192
Unavailable revenue - impact fees	-	-	-	-	-	-	-	-	3,043,832	3,043,832
Unavailable revenue - leases	-	-	456,918	-	-	-	-	-	-	456,918
Unavailable revenue - opioid abatement	-	-	-	-	-	8,508,661	-	-	-	8,508,661
Total Deferred Inflows of Resources	6,112,525	-	456,918	-	-	8,508,661	-	-	3,435,024	18,513,128
Fund Balance:										
Nonspendable - prepaid items	283,858	-	1,500	-	-	-	51,267	-	28,618	365,243
Restricted:										
Operating reserve	1,286,418	-	-	-	-	-	-	-	-	1,286,418
Capital projects	-	-	73,355	-	-	-	-	-	-	73,355
Agricultural easements	4,093	-	-	-	-	-	-	-	-	4,093
Automation/Records improvement	-	-	-	-	-	-	-	-	858,737	858,737
Central booking	-	-	-	-	-	-	-	-	13,261	13,261
Domestic Relations	-	-	-	-	-	-	-	-	92,907	92,907
Emergency communications	-	-	-	-	-	-	159,296	-	-	159,296
Liquid fuels	-	-	-	-	-	-	-	-	78,050	78,050
Roads and bridges	-	-	3,521,567	-	-	-	-	-	6,461,277	9,982,844
Inmate welfare	-	-	-	-	-	-	-	-	1,262,558	1,262,558
Offender supervision	-	-	-	-	-	-	-	-	890,755	890,755
Unconventional gas well impact fees	-	-	-	-	-	-	-	-	1,329,698	1,329,698
Aging Program	-	-	-	-	-	-	-	-	978,719	978,719
Local victim services	-	-	-	-	-	-	-	-	812	812
Opioid abatement	-	-	-	-	-	978,012	-	-	-	978,012
Committed:										
Workmen's compensation	1,187,836	-	-	-	-	-	-	-	-	1,187,836
Infrastructure Bank	-	-	-	3,873,083	-	-	-	-	-	3,873,083
Assigned:										
2023 budget	4,070,946	-	-	-	-	-	-	-	-	4,070,946
Capital purchases	-	-	10,630,408	-	-	-	-	-	-	10,630,408
Unassigned	22,531,493	-	-	-	-	-	-	-	(16,335)	22,515,158
Total Fund Balance	29,364,644	-	14,226,830	3,873,083	-	978,012	210,563	-	11,979,057	60,632,189
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 41,253,255	\$ 8,271,228	\$ 15,575,410	\$ 3,878,083	\$ 20,156,048	\$ 9,486,673	\$ 1,266,764	\$ 4,170,038	\$ 25,678,783	\$ 129,736,282

(Concluded)

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

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

DECEMBER 31, 2022

Total Fund Balance - Governmental Funds \$ 60,632,189

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

Capital assets including construction in progress used in governmental activities are not current financial resources and are not reported as assets in governmental funds. 87,461,460

The notes receivable for Infrastructure Bank loans are not available to pay for current period expenditures and are not recorded in the governmental funds. 33,753,001

The right-of-use lease asset is not a current financial resource, and is not reported as an asset in the governmental funds. 2,223,435

Property taxes receivable and other revenues will be collected in the future, but are not available to pay for the current period's expenditures and are treated as either deferred inflows or unearned revenue in the governmental funds. 17,651,234

Governmental funds report the effect of premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (890,201)

The net pension liability is not reflected in the governmental fund financial statements. (59,919,368)

Deferred outflows and inflows of resources for pension are recorded and amortized in the statement of net position. However, these items are not recorded on the fund financial statements. 43,276,213

Long-term liabilities, including notes and bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Accrued workmen's compensation	\$ (1,187,836)	
Accrued compensated absences	(2,890,774)	
Note payable	(42,740,011)	
Bonds payable	(29,040,000)	
Financed purchase payable	(18,628)	
Lease liability	(2,288,672)	
Accrued interest on debt	(430,912)	(78,596,833)

Total Net Position - Governmental Activities \$ 105,591,130

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

	General	General Fund Grants	Capital Reserve	Infrastructure Bank	American Rescue Plan	Opioid Abatement	Emergency Communications 911	Children & Youth Services	Other Governmental Funds	Total Governmental Funds
Revenues:										
Taxes	\$ 53,643,849	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,420,193	\$ 56,064,042
Intergovernmental	1,887,176	7,935,814	765,274	-	4,684,979	-	4,013,349	13,864,733	29,036,154	62,187,479
Charges for services	12,213,905	-	-	-	-	977,380	-	132,781	5,919,347	19,243,413
Fines and forfeits	903,837	-	-	-	-	-	-	-	812	904,649
Interest	209,999	151,538	8,097	39,551	-	632	1,286	765	56,402	468,270
Other	2,121,058	-	210,284	-	-	-	-	81,794	191,967	2,605,103
Total revenues	70,979,824	8,087,352	983,655	39,551	4,684,979	978,012	4,014,635	14,080,073	37,624,875	141,472,956
Expenditures:										
Current:										
General government - administration	12,973,570	49,716	-	-	88,960	-	-	-	116,710	13,228,956
General government - judicial	15,855,529	193,993	-	-	-	-	-	-	2,659,224	18,708,746
Public safety	21,108,869	119,615	-	-	131,242	-	3,486,124	-	1,701,707	26,547,557
Public works and enterprises	-	-	-	126,000	-	-	-	-	1,756,671	1,882,671
Human services	6,097,117	7,423,378	-	-	-	-	-	16,848,970	24,605,390	54,974,855
Culture and recreation	873,832	-	-	-	-	-	-	-	391,048	1,264,880
Conservation and economic development	1,423,781	278,257	-	-	-	-	-	-	2,767,222	4,469,260
Other	703,616	-	-	9,462,425	-	-	-	-	-	10,166,041
Capital projects	-	-	5,341,999	-	-	-	74,551	-	1,791,423	7,207,973
Debt service	5,214,581	-	1,500	-	-	-	739,668	29,539	537,404	6,522,692
Total expenditures	64,250,895	8,064,959	5,343,499	9,588,425	220,202	-	4,300,343	16,878,509	36,326,799	144,973,631
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,728,929	22,393	(4,359,844)	(9,548,874)	4,464,777	978,012	(285,708)	(2,798,436)	1,298,076	(3,500,675)
Other Financing Sources (Uses):										
Sale of capital assets	-	-	1,872	-	-	-	-	-	-	1,872
Leases (as lessee)	811,731	-	-	-	-	-	-	-	-	811,731
Transfers in	4,922,948	81,760	12,957,764	1,257,658	-	-	-	2,846,170	2,673,151	24,739,451
Transfers out	(16,860,643)	(104,153)	(21,855)	(453,310)	(4,464,777)	-	-	(47,734)	(2,786,979)	(24,739,451)
Total other financing sources (uses)	(11,125,964)	(22,393)	12,937,781	804,348	(4,464,777)	-	-	2,798,436	(113,828)	813,603
Net Change in Fund Balance	(4,397,035)	-	8,577,937	(8,744,526)	-	978,012	(285,708)	-	1,184,248	(2,687,072)
Fund Balance:										
Beginning of year	33,761,679	-	5,648,893	12,617,609	-	-	496,271	-	10,794,809	63,319,261
End of year	\$ 29,364,644	\$ -	\$ 14,226,830	\$ 3,873,083	\$ -	\$ 978,012	\$ 210,563	\$ -	\$ 11,979,057	\$ 60,632,189

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balance - Governmental Funds \$ (2,687,072)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:

Capital outlays	\$ 5,388,433	
Donated assets	661,800	
Less: depreciation expense	<u>6,239,884</u>	(189,651)

The net effect of various transactions involving capital assets (sales, demolition, etc.). (7,185)

Some taxes and other revenues will not be collected for several months after the County's year-end. Therefore, they are not considered to be "available" revenues in the governmental funds. Deferred inflows changed by this amount during the year. 9,026,234

The issuance of long-term obligations (e.g., notes and bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of 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 obligations and related items 14,412,326

The issuance of leases provides current financial resources to governmental funds, while the repayment of the principal of the lease consumes the current financial resources of governmental funds. (811,731)

Governmental funds report lease liability as expenditures when incurred. However, in the statement of activities, the cost of assets is allocated over the life of the lease. 789,008

Changes in the net pension liability and related deferred inflows of resources and deferred outflows of resources do not affect current financial resources and, therefore, are not reflected on the governmental fund financial statements. (6,574,482)

Interest on long-term obligations in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. This amount reflects the difference in interest accrued in the statement of activities and the amount due. 20,811

In the statement of activities, certain operating expenses - accumulated employee benefits (workmen's compensation and sick days) are measured by the amounts earned during the year. In the governmental funds, expenditures for these items are measured by the amount of financial resources used. This amount represents the difference between the amount earned versus the amount used. 15,746

Change in Net Position of Governmental Activities \$ 13,994,004

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

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

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 53,158,914	\$ 53,158,914	\$ 53,643,849	\$ 484,935
Intergovernmental	1,448,832	1,488,832	1,887,176	398,344
Charges for services	11,435,201	11,835,201	12,213,905	378,704
Fines and forfeits	942,293	942,293	903,837	(38,456)
Interest	73,900	73,900	209,999	136,099
Other	1,706,772	1,727,554	2,121,058	393,504
Total revenues	68,765,912	69,226,694	70,979,824	1,753,130
Expenditures:				
Current:				
General government - administration	14,244,076	14,485,827	12,973,570	1,512,257
General government - judicial	16,121,000	16,283,899	15,855,529	428,370
Public safety	21,059,965	21,630,418	21,108,869	521,549
Human services	6,044,488	6,047,694	6,097,117	(49,423)
Culture and recreation	839,332	853,709	873,832	(20,123)
Conservation and economic development	1,749,207	1,749,207	1,423,781	325,426
Other	4,594,512	4,094,232	703,616	3,390,616
Debt service	5,106,457	5,106,457	5,214,581	(108,124)
Total expenditures	69,759,037	70,251,443	64,250,895	6,000,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	(993,125)	(1,024,749)	6,728,929	7,753,678
Other Financing Sources (Uses):				
Leases (as lessee)	-	-	811,731	811,731
Transfers in	10,532,616	10,532,616	4,922,948	(5,609,668)
Transfers out	(15,348,423)	(15,366,549)	(16,860,643)	(1,494,094)
Total other financing sources (uses)	(4,815,807)	(4,833,933)	(11,125,964)	(6,292,031)
Net Change in Fund Balance	\$ (5,808,932)	\$ (5,858,682)	\$ (4,397,035)	\$ 1,461,647

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

DECEMBER 31, 2022

	Pension Trust Fund	Custodial Funds
Assets		
Cash and cash equivalents	\$ 1,390,519	\$ 5,111,800
Investments:		
Money markets	39,257	-
Bond mutual funds	84,263,044	-
International equity funds	27,434,464	-
Domestic equity funds	113,348,498	-
Accounts receivable - at estimated realizable value	352,770	94,433
Total Assets	226,828,552	5,206,233
Liabilities		
Accounts payable	27,331	29,830
Due to other governments	-	2,929,081
Escrow liability	-	1,004,504
Other unreconciled liability	-	1,242,818
Total Liabilities	27,331	5,206,233
Net Position		
Net Position Restricted for Fiduciary Funds	\$ 226,801,221	\$ -

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Pension Trust Fund	Custodial Funds
Additions:		
Contributions:		
County	\$ 6,503,153	\$ -
Employee	4,219,815	-
Total contributions	10,722,968	-
Investment income (loss):		
Net increase/(decrease) in fair value of investments	(49,157,055)	-
Interest and dividends and other income	6,666,993	-
Total investment income (loss)	(42,490,062)	-
Investment expense	108,612	-
Net investment income (loss)	(42,598,674)	-
Receipts:		
Clerk of Courts	-	1,881,359
Commissary	-	160,678
District Courts	-	2,320,200
Domestic Relations	-	202,667
Prothonotary	-	1,949,728
Recorder of Deeds	-	17,712,273
Register of Wills	-	56,896
Sheriff	-	1,337,999
Tax Claim	-	4,912,244
Treasurer	-	366,353
Total receipts	-	30,900,397
Total additions	(31,875,706)	30,900,397
Deductions:		
Benefits and refunds paid to plan members and beneficiaries	16,027,022	-
Administrative expense	118,969	-
Fiduciary liability insurance	27,752	-
Payments to other governments	-	26,568,192
Escrow payments	-	3,790,699
Other disbursements	-	541,506
Total deductions	16,173,743	30,900,397
Increase in Fiduciary Net Position	(48,049,449)	-
Net Position:		
Beginning of year	274,850,670	-
End of year	\$ 226,801,221	\$ -

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

A. Butler County – Primary Government

1. Summary of Significant Accounting Policies – Primary Government

Reporting Entity

The County of Butler (County), located in southwestern Pennsylvania thirty-five miles north of the City of Pittsburgh, is a fourth-class County, originally chartered on March 12, 1800. The County operates under an elected three-member Board of Commissioners (County Commissioners). The County provides services in many areas to its residents, including various general government services, public safety, public works, human services, culture and recreation, and conservation and development.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

Component Units

The criteria used by the County to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the County reviews the applicability of the following criteria:

The County is financially accountable for:

1. Organizations that make up its legal entity.
2. Legally separate organizations if the County Commissioners appoint a voting majority of the organization's governing body and the County is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on the County as defined below:
 - a. Impose its Will - If the County can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

- b. Financial Benefit or Burden – If the County (1) is entitled to the organization's resources, (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization, or (3) is obligated in some manner for the debt of the organization.
- 3. Organizations that are fiscally dependent on the County. Fiscal dependency is established if the organization is unable to adopt its own budget, levy taxes or set rates or charges, or issue bonded debt without approval of the County.

The following separately administered organizations meet the criteria for inclusion in the County's reporting entity as discretely presented component units:

Butler County Community College

The Butler County Community College's (BCCC) fifteen trustees are appointed by the County Commissioners and one Commissioner serves as an ex-officio member of BCCC's Board of trustees. Under the applicable Commonwealth of Pennsylvania statute, the Commonwealth of Pennsylvania and the County are each obligated to provide up to one-third of BCCC's operating budget and one-half of its capital and debt service requirements. In addition, the County's approval is required for the issuance of any bonded debt by BCCC as the County is legally committed for a portion of the repayment of such debt. Accordingly, the County is financially accountable for BCCC. The College's fiscal year-end is June 30th, and separately issued audited financial statements are available through the College's business office.

Butler County Airport Authority

The Butler County Airport Authority (Airport Authority) was created to operate the Butler County Airport. The Airport Authority's seven-member Board is appointed by the County Commissioners and one Commissioner serves as an advisory member of the Board. The Airport Authority's Board operates autonomously from the County and is responsible for the designation of management. The Airport Authority is fiscally dependent on the County as bonded debt cannot be issued without the guarantee of the County. The County is financially accountable for the Airport Authority. Separately issued audited financial statements are available through the Authority's administrative office.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Butler Transit Authority

The Butler Transit Authority (Authority) was originally created to provide municipal transportation services in the City of Butler (City) and in the Township of Butler (Township), but has since expanded to serve the entire County. The Authority's six-member Board is appointed by the County Commissioners. The County is financially accountable, as the County is responsible for providing local matching grant funds. Separately issued audited financial statements are available through the Authority's administrative office.

Related Organizations

Following are organizations, which have the majority of their governing Board appointed by the County Commissioners, without the County being financially accountable for the organization:

Butler County City Connoquenessing Creek Flood Control Authority

The Butler County City Connoquenessing Creek Flood Control Authority is a non-operating authority with limited activity.

Housing Authority of the County of Butler

The Housing Authority of the County of Butler (Housing Authority) administers HUD's Section 8 housing program for the County and is funded through federal grants and other revenues. The Housing Authority's Board is appointed for five-year staggered terms by the County and operates independently of any ongoing involvement of the County Commissioners. The County Commissioners must approve the concept of any major capital expansion project, but are not financially accountable for the Housing Authority.

Butler County Industrial Development Authority

The Butler County Industrial Development Authority (IDA) issues low-interest, tax-exempt bonds, and uses the proceeds to finance projects intended to stimulate economic growth in the County. The IDA's seven-member Board is appointed by the County and the IDA operates independently of any ongoing involvement from the County. The County Commissioners must approve the concept of any major bond issue of the IDA but are not financially accountable for the IDA. The County has no legal responsibility for IDA debt.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Butler County Hospital Authority

The Butler County Hospital Authority (Hospital Authority) issues low-interest, tax-exempt bonds to enable capital financing for hospitals and nursing homes. Five of the six members of the Hospital Authority's Board are appointed by the County. The sixth member of the Board is the Hospital Authority's president who is appointed by the other Board members. The Hospital Authority operates independently of any ongoing involvement of the County. The County Commissioners must approve the concept of any major project of the Hospital Authority but are not financially accountable for the Hospital Authority. The County has no legal responsibility for Hospital Authority debt.

The Butler County Redevelopment Authority

The Butler County Redevelopment Authority (Redevelopment Authority) secures federal and state monies for public housing projects. All five Board members are appointed by the County Commissioners. The Redevelopment Authority operates independently of any ongoing involvement from the County.

Butler County General Authority

The Butler County General Authority (General Authority) was organized to provide local municipalities, school districts, and other governmental entities the ability to consolidate new debt issues to realize some potential cost savings from lower debt issuance costs. All five Board members are appointed by the County Commissioners. The General Authority operates independently of any ongoing involvement from the County.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Other Organizations

The following are organizations, which were evaluated and did not meet the criteria as component units, related organizations, or joint ventures:

Butler County Federated Library

The Butler County Federated Library (Federated Library) system consists of seven libraries in Butler County. Each of the libraries recommends a candidate for the Board, subject to approval by the County Commissioners. The system's manager is appointed by the Federated Library Board. Individual Library Boards appoint management of their respective libraries. Library operations are funded primarily by state grants, user fines, and donations.

Tri-County Workforce Investment Board

The Tri-County Workforce Investment Board (WIB) is responsible for the operation of the WIB and Career Track programs for Armstrong, Indiana, and Butler Counties. The WIB's operations are financed by federal grants. While the three Counties are responsible for any disallowed costs of the WIB, annual operating contributions are not required. The WIB's Board is appointed one-third by each of the participating counties. An executive committee composed of one commissioner from each County may be overruled by the WIB's Board.

Butler County Tourism and Convention Bureau

The Butler County Tourism and Convention Bureau is responsible for planning and promoting programs designed to stimulate and increase the volume of tourist, visitor, vacation-convention business within the County and to exercise all powers incident to and necessary.

Southwest Behavioral Health Management, Inc.

Southwest Behavioral Health Management, Inc. (SBHM) is a private, non-profit corporation incorporated for the purpose of monitoring the behavioral health services of the Health Choices program. SBHM operates primarily under funding administered through six counties, one of which is the County that jointly formed the corporation.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole excluding fiduciary activities such as the pension plan and custodial funds. The primary government and component units are presented separately within the financial statements with the focus on the primary government. The statements distinguish governmental activities, which are generally supported by taxes and intergovernmental grants, from business-type activities, which rely to a significant extent on fees charged to external customers. The County had no business-type activities during 2022. Likewise, the primary government is reported separately from its legally separate component units for which the primary government is financially accountable.

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

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 generally including the reclassification or elimination of internal activity. Fiduciary fund financial statements and financial statements of the County's component units also report using this same focus and basis of accounting. 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 when all eligibility requirements imposed by the provider have been satisfied.

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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Unearned revenues arise when resources are received by the County before it has legal claim to them, such as when intergovernmental funds are received prior to the occurrence of qualifying expenditures. During subsequent periods, when the County has a legal claim to the resources, the unearned revenue is removed as a liability and the revenue is recognized.

The availability period used for revenue recognition under the modified accrual basis of accounting is zero days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences, pensions, and claims and judgments, are recorded only when payment is due. In general, property taxes, franchise taxes, intergovernmental revenues, investment income, and other revenues associated with the current fiscal period are considered to be both measurable and available only when cash is received by the County or its agent.

The government 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 transactions except those required to be accounted for in other funds.

The *General Fund Grants Fund* accounts for grant funding received by the County.

The *Capital Reserve Fund* accounts for financial resources to acquire or construct assets of a permanent nature.

The *Infrastructure Bank Fund* accounts for monies received and expended as a result of the Butler County Infrastructure Bank Loan program.

The *American Rescue Plan Fund* accounts for the proceeds of revenue received in response to Coronavirus relief.

The *Opioid Abatement Fund* accounts for the proceeds of revenue received from settlements entered into by the Attorney General of Pennsylvania and various opioid manufacturers, distributors, and pharmacy chains. The Pennsylvania Opioid Misuse and Addiction Abatement Trust will distribute the settlement funds over as many as eighteen years.

The *Emergency Communications 911 Fund* accounts for the County's emergency communication systems, which were funded by phone user charges, state grants, and County contributions.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The *Children & Youth Services Fund* accounts for the proceeds of revenue received from various federal, state, and County sources. This fund is restricted for the provision of specified social services to eligible recipients.

Additionally, the government reports the following fiduciary fund types:

The *Pension Trust Fund* accounts for the activities of the Employees Retirement System, which accumulates resources for pension benefit payments to qualified employees.

The *Custodial Funds* account for the activities of the elected row officers (Clerk of Courts, Prothonotary, Recorder of Deeds, Treasurer, Register of Wills, and Sheriff) and other County offices (District Justice Courts, Commissary, Domestic Relations, and Tax Claim) that are subsequently disbursed to other governments or individuals for whom it was collected.

Revenue Classification on Government-Wide Statement of Activities

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 goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are also reported as general revenues rather than as program revenues.

Interfund Activity in the Government-Wide Financial Statements

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are the yearly contributions made to the component units from the County's governmental funds and transfers between governmental funds and fiduciary funds. Elimination of these contributions would distort the direct costs and program revenues reported for the various functions concerned.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with a maturity of three months or less when purchased.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Investments

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

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities 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. 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 costs of prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include land, building and building improvements, furniture and equipment, intangibles, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are valued at historical cost or estimated historical cost if purchased or constructed (except for the intangible right-to-use lease assets, the measurement of which is discussed under Leases below). Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as constructed and placed into service. Construction in process is not depreciated until it is placed into service.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated/amortized using the straight-line method, using the half year convention, over the following estimated useful lives:

Right-of-use asset	10 – 40 years
Buildings and renovations	30 – 40 years
Infrastructure	50 years
Permanent fixtures	20 years
Furniture/non-permanent fixtures	08 years
Equipment	10 years
Computer hardware/software	05 years
Radio/telephone systems	10 years
Office machines	08 years
Vehicles	08 years

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. All accumulated vacation pay and sick pay is accrued when incurred in the government-wide and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide 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 are deferred and amortized over the life of the bonds using the straight-line method.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred Inflows and Outflows of Resources Related to Pensions

In conjunction with the adoption of GASB Statement Nos. 68 and 71, the difference between expected and actual experience, change in assumption, and the difference between projected and actual investment earnings are recorded as a deferred inflow or outflow of resources related to pensions on the financial statements. These amounts are determined based on the actuarial valuation performed for the pension plan. The difference between expected and actual experience is recognized over the average expected remaining service period of active and inactive members, which was five years as of December 31, 2022. The difference between projected and actual investment earnings is recognized over five years. Note 7 presents additional information about the pension plan.

Leases

The County is a lessee for various noncancellable leases as noted in Note 10. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Township is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with capital assets, and lease liabilities are reported with long-term debt on the statement of net position.

The County is a lessor for a noncancellable lease of land. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Short-term leases, or leases that, at the commencement of the lease term, have a maximum possible term under the lease contract of 12 months or less, including any options to extend, regardless of their probability of being exercised, are not recognized as a lease liability and lease asset on the statement of net position. Short-term lease payments are recognized as expenditures based on the payment provisions of the lease contract. An asset is recognized if payments are made in advance or a liability for rent due if payments are to be made subsequent to the reporting period.

Refunding Transactions

In accordance with applicable guidance, the excess/deficiency of the reacquisition price over the net carrying amount of refunded debt is recorded as a deferred outflow of resources or deferred inflow of resources on the statement of net position and amortized as a component of interest expense over the shorter of the term of the refunding issue or refunded bonds.

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 prepaid expenditures.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

- **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. These include funds that are legally restricted for operating reserve, agriculture easements, capital reserve, emergency communications, unconventional gas well impact fees, records improvement and automation, central booking and court restitution, roads and bridges, liquid fuels, crime victim witness, domestic relations, area agency on aging program, offender supervision, inmate welfare fund, and opioid abatement.
- **Committed** – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending imposed by the County’s highest level of decision-making authority. Since the County Commissioners are the highest level of decision-making authority for the County, they can make such commitment through a resolution prior to the end of the fiscal year. A commitment can only be modified or removed by an equal action of the County Commissioners. The County has committed funds to be used for the Infrastructure Bank and for workmen’s compensation.
- **Assigned** – This category represents intentions of the County to use the funds for specific purposes but do not meet the criteria to be classified as committed. The County Commissioners have, by resolution, authorized the Chief Clerk or their designee to assign fund balance. Assigned amounts include amounts set aside for the 2023 budget and capital purchases.
- **Unassigned** – This category includes the residual classification for the County’s General Fund and includes all spendable amounts not contained in other classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The County’s policy is to use funds in the order of the most restrictive to the least restrictive. When the components of unrestricted fund balance can be used for the same purpose, committed fund balance is used first, followed by assigned fund balance. Unassigned fund balance is applied last.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Net Position

Accounting standards require 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 – The net investment in capital assets component of net position consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.

Net investment in capital assets is calculated as follows:

Capital assets:	\$ 159,609,965
Less: accumulated depreciation/amortization	(69,925,070)
Less: outstanding principal of capital-related borrowings	(74,087,311)
Less: original issue premiums	(602,232)
Less: capital-related deferred inflows	(331,715)
Plus: capital-related deferred outflows	43,746
Plus: notes payable - infrastructure bank loans	33,753,001
Plus: unspent proceeds on capital-related borrowings	<u>3,594,922</u>
Total net investment in capital assets	<u>\$ 52,055,306</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

- Restricted – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. Two categories are used to further describe restricted net position:
 - Expendable – can be expended in compliance with the external restriction
 - Nonexpendable – net position that is required to be retained in perpetuity

Expendable restricted net position at December 31, 2022 of the County consists of: \$1,286,418 for operating reserve, \$4,093 for agricultural easements, \$812 for local victim services, \$159,296 for emergency communications, \$4,373,530 for unconventional gas well impact fees, \$858,737 for records improvement and automation, \$13,261 for central booking, \$9,982,844 for roads and bridges, \$78,050 for liquid fuels, \$92,907 for domestic relations, \$978,719 for the aging program, \$890,755 for offender supervision, \$1,262,558 for the inmate welfare fund, and \$9,486,673 for opioid abatement.

- Unrestricted – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

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, human resources, information technology, 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 BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Budgets and Budgetary Accounting

Annual budgets are required to be adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. The budgetary controls for all other governmental funds are maintained through enforcement of related grant provisions or debt indentures.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Starting in early September, the Budget Director prepares a budget package that is sent to each department and elected officer. The department heads use this budget package to develop financial projections for their programs for the ensuing year, which are then submitted to the budget staff.
2. The budget staff enters this information into budget spreadsheets. The Budget Director then reviews the information that is obtained, accumulates questions, and schedules a meeting to discuss the proposed budget with the department heads and row officers.
3. Once the budget staff is satisfied with the department's proposed budget, the budget is presented in preliminary form to the County Commissioners. Subsequently, a budget hearing is scheduled with officials and department heads.
4. Upon consolidation of the department and agency expenditure projections, the County Commissioners ascertain the most viable method of financing them.
5. Subsequently, the Budget Director assembles the preliminary projections of revenues and expenditures into a final budget incorporating any revisions or adjustments resulting from the review by the County Commissioners.
6. By early December, the final budget is presented to the County Commissioners. Pursuant to budgetary requirements as set forth in the County Code, public notice is given that the final budget is available for inspection for a period of 20 days.
7. After the 20-day inspection period, and no later than December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Legally, management of the County may make budgetary transfers between departments without approval by the County Commissioners as long as overall fund expenditures are not affected. Department heads may make budgetary transfers within their own department as long as overall department expenditures are not affected.

However, as a matter of control all such transfers are subsequently ratified by the County Commissioners. The County Commissioners may at any time, by resolution, make supplemental appropriations for any lawful purpose from any funds on hand or estimated to be received within the fiscal year and not otherwise appropriated, including the proceeds of any borrowing now or hereafter authorized by law. The County Commissioners may authorize the transfer of any unencumbered balance of any appropriation item or any portion thereof. The County Commissioners must approve changes to overall appropriations at the fund level.

Therefore, the legal level of budgetary responsibility is by fund. During the year, there were no significant supplemental appropriations enacted. Budget transfers did occur between accounts within funds. The statement of revenues, expenditures, and changes in fund balance - budget and actual, reflects the originally adopted budget and the originally adopted budget adjusted for budget transfers. Appropriations lapse at the close of the fiscal year to the extent that they are not expended.

Estimates

The preparation of the financial statements in conformity with accounting principles 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 from those estimates.

Adopted Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements were adopted for the year ended December 31, 2022: Statement Nos. 92 (Omnibus 2020), 97 (Deferred Compensation Plans), and 99 (Omnibus 2022 – paragraphs 26 through 32). These statements had no significant impact on the County's financial statements for the year ended December 31, 2022.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), 99 (Omnibus 2022), 100 (Accounting Changes and Error Corrections), and 101 (Compensated Absences). Management has not yet determined the impact of these statements on the financial statements.

2. 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. government obligations, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes allow 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 investment policy of the County adheres to applicable state statutes, including Act 72 and the County Code of Pennsylvania. The investment policy of the County permits the following types of investments:

- United States Treasury bills.
- Short-term obligations of the United States government or its agents or instrumentalities.
- Deposits in savings or time accounts or share accounts of financial institutions having their principal place of business in the state of Pennsylvania and are insured by the FDIC, FSLIC, NCUSIF, PDIC, or PSAIC and, for any amounts above the insured maximum, are collateralized as provided by law.
- Obligations of the United States of America, the Commonwealth of Pennsylvania, or any political subdivision, or any of its respective agencies or instrumentalities, which are backed by the full faith and credit of the respective government unit.
- Shares of an investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, provided that the only investments of that company are in the authorized investments listed above.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

- Certificates of deposit purchased from institutions having their principal place of business in the State of Pennsylvania and are insured by the FDIC, FSLIC, NCUSIF, PDIC, or PSAIC and, for any amounts above the insured maximum, are collateralized by a pledge or assignment of assets of the institution.

There were no deposit or investment transactions during the year that were in violation of either the statutes or the policy of the County.

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 policy for custodial credit risk. Of the bank balance of \$94,240,445 at December 31, 2022, \$843,033 was covered by the Federal Deposit Insurance Corporation (FDIC), and the remaining amount was collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits include amounts with a book balance as of December 31, 2022 of \$93,054,081, which are reported as cash and cash equivalents in the statement of net position.

Custodial Funds

The County maintains bank accounts for the elected offices 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 \$5,111,800 and the bank balance was \$5,699,573. Of the bank balance, \$101,001 was covered by the FDIC. The remaining 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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Investments

As of December 31, 2022, the County held the following investment balances in the governmental funds:

	Fair Value	Maturity in Years	
		Less than 1 year	1-5 years
Bond mutual funds	\$ 1,094,874	\$ 1,094,874	\$ -
Total securities with maturities	1,094,874	\$ 1,094,874	\$ -
Money market funds	92,962		
Total investments reported on the statement of net position	\$ 1,187,836		

The County's categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The County's investments have the following recurring fair value measurements at December 31, 2022:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Bond mutual funds:				
Short-term	\$ 888,185	\$ 888,185	\$ -	\$ -
Intermediate term	102,460	102,460	-	-
Inflation protected	104,229	104,229	-	-
Total bond mutual funds	1,094,874	1,094,874	-	-
Total investments by fair value level	1,094,874	\$ 1,094,874	\$ -	\$ -
Money market funds	92,962			
Total investments	\$ 1,187,836			

Bond mutual funds classified in Level 1 are valued using prices quoted in active markets for those securities. The County's investment in money market funds is reported at amortized cost, which approximates fair value.

The fair value of the County's investments is the same as their carrying amount.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The following is a description of the County's investment risks:

Interest Rate Risk – The County 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. Generally, the County's policy regarding maximum maturities is to match its investments' maturities with anticipated cash flow requirements.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of the failure of the entity in which the investments are held, the County will not be able to recover the value of its investments or collateral securities that are in the possession of the outside entity. The County does not have a formal investment policy for custodial credit risk. The County's 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. As of December 31, 2022, the County's investment balance, excluding money market funds of \$92,962, (bank and book balance) was exposed to custodial credit risk.

Credit Risk – 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, 2022, all of the County's investments were not rated. The County's investments are in mutual funds and money markets. Money market investments include short-term U.S. Treasury and agency obligations, certificates of deposit, repurchase agreements, and commercial paper.

Concentration of Credit Risk – The County places no limit on the amount the County may invest in any one issuer. The County has no investments in excess of 5% with the same issuer.

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 checking and money market deposits (book value of \$1,174,173 at December 31, 2022) and accrued income (book value of \$216,346 at December 31, 2022). The bank balance of the checking and money market deposits as of December 31, 2022 was \$1,174,173. None of the bank balance was covered by the Federal Deposit Insurance Corporation (FDIC). The 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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Pension Trust Fund – Investments

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. The County maintains a pension trust fund investment policy that summarizes the investment philosophy of the County and establishes investment guidelines and performance objectives for the pension trust fund.

As of December 31, 2022, the County had the following investments in its pension trust fund:

Investment Type	Fair Market Value	Investment Maturities (In Years) from December 31			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
Bond mutual funds	\$ 84,263,044	\$ -	\$ 26,790,255	\$ 49,686,552	\$ 7,786,237
Total debt securities	84,263,044	\$ -	\$ 26,790,255	\$ 49,686,552	\$ 7,786,237
Money markets	39,257				
International equity mutual funds	27,434,464				
Domestic equity mutual funds	113,348,498				
Total other investments	140,822,219				
Total investments reported on the statement of fiduciary net position	\$ 225,085,263				

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The County's pension trust funds categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The pension trust funds have the following recurring fair value measurements at December 31, 2022:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Bond mutual funds:				
Short-term	\$ 3,789,553	\$ 3,789,553	\$ -	\$ -
Intermediate-term	41,885,517	41,885,517	-	-
International	15,587,272	15,587,272	-	-
High yield	23,000,702	23,000,702	-	-
Total bond mutual funds	84,263,044	84,263,044	-	-
Equity mutual funds:				
Real estate	12,424,512	12,424,512	-	-
Small cap	17,125,062	17,125,062	-	-
Mid cap	25,186,430	25,186,430	-	-
Large cap - growth	12,947,515	12,947,515	-	-
Large cap - value	18,549,744	18,549,744	-	-
Large cap	34,668,004	34,668,004	-	-
International - developed markets	9,174,392	9,174,392	-	-
International - emerging markets	10,707,303	10,707,303	-	-
Total equity mutual funds	140,782,962	140,782,962	-	-
Total investments by fair value level	225,046,006	\$ 225,046,006	\$ -	\$ -
Money market funds	39,257			
Total investments	\$ 225,085,263			

Bond mutual funds, and equity mutual funds classified in Level 1 are valued using prices quoted in active markets for those securities. The County's investment in money market funds is reported at amortized cost, which approximates market.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The following is a description of the pension trust fund's 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 pension trust fund investment policy relating to credit risk is as follows:

Equity issues – There are no qualitative guidelines suggested with regard to equity ratings, rankings, etc., except that prudent standards should be developed and maintained by the investment managers. Convertible bonds will be considered as an equity investment and must be rated investment grade (Baa/BBB) or better by at least one crediting service, Moody's Investment Service (Moody's) or Standard & Poor's (S&P). Specific constraints include the avoidance of restricted issues, which have limited marketability, excluding SEC Rule 144A securities.

Fixed-income securities – Domestic bonds held in the core fixed-income portfolios must be rated investment grade (Baa/BBB) or better by at least one crediting rating service, Moody's or S&P. This guideline is intended to give the core fixed-income investment manager sufficient latitude to periodically take advantage of bond swaps. SEC Rule 144A securities considered by the investment managers to be within policy guidelines are limited to 10% of the fixed-income portfolio. Core-fixed-income manager's portfolios should normally maintain an average market-weighted quality of 3.0 based on the following scale:

U.S. Government and Agencies	5.0
Aaa/AAA Bonds	4.0
Aa/AA Bonds	3.0
A/A Bonds	2.0
Baa/BBB Bonds	1.0

Cash equivalents - If commercial paper is used for short-term investments, it must be of high quality, rated at least the equivalent of A-1 or P-1 by Moody's or S&P.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

As of December 31, 2022, the pension trust fund's investments in debt securities have received the following ratings from Moody's:

<u>Investment Type</u>	<u>Moody's Rating</u>	<u>Percentage of Debt Securities</u>
Bonds	AAA	43%
Bonds	AA	5%
Bonds	A	10%
Bonds	BBB	13%
Bonds	BB	14%
Bonds	B	9%
Bonds	Below B	6%
Bonds	Other	0%
		<u>100%</u>

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 possession of an outside entity. The pension trust fund does not have a formal deposit or investment policy for custodial credit risk. The County's 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, 2022, the County's money markets balance of \$39,257 included in investments (bank and book balance) was exposed to custodial credit risk.

Concentration of Credit Risk – The County requires that no more than five percent of a manager's equity portfolio may be invested in any one company (valued at cost), and no more than 10% of a manager's equity portfolio may be invested in any one company (valued at market). In addition, investments may not exceed the benchmark index by 20% of the GICS economic sector allocation of the appropriate benchmark. In addition, except for U.S. Treasury and Agency obligations, a managers fixed-income portfolio may not exceed more than 10% (valued at market) of a given domestic issuer. There were no investments in the pension trust fund that constituted more than five percent of the plan assets available for benefits at December 31, 2022. In addition, the plan did not have any investment transactions with related parties during the year.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Interest Rate Risk – The maturities of the debt securities, as a means of managing its investment exposure to fair value losses arising from increases in interest rates, are at the discretion of the investment managers. However, the County’s pension investment policy states that the effective duration of the fixed-income managers should be within 20% of the LB G/C Intermediate Index.

Foreign Currency Risk – The risk that changes in exchange rates will adversely affect the fair value of an investment is foreign currency risk. The County has no formal policy relating to foreign currency risk. The County’s investment policy allows for investments in international equities ranging from 5-25% of the portfolio with a target of 15%. International securities may include: equity alternatives, common stock listed on a recognized security exchange, OTC Common Stock, American Depositary Receipts (ADRs), European Depositary Receipts (EDRs), Convertible bonds, preferred stock, non-voting stock if the risk/return characteristics are favorable versus the underlying common equity, and currency hedging. At December 31, 2022, the County had \$27,434,464 invested in international equity mutual funds and did not hold any material foreign currency.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

3. Capital Assets

The following is a summary of changes in capital assets related to governmental activities for the year ended December 31, 2022:

	Beginning Balance at January 1, 2022	Additions	Deletions	Ending Balance at December 31, 2022
Governmental Activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 1,704,544	\$ 661,800	\$ -	\$ 2,366,344
Easements	3,353,586	241,311	-	3,594,897
Construction in progress	1,820,134	4,117,084	(3,252,052)	2,685,166
Total capital assets, not being depreciated/amortized	6,878,264	5,020,195	(3,252,052)	8,646,407
Capital assets, being depreciated/amortized:				
Buildings and renovations	77,187,805	732,193	-	77,919,998
Infrastructure	27,883,872	2,669,744	-	30,553,616
Permanent fixtures	8,829,001	10,442	-	8,839,443
Furniture/non-permanent fixtures	1,362,821	20,591	-	1,383,412
Equipment	3,809,340	256,392	-	4,065,732
Computer hardware/software	4,920,201	45,513	(17,178)	4,948,536
Radio/telephone systems	14,486,226	14,158	-	14,500,384
Office machines	280,407	65,945	-	346,352
Vehicles	4,806,949	467,112	(57,475)	5,216,586
Right-of-use asset	2,479,038	811,731	(101,270)	3,189,499
Total capital assets, being depreciated/amortized	146,045,660	5,093,821	(175,923)	150,963,558
Less accumulated depreciation/amortization:				
Buildings and renovations	(29,472,270)	(2,010,256)	-	(31,482,526)
Infrastructure	(18,284,809)	(890,560)	-	(19,175,369)
Permanent fixtures	(4,301,051)	(416,569)	-	(4,717,620)
Furniture/non-permanent fixtures	(912,503)	(119,613)	-	(1,032,116)
Equipment	(1,985,295)	(255,654)	-	(2,240,949)
Computer hardware/software	(3,065,682)	(654,075)	17,178	(3,702,579)
Radio/telephone systems	(2,397,843)	(1,367,912)	-	(3,765,755)
Office machines	(246,631)	(11,347)	-	(257,978)
Vehicles	(2,120,506)	(513,898)	50,290	(2,584,114)
Right-of-use asset	(703,906)	(363,428)	101,270	(966,064)
Total accumulated depreciation/ amortization	(63,490,496)	(6,603,312)	168,738	(69,925,070)
Total capital assets, being depreciated/ amortized, net	82,555,164	(1,509,491)	(7,185)	81,038,488
Governmental activities capital assets, net	\$ 89,433,428	\$ 3,510,704	\$ (3,259,237)	\$ 89,684,895

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

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

Governmental activities:

General government - administrative	\$ 1,412,087
General government - judicial	380,584
Public safety	2,966,589
Public works and enterprises	947,831
Human services	749,736
Culture and recreation	134,907
Conservation and economic development	<u>11,578</u>
Total depreciation expense - governmental activities	<u><u>\$ 6,603,312</u></u>

4. Real Estate Taxes

Real estate taxes attach as an enforceable lien on property as of the first day in January and are levied on the first day in March. These taxes are billed by the County and collected by elected tax collectors. Taxes paid through the last day of April are reduced by a 2% discount. Amounts paid after the last day of June are assessed a 10% penalty. The County collects delinquent real estate taxes on behalf of itself and other taxing authorities.

The County is permitted by the County Code of Pennsylvania to levy real estate taxes up to 25 mills on every dollar of assessed valuation for general County purposes and the rate of taxation for payment of interest and principal on any indebtedness shall be unlimited. Effective January 1, 2010, assessed values are computed at 100% of estimated 1969 valuations. For 2022, County real estate taxes were levied at the rate of 27.626 mills on assessed valuation. Of the total millage rate of 27.626 mills, 21.723 mills are allocated for general purposes, and 2.968 mills for debt service and 2.935 mills are allocated for payment to Butler County Community College. Total assessed valuation for non-exempt properties in 2022 was approximately \$2.00 billion.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

5. Accounts Receivable and Loans Receivable

All trade and taxes receivables, including those for the component units, 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.

Receivables at December 31, 2022, including the applicable allowances for uncollectible accounts, are as follows:

Governmental activities:	General Fund	General Fund Grants	Opioid Abatement	Emergency Communications 911	Children & Youth Services	Other Governmental Funds	Total Governmental Funds
Taxes receivable	\$ 4,343,249	\$ -	\$ -	\$ -	\$ -	\$ 165,964	\$ 4,509,213
Less: allowance for uncollectibles	(1,774,193)	-	-	-	-	-	(1,774,193)
Net tax receivables	\$ 2,569,056	\$ -	\$ -	\$ -	\$ -	\$ 165,964	\$ 2,735,020
Accounts receivable	\$ 635,507	\$ 2,254	\$ 8,508,661	\$ 1,700	\$ 13,963	\$ 577,703	\$ 9,739,788
Loans receivable	-	-	-	-	-	391,192	391,192
Court-related receivables	5,472,699	-	-	-	-	-	5,472,699
Less: allowance for uncollectibles	(1,824,233)	-	-	-	-	-	(1,824,233)
Net accounts and loan receivables	\$ 4,283,973	\$ 2,254	\$ 8,508,661	\$ 1,700	\$ 13,963	\$ 968,895	\$ 13,779,446

In addition to the amounts recorded as receivables above, the County has an additional note receivable recorded on the statement of net position in the amount of \$33,753,001. This note receivable represents amounts distributed to local municipalities and authorities as a result of the Infrastructure Bank Fund established. In January 2019, the County issued General Obligation Note, Series of 2019 (2019 Note) in the amount of \$9,317,087 to fund the Butler County Infrastructure Bank program. The note proceeds were used to fund capital improvements throughout the County completed in conjunction with other local government units and agencies. In October 2020, the County issued General Obligation Note, Series A of 2020 (2020A Note) in the amount of \$9,550,000 to refinance the 2019 Note. In June 2020, the County issued General Obligation Note, Series of 2020 (2020 Note) in the amount of \$7,625,000, in June 2021 the County issued General Obligation Note, Series of 2021 (2021 Note) in the amount of \$23,091,000 to further fund the Butler County Infrastructure Bank.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The schedule of future payments to be received for the loan is as follows:

Year Ending December 31,	Principal	Interest
2023	\$ 3,862,000	\$ 189,017
2024	4,176,000	167,388
2025	4,197,000	144,004
2026	4,221,000	120,501
2027	4,249,000	96,863
2028-2031	13,048,001	167,468
	<u>\$ 33,753,001</u>	<u>\$ 885,241</u>

6. Interfund Receivables, Payables, and Transfers

Individual fund receivable and payable balances at December 31, 2022, as well as interfund transfers for the year ended December 31, 2022, were as follows:

Funds	Interfund Receivables	Interfund Payables	Transfers In	Transfers Out
Governmental Activities:				
General	\$ 1,642,601	\$ 886,174	\$ 4,922,948	\$ 16,860,643
General Fund Grants	69	14,650	81,760	104,153
Capital Reserve	122,404	132,535	12,957,764	21,855
Infrastructure Bank	-	-	1,257,658	453,310
American Rescue Plan	-	-	-	4,464,777
Emergency Communications 911	1,339	86,542	-	-
Children & Youth Services	-	221,323	2,846,170	47,734
Other Governmental Funds	1,050,854	1,476,043	2,673,151	2,786,979
	<u>\$ 2,817,267</u>	<u>\$ 2,817,267</u>	<u>\$ 24,739,451</u>	<u>\$ 24,739,451</u>

All interfund balances between governmental activities and custodial activities are eliminated. All other interfund amounts remaining are reflected as internal balances.

The purpose of the majority of interfund payable amounts due is for short-term advances made to programs that are funded on a monthly and quarterly basis; and the majority of transfers out of the General Fund represent the County's required contribution to various programs based upon Pennsylvania Department of Human Service requirements. The transfers out of the General Fund to the Capital Reserve Fund represent transfers to fund capital projects in process.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The transfers out of the American Rescue Plan Fund represent reimbursements to the General Fund for expenditures covered by the American Rescue Plan Act.

The transfers out of the Unconventional Gas Well Fee Fund (other governmental fund) represent the distribution of the County's allocation received from the Commonwealth of Pennsylvania's Marcellus Shale Fund, used to fund technology or other capital improvements and to fund the Butler County Infrastructure Bank.

7. Butler County Employees' Retirement System

Plan Description

The Butler County Employees' Retirement System (plan) is a single employer, defined benefit pension plan governed by the County Pension Law Act 96 of 1971 (Act), as amended, enacted by the General Assembly of the Commonwealth of Pennsylvania. The plan is administered by the Butler County Employees' Retirement Board (Retirement Board). In accordance with the Act, the Retirement Board consists of five members, including the three County Commissioners, the County Controller, and the County Treasurer. Plan provisions and contribution requirements are established and may be amended by the General Assembly of the Commonwealth of Pennsylvania. The activity of the plan is reported as the Employees' Retirement Fund in the accompanying financial statements, and separately issued financial statements are not available for the plan.

All full-time County employees become plan participants immediately upon employment. 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, disability, and death benefits to plan members and their beneficiaries.

For the 2022 membership period, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	630
Inactive plan members entitled to but not yet receiving benefits	100
Active plan members:	
Vested	176
Nonvested	402
Total plan members	<u>1,308</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Summary of Significant Accounting Policies

Financial information of the County 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. 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. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Benefits Provided

Retirement Benefit – A participant is entitled to begin receiving retirement benefits at age 60 or after completing 20 years of service and attaining age 55. A participant is eligible for voluntary early retirement upon completion of 20 years of service and involuntary retirement upon completion of eight years of service. The monthly benefit for participants hired prior to April 1, 2009, is 2.500% of the participant's final average salary multiplied by years of credited service at the 1/40 class basis, plus a monthly annuity based on the actuarial equivalent of the member's accumulated contribution with credited interest. The monthly benefit for participants hired on or after April 1, 2009, is 1.667% of the participant's final average salary multiplied by years of credited service at the 1/60 class basis, plus a monthly annuity based on the actuarial equivalent of the member's accumulated contribution with credited interest. If a member selects to receive a full monthly annuity, the participant is guaranteed that the total annuity received will at least equal the accumulated deductions at the time of retirement (No Option). If instead a member selects to receive a lessor monthly annuity, the participant is guaranteed that the total annuity received will at least equal the actuarial present value of the annuity at the time of retirement (Option One); or a member may elect to receive a reduced joint and survivor pension payable for the remainder of their life with either 100% (Option Two) or 50% (Option Three) of the member's monthly annuity continuing after death to the designated beneficiary.

The member may also elect to receive, in one lump-sum payment, the full amount of their accumulated deductions and receive only the annuity provided by the Plan (Option Four).

Disability Benefit – All participants are eligible for disability benefits after five years of service, if disabled while in active service, and unable to continue as a County employee. The benefit is a monthly annuity commencing on the last day of the month following retirement and is equal to 25% of the participant's final average salary. Included in the total monthly annuity is the present value of the member's accumulated deductions.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Death Benefit – If a participant’s death occurs after having attained age 60 or having completed ten years of credited service, the designated beneficiary will receive a lump sum payment equal to the actuarial present value of the benefits calculated above based on the member’s final average salary and credited service at time of death plus the member’s accumulated contributions at time of death. If a participant’s death occurs after retirement, the beneficiary will receive survivor benefits, if any, in accordance with the benefits selected by the member at retirement. In any event, the total annuity received by either the deceased participant or their beneficiary must at least equal the member’s accumulated deductions.

Cost-of-Living Adjustments – At least once every three years, the Retirement Board must review cost-of-living adjustments. Should the Retirement Board award a cost-of-living adjustment, the adjustment is a percentage of the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Pennsylvania, New Jersey, Delaware, and Maryland area for the 12-month period ending August 31 for the year in which the adjustment is reviewed.

Contributions and Funding Policy

The plan funding policy provides for periodic employer contributions at actuarially determined rates, that are expressed as a percentage of annual covered payroll and are sufficient to accumulate assets to pay benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal funding method and the same actuarial assumptions is used to calculate the net pension liability.

As a condition of employment, participants are required to contribute 9% of their salary as stipulated by the Act. Participants may elect to contribute up to an additional 10% of their salary, for a total contribution of 19%. Interest is credited to employee’s accumulated deductions at an annual rate of 5.5% as established by the Retirement Board.

Administrative expenses generally are to be paid from the County’s General Fund and not from plan assets. However, administrative expenses may from year to year be paid from the plan, unless it is determined by the actuary that such payment will impair the actuarial soundness of the plan. All retiree and beneficiary annuities and pension obligations are satisfied with plan assets, liquidated from the pension trust fund.

In 2022, the County satisfied its actuarially determined employer contribution to the pension plan in the amount of \$6,503,153 as determined by the January 1, 2022 actuarial valuation. The 2022 employee contributions amounted to \$4,219,815.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Net Pension Liability

The components of the net pension liability of the plan at December 31, 2022 were as follows:

Total pension liability	\$ 286,720,589
Plan fiduciary net position	<u>(226,801,221)</u>
Net pension liability	<u>\$ 59,919,368</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>79.1%</u>

The pension liability is liquidated from the governmental funds where the corresponding payroll costs for the respective employees are allocated. The General Fund accrues the majority of pension liabilities.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Changes in the Net Pension Liability

The changes in the net pension liability of the County for the year ended December 31, 2022 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2021	\$ 279,017,819	\$ 274,850,670	\$ 4,167,149
Changes for the year:			
Service cost	5,853,972	-	5,853,972
Interest	19,112,444	-	19,112,444
Differences between expected and actual experience	(1,236,624)	-	(1,236,624)
Changes in assumption	-	-	-
Contributions - employer	-	6,503,153	(6,503,153)
Contributions - employee	-	4,219,815	(4,219,815)
Net investment income	-	(42,598,674)	42,598,674
Benefit payments, including refunds	(16,027,022)	(16,027,022)	-
Administrative expense	-	(146,721)	146,721
Net changes	7,702,770	(48,049,449)	55,752,219
Balances at December 31, 2022	<u>\$ 286,720,589</u>	<u>\$ 226,801,221</u>	<u>\$ 59,919,368</u>
Plan fiduciary net position as a percentage of the total pension liability			<u>79.1%</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation performed on January 1, 2022 and rolled forward to December 31, 2022, using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial assumptions:

Investment rate of return	6.90%
Projected salary increases	0-4 years: 10.75%, 5+ years: 3.25%
Underlying inflation rate	2.75%
Cost-of-living adjustments	Not Applicable

Mortality rates were based on the Pub2010G(BM) mortality tables with generational projections using Scale SSA (updated annually). 50% is applied for pre-retirement deaths.

Actuarial assumptions are based on past experience under the plan and reasonable future expectations which represent the actuary's best estimate of anticipated experience under the plan. The actuarial assumptions are based on the results of an actuarial experience study, using plan data prior to 2018.

Investment Policy – The plan's policies in regard to the allocation of invested assets is established and may be amended by the Retirement Board by a majority vote of its members. It is the policy of the Retirement Board to pursue an investment strategy that reduces risk by prudently diversifying the portfolio across a broad selection of separate asset classes.

Long-Term Expected Rate of Return – The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The following was the asset allocation policy and best estimates of real rates of return for each major asset class included in the plan's target asset allocation as of December 31, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	15.00 - 65.00%	40.00%
International equity	5.00 - 25.00%	15.00%
Fixed income	0.00 - 75.00%	37.50%
Real estate	0.00 - 10.00%	5.00%
Cash	0.00 - 5.00%	2.50%
	<u>100%</u>	

Rate of Return – The money-weighted rate of return expresses the investment performance, net of investment expense, and adjusted for the fluctuation in amounts actually invested. For the year ended December 31, 2022, the annual money-weighted rate of return on the plan assets, net of investment expense, was (15.60)%.

Concentrations – There were no plan investments that constituted more than five percent of the plan's fiduciary net position at December 31, 2022.

Discount Rate – The discount rate used to measure the total pension liability for the plan was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the County's contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability of the plan calculated using the discount rate above; and also presents the plan's net pension liabilities (assets), if they had been calculated using a discount rate that was one-percentage-point lower or higher than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Net pension liability	<u>\$ 95,122,674</u>	<u>\$ 59,919,368</u>	<u>\$ 30,420,537</u>

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

For the year ended December 31, 2022, the County recognized pension expense of \$179,712. The County also reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,427,831	\$ 2,012,521
Changes in assumption	11,934,068	-
Net difference between projected and actual earnings on pension plan investments	31,926,835	-
Total	<u>\$ 45,288,734</u>	<u>\$ 2,012,521</u>

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

<u>Year Ending December 31,</u>	
2023	\$ 6,561,575
2024	11,899,780
2025	12,948,085
2026	12,072,877
2027	<u>(206,104)</u>
Total	<u>\$ 43,276,213</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

8. Debt

Financed Purchase

In August 2019, the County entered into a financed purchase agreement as lessee for financing the acquisition of four vehicles for the County's Children & Youth Services program. The lease qualifies as a finance purchase and the agreement stipulates a minimum lease payment of approximately \$25,430, including interest, for a term of five years. Capital assets – vehicles include \$118,611 as a financed purchase. The remaining \$18,628 is due in 2023.

General Obligation Note 2016

In May 2016, the County issued General Obligation Note, Series A of 2016 in the amount of \$3,170,000 and General Obligation Note, Series B of 2016 in the amount of \$5,800,000. Proceeds of the note were used to currently refund \$3,115,000 of the 2006 Bonds, pay the costs related to the issuance of the note, and to fund capital projects. Except for the debt payments to be made under the Debt Ordinance by the General Fund or Sinking Fund, there are no other moneys, securities, obligations, or investment properties pledged as collateral for the payment of the note. The 2016 Note, which is scheduled to mature in July 2024, has a variable interest rate ranging from 2.35% to 2.55%. In the event of default, the lender may demand immediate payment of all outstanding principal and accrued interest.

For the refunding, there was an accounting loss of \$178,978, which will be amortized through 2024. The unamortized portion of the loss at December 31, 2022 is reported as a deferred outflow on the statement of net position. The County has evaluated its debt obligations for arbitrage regulations, and no liability has been determined.

General Obligation Bonds 2017

In March 2017, the County issued General Obligation Bonds, Series of 2017 in the amount of \$14,010,000. The bond proceeds will be used to fund capital projects including the acquisition and installation of a new 911 radio system; and additions, renovations, and improvements to the Government Center Annex. The bond is collateralized by the full faith, credit, and taxing power of the County. In the event of default, the bond holder may bring action in the Court of Common Pleas in Butler County. The 2017 Bonds, whose last scheduled debt maturity is July 15, 2029, range in interest rates from 2.00% to 5.00%.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

General Obligation Notes 2020

In June 2020, the County issued General Obligation Note, Series 2020 (2020 Note) in the amount of \$7,625,000 to fund the Butler County Infrastructure Bank. The note proceeds were used to fund capital improvements throughout the County completed in conjunction with other local government units and agencies. The note is collateralized by the pledge of available revenues of the County. In the event of default, the note will bear interest at the default rate. The 2020 Note, with a maturity date of December 1, 2030, has an interest rate of 2.06%.

General Obligation Notes 2020A

In October 2020, the County issued General Obligation Note, Series A of 2020 (2020A Note) in the amount of \$9,550,000. The note proceeds were used to refinance the 2019 Note and pay the costs associated with the 2020A Note issuance. The note is collateralized by the full faith, credit, and taxing power of the County. In the event of default, the note will bear interest at the default rate. The 2020A Note, with a maturity date of December 1, 2028, has an interest rate of 1.33%.

General Obligation Bonds 2020

In December 2020, the County issued the 2020 Federally Taxable General Obligation Bonds (2020 Bonds) in the amount of \$22,860,000. Proceeds of the bonds were used to advance refund the 2014 Bonds and pay the costs related to the issuance of the 2020 Bonds. The 2020 Bonds, whose last scheduled debt maturity is July 15, 2026, range in interest rates from 0.38% to 1.12%. The bond is collateralized by the full faith, credit, and taxing power of the County. In the event of default, the bond holder may bring action in the Court of Common Pleas in Butler County.

For the refunding, there was an accounting gain of \$497,571, which will be amortized through 2026. The unamortized portion of the gain at December 31, 2022 is reported as a deferred inflow on the statement of net position.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

General Obligation Notes 2021

In June 2021, the County issued General Obligation Note, Series of 2021 (2021 Note) in the amount of \$23,091,000 to fund the Butler County Infrastructure Bank. The note proceeds were used to fund capital improvements throughout the County completed in conjunction with other local government units and agencies. The note is collateralized by the full faith, credit, and taxing power of the County. In the event of default, the note will bear interest at the default rate. The 2021 Note, with a maturity date of December 1, 2031, has an interest rate of 1.707%.

Infrastructure Bank Loan (2021 Note)

In July 2021, the County borrowed \$5,175,010 from the Pennsylvania Infrastructure Bank (2021 Note). The note proceeds were used to fund road and bridge improvements and pay the costs associated with the 2021 Note issuance. The note is collateralized by the full faith, credit, and taxing power of the County. In the event of default, the note will bear interest at the default rate and the County's Liquid Fuels tax allocation may be withheld. The 2021 Note, with a maturity date of September 1, 2031, has an interest rate of 1.625%.

The County's general obligation debt outstanding at December 31, 2022 comprises the following individual issues:

Series	Interest Rates	Final Maturity	Total Debt Outstanding
General Obligation Bonds, Series of 2017	2.00% - 5.00%	2029	\$ 13,985,000
General Obligation Bonds, Series of 2020	0.38% - 1.12%	2026	15,055,000
Direct Borrowings:			
General Obligation Note, Series of 2016	2.49%	2027	3,812,000
General Obligation Note, Series A of 2020	1.33%	2028	6,790,000
General Obligation Note, Series of 2020	2.06%	2028	5,624,001
General Obligation Note, Series of 2021	1.71%	2031	21,339,000
Pennsylvania Infrastructure Bank - 2021 Note	1.63%	2031	5,175,010
Total General obligation debt			<u>\$ 71,780,011</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

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

Year Ending December 31,	General Obligation Bonds		General Obligation Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest
2023	\$ 3,895,000	\$ 676,023	\$ 5,478,068	\$ 697,481
2024	3,720,000	653,933	5,933,974	619,226
2025	4,355,000	625,764	5,384,903	520,388
2026	4,410,000	567,294	5,432,992	434,689
2027	4,640,000	499,000	5,486,246	348,110
2028-2031	8,020,000	355,900	15,023,828	625,409
	<u>\$ 29,040,000</u>	<u>\$ 3,377,914</u>	<u>\$ 42,740,011</u>	<u>\$ 3,245,303</u>

don

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022 was as follows:

Governmental Activities	Balance at January 1, 2022	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
Workmen's compensation	\$ 1,245,417	\$ 46,217	\$ (103,798)	\$ 1,187,836	\$ -
Compensated absences	2,848,741	2,249,937	(2,207,904)	2,890,774	2,296,828
Financed purchase payable	42,321	-	(23,693)	18,628	18,628
Bonds payable	32,920,000	-	(3,880,000)	29,040,000	3,895,000
Notes payable	47,177,010	-	(4,436,999)	42,740,011	5,478,068
Lease liability	1,817,646	811,731	(340,705)	2,288,672	350,414
Long-term liabilities	<u>\$ 86,051,135</u>	<u>\$ 3,107,885</u>	<u>\$ (10,993,099)</u>	<u>\$ 78,165,921</u>	<u>\$ 12,038,938</u>

The bonds payable above do not reflect a bond premiums in the amount of \$602,232, which is amortized over the life of the bonds using the straight-line method.

Workmen's compensation of \$122,963 is due within one year; however, it is included in non-current liabilities above, as the claims will not be paid through the Worker's Compensation Trust Fund and will be liquidated from the General Fund.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The liability for compensated absences is liquidated from the governmental funds where the corresponding payroll costs for the respective employees are allocated. The significant funds accruing compensated absences include the General Fund, the Mental Health/Early Intervention/Intellectual Disabilities Fund, the Health Service Block Grant Fund, and the Children & Youth Services Fund. The liability for workmen's compensation is liquidated from the General Fund. The liabilities for the financed purchase are liquidated from the Children & Youth Services Fund and Liquid Fuels Tax Fund, respectively.

Legal Debt Margin

The government is subject to a debt limit that is 300 percent of the three-year average of the full valuation of taxable real property. At December 30, 2022, that amount was \$137,599,671. As of December 31, 2022, the total outstanding debt applicable to the limit was \$71,780,011, which is 34.28 percent of the total debt limit.

9. Self-Insurance

The County of Butler is self-insured for its workers compensation and occupational disease liability as permitted by the Pennsylvania Workers Compensation Act (the "Act"), 77 P.S. p.1 et. Seq. The County of Butler has long been granted an exemption from the necessity of insuring its liability to pay compensation under the Act, 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 all applicable State regulations.

On a regular basis, the Pennsylvania Department of Labor and Industry, Bureau of Workers Compensation Division, calculates the funding status of the County of Butler's Workers Compensation dedicated asset account. This dedicated asset account must meet the required asset level as prescribed by applicable regulations. The County has 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 as of January 1, 2014. The State has changed the beginning date for future annual self-insurance periods to January 1; also, the beginning of the County's fiscal year. This realignment will enable the State to monitor the filing of each renewal application.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

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 proper period.

The dedicated asset account balance at December 31, 2022 of \$1,187,836, is in excess of the Department's requirements. Current claims are expensed as paid by the funds. Workmen's compensation claims paid during 2022 were \$76,745; and the liability for future estimated claims at December 31, 2022 was \$1,187,836.

The following represents changes in those aggregate liabilities for workmen's compensation for the years ended December 31, 2022 and 2021:

	2022	2021
Unpaid claims and claim adjustment expenses at beginning of year	\$ (4,429)	\$ -
Incurred claims and claim adjustments	(76,745)	(35,545)
Payments on claims and claim adjustment expenses:		
Claims and claim adjustment expenses attributable to insured events of current year	(27,053)	(24,807)
Claims and claim adjustment expenses attributable to insured events of prior years	46,218	55,923
Total payments	19,165	31,116
Total unpaid claims and claim adjustment expenses at end of year	\$ (62,009)	\$ (4,429)

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

10. Leases

The County has entered into various leases for buildings and equipment. It is expected that in the normal course of business, such leases will continue to be required. The following leases are recognized as a lease liability and lease asset on the statement of net position:

Mental Health Residential Facility

In December 2003, the County entered into an Enhanced-Use Lease with the U.S. Department of Veterans Affairs (Department) for approximately 1.3 acres of land in order to enable the Butler County MH/ID to construct a 16-bed mental health residential facility (Facility) on the Veterans Administration Medical Center (VAMC) grounds. The term of the lease is 50 years. The terms of the lease require the County to construct the Facility within two years of the approval of the lease; the Facility was completed in 2005. The VAMC is to have priority placement for two beds (730 bed days of care) per calendar year. The terms of the lease also require the County to establish a "funded maintenance account" on the 1st day of "lease-up" (i.e. when the first referred veteran is at the Facility) in an amount equal to \$2.00/sq ft per year for the rentable area of the facility, but not in excess of \$22,000. During the term of the lease, the County is to pay the Department for all ancillary services (actual cost of food, laundry, housekeeping, pest control) on a monthly basis. The County pays for all costs of operation. At the termination of the lease, the Facility and permanent improvements become the property of the Department.

District Justice Offices

The County has leases for four of the District Justice offices, of varying amounts and terms.

Tower Sites

The County has leases for eight tower sites of varying amounts and terms.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Future Minimal Lease Payments

Future minimum lease payments on the leases are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 350,414	\$ 37,351	\$ 387,765
2024	188,995	33,197	222,192
2025	182,523	29,907	212,430
2026	178,991	26,552	205,543
2027	185,364	23,094	208,458
2028-2032	752,671	65,065	817,736
2033-2037	407,387	13,869	421,256
2038	42,327	104	42,431
Total minimum payments required	<u>\$ 2,288,672</u>	<u>\$ 229,139</u>	<u>\$ 2,517,811</u>

11.Oil and Gas Lease

In February 2011, the County entered into an agreement for the lease of land for oil and gas drilling. The terms of the lease are for a five-year period, and as long thereafter as oil or gas is produced. The lease called for an up-front payment of \$579,960 and a one-time bonus of \$116,000 totaling \$695,960, which the County received during 2011 and recognized over the life of the five-year lease. As acceptable gas is extracted from the property, the County receives an 18% royalty of the proceeds received for all gas produced, metered, and sold, less the lessor's pro rata share of any severance or excise tax imposed by any governmental body. The amount of royalties received in 2022 was \$333,198.

12.Lease Revenue

In 2013, the County entered into a lease agreement for the lease of a 2.96 acre parcel. The cost and carrying amount of the land is \$100. The terms of the lease are for a fifteen-year period, with an option to renew, commencing on February 1, 2014 and ending on January 31, 2029. The annual rent begins at \$6,250 per month for the first ten years and will increase to \$6,875 per month for the last five years of the lease. The County recognized \$69,234 in lease revenue and \$5,766 in interest revenue during 2022 related to this lease. As of December 31, 2022, the balance of the deferred inflow of resources was \$456,918.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Future minimum annual lease payments are as follows:

Year	Principal	Interest	Total
2023	\$ 70,014	\$ 4,986	\$ 75,000
2024	77,710	4,165	81,875
2025	79,217	3,283	82,500
2026	80,110	2,390	82,500
2027	81,012	1,488	82,500
2028-2029	88,790	582	89,372
	<u>\$ 476,853</u>	<u>\$ 16,894</u>	<u>\$ 493,747</u>

13. Commitments and Contingencies

Revenues provided to the County by the state and federal governments are subject to audit by respective grantor agencies. Potential reimbursements may be required as a result of such audits. No provision has been made for potential reimbursements in the financial statements as material amounts are considered to be unlikely.

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years; and there have been no significant reductions in insurance coverage.

The County continues to be insured for various types of insurance including the following: general liability, auto, crime, law enforcement liability, public officials/employee practices liability, and property/equipment breakdown insurance. Deductibles range from \$1,500 to \$25,000 per claim or occurrence. Maximum limits for general liability, auto, public officials/employee practices, and law enforcement are \$5,000,000 per occurrence. The maximum limit for crime coverage is \$1,000,000, all members any one occurrence.

Property is covered on the total insured value subject to a maximum limit of \$750 million per occurrence and equipment breakdown is insured at \$500 million, all members, any one occurrence.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The County is also involved in contracts related to various construction projects. Contract commitments outstanding related to projects as of December 31, 2022 totaled approximately \$1.1 million.

There are also various other matters of pending litigation in which the County is involved; however, the County Solicitor believes that it is unlikely such matters would significantly affect the financial position of the County.

Guaranteed Loans

As part of a local retail department store's (store) bankruptcy reorganization, the County closed on a Section 108 loan on behalf of the store in the amount of \$5.8 million in May 2009. The store is responsible for repayment of the loan, but the County was required to pledge future Community Development Block Grant allocations for the life of the loan to be used in the event of default by the store. The loan is required to be repaid over a 20-year period.

In June 2014, the County approved a loan guarantee in the amount of \$500,000 to the Butler County Airport Authority for a loan from the Pennsylvania Infrastructure Bank. The loan, which will fund construction of two general aviation T-hangars at the airport facility, requires repayment over a 10-year period. Under the guarantee, the County's responsibility for financial obligation in any year is limited to the amount of the County's annual liquid fuels tax fund allocation for that year.

Health Choices

The County, along with Armstrong, Indiana, Lawrence, Washington, and Westmoreland Counties (SW-6 Counties), were previously the contractors with the Pennsylvania Department of Human Services (DHS) for providing services under the Health Choices program. Health Choices is Pennsylvania's managed care program for adults and children on Medical Assistance. Effective January 1, 2016, Southwest Behavioral Health Management, Inc. (SBHM) now holds the contract with DHS, and the SW-6 Counties are subcontractors with SBHM to provide services under the Health Choices Program. This change, effective January 1, 2016, transferred the risk from the SW-6 Counties to SBHM. The SW-6 Counties will be reimbursed for some administrative functions that they will perform, but will not receive any other Health Choices funds, including reinvestment funds.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

14. Tax Abatements and Other Tax Arrangements

The following are the County's tax abatement programs:

- KOZ/KOEZ (2022) – available as defined by the State within specified zones of County
- SDA (2022) – available as defined by the State within specified zones of County

The County's Keystone Opportunity Zones (KOZ/KOEZ) and Strategic Development Areas (SDA) abatements are authorized by the State. Upon approval from the State, credits are issued for the value of the land and improvements. Tax abatements are recaptured by the County at the end of the abatement period. There were no amounts received or receivable from other governments in association with the forgone taxes. The County did not make additional commitments other than to reduce taxes as part of the tax abatement agreements.

During 2022, real estate tax abatements, as defined above, resulted in the following forgone tax amounts:

<u>Abatements</u>	<u>Tax Dollars</u>
KOZ/KOEZ	\$ 3,206
SDA	\$ 434,732

Other tax arrangements include the following:

- Payment in lieu of taxes (PILOT) – An agreement for payment in lieu of taxes between the County and non-profit organizations.

During 2022, other real estate tax arrangements as defined above resulted in the following forgone tax amounts:

<u>Other Arrangements</u>	<u>Tax Dollars</u>
PILOT	\$ 390,777

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

15.Subsequent Events

Budget

The County Commissioners approved a \$244.5 million budget for 2023 with no change in the property tax rate of 27.626 mills.

Infrastructure Bank Loan

Subsequent to year end, the County closed on the issuance of a general obligation note, Series of 2023, of \$13.5 million to fund the Butler County Infrastructure Bank program. The Infrastructure Bank provides reduced interest loan financing up to 100% of the eligible project costs, including borrowing costs, to support infrastructure and other improvement projects in the County.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

B. BUTLER COUNTY COMMUNITY COLLEGE

1. Organization

The Butler County Community College (BCCC), chartered in 1965, was the first community college in Western Pennsylvania. On September 26, 1966, BCCC opened its doors to 242 day and 190 evening students. During the current fiscal year, 3,602 students were enrolled in credit programs and another 9,144 people took part in the many other educational opportunities available on the BCCC main campus, and the Cranberry, Lawrence, Brockway Mercer, and Armstrong sites. BCCC is dedicated to providing quality and comprehensive educational opportunities accessible to all that can benefit.

Reporting Entity

BCCC is a component unit of the County of Butler (County), Pennsylvania. The Commissioners of the County appoint all members of the governing Board of Trustees (Board) of BCCC. As sponsor of BCCC, the County provides funding for up to one-third of operating expenses and one-half of the capital expenses. In addition, the County's approval is required for the issuance of any bonded debt by BCCC as the County is legally committed for a portion of the repayment of such debt.

In evaluating BCCC as a reporting entity in accordance with the Governmental Accounting Standards Board (GASB), management has addressed all potential component units. Consistent with applicable guidance, the criteria used by BCCC to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship.

Following is a brief description of the component unit that is included within the financial reporting entity because of the nature and significance of the relationship:

Butler County Community College Education Foundation (Foundation)

The Foundation is a non-profit organization incorporated on October 1, 1985. The purpose of the Foundation is to promote the educational efforts of BCCC. A nineteen-member Board of Directors governs the Foundation. The President of BCCC is a member of the Board of Directors and the Executive Director of the Foundation is an employee of BCCC. Separate financial statements of the Foundation are prepared and can be obtained through the Foundation.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

2. Summary of Significant Accounting Policies

The financial statements of BCCC have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. GASB is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. BCCC's significant accounting policies are as follows:

Basis of Accounting

The financial statements of BCCC have been prepared on the accrual basis. Accordingly, revenues are recorded when earned and expenses are recognized when the liability is incurred. BCCC records student receivables at the time of registration for classes. As of June 30, 2022, BCCC determines the portion of the receivable and the tuition that has been paid that relates to classes that will take place after June 30. This amount is reported as unearned revenue.

Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of BCCC. Operating revenues consist of tuition and fees and government grants. Nonoperating and other revenues and expenses consist of those revenues and expenses relating to subsidies and capital items.

The Foundation's policy is to prepare its financial statements on the accrual basis of accounting. Under this basis, revenues are recognized when earned and expenses are recognized when incurred. If expenditure results in the acquisition of an asset having an estimated useful life which extends substantially beyond the year of acquisition, the expenditure is capitalized and depreciated or amortized over the estimated useful life of the asset.

Financial Reporting

BCCC elects to report its activity as "business-type activities only" financial statements.

Prior-Year Comparative Information

The financial statements include summarized prior year comparative information. Such information does not include the prior year footnote disclosures and thus, does not include all of the information required for a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

read in conjunction with the College's financial information for the year-end June 30, 2021 from which the summarized information was derived.

Classification of Net Position

Accounting standards require the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.
- Restricted – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. Two categories are used to further describe restricted net position:

Expendable – can be expended in compliance with the external restriction

Nonexpendable – net position that is required to be retained in perpetuity

Expendable restricted net position at June 30, 2022 of BCCC consisted of \$6,890,738 related to the support agreement receivable and \$2,647,867 restricted for special programs.

Net position related to the Foundation is described in Note 11.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

- Unrestricted – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

BCCC uses restricted resources, when available, before using unrestricted resources to pay expenditures.

Inventory

Inventory consisting of books and merchandise held for sale in the bookstore is stated at average cost and is expensed as sold or used.

Allowance for Uncollectible Receivables

BCCC maintains the most current two academic years as student receivables. All other student receivables are considered to be uncollectible and are written off. During the year, BCCC wrote off \$26,467 of receivables considered to be uncollectible.

Capital Assets and Depreciation/Amortization

Physical plant and equipment are stated at cost at date of acquisition or fair market value at date of donation in the case of gifts. Depreciation/amortization on assets has been provided using the straight-line method over the estimated useful lives, as follows:

Buildings	30-60 years
Furniture and fixtures	15-20 years
Library reference materials and books	5 years
Maintenance equipment	10 years
Office and computer equipment	5-10 years
Vehicles	2-5 years
Technology software	5 years

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Leases

Commencing with fiscal year end June 30, 2020, BCCC lease agreements are recognized as a lease liability and an intangible right-to-use lease asset (lease asset) at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term, less any lease incentives. The lease asset is measured at the amount of the initial measurement of the lease liability, adjusted for any payments made to the lessor at or before the commencement of the lease term plus certain initial direct costs. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is amortized on the straight-line method over the shorter of the lease term or the useful life of the underlying asset. Short-term leases are defined as leases that, at the commencement of the lease term, have a maximum possible term under the lease contract of 12 months or less, including any options to extend, regardless of their probability of being exercised. Short-term lease payments are recognized as expenditures based on the payment provisions of the lease contract. An asset is recognized if payments are made in advance or a liability for rent due if payments are to be made subsequent to the reporting period.

Key estimates and judgments related to leases include how BCCC determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- BCCC uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, BCCC generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that BCCC is reasonably certain to exercise.

BCCC monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Leases are reported as right-of-use asset - leases and lease liability on the statement of net position.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Use of Estimates

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

Investments

Investments purchased by BCCC consist of U.S. Government Obligations and are carried at fair value. Investments of the Foundation are reported at fair value with the exception of stock held in a non-publicly traded entity as discussed in Note 3.

BCCC categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant to other observable inputs. Level 3 inputs are significant unobservable inputs.

Bond Premiums and Discounts

Original issue bond premiums and discounts are deferred and amortized over the life of the related bonds using the straight-line method of amortization. The unamortized balance of the bond premiums and discounts is recorded as a reduction of the related bond payable.

Deferred Inflows and Outflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

Deferred Outflows of Resources - Refunding

The deferred charge on refunding is treated as a deferred outflow of resources and resulted from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Deferred Inflows and Outflows of Resources Related to Pensions and OPEBs

In conjunction with pension and OPEB accounting requirements, differences between expected and actual experience, changes in assumptions, the effect of the change in BCCC's proportion, the net difference between expected and actual investment earnings, the difference between employer contributions and the proportionate share of contributions, and payments made to PSERS subsequent to the measurement date are recorded as a deferred inflow or outflow of resources related to pensions or a deferred inflow or outflow of resources related to pensions or OPEBs on statements of net position. These amounts are determined based on the actuarial valuations performed for PSERS. Notes 5 through 7 present additional information about PSERS and its pension and OPEB plans.

Postemployment Benefits

In the statements of net position, long-term liabilities related to postemployment benefits, including pensions, health insurance, and life insurance are calculated based on actuarial valuations as described in Notes 5 and 7.

Adopted Pronouncements

The following GASB Statements were adopted for the year ended June 30, 2022: Statement Nos. 92 (Omnibus 2020), 97 (Deferred Compensation Plans), and 99 (Omnibus 2022 – paragraphs 26 through 32). These statements had no significant impact on BCCC's financial statements for the year ended June 30, 2022.

Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 91 (Conduit Debt Obligations), 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), 99 (Omnibus 2022), 100 (Accounting Changes and Error Corrections), and 101 (Compensated Absences). Management has not yet determined the impact of these statements on the financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

3. Deposits and Investments

Deposits

Under Section 440.1 of the Pennsylvania Public School Code for 1949, as amended, and PA Act 10 of 2016, BCCC is permitted to invest funds consistent with sound business practices in the following types of investments:

Obligations of (a) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (b) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth of Pennsylvania, or (c) of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.

U.S. government obligations, short-term commercial paper issued by a public corporation, and banker's acceptances.

Deposits in savings accounts, time deposits, or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC) to the extent that such accounts are so insured and, for any amounts above the insured maximum, provided that approved collateral, as provided by law, are pledged by the depository.

The deposit and investment policy of BCCC adheres to state statutes and prudent business practice. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of BCCC.

Credit risk. The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The majority of BCCC's investments is in U.S. Government Obligations and is therefore not exposed to this type of risk.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At year-end, the carrying amount of BCCC's cash and deposits was \$16,483,529 and the related bank balances totaled \$16,656,489, of which \$500,000 was covered by FDIC. The remaining 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 have collateral held by an approved custodian in the institution's name.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

As of June 30, 2022, the Foundation held cash and cash equivalents with a book and bank balance of \$7,022,830 and \$7,026,076, respectively. \$5,596,333 of the bank balance was on deposit with banking institutions and covered under FDIC insurance. The remaining balance was invested in “sweep” repurchase agreement accounts, which are not FDIC insured. The financial institution holding the Foundation’s “sweep” balances has pledged assets in a coverage ratio of 1.05%. For every one dollar in uninsured “sweep” funds, the financial institution has pledged \$1.05 in U.S. government security assets.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the carrying amount of BCCC’s investments was \$4,855,632.

BCCC’s investments at June 30, 2022 are composed of the following:

Cash equivalent investments	<u>\$ 4,855,632</u>
-----------------------------	---------------------

At year-end, \$250,000 of the cash equivalent investments were covered by federal depository insurance.

Due to the level of risk associated with certain Foundation investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near-term and that such changes could materially affect the amount reported on the statement of net position.

Fair Value of Investments

BCCC measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The Foundation's investments at December 31, 2022 are composed of the following:

Cash and cash equivalents	\$ 936,920
Mutual funds	<u>5,981,230</u>
	<u>\$ 6,918,150</u>

At June 30, 2022, the Foundation had the following recurring fair value measurements:

- Mutual funds of \$5,981,230 are valued using quoted market prices (Level 1 inputs)

The Foundation's investments are not insured or registered and are held by the financial institution's trust department or agent on behalf of the Foundation but are not in the Foundation's name. Investments may be held in the name of a nominee, as long as the investments are held on behalf of the Foundation. Those amounts identified above as cash and cash equivalents include funds being held in highly liquid money market mutual funds that are invested in governmental debt securities with maturities from the date of purchase of three months or less.

4. Bonds Payable

Long-term debt consists of the following:

	Balance at June 30, 2021	Issuance	Refinance	Payments	Accretion	Balance at June 30, 2022	Due within one year
General obligation bonds:							
Series G of 2000	\$ 6,927,929	\$ -	\$ -	\$ (915,000)	\$ 390,407	\$ 6,403,336	\$ 915,000
Series A of 2018	5,365,000	-	-	(530,000)	-	4,835,000	550,000
Series A of 2019	3,490,000	-	-	(180,000)	-	3,310,000	190,000
Series B of 2019	2,090,000	-	-	(275,000)	-	1,815,000	285,000
Series A of 2021	8,385,000	-	-	(315,000)	-	8,070,000	320,000
	<u>\$ 26,257,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,215,000)</u>	<u>\$ 390,407</u>	<u>24,433,336</u>	<u>\$ 2,260,000</u>
					Unaccrued interest	<u>1,846,664</u>	
						<u>\$ 26,280,000</u>	

Amounts above do not reflect an amortized issue discount in the amount of \$107,816 and original issue premium in the amount of \$1,017,199 for the bonds. This amount is amortized using the straight-line method.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

During 2001, the SPSBA and BCCC issued Series G of 2000 (Series G) Bonds in the amount of \$4,121,861. The Series G Bonds include current interest bonds in the amount of \$2,060,000 and capital appreciation bonds in the amount of \$2,061,861. The Series G Bonds were issued to cover additional costs associated with the construction of the science/technology building. The interest rates on the Series G Bonds range from 4.5% to 6.0% with the bonds maturing January 15, 2031.

In October 2018, the SPSBA and BCCC issued Series A Bonds in the amount of \$6,375,000. The Series A Bonds were issued to (1) refund, on a current basis, BCCC's Series A of 2011; (2) paying the costs and expenses of issuing and insuring the Series A Bonds. The interest rates on the Series A Bonds range from 2.00% to 3.50% with the bonds. During the year, BCCC paid interest of \$154,949.

In November 2019, the SPSBA and BCCC issued Series A and B Bonds in the amount of \$3,770,000 and \$2,605,000, respectively. The Series A and B Bonds were issued to (1) refund, on a current basis, BCCC's Series A and B of 2012; (2) paying the costs and expenses of issuing and insuring the Series A and B Bonds. The interest rates on the Series A and B Bonds range from 2.00% to 3.00% with the bonds. During the year, BCCC paid interest of \$143,778.

In April 2021, the SPSBA and BCCC issued Series A Bonds in the amount of \$8,385,000. The Series A Bonds were issued to provide funds for the construction of a nursing and allied health building and operations center on the South End of the College's Main Campus. The interest rates on the Series A Bonds range from 2.00% to 4.00% with the bonds. During the year, BCCC paid interest of \$322,600.

During 2017, Moody's Investor Service downgraded BCCC's credit rating from A3 to Baa1.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The scheduled retirement of bonds is as follows:

	Principal	Interest	Total
2023	\$ 2,260,000	\$ 588,208	\$ 2,848,208
2024	2,280,000	698,598	2,978,598
2025	2,325,000	503,189	2,828,189
2026	2,375,000	461,839	2,836,839
2027	2,400,000	418,783	2,818,783
2028-2032	9,095,000	1,450,838	10,545,838
2033-2037	3,775,000	728,200	4,503,200
2038-2040	1,770,000	108,200	1,878,200
	26,280,000	\$ 4,957,855	\$ 31,237,855
Less: unaccreted interest	(1,846,664)		
	<u>\$ 24,433,336</u>		

5. Retirement Plans

The College has two (2) contributory pension plans covering substantially all full-time employees:

- Public School Employees' Retirement System (PSERS)
- Teachers Insurance and Annuity Association/College Retirement and Equity Fund (TIAA-CREF).

Plan Descriptions

PSERS

PSERS administers a governmental cost-sharing, multi-employer defined benefit pension plan (PSERS Pension) and a governmental cost-sharing, multi-employer defined benefit Health Insurance Premium Assistance Program OPEB plan (Premium Assistance), to public school employees of the Commonwealth of Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Employees eligible for PSERS benefits include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania.

PSERS retirees can participate in the Premium Assistance if they satisfy the following criteria:

- Have 24 ½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the PSERS Health Options Program or an employer-sponsored health insurance program.

TIAA-CREF

TIAA-CREF is defined contribution pension plan. In a defined contribution plan, benefits depend on amounts contributed to the plan plus investment earnings. Employer and employee contribution rates are established by statute. Employees electing TIAA-CREF contributed 5.25% of their regular monthly compensation if they began participating in the plan prior to July 22, 1983, or 6.25% if their participation began after July 22, 1983. BCCC's contribution rate at June 30, 2022 was 10%. Beyond that salary-based contribution, the College bears no responsibility for any liabilities, funded or unfunded, of TIAA-CREF. Contributions are immediately and fully vested.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions or OPEBs, pension expense, and OPEB expense, information about the fiduciary net position of PSERS and additions to/deductions from PSERS' fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Detailed information about PSERS' fiduciary net position related to pension and OPEBs is available in the PSERS Annual Comprehensive Financial Report, which can be found on the PSERS website at www.psers.pa.gov.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Benefits Provided

PSERS – Pension

Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011 through June 30, 2019. Act 120 created two new membership classes: Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Act 5 of 2017 (Act 5) eliminated the stand-alone defined benefit plan, introduced a hybrid benefit, and introduced a separate defined contribution plan for individuals who become new members on or after July 1, 2019. Act 5 created two new hybrid membership classes, Membership Class T-G (Class T-G) and Membership Class T-H (Class T-H) and the separate defined contribution membership class, Membership Class DC (Class DC). To qualify for normal retirement, Class T-G and Class T-H members must work until age 67 with a minimum of three years of credited service. Class T-G members may also qualify for normal retirement

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

by attaining a total combination of age and service that is equal to or greater than 97 with a minimum of 35 years of credited service.

PSERS – Premium Assistance

Effective January 1, 2002, under the provisions of Act 9 of 2001, participating eligible annuitants are entitled to receive PSERS Premium Assistance payments equal to the lesser of \$100 per month or their eligible out-of-pocket monthly health insurance premium. As of June 30, 2021, there were no assumed future benefit increases to participating eligible retirees.

Member Contributions

PSERS

The following illustrates the PSERS' member's contribution as a percent of the member's qualifying compensation:

- Active members who joined PSERS prior to July 22, 1983:
 - Membership Class T-C 5.25%
 - Membership Class T-D 6.50%
- Members who joined PSERS on or after July 22, 1983, and who were active or inactive as of July 1, 2001:
 - Membership Class T-C 6.25%
 - Membership Class T-D 7.50%
- Members who joined PSERS after June 30, 2001, and before July 1, 2011:
 - Membership Class T-D 7.50%
- Members who joined PSERS after June 30, 2011, and before June 30, 2019:
 - Membership Class T-E* 8.00%
 - Membership Class T-F* 10.80%
- Members who joined PSERS on or after July 1, 2019:
 - Membership Class T-G (hybrid)** 9.00% (combined rate)
 - Membership Class T-H (hybrid)** 8.25% (combined rate)
 - Defined Contribution only 7.50%

* Includes shared risk provision of +0.50% as of July 1, 2021.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

** Includes shared risk provision of +0.75% as of July 1, 2021.

Employer Contributions

During the year ended June 30, 2022, the College contributed the following to each of its retirement plans:

PSERS Pension	\$	676,380
PSERS Act 5 Defined Contribution		2,984
PSERS Premium Assistance		<u>15,920</u>
Total PSERS		695,284
 TIAA-CREF		 <u>1,065,890</u>
Total contributions	\$	<u><u>1,761,174</u></u>

PSERS

The College's contractually required PSERS contribution rate for fiscal year ended June 30, 2022 was 34.94% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. This rate is composed of a 33.99% rate for the Pension Plan, a 0.80% rate for the Premium Assistance, and a 0.15% rate for Act 5 Defined Contribution.

The combined rate for the fiscal year ended June 30, 2022 was an increase from the fiscal year ended June 30, 2021 combined rate of 34.51%. The combined contribution rate will increase to 35.26% in fiscal year 2023 and is projected to grow to 37.30% by fiscal year 2030.

The College remits contributions to PSERS on a quarterly basis. Approximately \$170,000 is owed to PSERS as of June 30, 2022, which represents the College's required contribution for the end of year payroll.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Commonwealth Contributions

PSERS

The Commonwealth of Pennsylvania pays approximately one-half of contributions directly to PSERS on behalf of the College. These contributions qualify as a special funding situation. The PSERS net pension liability recorded by the College reflects a reduction for the Commonwealth's support. The total of the collective net pension liability relative to PSERS that is associated with the College is as follows:

College's proportionate share of PSERS net pension liability	\$ 5,748,000
Commonwealth's proportionate share of PSERS net pension liability associated with the College	<u>5,768,000</u>
Total	<u>\$ 11,516,000</u>

Proportionate Share

PSERS

The College's proportion of PSERS' net pension liability was calculated utilizing the College's one-year reported contributions as it relates to PSERS' total one-year reported contributions. This method was changed beginning with PSERS' fiscal year ended June 30, 2020. In prior years, the proportion of PSERS' net pension liability was calculated utilizing the College's one-year reported covered payroll as it related to PSERS' total one-year reported covered payroll. At June 30, 2021 (measurement date), the College's proportion was 0.0140%, which was a decrease of -0.0008% from its proportion measured as of June 30, 2020.

The College's proportion of PSERS' net OPEB liability continues to be calculated utilizing the College's one-year reported covered payroll as it relates to PSERS' total one-year reported covered payroll. At June 30, 2021 (measurement date), the College's proportion was 0.0140%, which was a decrease of -0.0007% from its proportion measured as of June 30, 2020.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

6. Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2022, the College reported a liability of \$5,748,000 for its proportionate share of PSERS' net pension liability. The PSERS net pension liability reported at June 30, 2022 was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by rolling forward PSERS' total pension liability as of June 30, 2020 to June 30, 2021.

For the year ended June 30, 2022, the College recognized pension expense of \$1,792.

At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to PSERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,000	\$ 76,000
Changes in assumptions	279,000	-
Net difference between projected and actual earnings on pension plan investments	-	915,000
Differences between employer contributions and proportionate share of contributions	-	-
Changes in proportion	-	431,000
College contributions subsequent to the measurement date	676,380	-
Total	<u>\$ 959,380</u>	<u>\$ 1,422,000</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

\$676,380 was reported as deferred outflows of resources resulting from the College's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30:</u>	
2023	\$ (392,000)
2024	(244,000)
2025	(208,000)
2026	<u>(295,000)</u>
Total	<u>\$ (1,139,000)</u>

Actuarial Assumptions

PSERS

The actuarial valuation used for the June 30, 2021 measurement date contained the following methods and assumptions:

- Actuarial valuation date – June 30, 2021
- Actuarial cost method – Entry Age Normal – level % of pay
- Investment return – 7.00%, includes inflation at 2.50%
- Salary growth – Effective average of 4.50%, comprised of 2.50% for inflation and 2.00% for real wage growth and merit or seniority increases
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Mortality Improvement Scale
- Experience study – July 1, 2015 through June 30, 2020

Change in Assumptions

The discount rate decreased from 7.25% to 7.00% and the inflation assumption was decreased from 2.75% to 2.50% for the actuarial valuation used for the June 30, 2021 measurement date. Salary growth decreased from 5.00% to 4.50%.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Change in Benefit Terms

There were no changes in benefit terms affecting the actuarial valuation used for the June 30, 2021 measurement date.

Pension Plan Investments

PSERS

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global public entity	27.0%	5.2%
Private equity	12.0%	7.3%
Fixed income	35.0%	1.8%
Commodities	10.0%	2.0%
Absolute return	8.0%	3.1%
Infrastructure/MLPs	8.0%	5.1%
Real estate	10.0%	4.7%
Cash	3.0%	0.1%
Leverage	-13.0%	0.1%
	<u>100.0%</u>	

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

For PSERS' year ended June 30, 2021, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expenses, was 24.58%.

Discount Rate

The discount rate used to measure the total pension liability for PSERS was 7.00%. The projection of cash flows used to determine the discount rate assumed that the contributions from plan members will be made at the current contribution rate and that the contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College's Proportionate Share of PSERS' Net Pension Liability to Changes in the Discount Rate

The following presents the College's proportionate share of PSERS' net pension liabilities calculated using the discount rate described above, as well as what the College's proportionate share of PSERS' net pension liabilities would be if they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
June 30, 2022			
College's proportionate share of PSERS' net pension liability	<u>\$ 7,544,000</u>	<u>\$ 5,748,000</u>	<u>\$ 4,233,000</u>

7. Net OPEB Liability, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

At June 30, 2022, BCCC reported a liability of \$333,000 for its proportionate share of PSERS' net OPEB liability. PSERS' net OPEB liability reported at June 30, 2022 was measured as of June 30, 2021, and the total OPEB liability used to calculate PSERS' net OPEB liability was determined by rolling forward PSERS' total OPEB liability as of June 30, 2020 to June 30, 2021.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

For the year ended June 30, 2022, the College recognized OPEB expense as follows:

OPEB expense related to PSERS	
Premium Assistance	<u>\$ 10,268</u>

At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience:	\$ 3,000	\$ -
Changes in assumptions:	35,000	4,000
Net difference between projected and actual earnings on OPEB plan investments:	1,000	-
Changes in proportion:	-	39,000
College contributions subsequent to the measurement date:	<u>15,920</u>	<u>-</u>
Total	<u>\$ 54,920</u>	<u>\$ 43,000</u>

\$15,920 was reported at June 30, 2022 as deferred outflows of resources resulting from the College's contributions subsequent to the measurement date. The amount recorded at June 30, 2022 will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023. The amount recorded at June 30, 2021 was recognized as a reduction of the net OPEB liability for the year ended June 30, 2022.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

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

	PSERS Premium Assistance
<u>Year Ending June 30:</u>	
2023	\$ (5,000)
2024	(5,000)
2025	-
2026	1,000
2027	2,000
2028	3,000
Total	<u>\$ (4,000)</u>

Additional Required Disclosures for PSERS Premium Assistance

Actuarial Assumptions

The actuarial valuation used for the June 30, 2021 measurement date contained the following methods and assumptions:

- Actuarial valuation date – June 30, 2021
- Actuarial cost method – Entry Age Normal – level % of pay
- Investment return – 2.18% - S&P 20-year Municipal Bond Rate
- Salary increases – Effective average of 4.50%, comprised of 2.50% for inflation and 2.00% for real wage growth and merit or seniority increases
- Premium Assistance reimbursement is capped at \$1,200 per year
- Assumed healthcare cost trends were applied to retirees with less than \$1,200 in Premium Assistance per year
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Mortality Improvement Scale
- Experience study – July 1, 2015 through June 30, 2020
- Participation rate –
 - Eligible retirees will elect to participate pre-age 65 at 50%
 - Eligible retirees will elect to participate post-age 65 at 70%.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Changes in Assumptions

The discount rate decreased from 2.66% to 2.18% for the actuarial valuation used for the June 30, 2021 measurement date.

Changes in Benefit Terms

There were no changes in benefit terms affecting the actuarial valuation used for the June 30, 2021 measurement date.

OPEB Plan Investments

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board. Employer contribution rates are established to provide reserves in the Health Insurance Account that are sufficient for the payment of the Premium Assistance for each succeeding year. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	79.8%	0.1%
US Core Fixed Income	17.5%	0.7%
Non-US Developed Fixed	2.7%	-0.3%
	<u>100.0%</u>	

For PSERS' year ended June 30, 2021, the annual money-weighted rate of return on the Premium Assistance plan investments, net of plan investment expenses, was 0.31%.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.18%. Under the Premium Assistance plan's funding policy, contributions are structured for short-term funding of the

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of the Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of the Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments; therefore, the plan is considered a "pay-as-you-go" plan. A discount rate of 2.18%, which represents the S&P 20-year Municipal Bond Rate at June 30, 2021, was applied to all projected benefit payments to measure the total OPEB liability as of the June 30, 2021 measurement date. The discount rate used to measure the total OPEB liability decreased from 2.66% as of June 30, 2020 to 2.18% as of June 30, 2021.

Sensitivity of the College's Proportionate Share of PSERS' Net OPEB Liability to Changes in the Discount Rate

The following presents the College's proportionate share of PSERS' net OPEB liability calculated using the discount rates described above, as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (1.18%)	Current Discount Rate (2.18%)	1% Increase (3.18%)
June 30, 2022			
College's proportionate share of PSERS' net OPEB liability	<u>\$ 382,000</u>	<u>\$ 333,000</u>	<u>\$ 292,000</u>

Sensitivity of the College's Proportionate Share of PSERS' Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

Healthcare cost trend rates were applied to retirees receiving less than \$1,200 in annual Premium Assistance. As of June 30, 2021, retirees' Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped at a maximum of \$1,200. The actual number of retirees receiving less than the \$1,200 per year cap is a small percentage of the total population and has a minimal impact on the healthcare cost trends as depicted below.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The following presents the College's proportionate share of PSERS' net OPEB liability calculated using current healthcare cost trend rates as well as what the College's proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

<u>June 30, 2022</u>	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
College's proportionate share of PSERS' net OPEB liability	<u>\$ 333,000</u>	<u>\$ 333,000</u>	<u>\$ 333,000</u>

8. Accumulated Compensated Absences

Accumulated compensated absences were comprised of the following at June 30, 2022:

<u>Early Retirement Incentive</u>	<u>Accumulated Sick Leave</u>	<u>Unused Vacation Pay</u>	<u>Total</u>
<u>\$ -</u>	<u>\$ 605,569</u>	<u>\$ 226,994</u>	<u>\$ 832,563</u>

Based on actual experience of BCCC, all amounts above are assumed to be long-term.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

9. Capital Assets

BCCC's capital asset balances at June 30, 2022 consisted of the following:

	Balance at June 30, 2021	Additions	Deletions / Transfers	Balance at June 30, 2022
Capital assets, not being depreciated/amortized:				
Land and improvements	\$ 5,915,548	\$ -	\$ (120,342)	\$ 5,795,206
Construction in progress	3,998,581	3,742,272	-	7,740,853
Total capital assets, not being depreciated/amortized	9,914,129	3,742,272	(120,342)	13,536,059
Capital assets, being depreciated/amortized:				
Buildings	56,097,062	4,623	(376,020)	55,725,665
Vehicles	403,026	-	-	403,026
Equipment, furniture, and fixtures	12,643,177	45,826	(142,888)	12,546,115
Total capital assets, being depreciated/amortized	69,143,265	50,449	(518,908)	68,674,806
Less: total accumulated depreciation/amortization	(46,234,453)	(2,194,031)	537,687	(47,890,797)
Net capital assets, being depreciated/amortized	22,908,812	(2,143,582)	18,779	20,784,009
Net capital assets	\$ 32,822,941	\$ 1,598,690	\$ (101,563)	\$ 34,320,068

During the year ended June 30, 2022, construction in progress activity relates to the ongoing South Campus Project and the Nursing & Allied Health building.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The Foundation's capital asset balances at June 30, 2022 consisted of the following:

	Balance at June 30, 2021	Additions	Deletions	Balance at June 30, 2022
Capital assets, not being depreciated:				
Land	\$ 455,991	\$ -	\$ -	\$ 455,991
Total capital assets, not being depreciated	455,991	-	-	455,991
Capital assets, being depreciated:				
Buildings	2,848,766	-	-	2,848,766
Infrastructure	-	60,272	-	60,272
Furniture and equipment	2,816	-	-	2,816
Total capital assets, being depreciated	2,851,582	60,272	-	2,911,854
Less: total accumulated depreciation	(1,215,576)	(121,812)	-	(1,337,388)
Net capital assets, being depreciated	1,636,006	(61,540)	-	1,574,466
Net capital assets	\$ 2,091,997	\$ (61,540)	\$ -	\$ 2,030,457

Depreciation expense is included in rental expense on the statement of revenues, expenses, and changes in net position, as the entire amount for the year ended June 30, 2022 relates to a building the Foundation rents to BCCC.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

10. Medical Insurance Plan – Risk Management

BCCC is one of sixty members of the Allegheny County Schools Health Insurance Consortium (Consortium). The Consortium is a public entity risk pool which affords health care coverage for members' employees on a pooled basis. The College pays premiums to the Consortium based upon rates established by the trustees of the Consortium. The Consortium establishes rates with the objective of satisfying current costs and claims of covered health care services, as well as maintaining working capital requirements and a Premium Stabilization Fund for periods when actual costs of coverage exceed premiums collected from members. At the end of each fiscal year, actual claims experience is compared with premiums paid. The difference results in either a retroactive refund or charge. Included in the retroactive refund/charge is a calculation for the reserve needed to cover expenses incurred but not yet reported by health providers. Any retroactive charge may be paid from the Premium Stabilization Fund, up to ten percent of total premiums paid. The remainder may be charged to the Schools. At June 30, 2022, the Consortium's net assets available for benefits approximated \$51 million, of which approximately \$365,000 is attributable to BCCC.

BCCC paid premiums during the year of approximately \$3.1 million. The Consortium's agreement permits participants to withdraw from the Consortium under specified terms. In such an event, the withdrawing member is entitled to or responsible for a proportionate share of the Consortium fund balance or deficit as determined on the date of withdrawal.

BCCC participates in an insurance program offered by a commercial insurance company. It purchases commercial insurance policies for risks of losses for casualty, workmen's compensation, and liability claims.

BCCC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years. Management believes the insurance coverage is sufficient to cover BCCC against potential losses.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

11. Butler County Community College Education Foundation

The Foundation is a non-profit Pennsylvania corporation. It is organized and operated exclusively for educational and cultural purposes to assist in developing and fostering scholarship and charitable activities. A twenty-one-member Board of Directors that oversees the holding, investing, managing, and awarding of Foundation assets governs the Foundation. The Internal Revenue Service considers the Foundation exempt from taxes under Section 501(c)(3) of the Internal Revenue Code.

The Foundation reports under FASB standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. Minimal modifications have been made to the Foundation's financial information in BCCC's reporting entity for those differences, as the differences were not significant to the reporting entity.

	Available for educational and related purposes (Expendable)	Held in perpetuity as designated by donor (Nonexpendable)	Total
Foundation Net Position at June 30, 2022:			
Net investment in capital assets	\$ 706,687	\$ -	\$ 706,687
Restricted:			
Expendable	8,044,998	-	8,044,998
Nonexpendable	-	3,459,915	3,459,915
Unrestricted	2,189,361	-	2,189,361
Total Net Position	<u>\$ 10,941,046</u>	<u>\$ 3,459,915</u>	<u>\$ 14,400,961</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Support Agreement and Investment Agreement

The Foundation has made a committed effort to make capital improvements to BCCC and as a part of that commitment in October 2000, BCCC entered into a support agreement with the Foundation. Funding was provided beginning in fiscal year 2002 and will end in fiscal year 2031. The support agreement outlines the minimum yearly contributions BCCC will receive from the Foundation. Below is the schedule of minimum payments that are to be made under the support agreement:

<u>Fiscal Year</u>	<u>Amount</u>
2023	\$ 1,031,600
2024	1,027,300
2025	1,026,600
2026	1,029,300
2027	1,025,400
2028-2031	<u>4,004,400</u>
	<u><u>\$ 9,144,600</u></u>

As a result of the support agreement, BCCC has recorded a receivable at net present value in the amount of \$6,890,738.

In November 2000, the Foundation entered into an investment agreement with a financial institution to provide funds to meet its obligation to make the minimum payments to the College. The investment agreement required that the Foundation make a one-time payment of \$3,200,000; in return, they would receive payments totaling \$12,627,189 through 2031. The payments are guaranteed only by the financial institution and are not insured.

The investment agreement requires that the investment be collateralized if the financial institution's S&P or Moody's rating falls below 'AA-' or 'Aa3', respectively. During 2009, the rating was downgraded below this level, and the Foundation entered into a collateral agreement in which a third party provided collateral in the amount of 105% of the investment value. The collateral assets are comprised of U.S. Treasury Securities and held in the name of the Foundation by a Trustee. The collateral agreement ceases to exist if the S&P or Moody's rating of the original agreement is upgraded above the required ratings.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The investment agreement also requires that if the financial institution's S&P or Moody's rating is withdrawn or suspended, or falls below 'A', the provider must 1) assign the investment agreement to an alternative provider acceptable to the Foundation that is rated at least 'AA-' or 'Aa3' by S&P or Moody's, respectively, or 2) at the direction of the Foundation within 10 days of receipt of such direction, repay the contract proceeds, computing any gains or losses arising from the termination. During 2014, the Moody rating was downgraded below the 'A' level. The Foundation believes it has the right to waive either option and continue with the investment.

The value of the investment and payable is recorded at June 30, 2022 in the amount of \$6,890,738. The expected rate of return on the investment is approximately 7%.

In July 2016, the original financial institution that entered into the investment agreement merged with its parent company. Upon merging, the parent company assumed all rights and obligations of the original agreement with the Foundation. The parent company's S&P credit rating is "A+" as of June 30, 2022. Accordingly, the third-party collateral remains in place.

Pledges Receivable

Foundation pledges receivable are expected to be received as follows:

<u>Fiscal Year(s) ending June 30,</u>	<u>Amount</u>
2023	\$ 38,398
2024	21,003
2025	23,003
2026	<u>2,502</u>
	84,906
Allowance for uncollectible pledges	<u>(4,344)</u>
Pledges receivable, net	<u><u>\$ 80,562</u></u>

The allowance for uncollectible pledges includes a discount. Decisions to charge off uncollectible pledges are based on management's judgment after consideration of facts and circumstances surrounding potential uncollectible accounts. It is reasonably possible that the Foundation's estimate of an allowance for uncollectible pledges will change.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Split-Interest Agreements

The Foundation administers five charitable remainder trusts, in the form of gift annuities. The gift annuities provide for the payment of distributions to the grantor or other designated beneficiaries over the term of the annuity. At the end of the term, the remaining assets are available for the Foundation's use. In the period the trust is established, the portion of the trust attributable to the present value of the future benefits to be received by the Foundation is recorded in the statement of activities as a contribution.

Assets held for gift annuities totaled \$303,093 at June 30, 2022 and are reported at fair value in the Foundation's statement of financial position as investments. The Foundation records a liability to make distributions to the designated beneficiaries; the estimated future payments total \$47,212 at June 30, 2022.

Unrecorded Assets

The Foundation transferred land and buildings to the Audubon Society of Western Pennsylvania (ASWP) during the year ended June 30, 2012. The Foundation retained the oil and gas rights to the property. The market value of the asset is not determinable by the Foundation. As oil and gas rights are recorded at the lower of cost or market value, and the Foundation's cost basis is \$0, no amount has been recorded on the financial statements.

12. Leases

BCCC has entered into various leases for buildings and miscellaneous equipment. It is expected that in the normal course of business, such leases will continue to be required. The following leases are recognized as a lease liability and lease asset at the commencement of the lease term:

In April 2007, BCCC entered into a lease agreement for a site in Lawrence County. The terms of the original lease began April 1, 2008 and extended for 10 years through and including March 31, 2018. In August of 2015, the terms of the lease were amended. The commencement date changed from April 1, 2008 to October 1, 2015 and the expiration date changed from March 31, 2018 to June 30, 2025. The lease liability was initially recorded in the amount of \$2,811,554. As of June 30, 2022, the value of the lease liability was \$969,146. BCCC was required to make payments totaling \$340,776 for the year. The incremental borrowing rate for the lease is 3.5%. The value of the net right-of-use asset as of the end of the current fiscal year was \$905,559 and had accumulated amortization of \$1,207,411.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

In February 2010, BCCC entered into a lease agreement for a site in Mercer County with the Foundation. The terms of the lease began March 1, 2010 and extends for 11 years through February 28, 2021. In February 2021, BCCC entered into a new agreement for a 10-year lease through February 2031. The lease liability was initially recorded in the amount of \$2,528,167. As of June 30, 2022, the value of the lease liability was \$2,239,894. BCCC was required to make payments totaling \$300,000 for the year. The incremental borrowing rate for the lease is 3.5%. The value of the net right-of-use asset as of the end of the current fiscal year was \$2,106,331 and had accumulated amortization of \$421,838.

In September 2014, BCCC entered into a lease agreement for a site in Brockway, Pennsylvania. The terms of the lease began September 2013 for five years and was extended for five additional years through June 30, 2023. The lease liability was initially recorded in the amount of \$1,223,082. As of June 30, 2022, the value of the lease liability was \$262,006. BCCC was required to make payments totaling \$267,000 for the year. The incremental borrowing rate for the lease is 3.5%. The value of the net right-of-use asset as of the end of the current fiscal year was \$244,616 and had accumulated amortization of \$978,466.

In July 2020, BCCC entered into a copier lease agreement. The terms of the lease began in July 2020 and extend for 54 months through December 2025. The lease liability was initially recorded in the amount of \$462,727. As of June 30, 2022, the value of the lease liability was \$266,024. BCCC was required to make payments totaling \$111,288 for the year. The incremental borrowing rate for the lease is 3.5%. The value of the net right-of-use asset as of the end of the current fiscal year was \$257,071 and had accumulated amortization of \$205,656.

The right-of-use asset at June 30, 2022 consists of the following:

	June 30, 2021	Additions	Deletions	June 30, 2022
Right-of-use asset	\$ 6,326,948	\$ -	\$ -	\$ 6,326,948
Accumulated amortization	(1,911,258)	(902,113)	-	(2,813,371)
Net right-of-use asset	<u>\$ 4,415,690</u>	<u>\$ (902,113)</u>	<u>\$ -</u>	<u>\$ 3,513,577</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The lease liability at June 30, 2022 consists of the following:

	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>	<u>Due within one year</u>
Lease liability	<u>\$ 4,608,725</u>	<u>\$ -</u>	<u>\$ (871,655)</u>	<u>\$ 3,737,070</u>	<u>\$ 902,656</u>

Future minimum lease payments on the leases are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 902,656	\$ 116,409	\$ 1,019,065
2024	663,435	88,629	752,064
2025	630,980	65,440	696,420
2026	250,086	49,914	300,000
2027	258,981	41,019	300,000
Thereafter	<u>1,030,932</u>	<u>69,067</u>	<u>1,099,999</u>
	<u>\$ 3,737,070</u>	<u>\$ 430,478</u>	<u>\$ 4,167,548</u>

Other Leases

The following leases are short-term or relate to software, and are recognized as expenditures based on the payment provisions of the lease contract:

In April 2015, BCCC entered into a lease agreement for a site in Manor Township, Pennsylvania. The terms of the lease are year to year, and BCCC has not renewed the lease as of June 30, 2022.

In June 2021, BCCC entered into a service and maintenance agreement with Ellucian for their Colleague software. The terms of the lease begin July 1, 2021 through June 30, 2028.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Future minimum lease payments on other leases are as follows:

<u>Fiscal Year</u>	<u>Principal</u>
2023	\$ 194,155
2024	198,038
2025	201,999
2026	206,039
2027	210,160
2028	214,363
	<u>\$ 1,224,754</u>

13.Line of Credit

Line of credit consists of the following at June 30, 2022:

	<u>Balance at June 30, 2021</u>	<u>Proceeds</u>	<u>Payments</u>	<u>Balance at June 30, 2022</u>
State Public School Building Authority:				
Lines of credit	<u>\$ 27,180</u>	<u>\$ 531,870</u>	<u>\$ (331,926)</u>	<u>\$ 227,124</u>
Total line of credit	<u>\$ 27,180</u>	<u>\$ 531,870</u>	<u>\$ (331,926)</u>	<u>\$ 227,124</u>

During 2016, BCCC obtained a line of credit to fund short-term working capital needs of the College due to the Commonwealth of Pennsylvania's budget impasse in the amount of \$2,000,000. At June 30, 2022, BCCC had an outstanding balance of \$0. The interest rate in the future is variable based on changes in the index rate and BCCC has opted to keep the line of credit open in case of future needs.

During 2019, BCCC obtained two lines of credit with the State Public School Building Authority for capital purchases. During 2022, BCCC obtained an additional line of credit with the State Public School Building Authority for capital purchases. At June 30, 2022, BCCC had a cumulative outstanding balance of \$227,124.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

14. Notes Payable

Notes payable consists of the following:

	Balance at June 30, 2021	Proceeds	Payments	Balance at June 30, 2022	Due within one year
Library loan	\$ 797,560	\$ -	\$ (256,171)	\$ 541,389	\$ 265,739
Children's Center loan	670,534	-	(107,341)	563,193	113,409
Constellation Energy loan	91,361	-	(84,165)	7,196	7,196
	<u>\$ 1,559,455</u>	<u>\$ -</u>	<u>\$ (447,677)</u>	<u>\$ 1,111,778</u>	<u>\$ 386,344</u>

In June 2014, BCCC obtained a loan in the amount of \$2,350,000 to finance the cost of construction, renovation, and equipping of the Heaton Family Learning Commons (formerly Beck Library) and the cost of issuing the Note. The loan has a stated interest rate of 3.65% with semi-annual principal and interest payments of \$141,680, and a maturity of ten years ending on June 30, 2024. The outstanding balance at June 30, 2022 was \$541,389. Interest paid during fiscal year 2022 was \$27,191.

In March 2017, BCCC obtained a loan in the amount of \$1,100,000 to finance the State's portion of the Children's Creative Learning Center building renovation. The loan has a stated interest rate of 5.5% with semi-annual principal and interest payments of \$71,636, and a maturity of ten years ending on December 31, 2026. The outstanding balance at June 30, 2022 was \$563,193. Interest paid during fiscal year 2022 was \$35,898.

In September 2019, BCCC obtained a loan in the amount of \$258,634 to finance the Parking Lot Lighting Project. The loan has a stated interest rate of 4.6% with semi-annual principal and interest payments of \$7,223, and a maturity of three years ending in August 2022. The outstanding balance at June 30, 2022 was \$7,196. Interest paid during fiscal year 2022 was \$2,751.

In May 2022, BCCC obtained a loan in the amount of \$3,500,000 to finance the construction of the Victor K. Phillips Nursing and Allied Health Building. The loan has a stated interest rate of 4.5% with semi-annual principal and interest payments of \$159,418, and a maturity of fifteen years ending in December 2037. The loan has not been drawn on as of June 30, 2022.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The future annual payments required to amortize notes payable outstanding as of June 30, 2022 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 386,344	\$ 47,487	\$ 433,831
2024	395,412	31,219	426,631
2025	126,593	16,679	143,272
2026	133,751	9,521	143,272
2027	69,678	1,959	71,637
	<u>\$ 1,111,778</u>	<u>\$ 106,865</u>	<u>\$ 1,218,643</u>

In February 2021, the Foundation authorized the Mortgage Revenue Note in the aggregate principal amount of \$1,500,000, to refinance Tax-exempt Mortgage Revenue Drawdown Note, Series of 2010. The Note is to assist with the construction costs of the LindenPointe expansion and bears an interest rate 3.00% per annum. The Note is secured by property of the Foundation and matures in 2031. At June 30, 2022, \$1,323,770 remains outstanding. Interest expense for the year ended June 30, 2022 totaled \$41,877.

The annual maturities of long-term debt are as follows:

<u>Year Ending June 30,</u>	
2023	\$ 136,327
2024	140,383
2025	144,743
2026	149,146
2027	153,682
2028-2031	<u>599,489</u>
Total	<u>\$ 1,323,770</u>

In the event that BCCC fails to make its required debt service payment with respect to its general obligation notes, provisions of the Community College Act requires that the Secretary of Education withhold from the College any subsequent subsidy payment(s) in the amount equal to the debt service payment owed by the College to the Bond Trustee.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

15. Commitments and Contingencies

BCCC is subject to state and federal audits by grantor agencies. Applicable laws and regulations are complex and subject to interpretation. BCCC is not aware of any pending audit findings involving prior or current years. However, compliance with such laws and regulations can be subject to future reviews and interpretation which could result in disallowed costs.

As of June 30, 2022, BCCC has entered into construction contracts that have not been completed as of the end of the fiscal year. Amounts remaining on the contracts for construction services relating to the South Campus Project total approximately \$14.2 million. Work is scheduled to continue in the upcoming fiscal year.

In May 2022, BCCC obtained a loan in the amount of \$3,500,000 to finance the construction of the Victor K. Phillips Nursing and Allied Health Building. The loan has not been drawn on as of June 30, 2022.

In June 2022, BCCC entered into a lease agreement for a site in Ford City, Pennsylvania. The lease shall commence the first day of the month immediately following when the construction of the office building is substantially completed and ready for occupancy.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

C. BUTLER COUNTY AIRPORT AUTHORITY

1. Organization

The Butler County Airport Authority (Authority) is a municipal authority, which was created and exists under the Municipality Authorities Act of May 2, 1945.

The Authority was created to maintain the Airport facility and grounds for the benefit of Butler County (County) corporations, businesses, and the general public desiring to engage in aeronautical activity. Federal and state grants are applied for and utilized for the purpose of maintaining a reliever airport status and to continue to improve the Airport. The Authority enters into land leases for corporate and private hangar construction and aviation business as a representative political entity of the County.

The Authority is a component unit of the County of Butler, Pennsylvania. The County Commissioners ratify the appointment of members to the Authority's Board of Directors (Board) and have a financial burden in that bonded debt cannot be issued without the guarantee of the County.

2. Summary of Significant Accounting Policies

Basis of Accounting and Measurement Focus

The Authority utilizes the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Operations are accounted for as an Enterprise Fund that is financed and operated in a manner similar to private business enterprises, where the intent of the Authority is that the costs (expenses, including depreciation where applicable) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with maturities of three months or less when purchased.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Bad Debts

The Authority uses the direct write-off method of accounting for bad debts, which recognizes the expense in the period in which the accounts are determined to be uncollectible. No reserve for doubtful accounts is included in accounts receivable at December 31, 2022, as such amounts are immaterial.

Long-Term Obligations

Long-term debt is reported as liabilities in the statement of net position.

Capital Assets

Land, buildings, and equipment are carried at cost and include expenditures for new facilities and major renewals and betterments. Maintenance, repairs, and minor renewals are charged to expense as incurred. The carrying value of buildings and equipment retired or otherwise disposed of and the accumulated depreciation thereon are eliminated from the asset and related reserve accounts, and the resulting difference, after giving effect to any proceeds from sales, is applied to income accounts.

The Authority provides for depreciation on the straight-line method. Land improvements, buildings, and equipment are depreciated at rates which it is estimated will provide reserves equal to the amounts at which the assets are recorded on the books, less their estimated salvage values when retired from service in the ordinary course of business. The estimated useful lives are as follows:

Land improvements	30 years
Buildings	30 years
Runways and taxiways	5-30 years
Vehicles and equipment	10 years

Leases

The Authority is a lessor for noncancellable leases of land space, hangar space, and building space. The Authority recognizes a lease receivable and a deferred inflow of resources on the statement of net position.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Authority determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Authority uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Authority monitors changes in circumstances that would require a measurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Short-term leases are defined as leases that, at the commencement of the lease term, have a maximum possible term under the lease contract of 12 months or less, including any options to extend, regardless of their probability of being exercised. Short-term lease payments are recognized as expenditures based on the payment provisions of the lease contract. A liability is recognized if payments are made in advance or an asset for rent due if payments are made subsequent to the reporting period.

Unearned Revenue

Unearned revenue consists of rents and grants paid in advance.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

In conjunction with lease accounting requirements, the deferred inflows of resources for leases represents the net present value of leases that will be amortized over the straight-line method over the lease term and recognized as revenue.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Classification of Revenues

The Authority has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating Revenues – Operating revenues include activities that have characteristics of exchange transactions related to the core mission of the Authority, such as hangar rental, fuel sales, fixed base operator fees, and governmental operating grants.

Nonoperating Revenues – Nonoperating revenues include activities that have characteristics of non-exchange transactions such as oil and gas lease revenue, interest income and other revenues that are defined as nonoperating revenue by the Governmental Accounting Standards Board (GASB), such as investment income and capital grants.

Use of Estimates in the Preparation of Financial Statements

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

Adopted Pronouncements

The following GASB Statements were adopted for the year ended December 31, 2022: Statement Nos. 91 (Conduit Debt Obligations), 92 (Omnibus 2020), 97 (Deferred Compensation Plans), and 99 (Omnibus 2022 – paragraphs 26 through 32). These statements had no significant impact on the Authority's financial statements for the year ended December 31, 2022.

Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), 99 (Omnibus 2022), 100 (Accounting Changes and Error Corrections), and 101 (Compensated Absences). Management has not yet determined the impact of these statements on the financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

3. Deposits

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. government obligations, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow pooling of governmental funds for investment purposes.

The following is a description of the Authority's deposit risks:

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a formal deposit policy for custodial credit risk. As of December 31, 2022, \$1,282,898 of the Authority's bank balances of \$1,532,898 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature. This requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have a carrying amount of \$1,517,265 as of December 31, 2022, which is reported as cash and cash equivalents in the statement of net position.

4. Accounts and Grants Receivable

Accounts receivable at December 31, 2022 consists of government grants receivable of \$0 and \$50,379 of accounts receivable for operating revenues.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

5. Land, Buildings, and Equipment

A summary of changes in capital assets is as follows for 2022:

	December 31, 2021	Additions/ Transfers	Deletions/ Transfers	December 31, 2022
Capital assets, not being depreciated:				
Land	\$ 2,138,734	\$ -	\$ -	\$ 2,138,734
Construction in progress	568,804	253,215	(107,391)	714,628
Total capital assets, not being depreciated	<u>2,707,538</u>	<u>253,215</u>	<u>(107,391)</u>	<u>2,853,362</u>
Capital assets, being depreciated:				
Equipment	466,998	-	-	466,998
Buildings	5,112,431	-	-	5,112,431
Runway and taxiway	17,993,605	120,733	-	18,114,338
Intangible assets	598	-	-	598
Land improvements	<u>508,047</u>	<u>-</u>	<u>-</u>	<u>508,047</u>
Total capital assets, being depreciated	24,081,679	120,733	-	24,202,412
Accumulated depreciation	<u>(12,712,498)</u>	<u>(811,840)</u>	<u>-</u>	<u>(13,524,338)</u>
Total capital assets being depreciated, net	<u>11,369,181</u>	<u>(691,107)</u>	<u>-</u>	<u>10,678,074</u>
Total capital assets, net	<u>\$ 14,076,719</u>	<u>\$ (437,892)</u>	<u>\$ (107,391)</u>	<u>\$ 13,531,436</u>

Construction in progress as of December 31, 2022 represents capitalized costs for the runway environmental assessment for the runway extension project, administration building rehabilitation, and the purchase of a house and land parcels.

6. Debt

In October 2014, the Authority obtained a Pennsylvania Infrastructure Bank (PIB) loan in the amount of \$500,000 to finance the final design/right-of-way acquisition and construction of two general aviation T-hangars at the airport facility along with the installation of a 6,000-gallon self-service fuel station. It has a stated interest rate of 1.625% with monthly principal and interest payments of \$4,520, and a maturity of 10 years beginning on October 1, 2015. The outstanding balance at December 31, 2022 was \$93,526. Interest paid during 2022 was \$1,981.

The Authority's outstanding term loan contains a provision that in the event of default, outstanding amounts become due immediately. The loans are also guaranteed by the County. This loan is considered a direct borrowing.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Summary of Changes in Debt

	Balance at December 31, 2021	Additions	Deletions	Balance at December 31, 2022	Due Within One Year
Direct Borrowings:					
PIB Loan - 2014	\$ 145,788	\$ -	\$ (52,262)	\$ 93,526	\$ 53,046
Total Long-Term Debt	<u>\$ 145,788</u>	<u>\$ -</u>	<u>\$ (52,262)</u>	<u>\$ 93,526</u>	<u>\$ 53,046</u>

The future annual payments required to amortize all debt outstanding as of December 31, 2022 are as follows:

	Principal	Interest	Total
2023	\$ 53,046	\$ 1,197	\$ 54,243
2024	<u>40,480</u>	<u>335</u>	<u>40,815</u>
	<u>\$ 93,526</u>	<u>\$ 1,532</u>	<u>\$ 95,058</u>

7. Leases and Unearned Operating Revenue

The Authority has entered into various leases for land space, hangar rental, and space rental. It is expected that that such leases will continue in the normal course of business. The following leases are recognized as a lease asset and a deferred inflow of resources related to leases on the statement of net position:

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Fixed Base Operation Lease Agreements

On September 9, 2004, the Authority entered into a Fixed Base Operation Lease Agreement (FBO Agreement) with AirQuest Aviation, L.P. (AirQuest). The Authority has leased the premises to AirQuest for a period of 15 years commencing on August 9, 2004 and ending August 9, 2019. On September 17, 2008, the Authority entered into an additional FBO Agreement with AirQuest. The Authority has leased the additional premises to AirQuest for a period of 11 years commencing on August 9, 2008 and ending August 9, 2019. The FBO Agreements also contained an option for renewal for an additional 14 years, which was exercised in 2019 and extends the leases through August 9, 2033. The business is operated in conformance with standards and guidelines promulgated by the Authority and include the following services – aircraft charter, aircraft rental and sales, flight instruction, fuel and oil sales, aircraft and aircraft engine maintenance, and such other commercial activities approved by the Authority.

For this time period, the FBO Agreements provide for payments from AirQuest for a land area component, a fuel sale component, and a percentage of business component. The land area component is equal to ten cents per square foot leased, adjusted after each five-year period for changes in the consumer price index. The fuel sale component is equal to eight cents per gallon of fuel sold, or \$20,000 annually, whichever is greater, for the first five years, increasing to nine cents per gallon, or a minimum of \$22,500 annually for the sixth through tenth years; and ten cents per gallon, or a minimum of \$25,000 annually thereafter. The percentage of business component is equal to the greater of \$2,000 or two percent of the Lessee's gross sales. The minimum annual payments for land, fuel, and gross sales are incorporated into the receivable and deferred inflow amounts. Any additional variable amount above this is recognized as operating revenue in the year it is incurred. As of December 31, 2022, the Authority's receivable for lease payments was \$640,896. In addition, the Authority has a deferred inflow of resources with this lease that will be recognized as revenue over the lease term with a balance of \$616,802 at year-end. Lease revenue recognized for the year ended December 31, 2022 totaled \$57,525.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Life Flight Agreement

On March 1, 2010, the Authority entered into an agreement with West Penn Allegheny Health System for the lease of Hangars C-3, C-5, and T4-3. The initial terms of the lease were for a five-year period commencing on March 1, 2015 and ending on February 28, 2020. The Authority entered into the second amendment and renewal of this lease for another five years effective April 1, 2020 through February 28, 2025. The monthly rental payment is \$3,044. The Authority entered into the third amendment of this lease for an additional \$500 monthly payment effective May 1, 2021 through February 28, 2025. The total monthly rental payment beginning May 1, 2021 was \$3,544. As of December 31, 2022, the Authority's receivable for lease payments was \$90,104. In addition, the Authority has a deferred inflow of resources with this lease that will be recognized as revenue over the lease term with a balance of \$87,760 at year-end. Lease revenue recognized for the year ended December 31, 2022 totaled \$40,505.

High Flight Academy Agreement

On March 16, 2017, the Authority entered into an agreement with High Flight Academy, LLC for the lease of office space for the Flight School. The terms of the lease were for a five-year period commencing on September 1, 2017 and ending on August 31, 2022 with the exercise of an additional five-year option to extend being reasonably certain as of December 31, 2021. However, on December 7, 2022, the Authority entered into a new agreement with High Flight Academy, LLC rather than exercising the previous five-year option to extend. The new lease requires a monthly rental payment of \$1,407 for 2022 with annual increases. As of December 31, 2022, the Authority's receivable for lease payments was \$77,858. In addition, the Authority has a deferred inflow of resources with this lease that will be recognized as revenue over the lease term with a balance of \$77,213 at year-end. Lease revenue recognized for the year ended December 31, 2022 totaled \$14,620.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Future minimum lease payments on the leases are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 109,708	\$ 16,607	\$ 126,315
2024	112,780	14,087	126,867
2025	80,237	11,757	91,994
2026	74,297	9,355	83,652
2027	73,116	8,026	81,142
2028-2032	313,031	20,809	333,840
2033	45,689	641	46,330
	<u>\$ 808,858</u>	<u>\$ 81,282</u>	<u>\$ 890,140</u>

In addition, the Authority has entered into lease arrangements with businesses and individuals for hangar space and office rentals. These leases are generally short-term and on an individual basis not material to the financial statements. In addition, the new restaurant lease agreement for 2023 is a one-year lease and is considered short-term.

Future minimum lease payments on these leases are as follows:

<u>Year</u>	<u>Principal</u>
2023	<u>\$ 51,782</u>

Unearned Operating Revenue

Unearned operating revenue represents the remaining balance of prepaid lease payments.

8. Oil and Gas Lease Agreement

The Authority entered into an oil and gas lease agreement. The terms of the lease are for a five-year period commencing on May 9, 2011 and ending May 9, 2016, and as long thereafter as oil or gas is produced. The lease called for an up-front payment of the full lease amount of \$1,068,856 and a one-time bonus of \$213,784 totaling \$1,282,640, which the Authority received during 2011. The full lease amount had been recognized as revenue by the end of 2015. During the term of the lease, the Authority will receive royalties of 18% of the proceeds received for all gas produced, metered, and sold. The Authority received royalties of \$231,992 in 2022.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

9. Pension Plan

Under the authority of the Board, a Simplified Employee Pension Plan (Plan) was established. The Board has the authority to amend the Plan as needed. The AIM Family of Funds administers the Plan. Any full-time or part-time employee who works more than 1,040 hours per calendar year is eligible. The percentage rate of contribution by the Authority is determined annually by the Board and was 3% during 2022. Contributions to the Plan during 2022 were \$8,097. Employees currently are not eligible to individually contribute to the Plan.

10. Risk Management

The Authority is exposed to various risks of losses related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority carries commercial insurance for all types of risks of loss, including workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

11. Contingent Liabilities

Grant Programs

The Authority is subject to state and federal audits by grantor agencies. These laws and regulations are complex and subject to interpretation. The Authority is not aware of any pending audit involving prior or current years; however, compliance with such laws and regulations can be subject to future reviews and interpretation, which could result in disallowed costs.

Litigation

In the normal course of operations, the Authority is involved in a legal dispute. Management of the Authority believes that any outcome resulting from this action would not have a material effect on the Authority's financial position.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

12. Commitments

As of December 31, 2022, the Authority had various outstanding construction and equipment purchase contracts. The total on all outstanding contracts is \$880,898 and relates to the Environmental Assessment for the proposed Runway Extension project, the Runway Extension Design Phase 1 project, the administration building rehabilitation, and the acquisition of airfield maintenance equipment and snow removal equipment. The Environmental Assessment is partially funded through the Pennsylvania DCED grant.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

D. BUTLER TRANSIT AUTHORITY

1. Reporting Entity

The Butler Transit Authority (Authority), formerly known as the Butler Township - City Joint Municipal Transit Authority, was created by ordinance in 1989 to provide municipal transportation services in the City of Butler (City) and in the Township of Butler (Township). In March 2018, the County of Butler (County) joined the Authority as a member with the expanded mission of providing public transportation services for the entire County. At this time, the City and Township withdrew as members of the Authority. The local matching grant will be paid by the County going forward.

In 2018, the Authority's six-member Board of Directors (Board) was appointed by the Council of the City and the Township Commissioners. Beginning in January 2019, the six-member Board was appointed by the County Commissioners.

Under provisions of accounting principles generally accepted in the United States of America (GAAP), the criteria used by the Authority to evaluate its inclusion as a component unit of the County is financial accountability and the nature and significance of the relationship. Accordingly, the Authority is a component unit of the County, as the County will appoint all members of the Board and provide a local matching grant required by the Commonwealth of Pennsylvania Department of Transportation (PennDOT). In addition, there are no entities which are required to be included as a component unit of the Authority based upon the above criteria.

The majority of the operations of the Authority are funded by federal and state grants and user fees.

2. Summary of Significant Accounting Policies

Basis of Accounting

The activities of the Authority are presented as an Enterprise Fund because the operations are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and grant revenues.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The Authority uses the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when the liability is incurred.

Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of the Authority. Operating revenues consist primarily of user charges. Nonoperating revenues and expenses consist of those revenues and expenses that are related to grants and other financing and investing types of activities.

When an expense is incurred for purposes for which there are both restricted and unrestricted net position available, it is the Authority's policy to apply those expenses to restricted net position to the extent such is available and then to unrestricted net position.

Revenue, Receivables, and Unearned Revenues

Passenger fares are recorded as revenue at the time services are performed.

Grants and contributions are recorded as revenue when all applicable eligibility requirements are met. The Federal Transit Administration (FTA), PennDOT, and various local sources provide financial assistance and make grants directly to the Authority for operation, acquisition of property and equipment, and other capital related expenditures.

The Commonwealth of Pennsylvania (Commonwealth) created Act 44 to provide a dedicated source of funding called the Public Transportation Trust Fund (PTTF), which provides both operating and capital assistance to the Authority as well as all other transit agencies in the Commonwealth.

Unearned revenue consists primarily of grant funds received prior to incurring eligible expenditures. Unearned revenues at June 30, 2022 consist of the following:

Act 44, Section 1513	\$ 1,995,821
Local match - unassigned prior to June 30, 2009	96,156
Local match - unassigned after June 30, 2009	290,777
Total unearned revenues	<u>\$ 2,382,754</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the statements of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Capital Assets

Capital assets are recorded at cost and include buildings, buses, leasehold improvements, office furniture, and equipment. The Authority maintains a capitalization threshold for items exceeding a cost of \$5,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Project costs that are still in the feasibility stage are not capitalized until the project site has been approved. Depreciation on assets begins the month the asset is placed in service.

Depreciation on assets has been provided using the straight-line method over the estimated useful lives, as follows:

Buildings	30 years
Buses	10-12 years
Leasehold improvements	20 years
Office furniture and equipment	7-10 years

Net Position

The Authority's net position is classified as follows:

Net investment in capital assets - This component of net position consists of capital assets net of accumulated depreciation and is reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

Restricted - This category represents funds that are classified as restricted net position on the balance sheet because their use is limited by applicable grant agreements and state spending guidelines.

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

Adopted Pronouncements

GASB Statement No. 87, “*Leases*,” requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

The following GASB Statements were also adopted for the year ended June 30, 2022: Statement Nos. 92 (Omnibus 2020), 97 (Deferred Compensation Plans), and 99 (Omnibus 2022 – paragraphs 26 through 32).

These statements had no material impact on the Authority’s financial statements for the year ended June 30, 2022.

Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 91 (Conduit Debt Obligations), 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), 99 (Omnibus 2022), 100 (Accounting Changes and Error Corrections), and 101 (Compensated Absences). Management has not yet determined the impact of these statements on the financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

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, short-term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes also allow pooling of governmental funds for investment purposes. The deposit and investment policy of the Authority adheres to state statutes. Governmental funds are either maintained in demand deposits or invested with the Pennsylvania Local Government Investment Trust (PLGIT). There were no deposit or investment transactions during the years that were in violation of the state statutes.

The following is a description of the Authority's deposit and investment risks:

Custodial Credit Risk – Deposits. In the case of deposits, custodial credit risk is the risk that in the event of bank failure, the Authority's deposits may not be returned to it. The Authority does not have a formal deposit policy for custodial credit risk.

As of June 30, 2022, \$1,728,917 of the Authority's bank balance of \$1,978,917 was exposed to custodial credit risk but was collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have carrying amounts of \$1,952,129 at June 30, 2022.

Cash Equivalent Investments

The Authority's cash equivalent investments in PLGIT cannot be classified by risk category because they are not evidenced by securities that exist in physical or book entry form. PLGIT uses amortized cost to report net assets to compute share prices. PLGIT maintains a net asset value of \$1 per share. Accordingly, the fair value of the position of PLGIT is the same as the value of PLGIT shares. PLGIT activities are invested directly in a portfolio of securities, which are held by a third-party custodian. PLGIT is audited annually by independent auditors and separate financial statements are available on PLGIT's website.

The Authority can withdraw funds from the external investment pool. However, there are certain limitations placed on these withdrawals. For PLGIT/PRIME accounts, there is a one-day holding period and a penalty for more than two withdrawals in a calendar month.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

As of June 30, 2022, the PLGIT book balance of \$317,135 is considered to be a cash equivalent for presentation on the balance sheets. These deposits have a bank balance of \$415,424.

Credit Risk. The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Authority has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. As of June 30, 2022, investments in PLGIT have received a AAA rating from Standard & Poor's.

Custodial Credit Risk – Investments. In the case of investments, custodial credit risk is the risk that in the event of failure of the counterparty, the Authority's will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity. The Authority does not have a formal investment policy for custodial credit risk.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the Authority's investments. The Authority 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. All investments have an average maturity of less than one year.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

4. Capital Assets

A summary of changes in capital assets is as follows for the year ended June 30, 2022:

	July 1, 2021	Transfers/ Additions	Transfers/ Deletions	June 30, 2022
Capital assets not being depreciated:				
Land	\$ 637,500	\$ -	\$ -	\$ 637,500
Construction in progress	585,306	1,961,724	-	2,547,030
Total capital assets not being depreciated	1,222,806	1,961,724	-	3,184,530
Capital assets being depreciated:				
Land improvements	2,603,966	-	-	2,603,966
Buildings	12,249,625	-	-	12,249,625
Buses	7,286,422	-	-	7,286,422
Furniture and equipment	2,108,326	97,513	(54,840)	2,150,999
Total capital assets being depreciated	24,248,339	97,513	(54,840)	24,291,012
Less accumulated depreciation for:				
Land improvements	(1,095,570)	(175,790)	-	(1,271,360)
Buildings	(3,773,263)	(408,321)	-	(4,181,584)
Buses	(2,411,750)	(631,542)	-	(3,043,292)
Office furniture and equipment	(1,841,751)	(102,251)	54,840	(1,889,162)
Total accumulated depreciation	(9,122,334)	(1,317,904)	54,840	(10,385,398)
Total capital assets being depreciated, net	15,126,005	(1,220,391)	-	13,905,614
Total capital assets, net	\$ 16,348,811	\$ 741,333	\$ -	\$ 17,090,144

5. Pension Plan

Effective January 1, 2009, the Authority adopted a 403(b) Plan (Plan), which replaced the Authority's Simple Retirement Plan. Under the new Plan, employees may contribute a minimum of 3% of compensation. The Authority will match this contribution up to 6%. During 2022, the Authority contributed approximately \$25,500.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

6. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Authority carries commercial insurance.

The Authority has joined together with other transit organizations in the Commonwealth to form the State Association for Transportation Insurance (SAFTI) Property & Liability Pool and the State Association for Transportation Insurance (SAFTI) Workers' Compensation Pool, public entity risk pools currently operating as common risk management and insurance programs. The Authority pays annual premiums to the SAFTI Property & Liability Pool for its property, general liability, automobile liability, automobile physical damage and crime, boiler and machinery, and public officials' error and omissions insurance coverage. It also pays annual premiums to the SAFTI Workers' Compensation Pool for its workers' compensation insurance coverage. The agreement for formation of the Pools provides that the SAFTI Property & Liability Pool and the SAFTI Worker's Compensation Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain amounts specified for each type of coverage. In the event annual contributions are not sufficient to fund operations or obligations of the Pools, additional supplementary premiums may be assessed to members on a pro rata basis. Premiums paid to the SAFTI Property & Liability Pool and charged to operations during the year ended June 30, 2022 amounted to \$21,734. Premiums paid to the SAFTI Workers' Compensation Pool and charged to operations during the years ended June 30, 2022 amounted to \$1,775, which was net of premium refunds in the amounts of \$0.

The Authority carries commercial insurance for other risks of loss, including employee health and accident insurance.

For the year ended June 30, 2022, there has been no significant reduction in insurance coverage from coverage in the prior years. Settled claims have not exceeded the insurance coverage purchased for the year ended June 30, 2022.

7. Commitments and Contingencies

As of June 30, 2022, the Authority has entered into construction contracts that have not been completed as of the end of the fiscal year. Amounts remaining on the contracts for construction services not performed as of June 30, 2022 total approximately \$156,000. Work is scheduled to be completed on these projects during the upcoming fiscal year.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 OR JUNE 30, 2022

The Authority receives significant financial assistance from governmental agencies in the form of contracts, grants, and other entitlements. The disbursement of funds received under such programs generally requires compliance with terms and conditions specified in the contract agreements and are subject to audit by grantor agencies. Any disallowed costs resulting from such audits could become a liability of the Authority. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. The Authority's management expects such amounts, if any, to be immaterial.

8. Related Party

In October 2018, the Authority entered into a lease agreement for a terminal owned by a member of the Board of Directors. In June 2020, the Authority entered into a lease agreement for additional space at the terminal. Expenses relating to the lease during 2022 were \$21,798.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE PLAN'S NET PENSION LIABILITY AND RELATED RATIOS

LAST TEN YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pension Liability:									
Service cost	\$ 2,208,948	\$ 1,638,371	\$ 4,924,329	\$ 4,962,569	\$ 4,227,017	\$ 4,346,794	\$ 4,466,331	\$ 5,490,344	\$ 5,853,972
Interest	14,158,970	14,910,103	14,957,564	16,592,667	16,285,729	16,832,983	17,192,948	18,669,659	19,112,444
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	7,271,154	670,865	1,615,437	223,365	(10,275,770)	(2,098,496)	2,855,663	(937,169)	(1,236,624)
Changes of assumptions	-	-	-	-	5,472,315	-	10,049,783	11,515,295	-
Benefit payments, including refunds of member contributions	(15,247,231)	(10,778,767)	(11,465,661)	(12,352,707)	(12,891,605)	(13,283,650)	(15,221,844)	(15,218,726)	(16,027,022)
Other changes**	-	-	3,187,124	-	-	-	-	-	-
Net Changes in Total Pension Liability	8,391,841	6,440,572	13,218,793	9,425,894	2,817,686	5,797,631	19,342,881	19,519,403	7,702,770
Total Pension Liability - Beginning	194,063,118	202,454,959	208,895,531	222,114,324	231,540,218	234,357,904	240,155,535	259,498,416	279,017,819
Total Pension Liability - Ending (a)	\$ 202,454,959	\$ 208,895,531	\$ 222,114,324	\$ 231,540,218	\$ 234,357,904	\$ 240,155,535	\$ 259,498,416	\$ 279,017,819	\$ 286,720,589
Plan Fiduciary Net Position:									
Contributions - employer	\$ 6,152,213	\$ 5,052,744	\$ 5,474,488	\$ 5,473,038	\$ 5,066,887	\$ 5,428,088	\$ 7,684,978	\$ 7,423,393	\$ 6,503,153
Contributions - member	3,376,281	3,188,497	3,231,334	3,333,512	3,424,361	3,580,713	3,749,210	3,946,829	4,219,815
Net investment income	14,040,640	(1,390,684)	14,834,172	25,552,288	(11,840,458)	38,460,129	21,608,205	33,751,226	(42,598,674)
Benefit payments, including refunds of member contributions	(15,247,231)	(10,778,767)	(11,465,661)	(12,352,707)	(12,891,605)	(13,283,650)	(15,221,844)	(15,218,726)	(16,027,022)
Administrative expense	(161,259)	(139,428)	(130,941)	(123,379)	(156,280)	(154,379)	(125,158)	(130,081)	(146,721)
Other	-	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	8,160,644	(4,067,638)	11,943,392	21,882,752	(16,397,095)	34,030,901	17,695,391	29,772,641	(48,049,449)
Plan Fiduciary Net Position - Beginning	171,829,682	179,990,326	175,922,688	187,866,080	209,748,832	193,351,737	227,382,638	245,078,029	274,850,670
Plan Fiduciary Net Position - Ending (b)	\$ 179,990,326	\$ 175,922,688	\$ 187,866,080	\$ 209,748,832	\$ 193,351,737	\$ 227,382,638	\$ 245,078,029	\$ 274,850,670	\$ 226,801,221
Net Pension Liability - Ending (a-b)	\$ 22,464,633	\$ 32,972,843	\$ 34,248,244	\$ 21,791,386	\$ 41,006,167	\$ 12,772,897	\$ 14,420,387	\$ 4,167,149	\$ 59,919,368
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.90%	84.22%	84.58%	90.59%	82.50%	94.68%	94.44%	98.51%	79.10%
Covered Payroll	\$ 36,891,238	\$ 28,933,497	\$ 30,826,860	\$ 30,796,428	\$ 31,718,329	\$ 31,901,447	\$ 33,719,423	\$ 33,976,483	\$ 34,722,650
Net Pension Liability as a Percentage of Covered Payroll	60.89%	113.96%	111.10%	70.76%	129.28%	40.04%	42.77%	12.26%	172.57%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

** One-time adjustment determined by actuary to reflect member contributions not in beginning year liability.

See accompanying notes to schedules of required supplementary information.

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF PLAN CONTRIBUTIONS

LAST TEN YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 7,313,625	\$ 6,152,213	\$ 5,052,744	\$ 5,474,488	\$ 5,473,038	\$ 5,066,887	\$ 5,428,088	\$ 7,684,978	\$ 7,423,393	\$ 6,503,153
Employer contributions in relation to the actuarially determined contribution	7,313,625	6,152,213	5,052,744	5,474,488	5,473,038	5,066,887	5,428,088	7,684,978	7,423,393	6,503,153
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 36,117,283	\$ 36,891,238	\$ 28,933,497	\$ 30,826,860	\$ 30,796,428	\$ 31,718,329	\$ 31,901,447	\$ 33,719,423	\$ 33,976,483	\$ 34,722,650
Employer contributions as a percentage of covered payroll	20.25%	16.68%	17.46%	17.76%	17.77%	15.97%	17.02%	22.79%	21.85%	18.73%

See accompanying notes to schedules of required supplementary information.

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF INVESTMENT RETURNS

LAST TEN YEARS*

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return, net of investment expense	8.36%	-0.74%	8.58%	13.74%	-5.70%	20.10%	9.60%	13.90%	-15.60%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to schedules of required supplementary information.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2022

Actuarial Methods and Assumptions Used in Determining the Contribution Rate

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarial valuation date	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/30/2021	12/30/2022
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar
Remaining amortization period	21 years	20 years	19 years	18 years	17 years	15 years	15 years	15 years	15 years
Asset valuation method	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years	Market value adjusted for unrecognized gains and losses from prior years
Actuarial assumptions:									
Investment rate of return	7.5%	7.5%	7.5%	7.5%	7.25%	7.25%	7.25%	6.90%	6.90%
Projected salary increases	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	0-4 years: 10.75% 5+ years: 3.25%	0-4 years: 10.75% 5+ years: 3.25%	0-4 years: 10.75% 5+ years: 3.25%
Underlying inflation rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	2.75%	2.75%	2.75%
Cost-of-living adjustments	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mortality table	2013 RP Annuitant and Non-Annuitant	2013 RP Annuitant and Non-Annuitant	2013 RP Annuitant and Non-Annuitant	2013 RP Annuitant and Non-Annuitant	2013 RP Annuitant and Non-Annuitant	2013 RP Annuitant and Non-Annuitant	Pub2010G(BM)	Pub2010G(BM)	Pub2010G(BM)

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

SUPPLEMENTARY INFORMATION

OTHER GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The following are the Special Revenue Funds used by the County:

The **Human Service Special Revenue Funds** are used to account for the proceeds of revenue received from federal, state, and county sources. These funds are restricted for the provision of specified social services to eligible recipients and include:

- Area Agency on Aging Program
- Drug and Alcohol
- Health Services Block Grant
- Independent Living
- MATP
- MH/EI/ID
- Shared Ride Transportation
- Food Program
- Welfare to Work

The **Hotel Tax Fund** accounts for the monies collected from the County's 5% hotel/motel tax.

The **Unconventional Gas Impact Fees Fund** accounts for state revenue to be used according to the Marcellus Shale Impact Fee guidelines, as prescribed by Act 13 of 2012.

The **County Records Improvement Fund and Recorder Records Improvement Fund** are used to account for a \$2 recording fee surcharge that is allocated evenly between the two funds. The money is to be expended in accordance with a comprehensive records management plan based on the goal of standardizing and equalizing the capabilities of all County offices consistent with their need to receive, manage, and provide information to the public as efficiently as possible.

The **Central Booking Fund** accounts for fees collected from individuals when obtaining electronic photos and fingerprints. The fee is collected to offset the costs of equipment, supplies, and personnel costs incurred in order to obtain the photos and fingerprints.

The **Juvenile Court Restitution Fund** accounts for fees collected from juveniles on probation. Juveniles are able to obtain money from this fund based upon hours worked in community service projects. For each hour a juvenile probationer works, a certain amount is then released from the fund for application to the restitution owed.

The **Clerk of Courts Automation Fee Fund, Prothonotary Automation Fee Fund, and Register Automation Fee Fund** are used to account for fee surcharges collected by the respective departments, which will be used solely for the purpose of automation, and continued automation updates for the respective departments.

The **Highway Bridge Improvement Fund** accounts for state revenue used to fund replacement or repair of at-risk deteriorated bridges.

The **Liquid Fuels Tax Fund** and the **Liquid Fuels Fund** account for state aid revenues used for constructing and improving roads and bridges.

The **Domestic Relations Fund** accounts for expenditures and revenue related to the operation of the County's child support enforcement program, which is funded by federal, state, and county sources.

The **Waste Management Fund** accounts for monies received from recycling grants, landfill host county fees, and county solid waste management administrative fees. These funds are to be used for recycling and solid waste compliance programs.

The **Recreation Fund** accounts for state and local grant revenue and expenditures designated for the purpose of adding and renovating park and recreation facilities.

The **HAZMAT Fund** accounts for monies received from companies who have hazardous waste removed from their premises. These funds are to be used in the event of a hazardous waste accident.

The **Health Choices Fund** accounts for medical expenses of members participating in the Health Choices Program, which are funded entirely by State sources.

The **Path Transition Age Project Fund** accounts for federal funds used to provide services to homeless individuals with mental health, and drug and alcohol issues.

The **Multimodal Transportation Fund** accounts for state revenue used to fund the construction and improvement of roads and bridges.

The **Local Use Fee Fund** accounts for the County imposed fees collected by the Pennsylvania Department of Transportation, on all nonexempt vehicle registrations; and the distribution of the funds are strictly limited to the construction, reconstruction, maintenance and repair of and safety on public highways and bridges.

The **Local Victim Services Fund** accounts for costs imposed on offenders, as a result of Act 77 of 2022, and strictly utilized to support and strengthen the provision of services to victims as delineated under the Crime Victims Act, the Juvenile Act, and Pennsylvania's Rules of Juvenile Court Procedure.

The **Emergency Shelter Renovation Fund** accounts for the revenue and expenditures appropriated by the Stewart B. McKinley Homeless Assistance Act of 1987, for the purpose of the renovation of a shelter for homeless teenagers.

The **Offender Supervision Fund** accounts for monies collected for supervision fees imposed, as a result of Act 35 of 1991.

The **Inmate Welfare Fund** accounts for monies received from the commissary account, and expended for inmate welfare.

Capital Projects Funds

The following Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital assets or projects, other than those financed by proprietary funds:

The **Demolition Fund** accounts for monies received as a result of Act 152 of 2016 due to deeds and mortgages recorded.

The **Shared Ride Capital Fund** accounts for grant revenue and expenditures designated for the purpose of adding or upgrading transportation equipment.

The **Affordable Housing Fund** accounts for the revenue and expenditures authorized by Act 137 of 1992 by the General Assembly of the Commonwealth of Pennsylvania, for the purpose of funding affordable housing efforts in the County. These funds are intended to increase the availability of quality housing, either through sale or rental, to any County resident whose annual income is less than the median income of the County.

The **HOME Grant Fund** accounts for the revenue and expenditures appropriated from the National Affordable Housing Act of 1990 for the purpose of housing rehabilitation.

The **CDBG Fund** accounts 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.

Debt Service Fund

The following Debt Service Fund is used to account for the accumulation of funds to pay debt service in future years:

The **Sinking Fund** accounts for the accumulation of resources for, and payment of, debt service payments.

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2022

	Special Revenue									
	Hotel Tax	Unconventional Gas Impact Fees	County Records Improvement	Recorder Records Improvement	Central Booking	Juvenile Court Restitution	Clerk of Courts Automation Fee	Prothonotary Automation Fee	Register Automation Fee	Highway Bridge Improvement
Assets										
Cash and cash equivalents	\$ 197,567	\$ 1,742,600	\$ 289,288	\$ 255,758	\$ 103,764	\$ 9,712	\$ 18,593	\$ 112,754	\$ 188,475	\$ 1,523,817
Investments	-	-	-	-	-	-	-	-	-	-
Taxes receivable, net of allowance	165,964	-	-	-	-	-	-	-	-	-
Accounts receivable and loans receivable, at estimated realizable value	-	-	-	-	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	246,608	41,237	-	-	-	-	-	-	-
Due from other governments	-	3,043,832	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 363,531	\$ 5,033,040	\$ 330,525	\$ 255,758	\$ 103,764	\$ 9,712	\$ 18,593	\$ 112,754	\$ 188,475	\$ 1,523,817
Liabilities, Deferred Inflows of Resources, and Fund Balance										
Liabilities:										
Accounts payable	\$ 348,431	\$ 116,679	\$ 5,555	\$ -	\$ 4,448	\$ -	\$ -	\$ -	\$ 181	\$ 56,310
Accrued payroll and payroll taxes	-	-	-	393	-	-	-	-	-	2,147
Unearned revenue	-	542,831	-	-	-	-	-	-	-	-
Due to other funds	15,100	-	-	41,239	95,767	-	-	-	-	1,051
Due to other governments	-	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Total Liabilities	363,531	659,510	5,555	41,632	100,215	-	-	-	181	59,508
Deferred Inflows of Resources:										
Unavailable revenue - taxes/fees	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - impact fees	-	3,043,832	-	-	-	-	-	-	-	-
Unavailable revenue - leases	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - opioid abatement	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	3,043,832	-	-	-	-	-	-	-	-
Fund Balance:										
Nonspendable - prepaid items	-	-	-	-	-	-	-	-	-	-
Restricted for:										
Operating reserve	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-
Agricultural easements	-	-	-	-	-	-	-	-	-	-
Automation/Records improvement	-	-	324,970	214,126	-	-	18,593	112,754	188,294	-
Central booking	-	-	-	-	3,549	9,712	-	-	-	-
Domestic Relations	-	-	-	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-	-	-	-
Liquid fuels	-	-	-	-	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-	-	-	-	1,464,309
Inmate welfare	-	-	-	-	-	-	-	-	-	-
Offender supervision	-	-	-	-	-	-	-	-	-	-
Unconventional gas well impact fees	-	1,329,698	-	-	-	-	-	-	-	-
Aging program	-	-	-	-	-	-	-	-	-	-
Local victim services	-	-	-	-	-	-	-	-	-	-
Opioid abatement	-	-	-	-	-	-	-	-	-	-
Committed:										
Workers' Compensation	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank	-	-	-	-	-	-	-	-	-	-
Assigned:										
2023 budget	-	-	-	-	-	-	-	-	-	-
Capital purchases	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	-	1,329,698	324,970	214,126	3,549	9,712	18,593	112,754	188,294	1,464,309
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 363,531	\$ 5,033,040	\$ 330,525	\$ 255,758	\$ 103,764	\$ 9,712	\$ 18,593	\$ 112,754	\$ 188,475	\$ 1,523,817

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2022

(Continued)

	Special Revenue										
	Liquid Fuels	Liquid Fuels Tax	Domestic Relations	Area Agency on Aging	Waste Management	Recreation	HAZMAT	Health Choices	MH/EI/ID	Drug and Alcohol	Health Services Block Grant
Assets											
Cash and cash equivalents	\$ 639,795	\$ 145,730	\$ 93,136	\$ 841,221	\$ 57,729	\$ 6	\$ 120,906	\$ 2,894	\$ 668,182	\$ 406,474	\$ 1,894,567
Investments	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable, net of allowance	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable and loans receivable, at estimated realizable value	-	-	-	122,703	-	1,623	1,503	60,000	12,800	66,519	18,904
Lease receivable	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	162,835	-	51,444	32,340	-	196,128	47,093	202,598
Due from other governments	-	-	765,073	215,806	162,383	151,971	7,039	-	139,132	513,448	198,201
Advances to other funds	-	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	126	12,157	870	65	15,400	-	-	-	-
Total Assets	\$ 639,795	\$ 145,730	\$ 858,335	\$ 1,354,722	\$ 220,982	\$ 205,109	\$ 177,188	\$ 62,894	\$ 1,016,242	\$ 1,033,534	\$ 2,314,270
Liabilities, Deferred Inflows of Resources, and Fund Balance											
Liabilities:											
Accounts payable	\$ 15,453	\$ 51,326	\$ 2,137	\$ 170,394	\$ 7,614	\$ 45,170	\$ 3,159	\$ 35,253	\$ 554,737	\$ 340,973	\$ 1,036,812
Accrued payroll and payroll taxes	-	10,712	45,141	52,012	-	1,047	-	9,091	3,148	14,036	16,312
Unearned revenue	-	-	-	45,178	-	95,000	170,511	1,874	448,109	-	1,221,867
Due to other funds	7,574	5,642	69,068	96,262	213,368	63,892	3,518	16,676	3,899	678,525	39,279
Due to other governments	-	-	-	-	-	-	-	-	6,349	-	-
Advances from other funds	-	-	648,956	-	-	-	-	-	-	-	-
Total Liabilities	23,027	67,680	765,302	363,846	220,982	205,109	177,188	62,894	1,016,242	1,033,534	2,314,270
Deferred Inflows of Resources:											
Unavailable revenue - taxes/fees	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - impact fees	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - leases	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - opioid abatement	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-
Fund Balance:											
Nonspendable - prepaid items	-	-	126	12,157	870	65	15,400	-	-	-	-
Restricted for:											
Operating reserve	-	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-	-
Agricultural easements	-	-	-	-	-	-	-	-	-	-	-
Automation/Records improvement	-	-	-	-	-	-	-	-	-	-	-
Central booking	-	-	-	-	-	-	-	-	-	-	-
Domestic Relations	-	-	92,907	-	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-	-	-	-	-
Liquid fuels	-	78,050	-	-	-	-	-	-	-	-	-
Roads and bridges	616,768	-	-	-	-	-	-	-	-	-	-
Inmate welfare	-	-	-	-	-	-	-	-	-	-	-
Offender supervision	-	-	-	-	-	-	-	-	-	-	-
Unconventional gas well impact fees	-	-	-	-	-	-	-	-	-	-	-
Aging program	-	-	-	978,719	-	-	-	-	-	-	-
Local victim services	-	-	-	-	-	-	-	-	-	-	-
Opioid abatement	-	-	-	-	-	-	-	-	-	-	-
Committed:											
Workers' Compensation	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank	-	-	-	-	-	-	-	-	-	-	-
Assigned:											
2023 budget	-	-	-	-	-	-	-	-	-	-	-
Capital purchases	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(870)	(65)	(15,400)	-	-	-	-
Total Fund Balance	616,768	78,050	93,033	990,876	-	-	-	-	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 639,795	\$ 145,730	\$ 858,335	\$ 1,354,722	\$ 220,982	\$ 205,109	\$ 177,188	\$ 62,894	\$ 1,016,242	\$ 1,033,534	\$ 2,314,270

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2022

(Continued)

	Special Revenue										
	Path Transition Age Project	Independent Living	Shared Ride Transportation	MATP	Food Program	Welfare to Work	Multimodal Transportation	Local Use Fee	Local Victim Services Fund	Emergency Shelter Renovation	Offender Supervision
Assets											
Cash and cash equivalents	\$ 41,124	\$ 8	\$ 121,845	\$ 178,798	\$ 4,624	\$ 427	\$ 406,804	\$ 3,979,163	\$ 812	\$ -	\$ 890,755
Investments	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable, net of allowance	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable and loans receivable, at estimated realizable value	-	-	-	-	-	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	977	-	-	-	-	5,326	-	-	-
Due from other governments	55,753	226,875	42,018	212,038	12,330	-	-	-	-	228,085	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-	-
Prepays	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 96,877	\$ 226,883	\$ 164,840	\$ 390,836	\$ 16,954	\$ 427	\$ 406,804	\$ 3,984,489	\$ 812	\$ 228,085	\$ 890,755
Liabilities, Deferred Inflows of Resources, and Fund Balance											
Liabilities:											
Accounts payable	\$ 96,497	\$ 69,589	\$ 36,079	\$ 263,956	\$ 16,954	\$ -	\$ 2,665	\$ -	\$ -	\$ 225,264	\$ -
Accrued payroll and payroll taxes	-	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	128,761	-	-	-	-	-	-	-	-
Due to other funds	380	-	-	733	-	427	8,428	-	-	2,821	-
Due to other governments	-	3,109	-	126,147	-	-	-	-	-	-	-
Advances from other funds	-	154,185	-	-	-	-	-	-	-	-	-
Total Liabilities	96,877	226,883	164,840	390,836	16,954	427	11,093	-	-	228,085	-
Deferred Inflows of Resources:											
Unavailable revenue - taxes/fees	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - impact fees	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - leases	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - opioid abatement	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-
Fund Balance:											
Nonspendable - prepaid items	-	-	-	-	-	-	-	-	-	-	-
Restricted for:											
Operating reserve	-	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-	-
Agricultural easements	-	-	-	-	-	-	-	-	-	-	-
Automation/Records improvement	-	-	-	-	-	-	-	-	-	-	-
Central booking	-	-	-	-	-	-	-	-	-	-	-
Domestic Relations	-	-	-	-	-	-	-	-	-	-	-
Emergency communications	-	-	-	-	-	-	-	-	-	-	-
Liquid fuels	-	-	-	-	-	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-	395,711	3,984,489	-	-	-
Inmate welfare	-	-	-	-	-	-	-	-	-	-	-
Offender supervision	-	-	-	-	-	-	-	-	-	-	890,755
Unconventional gas well impact fees	-	-	-	-	-	-	-	-	-	-	-
Aging program	-	-	-	-	-	-	-	-	-	-	-
Local victim services	-	-	-	-	-	-	-	-	812	-	-
Opioid abatement	-	-	-	-	-	-	-	-	-	-	-
Committed:											
Workmen's compensation	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank	-	-	-	-	-	-	-	-	-	-	-
Assigned:											
2023 budget	-	-	-	-	-	-	-	-	-	-	-
Capital purchases	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	-	-	-	-	-	-	395,711	3,984,489	812	-	890,755
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 96,877	\$ 226,883	\$ 164,840	\$ 390,836	\$ 16,954	\$ 427	\$ 406,804	\$ 3,984,489	\$ 812	\$ 228,085	\$ 890,755

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2022

(Continued)

	Special Revenue		Capital Projects					Debt Service		Total Other Governmental Funds
	Inmate Welfare	Total Special Revenue	Demolition	Shared Ride Capital	Affordable Housing	HOME Grant	CDBG	Total Capital Projects	Sinking Fund	
Assets										
Cash and cash equivalents	\$ 1,050,930	\$ 15,988,258	\$ 681,482	\$ 101,128	\$ 590,019	\$ 8	\$ 1	\$ 1,372,638	\$ 37,086	\$ 17,397,982
Investments	-	-	-	-	-	-	-	-	-	-
Taxes receivable, net of allowance	-	165,964	-	-	-	-	-	-	-	165,964
Accounts receivable and loans receivable, at estimated realizable value	293,651	577,703	-	-	391,192	-	-	391,192	-	968,895
Lease receivable	-	-	-	-	-	-	-	-	-	-
Due from other funds	64,268	1,050,854	-	-	-	-	-	-	-	1,050,854
Due from other governments	-	5,973,984	-	-	-	3,267	89,219	92,486	-	6,066,470
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Prepays	-	28,618	-	-	-	-	-	-	-	28,618
Total Assets	\$ 1,408,849	\$ 23,785,381	\$ 681,482	\$ 101,128	\$ 981,211	\$ 3,275	\$ 89,220	\$ 1,856,316	\$ 37,086	\$ 25,678,783
Liabilities, Deferred Inflows of Resources, and Fund Balance										
Liabilities:										
Accounts payable	\$ 90,822	\$ 3,596,458	\$ 10,468	\$ -	\$ 46,434	\$ 3,267	\$ 56,777	\$ 116,946	\$ -	\$ 3,713,404
Accrued payroll and payroll taxes	-	154,039	-	-	-	-	-	-	-	154,039
Unearned revenue	-	2,654,131	671,014	100,884	514,689	-	-	1,286,587	37,086	3,977,804
Due to other funds	55,469	1,419,118	-	244	28,896	8	27,777	56,925	-	1,476,043
Due to other governments	-	135,605	-	-	-	-	-	-	-	135,605
Advances from other funds	-	803,141	-	-	-	-	4,666	4,666	-	807,807
Total Liabilities	146,291	8,762,492	681,482	101,128	590,019	3,275	89,220	1,465,124	37,086	10,264,702
Deferred Inflows of Resources:										
Unavailable revenue - taxes/fees	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	391,192	-	-	391,192	-	391,192
Unavailable revenue - impact fees	-	3,043,832	-	-	-	-	-	-	-	3,043,832
Unavailable revenue - leases	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - opioid abatement	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	3,043,832	-	-	391,192	-	-	391,192	-	3,435,024
Fund Balance:										
Nonspendable - prepaid items	-	28,618	-	-	-	-	-	-	-	28,618
Restricted for:										
Operating reserve	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-
Agricultural easement	-	-	-	-	-	-	-	-	-	-
Automation/Records improvement	-	858,737	-	-	-	-	-	-	-	858,737
Central booking	-	13,261	-	-	-	-	-	-	-	13,261
Domestic Relations	-	92,907	-	-	-	-	-	-	-	92,907
Emergency communications	-	-	-	-	-	-	-	-	-	-
Liquid fuels	-	78,050	-	-	-	-	-	-	-	78,050
Roads and bridges	-	6,461,277	-	-	-	-	-	-	-	6,461,277
Inmate welfare	1,262,558	1,262,558	-	-	-	-	-	-	-	1,262,558
Offender supervision	-	890,755	-	-	-	-	-	-	-	890,755
Unconventional gas well impact fees	-	1,329,698	-	-	-	-	-	-	-	1,329,698
Aging program	-	978,719	-	-	-	-	-	-	-	978,719
Local victim services	-	812	-	-	-	-	-	-	-	812
Opioid abatement	-	-	-	-	-	-	-	-	-	-
Committed:										
Workers' Compensation	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank	-	-	-	-	-	-	-	-	-	-
Assigned:										
2023 budget	-	-	-	-	-	-	-	-	-	-
Capital purchases	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(16,335)	-	-	-	-	-	-	-	(16,335)
Total Fund Balance	1,262,558	11,979,057	-	-	-	-	-	-	-	11,979,057
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 1,408,849	\$ 23,785,381	\$ 681,482	\$ 101,128	\$ 981,211	\$ 3,275	\$ 89,220	\$ 1,856,316	\$ 37,086	\$ 25,678,783

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2022

	Hotel Tax	Unconventional Gas Impact Fees	County Records Improvement	Recorder Records Improvement	Central Booking	Juvenile Court Restitution	Clerk of Courts Automation Fee	Prothonotary Automation Fee	Register Automation Fee	Highway Bridge Improvement
Revenues:										
Taxes	\$ 2,420,193	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	2,710,862	-	-	-	-	-	-	-	320,320
Charges for services	-	-	52,330	78,495	120,558	4,333	8,766	10,325	28,722	-
Fines and Forfeitures	-	-	-	-	-	-	-	-	-	-
Interest	504	3,706	707	587	197	28	42	264	443	3,417
Other	-	-	-	-	-	-	-	-	-	50,000
Total revenues	2,420,697	2,714,568	53,037	79,082	120,755	4,361	8,808	10,589	29,165	373,737
Expenditures:										
General government - administration	-	-	69,062	47,648	-	-	-	-	-	-
General government - judicial	-	-	-	-	136,914	6,978	18,145	-	9,191	-
Public safety	-	-	-	-	-	-	-	-	-	-
Public works and enterprises	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Conservation and economic development	2,322,114	234,521	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	6,095	-	-	-	-	-	218,129
Debt service	-	-	-	-	-	-	-	-	-	-
Total expenditures	2,322,114	234,521	69,062	53,743	136,914	6,978	18,145	-	9,191	218,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	98,583	2,480,047	(16,025)	25,339	(16,159)	(2,617)	(9,337)	10,589	19,974	155,608
Other Financing Sources (Uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Leases (as lessee)	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	41,237	-	-	-	-	-	-	-
Transfers out	(98,583)	(2,293,052)	-	(41,237)	-	-	-	-	-	-
Total other financing sources (uses)	(98,583)	(2,293,052)	41,237	(41,237)	-	-	-	-	-	-
Net Change in Fund Balance	-	186,995	25,212	(15,898)	(16,159)	(2,617)	(9,337)	10,589	19,974	155,608
Fund Balance:										
Beginning of year	-	1,142,703	299,758	230,024	19,708	12,329	27,930	102,165	168,320	1,308,701
End of year	\$ -	\$ 1,329,698	\$ 324,970	\$ 214,126	\$ 3,549	\$ 9,712	\$ 18,593	\$ 112,754	\$ 188,294	\$ 1,464,309

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

	Special Revenue										
	Liquid Fuels	Liquid Fuels Tax	Domestic Relations	Area Agency on Aging	Waste Management	Recreation	HAZMAT	Health Choices	MH/EI/ID	Drug and Alcohol	Health Services Block Grant
Revenues:											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	99,732	258,682	1,647,609	4,125,237	85,422	15,985	31,510	-	1,793,951	2,046,808	9,574,983
Charges for services	-	-	216	439,307	206,287	115,600	94,649	866,783	-	440,666	80,000
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-
Interest	1,507	239	184	2,798	113	29	365	159	1,570	1,359	7,184
Other	-	-	484	5,691	-	-	-	-	15,860	2,952	116,980
Total revenues	101,239	258,921	1,648,493	4,573,033	291,822	131,614	126,524	866,942	1,811,381	2,491,785	9,779,147
Expenditures:											
General government - administration	-	-	-	-	-	-	-	-	-	-	-
General government - judicial	-	-	2,487,996	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	158,864	-	-	-	-
Public works and enterprises	15,548	181,756	-	-	-	-	-	-	-	-	-
Human services	-	-	-	4,664,943	-	-	-	866,942	2,007,509	2,767,662	9,978,544
Culture and recreation	-	-	-	-	-	388,207	-	-	-	-	-
Conservation and economic development	-	-	-	-	79,958	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Capital projects	147,747	82,256	-	4,532	-	99,271	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	163,295	264,012	2,487,996	4,669,475	79,958	487,478	158,864	866,942	2,007,509	2,767,662	9,978,544
Excess (Deficiency) of Revenues Over (Under) Expenditures	(62,056)	(5,091)	(839,503)	(96,442)	211,864	(355,864)	(32,340)	-	(196,128)	(275,877)	(199,397)
Other Financing Sources (Uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Leases (as lessee)	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	839,503	162,835	-	410,864	32,340	-	196,128	275,877	199,397
Transfers out	-	-	-	-	(211,864)	(55,000)	-	-	-	-	-
Total other financing sources (uses)	-	-	839,503	162,835	(211,864)	355,864	32,340	-	196,128	275,877	199,397
Net Change in Fund Balance	(62,056)	(5,091)	-	66,393	-	-	-	-	-	-	-
Fund Balance:											
Beginning of year	678,824	83,141	93,033	924,483	-	-	-	-	-	-	-
End of year	\$ 616,768	\$ 78,050	\$ 93,033	\$ 990,876	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

	Special Revenue										
	Path Transition Age Project	Independent Living	Shared Ride Transportation	MATP	Food Program	Welfare to Work	Multimodal Transportation	Local Use Fee	Local Victim Services Fund	Emergency Shelter Renovation	Offender Supervision
Revenues:											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	485,195	540,931	378,579	1,699,398	222,548	-	1,232,660	-	-	951,893	-
Charges for services	-	-	111	-	-	-	-	1,076,385	-	-	193,806
Fines and forfeitures	-	-	-	-	-	-	-	-	812	-	-
Interest	-	51	534	734	11	-	1,159	19,888	-	-	1,999
Other	-	-	-	-	-	-	-	-	-	-	-
Total revenues	485,195	540,982	379,224	1,700,132	222,559	-	1,233,819	1,096,273	812	951,893	195,805
Expenditures:											
General government - administration	-	-	-	-	-	-	-	-	-	-	-
General government - judicial	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Public works and enterprises	-	-	-	-	-	-	1,430,062	50,274	-	-	-
Human services	485,195	580,543	379,468	1,700,132	222,559	-	-	-	-	951,893	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Conservation and economic development	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	8,880	-	-	-	-
Debt service	-	-	-	-	-	-	-	84,094	-	-	-
Total expenditures	485,195	580,543	379,468	1,700,132	222,559	-	1,438,942	134,368	-	951,893	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(39,561)	(244)	-	-	-	(205,123)	961,905	812	-	195,805
Other Financing Sources (Uses):											
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Leases (as lessee)	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	39,561	244	-	-	-	-	21,855	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	(11,031)
Total other financing sources (uses)	-	39,561	244	-	-	-	-	21,855	-	-	(11,031)
Net Change in Fund Balance	-	-	-	-	-	-	(205,123)	983,760	812	-	184,774
Fund Balance:											
Beginning of year	-	-	-	-	-	-	600,834	3,000,729	-	-	705,981
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 395,711	\$ 3,984,489	\$ 812	\$ -	\$ 890,755

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

	Special Revenue		Capital Projects					Debt Service		Total Other Governmental Funds
	Inmate Welfare	Total Special Revenue	Demolition	Shared Ride Capital	Affordable Housing	HOME Grant	CDBG	Total Capital Projects	Sinking Fund	
Revenues:										
Taxes	\$ -	\$ 2,420,193	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,420,193
Intergovernmental	-	28,222,305	-	1,768	-	95,665	716,416	813,849	-	29,036,154
Charges for services	1,804,695	5,622,034	106,102	-	191,211	-	-	297,313	-	5,919,347
Fines and forfeitures	-	812	-	-	-	-	-	-	-	812
Interest	3,306	53,084	1,641	244	1,433	-	-	3,318	-	56,402
Other	-	191,967	-	-	-	-	-	-	-	191,967
Total revenues	1,808,001	36,510,395	107,743	2,012	192,644	95,665	716,416	1,114,480	-	37,624,875
Expenditures:										
General government - administration	-	116,710	-	-	-	-	-	-	-	116,710
General government - judicial	-	2,659,224	-	-	-	-	-	-	-	2,659,224
Public safety	1,542,843	1,701,707	-	-	-	-	-	-	-	1,701,707
Public works and enterprises	-	1,677,640	-	-	-	-	79,031	79,031	-	1,756,671
Human services	-	24,605,390	-	-	-	-	-	-	-	24,605,390
Culture and recreation	-	388,207	-	-	-	-	2,841	2,841	-	391,048
Conservation and economic development	-	2,636,593	-	-	11,025	9,596	110,008	130,629	-	2,767,222
Other	-	-	-	-	-	-	-	-	-	-
Capital projects	351,674	918,584	107,743	1,768	152,723	86,069	524,536	872,839	-	1,791,423
Debt service	-	84,094	-	-	-	-	-	-	453,310	537,404
Total expenditures	1,894,517	34,788,149	107,743	1,768	163,748	95,665	716,416	1,085,340	453,310	36,326,799
Excess (Deficiency) of Revenues Over (Under) Expenditures	(86,516)	1,722,246	-	244	28,896	-	-	29,140	(453,310)	1,298,076
Other Financing Sources (Uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Leases (as lessee)	-	-	-	-	-	-	-	-	-	-
Transfers in	-	2,219,841	-	-	-	-	-	-	453,310	2,673,151
Transfers out	(47,072)	(2,757,839)	-	(244)	(28,896)	-	-	(29,140)	-	(2,786,979)
Total other financing sources (uses)	(47,072)	(537,998)	-	(244)	(28,896)	-	-	(29,140)	453,310	(113,828)
Net Change in Fund Balance	(133,588)	1,184,248	-	-	-	-	-	-	-	1,184,248
Fund Balance:										
Beginning of year	1,396,146	10,794,809	-	-	-	-	-	-	-	10,794,809
End of year	\$ 1,262,558	\$ 11,979,057	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,979,057

(Concluded)

CUSTODIAL FUNDS

Custodial funds account for the activities of the elected officers (Clerk of Courts, District Courts, Prothonotary, Recorder of Deeds, Register of Wills, Sheriff, and Treasurer) and other County offices (Commissary, Domestic Relations, and Tax Claim) that are subsequently disbursed to the County, other governments, or individuals for whom it was collected.

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION

ALL CUSTODIAL FUNDS

DECEMBER 31, 2022

	Clerk of Courts	Commissary	District Justice Courts	Domestic Relations	Prothonotary	Recorder of Deeds	Register of Wills	Sheriff	Tax Claim	Treasurer	Total
Assets											
Cash and cash equivalents	\$ 441,913	\$ 79,544	\$ 100,046	\$ 13,685	\$ 1,242,818	\$ 1,620,577	\$ 3,074	\$ 459,672	\$ 1,149,849	\$ 622	\$ 5,111,800
Investments:											
Money markets	-	-	-	-	-	-	-	-	-	-	-
Bond mutual funds	-	-	-	-	-	-	-	-	-	-	-
International equity funds	-	-	-	-	-	-	-	-	-	-	-
Domestic equity funds	-	-	-	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable - at estimated realizable value	-	-	-	-	-	-	-	-	94,433	-	94,433
Other	-	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 441,913</u>	<u>\$ 79,544</u>	<u>\$ 100,046</u>	<u>\$ 13,685</u>	<u>\$ 1,242,818</u>	<u>\$ 1,620,577</u>	<u>\$ 3,074</u>	<u>\$ 459,672</u>	<u>\$ 1,244,282</u>	<u>\$ 622</u>	<u>\$ 5,206,233</u>
Liabilities											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,830	\$ -	\$ 29,830
Due to other governments	67,241	-	44,797	13,685	-	1,572,077	3,074	13,143	1,214,452	612	2,929,081
Escrow liability	374,672	79,544	55,249	-	-	48,500	-	446,529	-	10	1,004,504
Other unreconciled liability	-	-	-	-	1,242,818	-	-	-	-	-	1,242,818
Total Liabilities	<u>441,913</u>	<u>79,544</u>	<u>100,046</u>	<u>13,685</u>	<u>1,242,818</u>	<u>1,620,577</u>	<u>3,074</u>	<u>459,672</u>	<u>1,244,282</u>	<u>622</u>	<u>5,206,233</u>
Net Position											
Net Position Restricted for Fiduciary Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

ALL CUSTODIAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Clerk of Courts	Commissary	District Justice Courts	Domestic Relations	Prothonotary	Recorder of Deeds	Register of Wills	Sheriff	Tax Claim	Treasurer	Total
Additions:											
Contributions:											
County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee	-	-	-	-	-	-	-	-	-	-	-
Total contributions	-	-	-	-	-	-	-	-	-	-	-
Investment income (loss):											
Net depreciation in fair value of investments	-	-	-	-	-	-	-	-	-	-	-
Interest and dividends and other income	-	-	-	-	-	-	-	-	-	-	-
Total investment income (loss)	-	-	-	-	-	-	-	-	-	-	-
Investment expense	-	-	-	-	-	-	-	-	-	-	-
Net investment income (loss)	-	-	-	-	-	-	-	-	-	-	-
Receipts:											
Clerk of Courts	1,881,359	-	-	-	-	-	-	-	-	-	1,881,359
Commissary	-	160,678	-	-	-	-	-	-	-	-	160,678
District Courts	-	-	2,320,200	-	-	-	-	-	-	-	2,320,200
Domestic Relations	-	-	-	202,667	-	-	-	-	-	-	202,667
Prothonotary	-	-	-	-	1,949,728	-	-	-	-	-	1,949,728
Recorder of Deeds	-	-	-	-	-	17,712,273	-	-	-	-	17,712,273
Register of Wills	-	-	-	-	-	-	56,896	-	-	-	56,896
Sheriff	-	-	-	-	-	-	-	1,337,999	-	-	1,337,999
Tax Claim	-	-	-	-	-	-	-	-	4,912,244	-	4,912,244
Treasurer	-	-	-	-	-	-	-	-	-	366,353	366,353
Total receipts	1,881,359	160,678	2,320,200	202,667	1,949,728	17,712,273	56,896	1,337,999	4,912,244	366,353	30,900,397
Total additions	1,881,359	160,678	2,320,200	202,667	1,949,728	17,712,273	56,896	1,337,999	4,912,244	366,353	30,900,397
Deductions:											
Benefits and refunds paid to plan members and beneficiaries	-	-	-	-	-	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-	-	-	-	-
Fiduciary liability insurance	-	-	-	-	-	-	-	-	-	-	-
Disbursements:											
Payments to other governments	1,008,111	-	1,961,271	202,667	425,423	17,333,448	56,896	315,110	4,912,244	353,022	26,568,192
Escrow payments	873,248	160,678	259,130	-	1,082,598	378,825	-	1,022,889	-	13,331	3,790,699
Other disbursements	-	-	99,799	-	441,707	-	-	-	-	-	541,506
Total disbursements	1,881,359	160,678	2,320,200	202,667	1,949,728	17,712,273	56,896	1,337,999	4,912,244	366,353	30,900,397
Total deductions	1,881,359	160,678	2,320,200	202,667	1,949,728	17,712,273	56,896	1,337,999	4,912,244	366,353	30,900,397
Decrease in Net Position	-	-	-	-	-	-	-	-	-	-	-
Net Position											
Beginning of year	-	-	-	-	-	-	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL**

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

		Budgeted Amounts			Variance with	Variance with
		Original	Final	Actual	Original Budget	Final Budget
Revenues:						
Election Bureau						
Election Bureau	01020441 04000	\$ 325	\$ 325	\$ 5,722	\$ 5,397	\$ 5,397
Election Integrity Grant	01020432 01290	-	-	212,169	212,169	212,169
HAVA - Security Grant	01020432 90404A	-	-	4,729	4,729	4,729
HAVA - Security Grant	01020432 90404B	-	-	105,268	105,268	105,268
Subtotal		325	325	327,888	327,563	327,563
Assessment						
Assessment	01060441 04001	80,000	80,000	118,368	38,368	38,368
Act 1 Homestead	01065441 04001	10,800	10,800	-	(10,800)	(10,800)
Subtotal		90,800	90,800	118,368	27,568	27,568
Mapping						
Maps/Mapping Department	01070441 04002	10,000	10,000	7,420	(2,580)	(2,580)
Copies	01070441 04039	1,000	1,000	376	(624)	(624)
Subtotal		11,000	11,000	7,796	(3,204)	(3,204)
Tax Collectors						
Current Real Estate - General	01080411 03000	40,874,403	40,874,403	41,352,490	478,087	478,087
Current Real Estate - BC3	01080411 03001	5,522,478	5,522,478	5,587,142	64,664	64,664
Current Real Estate - Debt Service	01080411 03002	5,584,033	5,584,033	5,649,963	65,930	65,930
Subtotal		51,980,914	51,980,914	52,589,595	608,681	608,681
Payment in Lieu of Taxes						
Public Utility Act	01081432 01004	50,000	50,000	53,310	3,310	3,310
Payment in Lieu of Taxes	01081432 01005	184,000	184,000	182,271	(1,729)	(1,729)
State Game Lands	01081432 01006	13,103	13,103	13,103	-	-
State Equalization	01081432 01007	500	500	1,290	790	790
Subtotal		247,603	247,603	249,974	2,371	2,371
Tax Claim						
Tax Claim Bureau	01100441 04004	55,000	55,000	47,601	(7,399)	(7,399)
Registration Fee	01100441 04207	-	-	1,960	1,960	1,960
Subtotal		55,000	55,000	49,561	(5,439)	(5,439)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
Revenues: (Continued)						
Treasurer						
Bingo Licenses	01110420 04009	3,000	3,000	3,545	545	545
Small Games of Chance	01110420 04011	25,000	25,000	32,515	7,515	7,515
Bureau of Dog Law Enforcement	01110432 01008	12,000	12,000	9,128	(2,872)	(2,872)
Treasurer - Commissions	01110441 04008	47,500	47,500	44,265	(3,235)	(3,235)
NSF Fee	01110441 04012	500	500	1,155	655	655
License Administration	01110441 04056	10,000	10,000	6,897	(3,103)	(3,103)
Tax Certification Letter Fee	01110441 04169	2,000	2,000	2,550	550	550
Tax Card Duplicates	01110441 04199	500	500	1,295	795	795
Tax Card Fee	01110441 04208	12,126	12,126	5,361	(6,765)	(6,765)
Subtotal		112,626	112,626	106,711	(5,915)	(5,915)
Recorder of Deeds						
Recorder - Fees	01150441 04013	650,000	650,000	596,620	(53,380)	(53,380)
Recorder - Commissions	01150441 04014	350,000	350,000	491,514	141,514	141,514
Recorder - Copy Fees	01150441 04015	10,000	10,000	10,234	234	234
Recorder - UCC Fees	01150441 04018	30,000	30,000	34,770	4,770	4,770
Interest	01150461 06000	1,500	1,500	427	(1,073)	(1,073)
Subtotal		1,041,500	1,041,500	1,133,565	92,065	92,065
Planning						
SWPAC - PennDOT Grant	01190432 01011	17,252	17,252	17,252	-	-
Subdivision Land Development	01190441 04024	35,000	35,000	43,170	8,170	8,170
DCED Municipal Assistant Grant	01190432 01297	-	-	12,000	12,000	12,000
Subtotal		52,252	52,252	72,422	20,170	20,170
Mailroom						
Printing and Mailing	01240441 04033	38,000	38,000	36,899	(1,101)	(1,101)
Subtotal		38,000	38,000	36,899	(1,101)	(1,101)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Court Administration</u>						
Court Reimbursement	01270432 01020	300,000	300,000	296,459	(3,541)	(3,541)
Act 24 Guardianship	01270432 01022	25,000	25,000	21,698	(3,302)	(3,302)
Credit Counseling Fee	01270442 04184	39,000	39,000	-	(39,000)	(39,000)
Court Transcript Revenue	01270442 04194	17,000	17,000	20,214	3,214	3,214
Subtotal		381,000	381,000	338,371	(42,629)	(42,629)
<u>Custody Conciliator</u>						
Custody Hearing Fees	01271442 04037	50,000	50,000	47,230	(2,770)	(2,770)
Genetic Testing	01271594 07005	-	-	395	395	395
Subtotal		50,000	50,000	47,625	(2,375)	(2,375)
<u>Jury Reimbursement</u>						
Jury Reimbursement	01278432 01021	500	500	-	(500)	(500)
Subtotal		500	500	-	(500)	(500)
<u>District Judges</u>						
MDJ - Evans City	01280442 04043	70,000	70,000	49,505	(20,495)	(20,495)
MDJ - Cranberry	01285442 04044	75,000	75,000	80,110	5,110	5,110
MDJ - Saxonburg	01290442 04045	55,000	55,000	49,814	(5,186)	(5,186)
MDJ - Chicora	01300442 04046	60,000	60,000	55,997	(4,003)	(4,003)
MDJ - Butler Township	01310442 04047	48,000	48,000	47,711	(289)	(289)
MDJ - Butler City	01315442 04048	95,000	95,000	81,679	(13,321)	(13,321)
MDJ - Slippery Rock	01320442 04049	94,000	94,000	69,253	(24,747)	(24,747)
Subtotal		497,000	497,000	434,069	(62,931)	(62,931)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Clerk of Courts</u>						
Administration Collection	01340442 04056	-	-	1,049	1,049	1,049
Electronic Monitoring	01340442 04059	-	-	33	33	33
Overpayment/Underpayment	01340442 04171	-	-	959	959	959
DUI Fines	01340450 04055	70,000	70,000	72,737	2,737	2,737
Costs/Fines/Fees	01340450 04057	700,000	700,000	644,210	(55,790)	(55,790)
Community Service Fees	01340450 04060	5,000	5,000	5,356	356	356
Expungement Filing Fees	01340450 04195	2,000	2,000	2,376	376	376
Interest	01340461 06000	250	250	607	357	357
Substance Abuse Education Fines	01341450 04061	57,293	57,293	48,075	(9,218)	(9,218)
Subtotal		834,543	834,543	775,402	(59,141)	(59,141)
<u>Coroner</u>						
Vital Statistics	01350432 01208	15,000	15,000	-	(15,000)	(15,000)
Coroner - Fees	01350442 04062	58,000	58,000	63,960	5,960	5,960
Subtotal		73,000	73,000	63,960	(9,040)	(9,040)
<u>District Attorney</u>						
District Attorney Reimbursement	01360432 01200	120,000	120,000	120,682	682	682
District Attorney - Fees	01360442 04063	21,000	21,000	13,678	(7,322)	(7,322)
Investigative Fund	01360442 07007	500	500	-	(500)	(500)
Expungement Filing Fee	01360450 04196	2,000	2,000	2,376	376	376
Forfeited Property	01360452 07006	100,000	100,000	128,438	28,438	28,438
Forfeitures (Sex Crimes)	01360452 07039	-	-	19,269	19,269	19,269
DUI Checkpoint Grant	01364432 20616	35,000	75,000	71,497	36,497	(3,503)
VOICE - STOP Grant	01368432 16588	62,500	62,500	46,875	(15,625)	(15,625)
Subtotal		341,000	381,000	402,815	61,815	21,815
<u>Prothonotary</u>						
Prothonotary - Commissions	01370442 04065	1,500	1,500	3,653	2,153	2,153
Prothonotary - Fees	01370442 04066	363,000	363,000	364,368	1,368	1,368
Subtotal		364,500	364,500	368,021	3,521	3,521

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Register of Wills</u>						
Register - Commissions	01380442 04069	90,000	90,000	140,016	50,016	50,016
Register - Fees	01380442 04071	290,000	290,000	399,956	109,956	109,956
Orphan's Court Fees	01380442 04075	70,000	70,000	82,035	12,035	12,035
Counseling Fees	01380442 04076	300	300	675	375	375
Counseling Interest	01380461 06004	100	100	53	(47)	(47)
Subtotal		450,400	450,400	622,735	172,335	172,335
<u>Sheriff</u>						
Sheriff - Fees	01390442 04077	315,000	315,000	350,153	35,153	35,153
Sheriff - Intergovernmental Revenue	01390442 04209	-	-	6,379	6,379	6,379
DRO Reimbursements	01390442 07008	6,000	6,000	1,013	(4,987)	(4,987)
Federal Transports Revenue	01390442 07035	15,000	15,000	127,367	112,367	112,367
Interest	01390461 06000	800	800	1,268	468	468
Donations - Canine Care	01390467 07002	1,000	16,000	9,607	8,607	(6,393)
Donations - Retired Canine Care	01390467 7002A	-	-	361	361	361
Subtotal		337,800	352,800	496,148	158,348	143,348
<u>Prison</u>						
Work Release	01402444 04078	4,000	4,000	1,800	(2,200)	(2,200)
Housing	01402444 04079	6,278,000	6,678,000	7,201,157	923,157	523,157
Medical Visits	01402444 04080	10,000	10,000	1,909	(8,091)	(8,091)
Social Security	01402444 04167	15,000	15,000	12,800	(2,200)	(2,200)
Booking Fee	01402444 04182	35,000	35,000	25,173	(9,827)	(9,827)
Misconduct Hearings	01402444 04185	750	750	943	193	193
Subtotal		6,342,750	6,742,750	7,243,782	901,032	501,032

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Adult Probation</u>						
Supervision Grant	01410432 01032	130,000	130,000	190,966	60,966	60,966
Adult Probation - Grant-In-Aid	01410432 01033	110,000	110,000	113,015	3,015	3,015
Electronic Monitor Fees	01410444 04082	400,000	400,000	174,576	(225,424)	(225,424)
SCRAM Fees	01410444 04158	15,000	15,000	31,501	16,501	16,501
CRN Assessment Fees	01410444 04205	80,000	80,000	58,489	(21,511)	(21,511)
Subtotal		735,000	735,000	568,547	(166,453)	(166,453)
<u>Drug Screening</u>						
Drug Screening	01412444 04084	400	400	491	91	91
Subtotal		400	400	491	91	91
<u>Juvenile Probation</u>						
J.C.J.C. Grant	01420432 01035	257,000	257,000	257,705	705	705
J.C.J.C. Training	01420432 01036	7,000	7,000	6,332	(668)	(668)
Title IV-E	01420432 93658	8,000	8,000	3,964	(4,036)	(4,036)
Subtotal		272,000	272,000	268,001	(3,999)	(3,999)
<u>Emergency Management Agency</u>						
Emergency Management	01440432 97042	95,000	95,000	101,562	6,562	6,562
PEMA - Disaster Assistance	01440432 01211	-	-	1,107	1,107	1,107
Subtotal		95,000	95,000	102,669	7,669	7,669
<u>Hazard Mitigation</u>						
Hazard Mitigation	01447432 97047	-	-	37,498	37,498	37,498
Subtotal		-	-	37,498	37,498	37,498

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

			Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
			Original	Final			
<u>Revenues: (Continued)</u>							
<u>Radiation Emergency</u>							
Radiation Emergency	01449432	01045	6,977	6,977	7,296	319	319
Subtotal			6,977	6,977	7,296	319	319
<u>Parks and Recreation</u>							
Shelter Reservations	01510447	04096	40,000	40,000	45,435	5,435	5,435
Diamond Park Permit	01510447	04201	1,000	1,000	1,103	103	103
Alameda Park Permit	01510447	04202	500	500	250	(250)	(250)
Subtotal			41,500	41,500	46,788	5,288	5,288
<u>Parks and Recreation - Pool</u>							
Concessions	01520447	04097	46,000	46,000	40,692	(5,308)	(5,308)
Pool Rental/Locker Income	01520447	04098	12,000	12,000	9,546	(2,454)	(2,454)
Swim Team	01520447	04099	3,500	3,500	-	(3,500)	(3,500)
Pool Admissions	01520447	04100	110,000	110,000	118,562	8,562	8,562
Swim Lessons	01520447	04101	15,000	15,000	3,245	(11,755)	(11,755)
Pool Passes	01520447	04102	35,000	35,000	33,754	(1,246)	(1,246)
Pool Program Fees	01520447	04166	3,500	3,500	1,155	(2,345)	(2,345)
Miscellaneous Revenue	01520447	05000	500	500	464	(36)	(36)
Overage/Shortage	01520447	05003	-	-	(1)	(1)	(1)
Subtotal			225,500	225,500	207,417	(18,083)	(18,083)
<u>Interest</u>							
Interest	01610461	06000	42,000	42,000	258,249	216,249	216,249
Subtotal			42,000	42,000	258,249	216,249	216,249

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Miscellaneous</u>						
Land Use Allowance	01640462 04118	3,255	3,255	3,255	-	-
Building and Equipment Allowance	01640462 04119	559,142	559,142	531,794	(27,348)	(27,348)
DUI Match	01640446 04133	70,000	70,000	72,737	2,737	2,737
Marcellus Shale Royalties	01640462 04188	71,775	71,775	333,198	261,423	261,423
Donations	01640467 07002	500	500	7,562	7,062	7,062
Miscellaneous Revenue	01640469 05000	9,500	15,282	161,371	151,871	146,089
Parking Fees	01640469 05009	11,400	11,400	11,400	-	-
Restitution	01640594 07001	-	-	397	397	397
Cost Allocation Plan	01640594 07017	900,000	900,000	1,061,524	161,524	161,524
Miscellaneous Refund	01640594 07028	200	200	194	(6)	(6)
Subtotal		1,625,772	1,631,554	2,183,432	557,660	551,878
<u>Other Financing Sources - Leases</u>						
Other Financing Sourace - Leases	01661590 04289	-	-	811,731	811,731	811,731
Subtotal		-	-	811,731	811,731	811,731
<u>Transfers</u>						
Transfer from Marcellus Shale	01013592 09037	30,000	30,000	27,517	(2,483)	(2,483)
Transfer from C.R.B.G.	01019592 09041	10,135,891	10,135,891	4,464,777	(5,671,114)	(5,671,114)
Transfer from Hotel Tax	01082592 09002	75,150	75,150	98,583	23,433	23,433
Transfer from Tax Claim	01100592 09003	2,000,000	2,000,000	1,734,325	(265,675)	(265,675)
Transfer from Affordable Housing	01151592 09017	45,000	45,000	28,896	(16,104)	(16,104)
Transfer from Waste Management	01200592 09006	216,575	216,575	211,864	(4,711)	(4,711)
Transfer from Ag. Easements	01971592 09042	-	-	76,903	76,903	76,903
Subtotal		12,502,616	12,502,616	6,642,865	(5,859,751)	(5,859,751)
<u>Prior Year</u>						
Prior Year Fund Balance Carryover	01000400 00000	2,892,847	2,892,847	-	(2,892,847)	(2,892,847)
Subtotal		2,892,847	2,892,847	-	(2,892,847)	(2,892,847)
Grand Total General Fund Revenues		\$ 81,742,125	\$ 82,202,907	\$ 76,620,691	\$ (5,121,434)	\$ (5,582,216)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

	Budgeted Amounts			Variance with	Variance with
	Original	Final	Actual	Original Budget	Final Budget
<u>Reconciliation to General Fund Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual, which includes: Operating Reserve, Workers' Compensation, Tax Claim, and Agricultural Easements:</u>					
Grand Total General Fund Revenues:	\$ 81,742,125	\$ 82,202,907	\$ 76,620,691	\$ (5,121,434)	\$ (5,582,216)
Operating Reserve	1,500	1,500	3,124	1,624	1,624
Workers' Compensation	25,600	25,600	(57,779)	(83,379)	(83,379)
Tax Claim	2,130,000	2,130,000	1,832,831	(297,169)	(297,169)
Agricultural Conservation	292,150	292,150	126,864	(165,286)	(165,286)
Less: Prior Year Fund Balance Carryover:					
General Fund	2,892,847	2,892,847	-	(2,892,847)	(2,892,847)
Less: Elimination of Interfund Transfers:					
Tax Claim	2,000,000	2,000,000	1,734,325	(265,675)	(265,675)
Agricultural Conservation	-	-	76,903	76,903	76,903
Grand Total As Reported on page III-8	\$ 79,298,528	\$ 79,759,310	\$ 76,714,503	\$ (2,584,025)	\$ (3,044,807)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

			Budgeted Amounts			Variance with	Variance with
			Original	Final	Actual	Original Budget	Final Budget
Expenditures:							
Commissioners							
Department Head Salary	010106	0100	\$ 283,747	\$ 283,747	\$ 272,728	\$ 11,019	\$ 11,019
Staff Salary	010106	0300	181,876	181,876	283,910	(102,034)	(102,034)
Social Security	010106	0802	35,620	35,620	41,716	(6,096)	(6,096)
Retirement	010106	0804	98,443	98,443	103,947	(5,504)	(5,504)
Medical/Rx/Dental	010106	0807	112,872	118,920	138,936	(26,064)	(20,016)
Vision/Life Insurance	010106	0809	1,622	1,622	1,873	(251)	(251)
Contracted Services	010107	1000	85,284	85,284	35,191	50,093	50,093
Contracted Services - RTK	010107	000B	-	60,000	85,590	(85,590)	(25,590)
Advertising	010107	2700	5,000	5,000	2,692	2,308	2,308
Materials and Supplies	010107	3000	4,000	19,300	19,090	(15,090)	210
Travel and Transportation	010107	4100	10,000	10,000	10,959	(959)	(959)
Equipment Maintenance and Rental	010107	4500	5,000	5,000	3,500	1,500	1,500
Association Dues	010107	6100	30,000	30,000	27,797	2,203	2,203
Other Miscellaneous Costs	010107	8004	5,000	5,000	1,203	3,797	3,797
Subtotal			858,464	939,812	1,029,132	(170,668)	(89,320)
Election Bureau							
Department Head Salary	010206	0100	66,580	66,580	34,525	32,055	32,055
Staff Salary	010206	0300	181,607	181,607	180,154	1,453	1,453
Overtime	010206	0399	20,000	20,000	15,008	4,992	4,992
Social Security	010206	0802	20,517	20,517	17,425	3,092	3,092
Retirement	010206	0804	53,397	53,397	44,202	9,195	9,195
Medical/Rx/Dental	010206	0807	7,229	7,229	11,921	(4,692)	(4,692)
Vision/Life Insurance	010206	0809	602	602	565	37	37
Postage	010207	2500	-	-	1,401	(1,401)	(1,401)
Advertising	010207	2700	-	-	3,820	(3,820)	(3,820)
Materials and Supplies	010207	3000	23,225	23,225	10,119	13,106	13,106
Training and Staff Development	010207	4000	9,500	9,500	-	9,500	9,500
Travel and Transportation	010207	4100	3,850	3,850	2,938	912	912
Rentals/Leases	010207	4500	10,000	10,000	8,842	1,158	1,158
Subtotal			396,507	396,507	330,920	65,587	65,587

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Election Bureau Board</u>						
Election Official Salaries	010216 0100	235,000	235,000	216,949	18,051	18,051
Return Board Salary	010216 0301	3,000	3,000	2,173	827	827
Contracted Services	010217 1000	54,800	54,800	57,153	(2,353)	(2,353)
Rent/Occupancy Costs	010217 2200	9,500	9,500	5,410	4,090	4,090
Telephone	010217 2400	-	-	1,274	(1,274)	(1,274)
Printing	010217 2600	50,000	50,000	27,583	22,417	22,417
Printing Ballots	010217 2601	75,350	75,350	60,118	15,232	15,232
Advertising	010217 2700	5,000	5,000	1,137	3,863	3,863
Materials and Supplies	010217 3000	58,250	58,250	10,568	47,682	47,682
Training & Staff Development	010217 4000	9,500	9,500	5,953	3,547	3,547
Travel & Transportation	010217 4100	10,000	10,000	11,792	(1,792)	(1,792)
Equipment Maintenance & Rental	010217 4500	114,850	114,850	124,644	(9,794)	(9,794)
Subtotal		625,250	625,250	524,754	100,496	100,496
<u>Election Day Workers</u>						
Staff Salary	010236 0300	15,000	15,000	14,938	62	62
Overtime	010236 0399	2,000	2,000	1,842	158	158
Social Security	010236 0802	1,301	1,301	1,248	53	53
Retirement	010236 0804	3,740	3,740	-	3,740	3,740
Medical/Rx/Dental	010236 0807	5,000	5,000	4,477	523	523
Vision/Life Insurance	010236 0809	100	100	66	34	34
Subtotal		27,141	27,141	22,571	4,570	4,570

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Controller</u>						
Department Head Salary	010306 0100	88,404	88,404	84,889	3,515	3,515
Solicitor Salary	010306 0200	6,000	6,000	-	6,000	6,000
Staff Salaries	010306 0300	467,600	467,600	462,196	5,404	5,404
Intern	010306 0700	-	-	5,796	(5,796)	(5,796)
Social Security	010306 0802	42,764	42,764	41,580	1,184	1,184
Retirement	010306 0804	117,391	117,391	102,939	14,452	14,452
Medical/Rx/Dental	010306 0807	122,623	129,665	105,326	17,297	24,339
Vision/Life Insurance	010306 0809	1,141	1,141	1,751	(610)	(610)
Contracted Services	010307 1000	-	-	620	(620)	(620)
Audit Contracts	010307 1001	40,000	40,000	29,102	10,898	10,898
Advertising	010307 2700	1,500	1,500	1,852	(352)	(352)
Materials and Supplies	010307 3000	4,000	4,000	3,703	297	297
Training and Staff Development	010307 4000	6,700	6,700	4,262	2,438	2,438
Travel and Transportation	010307 4100	500	500	-	500	500
Equipment Maintenance and Rental	010307 4500	4,500	4,500	3,390	1,110	1,110
Association Dues	010307 6100	2,185	2,185	2,360	(175)	(175)
Subtotal		905,308	912,350	849,766	55,542	62,584
<u>Single Audit</u>						
Single Audit	010407 1002	85,000	85,000	87,196	(2,196)	(2,196)
Subtotal		85,000	85,000	87,196	(2,196)	(2,196)
<u>Budget</u>						
Staff Salary	010506 0300	160,527	160,527	160,327	200	200
Social Security	010506 0802	12,280	12,280	12,071	209	209
Retirement	010506 0804	35,316	35,316	30,480	4,836	4,836
Medical/Rx/Dental	010506 0807	30,105	30,300	30,224	(119)	76
Vision/Life Insurance	010506 0809	450	450	449	1	1
Materials and Supplies	010507 3000	200	200	4	196	196
Travel and Transportation	010507 4100	200	200	601	(401)	(401)
Subtotal		239,078	239,273	234,156	4,922	5,117

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Assessment</u>						
Department Head Salary	010606 0100	38,824	38,824	40,446	(1,622)	(1,622)
Staff Salaries	010606 0300	443,079	443,079	399,470	43,609	43,609
Overtime	010606 0399	5,000	5,000	172	4,828	4,828
Social Security	010606 0802	37,248	37,248	32,265	4,983	4,983
Uniform Benefits	010606 0803	800	800	550	250	250
Retirement	010606 0804	107,118	107,118	74,876	32,242	32,242
Medical/Rx/Dental	010606 0807	178,978	190,425	170,993	7,985	19,432
Vision/Life Insurance	010606 0809	2,477	2,477	2,180	297	297
Contracted Services	010607 1000	170,000	170,000	107,738	62,262	62,262
Contracted Appraisals	010607 1003	30,000	30,000	22,325	7,675	7,675
Appeal Board	010607 1013	6,000	6,000	2,925	3,075	3,075
Materials and Supplies	010607 3000	30,000	28,100	7,422	22,578	20,678
Training and Staff Development	010607 4000	14,000	14,000	7,505	6,495	6,495
Travel and Transportation	010607 4100	14,000	14,000	4,569	9,431	9,431
Equipment Maintenance and Rental	010607 4500	170,000	170,000	158,414	11,586	11,586
Association Dues	010607 6100	1,300	1,300	960	340	340
Subtotal		1,248,824	1,258,371	1,032,810	216,014	225,561
<u>Homestead</u>						
Postage	010657 2500	2,000	2,000	-	2,000	2,000
Materials and Supplies	010657 3000	2,000	2,000	-	2,000	2,000
Subtotal		4,000	4,000	-	4,000	4,000

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Mapping</u>						
Department Head Salary	010706 0100	59,293	59,293	59,225	68	68
Staff Salary	010706 0300	84,178	84,178	83,611	567	567
Social Security	010706 0802	10,976	10,976	10,577	399	399
Retirement	010706 0804	31,564	31,564	26,853	4,711	4,711
Medical/Rx/Dental	010706 0807	48,917	50,168	38,511	10,406	11,657
Vision/Life Insurance	010706 0809	720	720	629	91	91
Materials and Supplies	010707 3000	2,500	2,500	1,140	1,360	1,360
Training and Staff Development	010707 4000	3,000	3,000	80	2,920	2,920
Travel and Transportation	010707 4100	800	800	-	800	800
Equipment Maintenance and Rental	010707 4500	18,000	18,000	7,356	10,644	10,644
Association Dues	010707 6100	-	-	200	(200)	(200)
Subtotal		259,948	261,199	228,182	31,766	33,017
<u>Tax Collectors</u>						
Tax Collector Commissions	010806 0344	335,000	335,000	337,048	(2,048)	(2,048)
Social Security	010806 0802	25,628	25,628	25,784	(156)	(156)
Postage	010807 2500	2,200	2,200	2,123	77	77
Bonds	010807 6000	30,163	30,163	30,162	1	1
Subtotal		392,991	392,991	395,117	(2,126)	(2,126)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
Expenditures: (Continued)						
Tax Claim						
Department Head Salary	011006 0100	38,824	38,824	40,446	(1,622)	(1,622)
Staff Salary	011006 0300	132,722	132,722	103,731	28,991	28,991
Social Security	011006 0802	13,124	13,124	10,793	2,331	2,331
Retirement	011006 0804	27,831	27,831	20,343	7,488	7,488
Medical/Rx/Dental	011006 0807	52,676	54,272	28,272	24,404	26,000
Vision/Life Insurance	011006 0809	800	800	558	242	242
Advertising	011007 2700	75,000	75,000	70,788	4,212	4,212
Materials and Supplies	011007 3000	2,000	2,023	996	1,004	1,027
Training and Staff Development	011007 4000	500	500	-	500	500
Travel and Transportation	011007 4100	700	700	485	215	215
Equipment Maintenance and Rental	011007 4500	17,000	17,000	16,859	141	141
Title Searches	011007 5000	8,000	8,000	6,358	1,642	1,642
Judicial Sale	011007 5200	25,000	25,000	20,328	4,672	4,672
Association Dues	011007 6100	150	150	375	(225)	(225)
Subtotal		394,327	395,946	320,332	73,995	75,614
Treasurer						
Department Head Salary	011106 0100	88,438	88,438	85,004	3,434	3,434
Solicitor Salary	011106 0200	6,000	6,000	4,500	1,500	1,500
Staff Salary	011106 0300	271,691	271,691	277,199	(5,508)	(5,508)
Doe Project Salaries	011106 0311	6,200	6,200	4,404	1,796	1,796
Social Security	011106 0802	28,024	28,024	27,478	546	546
Retirement	011106 0804	79,228	79,228	68,980	10,248	10,248
Medical/Rx/Dental	011106 0807	104,050	108,153	103,697	353	4,456
Vision/Life Insurance	011106 0809	1,622	1,622	1,574	48	48
Contracted Services	011107 1000	-	-	3,500	(3,500)	(3,500)
Dog Law Enforcement Costs	011107 2500	12,000	12,000	9,482	2,518	2,518
License Administration Expended	011107 2501	10,000	10,000	6,897	3,103	3,103
Materials and Supplies	011107 3000	2,000	2,000	2,156	(156)	(156)
Training and Staff Development	011107 4000	1,370	1,370	-	1,370	1,370
Travel and Transportation	011107 4100	1,900	1,900	2,100	(200)	(200)
Equipment Maintenance and Rental	011107 4500	3,000	3,000	1,283	1,717	1,717
Association Dues	011107 6100	1,395	1,395	1,245	150	150
Subtotal		616,918	621,021	599,499	17,419	21,522

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Purchasing</u>						
Department Head Salary	011206 0100	29,609	29,609	21,186	8,423	8,423
Social Security	011206 0802	2,265	2,265	3,636	(1,371)	(1,371)
Staff Salary	011206 0300	-	-	26,941	(26,941)	(26,941)
Retirement	011206 0804	-	-	4,040	(4,040)	(4,040)
Medical/Rx/Dental	011206 0807	-	-	5,355	(5,355)	(5,355)
Vision/Life Insurance	011206 0809	-	-	66	(66)	(66)
Materials and Supplies	011207 3000	300	300	-	300	300
Equipment Maintenance and Rental	011207 4500	150	150	13	137	137
Subtotal		32,324	32,324	61,237	(28,913)	(28,913)
<u>Solicitor</u>						
Department Head Salary	011306 0100	97,505	97,505	97,793	(288)	(288)
Social Security	011306 0802	7,459	7,459	7,349	110	110
Retirement	011306 0804	21,451	21,451	19,713	1,738	1,738
Medical/Rx/Dental	011306 0807	16,918	17,918	17,168	(250)	750
Vision/Life Insurance	011306 0809	271	271	259	12	12
Materials and Supplies	011307 3000	4,000	4,000	778	3,222	3,222
Travel and Transportation	011307 4100	1,000	1,000	1,705	(705)	(705)
Filing Fees	011307 5001	500	500	-	500	500
Subtotal		149,104	150,104	144,765	4,339	5,339
<u>Unanticipated Legal</u>						
Unanticipated Legal - General	011357 8005	50,000	50,000	13,596	36,404	36,404
Unanticipated Legal - Prison	011357 8065	50,000	50,000	11,297	38,703	38,703
Subtotal		100,000	100,000	24,893	75,107	75,107

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts			Variance with	Variance with
		Original	Final	Actual	Original Budget	Final Budget
Expenditures: (Continued)						
Public Defender						
Department Head Salary	011406 0100	116,059	116,059	127,538	(11,479)	(11,479)
Staff Salary	011406 0300	727,640	727,640	697,843	29,797	29,797
Social Security	011406 0802	64,544	64,544	61,545	2,999	2,999
Retirement	011406 0804	176,065	176,065	144,041	32,024	32,024
Medical/Rx/Dental	011406 0807	155,876	167,918	174,709	(18,833)	(6,791)
Vision/Life Insurance	011406 0809	1,734	1,734	1,766	(32)	(32)
Materials and Supplies	011407 3000	26,080	26,158	27,838	(1,758)	(1,680)
Travel and Training	011407 4100	12,000	12,000	10,974	1,026	1,026
Equipment Maintenance and Rental	011407 4500	8,400	8,400	5,818	2,582	2,582
Association Dues	011407 6100	4,000	4,000	3,285	715	715
Costs of Defense	011407 8056	60,000	60,000	27,583	32,417	32,417
Subtotal		1,352,398	1,364,518	1,282,940	69,458	81,578
Recorder of Deeds						
Department Head Salary	011506 0100	88,438	88,438	85,004	3,434	3,434
Solicitor Salary	011506 0200	6,000	6,000	6,000	-	-
Staff Salary	011506 0300	288,988	288,988	231,297	57,691	57,691
Social Security	011506 0802	28,872	28,872	23,449	5,423	5,423
Retirement	011506 0804	83,035	83,035	59,447	23,588	23,588
Medical/Rx/Dental	011506 0807	133,609	139,838	100,186	33,423	39,652
Vision/Life Insurance	011506 0809	1,892	1,892	1,479	413	413
Materials and Supplies	011507 3000	4,500	4,500	3,955	545	545
Microfiliming	011507 3103	-	-	2,975	(2,975)	(2,975)
Training and Staff Development	011507 4000	1,000	1,000	-	1,000	1,000
Travel and Transportation	011507 4100	500	500	-	500	500
Equipment Maintenance and Rental	011507 4500	15,000	15,000	4,400	10,600	10,600
Association Dues	011507 6100	250	250	499	(249)	(249)
Subtotal		652,084	658,313	518,691	133,393	139,622

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Personnel</u>						
Department Head Salary	011606 0100	100,624	100,624	103,788	(3,164)	(3,164)
Staff Salary	011606 0300	154,438	154,438	207,312	(52,874)	(52,874)
Social Security	011606 0802	19,513	19,513	23,240	(3,727)	(3,727)
Retirement	011606 0804	56,113	56,113	60,991	(4,878)	(4,878)
Medical/Rx/Dental	011606 0807	48,636	50,851	52,557	(3,921)	(1,706)
Vision/Life Insurance	011606 0809	991	991	1,073	(82)	(82)
Contracted Services	011607 1000	40,000	40,000	34,083	5,917	5,917
Union Negotiations	011607 1016	40,000	40,000	35,156	4,844	4,844
Materials and Supplies	011607 0300	3,000	3,000	2,441	559	559
Training and Staff Development	011607 4000	2,000	2,000	3,782	(1,782)	(1,782)
Travel and Transportation	011607 4100	1,700	1,700	1,567	133	133
Equipment Maintenance and Rental	011607 4500	3,700	3,700	1,951	1,749	1,749
Subtotal		470,715	472,930	527,941	(57,226)	(55,011)
<u>Employee Benefits</u>						
Education	0116267 0814	-	-	5,978	(5,978)	(5,978)
Workers' Compensation	0116264 0811	150,000	-	-	150,000	-
Unemployment Compensation	0116265 0812	60,000	60,000	(4,536)	64,536	64,536
Cobra Health Benefits	0116267 0808	-	-	(3,880)	3,880	3,880
HRA Benefits	0116267 0826	425,000	104,852	-	425,000	104,852
Miscellaneous Healthcare	0116267 0845	-	-	(2,441)	2,441	2,441
Subtotal		635,000	164,852	(4,879)	639,879	169,731

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

			Budgeted Amounts			Variance with	Variance with
			Original	Final	Actual	Original Budget	Final Budget
Expenditures: (Continued)							
Workers' Compensation							
Reimbursements	0116364	8600	-	-	(29,918)	29,918	29,918
Administrative Costs	0116364	8601	-	5,000	3,302	(3,302)	1,698
Advisor Fees	0116364	8602	-	3,200	2,981	(2,981)	219
Claims	0116364	8603	-	112,200	145,621	(145,621)	(33,421)
Excess Insurance	0116364	8604	-	79,100	81,893	(81,893)	(2,793)
Miscellaneous	0116364	8605	-	500	782	(782)	(282)
Subtotal			-	200,000	204,661	(204,661)	(4,661)
Central Phone							
Telephone	011707	2400	120,000	120,000	120,774	(774)	(774)
Subtotal			120,000	120,000	120,774	(774)	(774)
Information Technology							
Department Head Salary	011806	0100	100,585	100,585	100,469	116	116
Staff Salary	011806	0300	435,848	435,848	360,776	75,072	75,072
Overtime	011806	0399	2,500	2,500	1,645	855	855
Social Security	011806	0802	41,231	41,231	34,795	6,436	6,436
Retirement	011806	0804	118,565	118,565	81,669	36,896	36,896
Medical/Rx/Dental	011806	0807	120,596	124,389	92,046	28,550	32,343
Vision/Life Insurance	011806	0809	1,799	1,799	1,464	335	335
Contracted Services	011807	1000	38,800	38,800	23,462	15,338	15,338
Telephone	011807	2400	1,250	1,250	843	407	407
Materials and Supplies	011807	3000	15,000	15,000	14,054	946	946
Training and Staff Development	011807	4000	4,500	4,500	4,002	498	498
Travel and Transportation	011807	4100	1,000	1,000	71	929	929
Equipment Maintenance and Rental	011807	4500	390,000	390,000	363,897	26,103	26,103
Financial/Tax Software Support	011807	4516	125,000	125,000	138,402	(13,402)	(13,402)
Association Dues	011807	6100	4,500	4,500	1,500	3,000	3,000
Subtotal			1,401,174	1,404,967	1,219,095	182,079	185,872

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Planning</u>						
Department Head Salary	011906 0100	101,720	101,720	103,147	(1,427)	(1,427)
Staff Salary	011906 0300	115,141	115,141	107,889	7,252	7,252
Social Security	011906 0802	16,590	16,590	15,780	810	810
Retirement	011906 0804	47,709	47,709	43,654	4,055	4,055
Medical/Rx/Dental	011906 0807	23,498	29,919	29,018	(5,520)	901
Vision/Life Insurance	011906 0809	643	643	208	435	435
Contracted Services	011907 1000	300,000	300,000	265,300	34,700	34,700
Comprehensive Plan	011907 1018	25,000	25,000	-	25,000	25,000
Printing	011907 2600	1,000	1,000	-	1,000	1,000
Advertising	011907 2700	1,750	1,750	60	1,690	1,690
Materials and Supplies	011907 3000	1,200	1,200	527	673	673
Training and Staff Development	011907 4000	1,500	1,500	-	1,500	1,500
Travel and Transportation	011907 4100	1,500	1,500	3,743	(2,243)	(2,243)
Equipment Maintenance and Rental	011907 4500	1,800	1,800	595	1,205	1,205
Association Dues	011907 6100	700	700	428	272	272
Subtotal		639,751	646,172	570,349	69,402	75,823
<u>Safety Committee</u>						
Materials and Supplies	012017 3000	400	400	186	214	214
Training and Staff Development	012017 4000	400	400	75	325	325
Subtotal		800	800	261	539	539

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Maintenance</u>						
Department Head Salary	012206 0100	65,050	65,050	54,289	10,761	10,761
Staff Salary	012206 0300	630,812	630,812	583,671	47,141	47,141
On Call Pay	012206 0398	5,000	5,000	2,400	2,600	2,600
Overtime	012206 0399	15,000	15,000	7,657	7,343	7,343
Social Security	012206 0802	55,058	55,058	47,939	7,119	7,119
Uniform Benefits	012206 0803	3,850	3,850	3,500	350	350
Retirement	012206 0804	148,121	148,121	105,527	42,594	42,594
Medical/Rx/Dental	012206 0807	209,051	222,341	187,379	21,672	34,962
Vision/Life Insurance	012206 0809	3,191	3,191	2,805	386	386
Contracted Services	012207 1000	12,413	12,413	8,926	3,487	3,487
Utilities	012207 2300	30,000	30,000	24,502	5,498	5,498
Materials and Supplies	012207 3000	33,600	33,600	16,280	17,320	17,320
Travel and Transportation	012207 4100	1,050	1,050	864	186	186
Inspection	012207 5035	2,576	2,576	1,747	829	829
Storage Costs	012207 6200	60,620	60,620	51,475	9,145	9,145
Unanticipated Repairs	012207 8009	5,000	5,000	-	5,000	5,000
Subtotal		1,280,392	1,293,682	1,098,961	181,431	194,721
<u>Miscellaneous Maintenance</u>						
Staff Salary	012216 0300	-	-	7,236	(7,236)	(7,236)
Social Security	012216 0802	-	-	536	(536)	(536)
Medical/Rx/Dental	012216 0807	-	-	1,356	(1,356)	(1,356)
Vision/Life Insurance	012216 0809	-	-	16	(16)	(16)
Contracted Services	012217 1000	2,316	2,316	1,297	1,019	1,019
Utilities - Barn #1	012217 2306	204	204	207	(3)	(3)
Utilities - Building #9	012217 2307	30,651	30,651	29,083	1,568	1,568
Materials and Supplies	012217 3000	16,244	17,275	16,175	69	1,100
Equipment Maintenance and Rental	012217 4500	5,000	5,000	828	4,172	4,172
Sunnyview Complex Maintenance	012217 4509	8,434	8,434	7,007	1,427	1,427
Unanticipated Repairs	012217 8009	5,000	5,000	4,407	593	593
Subtotal		67,849	68,880	68,148	(299)	732

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

			Budgeted Amounts			Variance with	Variance with
			Original	Final	Actual	Original Budget	Final Budget
Expenditures: (Continued)							
Facilities							
Contracted Services	012227	1000	35,693	35,693	29,260	6,433	6,433
Contracted Services	012247	1000	12,000	12,000	11,253	747	747
Utilities	012227	2300	235,000	235,000	188,512	46,488	46,488
Utilities	012247	2300	65,300	65,300	59,101	6,199	6,199
Utilities	012257	2300	-	70,000	8,399	(8,399)	61,601
Telephone	012227	2400	1,500	1,500	540	960	960
Materials and Supplies	012227	3000	105,886	120,653	86,889	18,997	33,764
Materials and Supplies	012237	3000	9,100	9,309	3,103	5,997	6,206
Materials and Supplies	012247	3000	16,558	16,558	12,382	4,176	4,176
Equipment Maintenance and Rental	012227	4500	20,900	20,900	17,926	2,974	2,974
Equipment Maintenance and Rental	012247	4500	5,000	5,000	1,869	3,131	3,131
Inspection	012247	5035	1,000	1,000	680	320	320
Unanticipated Damage	012247	8009	5,000	5,000	-	5,000	5,000
Subtotal			512,937	597,913	419,914	93,023	177,999
Construction							
Department Head Salary	012306	0100	72,534	72,534	52,105	20,429	20,429
Staff Salary	012306	0300	378,605	378,605	334,509	44,096	44,096
On Call Pay	012306	0398	7,300	7,300	6,000	1,300	1,300
Overtime	012306	0399	8,000	8,000	7,218	782	782
Social Security	012306	0802	35,873	35,873	29,805	6,068	6,068
Uniform Benefits	012306	0803	2,800	2,800	2,100	700	700
Retirement	012306	0804	103,169	103,169	72,641	30,528	30,528
Medical/Rx/Dental	012306	0807	164,609	168,930	150,908	13,701	18,022
Vision/Life Insurance	012306	0809	2,028	2,028	1,817	211	211
Utilities	012307	2300	550	550	389	161	161
Materials and Supplies	012307	3000	6,273	6,273	5,514	759	759
Inventory Supplies	012307	3005	2,375	2,375	734	1,641	1,641
Training & Staff Development	012307	4000	2,500	2,500	-	2,500	2,500
Travel and Transportation	012307	4100	7,300	7,300	8,411	(1,111)	(1,111)
Equipment Maintenance and Rental	012307	4500	6,497	6,497	3,555	2,942	2,942
Subtotal			800,413	804,734	675,706	124,707	129,028

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Mailroom</u>						
Staff Salary	012406 0300	35,466	35,466	34,845	621	621
Social Security	012406 0802	2,713	2,713	2,564	149	149
Retirement	012406 0804	7,803	7,803	6,437	1,366	1,366
Medical/Rx/Dental	012406 0807	7,451	7,451	7,451	-	-
Vision/Life/Insurance	012406 0809	180	180	180	-	-
Postage	012407 2500	300,000	300,000	294,342	5,658	5,658
Materials and Supplies	012407 3000	45,000	45,000	29,807	15,193	15,193
Travel and Training	012407 4100	1,200	1,200	611	589	589
Equipment Maintenance and Rental	012407 4500	17,000	17,000	11,995	5,005	5,005
Subtotal		416,813	416,813	388,232	28,581	28,581
<u>Motor Pool</u>						
Department Head Salary	012506 0100	19,000	19,000	19,060	(60)	(60)
Staff Salary	012506 0300	60,000	60,000	39,406	20,594	20,594
Social Security	012506 0802	6,007	6,007	5,845	162	162
Uniform Benefits	012506 0803	800	800	691	109	109
Retirement	012506 0804	18,846	18,846	10,521	8,325	8,325
Medical/Rx/Dental	012506 0807	25,000	26,250	26,364	(1,364)	(114)
Vision/Life Insurance	012506 0809	413	413	337	76	76
Materials and Supplies	012507 3000	1,500	1,500	1,171	329	329
Gasoline	012507 3500	4,000	4,000	-	4,000	4,000
Vehicle Supplies	012507 3501	23,000	23,000	6,202	16,798	16,798
Outside Repairs	012507 3502	1,000	1,000	-	1,000	1,000
Travel and Transportation	012507 4100	1,000	1,000	1,553	(553)	(553)
Leased Vehicles	012507 4200	500	500	-	500	500
Equipment Maintenance and Rental	012507 4500	2,500	2,500	155	2,345	2,345
Subtotal		163,566	164,816	111,305	52,261	53,511

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
Expenditures: (Continued)						
Court Administration						
Contingency	012706 0000	100,000	100,000	-	100,000	100,000
Legal Secretaries	012706 0312	315,629	315,629	306,390	9,239	9,239
Tipstaffs	012706 0332	178,223	178,223	127,187	51,036	51,036
Other Court Staff	012706 0336	422,756	422,756	393,876	28,880	28,880
Law Clerk Salaries	012706 0345	298,865	298,865	346,532	(47,667)	(47,667)
Court Stenographer Salaries	012706 0346	540,838	540,838	534,540	6,298	6,298
Overtime	012706 0399	15,000	15,000	1,077	13,923	13,923
Social Security	012706 0802	134,358	134,358	127,997	6,361	6,361
Retirement	012706 0804	371,635	371,635	265,641	105,994	105,994
Medical/Rx/Dental	012706 0807	422,780	441,359	351,200	71,580	90,159
Vision/Life Insurance	012706 0809	5,426	5,426	5,566	(140)	(140)
Arbitrators	012707 1007	15,000	15,000	12,240	2,760	2,760
Adult Court Appointed Attorney	012707 1019	305,000	305,000	260,784	44,216	44,216
MH/MR Commitments	012707 1029	-	-	1,699	(1,699)	(1,699)
Arbitrators - Tax Appeals	012707 1048	1,500	1,500	300	1,200	1,200
Juvenile Court Appointed Attorney	012707 1053	210,000	210,000	340,791	(130,791)	(130,791)
Family Court Appointed Attorney	012707 1057	7,000	7,000	26,611	(19,611)	(19,611)
Telephone	012707 2400	500	500	284	216	216
Postage	012707 2500	400	400	298	102	102
Materials and Supplies	012707 3000	35,000	33,258	24,919	10,081	8,339
Legal Publications/Subscriptions	012707 3104	6,000	6,000	6,787	(787)	(787)
Travel and Transportation	012707 4100	15,000	15,000	8,208	6,792	6,792
Equipment Maintenance and Rental	012707 4500	70,000	70,000	17,195	52,805	52,805
Transcripts	012707 5013	7,000	7,000	736	6,264	6,264
Orphans Court Costs	012707 5033	75,000	75,000	81,529	(6,529)	(6,529)
Translators	012707 5038	14,000	14,000	15,224	(1,224)	(1,224)
Association Dues	012707 6100	5,500	5,500	4,930	570	570
Other Miscellaneous Costs	012707 8004	75,000	75,000	31,510	43,490	43,490
CIAB	012707 8024	3,000	3,000	2,567	433	433
Mental Health Evaluations	012707 8062	10,000	10,000	7,500	2,500	2,500
Subtotal		3,660,410	3,677,247	3,304,118	356,292	373,129

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

			Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
			Original	Final			
<u>Expenditures: (Continued)</u>							
<u>Custody Conciliator</u>							
Staff Salary	012716	0300	213,227	213,227	200,526	12,701	12,701
Social Security	012716	0802	16,312	16,312	14,971	1,341	1,341
Retirement	012716	0804	45,119	45,119	37,022	8,097	8,097
Medical/Rx/Dental	012716	0807	75,455	78,261	72,535	2,920	5,726
Vision/Life Insurance	012716	0809	1,038	1,038	950	88	88
Contracted Services	012717	1000	20,000	20,000	10,767	9,233	9,233
Indigent Defense	012717	1020	9,600	9,600	8,730	870	870
Material and Supplies	012717	3000	1,960	1,960	1,560	400	400
Travel & Transportation	012717	4100	1,000	1,000	626	374	374
Equipment Maintenance & Rental	012717	4500	4,000	4,000	1,572	2,428	2,428
Medical and Other Exams	012717	5009	1,000	1,000	336	664	664
Subtotal			388,711	391,517	349,595	39,116	41,922
<u>Jury Costs</u>							
Postage	012787	2500	5,000	5,000	5,469	(469)	(469)
Material and Supplies	012787	3000	2,000	2,000	1,811	189	189
Equipment Maintenance and Rental	012787	4500	8,500	8,500	8,229	271	271
Jury Expense	012787	5026	50,000	50,000	31,023	18,977	18,977
Other Miscellaneous Costs	012787	8004	5,000	5,000	3,636	1,364	1,364
Subtotal			70,500	70,500	50,168	20,332	20,332

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts			Variance with	Variance with
		Original	Final	Actual	Original Budget	Final Budget
Expenditures: (Continued)						
District Judge - Evans City						
Staff Salary	012806 0300	189,543	189,543	191,339	(1,796)	(1,796)
Social Security	012806 0802	14,500	14,500	13,847	653	653
Retirement	012806 0804	40,107	40,107	44,224	(4,117)	(4,117)
Medical/Rx/Dental	012806 0807	88,325	93,936	87,469	856	6,467
Vision/Life Insurance	012806 0809	910	910	908	2	2
Audit Contracts	012807 1001	1,700	1,700	1,561	139	139
Constables	012807 1046	8,000	8,000	1,385	6,615	6,615
Rent/Occupancy Costs	012807 2200	61,000	61,000	5,617	55,383	55,383
Telephone	012807 2400	2,500	2,500	2,134	366	366
Postage	012807 2500	15,000	15,000	12,000	3,000	3,000
Materials and Supplies	012807 3000	7,000	7,000	6,820	180	180
Travel and Transportation	012807 4100	800	800	-	800	800
Equipment Maintenance and Rental	012807 4500	4,500	4,500	5,082	(582)	(582)
Bonds	012807 6000	600	600	475	125	125
Subtotal		434,485	440,096	372,861	61,624	67,235
District Judge - Cranberry Township						
Staff Salary	012856 0300	193,983	193,983	191,269	2,714	2,714
Social Security	012856 0802	14,840	14,840	14,369	471	471
Retirement	012856 0804	41,047	41,047	41,164	(117)	(117)
Medical/Rx/Dental	012856 0807	62,319	65,449	49,933	12,386	15,516
Vision/Life Insurance	012856 0809	867	867	870	(3)	(3)
Audit Contracts	012857 1001	1,700	1,700	1,561	139	139
Constables	012857 1046	10,000	10,000	1,601	8,399	8,399
Rent/Occupancy Costs	012857 2200	11,500	11,500	14,828	(3,328)	(3,328)
Utilities	012857 2300	5,750	5,750	5,181	569	569
Telephone	012857 2400	5,200	5,200	4,673	527	527
Postage	012857 2500	15,000	15,000	12,000	3,000	3,000
Materials and Supplies	012857 3000	9,000	9,000	10,497	(1,497)	(1,497)
Travel and Transportation	012857 4100	800	800	-	800	800
Equipment Maintenance and Rental	012857 4500	6,000	6,000	4,284	1,716	1,716
Bonds	012857 6000	600	600	475	125	125
Subtotal		378,606	381,736	352,705	25,901	29,031

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
<u>Expenditures: (Continued)</u>						
<u>District Judge - Saxonburg</u>						
Staff Salary	012906 0300	154,023	154,023	168,843	(14,820)	(14,820)
Social Security	012906 0802	11,783	11,783	12,631	(848)	(848)
Retirement	012906 0804	32,591	32,591	37,624	(5,033)	(5,033)
Medical/Rx/Dental	012906 0807	45,870	47,171	46,296	(426)	875
Vision/Life Insurance	012906 0809	661	661	777	(116)	(116)
Audit Contracts	012907 1001	1,700	1,700	1,561	139	139
Constables	012907 1046	3,000	3,000	212	2,788	2,788
Rent/Occupancy Costs	012907 2200	40,000	40,000	3,093	36,907	36,907
Telephone	012907 2400	3,500	3,500	2,718	782	782
Postage	012907 2500	15,000	15,000	12,000	3,000	3,000
Materials and Supplies	012907 3000	7,000	8,322	7,233	(233)	1,089
Travel and Transportation	012907 4100	800	800	-	800	800
Equipment Maintenance and Rental	012907 4500	5,800	5,800	4,599	1,201	1,201
Subtotal		321,728	324,351	297,587	24,141	26,764
<u>District Judge - Chicora</u>						
Staff Salary	013006 0300	149,958	149,958	162,130	(12,172)	(12,172)
Social Security	013006 0802	11,472	11,472	11,893	(421)	(421)
Retirement	013006 0804	31,731	31,731	36,825	(5,094)	(5,094)
Medical/Rx/Dental	013006 0807	51,188	53,688	49,407	1,781	4,281
Vision/Life Insurance	013006 0809	627	627	740	(113)	(113)
Audit Contracts	013007 1001	1,700	1,700	1,561	139	139
Constables	013007 1046	3,500	3,500	1,086	2,414	2,414
Rent/Occupancy Costs	013007 2200	26,000	26,000	8,798	17,202	17,202
Telephone	013007 2400	3,000	3,000	2,524	476	476
Postage	013007 2500	15,000	15,000	12,160	2,840	2,840
Materials and Supplies	013007 3000	8,000	8,000	6,865	1,135	1,135
Travel and Transportation	013007 4100	800	800	-	800	800
Equipment Maintenance and Rental	013007 4500	4,800	4,800	4,639	161	161
Subtotal		307,776	310,276	298,628	9,148	11,648

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
Expenditures: (Continued)						
District Judge - Butler Township						
Staff Salary	013106 0300	183,431	183,431	184,231	(800)	(800)
Social Security	013106 0802	14,032	14,032	13,544	488	488
Retirement	013106 0804	38,814	38,814	34,090	4,724	4,724
Medical/Rx/Dental	013106 0807	63,162	66,912	70,286	(7,124)	(3,374)
Vision/Life Insurance	013106 0809	683	683	900	(217)	(217)
Audit Contracts	013107 1001	1,700	1,700	1,561	139	139
Constables	013107 1046	8,000	8,000	3,318	4,682	4,682
Rent/Occupancy Costs	013107 2200	-	13,732	-	-	13,732
Utilities	013107 2300	12,000	16,000	9,850	2,150	6,150
Telephone	013107 2400	4,500	4,500	4,110	390	390
Postage	013107 2500	15,000	15,000	12,000	3,000	3,000
Materials and Supplies	013107 3000	6,000	6,000	6,637	(637)	(637)
Travel and Transportation	013107 4100	800	800	-	800	800
Equipment Maintenance and Rental	013107 4500	5,000	5,000	4,577	423	423
Subtotal		353,122	374,604	345,104	8,018	29,500
District Judge - Butler City						
Staff Salary	013156 0300	202,718	202,718	207,949	(5,231)	(5,231)
Social Security	013156 0802	15,508	15,508	15,314	194	194
Retirement	013156 0804	42,895	42,895	33,812	9,083	9,083
Medical/Rx/Dental	013156 0807	71,059	77,062	66,661	4,398	10,401
Vision/Life Insurance	013156 0809	791	791	901	(110)	(110)
Audit Contracts	013157 1001	1,700	1,700	1,561	139	139
Constables	013157 1046	15,000	15,000	10,837	4,163	4,163
Rent/Occupancy Costs	013157 2200	1,300	1,300	1,227	73	73
Utilities	013157 2300	9,500	9,500	8,465	1,035	1,035
Telephone	013157 2400	4,200	4,200	3,708	492	492
Postage	013157 2500	15,000	15,000	12,002	2,998	2,998
Materials and Supplies	013157 3000	10,000	10,000	9,243	757	757
Travel and Transportation	013157 4100	800	800	299	501	501
Equipment Maintenance and Rental	013157 4500	5,000	5,000	5,296	(296)	(296)
Bonds	013157 6000	600	600	475	125	125
Subtotal		396,071	402,074	377,750	18,321	24,324

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
District Judge - Slippery Rock						
Staff Salary	013206 0300	250,327	250,327	251,528	(1,201)	(1,201)
Social Security	013206 0802	19,150	19,150	17,956	1,194	1,194
Retirement	013206 0804	52,969	52,969	46,543	6,426	6,426
Medical/Rx/Dental	013206 0807	107,457	113,172	104,341	3,116	8,831
Vision/Life Insurance	013206 0809	1,200	1,200	1,351	(151)	(151)
Audit Contracts	013207 1001	1,700	1,700	1,561	139	139
Constables	013207 1046	1,500	1,500	891	609	609
Rent/Occupancy Costs	013207 2200	3,500	3,500	2,738	762	762
Utilities	013207 2300	8,200	8,200	8,641	(441)	(441)
Telephone	013207 2400	3,500	3,500	2,990	510	510
Postage	013207 2500	15,000	15,000	12,000	3,000	3,000
Materials and Supplies	013207 3000	7,000	7,000	9,149	(2,149)	(2,149)
Travel and Transportation	013207 4100	800	800	-	800	800
Equipment Maintenance and Rental	013207 4500	4,000	4,000	4,776	(776)	(776)
Bonds	013207 6000	600	600	475	125	125
Subtotal		476,903	482,618	464,940	11,963	17,678
<u>Law Library</u>						
Materials and Supplies	013307 3000	500	500	-	500	500
Electronic Legal Research	013307 3101	96,996	96,996	98,211	(1,215)	(1,215)
Publications/Subscriptions	013307 3104	37,000	37,000	40,916	(3,916)	(3,916)
Equipment Maintenance and Rental	013307 4500	1,000	1,000	85	915	915
Subtotal		135,496	135,496	139,212	(3,716)	(3,716)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
Expenditures: (Continued)						
Clerk of Courts						
Department Head Salary	013406 0100	88,438	88,438	85,004	3,434	3,434
Solicitor Salary	013406 0200	6,000	6,000	6,000	-	-
Staff Salary	013406 0300	603,861	603,861	608,391	(4,530)	(4,530)
Social Security	013406 0802	52,958	52,958	51,292	1,666	1,666
Retirement	013406 0804	147,813	147,813	125,953	21,860	21,860
Medical/Rx/Dental	013406 0807	225,193	238,710	238,890	(13,697)	(180)
Vision/Life Insurance	013406 0809	3,167	3,167	3,158	9	9
Material and Supplies	013407 3000	13,000	13,000	12,420	580	580
Training and Staff Development	013407 4000	2,500	2,500	2,566	(66)	(66)
Equipment Maintenance and Rental	013407 4500	25,000	25,000	12,573	12,427	12,427
Bonds	013407 6000	400	400	325	75	75
Association Dues	013407 6100	750	750	750	-	-
Subtotal		1,169,080	1,182,597	1,147,322	21,758	35,275
Coroner						
Department Head Salary	013506 0100	88,438	88,438	85,004	3,434	3,434
Solicitor Salary	013506 0200	6,000	6,000	6,000	-	-
Staff Salary	013506 0300	113,577	113,577	112,758	819	819
Chief Deputy Salary	013506 0347	25,986	25,986	31,009	(5,023)	(5,023)
Special Deputy Coroners	013506 0351	15,000	15,000	2,100	12,900	12,900
Overtime	013506 0399	15,000	15,000	4,799	10,201	10,201
Social Security	013506 0802	19,737	19,737	17,670	2,067	2,067
Retirement	013506 0804	39,576	39,576	32,480	7,096	7,096
Medical/Rx/Dental	013506 0807	34,649	37,455	37,006	(2,357)	449
Vision/Life Insurance	013506 0809	735	735	732	3	3
Contracted Services	013507 1000	119,675	119,675	81,725	37,950	37,950
Materials and Supplies	013507 3000	11,760	11,760	8,472	3,288	3,288
Travel and Transportation	013507 4100	6,500	6,500	9,818	(3,318)	(3,318)
Equipment Maintenance and Rental	013507 4500	2,200	2,200	865	1,335	1,335
Post Mortem Exams	013507 5004	274,850	274,850	220,118	54,732	54,732
Association Dues	013507 6100	800	800	910	(110)	(110)
Subtotal		774,483	777,289	651,466	123,017	125,823

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
Expenditures: (Continued)						
District Attorney						
Department Head Salary	013606 0100	197,346	197,346	188,576	8,770	8,770
Staff Salary	013606 0300	185,048	185,048	191,499	(6,451)	(6,451)
Detectives	013606 0313	264,592	264,592	272,135	(7,543)	(7,543)
Assistant District Attorney	013606 0322	760,658	760,658	765,913	(5,255)	(5,255)
On Call Pay	013606 0398	76,437	76,437	52,325	24,112	24,112
Social Security	013606 0802	113,531	113,531	107,271	6,260	6,260
Retirement	013606 0804	326,497	326,497	278,646	47,851	47,851
Medical/Rx/Dental	013606 0807	232,896	245,198	239,785	(6,889)	5,413
Vision/Life Insurance	013606 0809	3,353	3,353	3,466	(113)	(113)
Telephone	013607 2400	13,500	13,500	13,367	133	133
Materials and Supplies	013607 3000	14,500	14,604	14,793	(293)	(189)
Clothing/Minor Equipment	013607 3015	2,000	2,000	2,038	(38)	(38)
Library Costs	013607 3102	23,000	23,000	26,093	(3,093)	(3,093)
Training and Staff Development	013607 4000	-	-	1,622	(1,622)	(1,622)
Travel and Transportation	013607 4100	15,000	15,000	19,614	(4,614)	(4,614)
Equipment Maintenance and Rental	013607 4500	22,000	22,000	20,462	1,538	1,538
Filing Fees	013607 5001	250	250	90	160	160
Interpreter Fees	013607 5005	250	250	-	250	250
Witness Fees	013607 5024	250	250	-	250	250
Bonds	013607 6000	200	200	-	200	200
Association Dues	013607 6100	14,000	14,000	14,079	(79)	(79)
Drug Task Force Contribution	013607 7040	50,000	50,000	25,000	25,000	25,000
Release of Forfeited Property	013607 8011	100,000	100,000	128,438	(28,438)	(28,438)
Prosecution Costs	013607 8055	20,000	20,000	19,077	923	923
DUI Enforcement Training	013607 8067	32,000	32,000	20,381	11,619	11,619
Travel Aid Costs	013607 8068	500	500	-	500	500
Release Forfeitures/Sex Crimes	013607 8075	500	500	19,269	(18,769)	(18,769)
Subtotal		2,468,308	2,480,714	2,423,939	44,369	56,775
DUI Checkpoint						
Staff Salary	013646 0300	35,000	75,000	71,497	(36,497)	3,503
Subtotal		35,000	75,000	71,497	(36,497)	3,503

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Prothonotary</u>						
Department Head Salary	013706 0100	88,438	88,438	85,004	3,434	3,434
Solicitor Salary	013706 0200	6,000	6,000	6,000	-	-
Staff Salary	013706 0300	432,166	432,166	395,483	36,683	36,683
Overtime	013706 0399	3,000	3,000	282	2,718	2,718
Social Security	013706 0802	40,058	40,058	35,370	4,688	4,688
Retirement	013706 0804	111,029	111,029	76,184	34,845	34,845
Medical/Rx/Dental	013706 0807	159,039	164,621	160,546	(1,507)	4,075
Vision/Life Insurance	013706 0809	2,430	2,430	2,235	195	195
Materials and Supplies	013707 3000	35,000	35,051	24,674	10,326	10,377
Training and Staff Development	013707 4000	2,000	2,000	-	2,000	2,000
Travel and Transportation	013707 4100	3,000	3,000	1,021	1,979	1,979
Equipment Maintenance and Rental	013707 4500	60,000	60,000	13,613	46,387	46,387
Association Dues	013707 6100	750	750	750	-	-
Subtotal		942,910	948,543	801,162	141,748	147,381
<u>Register of Wills</u>						
Department Head Salary	013806 0100	90,583	90,583	87,066	3,517	3,517
Solicitor Salary	013806 0200	6,000	6,000	6,000	-	-
Staff Salary	013806 0300	342,330	342,330	340,025	2,305	2,305
Social Security	013806 0802	33,117	33,117	31,677	1,440	1,440
Retirement	013806 0804	95,241	95,241	80,259	14,982	14,982
Medical/Rx/Dental	013806 0807	153,678	166,623	169,889	(16,211)	(3,266)
Vision/Life Insurance	013806 0809	2,072	2,072	2,066	6	6
Advertising	013807 2700	6,000	6,000	3,735	2,265	2,265
Materials and Supplies	013807 3000	13,500	13,526	8,448	5,052	5,078
Training and Staff Development	013807 4000	5,500	5,500	4,614	886	886
Travel and Transportation	013807 4100	2,000	2,000	985	1,015	1,015
Equipment Maintenance and Rental	013807 4500	50,000	50,000	33,028	16,972	16,972
Association Dues	013807 6100	750	750	750	-	-
Subtotal		800,771	813,742	768,542	32,229	45,200

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Sheriff</u>						
Department Head Salary	013906 0100	88,404	88,404	85,004	3,400	3,400
Solicitor Salary	013906 0200	6,000	6,000	6,000	-	-
Staff Salary	013906 0300	1,528,939	1,528,939	1,530,315	(1,376)	(1,376)
Part-Time Deputies	013906 0314	100,378	100,378	49,158	51,220	51,220
On Call Pay	013906 0398	8,000	8,000	4,500	3,500	3,500
Overtime	013906 0399	120,000	120,000	122,839	(2,839)	(2,839)
Social Security	013906 0802	141,198	141,198	133,643	7,555	7,555
Uniform Benefits	013906 0803	10,000	10,000	13,364	(3,364)	(3,364)
Retirement	013906 0804	376,386	376,386	314,487	61,899	61,899
Medical/Rx/Dental	013906 0807	452,872	473,465	460,276	(7,404)	13,189
Vision/Life Insurance	013906 0809	6,963	6,963	6,681	282	282
Contracted Services	013907 1000	5,000	5,000	3,239	1,761	1,761
Telephone	013907 2400	4,200	4,200	4,381	(181)	(181)
Materials and Supplies	013907 3000	25,000	25,000	15,187	9,813	9,813
DARE Supplies	013907 3008	7,000	7,000	4,195	2,805	2,805
Incidental Security Supplies	013907 3022	3,500	3,500	7,761	(4,261)	(4,261)
Training and Staff Development	013907 4000	16,000	29,266	22,262	(6,262)	7,004
Prisoner Transport Costs	013907 4100	25,000	25,000	26,629	(1,629)	(1,629)
Vehicle Maintenance	013907 4201	14,000	14,000	10,705	3,295	3,295
Fuel Costs	013907 4203	25,000	25,000	44,197	(19,197)	(19,197)
Equipment Maintenance and Rental	013907 4500	75,000	75,000	21,842	53,158	53,158
Association Dues	013907 6100	1,800	1,800	2,066	(266)	(266)
Donation Expenses - Canine Care	013907 8066	1,000	16,000	9,607	(8,607)	6,393
Donation Expenses - Retired Canine Care	013907 066A	-	-	361	(361)	(361)
Subtotal		3,041,640	3,090,499	2,898,699	142,941	191,800

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Prison</u>						
Department Head Salary	014026 0100	113,385	113,385	115,854	(2,469)	(2,469)
Administration Salary	014026 0302	684,802	684,802	724,439	(39,637)	(39,637)
Guard Salaries	014026 0315	5,815,193	5,815,193	5,865,095	(49,902)	(49,902)
Maintenance Salaries	014026 0352	227,288	227,288	149,964	77,324	77,324
Overtime - Administrative	014026 0397	18,000	18,000	17,737	263	263
On Call Pay	014026 0398	2,000	2,000	2,400	(400)	(400)
Overtime	014026 0399	350,000	350,000	566,606	(216,606)	(216,606)
Social Security	014026 0802	551,480	551,480	556,669	(5,189)	(5,189)
Uniform Benefits	014026 0803	58,100	58,100	52,727	5,373	5,373
Retirement	014026 0804	1,554,219	1,554,219	1,358,749	195,470	195,470
Medical/Rx/Dental	014026 0807	1,484,425	1,553,000	1,422,514	61,911	130,486
Vision/Life Insurance	014026 0809	16,513	16,513	21,929	(5,416)	(5,416)
Contracted Services	014027 1000	192,000	192,000	96,509	95,491	95,491
Medical Services	014027 1051	1,935,423	2,335,423	2,331,729	(396,306)	3,694
Utilities	014027 2300	425,000	425,000	534,965	(109,965)	(109,965)
Telephone	014027 2400	30,000	30,000	37,904	(7,904)	(7,904)
Materials and Supplies	014027 3000	272,000	272,000	132,093	139,907	139,907
Bedding and Linen	014027 3006	10,000	10,000	9,456	544	544
Clothing	014027 3015	10,000	10,000	35,954	(25,954)	(25,954)
Office Supplies	014027 3021	10,000	10,000	10,044	(44)	(44)
Medical Services	014027 3203	6,000	6,000	-	6,000	6,000
Food Service	014027 3400	817,093	817,093	994,982	(177,889)	(177,889)
Training and Staff Development	014027 4000	20,000	20,000	27,066	(7,066)	(7,066)
Travel and Transportation	014027 4100	2,800	2,800	1,423	1,377	1,377
Vehicle Operation	014027 4201	5,000	5,000	4,324	676	676
Equipment Maintenance and Rental	014027 4500	27,500	27,500	6,372	21,128	21,128
Bonds	014027 6000	500	500	325	175	175
Association Dues	014027 6100	2,000	2,000	810	1,190	1,190
Subtotal		14,640,721	15,109,296	15,078,639	(437,918)	30,657

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Adult Probation</u>						
Staff Salary	014106 0300	1,886,369	1,886,369	1,975,718	(89,349)	(89,349)
On Call Pay	014106 0398	28,600	28,600	13,750	14,850	14,850
Overtime	014106 0399	5,000	5,000	5,764	(764)	(764)
Social Security	014106 0802	144,307	144,307	148,750	(4,443)	(4,443)
Retirement	014106 0804	399,156	399,156	383,011	16,145	16,145
Medical/Rx/Dental	014106 0807	498,636	524,103	502,644	(4,008)	21,459
Vision/Life Insurance	014106 0809	6,314	6,314	7,259	(945)	(945)
Contracted Services	014107 1000	140,000	140,000	91,075	48,925	48,925
Telephone	014107 2400	16,000	16,000	16,834	(834)	(834)
Materials and Supplies	014107 3000	35,000	48,304	39,090	(4,090)	9,214
Specialty Court Supplies	014107 3023	2,500	2,500	1,991	509	509
Training and Staff Development	014107 4000	15,000	15,000	5,009	9,991	9,991
Travel and Transportation	014107 4100	15,000	15,000	23,462	(8,462)	(8,462)
Equipment Maintenance and Rental	014107 4500	12,000	12,000	3,527	8,473	8,473
CRN Assessment	014107 4518	110,000	110,000	70,216	39,784	39,784
Association Dues	014107 6100	450	450	373	77	77
Electronic Monitoring	014107 P017	400,000	400,000	176,155	223,845	223,845
SCRAM Equipment Use	014107 P536	40,000	40,000	72,635	(32,635)	(32,635)
Subtotal		3,754,332	3,793,103	3,537,263	217,069	255,840
<u>Community Correction</u>						
Department Head Salary	014116 0100	95,386	95,386	98,170	(2,784)	(2,784)
Staff Salary	014116 0300	129,121	129,121	130,475	(1,354)	(1,354)
On Call Pay	014116 0398	2,750	2,750	1,100	1,650	1,650
Overtime	014116 0399	800	800	1,222	(422)	(422)
Social Security	014116 0802	17,175	17,175	17,296	(121)	(121)
Retirement	014116 0804	47,506	47,506	43,415	4,091	4,091
Medical/Rx/Dental	014116 0807	36,179	39,821	33,757	2,422	6,064
Vision/Life Insurance	014116 0809	457	457	555	(98)	(98)
Materials and Supplies	014117 3000	4,000	4,000	3,032	968	968
Travel and Transportation	014117 4100	3,200	3,200	4,557	(1,357)	(1,357)
Subtotal		336,574	340,216	333,579	2,995	6,637

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Drug Screening</u>						
Materials and Supplies	014127 3000	125,000	125,000	121,535	3,465	3,465
Subtotal		125,000	125,000	121,535	3,465	3,465
<u>Juvenile Probation</u>						
Staff Salary	014206 0300	1,036,893	1,036,893	977,982	58,911	58,911
On Call Pay	014206 0398	28,600	28,600	13,750	14,850	14,850
Overtime	014206 0399	8,600	8,600	9,911	(1,311)	(1,311)
Social Security	014206 0802	79,322	79,322	75,235	4,087	4,087
Retirement	014206 0804	219,407	219,407	188,583	30,824	30,824
Medical/Rx/Dental	014206 0807	262,340	274,720	243,838	18,502	30,882
Vision/Life Insurance	014206 0809	3,221	3,221	3,498	(277)	(277)
Juvenile Master	014207 1008	110,000	110,000	114,243	(4,243)	(4,243)
Telephone	014207 2400	5,800	5,800	2,093	3,707	3,707
Materials and Supplies	014207 3000	10,000	13,366	6,364	3,636	7,002
Drug Testing	014207 3201	1,000	1,000	498	502	502
Training and Staff Development	014207 4000	9,000	9,000	7,353	1,647	1,647
Travel and Transportation	014207 4100	10,000	10,000	17,151	(7,151)	(7,151)
Emergency Transportation	014207 4400	2,000	2,000	-	2,000	2,000
Equipment Maintenance and Rental	014207 4500	4,500	4,500	2,181	2,319	2,319
Subtotal		1,790,683	1,806,429	1,662,680	128,003	143,749
<u>Emergency Management</u>						
Department Head Salary	014406 0100	89,870	89,870	91,614	(1,744)	(1,744)
Staff Salary	014406 0300	76,222	76,222	72,581	3,641	3,641
Social Security	014406 0802	12,706	12,706	12,109	597	597
Retirement	014406 0804	31,944	31,944	28,209	3,735	3,735
Medical/Rx/Dental	014406 0807	44,997	46,989	47,447	(2,450)	(458)
Vision/Life Insurance	014406 0809	541	541	540	1	1
Materials and Supplies	014407 3000	10,000	10,000	409	9,591	9,591
Training & Staff Development	014427 4000	2,000	2,000	-	2,000	2,000
Travel and Transportation	014407 4100	1,000	1,000	419	581	581
Equipment Maintenance and Rental	014407 4500	2,500	2,500	290	2,210	2,210
Operating Costs	014437 8015	11,000	11,000	-	11,000	11,000
Disaster Costs	014407 8054	25,000	25,000	-	25,000	25,000
Subtotal		307,780	309,772	253,618	54,162	56,154

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
Expenditures: (Continued)						
Water Rescue Team						
Water Rescue Team Costs	014447 8004	18,000	19,727	14,052	3,948	5,675
Subtotal		18,000	19,727	14,052	3,948	5,675
HazMat						
Staff Salary	014476 0300	2,000	2,000	-	2,000	2,000
Social Security	014476 0802	155	155	-	155	155
Retirement	014476 0804	440	440	-	440	440
Medical/Rx/Dental	014476 0807	750	750	-	750	750
Vision/Life Insurance	014476 0809	30	30	-	30	30
Subtotal		3,375	3,375	-	3,375	3,375
Radiation Emergency						
Telephone	014497 2400	3,500	3,500	4,292	(792)	(792)
Materials and Supplies	014497 3000	15,000	15,000	2,297	12,703	12,703
Training and Staff Development	014497 4000	1,500	1,500	917	583	583
Subtotal		20,000	20,000	7,506	12,494	12,494
Veterans Service						
Department Head Salary	014706 0100	71,105	71,105	76,046	(4,941)	(4,941)
Staff Salary	014706 0300	88,917	88,917	105,847	(16,930)	(16,930)
Social Security	014706 0802	12,242	12,242	13,461	(1,219)	(1,219)
Retirement	014706 0804	35,205	35,205	29,777	5,428	5,428
Medical/Rx/Dental	014706 0807	47,930	51,136	61,765	(13,835)	(10,629)
Vision/Life Insurance	014706 0809	811	811	749	62	62
Materials and Supplies	014707 3000	25,000	25,000	25,298	(298)	(298)
Travel and Transportation	014707 4100	4,000	4,000	357	3,643	3,643
Equipment Maintenance and Rental	014707 4500	5,500	5,500	3,674	1,826	1,826
Burials	014707 5006	50,000	50,000	27,200	22,800	22,800
Headstones	014707 5014	8,500	8,500	5,150	3,350	3,350
Veterans Organizations	014707 5021	13,000	13,000	4,579	8,421	8,421
Veterans Outreach	014707 5040	4,500	4,500	726	3,774	3,774
Association Dues	014707 6100	300	300	350	(50)	(50)
Subtotal		367,010	370,216	354,979	12,031	15,237

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
Expenditures: (Continued)						
Parks and Recreation						
Staff Salary	015106 0300	128,766	128,766	143,647	(14,881)	(14,881)
Social Security	015106 0802	9,851	9,851	10,836	(985)	(985)
Uniform Benefits	015106 0803	350	350	700	(350)	(350)
Retirement	015106 0804	18,226	18,226	30,192	(11,966)	(11,966)
Medical/Rx/Dental	015106 0807	29,937	35,440	43,559	(13,622)	(8,119)
Vision/Life Insurance	015106 0809	450	450	494	(44)	(44)
Contracted Services	015107 1000	12,000	12,000	6,801	5,199	5,199
Utilities	015107 2300	14,000	14,000	14,867	(867)	(867)
Utilities - Diamond Park	015107 2301	3,500	3,500	1,510	1,990	1,990
Telephone	015107 2400	3,800	3,800	2,265	1,535	1,535
Materials and Supplies	015107 3000	48,000	42,074	44,601	3,399	(2,527)
Travel and Transportation	015107 4100	3,000	3,000	1,112	1,888	1,888
Equipment Maintenance and Rental	015107 4500	5,000	5,000	8,117	(3,117)	(3,117)
Association Dues	015107 6100	3,000	3,000	2,043	957	957
Other Miscellaneous Costs	015107 8004	11,500	11,500	11,410	90	90
Unanticipated Damages	015107 8009	20,000	20,000	13,098	6,902	6,902
Subtotal		311,380	310,957	335,252	(23,872)	(24,295)
Parks and Recreation - Pool						
Staff Salary	015206 0300	125,000	125,000	141,917	(16,917)	(16,917)
Social Security	015206 0802	9,563	9,563	10,810	(1,247)	(1,247)
Retirement	015206 0804	5,191	5,191	-	5,191	5,191
Medical/Rx/Dental	015206 0807	11,105	11,105	3,565	7,540	7,540
Vision/Life Insurance	015206 0809	193	193	89	104	104
Utilities	015207 2300	38,000	38,000	36,124	1,876	1,876
Telephone	015207 2400	1,000	1,000	699	301	301
Advertising	015207 2700	500	500	330	170	170
Materials and Supplies	015207 3000	30,000	32,100	30,914	(914)	1,186
Concession Stand Supplies	015207 3402	25,000	25,000	25,121	(121)	(121)
Equipment Maintenance and Rental	015207 4500	5,800	18,500	13,991	(8,191)	4,509
Pool Programs	015207 8017	1,600	1,600	20	1,580	1,580
Subtotal		252,952	267,752	263,580	(10,628)	4,172

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Sinking Fund</u>						
Principle - 2016 Note Series A	016117 7516A	368,000	368,000	368,000	-	-
Principle - 2016 Note Series B	016117 7516B	526,000	526,000	526,000	-	-
Principle - 2017 Bond Issue	016117 7517	711	711	711	-	-
Principle - 2020 Bond Issue	016117 7530	3,875,000	3,875,000	3,875,000	-	-
Reduction of Principle - Leases	016117 7599	-	-	94,596	(94,596)	(94,596)
Interest - 2016 Note Series A	0161172 7616A	31,608	31,608	31,608	-	-
Interest - 2016 Note Series B	0161172 7616B	85,706	85,706	85,706	-	-
Interest - 2017 Bond Issue	0161172 7617	78,512	78,512	78,512	-	-
Interest - 2020 Bond Issue	0161172 7630	140,920	140,920	140,919	1	1
Interest Expense - Leases	0161172 7699	-	-	13,529	(13,529)	(13,529)
Subtotal		5,106,457	5,106,457	5,214,581	(108,124)	(108,124)
<u>Insurance</u>						
Multi-Peril Insurance	016157 5303	372,704	407,825	407,825	(35,121)	-
Subtotal		372,704	407,825	407,825	(35,121)	-

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Contributions</u>						
Fire Chiefs Association	01630220 7001	10,000	10,000	10,000	-	-
Unionville Volunteer Fire	01630220 7018	2,500	2,500	2,500	-	-
Flood Control Authority	01630292 7002	13,500	13,500	13,500	-	-
Butler County Fire Police	01630294 7019	2,500	2,500	2,500	-	-
Airport Authority	01630480 7008	155,000	155,000	155,000	-	-
BC3 Contribution	01630490 7022	5,522,478	5,522,478	5,587,138	(64,660)	(64,660)
Federated Library	01630560 7024	265,000	265,000	265,000	-	-
Butler Historical Society	01630570 7029	10,000	10,000	10,000	-	-
Agricultural Extension (Utilities)	01630610 2300	5,000	5,000	4,700	300	300
Agricultural Extension	01630610 7013	250,000	250,000	250,000	-	-
S.P.R.P.C.	01630650 7025	87,796	87,796	87,796	-	-
Butler County CDC	01630650 7036	350,000	350,000	350,000	-	-
Butler County Conservation	01630670 7049	177,518	177,518	377,517	(199,999)	(199,999)
Subtotal		6,851,292	6,851,292	7,115,651	(264,359)	(264,359)
<u>Miscellaneous</u>						
Cost Plan	016207 5400	14,300	14,300	14,300	-	-
Contingency	016407 0000	898,406	633,153	-	898,406	633,153
Utilities	016407 2300	4,500	4,500	4,114	386	386
Indigent Burials	016407 8004	2,000	2,000	900	1,100	1,100
Subtotal		919,206	653,953	19,314	899,892	634,639
<u>Refunds</u>						
General Refunds	016417 8500	-	-	194	(194)	(194)
Tax Refunds	016417 8502	-	-	51,608	(51,608)	(51,608)
Subtotal		-	-	51,802	(51,802)	(51,802)
<u>Lease Capital Outlay</u>						
Lease Capital Outlay	016617 7799	-	-	811,731	(811,731)	(811,731)
Subtotal		-	-	811,731	(811,731)	(811,731)

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

		Budgeted Amounts			Variance with	Variance with
		Original	Final	Actual	Original Budget	Final Budget
Expenditures: (Continued)						
Transfers						
Transfer to Tax Claim	011007 7205	-	-	12,311	(12,311)	(12,311)
Transfer to Domestic Relations	012757 7202	992,145	992,145	839,503	152,642	152,642
Transfer to GF Grant Fund	013617 7252	-	-	49	(49)	(49)
Transfer to MH/MR - In Custody	014027 7219	50,000	50,000	-	50,000	50,000
Transfer to Hazmat	014457 7203	165,134	165,134	32,340	132,794	132,794
Transfer to GF Grant Fund	014837 7252	70,680	70,680	70,680	-	-
Transfer to Recreation	015007 7246	358,027	358,027	410,864	(52,837)	(52,837)
Transfer to Capital Reserve	016427 7208	10,135,891	10,154,017	11,891,392	(1,755,501)	(1,737,375)
Transfer to Liquid Fuels	016457 7211	10,000	10,000	-	10,000	10,000
Transfer to AAA	016507 7212	20,000	20,000	20,000	-	-
Transfer to AAA Non-Reimbursable	016507 7239	35,016	35,016	142,835	(107,819)	(107,819)
Transfer to Children & Youth	017007 7213	2,887,783	2,887,783	2,846,170	41,613	41,613
Transfer to Independent Living	017357 7236	85,747	85,747	39,561	46,186	46,186
Transfer to D&A	018807 7218	39,000	39,000	38,574	426	426
Transfer to D&A - DWI Match	018807 7240	42,000	42,000	133,150	(91,150)	(91,150)
Transfer to D&A - Act 198	018807 7243	42,000	42,000	-	42,000	42,000
Transfer to MH/MR	019007 7219	195,000	195,000	196,128	(1,128)	(1,128)
Transfer to HS Block Grant	019007 7253	220,000	220,000	199,397	20,603	20,603
Transfer to Agricultural Preservation	019717 7221	211,160	211,160	226,903	(15,743)	(15,743)
Subtotal		15,559,583	15,577,709	17,099,857	(1,540,274)	(1,522,148)
Grand Total of General Fund Expenditures						
		\$ 81,742,125	\$ 82,252,657	\$ 80,886,168	\$ 855,957	\$ 1,366,489

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND - EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2022

(Continued)

	Budgeted Amounts			Variance with	Variance with
	Original	Final	Actual	Original Budget	Final Budget
<u>Reconciliation to General Fund Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual, which includes: Operating Reserve, Workers' Compensation, Tax Claim, and Agricultural Easements:</u>					
Grand Total General Fund Expenditures:	\$ 81,742,125	\$ 82,252,657	\$ 80,886,168	\$ 855,957	\$ 1,366,489
Operating Reserve	1,284,802	1,284,802	-	1,284,802	1,284,802
Workers' Compensation	1,282,800	1,282,800	-	1,282,800	1,282,800
Tax Claim	130,000	130,000	110,817	19,183	19,183
Agricultural Conservation	878,893	878,893	353,767	525,126	525,126
Less: Elimination of Interfund Transfers:					
Tax Claim	-	-	12,311	(12,311)	(12,311)
Agricultural Conservation	211,160	211,160	226,903	(15,743)	(15,743)
Grand Total As Reported on page III-8	\$ 85,107,460	\$ 85,617,992	\$ 81,111,538	\$ 3,995,922	\$ 4,506,454

(Concluded)

STATISTICAL SECTION

STATISTICAL SECTION

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

Contents

Page

Financial Trends

These schedules contain trend information to improve the reader's understanding of how the government's financial performance and well-being have changed over time.

VI - 1

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source: property taxes.

VI - 7

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

VI - 18

Demographic and Economic Information

These schedules offer demographic and economic indicators to improve the reader's understanding of the environment in which the government's financial activities take place.

VI - 24

Operating Information

These schedules contain service and infrastructure data to improve the reader's understanding of how the information in the government's financial report relates to the services the government provides and the activities it performs.

VI - 27

Miscellaneous Statistics

These schedules contain a historical population chart.

VI - 31

SOURCES:

Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

COUNTY OF BUTLER, PENNSYLVANIA

NET POSITION BY COMPONENT - LAST TEN YEARS

(Accrual basis of accounting)

(Unaudited)

	Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities:										
Net investment in capital assets	\$ 52,055,306	\$ 48,125,952	\$ 47,074,940	\$ 34,884,432	\$ 42,144,526	\$ 39,595,530	\$ 39,387,664	\$ 35,892,941	\$ 30,212,176	\$ 25,313,445
Restricted	29,468,653	18,594,201	12,277,206	11,165,321	9,954,726	9,066,941	7,417,347	6,286,815	6,939,927	5,236,014
Unrestricted	<u>24,067,171</u>	<u>24,876,973</u>	<u>5,529,484</u>	<u>6,285,638</u>	<u>(6,258,300)</u>	<u>(5,684,320)</u>	<u>(7,563,029)</u>	<u>(2,160,695)</u>	<u>21,004,834</u>	<u>11,303,768</u>
Total governmental activities net position	<u>\$ 105,591,130</u>	<u>\$ 91,597,126</u>	<u>\$ 64,881,630</u>	<u>\$ 52,335,391</u>	<u>\$ 45,840,952</u>	<u>\$ 42,978,151</u>	<u>\$ 39,241,982</u>	<u>\$ 40,019,061</u>	<u>\$ 58,156,937</u>	<u>\$ 41,853,227</u>
Business-type activities:										
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (64,947)	\$ (238,364)	\$ 6,440,992
Restricted	-	-	-	-	-	-	-	11,911	1,331,085	603,961
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(179,518)</u>	<u>-</u>	<u>(573,360)</u>
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (232,554)</u>	<u>\$ 1,092,721</u>	<u>\$ 6,471,593</u>
Primary government:										
Net investment in capital assets	\$ 52,055,306	\$ 48,125,952	\$ 47,074,940	\$ 34,884,432	\$ 42,144,526	\$ 39,595,530	\$ 39,387,664	\$ 35,827,994	\$ 29,973,812	\$ 31,754,437
Restricted	29,468,653	18,594,201	12,277,206	11,165,321	9,954,726	9,066,941	7,417,347	6,298,726	8,271,012	5,839,975
Unrestricted	<u>24,067,171</u>	<u>24,876,973</u>	<u>5,529,484</u>	<u>6,285,638</u>	<u>(6,258,300)</u>	<u>(5,684,320)</u>	<u>(7,563,029)</u>	<u>(2,340,213)</u>	<u>21,004,834</u>	<u>10,730,408</u>
Total primary government net position	<u>\$ 105,591,130</u>	<u>\$ 91,597,126</u>	<u>\$ 64,881,630</u>	<u>\$ 52,335,391</u>	<u>\$ 45,840,952</u>	<u>\$ 42,978,151</u>	<u>\$ 39,241,982</u>	<u>\$ 39,786,507</u>	<u>\$ 59,249,658</u>	<u>\$ 48,324,820</u>

COUNTY OF BUTLER, PENNSYLVANIA

CHANGES IN NET POSITION - LAST TEN YEARS

(Accrual Basis of Accounting)

(Unaudited)

	Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental activities:										
General government - administration	\$ 15,829,818	\$ 16,054,697	\$ 24,056,110	\$ 13,187,911	\$ 12,772,232	\$ 12,743,921	\$ 12,301,829	\$ 11,009,498	\$ 11,342,525	\$ 10,741,653
General government - judicial	20,977,890	15,942,127	14,949,186	16,418,326	17,814,826	16,587,066	17,729,710	15,361,068	15,849,028	15,260,808
Public safety	31,618,079	28,187,302	22,222,546	22,544,944	22,935,052	21,626,111	23,612,641	17,058,490	17,466,334	16,481,883
Public works and enterprises	3,450,444	2,307,882	2,662,796	1,623,945	2,084,309	1,589,701	2,142,095	1,485,108	1,954,895	2,045,812
Human services	57,369,904	47,640,808	41,298,030	43,866,467	43,576,946	42,289,104	43,016,935	39,365,687	39,465,829	37,065,928
Culture and recreation	1,851,035	1,547,198	1,463,340	2,009,964	1,624,502	1,991,489	1,741,609	2,569,623	1,572,486	1,237,488
Conservation and economic development	4,864,524	3,977,344	6,394,186	4,430,713	4,434,507	6,007,161	4,061,501	3,948,814	3,129,353	3,233,785
Interest, premiums, and discounts	1,207,166	1,011,672	1,442,112	1,648,278	1,708,009	1,873,370	1,566,788	1,668,624	1,642,188	2,162,448
Total governmental activities expenses	<u>137,168,860</u>	<u>116,669,030</u>	<u>114,488,306</u>	<u>105,730,548</u>	<u>106,950,383</u>	<u>104,707,923</u>	<u>106,173,108</u>	<u>92,466,912</u>	<u>92,422,638</u>	<u>88,229,805</u>
Business-type activities:										
Healthcare services	-	-	-	-	-	-	-	-	7,840,132	20,259,460
Health Choices	-	-	-	-	-	-	-	29,435,880	29,790,572	30,575,472
Emergency communications	-	-	-	-	-	-	-	3,290,783	3,136,999	3,059,184
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,726,663</u>	<u>40,767,703</u>	<u>53,894,116</u>
Total primary government expenses	<u>\$ 137,168,860</u>	<u>\$ 116,669,030</u>	<u>\$ 114,488,306</u>	<u>\$ 105,730,548</u>	<u>\$ 106,950,383</u>	<u>\$ 104,707,923</u>	<u>\$ 106,173,108</u>	<u>\$ 125,193,575</u>	<u>\$ 133,190,341</u>	<u>\$ 142,123,921</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government - administration	\$ 2,504,027	\$ 2,848,790	\$ 2,806,138	\$ 2,492,215	\$ 2,427,800	\$ 2,502,997	\$ 2,489,623	\$ 2,420,280	\$ 2,405,908	\$ 2,531,181
General government - judicial	3,133,599	2,886,647	2,876,645	2,805,482	3,492,439	3,273,886	3,233,565	3,277,787	3,285,912	3,660,429
Public safety	9,601,989	9,539,075	3,161,313	2,940,789	1,943,667	1,769,898	2,210,605	2,651,470	3,144,256	2,841,068
Public works and enterprises	1,076,385	1,096,700	1,051,285	1,008,895	13,945	-	-	-	-	-
Human services	11,518,426	1,748,637	1,769,905	1,688,771	1,424,990	1,198,868	1,269,198	775,265	508,082	747,675
Culture and recreation	369,805	297,944	235,897	391,970	383,669	352,630	358,084	358,332	260,236	315,715
Conservation and development	432,715	623,711	422,405	545,951	700,896	1,162,407	905,851	673,344	624,103	470,357
Operating grants and contributions	58,551,598	62,959,708	57,180,174	41,600,104	41,170,013	40,973,179	40,344,751	37,520,039	36,606,177	33,403,679
Capital grants and contributions	4,199,713	4,435,276	2,638,320	2,701,927	2,719,645	4,469,850	1,943,591	1,840,517	1,803,901	4,144,241
Total governmental activities program revenues	<u>91,388,257</u>	<u>86,436,488</u>	<u>72,142,082</u>	<u>56,176,104</u>	<u>54,277,064</u>	<u>55,703,715</u>	<u>52,755,268</u>	<u>49,517,034</u>	<u>48,638,575</u>	<u>48,114,345</u>
Business-type activities:										
Healthcare services	-	-	-	-	-	-	-	-	7,487,180	18,796,441
Health Choices	-	-	-	-	-	-	-	29,435,880	29,790,572	30,575,472
Emergency communications	-	-	-	-	-	-	-	2,734,904	1,954,675	1,836,561
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,170,784</u>	<u>39,232,427</u>	<u>51,208,474</u>
Total primary government revenues	<u>\$ 91,388,257</u>	<u>\$ 86,436,488</u>	<u>\$ 72,142,082</u>	<u>\$ 56,176,104</u>	<u>\$ 54,277,064</u>	<u>\$ 55,703,715</u>	<u>\$ 52,755,268</u>	<u>\$ 81,687,818</u>	<u>\$ 87,871,002</u>	<u>\$ 99,322,819</u>
Net (Expenses)/Revenues:										
Governmental activities	\$ (45,780,603)	\$ (30,232,542)	\$ (42,346,224)	\$ (49,554,444)	\$ (52,673,319)	\$ (49,004,208)	\$ (53,417,840)	\$ (42,949,878)	\$ (43,784,063)	\$ (40,115,460)
Business-type activities	-	-	-	-	-	-	-	(555,879)	(1,535,276)	(2,685,642)
Total primary government net (expenses) revenues	<u>\$ (45,780,603)</u>	<u>\$ (30,232,542)</u>	<u>\$ (42,346,224)</u>	<u>\$ (49,554,444)</u>	<u>\$ (52,673,319)</u>	<u>\$ (49,004,208)</u>	<u>\$ (53,417,840)</u>	<u>\$ (43,505,757)</u>	<u>\$ (45,319,339)</u>	<u>\$ (42,801,102)</u>
General Revenues and other Changes in Net Position:										
Governmental activities:										
Real estate taxes	\$ 53,617,367	\$ 52,870,906	\$ 51,364,484	\$ 49,692,941	\$ 50,349,609	\$ 49,531,159	\$ 48,653,726	\$ 42,729,131	\$ 42,126,382	\$ 41,502,607
Hotel tax	2,420,193	1,885,727	1,134,660	2,418,046	2,377,470	2,321,249	1,879,933	1,517,098	1,464,849	1,364,156
Interest and investment income	468,270	118,400	263,797	982,871	734,693	359,766	272,769	77,104	103,723	52,534
Other income	3,268,777	2,073,005	2,129,522	1,876,508	2,074,348	1,831,203	2,066,887	2,183,684	2,520,007	2,284,241
Special item - disposal of operations	-	-	-	-	-	(1,303,000)	(232,554)	(331,291)	13,872,812	(2,130,039)
Total governmental activities	<u>59,774,607</u>	<u>56,948,038</u>	<u>54,892,463</u>	<u>54,970,366</u>	<u>55,536,120</u>	<u>52,740,377</u>	<u>52,640,761</u>	<u>46,175,726</u>	<u>60,087,773</u>	<u>43,073,499</u>
Business-type activities:										
Interest and investment income	-	-	-	-	-	-	-	222	592	164
Other income	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	232,554	331,291	(13,872,812)	2,130,039
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>232,554</u>	<u>331,513</u>	<u>(13,872,220)</u>	<u>2,130,203</u>
Total primary government	<u>\$ 59,774,607</u>	<u>\$ 56,948,038</u>	<u>\$ 54,892,463</u>	<u>\$ 54,970,366</u>	<u>\$ 55,536,120</u>	<u>\$ 52,740,377</u>	<u>\$ 52,873,315</u>	<u>\$ 46,507,239</u>	<u>\$ 46,215,553</u>	<u>\$ 45,203,702</u>
Change in Net Position:										
Governmental activities	\$ 13,994,004	\$ 26,715,496	\$ 12,546,239	\$ 5,415,922	\$ 2,862,801	\$ 3,736,169	\$ (777,079)	\$ 3,225,848	\$ 16,303,710	\$ 2,958,039
Business-type activities	-	-	-	-	-	-	232,554	(224,366)	(15,407,496)	(555,439)
Total primary government change in net position	<u>\$ 13,994,004</u>	<u>\$ 26,715,496</u>	<u>\$ 12,546,239</u>	<u>\$ 5,415,922</u>	<u>\$ 2,862,801</u>	<u>\$ 3,736,169</u>	<u>\$ (544,525)</u>	<u>\$ 3,001,482</u>	<u>\$ 896,214</u>	<u>\$ 2,402,600</u>

COUNTY OF BUTLER, PENNSYLVANIA

FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN YEARS

(Modified Accrual Basis of Accounting)

(Unaudited)

	Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	\$ 283,858	\$ 206,158	\$ 194,078	\$ 823,976	\$ 641,934	\$ 522,353	\$ 694,203	\$ 582,600	\$ 257,991	\$ 251,297
Restricted	1,290,511	1,364,291	1,426,646	1,310,235	1,302,299	1,397,424	1,396,143	1,389,121	1,376,332	1,259,133
Committed	1,187,836	1,245,615	1,250,317	1,197,288	1,138,969	1,124,939	571,054	577,893	655,634	685,659
Assigned	4,070,946	3,112,847	6,220,913	6,744,980	4,445,406	3,820,000	3,841,054	4,250,138	5,389,990	6,153,177
Unassigned	22,531,493	27,832,768	9,774,021	8,243,722	8,846,728	7,106,548	5,044,438	2,160,243	-	664,489
Total General Fund	<u>\$ 29,364,644</u>	<u>\$ 33,761,679</u>	<u>\$ 18,865,975</u>	<u>\$ 18,320,201</u>	<u>\$ 16,375,336</u>	<u>\$ 13,971,264</u>	<u>\$ 11,546,892</u>	<u>\$ 8,959,995</u>	<u>\$ 7,679,947</u>	<u>\$ 9,013,755</u>
All Other Governmental Funds:										
Nonspendable	\$ 81,385	\$ 109,526	\$ 70,448	\$ 41,689	\$ 75,797	\$ 36,309	\$ 45,688	\$ 39,654	\$ 43,670	\$ 43,450
Restricted	16,699,004	15,542,321	10,876,778	10,453,345	11,257,970	17,370,712	10,084,220	2,968,524	4,063,595	2,776,881
Committed	3,873,083	12,617,609	2,693,190	2,116,035	-	-	6,556	3,922,230	3,109,883	-
Assigned	10,630,408	1,293,997	736,274	1,639,494	2,196,505	3,319,358	3,248,481	2,126,425	8,126,180	211,935
Unassigned	(16,335)	(5,871)	(2,190)	(5,533)	(46,825)	(7,255)	(7,867)	(6,570)	(7,475)	(9,477)
Total all Other Governmental Funds	<u>\$ 31,267,545</u>	<u>\$ 29,557,582</u>	<u>\$ 14,374,500</u>	<u>\$ 14,245,030</u>	<u>\$ 13,483,447</u>	<u>\$ 20,719,124</u>	<u>\$ 13,377,078</u>	<u>\$ 9,050,263</u>	<u>\$ 15,335,853</u>	<u>\$ 3,022,789</u>

COUNTY OF BUTLER, PENNSYLVANIA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN YEARS

(Modified Accrual Basis of Accounting)

(Unaudited)

	Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Taxes	\$ 56,064,042	\$ 54,841,433	\$ 52,597,443	\$ 53,478,119	\$ 52,529,566	\$ 51,801,239	\$ 50,520,042	\$ 44,097,479	\$ 43,431,240	\$ 42,772,400
Intergovernmental	62,187,479	66,389,435	60,476,651	44,783,471	43,333,644	44,967,981	42,519,702	38,895,758	38,055,079	37,272,922
Charges for services	19,243,413	18,064,666	11,408,978	11,376,966	9,017,680	9,237,995	9,224,707	8,699,749	9,165,554	9,091,712
Fines and forfeits	904,649	976,838	917,799	1,022,017	1,211,196	1,017,913	930,765	1,072,174	1,076,844	1,121,276
Interest	468,270	118,399	263,797	982,871	734,692	359,766	272,769	77,104	103,723	52,534
Other	2,605,103	2,073,005	2,129,521	1,921,293	2,052,002	1,891,784	2,075,378	2,188,740	2,515,394	2,305,588
Total revenues	141,472,956	142,463,776	127,794,189	113,564,737	108,878,780	109,276,678	105,543,363	95,031,004	94,347,834	92,616,432
Expenditures:										
General government - administration	13,228,956	14,972,745	22,042,691	11,527,198	11,250,038	10,749,174	10,433,753	10,345,603	10,250,444	9,830,002
General government - judicial	18,708,746	17,772,599	17,256,430	16,915,799	16,873,999	16,650,766	16,252,916	15,606,260	15,615,489	15,021,003
Public safety	26,547,557	27,262,604	23,185,959	21,517,743	20,505,605	20,036,370	19,938,669	16,146,436	16,060,375	15,049,900
Public works and enterprises	1,882,671	1,426,954	500,143	501,081	491,178	508,103	827,770	513,103	632,575	789,241
Human services	54,974,855	48,152,868	41,398,840	43,455,114	42,369,338	41,537,210	41,259,013	38,997,435	39,173,894	36,354,183
Culture and recreation	1,264,880	1,036,083	1,038,613	1,063,012	1,087,514	1,100,902	1,058,255	1,012,106	928,971	915,063
Conservation and economic development	4,469,260	3,664,554	6,074,848	3,813,331	4,008,868	5,608,161	3,356,165	3,380,650	2,786,574	2,980,745
Other	10,166,041	20,557,143	1,371,353	524,609	527,596	518,148	555,039	680,684	501,905	624,067
Debt service:										
Principal	5,314,356	5,197,752	4,448,624	3,940,430	3,805,875	3,400,826	9,997,748	2,007,962	39,192,423	2,144,930
Interest	1,208,336	1,011,672	2,138,822	1,941,048	2,055,697	1,944,247	1,873,325	1,852,335	2,621,753	2,133,955
Capital projects	7,207,973	5,967,813	8,261,257	6,891,961	10,757,023	11,480,640	2,999,500	9,563,459	9,437,425	4,581,183
Total expenditures	144,973,631	147,022,787	127,717,580	112,091,326	113,732,731	113,534,547	108,552,153	100,106,033	137,201,828	90,424,272
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,500,675)	(4,559,011)	76,609	1,473,411	(4,853,951)	(4,257,869)	(3,008,790)	(5,075,029)	(42,853,994)	2,192,160
Other Financing Sources (Uses):										
Transfers in	24,739,451	18,716,800	11,158,350	10,015,790	6,360,654	6,529,405	9,107,445	8,694,597	25,688,869	6,241,311
Transfers out	(24,739,451)	(18,716,800)	(11,158,350)	(10,015,790)	(6,360,654)	(6,529,405)	(8,117,227)	(9,025,888)	(11,816,057)	(8,371,350)
Issuance of debt	-	5,175,010	22,860,000	118,611	-	15,121,814	8,970,000	-	39,947,149	-
Refunding note - proceeds	-	-	9,550,000	-	-	-	-	-	-	-
Refunding note - disbursements	-	-	(9,550,000)	-	-	-	-	-	-	-
Infrastructure Bank - issuance	-	29,420,183	-	-	-	-	-	-	-	-
Deposit to refunding escrow	-	-	(22,291,881)	-	-	-	-	-	-	-
Refund office furniture	-	-	-	-	-	-	130,238	329,712	-	-
Sale of capital assets	1,872	42,604	30,516	35,909	22,346	25,473	12,046	71,066	13,289	12,301
Leases (as lessee)	811,731	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	813,603	34,637,797	598,635	154,520	22,346	15,147,287	10,102,502	69,487	53,833,250	(2,117,738)
Special Item - disposal of operations	-	-	-	-	-	(1,303,000)	-	-	-	-
Net change in fund balance	<u>\$ (2,687,072)</u>	<u>\$ 30,078,786</u>	<u>\$ 675,244</u>	<u>\$ 1,627,931</u>	<u>\$ (4,831,605)</u>	<u>\$ 9,586,418</u>	<u>\$ 7,093,712</u>	<u>\$ (5,005,542)</u>	<u>\$ 10,979,256</u>	<u>\$ 74,422</u>
Debt service as a percentage of noncapital expenditures	4.67%	4.37%	5.37%	5.51%	5.62%	5.17%	11.05%	4.17%	32.31%	4.92%

COUNTY OF BUTLER, PENNSYLVANIA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION - LAST TEN YEARS

ALL GOVERNMENTAL FUND TYPES 2013-2022

(Unaudited)

Fiscal Year	General Government Administration	General Government Judicial	Public Safety (3)	Public Works and Enterprises	Human Services (2)	Culture and Recreation	Conservation and Economic Development	Other	Debt Service	Capital Projects	Total
2013	9,830,002	15,021,003	15,049,900	789,241	36,354,183	915,063	2,980,745	624,067	4,278,885	4,581,183	90,424,272
2014	10,250,444	15,615,489	16,060,375	632,575	39,173,894	928,971	2,786,574	501,905	41,814,176	9,437,425	137,201,828
2015	10,345,603	15,606,260	16,146,436	513,103	38,997,435	1,012,106	3,380,650	680,684	3,860,297	9,563,459	100,106,033
2016	10,433,753	16,252,916	19,938,669	827,770	41,259,013	1,058,255	3,356,165	555,039	11,871,073	2,999,500	108,552,153
2017	10,749,174	16,650,766	20,036,370	508,103	41,537,210	1,100,902	5,608,161	518,148	5,345,073	11,480,640	113,534,547
2018	11,250,038	16,873,999	20,505,605	491,178	42,369,338	1,087,514	4,008,868	527,596	5,861,572	10,757,023	113,732,731
2019	11,527,198	16,915,799	21,517,743	501,081	43,455,114	1,063,012	3,813,331	524,609	5,881,478	6,891,961	112,091,326
2020	22,042,691	17,256,430	23,185,959	500,143	41,398,840	1,038,613	6,074,848	1,371,353	6,587,446	8,261,257	127,717,580
2021	34,930,503	17,772,599	27,262,604	1,426,954 (1)	48,152,868	1,036,083	3,664,554	599,385	6,209,424	5,967,813	147,022,787
2022	13,228,956	18,708,746	26,547,557	1,882,671	54,974,855	1,264,880	4,469,260	10,166,041	6,522,692	7,207,973	144,973,631

Includes the following funds: General, Special Revenue, Debt Service, and Capital Projects. Excludes component units.

NOTES:

(1) Amounts fluctuate based on bridge construction done in the current year.

(2) Health Choices became a Business-Type fund in 2013.

Health Choices became a Special Revenue fund in 2016.

(3) Emergency Communications 911 became a Special Revenue fund in 2016.

COUNTY OF BUTLER, PENNSYLVANIA

GENERAL GOVERNMENTAL REVENUES BY SOURCE - LAST TEN YEARS

ALL GOVERNMENTAL FUND TYPES 2013-2022

(Unaudited)

Fiscal Year	Property Taxes	Inter-governmental	Charges for Services	Fines and Forfeits	Interest	Other	Total
2013	\$ 42,772,400 (1)	\$ 37,272,922 (2)	\$ 9,091,712	\$ 1,121,276	\$ 52,534	\$ 2,305,588	\$ 92,616,432
2014	43,431,240	38,055,079	9,165,554	1,076,844	103,723	2,515,394	94,347,834
2015	44,097,479	38,895,758	8,699,749	1,072,174	77,104	2,188,740	95,031,004
2016	50,520,042 (3)	42,519,702 (4)	9,226,093	930,765	272,769	2,075,378	105,544,749
2017	51,801,239	44,967,981	9,237,995	1,017,913	359,766	1,891,784	109,276,678
2018	52,529,566	43,333,644	9,017,680	1,211,196	734,692	2,052,002	108,878,780
2019	53,478,119	44,783,471	11,376,966	1,022,017	982,871	1,921,293	113,564,737
2020	52,597,443	60,476,651 (5)	11,408,978	917,799	263,797	2,129,521	127,794,189
2021	54,841,433	66,389,435	18,064,666	976,838	118,399	2,073,005	142,463,776
2022	56,064,042	62,187,479	19,243,413	904,649	468,270	2,605,103	141,472,956

Includes the following funds: General, Special Revenue, Debt Service, and Capital Projects. Excludes component units.

NOTES:

- (1) Increase in 2013 is due to a 1.00 mill increase in real estate taxes.
- (2) Intergovernmental Revenue decreased because Health Choices became a Business-Type fund in 2013.
- (3) Increase in 2016 is due to a 3.00 mill increase in real estate taxes.
- (4) Intergovernmental Revenue increased due to Health Choices and Emergency Communications 911 becoming Special Revenue funds in 2016.
- (5) Intergovernmental Revenue increased due to Coronavirus Relief funding in 2020.

NOTE: Taxes includes Current, Delinquent and Hotel Taxes

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS 2013-2022

(Unaudited)

Fiscal Year	A (1) Taxes Levied for the Fiscal Year (Original Levy)	B (2) Adjustments	C (A+B) Total Adjusted Levy	D (D/A) Collected Within the Fiscal Year of the Levy		E Collections in Subsequent Years	F (D+E) (F/C) Total Collections to Date	
	Amount			Percentage of Original Levy			(4) Amount	Percentage of Adjusted Levy
2013	\$ 42,026,464	\$ (107,061)	\$ 41,919,403	\$ 40,827,137	97.15%	\$ 1,051,912	\$ 41,879,049	99.90%
2014	42,580,754	(14,627)	42,566,127	41,447,122	97.34%	1,074,920	42,522,042	99.90%
2015	43,139,297	(17,898)	43,121,399	42,052,177	97.48%	1,018,115	43,070,292	99.88%
2016	49,044,872	(20,350)	49,024,522	47,864,484	97.59%	1,094,352	48,958,836	99.87%
2017	49,865,284	(4,403)	49,860,881	48,731,336	97.73%	1,057,752	49,789,088	99.86%
2018	50,692,454	(10,015)	50,682,438	49,538,963	97.72%	1,060,352	50,599,315	99.84%
2019	51,562,828	(28,111)	51,534,717	50,460,209	97.86%	585,691	51,045,900	99.05%
2020	52,289,270	(62,989)	52,226,281	51,220,758	97.96%	598,244	51,819,002	99.22%
2021	53,013,307	(62,812)	52,950,495	52,002,782	98.09%	548,789	52,551,571	99.25%
2022	54,410,486	(472,814)	53,937,672	53,034,846	97.47%	-	52,189,334	96.76%

NOTES:

(1) Includes interims.

(2) Includes additions and exonerations.

SOURCES:

Annual Reports of Butler County Controller

COUNTY OF BUTLER, PENNSYLVANIA

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY - LAST TEN YEARS

2013-2022
(Unaudited)

Fiscal Year	Total Taxable Assessed Value	1969 Estimated Actual Value	Current Year Common Level Ratio	Current Year Estimated Actual Value	Taxable Assessed Value As a Percentage of 1969 Estimated Actual Value	Total Direct Millage Rate (1)
2013	\$ 1,700,763,050	\$ 1,700,763,050	7.41	\$ 12,602,654,201	100%	24.63
2014	1,720,707,433	1,720,707,433	8.77	15,090,604,187	100%	24.63
2015	1,751,636,074	1,751,636,074	9.43	16,517,928,178	100%	24.63
2016	1,775,187,242	1,775,187,242	9.17	16,278,467,009	100%	27.63
2017	1,805,012,516	1,805,012,516	9.26	16,714,415,898	100%	27.63
2018	1,834,954,542	1,834,954,542	9.43	17,303,621,331	100%	27.63
2019	1,866,462,089	1,866,462,089	10.75	20,064,467,457	100%	27.63
2020	1,892,755,201	1,892,755,201	11.63	22,012,742,988	100%	27.63
2021	1,969,538,728	1,969,538,728	12.66	24,934,360,296	100%	27.63
2022	1,997,113,741	1,997,113,741	14.08	28,119,361,473	100%	27.63

NOTES:

(1) Tax rates are expressed in millage, and the tax rate is applied per thousand dollars (\$1,000) of the 1969 estimated actual values.

SOURCE:

Butler County Assessment Office

COUNTY OF BUTLER, PENNSYLVANIA

ASSESSED VALUE OF PROPERTY TAXES BY MUNICIPALITY - LAST TEN YEARS

2013-2022
(Unaudited)

Municipality	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Adams Township	\$ 218,912,040	\$ 212,263,740	\$ 200,301,772	\$ 198,738,060	\$ 195,304,178	\$ 188,892,873	\$ 182,035,456	\$ 176,048,289	\$ 170,651,199	\$ 164,259,143
Allegheny Township	7,681,459	7,447,409	7,364,805	7,324,325	7,274,704	7,256,745	7,743,285	7,672,304	7,652,942	7,581,132
Brady Township	8,890,105	8,868,706	8,774,186	8,740,052	8,644,655	8,524,883	8,473,033	8,395,051	8,379,169	8,332,155
Bruin Borough	2,118,102	2,123,812	2,125,692	2,266,044	2,163,254	2,162,529	2,151,079	2,133,672	2,134,732	2,120,012
Buffalo Township	82,398,029	80,650,199	77,567,628	75,561,514	74,003,688	72,913,365	70,893,835	70,032,829	69,485,898	68,848,084
Butler City	65,556,133	65,684,959	67,231,986	68,528,345	67,858,653	68,064,108	68,253,347	68,921,971	69,084,242	68,952,575
Butler Township	163,411,538	163,154,500	163,287,630	162,414,985	161,945,453	161,536,079	160,663,187	161,534,265	157,609,694	157,316,494
Callery Borough	4,113,285	4,099,783	4,071,436	4,026,676	3,857,256	3,863,366	3,852,536	3,433,266	3,426,096	3,425,696
Center Township	83,471,938	82,928,598	82,264,600	83,638,388	83,650,942	80,333,093	80,804,953	82,926,536	82,503,901	81,958,109
Cherry Township	10,909,994	10,932,344	10,924,396	10,947,117	10,874,791	10,716,850	10,587,271	10,454,674	10,421,868	9,455,240
Cherry Valley Borough	823,300	823,830	802,130	776,360	746,600	742,060	718,940	716,250	709,850	709,350
Chicora Borough	5,398,608	5,360,098	5,380,809	5,377,699	5,351,341	5,351,321	5,345,474	5,385,257	5,376,337	5,395,920
Clay Township	19,048,328	19,007,138	18,909,590	18,841,721	18,699,361	18,716,092	18,533,399	18,455,965	18,294,322	18,115,347
Clearfield Township	18,549,485	18,474,843	18,295,647	18,119,223	17,920,763	17,703,801	17,620,146	17,509,209	17,430,328	17,368,506
Clinton Township	42,344,245	40,043,692	39,514,968	39,462,260	39,168,587	39,009,082	39,255,385	38,092,775	37,841,152	37,368,506
Concord Township	10,607,952	10,589,335	10,525,275	10,500,505	10,461,643	10,430,296	10,423,542	10,382,148	10,319,247	10,322,442
Connoqueussing Borough	7,526,463	6,739,693	5,954,453	5,698,553	5,534,913	5,235,153	4,804,198	4,541,258	4,310,138	4,075,548
Connoqueussing Township	45,208,242	45,351,338	44,522,953	43,835,313	43,122,610	42,581,704	42,201,574	40,970,366	40,124,825	39,881,478
Cranberry Township	462,288,117	458,840,097	428,313,954	419,898,079	408,828,437	400,264,215	392,140,274	383,639,148	375,489,276	367,969,462
Donegal Township	15,214,429	15,182,579	15,166,592	15,015,674	14,844,684	14,760,173	14,704,322	14,603,118	14,510,033	14,361,807
East Butler Borough	6,101,973	6,116,735	6,127,233	6,143,443	6,156,105	6,297,457	6,265,162	6,368,981	6,365,057	6,369,677
Eau Claire Borough	2,049,259	2,042,059	2,041,705	2,062,410	1,982,510	1,979,200	1,981,850	1,989,863	2,007,743	2,004,133
Evans City Borough	10,191,950	10,174,300	10,202,020	10,162,096	10,162,756	10,171,996	10,157,356	10,140,616	10,068,016	10,024,896
Fairview Borough	741,849	727,609	731,269	732,769	728,769	727,779	727,939	723,489	723,489	723,489
Fairview Township	15,342,063	15,342,019	15,097,928	15,032,508	14,878,179	14,715,494	14,612,469	14,596,154	14,406,062	14,322,958
Forward Township	36,602,047	35,639,732	32,934,305	31,069,895	29,643,531	28,432,019	27,743,723	26,523,457	25,459,724	24,530,044
Franklin Township	27,341,738	27,109,662	26,570,225	26,361,985	26,055,976	25,603,983	25,179,343	24,758,372	24,393,489	24,067,549
Harmony Borough	7,413,131	7,413,991	7,404,302	7,407,242	7,397,812	7,395,852	7,335,182	7,319,082	7,290,782	7,180,672
Harrisville Borough	5,276,574	5,256,854	5,310,354	5,304,924	5,204,394	5,209,244	5,215,944	5,177,520	5,149,176	5,142,321
Jackson Township	78,596,859	73,209,877	63,740,550	58,894,750	56,264,300	54,110,703	47,602,899	44,910,184	42,126,152	41,054,202
Jefferson Township	44,105,589	43,906,752	43,604,506	43,464,368	43,126,681	42,727,470	42,387,360	41,974,834	41,745,999	41,563,117
Karns City Borough	1,440,314	1,440,314	1,446,904	1,449,404	1,376,484	1,371,344	1,369,574	1,372,744	1,374,854	1,369,994
Lancaster Township	37,482,741	34,851,212	30,024,122	28,856,503	27,517,265	26,394,717	25,958,683	25,728,547	25,420,252	25,095,832
Marion Township	8,462,120	8,458,950	8,365,930	8,309,943	8,284,125	8,255,985	8,198,239	8,181,055	8,140,995	8,010,577
Mars Borough	8,689,517	8,438,507	8,620,567	8,431,117	8,423,057	8,345,227	8,310,107	8,233,767	8,220,347	8,211,467
Mercer Township	8,347,294	8,259,294	8,094,334	8,108,684	8,003,424	7,987,524	7,939,274	7,859,194	7,811,117	7,750,837
Middlesex Township	77,042,163	76,105,305	68,296,999	64,057,926	60,387,116	58,444,513	56,905,666	55,886,798	54,163,087	52,584,723
Muddy Creek Township	18,342,448	18,241,609	18,161,534	18,137,589	17,995,059	17,894,506	17,825,380	17,635,282	17,538,412	17,493,095
Oakland Township	22,771,136	22,872,785	22,630,741	22,492,387	22,373,387	22,221,135	22,177,960	21,916,149	21,804,136	21,677,981
Parker Township	5,531,196	5,477,086	5,296,326	5,298,375	5,260,295	5,182,628	5,040,558	5,007,158	4,966,248	4,956,788
Penn Township	56,912,118	56,693,300	56,069,599	55,945,152	55,603,925	55,440,551	54,900,392	54,610,222	54,382,535	54,126,505
Petrolia Borough	1,430,292	1,428,762	1,430,882	1,430,882	1,430,882	1,436,492	1,436,492	1,439,352	1,443,912	1,454,422
Portersville Borough	2,219,370	2,135,750	2,134,850	2,134,850	2,135,810	2,195,080	2,117,520	2,117,520	2,116,620	2,124,600
Prospect Borough	7,845,642	7,767,878	7,762,851	7,748,604	7,666,579	7,682,296	7,659,142	7,672,299	7,660,370	7,638,964
Saxonburg Borough	12,921,470	12,879,504	13,618,104	13,041,916	13,049,286	13,027,349	12,998,767	12,827,267	12,805,613	12,820,435
Seven Fields Borough	35,245,882	34,885,372	33,413,992	33,455,982	33,429,432	33,417,502	33,365,032	33,366,372	33,361,672	33,253,022
Slippery Rock Borough	20,321,207	20,499,692	20,371,910	20,282,710	20,160,323	20,074,003	20,032,433	19,897,079	19,678,763	19,531,373
Slippery Rock Township	37,195,729	36,998,659	36,598,589	36,364,210	36,202,575	35,950,958	36,254,481	35,965,018	33,227,943	33,190,333
Summit Township	34,917,565	34,858,835	34,695,435	34,663,312	34,180,553	34,043,376	33,781,138	33,364,552	33,489,171	33,498,545
Valencia Borough	1,172,031	1,150,821	1,153,333	1,155,663	1,152,462	1,152,112	1,150,751	1,127,431	1,099,519	5,160,739
Venango Township	6,490,784	6,490,924	6,364,176	6,338,946	6,337,337	6,309,907	6,247,714	6,194,043	6,192,933	6,098,551
Washington Township	9,142,730	9,165,500	9,109,240	9,142,633	9,160,577	9,107,977	9,021,797	8,965,256	8,916,666	8,823,058
West Liberty Borough	2,672,685	2,639,065	2,594,505	2,594,505	2,556,105	2,468,885	2,451,492	2,413,012	2,413,012	2,391,192
West Sunbury Borough	906,899	925,889	937,529	937,529	937,529	943,589	943,589	943,589	943,589	942,109
Winfield Township	28,929,854	28,794,834	28,209,671	28,054,591	27,946,967	27,723,655	27,421,379	27,343,433	27,106,545	27,001,935
Worth Township	13,286,540	13,308,533	13,158,042	12,530,281	12,443,091	12,333,321	12,276,501	12,205,468	11,985,528	11,873,222
Zelienople Borough	29,159,190	29,249,815	29,133,797	29,152,612	29,083,371	29,080,317	28,905,223	28,921,627	28,873,395	28,820,865
	<u>\$ 1,997,113,741</u>	<u>\$ 1,969,538,728</u>	<u>\$ 1,892,755,201</u>	<u>\$ 1,866,462,089</u>	<u>\$ 1,834,954,542</u>	<u>\$ 1,805,012,516</u>	<u>\$ 1,775,187,242</u>	<u>\$ 1,751,636,074</u>	<u>\$ 1,720,707,433</u>	<u>\$ 1,700,763,050</u>

SOURCE:
Butler County Assessment Office

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2013-2022
(Unaudited)

REAL ESTATE TAX RATE (MILLS)

Municipality and School District	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
BUTLER COUNTY										
Operating Millage	21.72	21.62	21.49	21.45	21.40	21.59	21.98	20.69	20.69	20.69
Debt Service Millage	2.97	3.07	3.20	3.24	3.29	3.10	2.71	3.94	3.94	3.94
Butler County Community College Millage	2.94	2.94	2.94	2.94	2.94	2.94	2.94	-	-	-
Total County Millage	27.63	27.63	27.63	27.63	27.63	27.63	27.63	24.63	24.63	24.63
County real estate millage is uniform for all cities, boroughs, and townships.										
Adams Township										
Municipal	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Mars Area School S.D.	101.38	101.38	101.38	101.38	101.38	99.00	99.00	99.00	99.00	99.00
Allegheny Township										
Municipal	7.13	7.13	7.13	7.13	7.13	7.13	7.13	7.13	7.13	7.13
Allegheny-Clarion Valley S.D.	78.92	70.11	66.93	66.14	68.56	65.20	64.43	62.38	60.40	63.81
Brady Township										
Municipal	12.15	12.15	12.15	10.15	8.15	8.15	8.15	8.15	6.15	3.15
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Bruin Borough										
Municipal (1)	16.88	16.88	16.88	16.88	16.88	13.88	13.88	13.88	13.88	13.85
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
Buffalo Township										
Municipal	6.00	5.50	5.50	5.50	4.38	4.38	4.38	4.38	4.38	3.38
Freeport Area S.D.	164.75	154.40	148.90	148.90	145.60	142.60	142.60	134.70	130.30	125.90
Butler City										
Municipal (1)	44.00	44.00	43.25	43.25	43.25	43.25	42.50	42.50	40.00	38.75
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Butler Township										
Municipal (1)	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Callery Borough										
Municipal (1)	24.63	24.63	24.63	24.63	24.63	24.63	24.63	24.63	24.63	24.63
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2013-2022
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Center Township										
Municipal (1)	7.05	7.05	7.05	7.05	7.05	7.05	7.05	7.05	7.05	7.05
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Cherry Township										
Municipal	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Cherry Valley Borough										
Municipal	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Chicora Borough										
Municipal (1)	9.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
Clay Township										
Municipal (1)	5.62	5.62	5.62	5.62	5.62	5.62	5.62	5.62	5.62	5.62
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Clearfield Township										
Municipal	2.45	2.45	2.45	2.45	2.45	2.45	2.45	2.45	2.45	2.45
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Clinton Township										
Municipal	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13	4.13
South Butler S.D.	94.28	94.28	94.28	94.28	94.28	94.28	94.28	93.28	93.28	93.28
Concord Township										
Municipal (1)	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Connoquenessing Borough										
Municipal (1)	6.80	6.80	5.55	5.55	5.55	5.55	5.55	5.55	5.55	3.15
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2013-2022
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Connoquenessing Township										
Municipal (1)	4.70	3.20	3.20	3.20	2.25	2.25	2.25	2.25	2.25	2.25
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Cranberry Township										
Municipal (1)	13.25	13.25	13.25	13.25	13.25	13.25	13.25	13.25	13.00	13.00
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75
Donegal Township										
Municipal (1)	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	2.25	2.25
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
East Butler Borough										
Municipal (1)	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75	12.75
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Eau Claire Borough										
Municipal (1)	9.30	9.30	9.30	9.30	9.30	9.30	9.30	9.30	9.30	9.30
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Evans City Borough										
Municipal	24.50	24.50	24.50	25.00	25.00	20.00	20.00	20.00	20.00	22.88
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75
Fairview Borough										
Municipal	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
Fairview Township										
Municipal	6.25	6.25	4.75	6.25	4.75	4.75	4.75	4.75	4.75	4.75
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
Forward Township										
Municipal	4.28	4.28	4.28	2.78	2.78	2.78	2.78	2.78	2.78	2.78
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2013-2022
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Franklin Township										
Municipal (1)	5.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Harmony Borough										
Municipal	17.09	12.59	12.59	12.59	12.59	12.59	12.59	12.59	12.21	12.21
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75
Harrisville Borough										
Municipal (1)	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Jackson Township										
Municipal (1)	9.75	8.25	8.75	8.25	8.25	8.25	7.88	7.88	7.88	7.88
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75
Jefferson Township										
Municipal	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
South Butler S.D.	94.28	94.28	94.28	94.28	94.28	94.28	94.28	93.28	93.28	93.28
Karns City Borough										
Municipal (1)	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
Lancaster Township										
Municipal	12.19	10.69	10.69	9.00	9.00	9.00	9.00	9.00	9.00	8.72
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75
Marion Township										
Municipal	7.13	7.13	7.13	7.13	7.13	7.13	7.13	7.13	7.13	7.13
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Mars Borough										
Municipal (1)	21.33	19.88	19.88	19.88	19.88	16.88	16.88	16.88	16.88	16.88
Mars Area School S.D.	101.38	101.38	101.38	101.38	101.38	99.00	99.00	99.00	99.00	99.00

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2013-2022
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Mercer Township										
Municipal	6.60	6.60	6.60	6.60	6.60	6.60	6.60	6.60	6.60	6.60
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Middlesex Township										
Municipal (1)	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Mars Area School S.D.	101.38	101.38	101.38	101.38	101.38	99.00	99.00	99.00	99.00	99.00
Muddycreek Township										
Municipal	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Oakland Township										
Municipal (1)	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Parker Township										
Municipal	11.12	11.13	11.13	11.13	11.13	8.13	8.13	8.13	8.13	7.13
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
Penn Township										
Municipal (1)	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
South Butler S.D.	94.28	94.28	94.28	94.28	94.28	94.28	94.28	93.28	93.28	93.28
Petrolia Borough										
Municipal	15.00	15.00	15.00	15.00	9.50	9.50	9.50	9.50	9.50	9.50
Karns City Area S.D.	98.05	93.31	93.31	92.97	91.24	91.95	89.12	87.10	84.66	82.48
Portersville Borough										
Municipal (1)	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	4.00
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Prospect Borough										
Municipal (1)	11.50	9.50	7.59	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2013-2022
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Saxonburg Borough										
Municipal	20.66	22.66	22.66	22.66	22.66	22.66	22.66	22.66	22.66	22.66
South Butler S.D.	94.28	94.28	94.28	94.28	94.28	94.28	94.28	93.28	93.28	93.28
Seven Fields Borough										
Municipal	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75
Slippery Rock Borough										
Municipal (1)	24.38	24.38	24.38	24.38	24.38	24.38	21.88	21.88	21.88	21.88
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Slippery Rock Township										
Municipal	3.75	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Summit Township										
Municipal (1)	7.13	7.13	7.13	6.13	6.13	6.13	6.13	6.13	6.13	6.13
Butler Area S.D.	104.03	104.03	104.03	104.03	101.00	101.00	97.80	94.80	94.80	93.80
Valencia Borough										
Municipal (1)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Mars Area School S.D.	101.38	101.38	101.38	101.38	101.38	99.00	99.00	99.00	99.00	99.00
Venango Township										
Municipal (1)	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Washington Township										
Municipal (1)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
West Liberty Borough										
Municipal	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2013-2022
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
West Sunbury Borough										
Municipal (1)	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Moniteau S.D.	93.88	93.88	93.88	90.62	90.62	88.62	87.62	86.92	84.64	84.64
Winfield Township										
Municipal	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	3.00	3.00
South Butler S.D.	94.28	94.28	94.28	94.28	94.28	94.28	94.28	93.28	93.28	93.28
Worth Township										
Municipal	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80
Slippery Rock Area S.D.	102.25	99.77	99.77	99.77	97.81	97.81	96.81	95.66	92.77	89.15
Zelienople Borough										
Municipal (1)	6.81	5.81	5.81	5.81	5.81	5.31	5.31	5.31	5.31	4.56
Seneca Valley S.D.	130.45	130.45	127.89	127.89	126.00	126.00	123.00	119.90	116.45	112.75

(Concluded)

NOTE:

(1) Includes fire tax, library tax, and/or debt service.

SOURCE:

Butler County Assessment Office

COUNTY OF BUTLER, PENNSYLVANIA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

Taxpayer	December 31, 2022			December 31, 2013		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation
CF Cranberry LLC	\$ 13,369,240	1	0.67%	\$ -	-	-
GMH Cranberry Holdings LP	4,211,860	2	0.21%	-	-	-
Oxford Development Co Moraine	4,101,020	3	0.21%	4,101,020	2	0.24%
Aldi Inc	3,461,260	4	0.17%	2,856,090	5	0.17%
Cranberry Woods Apartments LLC	3,412,480	5	0.17%	-	-	-
Thorn Hill Postal	3,294,580	6	0.16%	-	-	-
DSSTE LLC	2,917,150	7	0.15%	-	-	-
Cambridge Healthcare Solutions PA	2,897,720	8	0.15%	-	-	-
OCG Slippery Rock LP	2,856,500	9	0.14%	2,853,760	6	0.17%
Buncher Co	2,737,500	10	0.14%	-	-	-
Clearview Mall Association	-	-	-	6,496,000	1	0.38%
Northwestern Mutual	-	-	-	3,294,580	3	0.19%
AK Steel (formerly Armco)	-	-	-	2,915,733	4	0.17%
Mine Safety Appliances	-	-	-	2,665,876	7	0.16%
Gumberg Associates	-	-	-	2,524,250	8	0.15%
St Barnabas Land Trust Inc	-	-	-	2,444,260	9	0.14%
Berkley Manor Apartments	-	-	-	2,179,250	10	0.13%
	<u>\$ 43,259,310</u>		<u>2.17%</u>	<u>\$ 32,330,819</u>		<u>1.90%</u>
Year-End Total Taxable Assessed Valuation	<u>\$ 1,997,113,741</u>			<u>\$ 1,700,763,050</u>		

SOURCE:

Butler County Assessment Office

NOTE:

Assessed valuation based on the valuation of property for taxes collected in 2022 and 2013, respectively, and a review of the ten largest taxpayers for the County.

COUNTY OF BUTLER, PENNSYLVANIA

RATIO OF OUTSTANDING DEBT BY TYPE - LAST TEN YEARS

2013-2022
(Unaudited)

Fiscal Year	Governmental Activities			Business-Type Activities	(1)	(2)	(2)
	General Obligation Bonds/Notes	Financed Purchases	Lease Liability	General Obligation Bonds	Total Primary Government	Percentage of Personal Income	Per Capita
2013	\$ 46,807,030	\$ 16,422	\$ -	\$ 2,401,345	\$ 48,961,422	0.53%	264
2014	47,028,450	203,520	-	2,341,447	46,133,520	0.51%	248
2015	44,786,291	155,558	-	1,778,803	43,615,558	0.45%	233
2016	45,350,614	105,700	-	-	42,653,700	0.43%	228
2017	56,737,988	53,874	-	-	53,262,874	0.51%	285
2018	52,578,352	-	-	-	49,457,000	0.45%	263
2019	57,601,318	93,181	-	-	54,952,268	0.48%	293
2020	52,374,350	67,751	-	-	52,442,101	0.42%	273
2021	80,791,893	42,321	1,817,646	-	82,651,860	0.61%	413
2022	72,382,243	18,628	2,288,672	-	74,689,543	*	367

* Information not yet available.

NOTES:

- (1) Details regarding the County's outstanding debt can be found in the notes to financial statements.
- (2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

COUNTY OF BUTLER, PENNSYLVANIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING - LAST TEN YEARS

2013-2022
(Unaudited)

FISCAL YEAR	GENERAL OBLIGATION BONDS/NOTES	LESS AMOUNTS AVAILABLE IN DEBT SERVICE FUND	TOTAL	(1) PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY	(2) PER CAPITA
2013	\$ 48,945,000	\$ -	\$ 48,945,000	0.39%	264
2014	45,930,000	-	45,930,000	0.28%	230
2015	43,460,000	-	43,460,000	0.24%	212
2016	42,548,000	-	42,548,000	0.26%	228
2017	53,209,000	-	53,209,000	0.32%	284
2018	49,457,000	-	49,457,000	0.29%	263
2019	54,859,087	-	54,859,087	0.27%	292
2020	51,586,817	-	51,586,817	0.23%	273
2021	80,097,010	-	80,097,010	0.31%	412
2022	71,780,011	-	71,780,011	0.26%	367

NOTES:

- (1) See the Schedule of Assessed and Estimated Actual Value of Taxable Property for property value data.
- (2) Population data can be found in the Schedule of Demographic and Economic Statistics.

COUNTY OF BUTLER, PENNSYLVANIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2022
(Unaudited)

Governmental Unit (1)	Debt Outstanding	(1) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
School Districts: (2)			
Allegheny-Clarion	\$ 2,565,000	11.80%	\$ 302,670
Butler Area	75,568,361	100.00%	75,568,361
Butler County Area Vo-Tech	7,226,000	100.00%	7,226,000
Freeport Area	31,065,000	63.99%	19,878,494
Karns City Area	553,390	64.60%	357,490
Knoch	33,056,598	100.00%	33,056,598
Mars Area	82,641,860	100.00%	82,641,860
Moniteau	583,957	100.00%	583,957
Seneca Valley	110,870,000	100.00%	110,870,000
Slippery Rock Area	224,561	100.00%	224,561
Total School Districts	\$ 344,354,727		\$ 330,709,991
Cities: (3)			
Butler	\$ 9,090,763	100.00%	\$ 9,090,763
Total Cities	\$ 9,090,763		\$ 9,090,763
Townships: (3)			
Adams Township	\$ -	100.00%	\$ -
Allegheny Township	-	100.00%	-
Brady Township	86,641	100.00%	86,641
Buffalo Township	366,718	100.00%	366,718
Butler Township	1,910,000	100.00%	1,910,000
Center Township	-	100.00%	-
Cherry Township	-	100.00%	-
Clay Township	125,296	100.00%	125,296
Clearfield Township	38,329	100.00%	38,329
Clinton Township	-	100.00%	-
Concord Township	21,140	100.00%	21,140
Connoquenessing Township	-	100.00%	-
Cranberry Township	72,227,933	100.00%	72,227,933
Donegal Township	76,921	100.00%	76,921
Fairview Township	-	100.00%	-
Forward Township	275,979	100.00%	275,979
Franklin Township	-	100.00%	-
Jackson Township	4,571,629	100.00%	4,571,629
Jefferson Township	-	100.00%	-
Lancaster Township	-	100.00%	-
Marion Township	19,712	100.00%	19,712
Mercer Township	258,129	100.00%	258,129
Middlesex Township	10,671,518	100.00%	10,671,518

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2022

(Unaudited)

(Continued)

Governmental Unit (1)	Debt Outstanding	(1) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Muddycreek Township	61,000	100.00%	61,000
Oakland Township	33,746	100.00%	33,746
Parker Township	39,208	100.00%	39,208
Penn Township	10,364,195	100.00%	10,364,195
Slippery Rock Township	-	100.00%	-
Summit Township	-	100.00%	-
Venango Township	-	100.00%	-
Washington Township	238,650	100.00%	238,650
Winfield Township	312,045	100.00%	312,045
Worth Township	4,360	100.00%	4,360
Total Townships	\$ 101,703,149		\$ 101,703,149
Boroughs: (3)			
Bruin Borough	\$ 33,184	100.00%	\$ 33,184
Callery Borough	-	100.00%	-
Cherry Valley Borough	-	100.00%	-
Chicora Borough	-	100.00%	-
Connoquenessing Borough	13,781	100.00%	13,781
East Butler Borough	55,038	100.00%	55,038
Eau Claire Borough	-	100.00%	-
Evans City Borough	119,254	100.00%	119,254
Fairview Borough	-	100.00%	-
Harmony Borough	8,099	100.00%	8,099
Harrisville Borough	-	100.00%	-
Karns City Borough	-	100.00%	-
Mars Borough	287,626	100.00%	287,626
Petrolia Borough	-	100.00%	-
Portersville Borough	-	100.00%	-
Prospect Borough	1,517,308	100.00%	1,517,308
Saxonburg Borough	-	100.00%	-
Seven Fields Borough	185,000	100.00%	185,000
Slippery Rock Borough	306,980	100.00%	306,980
Valencia Borough	-	100.00%	-
West Liberty Borough	-	100.00%	-
West Sunbury Borough	-	100.00%	-
Zelienople Borough	10,386,017	100.00%	10,386,017
Total Boroughs	\$ 12,912,287		\$ 12,912,287

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2022

(Unaudited)

(Continued)

<u>Governmental Unit (1)</u>	<u>Debt Outstanding</u>	<u>(1) Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Subtotal, Overlapping Debt			\$ 454,416,190
Total Direct Debt			74,087,311
Total Direct and Overlapping Debt			<u>\$ 528,503,501</u>

(Concluded)

NOTES:

- (1) Overlapping governments are those that coincide with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Butler County. This process recognizes that, when considering the County's ability to repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government. Percentages were estimated by determining the portion of another governmental unit's population that is within the County's boundaries and dividing it by the County's total population. (Allegheny Township is located within Allegheny-Clarion School District of Clarion County and Buffalo Township is located within Freeport Area School District of Armstrong County. Residents of Armstrong and Clarion Counties living in the Karns City or Freeport School Districts were deducted from the total of that school district's population).
- (2) School District Debt is as of June 30, 2022.
- (3) Municipal Debt is as of December 31, 2021. Information for 2022 was unavailable.

SOURCES:

Federal Audit Clearinghouse
Pennsylvania Department of Community and Economic Development

COUNTY OF BUTLER, PENNSYLVANIA

LEGAL DEBT MARGIN INFORMATION - LAST TEN YEARS

2013-2022
(Unaudited)

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Borrowing Base Revenues:										
Two years prior	\$ 50,793,601	\$ 51,806,554	\$ 54,863,179	\$ 55,807,050	\$ 55,660,790	\$ 61,893,953	\$ 62,449,992	\$ 63,645,501	\$ 64,920,156	\$ 63,567,946
Prior year	51,806,554	54,863,179	55,807,050	55,660,790	61,893,953	62,449,992	63,645,501	64,920,156	63,567,946	71,433,707
Current year	54,863,179	55,807,050	55,660,790	61,893,953	62,449,992	63,645,501	64,920,156	63,567,946	71,433,707	74,378,029
Total Borrowing Base Revenues	<u>\$ 157,463,334</u>	<u>\$ 162,476,783</u>	<u>\$ 166,331,019</u>	<u>\$ 173,361,793</u>	<u>\$ 180,004,735</u>	<u>\$ 187,989,446</u>	<u>\$ 191,015,649</u>	<u>\$ 192,133,603</u>	<u>\$ 199,921,809</u>	<u>\$ 209,379,682</u>
Average Borrowing Base Revenues	<u>\$ 52,487,778</u>	<u>\$ 54,158,928</u>	<u>\$ 55,443,673</u>	<u>\$ 57,787,264</u>	<u>\$ 60,001,578</u>	<u>\$ 62,663,149</u>	<u>\$ 63,671,883</u>	<u>\$ 64,044,534</u>	<u>\$ 66,640,603</u>	<u>\$ 69,793,227</u>
Limit for Non-Electoral Debt:										
Average Borrowing Base Revenues	\$ 52,487,778	\$ 54,158,928	\$ 55,443,673	\$ 57,787,264	\$ 60,001,578	\$ 62,663,149	\$ 63,671,883	\$ 64,044,534	\$ 66,640,603	\$ 69,793,227
Debt Limit Percent	300%	300%	300%	300%	300%	300%	300%	300%	300%	300%
Debt Limit	157,463,334	162,476,783	166,331,019	173,361,793	180,004,735	187,989,447	191,015,649	192,133,603	199,921,809	209,379,682
Total Amount of Debt Applicable to										
Debt Limit Percent	48,945,000	45,930,000	43,460,000	42,548,000	53,209,000	49,457,000	54,859,087	51,586,817	80,097,010	71,780,011
Legal Debt Margin	<u>\$ 108,518,334</u>	<u>\$ 116,546,783</u>	<u>\$ 122,871,019</u>	<u>\$ 130,813,793</u>	<u>\$ 126,795,735</u>	<u>\$ 138,532,447</u>	<u>\$ 136,156,562</u>	<u>\$ 140,546,786</u>	<u>\$ 119,824,799</u>	<u>\$ 137,599,671</u>
Total Net Debt Applicable to the Limit										
as a Percentage of Debt Limit	31.08%	28.27%	26.13%	24.54%	29.56%	26.31%	28.72%	26.85%	40.06%	34.28%
Limit for Non-Electoral and										
Lease Rental Debt:										
Average Borrowing Base Revenues	\$ 52,487,778	\$ 54,158,928	\$ 55,443,673	\$ 57,787,264	\$ 60,001,578	\$ 62,663,149	\$ 63,671,883	\$ 64,044,534	\$ 80,139,331	\$ 69,467,223
Debt Limit Percent	400%	400%	400%	400%	400%	400%	400%	400%	400%	400%
Debt Limit	209,951,112	216,635,711	221,774,692	231,149,057	240,006,313	250,652,596	254,687,532	256,178,137	320,557,324	277,868,893
Total Amount of Debt Applicable to										
Debt Limit Percent	48,961,422	46,133,520	43,615,558	42,653,700	53,262,874	49,457,000	54,952,268	51,654,568	80,139,331	72,400,871
Legal Debt Margin	<u>\$ 160,989,690</u>	<u>\$ 170,502,191</u>	<u>\$ 178,159,134</u>	<u>\$ 188,495,357</u>	<u>\$ 186,743,439</u>	<u>\$ 201,195,596</u>	<u>\$ 199,735,264</u>	<u>\$ 204,523,569</u>	<u>\$ 240,417,993</u>	<u>\$ 205,468,022</u>
Total Net Debt Applicable to the Limit										
as a Percentage of Debt Limit	23.32%	21.30%	19.67%	18.45%	22.19%	19.73%	21.58%	20.16%	25.00%	26.06%

NOTES:

Borrowing Base Revenue includes total revenue from all sources less debt proceeds, transfers-in, grants for specific projects, and interest on the Sinking Fund.

Under the finance laws of the Commonwealth of Pennsylvania, with the exception of Philadelphia, the County's outstanding non-electoral debt should not exceed 300% of the three-year average of General, Special

Under the finance laws of the Commonwealth of Pennsylvania, with the exception of Philadelphia, the County's outstanding non-electoral and lease rental debt should not exceed 400% of the three-year average of General, Special Revenue, and Permanent Funds' revenue.

SOURCES:

Local Government Unit Debt Act of 1972 as amended
Annual Reports of the Butler County Controller

COUNTY OF BUTLER, PENNSYLVANIA

DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN YEARS

2013-2022
(Unaudited)

Fiscal Year	(1) Population	(2) (6) Total Personal Income (thousands of dollars)	(2) (6) Per Capita Income (\$)	(5) Higher Education Enrollment	(3) Public School Enrollment	(3) Private School Enrollment	(4) (7) Unemployment Rate
2013	185,476	\$ 9,178,260	\$ 49,496	12,089	25,761	2,851	5.5%
2014	185,943	9,099,503	49,004	12,053	25,408	2,949	5.0%
2015	186,818	9,675,243	51,790	12,201	25,227	3,155	4.6%
2016	186,847	9,846,517	52,698	12,411	24,705	3,243	5.1%
2017	187,108	10,390,822	55,534	12,236	24,345	3,272	4.6%
2018	187,888	11,071,710	58,927	12,064	23,938	3,264	3.9%
2019	187,853	11,363,804	60,493	11,982	23,700	3,265	3.9%
2020	193,763	12,243,003	64,732	11,766	23,710	3,098	7.9%
2021	194,273	13,055,635	67,203	10,947	23,138	2,854	5.6%
2022	197,300	*	*	10,739	23,379	7,968	4.2%

* Information not yet available.

SOURCES:

- (1) U.S. Census Bureau
- (2) U.S. Department of Commerce, Bureau of Economic Analysis
- (3) Pennsylvania Department of Education
- (4) Pennsylvania Department of Labor & Industry/Bureau of Labor Statistics
- (5) Slippery Rock University & Butler County Community College - Institutional Research

NOTES:

- (6) Per capita & personal income were computed using Census Bureau mid-year population estimates.
- (7) Unemployment rate is the annual average and reflects revised inputs, re-estimation, and new statewide controls.

COUNTY OF BUTLER, PENNSYLVANIA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

Employer:	Ranking (1)	
	2022	2013
U.S. Government	1	-
Independence Health System	2	2
Westinghouse Electric Company LLC	3	1
Cleveland-Cliffs	4	5
Seneca Valley School District	5	9
Slippery Rock University	6	-
Wal-Mart Associates Inc	7	-
Butler Area School District	8	8
Penn United Technologies	9	-
FedEx Supply Chain Inc.	10	-
Iron Mountain Underground Storage	-	3
Cellco Partnership	-	4
Butler County Community College	-	6
Traco	-	7
Giant Eagle	-	10

SOURCES:

(1) Pennsylvania Department of Labor & Industry - Center for Workforce Information & Analysis

NOTE: The Pennsylvania Center for Workforce Information & Analysis is not able to provide the number of employees due to confidentiality restrictions.

COUNTY OF BUTLER, PENNSYLVANIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN YEARS
(Unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government - Administration:										
Commissioners	12.00	11.00	11.00	11.00	10.00	9.00	10.00	10.00	10.00	11.00
Election	8.00	7.00	5.00	4.00	4.00	3.00	3.00	3.00	3.50	3.50
Controller	11.50	9.00	10.00	8.50	8.50	8.50	8.50	8.50	8.50	10.00
Property and revenue	17.00	17.00	15.00	15.00	16.00	16.00	16.00	16.00	14.50	15.00
Treasurer	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Purchasing	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.00
Public defender	10.00	10.00	10.00	9.00	9.00	9.00	9.00	8.50	7.50	7.50
Recorder of Deeds	5.50	6.50	7.50	7.50	7.50	7.00	8.00	8.00	8.00	8.00
Personnel	6.00	4.00	4.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00
Information technology	9.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Planning commission	5.00	5.00	5.00	5.00	4.00	5.00	5.00	6.00	6.00	6.00
Facilities and operation	26.00	25.00	25.00	25.00	25.00	25.00	26.50	26.50	24.50	24.50
Mailroom	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Motor Pool	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
General Government Administration Sub-total	117.50	111.00	108.00	105.50	104.50	103.00	108.50	109.00	105.00	108.50
General Government - Judicial:										
Court administration	35.00	37.00	37.00	36.00	35.00	35.00	35.50	35.00	34.50	35.50
Jury commissioners	-	-	-	-	-	-	-	-	-	2.00
District Justices	30.00	27.00	27.00	27.00	28.00	27.00	27.00	27.00	27.00	27.00
Law library	-	-	0.50	0.50	0.50	1.00	1.00	1.00	1.00	1.00
Clerk of Courts	12.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50
Coroner	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
District Attorney	20.25	21.25	21.25	21.25	19.25	21.25	22.80	22.80	21.75	21.25
Prothonotary	10.00	11.00	11.00	10.00	10.00	11.00	11.00	11.00	11.00	11.00
Register of Wills	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Sheriff	31.75	30.75	30.75	31.90	30.60	30.40	35.50	33.20	31.00	29.25
Domestic relations	35.50	35.50	35.50	36.00	37.00	37.00	37.00	37.00	36.00	36.00
General Government - Judicial Sub-total	186.00	187.00	187.50	187.15	184.85	187.15	194.30	191.50	186.75	187.50
Public Safety:										
Prison	123.00	123.00	114.00	114.00	114.00	114.00	114.00	114.00	114.00	114.00
Adult probation	31.50	31.50	32.50	31.25	31.25	31.00	31.00	29.80	29.50	29.50
Juvenile probation	20.50	20.50	20.50	20.25	20.25	20.00	20.00	19.80	20.50	20.50
Emergency communication	35.00	35.00	35.00	34.00	34.00	34.00	32.50	30.00	29.50	29.50
Public Safety Sub-total	210.00	210.00	202.00	199.50	199.50	199.00	197.50	193.60	193.50	193.50
Public Works:										
Bridge Crew	5.00	5.00	5.00	5.00	5.00	5.00	7.00	7.00	8.00	8.00
Public Works Sub-total	5.00	5.00	5.00	5.00	5.00	5.00	7.00	7.00	8.00	8.00
Human Services:										
Human services administration	17.00	16.00	15.00	15.00	15.00	15.00	15.00	13.00	12.00	12.00
MH/ID, Drug and Alcohol	18.00	18.00	19.00	18.00	18.00	18.00	18.00	20.00	20.00	20.00
Area Agency on Aging	31.00	31.00	31.00	25.00	25.00	25.50	28.00	27.00	30.00	28.00
Children and Youth	54.00	53.00	54.00	51.00	46.00	45.50	46.00	46.00	47.00	45.00
Sunnyview Nursing and Rehabilitation Center *	-	-	-	-	-	-	-	-	278.75	277.75
Veterans Services	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00
Human Services Sub-total	124.00	121.00	122.00	112.00	107.00	107.00	110.00	109.00	389.75	384.75
Culture and Recreation:										
Parks and Recreation	15.00	13.00	13.00	11.70	12.80	12.60	13.00	10.70	10.95	11.25
Culture and Recreation Sub-total	15.00	13.00	13.00	11.70	12.80	12.60	13.00	10.70	11.00	11.25
Conservation and Development:										
Community Action	-	-	-	-	2.80	2.80	2.80	2.80	2.75	2.50
Conservation District **	-	-	-	-	-	5.25	5.25	5.00	5.00	5.00
Waste Management	-	-	-	-	-	-	-	-	-	-
Conservation and Development Sub-total	-	-	-	-	2.80	8.05	8.05	7.80	7.75	7.50
TOTAL	657.50	647.00	637.50	620.85	616.45	621.80	638.35	628.60	901.75	901.00

SOURCE:

County Organizational List

NOTES:

Method: Using 1.00 for each full-time employee, or 0.50 for each part-time employee

Employees working ≤ 16 hours = 0.25

Employees working ≤ 24 hours = 0.50

Employees working ≤ 32 hours = 0.75

Court of Common Pleas Judges, Magisterial District Judges, Court Administrators and Tax Collectors are excluded.

* The County Sold Sunnyview Nursing Home and Rehabilitation Center in 2014.

** The Butler County Conservation District separated from the County in 2017.

COUNTY OF BUTLER, PENNSYLVANIA

OPERATING INDICATORS BY FUNCTION/PROGRAM - LAST TEN YEARS

(Unaudited)

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government - Administration:										
General election information: (1)										
Registered voters	137,344	134,743	112,090	126,962	128,457	125,042	127,832	119,692	122,109	120,469
Votes cast	93,949	45,031	47,138	39,552	80,127	29,510	98,554	34,580	56,562	23,895
Percent of votes cast	68.40%	33.42%	42.05%	31.15%	62.38%	23.60%	77.10%	28.89%	46.32%	19.83%
Anterless Deer Licenses (2)	25,482	24,753	24,303	23,701	23,477	21,183	20,277	21,971	22,491	22,959
Dog Licenses (2)	23,558	24,959	25,137	27,067	26,429	26,456	27,038	26,713	26,606	25,758
Checks/ACH Payments (3)	12,728	13,933	12,206	12,071	11,957	12,019	13,082	12,835	13,692	13,278
Instruments recorded (4)	26,185	35,959	31,541	26,605	26,370	28,313	27,690	28,521	30,958	36,490
General Government - Judicial:										
Autopsies performed (5)	117	127	130	102	92	143	120	89	93	76
Deaths investigated (5)	214	260	256	214	206	244	219	196	177	169
Civil cases filed (6)	1,001	990	965	1,176	1,143	1,153	1,051	1,086	1,098	1,206
Executions (6)**	185	153	131	320	313	329	333	333	358	397
Family court cases (6)	1,134	935	795	810	775	833	834	853	834	852
Judgments (6)	1,299	925	1,553	2,500	2,651	2,247	2,130	2,231	2,240	2,385
Liens - Federal Tax (6)	58	72	54	155	150	127	129	160	145	163
Liens - Municipal (6)	81	85	61	98	92	136	180	200	68	178
Miscellaneous civil cases (6)	392	367	341	438	360	321	330	348	368	341
No lien agreements (6)	186	249	177	185	261	202	197	202	217	246
Adoptions/Parental terminations (7)*	61	64	78	85	96	114	87	73	87	84
Adoptions/Petitions (7)*	57	51	60	87	76	93	58	61	53	53
Court accounts (7)*	58	36	44	52	67	72	55	77	258	118
Estates (7)*	1,029	973	819	816	835	863	834	815	824	869
Guardianships (7)*	8	15	7	16	21	17	49	49	43	48
Marriage licenses issued (7)*	874	963	862	918	979	902	974	882	942	913
Marriage licenses recorded (7)*	824	900	808	894	937	879	944	865	937	892
Warrants Served (8)	817	1,997	1,786	2,279	2,477	2,255	2,165	2,165	1,791	1,507
Warrants Attempted (8)	13	128	494	986	594	711	714	714	997	1,622
Human Services:										
Veteran Death Benefits (9)	308	431	384	451	405	408	430	490	547	461
Public Safety:										
Prison inmates (10)	2,273	2,244	2,010	2,645	2,845	2,990	2,908	2,520	2,591	2,591
Prison average daily population (10)***	446	413	261	309	328	379	401	371	375	354
911 Emergency Calls (11)***	129,577	122,208	135,003	101,771	100,748	114,637	96,360	97,322	77,402	72,941
Public Works:										
Tons of Asphalt - Road Maintenance (12)	4	4	2	6	5	3,069	7	9	6	11
Tons of Salt - Snow Removal (12)	96	46	65	22	70	22	89	90	137	136
Culture & Recreation:										
Park/Shelter reservations (13)	761	714	384	435	425	430	433	396	413	442
Pool Patrons (13)	24,636	14,950	13,693	32,581	32,052	28,709	48,324	38,397	22,469	38,934
Conservation & Development:										
Tons of waste produced (14)	247,227	226,618	156,640	159,558	152,913	144,343	146,376	148,278	146,197	150,001
Tons of waste recycled (14)	113,717	111,413	115,004	140,984	127,643	130,580	136,460	116,403	119,659	123,402

SOURCES:

- | | |
|---|---|
| (1) Butler County Bureau of Elections | (8) Butler County Sheriff |
| (2) Butler County Treasurer | (9) Butler County Veterans Services |
| (3) Butler County Controller | (10) Butler County Prison Administration |
| (4) Butler County Recorder of Deeds | (11) Butler County Emergency Communications |
| (5) Butler County Coroner | (12) Butler County Planning Department |
| (6) Butler County Prothonotary | (13) Butler County Parks and Recreation |
| (7) Butler County Register of Wills & Clerk of Orphan's Court | (14) Butler County Waste Management |

NOTES:

- * Represent new cases filed in the years referenced.
- ** Includes mortgage foreclosures, sale of property for foreclosures, garnished attachments, sale of household goods, foreign writs, and attachment of wages.
- *** Includes inmates housed at out-of-county jails.

COUNTY OF BUTLER, PENNSYLVANIA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM - LAST TEN YEARS

(Unaudited)

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government - Administration: (1) (2)										
Buildings	7	7	7	7	7	7	7	7	7	7
Vehicles	10	10	11	12	12	12	12	12	12	12
General Government - Judicial: (1) (2)										
Buildings	5	5	5	5	5	5	5	5	4	4
Vehicles	9	9	10	12	11	10	10	10	10	10
Vehicles - Coroner	2	2	2	1	1	1	1	1	1	1
Vehicles - Sheriff	13	13	12	11	11	11	11	11	11	11
Vehicles - Sheriff (Transport)	1	1	2	2	2	2	2	2	2	2
Vehicles - Sheriff (K-9 Unit)	1	1	1	1	1	1	1	1	1	1
Public Safety: (1) (2) (3) (4)										
Emergency Center	1	1	1	1	1	1	1	1	1	1
9-1-1 Antennas	12	12	10	10	10	4	4	4	9	9
9-1-1 Towers	3	3	3	4	4	4	4	4	9	9
Hazmat Trailers	27	27	24	24	24	24	24	24	24	23
Prisons	1	1	1	1	1	1	1	1	1	1
Prison beds	572	572	572	572	572	572	564	564	564	564
Vehicles	2	2	2	2	2	2	2	2	1	1
Vehicles - Emergency Management	3	1	1	1	1	1	1	1	1	1
Vehicles - Hazmat	3	3	3	3	3	3	3	2	3	3
Vehicles - Probation	16	16	16	13	14	14	14	14	14	14
Public Works: (1) (2) (5)										
Buildings	1	1	1	1	1	1	1	1	1	1
Salt Shed	1	1	1	1	1	1	1	1	1	1
Bridges	135	135	135	134	134	134	134	134	134	134
Street (miles) - paved	2.33	2.33	2.33	2.33	2.33	2.33	2.33	2.33	2.33	2.33
Street (miles) - unpaved	0	0	0	0	0	0	0	0	0	0
Vehicles	5	5	5	5	5	5	5	5	4	4
Trailers	1	1	1	1	1	1	1	1	1	1
Human Services: (1) (6) (7) (8)										
Buildings	3	3	3	3	3	2	2	2	1	1
Buildings - Veteran's Administration	1	1	2	1	1	1	1	1	1	1
Group Homes	1	1	2	1	1	3	3	3	3	3
Memorials	5	5	5	5	5	5	5	5	5	5
Senior Centers	8	8	7	8	8	8	9	9	10	10
Culture & Recreation: (1) (2) (9)										
Buildings	8	8	8	8	8	8	8	8	8	8
Parks	2	2	2	2	2	2	2	2	2	2
Park acres	408.76	408.76	408.76	408.76	408.76	408.76	408.76	408.76	408.757	408.757
Park shelters	14	14	14	14	14	14	14	14	14	14
Park swimming pool	1	1	1	1	1	1	1	1	1	1
Conservation & Development: (1) (2)										
Buildings	3	3	3	3	3	3	3	3	3	3
Buses	20	20	17	19	23	17	17	19	19	20

SOURCES:

- (1) Butler County Commissioner's Office
- (2) Butler County Controller's Office
- (3) Butler County Emergency Services
- (4) Butler County Prison Administration
- (5) Butler County Planning Department
- (6) Butler County Human Services
- (7) Butler County Veteran's Affairs
- (8) Butler County Area Agency on Aging
- (9) Butler County Parks & Recreation

COUNTY OF BUTLER, PENNSYLVANIA

BUTLER COUNTY EMPLOYEES' RETIREMENT SYSTEM SELECTED DATA

LAST TEN YEARS 2013-2022
(Unaudited)

Year Ended December 31,	Number of Active Members and Vested Members	Contributions			Number of Retired Members and Beneficiaries	Retirement and Death Benefits Paid
		Members*	County	Total		
2013	837	\$ 3,674,551	\$ 7,313,625	\$ 10,988,176	475	\$ 7,970,677
2014	650	3,360,012	6,152,213	9,512,225	574	15,247,231
2015	665	3,183,884	5,052,744	8,236,628	578	10,778,767
2016	656	3,231,334	5,474,488	8,705,822	589	11,465,661
2017	662	3,333,512	5,473,038	8,806,550	594	12,352,707
2018	662	3,424,361	5,066,887	8,491,248	612	12,891,605
2019	672	3,568,120	5,428,088	8,996,208	624	13,283,650
2020	684	3,749,210	7,684,978	11,434,188	628	15,221,844
2021	674	3,946,828	7,423,393	11,370,221	630	15,218,726
2022	681	4,219,815	6,503,153	10,722,968	642	16,027,022

NOTE:

* Excludes County share of member buy-backs generally for leave-of-absence without pay or military service.
Buybacks for leave-of-absence without pay must be approved by the Butler County Retirement Board.

SOURCE:

County Employees' Retirement System Actuarial Valuation Reports

COUNTY OF BUTLER, PENNSYLVANIA

COUNTY EXPENDITURES 2022

\$250,000 OR MORE

(Unaudited)

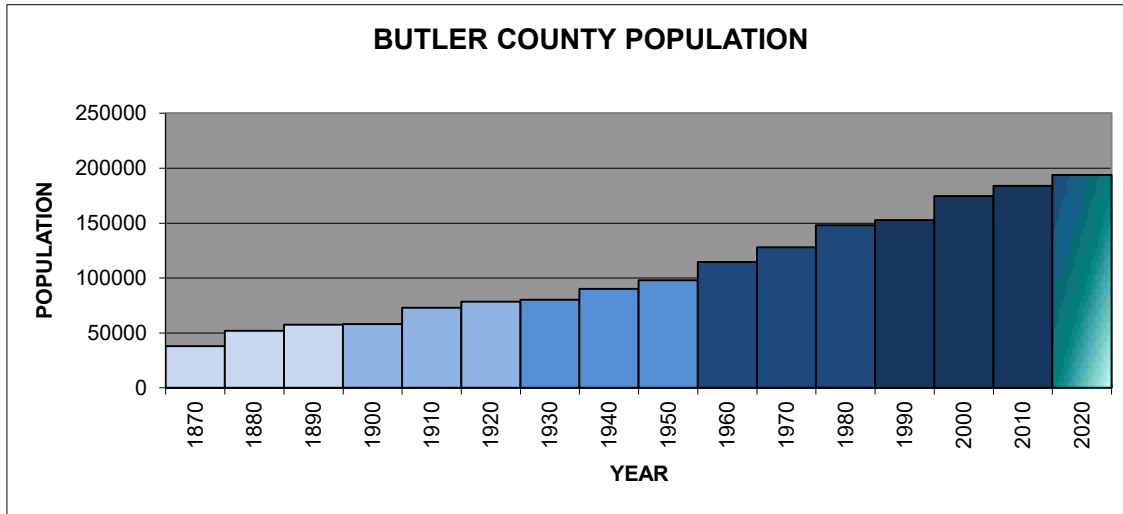
ORGANIZATION	LOCATION	AMOUNT
Adelphoi Village Inc	Latrobe	\$ 795,545
Alliance for Nonprofit Resources	Butler	2,653,387
Arc Human Services Inc.	Washington	410,209
Bethany Christian Services	Grand Rapids, MI	589,327
Butler Co Agriculture Extension	Butler	250,000
Butler County Community College	Butler	5,813,541
Butler County Conservation System	Butler	377,517
Butler County Federated Library System	Butler	265,000
Butler County Tourism	Zelienople	2,273,548
Butler Healthcare Providers	Butler	784,892
Care Center	Charleroi	1,277,913
Catholic Charities	Pittsburgh	1,042,702
CDW Government Inc.	Vernon Hills, IL	600,371
Center for Community Resources	Butler	10,443,868
Clark Contractors Inc	Bedford	722,077
Community Care Connections	Butler	316,792
Community Development Corp	Butler	331,250
Consolidated Communications	St. Louis, MO	280,771
Crown Benefits Administration	Indiana	9,206,895
Delta Development Group Inc.	Camp Hill	461,950
Dillon McCandless King Coulter & Graham LLP	Butler	453,360
Family Pathways	Butler	1,039,816
Glade Run Lutheran Services	Zelienople	958,041
Grapevine Center	Butler	386,370
Herbert, Rowland, Grubic	Harrisburg	444,288
Highmark Inc.	Pittsburgh	469,834
Industrial Elevator Maintenance Co	Cecil	561,819
JusticeWorks Youthcare Inc.	Pittsburgh	1,248,936
Keystone Adolescent Center	Greenville	294,650
Mars Home for Youth	Mars	352,142
Mental Health Association	Butler	384,294
Milestone Centers, Inc.	Pittsburgh	2,127,558
Motorola Solutions Inc.	Schaumburg, IL	318,522
Oasis Management Systems Inc.	Cumming, GA	438,864
Pathways Adolescent Center Inc.	Oil City	528,605
Pennsylvania Counties Risk Pool	Harrisburg	411,909
Pennsylvania Department of Human Services	Harrisburg	340,127
Pennsylvania Department of Transportation	Harrisburg	1,027,882
Pitney Bowes Credit Corporation	Louisville, KY	317,702
Pittsburgh Companies North (PCN)	Irwin	525,595
Positive Steps Therapy LLC	White Plains, NY	198,390
Primecare Medical Inc.	Harrisburg	2,411,990
Redevelopment Authority	Butler	698,858
Schulteis Electric	Latrobe	249,357
Smart Communications Holding, Inc.	Seminole, FL	401,759
Totin Family Services	Worthington	495,812
Trinity Services LLC	Oldmar, FL	995,524
Tyler Technologies Inc.	Dallas, TX	289,605
West Penn Power Company	Akron, OH	404,939

NOTE:

Amounts include all state and federal funds administered by the County. The majority of the above payments were made through contractual arrangements for providing human services. Independently audited financial statements, when available, are filed with the Office of the County Controller for review.

COUNTY OF BUTLER, PENNSYLVANIA

BUTLER COUNTY POPULATION



SOURCE:
United States Census Bureau

County of Butler, Pennsylvania

Independent Auditor's Report in Accordance
with *Government Auditing Standards*

Year Ended December 31, 2022

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 and County Controller
County of Butler, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Butler, Pennsylvania (County), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 30, 2023.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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. 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 or significant deficiencies may exist that were not identified.

Board of County Commissioners and
County Controller
County of Butler, Pennsylvania
Independent Auditor's Report

Report on 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 financial statements. 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*.

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
June 30, 2023

COUNTY OF BUTLER, PENNSYLVANIA

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED DECEMBER 31, 2022

NONE

COUNTY OF BUTLER, PENNSYLVANIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2022

NONE

