

COUNTY OF BUTLER, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE YEAR ENDED
DECEMBER 31, 2019

Prepared by the Office of the Controller
Benjamin Holland, Controller

COUNTY OF BUTLER, PENNSYLVANIA

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INTRODUCTORY SECTION

COUNTY OF BUTLER, PENNSYLVANIA

BUTLER COUNTY OFFICIALS

DECEMBER 31, 2019

JUDICIARY

Thomas J. Doerr	President Judge
William R. Shaffer	Administrative Judge
S. Michael Yeager	Judge
Timothy F. McCune	Judge
Kelley T. Streib	Judge
William C. Robinson Jr.	Judge
Sue Elaine Haggerty	Magisterial District Judge
Kevin P. O'Donnell	Magisterial District Judge
Lewis E. Stoughton	Magisterial District Judge
Wayne Seibel	Magisterial District Judge
William T. Fullerton	Magisterial District Judge
Dave T. Kovach	Magisterial District Judge
William S. O'Donnell	Magisterial District Judge

ELECTED COUNTY OFFICIALS

Leslie A. Osche	County Commissioner, Chairman
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
Controller



Butler County

Pennsylvania

July 15, 2020

To Butler County Citizens and Taxpayers:

It is a privilege and an honor to present Butler County's *Comprehensive Annual Financial Report* (CAFR) for the year ending December 31, 2019. The primary purpose of this report is to provide a detailed accounting of the County's 2019 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 eighteen 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, 2019. 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 CAFR, 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 2019 CAFR 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 2018 CAFR; 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, and prior year information, as applicable, 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 CAFR 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 187,853 residents. The U.S. Census Bureau estimated that the County's population decreased by a net of 35 residents between July 2018 and July 2019. Ten 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, Cranberry Township was the fourth fastest growing township in Pennsylvania between 2010 and 2019. 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 2010 census determined the County's population to be 183,862 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 2019, the County Commissioners adopted a budget that maintained the same tax rate of 27.626, from the previous year. During the same year, the assessed value of taxable property grew by over \$31 million, to \$1.87 billion, according to County assessment records.

Exploration of the Marcellus Shale gas formation continued to impact Butler County residents in 2019. 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 2019, Butler County had a total of 533 unconventional producing wells, according to the Pennsylvania Public Utility Commission. That number represents a 7% increase over the 500 wells in place at the end of 2018. 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 \$2.1 million of 2019 impact fees, down from \$2.6 million in 2018.

According to the PA Department of Labor & Industry, the County's unemployment rate was 4.3% at the end of 2019 - 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

Butler Health System (BHS) operates Butler Memorial Hospital, an acute-care general hospital that serves Butler County. BHS 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 is also a provider of aeromedical transportation, with one of its LifeFlight emergency medical helicopters situated at the Butler County Airport. The Butler Veterans Administration (VA) Hospital is located in Butler Township and provides primary care, behavior health, rehabilitation, and extended care to veterans.

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.

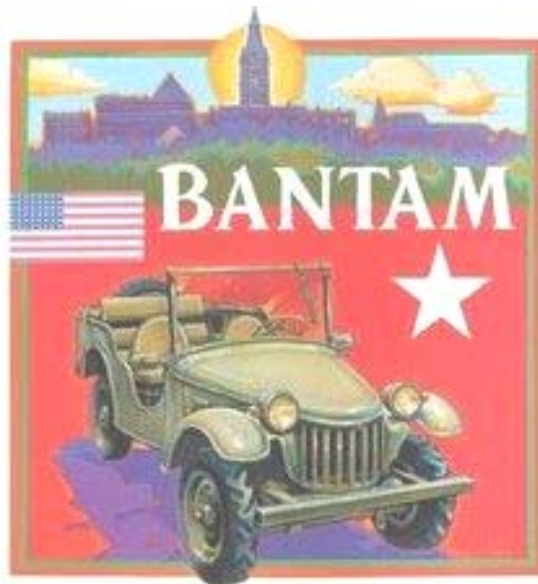




"The First Shot" is a commissioned painting by Deac Mong depicting an Indian shooting at George Washington and Christopher Gist in December 1753.

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 exceeded \$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 61 farms totaling 6,470 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, liabilities, fund equity, revenues and expenditures.

SUMMARY OF 2019 FINANCIAL ACTIVITY INCLUDING SIGNIFICANT POLICY DECISIONS AFFECTING THE FINANCIAL STATEMENTS

The governmental funds within the County include the General Fund, thirty-six Special Revenue Funds, seven Capital Project Funds, and a Debt Service Fund. The governmental funds' total revenues equal \$113,564,737 and total expenditures equal \$112,103,817 for the year. The County no longer has any Proprietary Funds, but maintains a Fiduciary Fund, and ten Custodial Funds.

General Fund revenues, and transfers-in of \$649,581, totaled \$63,005,016. General Fund expenditures, and transfers-out of approximately \$4.9 million, totaled \$61,060,151. The schedule appearing on page I-17 displays the 2019 General Fund expenditures, including transfers, by administrative category. For the purposes of this trend analysis, the schedule provides a summary comparison between the 2019 and 2009 expenditures. Compared to 2018, total General Fund revenues, including transfers, increased by \$1,257,017; and total General Fund expenditures, including transfers, increased by \$1,716,224.

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 2019 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 2019, the plan's net position held in trust totaled \$227,382,638, and reported a net pension liability of \$12,772,897. The County Pension Fund had 670 active and vested members, and the number of retirees or beneficiaries totaled 624 on December 31, 2019. 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 2019 contribution of \$5,428,088. 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 over 95% 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, 2009 and December 31, 2019

	2009	2019	Change	Per Year %
Board of Commissioners:				
Alameda Park & Pool	\$ 355,235	\$ 461,732	\$ 106,497	3.00%
Budget & Finance	92,580	211,188	118,608	12.81%
Central Phone	151,114	99,003	(52,111)	(3.45%)
Commissioners	753,522	747,993	(5,529)	(0.07%)
County Solicitor	156,102	127,566	(28,536)	(1.83%)
Election Bureau	412,657	626,694	214,037	5.19%
Facilities & Operations	1,670,790	2,358,329	687,539	4.12%
Grants Management	193,886	153	(193,733)	(9.99%)
Information Technology	731,283	965,112	233,829	3.20%
Mail Room	324,462	290,879	(33,583)	(1.04%)
Motor Pool	94,828	105,304	10,476	1.10%
Personnel	382,590	516,674	134,084	3.50%
Planning Commission	255,985	415,281	159,296	6.22%
Public Defender	670,559	1,077,160	406,601	6.06%
Purchasing	63,731	28,674	(35,057)	(5.50%)
Property & Revenue	1,066,404	1,448,587	382,183	3.58%
Tax Collectors	352,201	320,771	(31,430)	(0.89%)
Veterans' Services	203,968	319,015	115,047	5.64%
Prison	7,362,917	12,061,463	4,698,546	6.38%
Other County Program Subsidies	5,309,396	3,969,868	(1,339,528)	(2.52%)
Outside Organization Contributions	4,294,521	6,584,980	2,290,459	5.33%
Debt Service	4,112,065	5,281,854	1,169,789	2.84%
Miscellaneous	1,407,341	1,160,271	(247,070)	(1.76%)
Total - Board of Commissioners	\$ 30,418,137	\$ 39,178,551	\$ 8,760,414	2.88%

Court of Common Pleas:

Common Pleas / Corrections / DR	\$ 6,861,891	\$ 9,794,619	\$ 2,932,728	4.27%
Magisterial District Judges	2,040,677	2,395,121	354,444	1.74%
Total - Court of Common Pleas	\$ 8,902,568	\$ 12,189,740	\$ 3,287,172	3.69%

Row Offices:

Clerk of Courts	\$ 823,950	\$ 1,068,582	\$ 244,632	2.97%
Controller	635,765	797,871	162,106	2.55%
Coroner	334,386	526,174	191,788	5.74%
District Attorney	1,444,984	2,237,760	792,776	5.49%
Prothonotary	660,285	711,494	51,209	0.78%
Recorder of Deeds	472,066	461,757	(10,309)	(0.22%)
Register of Wills / Orphans' Court	567,276	680,362	113,086	1.99%
Sheriff	1,705,490	2,656,749	951,259	5.58%
Treasurer	401,198	551,111	149,913	3.74%
Total - Row Offices	\$ 7,045,400	\$ 9,691,860	\$ 2,646,460	3.76%
GENERAL FUND TOTAL	\$ 46,366,105	\$ 61,060,151	\$ 14,694,046	3.17%

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 comprehensive annual financial report for the year ended December 31, 2018. This was the eighteenth 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 comprehensive annual financial 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 comprehensive annual 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
County Controller



Staff of the Butler County Controller's Office
Photo: Tom Graham, Frames & Pixels





Government Finance Officers Association

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

Presented to

**County of Butler
Pennsylvania**

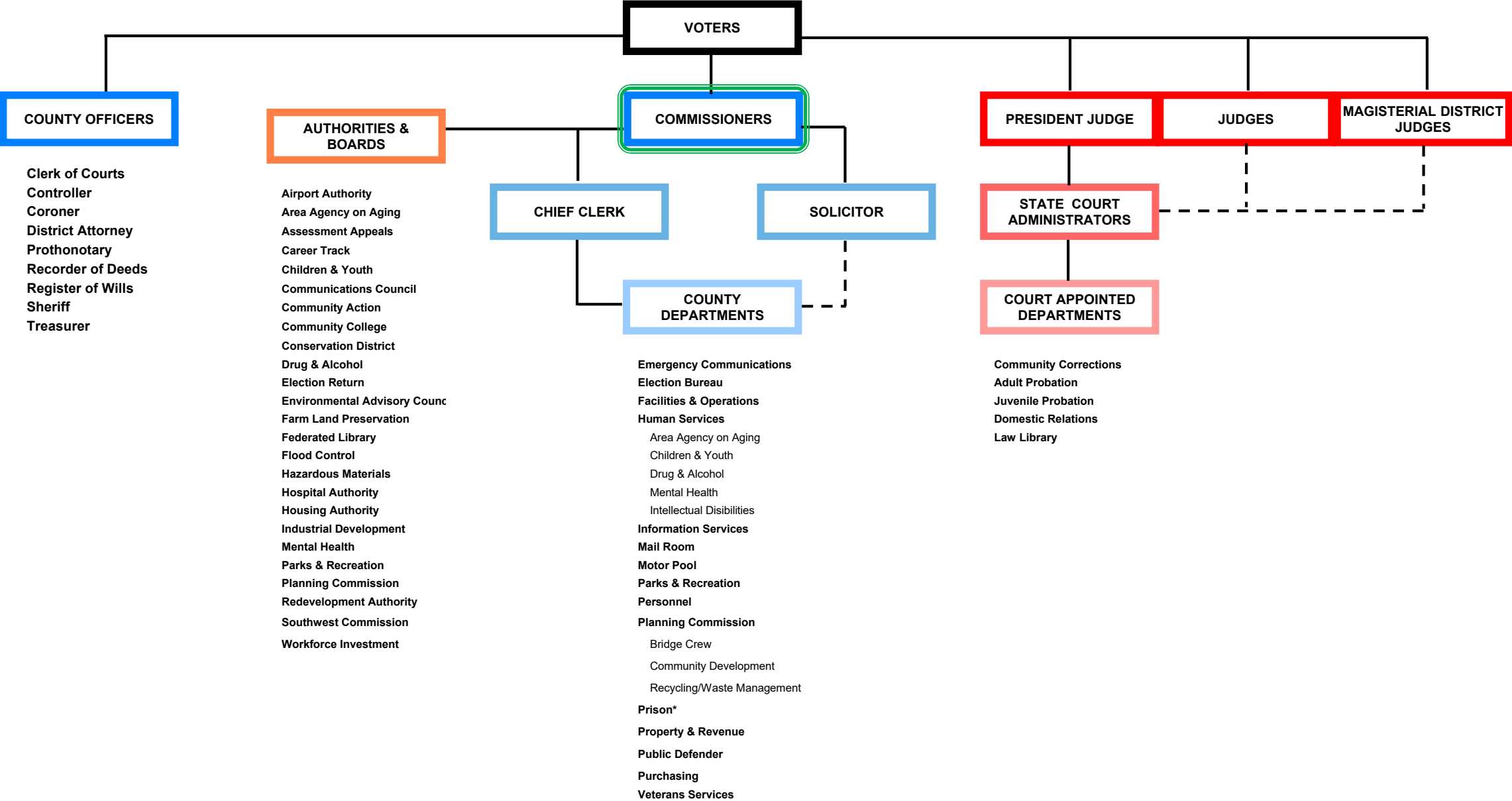
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrell

Executive Director/CEO

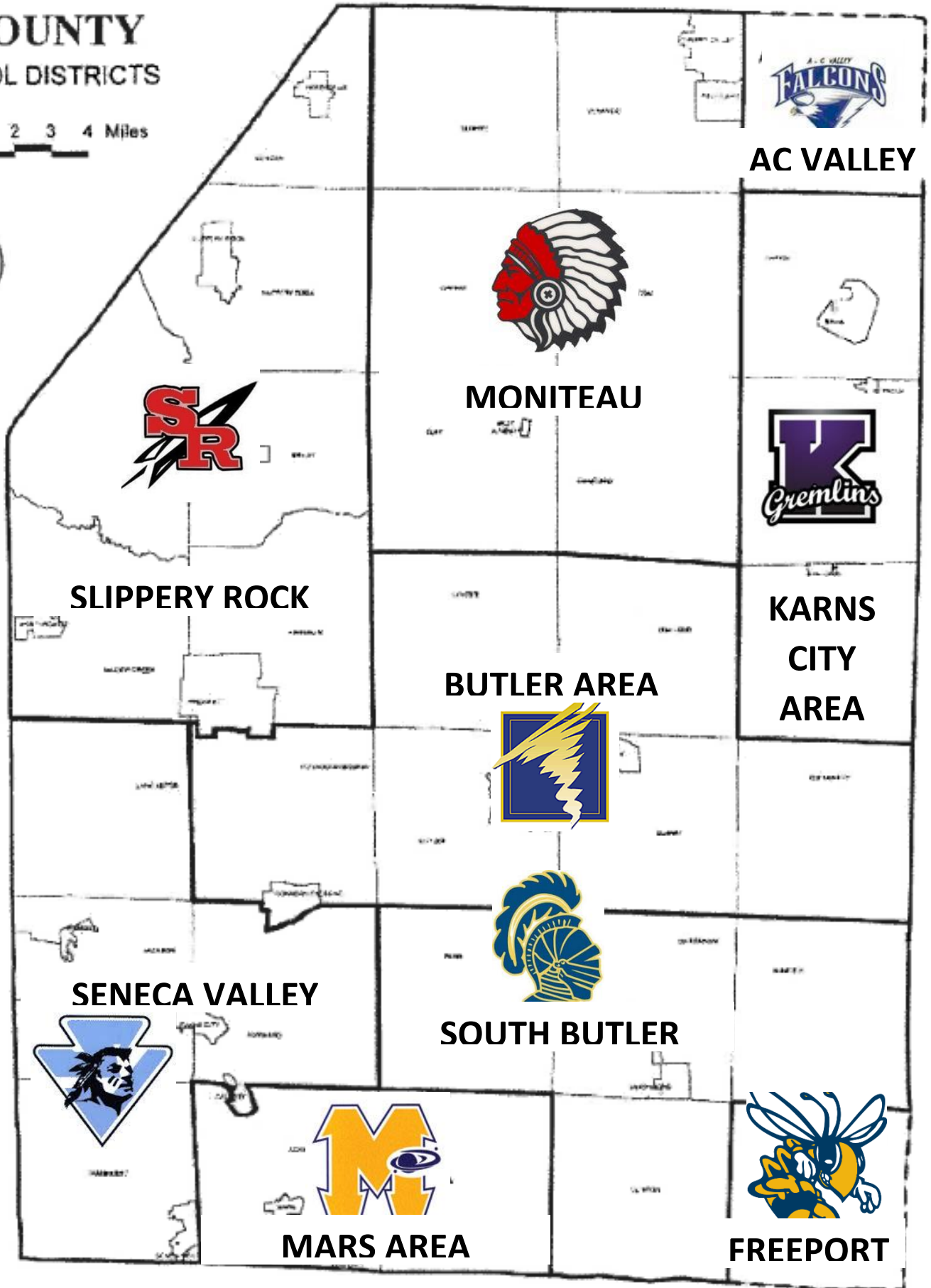
COUNTY OF BUTLER
ORGANIZATIONAL CHART



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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

Opinions

In our opinion, 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, 2019, 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.

Change in Accounting Principle

As described in Note 1 to the financial statements, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 84, "Fiduciary Activities". As a result of implementing this standard, several funds previously reported as agency funds were evaluated and included as special revenue funds. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension information on pages II-4 through II-22 and IV-1 through IV-4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2020 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 or on 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
July 15, 2020

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, 2019. 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-110).

Financial Highlights

- The County's net position increased from \$45,840,952 to \$52,335,391 in 2019, and unrestricted net position was 6,285,638 at December 31, 2019 .
- The County's real estate property tax rate for general purpose was at 21.455 mills, the tax rate for debt service was 3.236 mills, and the tax rate for payment to Butler County Community College was 2.935 mills.
- As of December 31, 2019, the County had \$55.0 million of debt outstanding. This represents a net increase of \$5.5 million from December 31, 2018.
- The total fund balance of the General Fund at December 31, 2019 was approximately \$18.3 million. The assigned fund balance for the 2020 budget is just over \$6.5 million, which represents nearly 3.8% of the revenue projected for 2020. The unassigned fund balance decreased by \$603,000 to \$8.2 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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.

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 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 three categories: *governmental funds*, *proprietary 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 45 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 seven major funds (General, Mental Health/Early Intervention/Intellectual Disabilities, Health Services Block Grant, Marcellus Shale, Emergency Communications (911), Children & Youth Services, and Capital Reserve). Data from the other 38 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 adopts an annual appropriated budget for its 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-110 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-55 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, 2019 and 2018 is presented below:

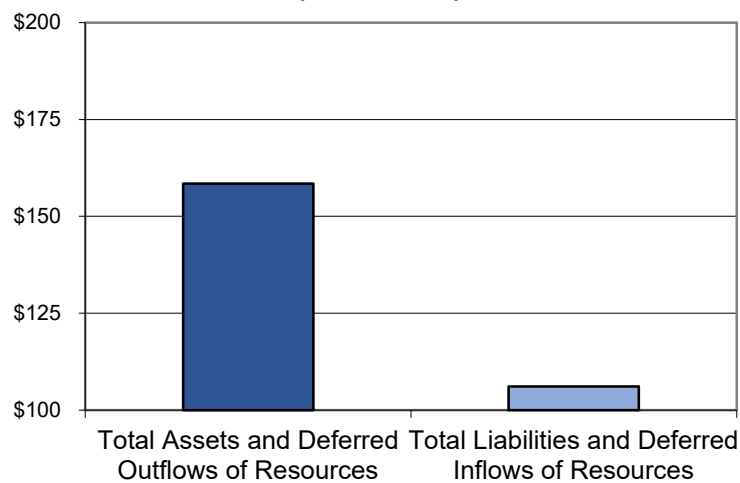
COUNTY OF BUTLER			
Summary of Statement of Net Position			
December 31, 2019			
(With Comparative Totals at December 31, 2018)			
(in thousands)			
		Governmental activities	
		2019	2018
Current and other assets		\$ 64,894	\$ 54,356
Capital assets		88,966	88,450
Total assets		153,860	142,806
Deferred charge on refunding		887	1,029
Deferred outflows of resources for pension		3,714	22,124
Total deferred outflows of resources		4,601	23,153
Current and other liabilities		22,199	20,612
Long-term liabilities outstanding		67,218	90,963
Total liabilities		89,417	111,575
Deferred revenue - loans		338	322
Deferred inflows of resources for pension		16,371	8,221
Total deferred inflows of resources		16,709	8,543
Net position:			
Net investment in capital assets		34,884	42,144
Restricted		11,165	9,955
Unrestricted		6,286	(6,258)
Total net position		\$ 52,335	\$ 45,841

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, 2019:

**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 2019, the County's total net position related to governmental activities increased by \$6,494,439. Cash and cash equivalents increased from \$35.3 million in 2018 to \$38.6 million at the end of 2019, and amounts due from other governments decreased from \$7.4 million in 2018 to \$7.2 million in 2019. At the end of 2019, the County's total assets (excluding capital assets) related to governmental activities increased by \$10.5 million, as the result of an increase in notes receivable, related to the County's Infrastructure Bank.

Capital assets increased to \$89.0 million in 2019 from \$88.4 million in 2018. 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. The increase in capital assets for the year is largely attributable to building renovations and improvements in the Government Center and Government Center Annex.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Deferred outflows of resources decreased to \$4.6 million in 2019, from \$23.2 million in 2018. This decrease is due to the reporting of pension expense in accordance with GASB Statements. Liabilities also decreased to \$89.4 million in 2019, from \$111.5 million in 2018. This decrease in liabilities is from a \$28.2 million decrease in the Net Pension Liability.

Total net position amounted to approximately \$52.3 million, of which \$34.9 million is the County's net investment in capital assets and \$11.1 million is restricted for various purposes. The remaining \$6.3 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, 2019 and 2018:

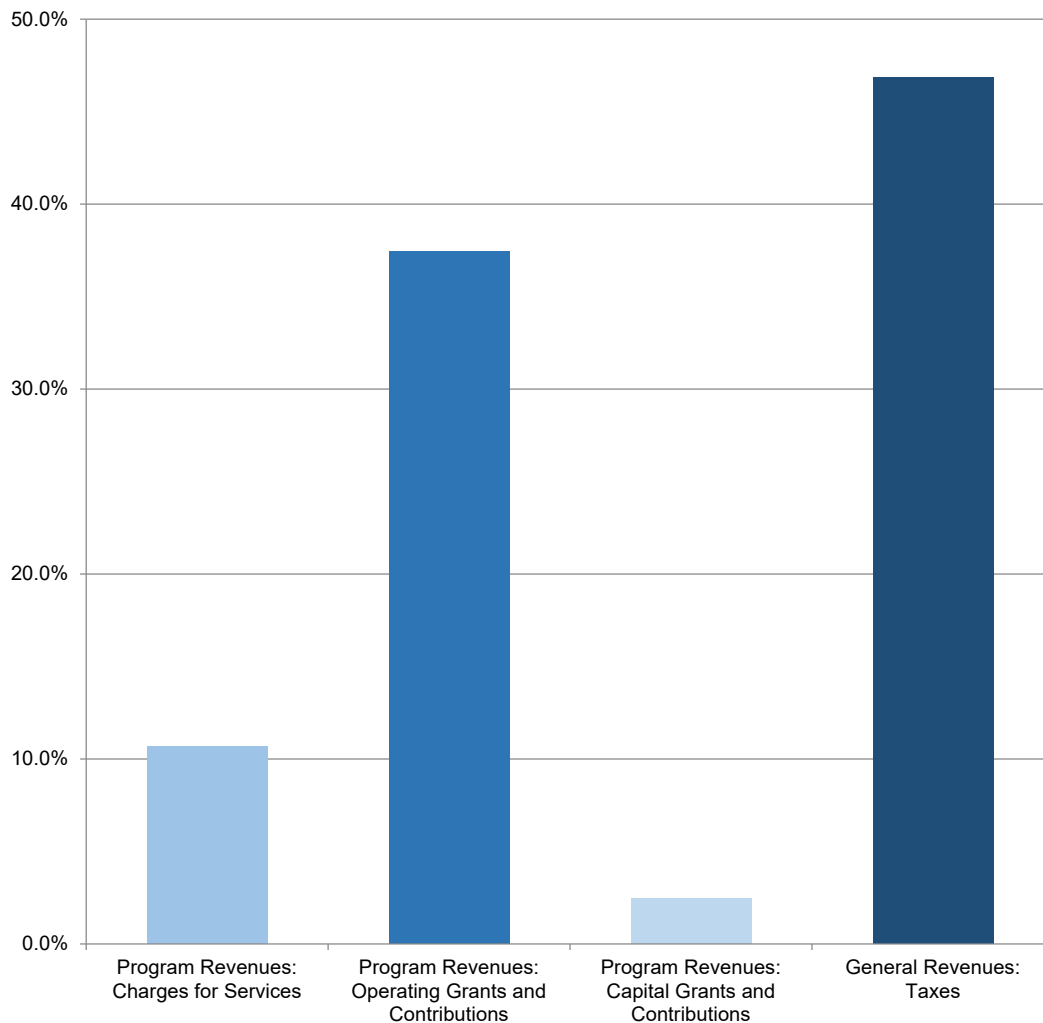
County of Butler Year Ended December 31, 2019 (With Comparative Totals for the Year Ended December 31, 2018) (in thousands)		
	Governmental Activities	
	2019	2018
Revenues:		
Program revenues:		
Fees, fines, and charges for services	\$ 11,874	\$ 10,387
Operating grants and contributions	41,600	41,170
Capital grants and contributions	2,702	2,720
General revenues:		
Taxes	52,111	52,727
Interest and investment income	983	735
Sinking fund reimbursement	13	-
Other	1,921	2,052
Gain (loss) on sale of capital assets	(45)	22
Total revenues	<u>111,159</u>	<u>109,813</u>
Program expenses:		
General government - administration	13,188	12,772
General government - judicial	16,418	17,815
Public safety	22,545	22,935
Public works and enterprises	1,624	2,084
Human services	43,866	43,577
Culture and recreation	2,010	1,624
Conservation and development	4,431	4,435
Interest	1,661	1,708
Total program expenses	<u>105,743</u>	<u>106,950</u>
Change in Net Position	<u>5,416</u>	<u>2,863</u>
Net position - beginning	<u>45,841</u>	<u>42,978</u>
Adjustment for implementation of GASB 84	1,078	-
Net position - beginning of year, restated	<u>46,919</u>	<u>42,978</u>
Net position - ending	<u><u>\$ 52,335</u></u>	<u><u>\$ 45,841</u></u>

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, 2019:

Sources of Revenues - Governmental Activities Total Revenues: \$111,158,961



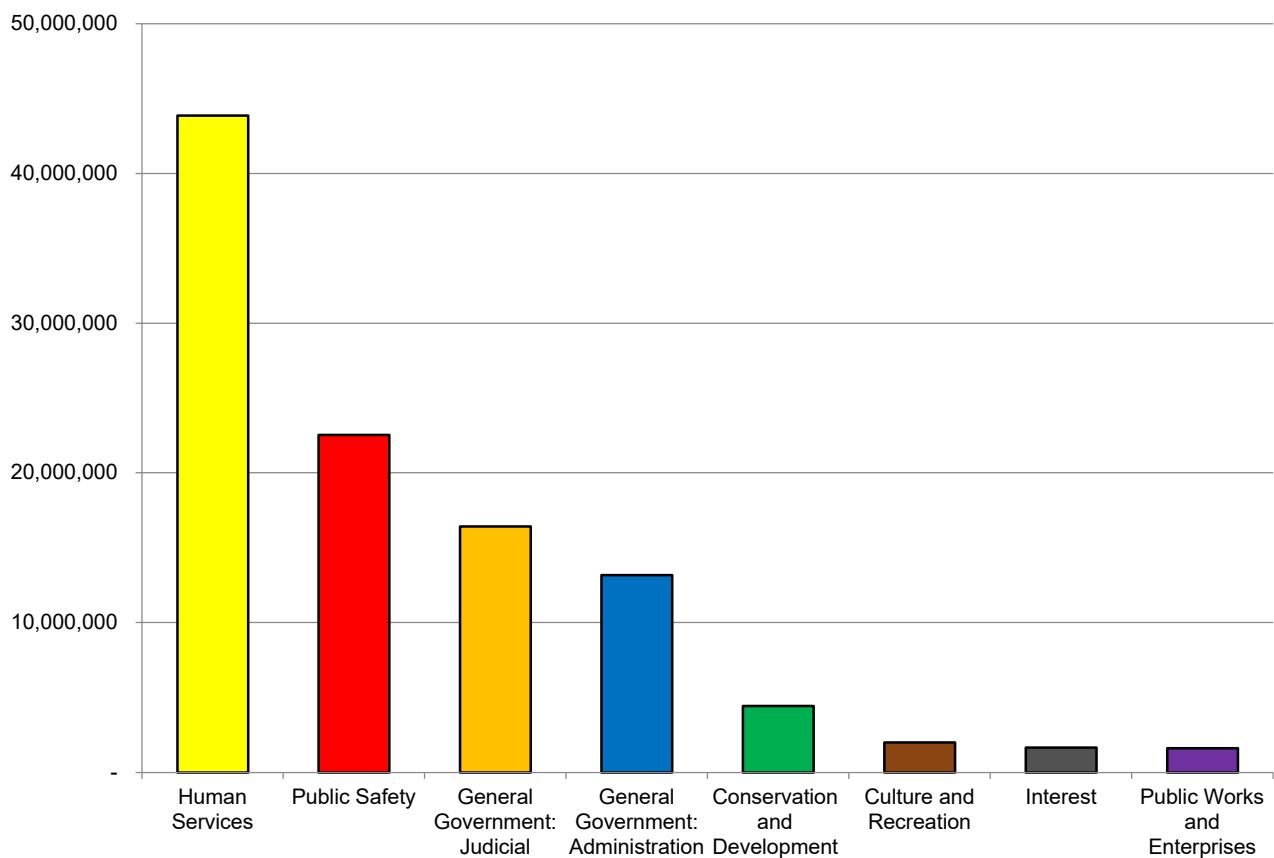
Total revenues from governmental activities for 2019 were \$111,158,961, which was \$1.3 million higher than in 2018. Operating grants and contributions account for 37.4% of the 2019 governmental activities revenue, amounting to \$41,600,104 compared to \$41,170,013 in 2018. Tax revenue decreased to \$52,110,987 in 2019 from \$52,727,079 in 2018, exclusively due to an increase in estimated uncollectible property taxes.

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, 2019:

Program Expenses - Governmental Activities Total Expenses: \$105,743,039



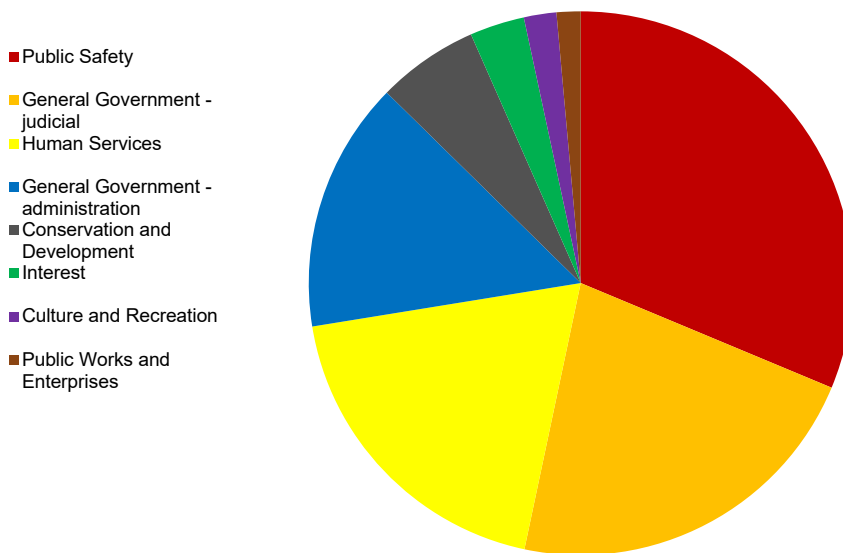
Program expenses for the County's governmental activities amounted to approximately \$105.7 million for the year ended 2019. This compares to \$106.9 million for the year ended 2018. General government – judicial expenses decreased from \$17.8 million in 2018, to \$16.4 million in 2019. Public safety expenses decreased from \$22.9 million in 2018 to \$22.5 million in 2019. Human services expenses increased from \$42.5 million in 2018 to \$43.9 million in 2019, largely due to the usual increase in personnel costs and operating expenses. The remaining expense categories were fairly consistent between the two 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, 2019:

Net Program Expenses/Revenues - Governmental Activities Total Net Expenses: \$49,566,935



Net program expenses/revenues for governmental activities decreased from (\$52.7) million in 2018 to (\$49.6) million in 2019.

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 & Development** includes: Community Action, Conservation District, 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% (69,223 persons) between 1960 and 2010. During the last census, the population in the County increased from 174,083 in 2000 to 183,862 in 2010. The County's population is currently estimated to be 187,853.

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, 2019, it's estimated that municipalities within the County issued 3,244 building permits, up from 2,940 issued in 2018. 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 \$2.8 billion during 2019 to a total fair market value of \$20.1 billion. The difference is a result from improvements in the economy and the continued growth of the County. In 2019, the County billed \$611,074 of additional interim taxes; more than the \$245,833 of additional interim taxes that were billed in 2018. The interim tax bills include assessments for new construction from the date of completion, through the remaining months in the calendar year.

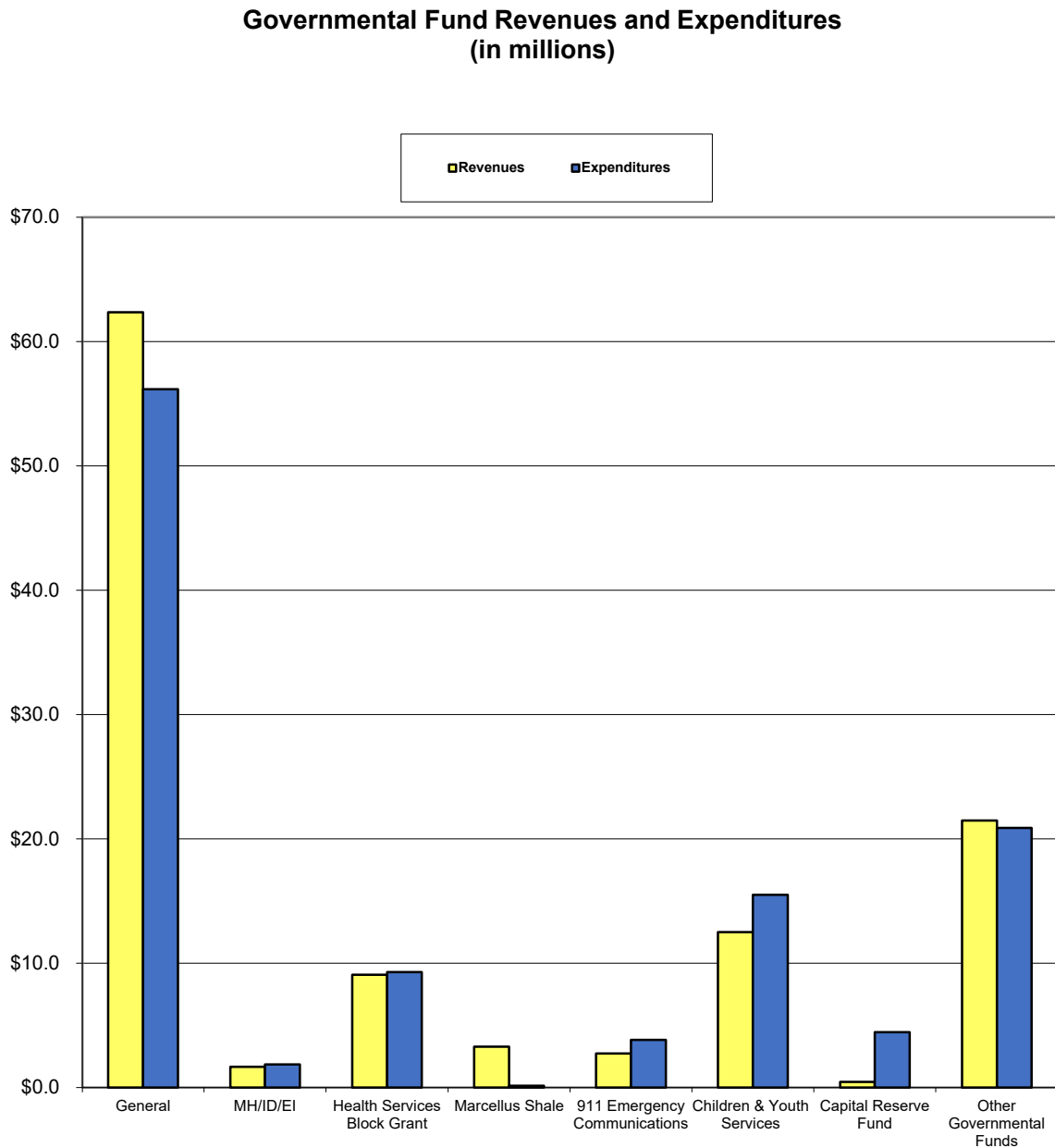
As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County has 45 governmental funds; seven of them are major funds (General, Mental Health/Early Intervention/Intellectual Disabilities, Health Services Block Grant, Children & Youth Services, Marcellus Shale, Emergency Communications (911), and Capital Reserve), and 38 are other governmental funds.

A complete listing of the other governmental funds is on pages V-1 to V-10. 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, 2019:



MANAGEMENT'S DISCUSSION AND ANALYSIS

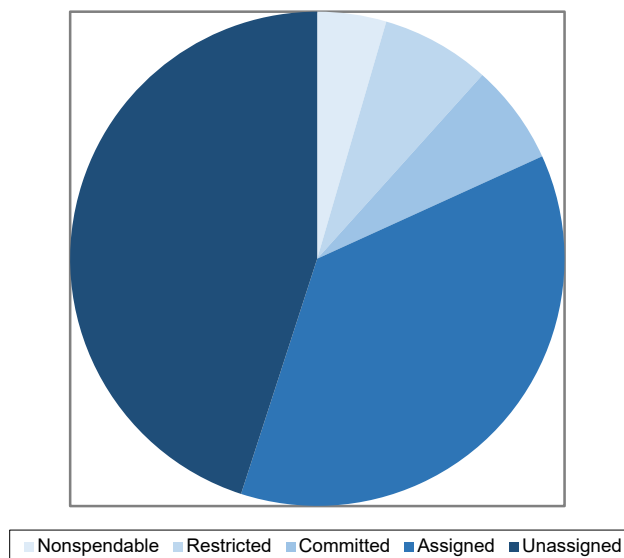
The majority of revenues and expenditures occurred in the County's General Fund, Health Services Block Grant Fund, and Children & Youth Services Fund in 2019. Under the General Fund, revenue from taxes amounted to \$51.1 million. The Health Services Block Grant Fund and Children & Youth Services Fund received \$9.1 and \$12.5 million, respectively, either in a base allocation or grants.

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, 2019
(in millions)



The General Fund fund balance at December 31, 2019 was approximately \$18.3 million, with \$6.5 million assigned for the 2020 budget. This increase from the \$16.4 million fund balance at December 31, 2018 is attributable to General Fund revenues (including transfers in) exceeding General Fund expenditures (including transfers out) by \$1.9 million for 2019. As the result of reasonable fluctuations and conservative budget estimates, revenues surpassed budget projections and expenditures were lower than budget expectations.

The Marcellus Shale Fund fund balance at December 31, 2019 was approximately \$737,000, which was a decrease from the December 31, 2018 fund balance of around \$1.9 million. This is the result of a change in amounts, which were previously restricted for the County's Infrastructure Bank, allocated from Act 13 Impact Fees.

The Capital Reserve Fund fund balance at December 31, 2019 was approximately \$4.4 million and was assigned and restricted for capital purchases. This decrease from \$7.4 million in fund balance at December 31, 2018, is largely attributable to expenditures made for building renovations and improvements in the Government Center and Government Center Annex.

The Other Governmental Funds fund balance increased from \$3.4 million at December 31, 2018 to \$8.3 million at December 31, 2019.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Fund Budgetary Highlights

The fund balance in the General Fund for the year ended 2019 increased by approximately \$1.9 from the 2018 level. At December 31, 2019, the General Fund fund balance was approximately \$18.3 million, of which approximately \$824,000 was nonspendable, \$1.3 million was restricted for operating reserve and agricultural easements, \$1.2 million was committed for worker's compensation, and \$6.7 million was assigned for the 2020 budget and the Conservation District.

There were no significant differences in the General Fund between the original and final budget. Differences worth noting in the General Fund final budget compared to the actual amounts are as follows:

- General government administration expenditures were under budget by approximately \$2.2 million. This is attributable to budget overestimates, and expenditures were also under budget because of a concerted effort by management to control costs.
- General government judicial expenditures were under budget by around \$1.1million. This is attributable to budget overestimates and cost control measures.
- Public safety expenditures were under budget by approximately \$554,000. This is principally attributable to the Prison's expenditures being less than budgeted.
- Conservation and development expenditures were under budget by around \$395,000. This is mostly attributable to budgeted contingency expenditures not being necessary.
- Other expenditures were under budget by approximately \$427,000. This is partially attributable to budgeted contingency expenditures not being necessary.

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, 2019 and 2018:

County of Butler			
Summary of Capital Assets			
Governmental Activities			
	Balance at <u>December 31, 2019</u>	Balance at <u>December 31, 2018</u>	Increase/ <u>Decrease</u>
Land	\$ 1,704,544	\$ 1,704,544	\$ -
Easements	3,074,338	2,987,672	86,666
Construction in progress	13,301,536	16,326,599	(3,025,063)
Infrastructure - bridges	26,980,325	26,953,996	26,329
Buildings and improvement	76,458,399	73,948,892	2,509,507
Furniture and equipment	31,312,317	28,012,671	3,299,646
Total capital assets	<u>152,831,459</u>	<u>149,934,374</u>	<u>2,897,085</u>
Less accumulated depreciation/ amortization for:			
Infrastructure - bridges	(16,566,440)	(15,693,029)	(873,411)
Buildings and improvements	(26,911,633)	(25,966,025)	(945,608)
Furniture and equipment	(20,387,210)	(19,825,587)	(561,623)
Total accumulated depreciation/ amortization	<u>(63,865,282)</u>	<u>(61,484,641)</u>	<u>(2,380,642)</u>
Net Capital Assets	<u>\$ 88,966,177</u>	<u>\$ 88,449,733</u>	<u>\$ 516,443</u>

Capital Assets – Governmental Activities: The County's investment in capital assets and infrastructure for its governmental activities, amounts to approximately \$89.0 as of December 31, 2019 (net of accumulated depreciation/amortization). This investment in capital assets includes land, easements, buildings and renovations, infrastructure (such as roads and bridges), permanent fixtures, furniture, equipment, radio/telephone system, and computer hardware and software. The increase in capital assets from the prior year is largely a result of building improvements and renovation projects. 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, 2019, the County had total debt of \$54,952,268 outstanding on the General Obligation Bonds, General Obligation Notes, and Capital Leases.

County of Butler Summary of Long-Term Debt	
	Governmental Activities
Beginning Balance at January 1, 2019	\$ 49,457,000
Additions	9,435,698
Reductions	<u>(3,940,430)</u>
Ending Balance December 31, 2019	<u><u>\$ 54,952,268</u></u>

In January 2019, the County issued a General Obligation Note, Series of 2019. The note proceeds will be used to fund capital projects approved by the County's Infrastructure Bank, in the form of interest-subsidized loans to local municipalities within Butler County. 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, 2019 OR JUNE 30, 2019

	Primary Government		Component Units		
	Governmental Activities	Total (Dec. 31, 2019)	Butler County Community College (June 30, 2019)	Butler County Airport Authority (Dec. 31, 2019)	Butler Transit Authority (June 30, 2019)
Assets					
Cash and cash equivalents	\$ 38,607,345	\$ 38,607,345	\$ 16,372,870	\$ 1,581,332	\$ 531,670
Investments	1,196,704	1,196,704	6,995,832	-	-
Taxes receivable, at estimated realizable value	2,966,601	2,966,601	-	-	-
Accounts and loans receivable, at estimated realizable value	14,096,053	14,096,053	1,240,618	53,174	384,824
Accounts receivable, students	-	-	5,255,050	-	-
Due from other governments	7,161,655	7,161,655	7,247,860	-	-
Prepays	865,665	865,665	709,641	35,114	-
Inventory	-	-	305,676	7,648	-
Other assets	-	-	19,091	-	-
Capital assets, not being depreciated/amortized	18,080,418	18,080,418	6,377,910	2,265,768	637,500
Capital assets, net of accumulated depreciation/amortization	70,885,759	70,885,759	28,488,168	10,990,647	17,774,381
Total Assets	153,860,200	153,860,200	73,012,716	14,933,683	19,328,375
Deferred Outflows of Resources					
Deferred charge on refunding	887,280	887,280	845,600	-	-
Deferred outflows of resources for OPEB	-	-	946,264	-	-
Deferred outflows of resources for pension	3,713,856	3,713,856	25,320	-	-
Total Deferred Outflows of Resources	4,601,136	4,601,136	1,817,184	-	-
Liabilities					
Accounts payable	6,857,979	6,857,979	569,293	30,421	184,132
Accrued interest payable	790,185	790,185	207,619	-	-
Accrued payroll and payroll taxes	1,191,855	1,191,855	1,354,959	-	-
Lines of credit	-	-	-	-	-
Due to other governments	59,176	59,176	-	-	-
Unearned revenue:					
Current	6,100,875	6,100,875	4,903,005	76,507	770,586
Non-current	-	-	-	38,324	-
Capital lease payable:					
Current	22,074	22,074	-	-	-
Non-current	71,107	71,107	-	-	-
Workmen's compensation:					
Current	-	-	-	-	-
Non-current	1,197,288	1,197,288	-	-	-
Compensated absences:					
Current	2,141,692	2,141,692	938,321	-	-
Non-current	610,420	610,420	-	-	-
Note payable:					
Current	1,368,000	1,368,000	476,348	50,524	-
Non-current	14,391,087	14,391,087	3,576,441	197,277	-
Bonds payable:					
Current, includes premium of \$379,121 for governmental activities	3,614,121	3,614,121	1,560,000	-	-
Non-current, includes premium of \$2,363,110 for governmental activities	38,228,110	38,228,110	18,319,872	-	-
OPEB liability	-	-	327,000	-	-
Net pension liability, non-current	12,772,897	12,772,897	7,537,000	-	-
Total Liabilities	89,416,866	89,416,866	39,769,858	393,053	954,718
Deferred Inflows of Resources					
Deferred revenue - loans	337,926	337,926	-	-	-
Deferred inflows of resources for OPEB	-	-	41,000	-	-
Deferred inflows of resources for pension	16,371,153	16,371,153	684,000	-	-
Total Deferred Inflows of Resources	16,709,079	16,709,079	725,000	-	-
Net Position					
Net investment in capital assets	34,884,432	34,884,432	11,770,017	13,008,614	18,411,881
Restricted for:					
Operating reserve, expendable	1,275,291	1,275,291	-	-	-
Agricultural easements, expendable	34,944	34,944	-	-	-
Act 13, expendable	2,863,762	2,863,762	-	-	-
Roads and bridges, expendable	3,283,306	3,283,306	-	-	-
Records improvement/automation, expendable	726,982	726,982	-	-	-
Central booking/court restitution, expendable	118,850	118,850	-	-	-
Domestic Relations	104,132	104,132	-	-	-
Offender supervision	364,603	364,603	-	-	-
Area Agency on Aging Program, expendable	623,928	623,928	-	-	-
Capital purchases, expendable	-	-	11,420,036	-	-
Emergency communications, expendable	766,752	766,752	-	-	-
Inmate welfare fund	1,002,771	1,002,771	-	-	-
Other purposes, nonexpendable	-	-	3,040,891	-	-
Other purposes, expendable	-	-	-	21,658	-
Unrestricted	6,285,638	6,285,638	8,104,098	1,510,358	(38,224)
Total Net Position	\$ 52,335,391	\$ 52,335,391	\$ 34,335,042	\$ 14,540,630	\$ 18,373,657

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

STATEMENT OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units		
					Governmental Activities	Total (Dec. 31, 2019)	Butler County Community College (June 30, 2019)	Butler County Airport Authority (Dec. 31, 2019)	Butler Transit Authority (June 30, 2019)
Primary government:									
Governmental activities:									
General government - administration	\$ 13,187,911	\$ 2,492,215	\$ 2,877,344	\$ 210,706	\$ (7,607,646)	\$ (7,607,646)	\$ -	\$ -	\$ -
General government - judicial	16,418,326	2,805,482	2,337,254	25,000	(11,250,590)	(11,250,590)	-	-	-
Public safety	22,544,944	2,940,789	3,650,109	-	(15,954,046)	(15,954,046)	-	-	-
Public works and enterprises	1,623,945	1,008,895	266,099	1,074,019	725,068	725,068	-	-	-
Human services	43,866,467	1,688,771	31,886,660	536,498	(9,754,538)	(9,754,538)	-	-	-
Culture and recreation	2,009,964	391,970	-	633,913	(984,081)	(984,081)	-	-	-
Conservation and development	4,430,713	545,951	582,638	221,791	(3,080,333)	(3,080,333)	-	-	-
Interest, premiums, and discounts	1,660,769	-	-	-	(1,660,769)	(1,660,769)	-	-	-
Total governmental activities	105,743,039	11,874,073	41,600,104	2,701,927	(49,566,935)	(49,566,935)	-	-	-
Total Primary Government	\$ 105,743,039	\$ 11,874,073	\$ 41,600,104	\$ 2,701,927	(49,566,935)	(49,566,935)	-	-	-
Component units:									
Butler County Community College	\$ 41,151,918	\$ 16,240,489	\$ 22,171,437	\$ 3,801,879	-	-	1,061,887	-	-
Butler County Airport Authority	1,239,987	528,897	-	886,550	-	-	-	175,460	-
Butler Transit Authority	3,630,553	300,309	2,000,652	2,108,514	-	-	-	-	778,922
Total Component Units	\$ 46,022,458	\$ 17,069,695	\$ 24,172,089	\$ 6,796,943	-	-	1,061,887	175,460	778,922
General revenues:									
Taxes:									
Real estate					49,692,941	49,692,941	-	-	-
Hotel tax					2,418,046	2,418,046	-	-	-
Total taxes					52,110,987	52,110,987	-	-	-
Interest and investment income					982,871	982,871	850,554	15,744	-
Gain/(loss) on sale of capital asset					(44,784)	(44,784)	-	89,864	-
Sinking fund repayment					12,491	12,491	-	-	-
Infrastructure Bank - proceeds					9,317,087	9,317,087	-	-	-
Infrastructure bank - disbursements					(9,317,087)	(9,317,087)	-	-	-
Other income					1,921,292	1,921,292	682,416	15,826	10,145
Total general revenues					54,982,857	54,982,857	1,532,970	121,434	10,145
Change in Net Position					5,415,922	5,415,922	2,594,857	296,894	789,067
Net position - beginning					45,840,952	45,840,952	31,740,185	14,243,736	17,584,590
Adjustment for implementation of GASB 84					1,078,517	1,078,517	-	-	-
Net position - beginning of year, restated					46,919,469	46,919,469	31,740,185	14,243,736	17,584,590
Net position - ending					<u>\$ 52,335,391</u>	<u>\$ 52,335,391</u>	<u>\$ 34,335,042</u>	<u>\$ 14,540,630</u>	<u>\$ 18,373,657</u>

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2019

	General	Mental Health/ Early Intervention/ Intellectual Disabilities	Health Services Block Grant	Marcellus Shale Fund	Emergency Communications 911	Children & Youth Services	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
Assets									
Cash and cash equivalents	\$ 16,401,949	\$ 186,743	\$ 1,951,714	\$ 1,027,894	\$ 1,858,543	\$ 74,061	\$ 5,084,104	\$ 12,022,337	\$ 38,607,345
Investments	1,196,704	-	-	-	-	-	-	-	1,196,704
Taxes receivable, net of allowance	2,805,832	-	-	-	-	-	-	160,769	2,966,601
Accounts and loans receivable, at estimated realizable value	4,084,363	-	100	-	1,196	12,686	-	680,621	4,778,966
Due from other funds	2,628,962	192,668	104,177	155,515	-	280,204	59,910	351,000	3,772,436
Due from other governments	672,089	42,805	571	2,127,215	740,820	1,499,635	38,645	2,039,875	7,161,655
Prepays	823,976	-	-	-	33,167	-	-	8,522	865,665
Total Assets	\$ 28,613,875	\$ 422,216	\$ 2,056,562	\$ 3,310,624	\$ 2,633,726	\$ 1,866,586	\$ 5,182,659	\$ 15,263,124	\$ 59,349,372

(Continued)

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2019

(Continued)

	General	Mental Health/ Early Intervention/ Intellectual Disabilities	Health Services Block Grant	Marcellus Shale Fund	Emergency Communications 911	Children & Youth Services	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
Liabilities, Deferred Inflows of Resources, and Fund Balance									
Liabilities:									
Accounts payable	\$ 1,740,728	\$ 368,189	\$ 1,260,107	\$ 9,380	\$ 69,179	\$ 960,866	\$ 763,955	\$ 1,685,575	\$ 6,857,979
Accrued payroll and payroll taxes	892,549	1,973	22,494	-	53,237	91,387	-	130,215	1,191,855
Unearned revenue	274,726	36,762	699,750	437,482	1,569,577	459,736	-	2,599,076	6,077,109
Due to other funds	1,025,003	8,943	74,211	-	141,814	306,817	53,736	2,161,912	3,772,436
Due to other governments	223	6,349	-	-	-	47,780	-	4,824	59,176
Total Liabilities	3,933,229	422,216	2,056,562	446,862	1,833,807	1,866,586	817,691	6,581,602	17,958,555
Deferred Inflows of Resources:									
Unavailable revenue - taxes/fees	6,360,445	-	-	-	-	-	-	-	6,360,445
Unavailable revenue - impact fees	-	-	-	2,127,215	-	-	-	-	2,127,215
Unavailable revenue - loans	-	-	-	-	-	-	-	337,926	337,926
Total Deferred Inflows of Resources	6,360,445	-	-	2,127,215	-	-	-	337,926	8,825,586
Fund Balance:									
Nonspendable - prepaid items	823,976	-	-	-	33,167	-	-	8,522	865,665
Restricted:									
Operating reserve	1,275,291	-	-	-	-	-	-	-	1,275,291
Agricultural easements	34,944	-	-	-	-	-	-	-	34,944
Act 13	-	-	-	736,547	-	-	-	-	736,547
Roads and bridges	-	-	-	-	-	-	-	3,283,306	3,283,306
Records improvement/automation	-	-	-	-	-	-	-	726,982	726,982
Central booking/court restitution	-	-	-	-	-	-	-	118,850	118,850
Domestic Relations	-	-	-	-	-	-	-	104,132	104,132
Offender supervision	-	-	-	-	-	-	-	364,603	364,603
Area Agency on Aging Program	-	-	-	-	-	-	-	623,928	623,928
Capital purchases	-	-	-	-	-	-	2,725,474	-	2,725,474
Emergency communications	-	-	-	-	766,752	-	-	-	766,752
Inmate welfare fund	-	-	-	-	-	-	-	1,002,771	1,002,771
Committed:									
Infrastructure bank	-	-	-	-	-	-	-	2,116,035	2,116,035
Workmen's compensation	1,197,288	-	-	-	-	-	-	-	1,197,288
Assigned:									
2020 budget	6,524,980	-	-	-	-	-	-	-	6,524,980
Conservation District	220,000	-	-	-	-	-	-	-	220,000
Capital purchases	-	-	-	-	-	-	1,639,494	-	1,639,494
Unassigned	8,243,722	-	-	-	-	-	-	(5,533)	8,238,189
Total Fund Balance	18,320,201	-	-	736,547	799,919	-	4,364,968	8,343,596	32,565,231
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 28,613,875	\$ 422,216	\$ 2,056,562	\$ 3,310,624	\$ 2,633,726	\$ 1,866,586	\$ 5,182,659	\$ 15,263,124	\$ 59,349,372

(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, 2019

Total Fund Balance - Governmental Funds	\$ 32,565,231
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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, therefore, are not reported as assets in governmental funds.	88,966,177
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Note receivable for Infrastructure Bank, reported as other financing sources in governmental fund activities.	9,317,087
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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, therefore, are treated as either deferred inflows or unearned revenue in the funds.	8,463,894
---	-----------

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.	(1,854,951)
---	-------------

The net pension liability is not reflected in the fund financial statements.	(12,772,897)
--	--------------

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.	(12,657,297)
---	--------------

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	\$ (1,197,288)	
Accrued compensated absences	(2,752,112)	
Note payable	(15,759,087)	
Bonds payable	(39,100,000)	
Capital lease	(93,181)	
Accrued interest on debt	(790,185)	(59,691,853)

Total Net Position - Governmental Activities	\$ 52,335,391
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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, 2019

	General	Mental Health/ Early Intervention/ Intellectual Disabilities	Health Services Block Grant	Marcellus Shale Fund	Emergency Communications 911	Children & Youth Services	Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
Revenues:									
Taxes	\$ 51,060,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,418,046	\$ 53,478,119
Intergovernmental	1,413,863	1,657,109	8,962,367	3,263,031	2,717,566	12,254,252	216,185	14,299,098	44,783,471
Charges for services	6,702,473	-	30,000	-	-	191,351	-	4,453,142	11,376,966
Fines and forfeits	1,022,017	-	-	-	-	-	-	-	1,022,017
Interest	549,331	4,728	54,684	27,003	26,659	11,775	133,168	175,523	982,871
Other	1,607,678	2,718	32,667	-	-	48,809	95,000	134,421	1,921,293
Total revenues	62,355,435	1,664,555	9,079,718	3,290,034	2,744,225	12,506,187	444,353	21,480,230	113,564,737
Expenditures:									
Current:									
General government - administration	11,361,137	-	-	-	-	-	-	166,061	11,527,198
General government - judicial	13,962,313	-	-	-	-	-	-	2,953,486	16,915,799
Public safety	17,527,548	-	-	-	3,223,736	-	-	766,459	21,517,743
Public works and enterprises	-	-	-	-	-	-	-	501,081	501,081
Human services	5,765,909	1,856,898	9,288,383	-	-	15,475,309	-	11,068,615	43,455,114
Culture and recreation	758,732	-	-	-	-	-	-	304,280	1,063,012
Conservation and development	1,017,353	-	-	149,131	-	-	-	2,646,847	3,813,331
Other	474,609	-	-	-	-	-	-	50,000	524,609
Capital projects	-	-	-	-	122,525	-	4,445,371	2,324,065	6,891,961
Debt service	5,281,854	-	-	-	477,877	25,430	1,500	107,308	5,893,969
Total expenditures	56,149,455	1,856,898	9,288,383	149,131	3,824,138	15,500,739	4,446,871	20,888,202	112,103,817
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,205,980	(192,343)	(208,665)	3,140,903	(1,079,913)	(2,994,552)	(4,002,518)	592,028	1,460,920
Other Financing Sources (Uses):									
Sale of capital assets	-	-	-	-	-	-	21,822	14,087	35,909
Sinking fund repayment	-	-	-	-	-	-	-	12,491	12,491
Issuance of debt/capital lease	-	-	-	-	-	118,611	-	-	118,611
Infrastructure Bank - proceeds	-	-	-	-	-	-	-	9,317,087	9,317,087
Infrastructure Bank - disbursements	-	-	-	-	-	-	-	(9,317,087)	(9,317,087)
Transfers in	649,581	192,343	208,665	-	1,164,137	2,875,941	904,962	4,020,161	10,015,790
Transfers out	(4,910,696)	-	-	(4,289,987)	-	-	-	(815,107)	(10,015,790)
Total other financing sources (uses)	(4,261,115)	192,343	208,665	(4,289,987)	1,164,137	2,994,552	926,784	3,231,632	167,011
Net Change in Fund Balance	1,944,865	-	-	(1,149,084)	84,224	-	(3,075,734)	3,823,660	1,627,931
Fund Balance:									
Beginning of year, restated	16,375,336	-	-	1,885,631	715,695	-	7,440,702	4,519,936	30,937,300
End of year	\$ 18,320,201	\$ -	\$ -	\$ 736,547	\$ 799,919	\$ -	\$ 4,364,968	\$ 8,343,596	\$ 32,565,231

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, 2019

Net Change in Fund Balance - Governmental Funds

\$ 1,627,931

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 capital outlays exceeded depreciation in the current period:

Capital outlays	\$ 5,074,090	
Less: depreciation expense	<u>4,476,953</u>	597,137

The net effect of various transactions involving capital assets (sales, demolition, etc.). (80,693)

Some taxes and other revenues will not be collected for several months after the County's year-end; they are not considered as "available" revenues in the governmental funds. Deferred inflows changed by this amount during the year. (2,373,482)

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, however, 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. 4,059,271

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 fund financial statements. 1,673,016

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. The difference in interest accrued in the statement of activities and the amount due is shown here. 55,317

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, however, 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. (142,575)

Change in Net Position of Governmental Activities

\$ 5,415,922

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, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 51,510,467	\$ 50,500,467	\$ 51,060,073	\$ 559,606
Intergovernmental	1,389,029	1,389,029	1,413,863	24,834
Charges for services	5,179,560	6,270,005	6,702,473	432,468
Fines and forfeits	908,800	1,016,300	1,022,017	5,717
Interest	311,200	311,200	549,331	238,131
Other	1,331,255	1,360,255	1,607,678	247,423
Total revenues	60,630,311	60,847,256	62,355,435	1,508,179
Expenditures:				
Current:				
General government - administration	12,671,758	13,528,900	11,361,137	2,167,763
General government - judicial	14,580,825	15,057,050	13,962,313	1,094,737
Public safety	17,793,677	18,081,511	17,527,548	553,963
Public works and enterprises	-	-	-	-
Human services	5,728,568	5,734,689	5,765,909	(31,220)
Culture and recreation	768,789	857,276	758,732	98,544
Conservation and development	1,412,726	1,412,726	1,017,353	395,373
Other	1,555,920	901,115	474,609	426,506
Debt service	5,321,855	5,321,855	5,281,854	40,001
Total expenditures	59,834,118	60,895,122	56,149,455	4,745,667
Excess (Deficiency) of Revenues Over (Under) Expenditures	796,193	(47,866)	6,205,980	6,253,846
Other Financing Sources (Uses):				
Transfers in	557,295	644,295	649,581	5,286
Transfers out	(8,143,848)	(7,396,143)	(4,910,696)	2,485,447
Total other financing sources (uses)	(7,586,553)	(6,751,848)	(4,261,115)	2,490,733
Net Change in Fund Balance	\$ (6,790,360)	\$ (6,799,714)	\$ 1,944,865	\$ 8,744,579

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

DECEMBER 31, 2019

	Pension Trust Fund	Custodial Funds
Assets		
Cash and cash equivalents	\$ 2,843,404	\$ 3,210,040
Investments:		
Money markets	380,153	-
Bond mutual funds	80,619,635	-
International equity funds	36,049,742	-
Domestic equity funds	71,855,082	-
Equities	35,553,242	-
Accounts receivable - at estimated realizable value	-	31,096
Other	143,502	-
Total Assets	227,444,760	3,241,136
Liabilities		
Accounts payable	62,122	52,295
Due to other governments	-	2,490,671
Escrow liability and interest	-	698,170
Total Liabilities	62,122	3,241,136
Net Position		
Net Position Restricted for Pensions	\$ 227,382,638	\$ -

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, 2019

	Pension Trust Fund	Custodial Funds
Additions:		
Contributions:		
County	\$ 5,428,088	\$ -
Employee	3,580,713	-
Total contributions	9,008,801	-
Investment income (loss):		
Net appreciation in fair value of investments	32,768,993	-
Interest and dividends and other income	5,930,140	-
Total investment income (loss)	38,699,133	-
Investment expense	239,004	-
Net investment income (loss)	38,460,129	-
Receipts:		
Clerk of Courts	-	1,914,104
Commissary	-	92,740
District Courts	-	3,368,454
Domestic Relations	-	643,405
Prothonotary	-	489,246
Recorder of Deeds	-	13,817,747
Register of Wills	-	52,267
Sheriff	-	1,588,243
Tax Claim	-	5,861,652
Treasurer	-	397,633
Total receipts	-	28,225,491
Total additions	47,468,930	28,225,491
Deductions:		
Benefits and refunds paid to plan members and beneficiaries	13,283,650	-
Administrative expense	128,420	-
Fiduciary liability insurance	25,959	-
Payments to other governments	-	24,371,923
Escrow payments	-	3,699,712
Other disbursements	-	153,856
Total deductions	13,438,029	28,225,491
Increase in Fiduciary Net Position	34,030,901	-
Net Position:		
Beginning of year	193,351,737	-
End of year	\$ 227,382,638	\$ -

See accompanying notes to financial statements.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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, 2019 OR JUNE 30, 2019

- 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: 107 College Drive, Butler, PA 16002.

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: 475 Airport Road, Butler, PA 16002.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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: 130 Hollywood Drive, Suite 101, Butler, PA 16001.

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.

Butler County Housing Authority

The Butler County Housing Authority (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, 2019 OR JUNE 30, 2019

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, 2019 OR JUNE 30, 2019

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, 2019 OR JUNE 30, 2019

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 2019. 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, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the County are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting 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, 2019 OR JUNE 30, 2019

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, as well as expenditures related to compensated absences 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 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 *Mental Health/Early Intervention/Intellectual Disabilities Fund* is used to account 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.

The *Health Services Block Grant Fund* is used to account 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.

The *Marcellus Shale Fund* is used to account for state revenue to be used according to the Marcellus Shale Impact Fee guidelines, as prescribed by Act 13 of 2012.

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

The *Children & Youth Services Fund* is used to account 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.

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

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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, District Courts, Prothonotary, Recorder of Deeds, Register of Wills, and Sheriff) and other County offices (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

For the purposes of the cash flow statement, 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, 2019 OR JUNE 30, 2019

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. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. 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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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:

Buildings and renovations	30 - 40 years
Infrastructure	50 years
Permanent fixtures	20 years
Furniture/non-permanent fixtures	8 years
Equipment	10 years
Computer hardware/software	5 years
Radio/telephone systems	10 years
Office machines	8 years
Vehicles	8 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.

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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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 position and/or fund balance that applies to a future period 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 position that applies to a future period 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, 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, 2019. The difference between projected and actual investment earnings is recognized over five years. Note 7 presents additional information about the pension plan.

Refunding Transactions

In accordance with applicable guidance, the excess 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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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.
- 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, Act 13 (Marcellus shale), roads and bridges, records improvement and automation, central booking and court restitution, domestic relations, offender supervision, area agency on aging program, capital purchases, emergency communications, and inmate welfare fund.
- 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 his/her designee to assign fund balance. These include amounts set aside for the 2020 budget, Conservation District, 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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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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.

Net Position

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

- Net investment in capital assets – 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:	\$ 152,831,459
Less: accumulated depreciation/amortization	(63,865,282)
Less: outstanding principal of capital-related borrowings	(54,952,268)
Less: original issue premiums	(2,742,231)
Plus: capital-related deferred outflows	887,280
Plus: unspent proceeds on capital-related borrowings	<u>2,725,474</u>
Total net investment in capital assets	<u>\$ 34,884,432</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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- 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, 2019 of the County consists of: \$1,275,291 for operating reserve, \$34,944 for agricultural easements, \$2,863,762 for Act 13 (Marcellus shale), \$3,283,306 for roads and bridges, \$726,982 for records improvement and automation, \$118,850 for central booking and court restitution, \$104,132 for domestic relations, \$364,603 for offender supervision, \$623,928 for the area agency on aging program, \$766,752 for emergency communications, and \$1,002,771 for inmate welfare fund.

- 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, personnel, purchasing, cash management, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. These charges are included in direct expenses in the statement of activities.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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 Chief Clerk 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 Chief Clerk 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 Chief Clerk 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

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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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

Adopted Pronouncements

The requirements of the following GASB Statements were adopted for the County's 2019 financial statements. Except where noted, the adoption of these pronouncements did not have a significant impact to the County's financial statements.

GASB Statement No. 84, *"Fiduciary Activities,"* improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. The provisions of this statement have been adopted and incorporated into these financial statements.

GASB Statement No. 88, *"Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements,"* improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The provisions of this statement have been adopted and incorporated into these financial statements.

GASB Statement No. 90, *"Majority Equity Interests,"* improves the consistency and comparability of reporting a majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The provisions of this statement have been adopted and incorporated into these financial statements.

Pending Pronouncements

GASB has issued the following Statements that will become effective in future years as shown below. Management has not yet determined the impact of these Statements on the County's financial statements:

GASB Statement No. 87, *"Leases,"* is effective for fiscal years beginning after December 15, 2019 (County's financial statements for the year ending December 31, 2020). The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring 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. It establishes a single model for lease accounting based on the foundational principle that leases are financing the right to use an underlying asset.

COUNTY OF BUTLER, PENNSYLVANIA

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FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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.

GASB Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period,"* is effective for fiscal years beginning after December 15, 2019 (the County's financial statements for the year ending December 31, 2020). The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 91, *"Conduit Debt Obligations,"* is effective for fiscal years beginning after December 15, 2020 (the County's financial statements for the year ending December 31, 2021). The objectives of this Statement are to provide a single method of reporting conduit debt obligations and to eliminate diversity in practice associated within (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

GASB Statement No. 92, *"Omnibus 2020,"* is effective for fiscal years beginning after June 15, 2020 (the County's financial statements for the year ending December 31, 2021), except requirements related to GASB Statement No. 87 and Implementation Guide 2019-3 which are effective upon issuance. This Statement includes additional guidance related to intra-entity transfers, GASB Statement No. 84 and measurement of liabilities (and assets, if any) associated with asset retirement obligations.

Restatement of Net Assets

Governmental activities net assets and other governmental fund balance as of January 1, 2020 have been increased by \$1,078,517 over amounts previously reported due to the implementation of GASB Statement no. 84, *"Fiduciary Activities"*. As a result of implementing this standard, several funds previously reported as agency funds were evaluated and included as special revenue funds in the current year.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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.
- 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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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 \$38,504,764 at December 31, 2019, \$250,000 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, 2019 of \$38,607,345, which are reported as cash and cash equivalents in the statement of net position.

Custodial Fund

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 \$3,210,040 and the bank balance was \$3,921,573. Of the bank balance, \$368,554 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.

Investments

As of December 31, 2019, 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	\$ 1,183,439	\$ 1,183,439	\$ -
Total securities with maturities	1,183,439	<u>\$ 1,183,439</u>	<u>\$ -</u>
Money market funds	13,265		
Total investments reported on the statement of net position	<u>\$ 1,196,704</u>		

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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, 2019:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Bond mutual funds:				
Short-term	\$ 888,499	\$ 888,499	\$ -	\$ -
Intermediate term	241,318	241,318	-	-
Inflation protected	53,622	53,622	-	-
Total bond mutual funds	1,183,439	1,183,439	-	-
Total investments by fair value level	1,183,439	\$ 1,183,439	\$ -	\$ -
Money market funds	13,265			
Total investments	\$ 1,196,704			

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.

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, 2019, the County's investment balance, excluding money market funds of \$13,265, (bank and book balance) was exposed to custodial credit risk.

COUNTY OF BUTLER, PENNSYLVANIA

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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, 2019, 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 \$2,598,454 at December 31, 2019) and accrued income (book value of \$244,950 at December 31, 2019 at). The bank balance of the checking and money market deposits as of December 31, 2019 was \$2,608,862. 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.

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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

As of December 31, 2019, 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	\$ 80,619,635	\$ -	\$ 27,852,962	\$ 52,766,673	\$ -
Total debt securities	80,619,635	\$ -	\$ 27,852,962	\$ 52,766,673	\$ -
Money markets	380,153				
International equity mutual fund:	36,049,742				
Domestic equity mutual funds	71,855,082				
Equities	35,553,242				
Total other investments	143,838,219				
Total investments reported on the statement of fiduciary net position	\$ 224,457,854				

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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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, 2019:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Bond mutual funds:				
Short-term	\$ 5,211,463	\$ 5,211,463	\$ -	\$ -
Intermediate-term	41,801,989	41,801,989	-	-
International	10,964,684	10,964,684	-	-
High yield	22,641,499	22,641,499	-	-
Total bond mutual funds	80,619,635	80,619,635	-	-
Equity mutual funds:				
Real estate	12,072,800	12,072,800	-	-
Small cap	11,542,118	11,542,118	-	-
Mid cap	23,919,895	23,919,895	-	-
Large cap - growth	11,938,089	11,938,089	-	-
Large cap - value	12,382,180	12,382,180	-	-
International - developed markets	24,031,462	24,031,462	-	-
International - emerging markets	12,018,280	12,018,280	-	-
Total equity mutual funds	107,904,824	107,904,824	-	-
Equities:				
Consumer discretionary	3,175,378	3,175,378	-	-
Consumer staples	3,371,029	3,371,029	-	-
Energy	1,328,745	1,328,745	-	-
Financial	4,910,234	4,910,234	-	-
Health care	4,777,822	4,777,822	-	-
Industrials	3,625,480	3,625,480	-	-
Information technology	7,508,267	7,508,267	-	-
Materials	982,829	982,829	-	-
Real estate	620,763	620,763	-	-
Telecommunication services	3,258,461	3,258,461	-	-
Utilities	1,994,234	1,994,234	-	-
Total equities	35,553,242	35,553,242	-	-
Total investments by fair value level	224,077,701	\$ 224,077,701	\$ -	\$ -
Money market funds	380,153			
Total investments	\$ 224,457,854			

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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Equities, 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.

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

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As of December 31, 2019, 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	6%
Bonds	A	10%
Bonds	BBB	15%
Bonds	BB	14%
Bonds	B	9%
Bonds	Below B	3%
		<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, 2019, the County's money markets balance of \$380,153 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, 2019. In addition, the plan did not have any investment transactions with related parties during the year.

COUNTY OF BUTLER, PENNSYLVANIA

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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, 2019, the County had \$36,049,742 invested in international equity mutual funds and did not hold any material foreign currency.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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3. Capital Assets

The following is a summary of changes in capital assets related to governmental activities for the year ended December 31, 2019:

	Beginning Balance at January 1, 2019	Additions	Deletions	Ending Balance at December 31, 2019
Governmental Activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 1,704,544	\$ -	\$ -	\$ 1,704,544
Easements	2,987,672	86,666	-	3,074,338
Construction in progress	16,326,599	2,783,427	(5,808,490)	13,301,536
Total capital assets, not being depreciated/amortized	21,018,815	2,870,093	(5,808,490)	18,080,418
Capital assets, being depreciated/amortized:				
Buildings and renovations	72,411,948	4,081,784	(35,333)	76,458,399
Infrastructure	26,921,821	58,504	-	26,980,325
Permanent fixtures	8,549,968	-	-	8,549,968
Furniture/non-permanent fixtures	1,057,699	32,509	-	1,090,208
Equipment	2,470,754	1,003,155	-	3,473,909
Computer hardware/software	6,090,507	1,900,192	-	7,990,699
Radio/telephone systems	5,770,401	85,189	-	5,855,590
Office machines	1,782,337	17,688	(1,462,800)	337,225
Vehicles	3,860,124	833,466	(678,872)	4,014,718
Total capital assets, being depreciated/amortized	128,915,559	8,012,487	(2,177,005)	134,751,041
Less accumulated depreciation/amortization:				
Buildings and renovations	(24,983,670)	(1,963,296)	35,333	(26,911,633)
Infrastructure	(15,690,069)	(876,370)	-	(16,566,439)
Permanent fixtures	(3,701,068)	(372,005)	-	(4,073,073)
Furniture/non-permanent fixtures	(771,147)	(67,057)	-	(838,204)
Equipment	(1,679,621)	(197,944)	-	(1,877,565)
Computer hardware/software	(5,531,165)	(381,083)	-	(5,912,248)
Radio/telephone systems	(5,249,356)	(197,180)	-	(5,446,536)
Office machines	(1,735,037)	(13,308)	1,462,800	(285,545)
Vehicles	(2,143,508)	(408,710)	598,179	(1,954,039)
Total accumulated depreciation/ amortization	(61,484,641)	(4,476,953)	2,096,312	(63,865,282)
Total capital assets, being depreciated/ amortized, net	67,430,918	3,535,534	(80,693)	70,885,759
Governmental activities capital assets, net	\$ 88,449,733	\$ 6,405,627	\$ (5,889,183)	\$ 88,966,177

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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

Governmental activities:

General government - administrative	\$ 934,703
General government - judicial	200,190
Public safety	1,549,143
Public works	921,794
Human services	700,259
Culture and recreation	161,197
Conservation and development	<u>9,667</u>
Total depreciation expense - governmental activities	<u>\$ 4,476,953</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 2019, 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, 21.455 mills are allocated for general purposes, and 3.236 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 2019 was approximately \$1.87 billion.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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, 2019, including the applicable allowances for uncollectible accounts, are as follows:

Governmental activities:	General Fund	Health Services Block Grant	Emergency Communications 911	Children & Youth Services	Capital Reserve	Other Governmental Funds	Total Governmental Funds
Taxes receivable	\$ 4,393,589	\$ -	\$ -	\$ -	\$ -	\$ 160,769	\$ 4,554,358
Less: allowance for uncollectibles	(1,587,757)	-	-	-	-	-	(1,587,757)
Net tax receivables	\$ 2,805,832	\$ -	\$ -	\$ -	\$ -	\$ 160,769	\$ 2,966,601
Accounts receivable	\$ 82,375	\$ 100	\$ 1,196	\$ 12,686	\$ -	\$ 342,695	\$ 439,052
Loans receivable	-	-	-	-	-	337,926	337,926
Court-related receivables	7,625,910	-	-	-	-	-	7,625,910
Less: allowance for uncollectibles	(3,623,922)	-	-	-	-	-	(3,623,922)
Net accounts and loan receivables	\$ 4,084,363	\$ 100	\$ 1,196	\$ 12,686	\$ -	\$ 680,621	\$ 4,778,966

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 \$9,317,087. This note receivable represents amounts distributed to local municipalities as a result of the Infrastructure Fund established. In January 2019, the County issued General Obligation Note, Series of 2019 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. The schedule of future payments to be received for the loan is as follows:

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

Year Ending December 31,	City of Butler		Cranberry Township	
	Principal	Interest	Principal	Interest
2020	\$ 101,000	\$ 61,225	\$ 408,000	\$ 247,787
2021	203,000	60,142	825,000	244,618
2022	207,000	53,118	840,000	216,072
2023	211,000	45,956	858,000	187,008
2024	215,000	38,656	874,000	157,322
2025-2029	902,215	78,814	3,672,872	320,864
	<u>\$ 1,839,215</u>	<u>\$ 337,911</u>	<u>\$ 7,477,872</u>	<u>\$ 1,373,671</u>

6. Interfund Receivables, Payables, and Transfers

Individual fund receivable and payable balances at December 31, 2019, as well as interfund transfers for the year ended December 31, 2019, were as follows:

Funds	Interfund Receivables	Interfund Payables	Transfers In	Transfers Out
Governmental Activities:				
General	\$ 2,628,962	\$ 1,025,003	\$ 649,581	\$ 4,910,696
Mental Health/Early Intervention/ Intellectual Disabilities	192,668	8,943	192,343	-
Health Services Block Grant	104,177	74,211	208,665	-
Marcellus Shale Fund	155,515	-	-	4,289,987
Emergency Communications 911	-	141,814	1,164,137	-
Children & Youth Services	280,204	306,817	2,875,941	-
Capital Reserve	59,910	53,736	904,962	-
Other Governmental Funds	351,000	2,161,912	4,020,161	815,107
	<u>\$ 3,772,436</u>	<u>\$ 3,772,436</u>	<u>\$ 10,015,790</u>	<u>\$ 10,015,790</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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

The transfers out of the Marcellus Shale fund represent the distribution of the County's allocation received from the Commonwealth of Pennsylvania's Unconventional Gas Well Fee Fund, used to fund the operations of or service to debt related to the Butler County Department of Emergency Communications, 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 becoming an employee. Membership in the plan is optional for elected officials. The plan requires each member to contribute a percentage of their salary to the plan. The plan provides retirement, disability, and death benefits to plan members and their beneficiaries.

For the 2019 membership period, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	612
Inactive plan members entitled to but not yet receiving benefits	91
Active plan members:	
Vested	397
Nonvested	174
Total plan members	<u>1,274</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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. Additionally, a 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, 2019 OR JUNE 30, 2019

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 2019, the County satisfied its actuarially determined employer contribution to the pension plan in the amount of \$5,428,088 as determined by the January 1, 2019 actuarial valuation. The 2019 employee contributions amounted to \$3,580,713.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

Net Pension Liability

The components of the net pension liability of the plan at December 31, 2019 were as follows:

Total pension liability	\$ 240,155,535
Plan fiduciary net position	(227,382,638)
Net pension liability	<u>\$ 12,772,897</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>94.7%</u>

Changes in the Net Pension Liability

The changes in the net pension liability of the County for the year ended December 31, 2019 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2018	\$ 234,357,904	\$ 193,351,737	\$ 41,006,167
Changes for the year:			
Service cost	4,346,794	-	4,346,794
Interest	16,832,983	-	16,832,983
Differences between expected and actual experience	(2,098,496)	-	(2,098,496)
Changes in assumption	-	-	-
Contributions - employer	-	5,428,088	(5,428,088)
Contributions - employee	-	3,580,713	(3,580,713)
Net investment income	-	38,460,129	(38,460,129)
Benefit payments, including refunds	(13,283,650)	(13,283,650)	-
Administrative expense	-	(154,379)	154,379
Net changes	<u>5,797,631</u>	<u>34,030,901</u>	<u>(28,233,270)</u>
Balances at December 31, 2019	<u>\$ 240,155,535</u>	<u>\$ 227,382,638</u>	<u>\$ 12,772,897</u>
Plan fiduciary net position as a percentage of the total pension liability			<u>94.7%</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation performed on January 1, 2019 and rolled forward to December 31, 2019, using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial assumptions:

Investment rate of return	7.25%
Projected salary increases	3.5%
Underlying inflation rate	3.0%
Cost of living adjustments	N/A

Mortality rates were based on the 2013 IRS annuitant and non-annuitant mortality tables for males and females (based upon RP-2000 tables, as published by the Society of Actuaries, with projected mortality improvement to 2013, plus 7 and 15 years respectively, for annuitants and non-annuitants, using scale AA.

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 2013.

N/A - not applicable

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, 2019 OR JUNE 30, 2019

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, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	15 - 65%	40.00%
International equity	5 - 25%	15.00%
Fixed income	0 - 75%	37.50%
Real estate	0 - 10%	5.00%
Cash	0 - 5%	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, 2019, the annual money-weighted rate of return on the plan assets, net of investment expense, was 20.10%.

Concentrations – There were no plan investments that constituted more than five percent of the plan's fiduciary net position at December 31, 2019.

Discount Rate – The discount rate used to measure the total pension liability for the plan was 7.25%. 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, 2019 OR JUNE 30, 2019

Sensitivity of the Net Pension Liability 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, if they had been calculated using a discount rate that was one-percentage-point lower or higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 43,221,791	\$ 12,772,897	\$ (14,431,884)

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

For the year ended December 31, 2019, the County recognized pension expense of approximately \$3.8 million. 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	\$ 430,467	\$ 7,844,259
Changes in assumption	3,283,389	-
Net difference between projected and actual earnings on pension plan investments	-	8,526,894
Total	\$ 3,713,856	\$ 16,371,153

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>	
2020	\$ (3,204,002)
2021	(3,195,842)
2022	(919,246)
2023	(5,338,207)
Total	<u>\$ (12,657,297)</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

8. Debt

Capital Leases

In August 2019, the County entered into a capital lease agreement as lessee for financing the acquisition of four vehicles for the County's Children & Youth Services program. The lease qualifies as a capital lease and the agreement stipulates a minimum lease payment of approximately \$25,430, including interest, for a term of five years. \$118,611 is included in capital assets – vehicles as capital leases.

The future minimum lease obligations on capital leases are as follows as of December 31, 2019:

Year Ending December 31,	Amount
2020	\$ 22,074
2021	22,869
2022	23,693
2023	24,545
	<u>\$ 93,181</u>

Capital Bond Issue 2014

In May 2014, the County issued the Series 2014 General Obligation Bonds (2014 Bonds) in the amount of \$38,405,000. Proceeds of the bonds were used to current refund the 2004 Bonds and pay the costs related to the issuance of the 2014 Bonds. Of the 2014 proceeds, \$2,155,000 were allocated to the *Emergency Communications 911* Proprietary Fund as a portion of the 2004 Bonds proceeds had been used for construction of the 911 Center. The 2014 Bonds, whose last scheduled debt maturity is July 15, 2026, range in interest rates from 3.00% to 5.00%. 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 governmental activities portion of the bond refunding, there was an accounting loss of \$1,431,546, which will be amortized through 2026. The unamortized portion of the loss at December 31, 2019 is reported as a deferred outflow of resources on the statement of net position. For the business-type activities portion of the bond refunding, there was an accounting gain of \$40,324, which has been fully amortized.

COUNTY OF BUTLER, PENNSYLVANIA

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FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

Effective January 1, 2016, the County transferred the *Emergency Communications 911* fund to governmental activities, due to operational and funding changes. As part of this transfer, the remaining outstanding balance of the 2014 Bonds that had been allocated to the *Emergency Communications 911* Proprietary Fund (business-type activities) was transferred to governmental activities, along with the other debt-related balances (bond premium, accrued interest, and the deferred gain on refunding).

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. The cash flow savings from the refunding was approximately \$246,000 and the economic benefit from the refunding was approximately \$240,000. 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. 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, 2019 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, 2019 OR JUNE 30, 2019

General Obligation Notes 2019

In January 2019, the County issued General Obligation Note, Series of 2019 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. 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 2019 Note, which matures in 2028, has an interest rate of 3.46%.

The County's general obligation debt outstanding at December 31, 2019 comprises the following individual issues:

Series	Interest Rates	Final Maturity	Total Debt Outstanding
General Obligation Bonds, Series of 2014	3.00% - 5.00%	2026	\$ 25,100,000
General Obligation Bonds, Series of 2017	2.00% - 5.00%	2029	14,000,000
Direct Borrowings:			
General Obligation Note, Series of 2016	2.49%	2027	6,442,000
General Obligation Note, Series of 2019	3.46%	2028	9,317,087
General obligation debt			<u>\$ 54,859,087</u>

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
2020	\$ 3,235,000	\$ 1,510,150	\$ 1,368,000	\$ 468,645
2021	3,395,000	1,348,550	1,905,000	443,708
2022	3,570,000	1,178,900	1,941,000	386,504
2023	3,710,000	1,036,150	1,990,000	328,217
2024	3,655,000	887,800	2,236,000	268,508
2025-2029	21,535,000	2,273,750	6,319,087	489,360
	<u>\$ 39,100,000</u>	<u>\$ 8,235,300</u>	<u>\$ 15,759,087</u>	<u>\$ 2,384,942</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

Changes in Long-Term Liabilities

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

	Balance at December 31, 2018	Additions	Reductions	Balance at December 31, 2019	Due Within One Year
<u>Governmental Activities</u>					
Workmen's compensation	\$ 1,138,969	\$ 89,741	\$ (31,422)	\$ 1,197,288	\$ -
Compensated absences	2,667,856	2,164,127	(2,079,871)	2,752,112	2,141,692
Capital lease payable	-	118,611	(25,430)	93,181	22,074
Bonds payable	42,180,000	-	(3,080,000)	39,100,000	3,235,000
Notes payable	7,277,000	9,317,087	(835,000)	15,759,087	1,368,000
Long-term liabilities	<u>\$ 53,263,825</u>	<u>\$ 11,689,566</u>	<u>\$ (6,051,723)</u>	<u>\$ 58,901,668</u>	<u>\$ 6,766,766</u>

The bonds payable above do not reflect a bond premium in the amount of \$2,742,231. This amount is amortized over the life of the bonds using the straight-line method.

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 capital leases are liquidated from the Children & Youth Services Fund and Liquid Fuels Tax Fund, respectively.

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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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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.

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, 2019 of \$1,196,704, is in excess of the Department's requirements. Current claims are expensed as paid by the funds. Workmen's compensation claims paid during 2019 were \$31,383; and the liability for future estimated claims at December 31, 2019 was \$1,196,704.

The following represents changes in those aggregate liabilities for workmen's compensation for the years ended December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Unpaid claims and claim adjustment expenses at beginning of year	\$ 1,138,346	\$ 1,124,939
Incurred claims and claim adjustments	(31,383)	(16,806)
Payments on claims and claim adjustment expenses:		
Claims and claim adjustment expenses attributable to insured events of current year	41,375	49,115
Claims and claim adjustment expenses attributable to insured events of prior years	<u>48,366</u>	<u>(18,902)</u>
Total payments	<u>89,741</u>	<u>30,213</u>
Total unpaid claims and claim adjustment expenses at end of year	<u>\$ 1,196,704</u>	<u>\$ 1,138,346</u>

COUNTY OF BUTLER, PENNSYLVANIA

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10. Leases

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.

Future Minimal Rental Payments

The following is a schedule, by years, of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of December 31, 2019:

<u>Years</u>	<u>Total</u>
2020	\$ 91,529
2021	93,493
2022	59,293
2023	49,974
2024	49,974
Thereafter	129,112
Total minimum payments required	<u><u>\$ 473,375</u></u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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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 2019 was \$149,291.

12. Lease Revenue

In 2013, the County entered into a lease agreement with Sheetz, Inc. 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.

Future minimum annual rental payments for the lease are as follows:

2020	\$	75,000
2021		75,000
2022		75,000
2023		75,000
2024		82,500
Thereafter		<u>330,000</u>
	\$	<u><u>712,500</u></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.

COUNTY OF BUTLER, PENNSYLVANIA

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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 \$1,000 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 per occurrence. Property is covered on the total insured value subject to a maximum limit of \$750 million and equipment breakdown is insured at \$100 million per accident.

The County is also involved in contracts related to various projects. Contract commitments outstanding related to projects as of December 31, 2019 totaled approximately \$2.0 million, of which \$1.1 million relates to the acquisition and installation of a new 911 radio system.

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.

COUNTY OF BUTLER, PENNSYLVANIA

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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.

14. Tax Abatements and Other Tax Arrangements

The following are the County's tax abatement programs:

- KOZ/KOEZ (2020) – available as defined by the State within specified zones of County
- 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 2019, real estate tax abatements, as defined above, resulted in the following forgone tax amounts:

Abatements	Tax Dollars
KOZ/KOEZ	\$ 4,868
SDA	\$ 434,732

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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 2019, other real estate tax arrangements as defined above resulted in the following forgone tax amounts:

<u>Other Arrangements</u>	<u>Tax Dollars</u>
PILOT	\$ 613,289

15. Subsequent Events

In early 2020, an outbreak of a novel strain of coronavirus was identified and infections have been found in a number of countries around the world, including the United States. The coronavirus and its associated impacts on supply chains, travel, employee productivity and other economic activities has had, and may continue to have, a material effect on financial markets and economic activity. The extent of the impact of the coronavirus on the County's operational and financial performance is currently uncertain and cannot be predicted.

Budget

The County Commissioners approved a \$172.9 million budget for 2020 with no change in the property tax rate of 27.626 mills.

Debt

In January 2020, the County issued a tax anticipation note in the amount of \$3.0 million, with an interest rate of 1.97%.

Infrastructure Bank Loan

On June 24, 2020, the County closed on the issuance of a general obligation note in the amount of approximately \$7.0 million dollars 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

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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, 5,152 students were enrolled in credit programs and another 11,513 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

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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, 2019, 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

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read in conjunction with the College's financial information for the year ended June 30, 2018 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, 2019 of BCCC consisted of \$6,746,385 related to the support agreement receivable.

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

COUNTY OF BUTLER, PENNSYLVANIA

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- 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 \$159,326 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

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

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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 Discounts

Original issue bond 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 discount 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 position 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 position 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.

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

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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 the 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 Standards

The requirements of the following GASB Statements were adopted for BCCC's 2019 financial statements. The adoption of these standards did not have a significant impact to BCCC's financial statements.

GASB Statement No. 83, "*Certain Asset Retirement Obligations*," addresses accounting and financial reporting for certain asset retirement obligations (AROs). The provisions of this statement have been adopted and incorporated into these financial statements.

GASB Statement No. 84, "*Fiduciary Activities*," enhances the consistency and comparability of fiduciary activity reporting by state and local governments. This statement also is intended to improve the usefulness of fiduciary activity information primarily for assessing the accountability of governments in their roles as fiduciaries. All applicable provisions were adopted with no significant impact to the financial statements.

GASB Statement No. 88, "*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*," improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The provisions of this statement have been adopted and incorporated into these financial statements.

GASB Statement No. 90, "*Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*," improves the consistency and comparability of reporting a government's

COUNTY OF BUTLER, PENNSYLVANIA

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majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. All applicable provisions were adopted with no significant impact to the financial statements.

Pending Standards

GASB has issued statements that will become effective in future years, including Statement Nos. 87 (Leases), 89 (Accounting for Interest Cost Incurred before the End of a Construction Period), and 91 (Conduit Debt Obligations). Management has not yet determined the impact of these standards on the financial statements.

Reclassification

Certain prior year amounts have been reclassified to conform with the current year presentation.

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, is pledged by the depository.

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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 \$14,399,975 and the related bank balances totaled \$14,598,325, 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.

As of June 30, 2019, the Foundation held cash and cash equivalents with a book and bank balance of \$1,972,895 and \$1,920,705, respectively. \$1,791,576 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 \$249,447.

BCCC's investments at June 30, 2019 are composed of the following:

Cash equivalent investments	<u>\$ 249,447</u>
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At year-end, \$249,447 of the cash equivalent investments were covered by federal depository insurance.

Due to the level of risk associated with certain 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.

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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.

The Foundation's investments at June 30, 2019 are composed of the following:

Cash and cash equivalents	\$ 1,776,860
Mutual funds	<u>5,177,530</u>
	<u>\$ 6,954,390</u>

At June 30, 2019, the Foundation had the following recurring fair value measurements:

- Mutual funds of \$5,177,530 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.

COUNTY OF BUTLER, PENNSYLVANIA

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4. Bonds Payable

Long-term debt consists of the following:

	Balance at June 30, 2018	Issuance	Refinance	Payments	Accretion	Balance at June 30, 2019	Due within one year
General obligation bonds:							
Series G of 2000	\$ 5,813,336	\$ -	\$ -	\$ -	\$ 350,105	\$ 6,163,441	\$ -
Series A of 2011	6,540,000	-	(6,090,000)	(450,000)	-	-	-
Series B of 2011	2,030,000	-	-	(655,000)	-	1,375,000	680,000
Series A & B of 2012	6,540,000	-	-	(395,000)	-	6,145,000	405,000
Series A of 2018	-	6,375,000	-	-	-	6,375,000	475,000
	<u>\$ 20,923,336</u>	<u>\$ 6,375,000</u>	<u>\$ (6,090,000)</u>	<u>\$ (1,500,000)</u>	<u>\$ 350,105</u>	<u>20,058,441</u>	<u>\$ 1,560,000</u>
					Unaccreted interest	3,001,559	
						<u>\$ 23,060,000</u>	

Amounts above do not reflect an amortized issue discount in the amount of \$178,569 for the bonds. This amount is amortized using the straight-line method.

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 July 2011, the SPSBA and BCCC issued Series A and B Bonds in the amount of \$7,840,000 and \$5,795,000, respectively. The Series A Bonds were issued to (1) refund, on a current basis, BCCC's Refunding Series A-I of 2001 Bonds; (2) provide funds for various capital expenditures of BCCC; and (3) pay certain costs of issuing the Series A Bonds. The Series B Bonds were issued to (1) refund, on a current basis, BCCC's Refunding Series A-II of 2001 Bonds; (2) provide funds for various capital expenditures of BCCC; and (3) pay certain costs of issuing the Series B Bonds. The interest rates on the Series A Bonds range from 0.75% to 4.45% with the bonds. Series A was refinanced with Series A of 2018 during fiscal year 2019. The interest rates on the Series B Bonds range from 0.50% to 4.45% with the bonds maturing from 2012 until 2020. During the year, BCCC paid interest of \$178,474.

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In September 2012, the SPSBA and BCCC issued Series A and B Bonds in the amount of \$4,610,000 and \$4,165,000, respectively. The Series Bonds were issued to (1) refund, on a current basis, BCCC's outstanding College Revenue Bonds, Series A of 2008; (2) provide funds for various capital expenditures of BCCC; and (3) pay certain costs of issuing the Series A Bonds. The Series B Bonds were issued to (1) refund, on a current basis, BCCC's outstanding College Revenue Bonds, Series B of 2008; (2) provide funds for various capital expenditures of BCCC; and (3) pay certain costs of issuing the Series B Bonds. The interest rates on the Series A and B Bonds range from 0.80% to 3.70% with the bonds maturing from 2013 until 2024. During the year, BCCC paid interest of \$201,139.

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. Principal and interest payments will begin in fiscal year 2020.

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

The scheduled retirement of bonds is as follows:

	Principal	Interest	Total
2020	\$ 1,560,000	\$ 429,871	\$ 1,989,871
2021	1,645,000	360,231	2,005,231
2022	1,870,000	326,250	2,196,250
2023	1,910,000	301,819	2,211,819
2024	1,920,000	275,199	2,195,199
2025-2029	9,785,000	892,314	10,677,314
2030-2034	3,610,000	272,888	3,882,888
2035-2037	760,000	56,795	816,795
	<u>23,060,000</u>	<u>\$ 2,915,367</u>	<u>\$ 25,975,367</u>
Less: unaccreted interest	<u>(3,001,559)</u>		
	<u>\$ 20,058,441</u>		

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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.

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 a 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

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contribution rate at June 30, 2019 and 2018 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 Comprehensive Annual Financial Report, which can be found on the PSERS website at www.psers.pa.gov.

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. 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.

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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.

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, 2018, 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%

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- Members who joined PSERS after June 30, 2011:
 - Membership Class T-E* 7.50%
 - Membership Class T-F** 10.30%

*Shared risk program could cause future contribution rates to fluctuate between 7.50% and 9.50%.

**Shared risk program could cause future contribution rates to fluctuate between 10.30% and 12.30%.

Effective with Act 5, which was enacted on June 12, 2017, vested Class T-E and Class T-F members can now withdraw their accumulated contributions and interest from the Members' Savings Account upon their retirement.

Employer Contributions

During the year ended June 30, 2019, the College contributed the following to each of its retirement plans:

PSERS Pension	\$ 680,264
PSERS Premium Assistance	<u>17,320</u>
Total PSERS	697,584
 TIAA-CREF	 <u>1,047,463</u>
Total contributions	<u><u>\$ 1,745,047</u></u>

PSERS

The College's contractually required PSERS contribution rate for the fiscal year ended June 30, 2019 was 33.43% 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 32.60% rate for the Pension Plan and a 0.83% rate for the Premium Assistance for the fiscal year ended June 30, 2019.

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The combined rate for the fiscal year ended June 30, 2019 was an increase from the fiscal year ended June 30, 2018 combined rate of 32.57%. The combined contribution rate will increase to 34.29% in fiscal year 2020 and is projected to grow to 36.30% by fiscal year 2024.

The College remits contributions to PSERS on a quarterly basis. Approximately \$371,557 is owed to PSERS as of June 30, 2019, which represents the College's required contribution for the end-of-year payroll.

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	\$ 7,537,000
Commonwealth's proportionate share of PSERS net pension liability associated with the College	<u>7,539,000</u>
Total	<u><u>\$ 15,076,000</u></u>

Proportionate Share

PSERS

The College's proportion of PSERS' net pension liability and PSERS' net OPEB liability were calculated utilizing the College's one-year reported covered payroll as it relates to PSERS' total one-year reported covered payroll.

At June 30, 2018 (measurement date for PSERS' net pension liability and net OPEB liability reported at June 30, 2019), the College's proportion for PSERS was 0.0157%, which was a decrease of 0.0009% from its proportion measured as of June 30, 2017.

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

At June 30, 2019, the College reported a liability for its proportionate share of PSERS' net pension liabilities as follows:

PSERS	<u>\$ 7,537,000</u>
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The PSERS net pension liability reported at June 30, 2019 was measured as of June 30, 2018, 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, 2017 to June 30, 2018.

For the year ended June 30, 2019, the College recognized pension expense as follows:

PSERS	<u>\$ 626,779</u>
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At June 30, 2019, the College reported deferred outflows of resources and deferred inflows of resources related to PSERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 61,000	\$ 117,000
Changes in assumptions	140,000	-
Net difference between projected and actual earnings on pension plan investments	37,000	-
Differences between employer contributions and proportionate share of contributions	-	-
Changes in proportion	28,000	567,000
College contributions subsequent to the measurement date	<u>680,264</u>	<u>-</u>
Total	<u>\$ 946,264</u>	<u>\$ 684,000</u>

\$680,264 was reported at June 30, 2019 as deferred outflows of resources resulting from the College's contributions subsequent to the measurement date. The amount recorded at June 30, 2019 will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. The amount recorded at June 30, 2018 was recognized as a reduction of the net pension liability for the year ended June 30, 2019.

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Other amounts reported at June 30, 2019 as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PSERS
<u>Year Ending June 30:</u>	
2020	\$ (39,000)
2021	(89,000)
2022	(261,000)
2023	(29,000)
Total	<u>\$ (418,000)</u>

Actuarial Assumptions

PSERS

The following methods and assumptions were used in the actuarial valuation for the June 30, 2018 measurement date:

- Actuarial cost method – Entry Age Normal – level % of pay
- Investment return – 7.25%, includes inflation at 2.75%
- Salary growth – Effective average of 5.00%, comprised of 2.75% for inflation and 2.25% for real wage growth and merit or seniority increases
- Mortality rates were based on the RP-2014 Mortality Tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale
- Experience study – July 1, 2010 through June 30, 2015

There were no changes in assumptions for the June 30, 2018 valuation.

There were no changes in benefit terms for the June 30, 2018 valuation.

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

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(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	20.0%	5.2%
Fixed income	36.0%	2.2%
Commodities	8.0%	3.2%
Absolute return	10.0%	3.5%
Risk parity	10.0%	3.9%
Infrastructure/MLPs	8.0%	5.2%
Real estate	10.0%	4.2%
Alternative investments	15.0%	6.7%
Cash	3.0%	0.4%
Financing (LIBOR)	-20.0%	0.9%
	<u>100.0%</u>	

For PSERS' years ended June 30, 2018 and 2017, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expenses, was 9.30% and 10.15%, respectively.

Discount Rate

The discount rate used to measure the total pension liability for PSERS was 7.25%. 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

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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 (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
June 30, 2019			
College's proportionate share of PSERS' net pension liability	<u>\$ 9,342,000</u>	<u>\$ 7,537,000</u>	<u>\$ 6,010,000</u>

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

At June 30, 2019, BCCC reported a liability of \$327,000 for its proportionate share of PSERS' net OPEB liability. PSERS' net OPEB liability reported at June 30, 2019 was measured as of June 30, 2018, 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, 2017 to June 30, 2018.

For the year ended June 30, 2019, the College recognized OPEB expense as follows:

OPEB expense related to PSERS	
Premium Assistance	<u>\$ 8,567</u>

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At June 30, 2019, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience:	\$ 2,000	\$ -
Changes in assumptions:	5,000	12,000
Net difference between projected and actual earnings on OPEB plan investments:	1,000	-
Changes in proportion:	-	29,000
College contributions subsequent to the measurement date:	17,320	-
Total	<u>\$ 25,320</u>	<u>\$ 41,000</u>

\$17,320 was reported at June 30, 2019 as deferred outflows of resources resulting from the College's contributions subsequent to the measurement date. The amount recorded at June 30, 2019 will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. The amount recorded at June 30, 2018 was recognized as a reduction of the net OPEB liability for the year ended June 30, 2019.

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>	
2020	\$ (6,000)
2021	(6,000)
2022	(6,000)
2023	(6,000)
2024	<u>(9,000)</u>
Total	<u>\$ (33,000)</u>

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Additional Required Disclosures for PSERS Premium Assistance

Actuarial Assumptions

The following methods and assumptions were used in the actuarial valuation for the June 30, 2018 measurement date:

- Actuarial cost method – Entry Age Normal – level % of pay
- Investment return – 2.98% - S&P 20-year Municipal Bond Rate
- Salary increases – Effective average of 5.00%, comprised of 2.75% for inflation and 2.25% 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 the RP-2014 Mortality Tables for males and females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale
- Experience study – July 1, 2010 through June 30, 2015
- Participation rate –
 - Eligible retirees will elect to participate pre-age 65 at 50%
 - Eligible retirees will elect to participate post-age 65 at 70%.

Changes in Assumptions

The discount rate decreased from 3.13% to 2.98% for the June 30, 2018 valuation.

Changes in Benefit Terms

There were no changes in benefit terms for the June 30, 2018 valuation.

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.

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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	5.9%	0.03%
US Core Fixed Income	92.8%	1.2%
Non-US Developed Fixed	1.3%	0.04%
	<u>100.0%</u>	

For PSERS' years ended June 30, 2018 and 2017, the annual money-weighted rate of return on the Premium Assistance plan investments, net of plan investment expenses, was 1.63% and 0.90%, respectively.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.98% for the June 30, 2018 measurement date and 3.13% for the June 30, 2017 measurement date. Under the Premium Assistance plan's funding policy, contributions are structured for short-term funding of the 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 2.98%, which represents the S&P 20-year Municipal Bond Rate at June 30, 2018, was applied to all projected benefit payments to measure the total OPEB liability as of the June 30, 2018 measurement date. A discount rate of 3.13%, which represents the S&P 20-year Municipal Bond Rate at June 30, 2017, was applied to all projected benefit payments to measure the total OPEB liability as of the June 30, 2017 measurement date.

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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:

<u>June 30, 2019</u>	<u>1% Decrease (1.98%)</u>	<u>Current Discount Rate (2.98%)</u>	<u>1% Increase (3.98%)</u>
College's proportionate share of PSERS' net OPEB liability	<u>\$ 372,000</u>	<u>\$ 327,000</u>	<u>\$ 290,000</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, 2018, 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.

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, 2019</u>	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
College's proportionate share of PSERS' net OPEB liability	<u>\$ 327,000</u>	<u>\$ 327,000</u>	<u>\$ 327,000</u>

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8. Accumulated Compensated Absences

Accumulated compensated absences were comprised of the following at June 30, 2019:

Early Retirement Incentive	Accumulated Sick Leave	Unused Vacation Pay	Total
<u>\$ 48,750</u>	<u>\$ 667,034</u>	<u>\$ 222,537</u>	<u>\$ 938,321</u>

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

9. Capital Assets

BCCC's capital asset balances at June 30, 2019 consisted of the following:

	Balance at June 30, 2018	Additions	Deletions / Transfers	Balance at June 30, 2019
Capital assets, not being depreciated/amortized:				
Land and improvements	\$ 5,298,134	\$ 617,414	\$ -	\$ 5,915,548
Construction in progress	<u>41,741</u>	<u>6,371</u>	<u>(41,741)</u>	<u>6,371</u>
Total capital assets, not being depreciated/amortized	<u>5,339,875</u>	<u>623,785</u>	<u>(41,741)</u>	<u>5,921,919</u>
Capital assets, being depreciated/amortized:				
Buildings	54,384,087	1,179,342	(41,940)	55,521,489
Vehicles	399,674	23,780	-	423,454
Equipment, furniture, and fixtures	<u>12,382,668</u>	<u>658,652</u>	<u>(277,451)</u>	<u>12,763,869</u>
Total capital assets, being depreciated/amortized	<u>67,166,429</u>	<u>1,861,774</u>	<u>(319,391)</u>	<u>68,708,812</u>
Less: total accumulated depreciation/amortization	<u>(40,158,299)</u>	<u>(2,278,497)</u>	<u>350,316</u>	<u>(42,086,480)</u>
Net capital assets, being depreciated/amortized	<u>27,008,130</u>	<u>(416,723)</u>	<u>30,925</u>	<u>26,622,332</u>
Net capital assets	<u>\$ 32,348,005</u>	<u>\$ 207,062</u>	<u>\$ (10,816)</u>	<u>\$ 32,544,251</u>

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The Foundation's capital asset balances at June 30, 2019 consisted of the following:

	Balance at June 30, 2018	Additions	Deletions	Balance at June 30, 2019
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	2,833,035	15,731	-	2,848,766
Furniture and equipment	2,816	-	-	2,816
Total capital assets, being depreciated	2,835,851	15,731	-	2,851,582
Less: total accumulated depreciation	(870,978)	(114,768)	-	(985,746)
Net capital assets, being depreciated	1,964,873	(99,037)	-	1,865,836
Net capital assets	\$ 2,420,864	\$ (99,037)	\$ -	\$ 2,321,827

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, 2019 relates to a building the Foundation rents to BCCC.

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, 2019, the Consortium's net assets available for benefits approximated \$62 million, of which approximately \$515,000 is attributable to BCCC.

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BCCC paid premiums during the year of approximately \$3.01 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.

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.

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	Available for educational and related purposes (Expendable)	Held in perpetuity as designated by donor (Nonexpendable)	Total
Foundation Net Position at June 30, 2019:			
Net investment in capital assets	\$ 410,659	\$ -	\$ 410,659
Restricted:			
Expendable	4,673,651	-	4,673,651
Nonexpendable	-	3,040,891	3,040,891
Unrestricted	1,818,773	-	1,818,773
Total Net Position	<u>\$ 6,903,083</u>	<u>\$ 3,040,891</u>	<u>\$ 9,943,974</u>

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:

Fiscal Year	Amount
2020	\$ 121,200
2021	120,900
2022	1,029,500
2023	1,031,600
2024	1,027,300
2025-2029	5,138,000
2030-2031	1,947,700
	<u>\$ 10,416,200</u>

As a result of the support agreement, BCCC has recorded a receivable at net present value in the amount of \$6,746,385.

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

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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.

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, 2019 in the amount of \$6,746,385. 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, 2019. Accordingly, the third-party collateral remains in place.

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Pledges Receivable

Foundation pledges receivable are expected to be received as follows:

<u>Fiscal Year(s) ending June 30,</u>	<u>Amount</u>
2020	\$ 278,204
2021	231,000
2022	200,000
2023	<u>200,000</u>
	909,204
Allowance for uncollectible pledges	<u>(22,972)</u>
Pledges receivable, net	<u><u>\$ 886,232</u></u>

The Foundation's estimate for allowance for uncollectible pledges is estimated at approximately 2% of pledges receivable, based on the last capital campaign. 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.

Memorandum of Understanding

In 2016, the Foundation entered into a memorandum of understanding with BCCC to support renovations of the BCCC Library into the Learning Commons. Under the agreement, the foundation agreed to contribute a total of \$2,500,000 over four years (fiscal years 2016-2019). Grants paid during the year ended June 30, 2019 totaled \$500,000. There are no more grants payable due.

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.

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Assets held for gift annuities totaled \$474,583 at June 30, 2019 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 \$63,315 at June 30, 2019.

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

Operating 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.

Net expenditures for rentals under leases for the year ended June 30, 2019 amounted to approximately \$1,054,458.

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.

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 September 2014, BCCC renewed a lease agreement with ComDoc for their printers. The terms of the lease began January 2015 and extend for five years through December 2020.

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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 were extended for five additional years through June 30, 2023.

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 renewed the lease for a 4% increase in rent through June 30, 2020.

In May 2016, BCCC entered into a service agreement with Ellucian for their colleague software. The terms of the lease begin July 1, 2016 through June 30, 2021.

Future minimum lease payments on the leases are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2020	\$ 1,194,750
2021	1,027,335
2022	607,776
2023	607,776
2024	340,776
Thereafter	340,776
	<u>\$ 4,119,189</u>

13. Line of Credit

Line of credit consists of the following at June 30, 2019:

	<u>Balance at June 30, 2018</u>	<u>Proceeds</u>	<u>Payments</u>	<u>Balance at June 30, 2019</u>
State Public School Building Authority:				
Line of credit	<u>\$ 230,896</u>	<u>\$ 18,912</u>	<u>\$ (249,808)</u>	<u>\$ -</u>
Total line of credit	<u>\$ 230,896</u>	<u>\$ 18,912</u>	<u>\$ (249,808)</u>	<u>\$ -</u>

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During 2014, BCCC obtained a line of credit with the State Public School Building Authority for capital purchases. At June 30, 2019, BCCC had an outstanding balance of \$0. The line of credit matured in January 2019.

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, 2019, 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.

14. Notes Payable

Notes payable consists of the following:

	Balance at June 30, 2018	Proceeds	Payments	Balance at June 30, 2019	Due within one year
Library loan	\$ 1,511,940	\$ -	\$ (229,489)	\$ 1,282,451	\$ 237,943
Equipment loan	17,992	-	(17,992)	-	-
Children's Center loan	959,189	-	(91,019)	868,170	96,040
	<u>\$ 2,489,121</u>	<u>\$ -</u>	<u>\$ (338,500)</u>	<u>\$ 2,150,621</u>	<u>\$ 333,983</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, 2019 was \$1,282,451. Interest paid during fiscal year 2019 was \$54,424.

In December 2015, BCCC obtained a loan in the amount of \$103,000 to finance the cost of purchasing computers and technology equipment for use at the off-campus sites. The loan has a stated interest rate of 3.75% with monthly principal and interest payments of \$3,032, and a maturity of three years ending on December 16, 2018. The loan was paid off during fiscal year 2019 and interest paid during the year was \$745.

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

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maturity of ten years ending on December 31, 2026. The outstanding balance at June 30, 2019 was \$868,170. Interest paid during fiscal year 2019 was \$52,807.

The future annual payments required to amortize notes payable outstanding as of June 30, 2019 are as follows:

	Principal	Interest	Total
2020	\$ 333,983	\$ 92,649	\$ 426,632
2021	347,423	78,088	425,511
2022	363,511	63,120	426,631
2023	379,148	47,483	426,631
2024	395,412	31,219	426,631
2025-2027	331,144	28,159	359,303
	<u>\$ 2,150,621</u>	<u>\$ 340,718</u>	<u>\$ 2,491,339</u>

In February 2010, the Foundation authorized the Mortgage Revenue Drawdown Note, Series of 2010 in the aggregate principal amount of \$2,940,000, to assist with the construction costs of the LindenPointe expansion project. The 2010 Note bears an interest rate of the Federal Home Loan Bank (FHLB) rate plus 2.50%, fixed for the first five years, then reset to the current FHLB rate plus 2.50% for the next five years, with a final one-year reset to the then-existing FHLB rate plus 2.50%. The Note is secured by property of the Foundation and matures in 2021. The interest rate at June 30, 2019 approximated 2.87%. At June 30, 2019, \$1,902,168 remains outstanding. Interest expense for the year ended June 30, 2019 totaled \$57,643.

The annual maturities of the Foundation's long-term debt are as follows:

Year ending June 30,	
2020	\$ 142,365
2021	<u>1,759,803</u>
Total	<u>\$ 1,902,168</u>

In February 2010, the Foundation was given land valued at \$113,883 to be used as a parking facility for BCCC's LindenPointe campus. An interest-free Mortgage Note was attached to the land to be repaid only in the event that the Foundation transfer the property to another entity or use the property for any purpose other than as a parking facility for BCCC.

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The Note obligation decreases by ten percent each anniversary date for ten years from the date of the Note such that the entire Note will be forgiven as of February 9, 2020. As of June 30, 2019, the value of the contingent obligation on the Note is \$11,388 and is reported in unearned revenue on the statement of net position.

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.

15. 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.

PHEAA has notified the College of differences in the College's reporting to PHEAA that led to overpayments by PHEAA. The College is working with PHEAA on the amount to be repaid; however, that amount will not be material to the College.

16. Subsequent Events

BCCC had a tuition rate increase for fiscal year 2020. The approved 2019-2020 tuition rate increased to \$118 per credit hour for County residents from \$113 per credit hour in 2018-2019. The tuition rate for all other Pennsylvania counties' residents also increased to \$218 per credit hour from \$213 per credit hour in 2018-2019.

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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.

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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, 2019, 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

Unearned Revenue

Unearned revenue consists of rents paid in advance.

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

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assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Adopted Pronouncements

The requirements of the following Governmental Accounting Standards Board (GASB) Statements were adopted for the financial statements:

GASB Statement No. 83, "*Certain Retirement Obligations*," addresses accounting and financial reporting for certain asset retirement obligations (AROs). The provisions of this statement have been adopted and incorporated into these financial statements.

GASB Statement No. 84, "*Fiduciary Activities*," improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. The provisions of this statement have been adopted and incorporated into these financial statements.

GASB Statement No. 88, "*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*," improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The provisions of this statement have been adopted and incorporated into these financial statements.

GASB Statement No. 90, "*Majority Equity Interests*," improves the consistency and comparability of reporting a majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units.

These statements had no significant impact to the Authority's financial statements for the year ended December 31, 2019.

Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 87 (Leases), 89 (Accounting for Interest Cost Incurred before the End of a Construction Period), 91 (Conduit Debt Obligations), 92 (Omnibus 2020), 93 (Replacement of Interbank Offered Rates), and 94 (Public-Private and Public-Public Partnerships and Availability Payment Arrangements). Management has not yet determined the impact of these statements on the financial statements.

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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, 2019, \$1,358,174 of the Authority's bank balances of \$1,608,174 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 carrying amounts of \$1,581,332 as of December 31, 2019, which are reported as cash and cash equivalents in the statements of net position.

4. Accounts Receivable

Accounts receivable at December 31, 2019 consists of government grants receivable of \$30,811 and \$22,363 of accounts receivable for operating revenues.

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5. Land, Buildings, and Equipment

A summary of changes in capital assets is as follows for 2019:

	December 31, 2018	Additions/ Transfers	Deletions/ Transfers	December 31, 2019
Capital assets, not being depreciated:				
Land	\$ 1,714,426	\$ 15,699	\$ -	\$ 1,730,125
Construction in progress	201,976	433,509	(99,842)	535,643
Total capital assets, not being depreciated	1,916,402	449,208	(99,842)	2,265,768
Capital assets, being depreciated:				
Equipment	415,895	51,103	-	466,998
Buildings	5,045,513	14,454	-	5,059,967
Runway and taxiway	15,934,380	205,024	-	16,139,404
Intangible assets	598	-	-	598
Land improvements	508,047	-	-	508,047
Total capital assets, being depreciated	21,904,433	270,581	-	22,175,014
Accumulated depreciation	(10,443,220)	(741,147)	-	(11,184,367)
Total capital assets being depreciated, net	11,461,213	(470,566)	-	10,990,647
Total capital assets, net	\$ 13,377,615	\$ (21,358)	\$ (99,842)	\$ 13,256,415

Construction in progress as of December 31, 2019 represents capitalized costs related to the runway extension.

6. Debt

In October 2010, the Authority obtained a Pennsylvania Infrastructure Bank loan in the amount of \$500,000 to finance the construction of two, steel, 10-unit nested T-hangars. It has a stated interest rate of 1.625% with monthly principal and interest payments of \$4,517, and a maturity of 10 years beginning on October 18, 2010. During 2011, the Authority made an additional principal payment of \$71,284. As a result of the reduction, the loan was payable through May 2019. The remaining principal balance and interest of \$88 was paid during 2019.

In October 2014, the Authority obtained a Pennsylvania Infrastructure Bank 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, 2019 was \$247,801. Interest paid during 2019 was \$4,443.

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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.

The future annual payments required to amortize all debt outstanding as of December 31, 2019 are as follows:

	Principal	Interest	Total
2020	\$ 50,524	\$ 3,719	\$ 54,243
2021	51,351	2,892	54,243
2022	52,191	2,052	54,243
2023	53,046	1,197	54,243
2024	40,689	335	41,024
	<u>\$ 247,801</u>	<u>\$ 10,195</u>	<u>\$ 257,996</u>

7. Leases and Unearned Operating Revenue

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

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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.

Restaurant Lease Agreement

On August 13, 2019, the Authority entered into an agreement with Serventi's Inc. for the lease of the second floor of its terminal building. The terms of the lease are for a 28-month period commencing on September 1, 2019 and ending on December 31, 2021. The monthly rent payment is \$3,000.

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 terms of the lease were for a five-year period commencing on March 1, 2015 and ending on February 28, 2020. The monthly rental payment is \$2,825.

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. The monthly rental payment is \$1,017 and increased to \$1,274 in March of 2019 due to space renovations. Rent is to be abated for the first three years. Rent will subsequently increase based on contract terms and space renovations.

Future minimum annual rental receivables for all Authority leases are as follows:

2020	\$ 159,806
2021	154,156
2022	113,060
2023	102,868
2024	89,486
Thereafter	<u>805,374</u>
	<u>\$ 1,424,750</u>

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

In addition, the Authority has entered into lease arrangements with businesses and individuals for hangar space. These leases are generally short-term and on an individual basis not material to the financial statements.

Unearned Operating Revenue

Unearned operating revenue represents the remaining balance of prepaid lease payments made by two businesses in 2015 that prepaid their 10-year lease extensions in one lump sum, as per their lease agreements. Also included is the remaining balance of one lease in which the rent was abated for three years and several tenants who paid their 2020 rent in advance.

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 \$89,864 in 2019.

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% in 2019. Contributions to the Plan during 2019 were \$4,676. 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

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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

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.

12. Commitments

As of December 31, 2019, the Authority had various outstanding construction contracts. The total on all outstanding contracts is \$55,034 and relates to the Environmental Assessment for the proposed Runway Extension project, the Runway Crack Seal and Remarking project, and the Pavement Improvement project. The Environmental Assessment is partially funded through the Pennsylvania DCED grant.

13. Subsequent Events

In early 2020, an outbreak of a novel strain of coronavirus was identified and infections have been found in a number of countries around the world, including the United States. The coronavirus and its associated impacts on supply chains, travel, employee productivity, and other economic activities has had, and may continue to have, a material effect on financial markets and economic activity. The extent of the impact of the coronavirus on the Authority's operational and financial performance is currently uncertain and cannot be predicted.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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, 2019 OR JUNE 30, 2019

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 arises when resources are received by the Authority before it has legal claim to them, as when intergovernmental funds are received prior to all eligibility requirements being met. Unearned revenues at June 30, 2019 consist of the following:

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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	<u>2019</u>
Federal Congestion Mitigation and Air Quality Improvement (CMAQ) program	\$ 531
Act 44, Section 1513	453,628
Act 44, Section 1516	2,691
Local match - unassigned prior to June 30, 2009	155,385
Local match - unassigned after June 30, 2009	158,351
Total unearned revenues	<u>\$ 770,586</u>

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 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.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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.

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."

Pending Standards

The Governmental Accounting Standards Board (GASB) has issued statements that will become effective in future years including Statement Nos. 87 (Leases), 89 (Interest Costs), 90 (Majority Equity Interests), and 91 (Conduit Debt Obligations). Management has not yet determined the impact of these statements on the financial statements.

3. Deposits and Investments

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, 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

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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, 2019, \$360,109 of the Authority's bank balance of \$610,109 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 \$511,201 at June 30, 2019.

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-Class accounts, there is a one-day holding period. For PLGIT/PLUS-Class accounts, there is a 30-day holding period for each deposit and a penalty for early withdrawal.

As of June 30, 2019, the entire PLGIT balance of \$20,469 (bank and book), is considered to be a cash equivalent for presentation on the balance sheet.

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

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

organizations. As of June 30, 2019, 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, 2019 OR JUNE 30, 2019

4. Capital Assets

A summary of changes in capital assets is as follows for the year ended June 30, :

	July 1, 2018	Transfers/ Additions	Transfers/ Deletions	June 30, 2019
Capital assets not being depreciated:				
Land	\$ 637,500	\$ -	\$ -	\$ 637,500
Construction in progress	7,260	-	(7,260)	-
Total capital assets not being depreciated	644,760	-	(7,260)	637,500
Capital assets being depreciated:				
Land improvements	2,181,310	422,656	-	2,603,966
Buildings	12,313,943	-	(64,318)	12,249,625
Buses	6,049,347	1,679,545	(442,470)	7,286,422
Leasehold improvements	8,685	-	(8,685)	-
Furniture and equipment	2,089,172	6,313	(31,166)	2,064,319
Total capital assets being depreciated	22,642,457	2,108,514	(546,639)	24,204,332
Less accumulated depreciation for:				
Land improvements	(583,117)	(160,873)	-	(743,990)
Buildings	(2,564,417)	(408,321)	16,117	(2,956,621)
Buses	(1,036,966)	(537,507)	426,780	(1,147,693)
Leasehold improvements	(8,685)	-	8,685	-
Office furniture and equipment	(1,463,958)	(148,996)	31,307	(1,581,647)
Total accumulated depreciation	(5,657,143)	(1,255,697)	482,889	(6,429,951)
Total capital assets being depreciated, net	16,985,314	852,817	(63,750)	17,774,381
Total capital assets, net	\$ 17,630,074	\$ 852,817	\$ (71,010)	\$ 18,411,881

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 2019, the Authority contributed approximately \$22,000.

COUNTY OF BUTLER, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2019 OR JUNE 30, 2019

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. There have been no significant changes in insurance coverage since the prior year.

For its workers' compensation insurance coverage, the Authority participates in the SAFTI Pool (Pool), a public entity risk pool operated for the benefit of Transit Authorities across the state of Pennsylvania. The pool underwriting and rate-setting policies are established after consultation with an independent actuary and certain approvals of the Pennsylvania Department of Labor and Industry as mandated by Act 44 of 1993 (Act 44). All Pool participants may be subject to a supplemental assessment/dividend based on the overall experience of the participants, pursuant to Act 44. Each participant of the Pool agrees to jointly and severally assume and discharge the liabilities arising under the Workers' Compensation Act and Occupational Disease Act of each and every participant of the Pool. The Pool purchases excess insurance coverage with statutory limits. The retention for this excess coverage is \$750,000 per occurrence. Pool members must remain members for the balance of the Pool fiscal year; a member may withdraw from the Pool at the end of any Pool fiscal year by giving at least six months' notice. After withdrawal, the participant is responsible for its share of assessments but has no claim on any other assets of the Pool.

7. Commitments and Contingencies

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.

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
Total Pension Liability:						
Service cost	\$ 2,208,948	\$ 1,638,371	\$ 4,924,329	\$ 4,962,569	\$ 4,227,017	\$ 4,346,794
Interest	14,158,970	14,910,103	14,957,564	16,592,667	16,285,729	16,832,983
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)
Changes of assumptions	-	-	-	-	5,472,315	-
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)
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
Total Pension Liability - Beginning	194,063,118	202,454,959	208,895,531	222,114,324	231,540,218	234,357,904
Total Pension Liability - Ending (a)	\$ 202,454,959	\$ 208,895,531	\$ 222,114,324	\$ 231,540,218	\$ 234,357,904	\$ 240,155,535
Plan Fiduciary Net Position:						
Contributions - employer	\$ 6,152,213	\$ 5,052,744	\$ 5,474,488	\$ 5,473,038	\$ 5,066,887	\$ 5,428,088
Contributions - member	3,376,281	3,188,497	3,231,334	3,333,512	3,424,361	3,580,713
Net investment income	14,040,640	(1,390,684)	14,834,172	25,552,288	(11,840,458)	38,460,129
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)
Administrative expense	(161,259)	(139,428)	(130,941)	(123,379)	(156,280)	(154,379)
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
Plan Fiduciary Net Position - Beginning	171,829,682	179,990,326	175,922,688	187,866,080	209,748,832	193,351,737
Plan Fiduciary Net Position - Ending (b)	\$ 179,990,326	\$ 175,922,688	\$ 187,866,080	\$ 209,748,832	\$ 193,351,737	\$ 227,382,638
Net Pension Liability - Ending (a-b)	\$ 22,464,633	\$ 32,972,843	\$ 34,248,244	\$ 21,791,386	\$ 41,006,167	\$ 12,772,897
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.90%	84.22%	84.58%	90.59%	82.50%	94.68%
Covered Payroll	\$ 36,891,238	\$ 28,933,497	\$ 30,826,860	\$ 30,796,428	\$ 31,718,329	\$ 31,901,447
Net Pension Liability as a Percentage of Covered Payroll	60.89%	113.96%	111.10%	70.76%	129.28%	40.04%

* 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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 6,095,561	\$ 6,564,903	\$ 6,860,358	\$ 7,313,625	\$ 6,152,213	\$ 5,052,744	\$ 5,474,488	\$ 5,473,038	\$ 5,066,887	\$ 5,428,088
Employer contributions in relation to the actuarially determined contribution	6,095,561	6,564,903	6,860,358	7,313,625	6,152,213	5,052,744	5,474,488	5,473,038	5,066,887	5,428,088
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	<u>\$ 31,576,155</u>	<u>\$ 33,098,062</u>	<u>\$ 34,891,445</u>	<u>\$ 36,117,283</u>	<u>\$ 36,891,238</u>	<u>\$ 28,933,497</u>	<u>\$ 30,826,860</u>	<u>\$ 30,796,428</u>	<u>\$ 31,718,329</u>	<u>\$ 31,901,447</u>
Employer contributions as a percentage of covered payroll	19.30%	19.83%	19.66%	20.25%	16.68%	17.46%	17.76%	17.77%	15.97%	17.02%

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
Annual money-weighted rate of return, net of investment expense	8.36%	-0.74%	8.58%	13.74%	-5.70%	20.10%

* 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, 2019

Actuarial Methods and Assumptions Used in Determining the Contribution Rate

	2014	2015	2016	2017	2018	2019
Actuarial valuation date	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019
Actuarial cost method	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
Remaining amortization period	21 years	20 years	19 years	18 years	17 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
Actuarial assumptions:						
Investment rate of return	7.5%	7.5%	7.5%	7.5%	7.25%	7.25%
Projected salary increases	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Underlying inflation rate	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Cost-of-living adjustments	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

* 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
- Community Services Block Grant
- Drug and Alcohol
- Independent Living Grant
- Medical Assistance Transportation Grant
- Shared Ride Transportation Funds
- State Food Program
- Welfare to Work Transportation Grant

The **Hotel Tax Fund** accounts for the monies collected from the County's 5% hotel/motel tax.

The **Act 13 Bridge Improvement Fund** accounts for state revenue used to fund replacement or repair of at-risk deteriorated bridges.

The **Act 89 Bridge Improvement Fund** accounts for state revenue used to fund the construction and improvement of roads and bridges.

The **Liquid Fuels Tax Fund** and the **Act 44 Liquid Fuels Fund** account for state aid revenues used for constructing and improving roads and bridges.

The **Path Transitions Project Fund** accounts for federal funds used to provide services to homeless individuals with mental health, and drug and alcohol issues.

The **Domestic Relations Operating Fund** is used to account 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 **Fee for Local Use Fund** is used to account 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.

HAZMAT Emergency Response 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.

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 **County Records Improvement Fund and Recorder of Deeds 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** is used to account 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** is used to account 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 of Wills/Orphan Court 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 **Emergency Shelter Reno Grant 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 **Recreation Fund** accounts for state and local grant revenue and expenditures designated for the purpose of adding and renovating park and recreation facilities.

The **General Fund Grant Fund** is used to account for grants that had previously been reported in the general fund and that are not associated with any other specific fund in order to more closely monitor the funds, and the need for County contributions.

The **Supportive Services for Veteran Families Fund** accounts for federal grant revenue and expenditures designated for the purpose of providing supportive services to low-income veteran families living in or transitioning to permanent housing.

The **Health Choices Fund** accounts for medical expenses of members participating in the Health Choices Program, which are funded entirely by State sources.

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 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 **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 **Communities Development Block Grant 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.

The **Affordable Housing Program 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 **Shared Ride Capital Grant** accounts for grant revenue and expenditures designated for the purpose of adding or upgrading transportation equipment.

The **Demolition Fund** accounts for monies received as a result of Act 152 of 2016 due to deeds and mortgages recorded.

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

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** is used to account for the accumulation of resources for, and payment of, debt service payments.

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2019

	Special Revenue										
	Hotel Tax Fund	Act 13 Bridge Improvement Fund	Act 89 Bridge Improvement Fund	Liquid Fuels Tax Fund	Act 44 Liquid Fuels Fund	Council on Drug and Alcohol	Path Transitions Project Fund	Area Agency on Aging Program	Independent Living Grant	Shared Ride Transportation Funds	Medical Assistance Transportation Grant
Assets											
Cash and cash equivalents	\$ 253,440	\$ 1,046,290	\$ 687,861	\$ 21	\$ 568,850	\$ 689,421	\$ 670	\$ 1,076,239	\$ 12,862	\$ 135,116	\$ 552,233
Investments	-	-	-	-	-	-	-	-	-	-	-
Advances receivable	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable	160,769	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	370	77,145	-	19,001	-
Due from other funds	-	-	-	34,181	-	154,034	-	94,810	34,275	-	-
Due from other governments	-	-	-	-	-	233,480	76,873	1,510	-	54,551	51,572
Prepays	-	-	-	-	-	-	-	1,424	-	60	-
Total Assets	\$ 414,209	\$ 1,046,290	\$ 687,861	\$ 34,202	\$ 568,850	\$ 1,076,935	\$ 77,913	\$ 1,251,128	\$ 47,137	\$ 208,728	\$ 603,805
Liabilities, Deferred Inflows of Resources, and Fund Balance											
Liabilities:											
Accounts payable	\$ 397,422	\$ 10,151	\$ 15,714	\$ 593	\$ 8,495	\$ 251,811	\$ 74,950	\$ 169,175	\$ 43,750	\$ 39,879	\$ 149,260
Accrued payroll and payroll taxes	-	-	-	9,879	-	13,097	-	41,068	-	-	-
Unearned revenue	-	-	-	-	-	659,585	-	275,056	278	168,389	454,545
Due to other funds	16,787	-	11,423	23,730	479	152,442	2,963	140,477	-	460	-
Due to other governments	-	-	-	-	-	-	-	-	3,109	-	-
Total Liabilities	414,209	10,151	27,137	34,202	8,974	1,076,935	77,913	625,776	47,137	208,728	603,805
Deferred Inflows of Resources:											
Unavailable revenue - impact fees	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-
Fund Balance:											
Nonspendable - prepaid items	-	-	-	-	-	-	-	1,424	-	60	-
Restricted for:											
Roads and bridges	-	1,036,139	660,724	-	559,876	-	-	-	-	-	-
Records improvement/automation	-	-	-	-	-	-	-	-	-	-	-
Central booking/court restitution	-	-	-	-	-	-	-	-	-	-	-
Domestic Relations	-	-	-	-	-	-	-	-	-	-	-
Offender supervision	-	-	-	-	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	-	-	-	-	-
Area Agency on Aging program	-	-	-	-	-	-	-	623,928	-	-	-
Inmate welfare fund	-	-	-	-	-	-	-	-	-	-	-
Committed:											
Infrastructure Bank	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	(60)	-
Total Fund Balance	-	1,036,139	660,724	-	559,876	-	-	625,352	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 414,209	\$ 1,046,290	\$ 687,861	\$ 34,202	\$ 568,850	\$ 1,076,935	\$ 77,913	\$ 1,251,128	\$ 47,137	\$ 208,728	\$ 603,805

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2019

(Continued)

	Special Revenue								
	Community Services Block Grant	State Food Program	Welfare to Work Transportation Grant	Fee for Local Use Fund	Domestic Relations Operating Fund	Offender Supervision Fund	HAZMAT Emergency Response Fund	Waste Management Fund	Inmate Welfare Fund
Assets									
Cash and cash equivalents	\$ -	\$ 10,057	\$ 424	\$ 1,026,567	\$ 218,628	\$ 364,603	\$ 60,364	\$ 136,805	\$ 900,409
Investments	-	-	-	-	-	-	-	-	-
Advances receivable	-	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	2,734	55,300	152,784
Due from other funds	-	-	-	-	-	-	32,358	22	-
Due from other governments	61,924	14,527	940	-	610,070	-	72,309	233,155	-
Prepays	-	-	-	-	-	-	5,473	-	1,565
Total Assets	\$ 61,924	\$ 24,584	\$ 1,364	\$ 1,026,567	\$ 828,698	\$ 364,603	\$ 173,238	\$ 425,282	\$ 1,054,758
Liabilities, Deferred Inflows of Resources, and Fund Balance									
Liabilities:									
Accounts payable	\$ 23,806	\$ 20,536	\$ 940	\$ -	\$ 14,864	\$ -	\$ 3,932	\$ 2,417	\$ 50,422
Accrued payroll and payroll taxes	-	-	-	-	43,794	-	1,535	-	-
Unearned revenue	2,846	4,022	424	-	-	-	161,957	-	-
Due to other funds	33,557	26	-	-	665,908	-	5,814	422,865	-
Due to other governments	1,715	-	-	-	-	-	-	-	-
Total Liabilities	61,924	24,584	1,364	-	724,566	-	173,238	425,282	50,422
Deferred Inflows of Resources:									
Unavailable revenue - impact fees	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-
Fund Balance:									
Nonspendable - prepaid items	-	-	-	-	-	-	5,473	-	1,565
Restricted for:									
Roads and bridges	-	-	-	1,026,567	-	-	-	-	-
Records improvement/automation	-	-	-	-	-	-	-	-	-
Central booking/court restitution	-	-	-	-	-	-	-	-	-
Domestic Relations	-	-	-	-	104,132	-	-	-	-
Offender supervision	-	-	-	-	-	364,603	-	-	-
Conservation	-	-	-	-	-	-	-	-	-
Area Agency on Aging program	-	-	-	-	-	-	-	-	-
Inmate welfare fund	-	-	-	-	-	-	-	-	1,002,771
Committed:									
Infrastructure Bank	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(5,473)	-	-
Total Fund Balance	-	-	-	1,026,567	104,132	364,603	-	-	1,004,336
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 61,924	\$ 24,584	\$ 1,364	\$ 1,026,567	\$ 828,698	\$ 364,603	\$ 173,238	\$ 425,282	\$ 1,054,758

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2019

(Continued)

	Special Revenue									
	County Records Improvement Fund	Recorder of Deeds Records Improvement Fund	Central Booking Fund	Juvenile Court Restitution Fund	Clerk of Courts Automation Fee Fund	Prothonotary Automation Fee Fund	Register of Wills/Orphan Court Automation Fee Fund	Emergency Shelter Reno Grant Fund	Recreation Fund	General Fund Grant Fund
Assets										
Cash and cash equivalents	\$ 304,385	\$ 107,034	\$ 220,987	\$ 15,675	\$ 24,899	\$ 91,031	\$ 199,814	\$ -	\$ 13	\$ 61,762
Investments	-	-	-	-	-	-	-	-	-	-
Advances receivable	-	-	-	-	-	-	-	-	-	-
Taxes receivable	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	10,361
Due from other funds	-	-	-	-	-	-	-	-	1,320	-
Due from other governments	-	-	-	-	-	-	-	17,519	378,771	141,707
Prepays	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 304,385	\$ 107,034	\$ 220,987	\$ 15,675	\$ 24,899	\$ 91,031	\$ 199,814	\$ 17,519	\$ 380,104	\$ 213,830
Liabilities, Deferred Inflows of Resources, and Fund Balance										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ 14,400	\$ 432	\$ -	\$ -	\$ 181	\$ 17,156	\$ 22,909	\$ 72,895
Accrued payroll and payroll taxes	-	-	-	-	-	-	-	-	4,177	8,541
Unearned revenue	-	-	-	-	-	-	-	-	14,000	8,744
Due to other funds	-	-	102,980	-	-	-	-	363	339,018	123,650
Due to other governments	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	117,380	432	-	-	181	17,519	380,104	213,830
Deferred Inflows of Resources:										
Unavailable revenue - impact fees	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-
Fund Balance:										
Nonspendable - prepaid items	-	-	-	-	-	-	-	-	-	-
Restricted for:										
Roads and bridges	-	-	-	-	-	-	-	-	-	-
Records improvement/automation	304,385	107,034	-	-	24,899	91,031	199,633	-	-	-
Central booking/court restitution	-	-	103,607	15,243	-	-	-	-	-	-
Domestic Relations	-	-	-	-	-	-	-	-	-	-
Offender supervision	-	-	-	-	-	-	-	-	-	-
Conservation	-	-	-	-	-	-	-	-	-	-
Area Agency on Aging program	-	-	-	-	-	-	-	-	-	-
Inmate welfare fund	-	-	-	-	-	-	-	-	-	-
Committed:										
Infrastructure Bank	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	304,385	107,034	103,607	15,243	24,899	91,031	199,633	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 304,385	\$ 107,034	\$ 220,987	\$ 15,675	\$ 24,899	\$ 91,031	\$ 199,814	\$ 17,519	\$ 380,104	\$ 213,830

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING BALANCE SHEET

OTHER GOVERNMENTAL FUNDS

DECEMBER 31, 2019
(Continued)

	Special Revenue		Capital Projects						Debt Service		Total Other Governmental Funds
	Health Choices	Total Special Revenue	HOME Grant Fund	Communities Development Block Grant Fund	Affordable Housing Program Fund	Shared Ride Capital Grant	Demolition Fund	Infrastructure Bank Fund	Total Capital Projects	Sinking Fund	
Assets											
Cash and cash equivalents	\$ 58,703	\$ 8,825,163	\$ -	\$ 4	\$ 667,529	\$ 200,153	\$ 208,453	\$ 2,121,035	\$ 3,197,174	\$ -	\$ 12,022,337
Investments	-	-	-	-	-	-	-	-	-	-	-
Advances receivable	-	-	-	-	-	-	-	-	-	-	-
Taxes receivable	-	160,769	-	-	-	-	-	-	-	-	160,769
Accounts receivable	25,000	342,695	-	-	337,926	-	-	-	337,926	-	680,621
Due from other funds	-	351,000	-	-	-	-	-	-	-	-	351,000
Due from other governments	-	1,948,908	20,073	70,894	-	-	-	-	90,967	-	2,039,875
Prepays	-	8,522	-	-	-	-	-	-	-	-	8,522
Total Assets	\$ 83,703	\$ 11,637,057	\$ 20,073	\$ 70,898	\$ 1,005,455	\$ 200,153	\$ 208,453	\$ 2,121,035	\$ 3,626,067	\$ -	\$ 15,263,124
Liabilities, Deferred Inflows of Resources, and Fund Balance											
Liabilities:											
Accounts payable	\$ 45,129	\$ 1,451,219	\$ 18,508	\$ 28,304	\$ 33,128	\$ 120,090	\$ 29,326	\$ 5,000	\$ 234,356	\$ -	\$ 1,685,575
Accrued payroll and payroll taxes	8,124	130,215	-	-	-	-	-	-	-	-	130,215
Unearned revenue	1,263	1,751,109	-	-	588,777	80,063	179,127	-	847,967	-	2,599,076
Due to other funds	29,187	2,072,129	1,565	42,594	45,624	-	-	-	89,783	-	2,161,912
Due to other governments	-	4,824	-	-	-	-	-	-	-	-	4,824
Total Liabilities	83,703	5,409,496	20,073	70,898	667,529	200,153	208,453	5,000	1,172,106	-	6,581,602
Deferred Inflows of Resources:											
Unavailable revenue - impact fees	-	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - loans	-	-	-	-	337,926	-	-	-	337,926	-	337,926
Total Deferred Inflows of Resources	-	-	-	-	337,926	-	-	-	337,926	-	337,926
Fund Balance:											
Nonspendable - prepaid items	-	8,522	-	-	-	-	-	-	-	-	8,522
Restricted for:											
Roads and bridges	-	3,283,306	-	-	-	-	-	-	-	-	3,283,306
Records improvement/automation	-	726,982	-	-	-	-	-	-	-	-	726,982
Central booking/court restitution	-	118,850	-	-	-	-	-	-	-	-	118,850
Domestic Relations	-	104,132	-	-	-	-	-	-	-	-	104,132
Offender supervision	-	364,603	-	-	-	-	-	-	-	-	364,603
Area Agency on Aging program	-	623,928	-	-	-	-	-	-	-	-	623,928
911 communications	-	-	-	-	-	-	-	-	-	-	-
Inmate welfare fund	-	1,002,771	-	-	-	-	-	-	-	-	1,002,771
Committed:											
Infrastructure Bank	-	-	-	-	-	-	-	2,116,035	2,116,035	-	2,116,035
Assigned:											
Area Agency on Aging program	-	-	-	-	-	-	-	-	-	-	-
Capital purchases	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(5,533)	-	-	-	-	-	-	-	-	(5,533)
Total Fund Balance	-	6,227,561	-	-	-	-	-	2,116,035	2,116,035	-	8,343,596
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 83,703	\$ 11,637,057	\$ 20,073	\$ 70,898	\$ 1,005,455	\$ 200,153	\$ 208,453	\$ 2,121,035	\$ 3,626,067	\$ -	\$ 15,263,124

(Concluded)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue										
	Hotel Tax Fund	Act 13 Bridge Improvement Fund	Act 89 Bridge Improvement Fund	Liquid Fuels Tax Fund	Act 44 Liquid Fuels Fund	Council on Drug and Alcohol	Path Transitions Project Fund	Area Agency on Aging Program	Independent Living Grant	Shared Ride Transportation Funds	Medical Assistance Transportation Grant
Revenues:											
Taxes	\$ 2,418,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	340,730	186,791	266,099	98,525	1,671,293	475,429	3,571,381	403,598	364,917	2,110,619
Charges for services	-	-	-	-	-	259,688	-	466,813	-	2,227	-
Interest	2,803	17,331	12,751	217	11,065	8,207	-	23,253	587	-	9,356
Other	-	-	5,655	5,056	-	1,758	-	117,835	-	-	-
Total revenues	2,420,849	358,061	205,197	271,372	109,590	1,940,946	475,429	4,179,282	404,185	367,144	2,119,975
Expenditures:											
General government - administration	-	-	-	-	-	-	-	-	-	-	-
General government - judicial	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Public works and enterprises	-	-	43,908	363,751	5,147	-	-	-	-	-	-
Human services	-	-	-	-	-	2,127,920	475,429	4,197,915	463,500	367,144	2,119,975
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Conservation and development	2,320,530	-	-	-	-	-	-	-	-	-	-
Capital projects	-	129,607	133,189	-	154,445	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	2,320,530	129,607	177,097	363,751	159,592	2,127,920	475,429	4,197,915	463,500	367,144	2,119,975
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,319	228,454	28,100	(92,379)	(50,002)	(186,974)	-	(18,633)	(59,315)	-	-
Other Financing Sources (Uses):											
Sale of capital assets	-	-	-	14,046	-	-	-	-	-	-	-
Sinking fund reimbursement	-	-	-	-	-	-	-	-	-	-	-
Issuance of debt/ capital lease	-	-	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-	-	-	-	-	-	-
Premiums and discounts	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank - proceeds	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank - disbursements	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	78,333	-	186,974	-	94,810	59,315	-	-
Transfers out	(100,319)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(100,319)	-	-	92,379	-	186,974	-	94,810	59,315	-	-
Net Change in Fund Balance	-	228,454	28,100	-	(50,002)	-	-	76,177	-	-	-
Fund Balance:											
Beginning of year	-	807,685	632,624	-	609,878	-	-	549,175	-	-	-
End of year	\$ -	\$ 1,036,139	\$ 660,724	\$ -	\$ 559,876	\$ -	\$ -	\$ 625,352	\$ -	\$ -	\$ -

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

(Continued)

	Special Revenue								
	Community Services Block Grant	State Food Program	Welfare to Work Transportation Grant	Fee for Local Use Fund	Domestic Relations Operating Fund	Offender Supervision Fund	HAZMAT Emergency Response	Waste Management Fund	Inmate Welfare Fund
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	121,568	234,067	4,540	-	1,681,408	-	31,999	292,052	-
Charges for services	-	-	-	1,008,895	788	166,833	97,120	218,816	751,084
Interest	203	-	10	4,027	1,253	5,665	2,039	1,593	18,569
Other	-	-	-	-	652	-	-	-	-
Total revenues	121,771	234,067	4,550	1,012,922	1,684,101	172,498	131,158	512,461	769,653
Expenditures:									
General government - administration	-	-	-	-	-	-	-	-	-
General government - judicial	-	-	-	-	2,624,928	-	-	-	-
Public safety	-	-	-	-	-	-	163,516	-	477,776
Public works and enterprises	-	-	-	-	-	-	-	-	-
Human services	121,771	234,108	4,550	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-	-	103,323	-
Capital projects	-	-	-	-	-	-	-	-	12,321
Other	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Total expenditures	121,771	234,108	4,550	-	2,624,928	-	163,516	103,323	490,097
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(41)	-	1,012,922	(940,827)	172,498	(32,358)	409,138	279,556
Other Financing Sources (Uses):									
Sale of capital assets	-	41	-	-	-	-	-	-	-
Sinking fund reimbursement	-	-	-	-	-	-	-	-	-
Issuance of debt/ capital lease	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-	-	-	-	-
Premiums and discounts	-	-	-	-	-	-	-	-	-
Infrastructure Bank - proceeds	-	-	-	-	-	-	-	-	-
Infrastructure Bank - disbursements	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	940,827	-	32,358	-	-
Transfers out	-	-	-	-	-	(57,500)	-	(409,138)	-
Total other financing sources (uses)	-	41	-	-	940,827	(57,500)	32,358	(409,138)	-
Net Change in Fund Balance	-	-	-	1,012,922	-	114,998	-	-	279,556
Fund Balance:									
Beginning of year, as restated	-	-	-	13,645	104,132	249,605	-	-	724,780
End of year	\$ -	\$ -	\$ -	\$ 1,026,567	\$ 104,132	\$ 364,603	\$ -	\$ -	\$ 1,004,336

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

(Continued)

	Special Revenue									
	County Records Improvement Fund	Recorder of Deeds Records Improvement Fund	Central Booking Fund	Juvenile Court Restitution Fund	Clerk of Courts Automation Fee Fund	Prothonotary Automation Fee Fund	Register of Wills/Orphan Court Automation Fee Fund	Emergency Shelter Reno Grant Fund	Recreation Fund	General Fund Grant Fund
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	140,644	633,913	609,385
Charges for services	53,156	79,734	142,706	4,780	11,829	11,185	27,109	-	118,145	9,626
Interest	5,677	2,158	3,562	317	486	1,656	3,565	-	525	-
Other	-	-	-	-	-	-	-	-	3,465	-
Total revenues	58,833	81,892	146,268	5,097	12,315	12,841	30,674	140,644	756,048	619,011
Expenditures:										
General government - administration	73,258	92,803	-	-	-	-	-	-	-	-
General government - judicial	-	-	148,409	4,769	7,171	1,936	2,154	-	-	164,119
Public safety	-	-	-	-	-	-	-	-	-	125,167
Public works and enterprises	-	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-	140,644	-	109,851
Culture and recreation	-	-	-	-	-	-	-	-	304,280	-
Conservation and development	-	-	-	-	-	-	-	-	-	141,455
Capital projects	-	-	-	-	-	-	-	-	691,317	25,000
Other	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Total expenditures	73,258	92,803	148,409	4,769	7,171	1,936	2,154	140,644	995,597	565,592
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,425)	(10,911)	(2,141)	328	5,144	10,905	28,520	-	(239,549)	53,419
Other Financing Sources (Uses):										
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Sinking fund reimbursement	-	-	-	-	-	-	-	-	-	-
Issuance of debt/ capital lease	-	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-	-	-	-	-	-
Premiums and discounts	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank - proceeds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank - disbursements	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	294,549	84,331
Transfers out	-	-	-	-	-	-	-	-	(55,000)	(137,750)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	239,549	(53,419)
Net Change in Fund Balance	(14,425)	(10,911)	(2,141)	328	5,144	10,905	28,520	-	-	-
Fund Balance:										
Beginning of year	318,810	117,945	105,748	14,915	19,755	80,126	171,113	-	-	-
End of year	\$ 304,385	\$ 107,034	\$ 103,607	\$ 15,243	\$ 24,899	\$ 91,031	\$ 199,633	\$ -	\$ -	\$ -

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

OTHER GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

(Continued)

	Special Revenue		Capital Projects						Debt Service		Total Other Governmental Funds
	Health Choices	Total Special Revenue	HOME Grant Fund	Communities Development Block Grant Fund	Affordable Housing Program Fund	Shared Ride Capital Grant	Demolition Fund	Infrastructure Bank Fund	Total Capital Projects	Sinking Fund	
Revenues:											
Taxes	\$ -	\$ 2,418,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,418,046
Intergovernmental	-	13,238,958	187,974	476,312	-	395,854	-	-	1,060,140	-	14,299,098
Charges for services	703,092	4,133,626	-	-	290,191	-	29,325	-	319,516	-	4,453,142
Interest	1,711	138,586	-	-	13,968	1,005	-	21,964	36,937	-	175,523
Other	-	134,421	-	-	-	-	-	-	-	-	134,421
Total revenues	704,803	20,063,637	187,974	476,312	304,159	396,859	29,325	21,964	1,416,593	-	21,480,230
Expenditures:											
General government - administration	-	166,061	-	-	-	-	-	-	-	-	166,061
General government - judicial	-	2,953,486	-	-	-	-	-	-	-	-	2,953,486
Public safety	-	766,459	-	-	-	-	-	-	-	-	766,459
Public works and enterprises	-	412,806	-	88,275	-	-	-	-	88,275	-	501,081
Human services	704,803	11,067,610	-	-	-	1,005	-	-	1,005	-	11,068,615
Culture and recreation	-	304,280	-	-	-	-	-	-	-	-	304,280
Conservation and development	-	2,565,308	12,332	58,907	10,300	-	-	-	81,539	-	2,646,847
Capital projects	-	1,145,879	175,642	329,130	248,235	395,854	29,325	-	1,178,186	-	2,324,065
Other	-	-	-	-	-	-	-	50,000	50,000	-	50,000
Debt service	-	-	-	-	-	-	-	85,041	85,041	22,267	107,308
Total expenditures	704,803	19,381,889	187,974	476,312	258,535	396,859	29,325	135,041	1,484,046	22,267	20,888,202
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	681,748	-	-	45,624	-	-	(113,077)	(67,453)	(22,267)	592,028
Other Financing Sources (Uses):											
Sale of capital assets	-	14,087	-	-	-	-	-	-	-	-	14,087
Sinking fund reimbursement	-	-	-	-	-	-	-	-	-	12,491	12,491
Issuance of debt/ capital lease	-	-	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-	-	-	-	-	-	-
Premiums and discounts	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bank - proceeds	-	-	-	-	-	-	-	9,317,087	9,317,087	-	9,317,087
Infrastructure Bank - disbursements	-	-	-	-	-	-	-	(9,317,087)	(9,317,087)	-	(9,317,087)
Transfers in	-	1,771,497	-	-	-	-	-	2,238,888	2,238,888	9,776	4,020,161
Transfers out	-	(759,707)	-	-	(45,624)	-	-	(9,776)	(55,400)	-	(815,107)
Total other financing sources (uses)	-	1,025,877	-	-	(45,624)	-	-	2,229,112	2,183,488	22,267	3,231,632
Net Change in Fund Balance	-	1,707,625	-	-	-	-	-	2,116,035	2,116,035	-	3,823,660
Fund Balance:											
Beginning of year	-	4,519,936	-	-	-	-	-	-	-	-	4,519,936
End of year	\$ -	\$ 6,227,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,116,035	\$ 2,116,035	\$ -	\$ 8,343,596

(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, 2019

	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	\$ 214,867	\$ 35,185	\$ 146,486	\$ 12,463	\$ 163,238	\$ 1,548,184	\$ 4,143	\$ 260,831	\$ 824,539	\$ 104	\$ 3,210,040
Investments:											
Money markets	-	-	-	-	-	-	-	-	-	-	-
Bond mutual funds	-	-	-	-	-	-	-	-	-	-	-
International equity funds	-	-	-	-	-	-	-	-	-	-	-
Domestic equity funds	-	-	-	-	-	-	-	-	-	-	-
Equities	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable - at estimated realizable value	-	-	-	-	-	-	-	-	31,096	-	31,096
Other	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 214,867	\$ 35,185	\$ 146,486	\$ 12,463	\$ 163,238	\$ 1,548,184	\$ 4,143	\$ 260,831	\$ 855,635	\$ 104	\$ 3,241,136
Liabilities											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,295	\$ -	\$ 52,295
Due to other governments	79,683	-	76,727	12,463	8,145	1,494,781	4,143	11,293	803,340	96	2,490,671
Due to others	-	-	-	-	-	-	-	-	-	-	-
Escrow liability	135,184	35,185	69,759	-	155,093	53,403	-	249,538	-	8	698,170
Total Liabilities	214,867	35,185	146,486	12,463	163,238	1,548,184	4,143	260,831	855,635	104	3,241,136
Net Position											
Net Position Restricted for Pensions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

COUNTY OF BUTLER, PENNSYLVANIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

ALL CUSTODIAL FUNDS

DECEMBER 31, 2019

	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	1,914,104	-	-	-	-	-	-	-	-	-	1,914,104
Commissary	-	92,740	-	-	-	-	-	-	-	-	92,740
District Courts	-	-	3,368,454	-	-	-	-	-	-	-	3,368,454
Domestic Relations	-	-	-	643,405	-	-	-	-	-	-	643,405
Prothonotary	-	-	-	-	489,246	-	-	-	-	-	489,246
Recorder of Deeds	-	-	-	-	-	13,817,747	-	-	-	-	13,817,747
Register of Wills	-	-	-	-	-	-	52,267	-	-	-	52,267
Sheriff	-	-	-	-	-	-	-	1,588,243	-	-	1,588,243
Tax Claim	-	-	-	-	-	-	-	-	5,861,652	-	5,861,652
Treasurer	-	-	-	-	-	-	-	-	-	397,633	397,633
Total receipts	1,914,104	92,740	3,368,454	643,405	489,246	13,817,747	52,267	1,588,243	5,861,652	397,633	28,225,491
Total additions	1,914,104	92,740	3,368,454	643,405	489,246	13,817,747	52,267	1,588,243	5,861,652	397,633	28,225,491
Deductions:											
Benefits and refunds paid to plan members and beneficiaries	-	-	-	-	-	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-	-	-	-	-
Fiduciary liability insurance	-	-	-	-	-	-	-	-	-	-	-
Disbursements:											
Payments to other governments	1,049,758	-	2,845,523	643,405	120,491	13,367,936	52,267	39,514	5,861,652	391,377	24,371,923
Escrow payments	864,346	92,740	369,075	-	368,755	449,811	-	1,548,729	-	6,256	3,699,712
Other disbursements	-	-	153,856	-	-	-	-	-	-	-	153,856
Total disbursements	1,914,104	92,740	3,368,454	643,405	489,246	13,817,747	52,267	1,588,243	5,861,652	397,633	28,225,491
Total deductions	1,914,104	92,740	3,368,454	643,405	489,246	13,817,747	52,267	1,588,243	5,861,652	397,633	28,225,491
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, 2019

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues:</u>						
<u>Marcellus Shale</u>						
Transfer from Marcellus Shale	01013592 09037	\$ 196,282	\$ 233,282	\$ 37,000	\$ (159,282)	\$ (196,282)
Subtotal		196,282	233,282	37,000	(159,282)	(196,282)
<u>Election Bureau</u>						
Election Bureau	01020441 04000	2,300	2,300	2,689	389	389
Subtotal		2,300	2,300	2,689	389	389
<u>Assessment</u>						
Assessment	01060441 04001	70,000	70,000	74,055	4,055	4,055
Act 1 Homestead	010654410 04001	10,500	10,500	10,872	372	372
Subtotal		80,500	80,500	84,927	4,427	4,427
<u>Mapping</u>						
Maps/Mapping Department	01070441 04002	12,500	12,500	13,919	1,419	1,419
Copies	01070441 04039	4,500	4,500	3,581	(919)	(919)
Subtotal		17,000	17,000	17,500	500	500
<u>Tax Collectors</u>						
Current Real Estate - General	01080411 03000	38,191,308	38,191,308	38,668,361	477,053	477,053
Current Real Estate - BC3	01080411 03001	5,224,426	5,224,426	5,289,643	65,217	65,217
Current Real Estate - Debt Service	01080411 03002	5,759,733	5,759,733	5,832,122	72,389	72,389
Subtotal		49,175,467	49,175,467	49,790,126	614,659	614,659
<u>Payment in Lieu of Taxes</u>						
Public Utility Act	01081432 01004	52,000	52,000	48,320	(3,680)	(3,680)
Payment in Lieu of Taxes	01081432 01005	185,000	185,000	183,646	(1,354)	(1,354)
State Game Lands	01081432 01006	13,000	13,000	13,103	103	103
State Equalization	01081432 01007	1,000	1,000	1,409	409	409
Subtotal		251,000	251,000	246,478	(4,522)	(4,522)

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Hotel Tax</u>						
Transfer from Hotel Tax	01082592 09002	100,000	100,000	100,319	319	319
Subtotal		100,000	100,000	100,319	319	319
<u>Tax Claim</u>						
Tax Claim Bureau	01100441 04004	50,000	50,000	51,190	1,190	1,190
Copies	01100441 04039	1,400	1,400	1,476	76	76
Transfer from Tax Claim	01100592 09003	2,200,000	2,200,000	2,113,598	(86,402)	(86,402)
Subtotal		2,251,400	2,251,400	2,166,264	(85,136)	(85,136)
<u>Treasurer</u>						
Bingo Licenses	01110420 04009	3,700	3,700	3,755	55	55
Small Games of Chance	01110420 04011	29,000	29,000	31,540	2,540	2,540
Bureau of Dog Law Enforcement	01110432 01008	12,000	12,000	11,153	(847)	(847)
Treasurer - Commissions	01110441 04008	48,000	48,000	48,964	964	964
Treasurer	01110441 04010	50	50	75	25	25
NSF Fee	01110441 04012	650	650	945	295	295
License Administration	01110441 04056	30,000	30,000	21,878	(8,122)	(8,122)
Tax Certification	01110441 04169	1,200	1,200	1,905	705	705
Overpayment-Underpayment	01110441 04171	-	-	-	-	-
Interest	01110461 06000	200	200	304	104	104
Subtotal		124,800	124,800	120,519	(4,281)	(4,281)
<u>Recorder of Deeds</u>						
Recorder - Fees	01150441 04013	575,000	575,000	623,726	48,726	48,726
Recorder - Commissions	01150441 04014	300,000	300,000	345,359	45,359	45,359
Recorder - Copy Fees	01150441 04015	30,000	30,000	24,568	(5,432)	(5,432)
Recorder - UCC Fees	01150441 04018	20,000	20,000	36,436	16,436	16,436
Interest	01150461 06000	1,500	1,500	3,844	2,344	2,344
Subtotal		926,500	926,500	1,033,933	107,433	107,433

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Affordable Housing</u>						
Transfer from Affordable Housing	01151592 09017	60,000	60,000	45,624	(14,376)	(14,376)
Subtotal		60,000	60,000	45,624	(14,376)	(14,376)
<u>Personnel</u>						
Miscellaneous Revenue	01164419 05000	10	10	-	(10)	(10)
Transfer from Workers' Compensation	01160592 09004	40,000	40,000	-	(40,000)	(40,000)
Subtotal		40,010	40,010	-	(40,010)	(40,010)
<u>Planning</u>						
SWPAC - PennDOT Grant	01190432 01011	17,252	17,252	17,252	-	-
Subdivision Land Development	01190441 04024	50,000	50,000	43,490	(6,510)	(6,510)
Subtotal		67,252	67,252	60,742	(6,510)	(6,510)
<u>Solid Waste</u>						
Transfer from Waste Management	01200592 09006	161,013	161,013	409,138	248,125	248,125
Subtotal		161,013	161,013	409,138	248,125	248,125
<u>Grants Management</u>						
Grant Management Reimbursement	01210594 07003	-	-	-	-	-
Subtotal		-	-	-	-	-
<u>Mailroom</u>						
Printing and Mailing	01240441 04033	50,000	50,000	41,439	(8,561)	(8,561)
Subtotal		50,000	50,000	41,439	(8,561)	(8,561)

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, 2019

(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	284,843	(15,157)	(15,157)
Act 24 Guardianship	01270432 01022	25,000	25,000	27,227	2,227	2,227
Credit Counseling Fee	01270442 04184	20,000	20,000	-	(20,000)	(20,000)
Court Transcript Revenue	01270442 04194	20,000	20,000	17,196	(2,804)	(2,804)
Subtotal		365,000	365,000	329,266	(35,734)	(35,734)
<u>Custody Conciliator</u>						
Custody Hearing Fees	01271442 04037	50,000	50,000	51,631	1,631	1,631
Non TITLE IV D Refunds	01271594 07005	-	-	218	218	218
Subtotal		50,000	50,000	51,849	1,849	1,849
<u>Access and Visitation Grant</u>						
DPW - Access and Visitation	01274432 93597	-	-	-	-	-
Subtotal		-	-	-	-	-
<u>Jury Reimbursement</u>						
Jury Reimbursement	01278432 01021	500	500	308	(192)	(192)
Subtotal		500	500	308	(192)	(192)
<u>District Judges</u>						
MDJ - Evans City	01280442 04043	70,000	70,000	77,714	7,714	7,714
MDJ - Cranberry	01285442 04044	95,000	95,000	105,331	10,331	10,331
MDJ - Saxonburg	01290442 04045	62,000	62,000	69,958	7,958	7,958
MDJ - Chicora	0130042 04046	55,000	55,000	65,081	10,081	10,081
MDJ - Butler Township	01310442 04047	60,000	60,000	52,894	(7,106)	(7,106)
MDJ - Butler City	01315442 04048	110,000	110,000	103,729	(6,271)	(6,271)
MDJ - Slippery Rock	01320442 04049	88,000	88,000	101,491	13,491	13,491
Subtotal		540,000	540,000	576,198	36,198	36,198

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Revenues: (Continued)</u>						
<u>Law Library</u>						
Law Library	01330442 04051	200	200	13	(187)	(187)
Subtotal		200	200	13	(187)	(187)
<u>Clerk of Courts</u>						
Administration Collection	01340442 04056	-	-	2,714	2,714	2,714
Electronic Monitoring Admin	01340442 04059	-	-	133	133	133
Overpayment/Underpayment	01340442 04171	-	-	18	18	18
DUI Fines	01340450 04055	73,000	73,000	65,600	(7,400)	(7,400)
Costs/Fines/Fees	01340450 04057	687,000	687,000	799,347	112,347	112,347
Community Service Fees	01340450 04060	5,800	5,800	6,444	644	644
Expungement Filing Fees	01340450 04195	3,000	3,000	2,739	(261)	(261)
Interest	01340461 06000	300	300	273	(27)	(27)
Substance Abuse Education Fines	01341450 04061	56,000	56,000	54,063	(1,937)	(1,937)
Subtotal		825,100	825,100	931,331	106,231	106,231

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, 2019

(Continued)

			Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
			Original	Final			
<u>Revenues: (Continued)</u>							
<u>Coroner</u>							
Vital Statistics	01350432	01208	20,000	20,000	-	(20,000)	(20,000)
Coroner - Fees	01350442	04062	12,000	12,000	52,830	40,830	40,830
Subtotal			32,000	32,000	52,830	20,830	20,830
<u>District Attorney</u>							
District Attorney Reimbursement	01360432	01200	115,000	115,000	116,544	1,544	1,544
District Attorney - Fees	01360442	04063	-	-	31,488	31,488	31,488
Investigative Fund Reimbursement	01360442	07007	1,500	1,500	1,164	(336)	(336)
Expungement Filing Fee	01360450	04196	8,500	8,500	2,739	(5,761)	(5,761)
Forfeited Property	01360452	07006	50,000	100,000	91,084	41,084	(8,916)
DUI Sobriety Checkpoint	01364432	20601	25,000	25,000	-	(25,000)	(25,000)
DUI Checkpoint Grant	01364432	20616	3,800	3,800	14,087	10,287	10,287
VOICE - STOP Grant	01368432	16588	-	-	62,805	62,805	62,805
Subtotal			203,800	253,800	319,911	116,111	66,111
<u>Prothonotary</u>							
Prothonotary - Commissions	01370442	04065	8,500	8,500	10,122	1,622	1,622
Prothonotary - Fees	01370442	04066	475,000	475,000	446,098	(28,902)	(28,902)
Subtotal			483,500	483,500	456,220	(27,280)	(27,280)

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
Revenues: (Continued)						
Register of Wills						
Register - Commissions	01380442 04069	80,000	80,000	103,502	23,502	23,502
Register - Fees	01380442 04071	275,000	275,000	299,670	24,670	24,670
Orphan's Court Fees	01380442 04075	75,000	75,000	87,259	12,259	12,259
Counseling Fees	01380442 04076	200	200	300	100	100
R.O.W. Counseling Interest	01380461 06004	-	-	414	414	414
Subtotal		430,200	430,200	491,145	60,945	60,945
Sheriff						
Sheriff - Fees	01390442 04077	425,000	425,000	380,468	(44,532)	(44,532)
DRO Reimbursements	01390442 07008	1,500	1,500	10,869	9,369	9,369
Restitution	01390442 07033	100	100	-	(100)	(100)
Federal Transports Revenue	01390442 07035	5,000	5,000	8,306	3,306	3,306
Interest	01390461 06000	10,000	10,000	9,917	(83)	(83)
Donations	01390467 07002	1,000	30,000	5,892	4,892	(24,108)
Subtotal		442,600	471,600	415,452	(27,148)	(56,148)
Prison						
Work Release	01402444 04078	4,000	4,000	3,088	(912)	(912)
Housing	01402444 04079	1,051,200	1,051,200	1,421,338	370,138	370,138
Medical Visits	01402444 04080	12,000	12,000	7,242	(4,758)	(4,758)
Social Security	01402444 04167	15,000	15,000	18,400	3,400	3,400
Booking Fee	01402444 04182	35,000	35,000	33,975	(1,025)	(1,025)
Misconduct Hearings	01402444 04185	750	750	655	(95)	(95)
Subtotal		1,117,950	1,117,950	1,484,698	366,748	366,748

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, 2019

(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	170,601	40,601	40,601
Adult Probation - Grant-In-Aid	01410432 01033	120,000	120,000	112,058	(7,942)	(7,942)
CCAP - UCM Web Portal	01410432 01247	3,500	3,500	192	(3,308)	(3,308)
Electronic Monitor Fees	01410444 04082	330,000	405,000	417,101	87,101	12,101
SCRAM Fees	01410444 04158	20,000	20,000	14,170	(5,830)	(5,830)
Act 35 Fees	01410450 04081	35,000	92,500	57,501	22,501	(34,999)
Subtotal		638,500	771,000	771,623	133,123	623
<u>Drug Screening</u>						
Drug Screening	01412444 04084	500	500	157	(343)	(343)
Subtotal		500	500	157	(343)	(343)
<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	6,304	(696)	(696)
Title IV-E	01420432 93658	-	-	9,825	9,825	9,825
Subtotal		264,000	264,000	273,834	9,834	9,834
<u>Emergency Management Agency</u>						
Emergency Management	01440432 97042	95,000	95,000	69,166	(25,834)	(25,834)
Subtotal		95,000	95,000	69,166	(25,834)	(25,834)

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, 2019

(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	7,315	338	338
Subtotal			6,977	6,977	7,315	338	338
<u>Alameda Park/Pool</u>							
Shelter Reservations	01510447	04096	38,000	38,000	38,475	475	475
Diamond Park Permit	01510447	04201	300	300	1,712	1,412	1,412
Alameda Park Permit	01510447	04202	-	-	1,200	1,200	1,200
Rental Revenue/DEK Hockey	01510447	05010	20,000	20,000	12,960	(7,040)	(7,040)
Concessions	01520447	04097	46,000	46,000	43,760	(2,240)	(2,240)
Pool Rental/Locker Income	01520447	04098	7,500	12,945	15,415	7,915	2,470
Swim Team	01520447	04099	3,500	3,500	-	(3,500)	(3,500)
Pool Admissions	01520447	04100	110,000	110,000	115,060	5,060	5,060
Swim Lessons	01520447	04101	15,000	15,000	10,340	(4,660)	(4,660)
Pool Passes	01520447	04102	38,000	38,000	33,430	(4,570)	(4,570)
Pool Program Fees	01520447	04166	3,500	3,500	630	(2,870)	(2,870)
Miscellaneous Revenue	01520447	05000	500	500	835	335	335
Overage/Shortage	01520447	05003	-	-	8	8	8
Subtotal			282,300	287,745	273,825	(8,475)	(13,920)
<u>Interest</u>							
Interest	01610461	06000	250,000	250,000	424,063	174,063	174,063
Subtotal			250,000	250,000	424,063	174,063	174,063
<u>Sinking Fund</u>							
Transfer from Sinking Fund	01615952	09010	-	-	-	-	-
Subtotal			-	-	-	-	-

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, 2019

(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	475,000	475,000	488,991	13,991	13,991
Marcellus Shale Royalties	01640462 04188	125,000	125,000	149,291	24,291	24,291
Donations	01640467 07002	1,000	1,000	-	(1,000)	(1,000)
Miscellaneous Revenue	01640469 05000	10,000	10,000	9,196	(804)	(804)
Parking Fees	01640469 05009	10,500	10,500	10,775	275	275
Donations	01640469 07002	500	500	-	(500)	(500)
Cost Allocation Plan	01640594 07017	700,000	700,000	938,519	238,519	238,519
Miscellaneous Refund	01640594 07028	5,000	5,000	642	(4,358)	(4,358)
Subtotal		1,330,255	1,330,255	1,600,669	270,414	270,414
<u>Capital Reserve</u>						
Transfer from Capital Reserve	01642592 09011	-	50,000	-	-	(50,000)
Subtotal		-	50,000	-	-	(50,000)
<u>Operating Reserve</u>						
Transfer from Operating Reserve	01643592 09012	-	-	-	-	-
Subtotal		-	-	-	-	-
<u>Food Program</u>						
Restitution	01806594 07001	-	-	900	900	900
Subtotal		-	-	900	900	900
<u>Drug & Alcohol Administrative</u>						
D & A DUI Match	01880446 04133	75,000	75,000	65,600	(9,400)	(9,400)
Subtotal		75,000	75,000	65,600	(9,400)	(9,400)
<u>Prior Year</u>						
Prior Year Fund Balance Carryover	01000400 00000	4,225,406	4,225,406	-	(4,225,406)	(4,225,406)
Subtotal		4,225,406	4,225,406	-	(4,225,406)	(4,225,406)
Grand Total General Fund Revenues		\$ 65,162,312	\$ 65,466,257	\$ 62,753,071	\$ (2,409,241)	\$ (2,713,186)

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, 2019

(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:	\$ 65,162,312	\$ 65,466,257	\$ 62,753,071	\$ (2,409,241)	\$ (2,713,186)
Operating Reserve	10,000	10,000	24,664	14,664	14,664
Workers' Compensation	29,000	29,000	58,319	29,319	29,319
Tax Claim	2,345,000	2,345,000	2,244,632	(100,368)	(100,368)
Agricultural Conservation	106,700	106,700	37,928	(68,772)	(68,772)
Less: Prior Year Fund Balance Carryover:					
General Fund	4,225,406	4,225,406	-	(4,225,406)	(4,225,406)
Less: Elimination of Interfund Transfers:					
Operating Reserve	-	-	-	-	-
Workers' Compensation	40,000	40,000	-	(40,000)	(40,000)
Tax Claim	2,200,000	2,200,000	2,113,598	(86,402)	(86,402)
Agricultural Conservation	-	-	-	-	-
Grand Total As Reported on page III-8	\$ 61,187,606	\$ 61,491,551	\$ 63,005,016	\$ 1,817,410	\$ 1,513,465

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, 2019

(Continued)

			Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
			Original	Final			
Expenditures:							
Commissioners							
Department Head Salary	010106 0100	\$	268,271	\$ 268,271	\$ 268,491	\$ (220)	\$ (220)
Staff Salary	010106 0300		209,470	209,470	161,064	48,406	48,406
Social Security	010106 0802		36,547	36,547	32,314	4,233	4,233
Retirement	010106 0804		78,367	78,367	72,722	5,645	5,645
Medical/Presc/Dental	010106 0807		93,599	97,047	93,255	344	3,792
Vision/Life Insurance	010106 0809		1,120	1,312	1,211	(91)	101
Contracted Services	010107 1000		30,000	63,750	68,750	(38,750)	(5,000)
Advertising	010107 2700		5,000	5,000	4,230	770	770
Materials and Supplies	010107 3000		4,900	4,900	1,976	2,924	2,924
Travel and Transportation	010107 4100		10,000	10,000	9,740	260	260
Equipment Maintenance and Rental	010107 4500		4,100	4,100	4,284	(184)	(184)
Association Dues	010107 6100		30,000	30,000	28,432	1,568	1,568
Other Miscellaneous Costs	010107 8004		5,000	5,000	1,525	3,475	3,475
Subtotal			776,374	813,764	747,994	28,380	65,770
Election Bureau							
Department Head Salary	010206 0100		57,119	57,119	57,519	(400)	(400)
Staff Salary	010206 0300		110,251	119,596	122,585	(12,334)	(2,989)
Overtime	010206 0399		9,000	11,700	11,732	(2,732)	(32)
Social Security	010206 0802		13,875	14,177	14,087	(212)	90
Retirement	010206 0804		30,833	31,504	25,089	5,744	6,415
Medical/Prescription/Dental	010206 0807		33,358	47,077	46,112	(12,754)	965
Vision/Life Insurance	010206 0809		428	524	587	(159)	(63)
Postage	010207 2500		1,000	1,000	945	55	55
Advertising	010207 2700		1,500	1,500	371	1,129	1,129
Materials and Supplies	010207 3000		9,000	9,000	8,098	902	902
Training and Staff Development	010207 4000		1,500	1,500	1,041	459	459
Travel and Transportation	010207 4100		6,000	6,000	4,020	1,980	1,980
Rentals/Leases/Copier/Haulers	010207 4500		7,500	7,500	6,690	810	810
Subtotal			281,364	308,197	298,876	(17,512)	9,321

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, 2019

(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	135,000	147,000	140,739	(5,739)	6,261
Staff Salary	010216 0300	9,000	-	-	9,000	-
Return Board Salary	010216 0301	2,000	2,000	276	1,724	1,724
Rent/Occupancy Costs	010217 2200	7,000	7,000	6,750	250	250
Audio File & Onsite Support	010217 2600	7,000	4,000	2,345	4,655	1,655
Ballot Printing	010217 2601	25,000	26,000	25,980	(980)	20
Advertising	010217 2700	6,000	6,000	6,742	(742)	(742)
Material & Supplies	010217 3000	10,000	56,723	58,469	(48,469)	(1,746)
Training & Staff Development	010217 4000	6,000	6,000	8,365	(2,365)	(2,365)
Travel & Transportation	010217 4100	10,000	10,000	10,065	(65)	(65)
Equipment Maintenance & Rental	010217 4500	53,000	53,000	48,489	4,511	4,511
Rovers	010217 8004	-	-	914	(914)	(914)
Subtotal		270,000	317,723	309,134	(39,134)	8,589
<u>Special Election</u>						
Staff Salary	010236 0300	-	9,000	12,461	(12,461)	(3,461)
Overtime	010236 0399	-	-	693	(693)	(693)
Social Security	010236 0802	-	689	1,047	(1,047)	(358)
Retirement	010236 0804	-	1,530	-	-	1,530
Medical/Prescription/Dental	010236 0807	-	1,000	4,431	(4,431)	(3,431)
Vision/Life Insurance	010236 0809	-	50	51	(51)	(1)
Subtotal		-	12,269	18,683	(18,683)	(6,414)

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, 2019

(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	84,963	84,963	85,324	(361)	(361)
Solicitor Salary	010306 0200	6,000	6,000	-	6,000	6,000
Staff Salaries	010306 0300	356,383	430,501	417,768	(61,385)	12,733
Intern	010306 0700	5,000	5,000	-	5,000	5,000
Social Security	010306 0802	33,763	39,433	37,708	(3,945)	1,725
Retirement	010306 0804	67,763	80,363	85,096	(17,333)	(4,733)
Medical/Prescription/Dental	010306 0807	104,459	120,363	118,688	(14,229)	1,675
Vision/Life Insurance	010306 0809	1,222	1,580	1,634	(412)	(54)
Audit Contracts	010307 1001	33,000	33,000	37,164	(4,164)	(4,164)
Advertising	010307 2700	1,500	1,500	1,500	-	-
Materials and Supplies	010307 3000	2,400	2,400	2,390	10	10
Training and Staff Development	010307 4000	6,000	6,000	4,552	1,448	1,448
Travel and Transportation	010307 4100	2,000	2,000	1,128	872	872
Equipment Maintenance and Rental	010307 4500	3,600	3,600	4,164	(564)	(564)
Association Dues	010307 6100	1,000	1,000	754	246	246
Subtotal		709,053	817,703	797,870	(88,817)	19,833
<u>Single Audit</u>						
Single Audit	010407 1002	113,000	113,000	79,218	33,782	33,782
Subtotal		113,000	113,000	79,218	33,782	33,782
<u>Budget</u>						
Staff Salary	010506 0300	145,818	145,818	146,947	(1,129)	(1,129)
Social Security	010506 0802	11,155	11,155	11,054	101	101
Retirement	010506 0804	24,789	24,789	24,972	(183)	(183)
Medical/Prescription/Dental	010506 0807	26,902	27,559	27,538	(636)	21
Vision/Life Insurance	010506 0809	306	370	343	(37)	27
Materials and Supplies	010507 3000	270	270	172	98	98
Travel and Transportation	010507 4100	400	400	162	238	238
Equipment Maintenance and Rental	010507 4500	250	250	-	250	250
Association Dues	010507 6100	150	150	-	150	150
Subtotal		210,040	210,761	211,188	(1,148)	(427)

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, 2019

(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	75,427	75,427	87,756	(12,329)	(12,329)
Staff Salaries	010606 0300	365,634	374,887	377,607	(11,973)	(2,720)
Overtime	010606 0399	10,000	10,000	7,606	2,394	2,394
Social Security	010606 0802	34,506	35,276	35,295	(789)	(19)
Uniform Benefits	010606 0803	-	800	800	(800)	-
Retirement	010606 0804	76,680	78,253	81,859	(5,179)	(3,606)
Medical/Prescription/Dental	010606 0807	129,898	144,900	153,699	(23,801)	(8,799)
Vision/Life Insurance	010606 0809	1,529	1,817	1,755	(226)	62
Contracted Appraisals	010607 1003	20,000	20,000	19,950	50	50
Appeal Board	010607 1013	3,500	3,500	4,125	(625)	(625)
Materials and Supplies	010607 3000	35,000	39,704	24,299	10,701	15,405
Training and Staff Development	010607 4000	12,000	12,000	1,431	10,569	10,569
Travel and Transportation	010607 4100	12,000	12,000	4,493	7,507	7,507
Other Travel	010607 4101	12,000	12,000	-	12,000	12,000
Equipment Maintenance and Rental	010607 4500	149,500	149,500	25,048	124,452	124,452
Association Dues	010607 6100	2,020	2,020	1,671	349	349
Subtotal		939,694	972,084	827,394	112,300	144,690
<u>Homestead Grant - DCED</u>						
Postage	010657 2500	6,500	6,500	1,758	4,742	4,742
Materials and Supplies	010657 3000	5,880	5,880	1,119	4,761	4,761
Subtotal		12,380	12,380	2,877	9,503	9,503

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, 2019

(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	57,770	57,770	57,770	-	-
Staff Salary	010706 0300	101,879	105,091	99,472	2,407	5,619
Social Security	010706 0802	12,213	12,459	11,767	446	692
Retirement	010706 0804	27,140	27,686	26,770	370	916
Medical/Prescription/Dental	010706 0807	44,497	48,049	46,440	(1,943)	1,609
Vision/Life Insurance	010706 0809	510	606	540	(30)	66
Materials and Supplies	010707 3000	3,000	3,000	926	2,074	2,074
Training and Staff Development	010707 4000	2,500	2,500	231	2,269	2,269
Travel and Transportation	010707 4100	800	800	-	800	800
Equipment Maintenance and Rental	010707 4500	18,138	18,138	10,082	8,056	8,056
Subtotal		268,447	276,099	253,998	14,449	22,101
<u>Tax Collectors</u>						
Tax Collector Commissions	010806 0344	300,000	300,000	296,021	3,979	3,979
Social Security	010806 0802	23,000	23,000	22,646	354	354
Postage	010807 2500	2,000	2,000	2,104	(104)	(104)
Materials and Supplies	010807 3000	245	245	-	245	245
Subtotal		325,245	325,245	320,771	4,474	4,474

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Tax Claim</u>						
Department Head Salary	011006 0100	55,441	55,441	56,230	(789)	(789)
Staff Salary	011006 0300	80,018	82,767	82,422	(2,404)	345
Social Security	011006 0802	10,363	10,573	10,171	192	402
Retirement	011006 0804	23,028	23,495	23,614	(586)	(119)
Medical/Prescription/Dental	011006 0807	55,521	57,450	56,431	(910)	1,019
Vision/Life Insurance	011006 0809	611	707	650	(39)	57
Advertising	011007 2700	82,000	82,000	72,251	9,749	9,749
Materials and Supplies	011007 3000	2,500	2,500	613	1,887	1,887
Training and Staff Development	011007 4000	500	500	161	339	339
Travel and Transportation	011007 4100	700	700	516	184	184
Equipment Maintenance and Rental	011007 4500	14,100	14,100	15,115	(1,015)	(1,015)
Title Searches	011007 5000	10,000	10,000	5,768	4,232	4,232
Judicial Sale	011007 5200	25,000	25,000	40,276	(15,276)	(15,276)
Bonds	011007 6000	1,800	1,800	-	1,800	1,800
Association Dues	011007 6100	150	150	100	50	50
Subtotal		361,732	367,183	364,318	(2,586)	2,865
<u>Treasurer</u>						
Department Head Salary	011106 0100	85,313	85,313	85,313	-	-
Solicitor Salary	011106 0200	6,000	6,000	6,000	-	-
Staff Salary	011106 0300	258,663	264,634	251,902	6,761	12,732
Doe Project Salaries	011106 0311	3,800	3,800	3,900	(100)	(100)
Social Security	011106 0802	26,314	26,771	25,567	747	1,204
Retirement	011106 0804	58,476	59,287	57,277	1,199	2,010
Medical/Prescription/Dental	011106 0807	28,973	84,354	78,743	(49,770)	5,611
Vision/Life Insurance	011106 0809	937	1,097	1,059	(122)	38
Bureau of Dog Law Enforcement	011107 2500	12,000	10,708	11,153	847	(445)
License Administration Expended	011107 2501	22,600	22,600	21,878	722	722
Materials and Supplies	011107 3000	1,960	2,530	2,328	(368)	202
Training and Staff Development	011107 4000	1,370	800	500	870	300
Travel and Transportation	011107 4100	1,700	1,700	1,584	116	116
Equipment Maintenance and Rental	011107 4500	3,900	3,900	2,737	1,163	1,163
Association Dues	011107 6100	1,330	1,330	1,170	160	160
Subtotal		513,336	574,824	551,111	(37,775)	23,713

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, 2019

(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	27,425	27,425	26,459	966	966
Social Security	011206 0802	2,098	2,098	2,024	74	74
Materials and Supplies	011207 3000	300	300	28	272	272
Travel and Transportation	011207 4100	600	600	-	600	600
Equipment Maintenance and Rental	011207 4500	150	150	163	(13)	(13)
Association Dues	011207 6100	50	50	-	50	50
Subtotal		30,623	30,623	28,674	1,949	1,949
<u>Solicitor</u>						
Department Head Salary	011306 0100	111,569	71,569	49,060	62,509	22,509
Social Security	011306 0802	8,535	8,535	3,739	4,796	4,796
Retirement	011306 0804	18,967	3,967	887	18,080	3,080
Medical/Prescription/Dental	011306 0807	20,324	8,712	1,152	19,172	7,560
Vision/Life Insurance	011306 0809	204	204	17	187	187
Contractedd Services	011307 1000	-	66,612	66,612	(66,612)	-
Materials and Supplies	011307 3000	5,000	5,000	5,378	(378)	(378)
Travel and Transportation	011307 4100	2,100	2,100	721	1,379	1,379
Filing Fees	011307 5001	500	500	-	500	500
Subtotal		167,199	167,199	127,566	39,633	39,633
<u>Unanticipated Legal</u>						
Unanticipated Legal - General	011357 8005	50,000	50,000	39,771	10,229	10,229
Unanticipated Legal - Prison	011357 8065	50,000	50,000	30,445	19,555	19,555
Unanticipated Legal - Tax Claim	011357 8069	-	-	350	(350)	(350)
Subtotal		100,000	100,000	70,566	29,434	29,434

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Public Defender</u>						
Department Head Salary	011406 0100	110,301	110,301	107,611	2,690	2,690
Staff Salary	011406 0300	579,499	603,428	603,470	(23,971)	(42)
Social Security	011406 0802	51,934	52,082	53,261	(1,327)	(1,179)
Retirement	011406 0804	52,770	53,098	114,261	(61,491)	(61,163)
Medical/Prescription/Dental	011406 0807	104,928	148,957	147,270	(42,342)	1,687
Vision/Life Insurance	011406 0809	1,527	1,783	1,486	41	297
Materials and Supplies	011407 3000	20,580	20,580	19,989	591	591
Travel and Training	011407 4100	9,000	9,000	8,604	396	396
Equipment Maintenance and Rental	011407 4500	7,000	7,000	7,420	(420)	(420)
Association Dues	011407 6100	3,000	3,000	2,555	445	445
Costs of Defense	011407 8056	50,000	50,000	11,233	38,767	38,767
Subtotal		990,539	1,059,229	1,077,160	(86,621)	(17,931)
<u>Recorder of Deeds</u>						
Department Head Salary	011506 0100	85,313	85,313	85,313	-	-
Solicitor Salary	011506 0200	6,000	6,000	6,000	-	-
Staff Salary	011506 0300	263,411	268,877	205,940	57,471	62,937
Social Security	011506 0802	26,678	27,096	21,706	4,972	5,390
Retirement	011506 0804	59,283	60,212	49,279	10,004	10,933
Medical/Prescription/Dental	011506 0807	59,337	63,788	64,571	(5,234)	(783)
Vision/Life Insurance	011506 0809	835	995	1,021	(186)	(26)
Materials and Supplies	011507 3000	7,500	7,500	7,249	251	251
Training and Staff Development	011507 4000	200	200	-	200	200
Travel and Transportation	011507 4100	500	500	-	500	500
Equipment Maintenance and Rental	011507 4500	18,500	18,500	20,428	(1,928)	(1,928)
Bonds	011507 6000	500	500	-	500	500
Association Dues	011507 6100	-	-	250	(250)	(250)
Subtotal		528,057	539,481	461,757	66,300	77,724

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, 2019

(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	93,403	93,403	99,554	(6,151)	(6,151)
Staff Salary	011606 0300	214,708	214,708	210,761	3,947	3,947
Overtime	011606 0399	-	753	753	(753)	-
Social Security	011606 0802	23,570	23,628	23,400	170	228
Retirement	011606 0804	52,379	52,508	53,092	(713)	(584)
Medical/Prescription/Dental	011606 0807	40,890	43,210	42,810	(1,920)	400
Vision/Life Insurance	011606 0809	734	894	776	(42)	118
Contracted Services	011607 1000	30,000	30,000	22,467	7,533	7,533
Union Negotiations	011607 1016	35,000	45,000	52,143	(17,143)	(7,143)
Materials and Supplies	011607 0300	3,500	3,500	1,667	1,833	1,833
Training and Staff Development	011607 4000	3,000	3,000	1,081	1,919	1,919
Travel and Transportation	011607 4100	1,700	1,700	639	1,061	1,061
Equipment Maintenance and Rental	011607 4500	3,700	3,700	3,924	(224)	(224)
Subtotal		502,584	516,004	513,067	(10,483)	2,937
<u>Payroll</u>						
Personnel Processing	011617 1006	10,000	10,000	3,609	6,391	6,391
Subtotal		10,000	10,000	3,609	6,391	6,391

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Employee Benefits</u>						
Workers' Compensation	0116264 0811	130,000	130,000	45,010	84,990	84,990
Unemployment Compensation	0116265 0812	15,000	15,000	43,230	(28,230)	(28,230)
Medical/Prescription/Dental	0116267 0807	-	-	128	(128)	(128)
Cobra Health Benefits	0116267 0808	-	-	(3,128)	3,128	3,128
HRA Benefits	0116267 0826	425,000	68,615	-	425,000	68,615
Miscellaneous Healthcare	0116267 0845	-	-	(4,160)	4,160	4,160
Subtotal		570,000	213,615	81,080	488,920	132,535
<u>Central Phone</u>						
Telephone	011707 2400	140,000	140,000	99,003	40,997	40,997
Subtotal		140,000	140,000	99,003	40,997	40,997
<u>Information Technology</u>						
Department Head Salary	011806 0100	93,262	93,262	90,264	2,998	2,998
Staff Salary	011806 0300	352,985	397,784	337,176	15,809	60,608
Overtime	011806 0399	2,500	2,500	6,603	(4,103)	(4,103)
Social Security	011806 0802	34,330	37,757	32,676	1,654	5,081
Retirement	011806 0804	76,287	83,903	73,632	2,655	10,271
Medical/Prescription/Dental	011806 0807	92,191	99,985	92,095	96	7,890
Vision/Life Insurance	011806 0809	1,141	1,465	1,104	37	361
Contracted Services	011807 1000	14,000	14,000	22,360	(8,360)	(8,360)
Telephone	011807 2400	1,210	1,210	975	235	235
Materials and Supplies	011807 3000	15,000	15,000	11,866	3,134	3,134
Training and Staff Development	011807 4000	2,000	2,000	161	1,839	1,839
Travel and Transportation	011807 4100	1,050	1,050	-	1,050	1,050
Equipment Maintenance and Rental	011807 4500	168,000	218,000	185,073	(17,073)	32,927
Financial/Tax Software Support	011807 4516	120,000	120,000	107,007	12,993	12,993
Association Dues	011807 6100	3,800	3,800	4,120	(320)	(320)
Subtotal		977,756	1,091,716	965,112	12,644	126,604

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, 2019

(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	94,315	94,315	92,162	2,153	2,153
Staff Salary	011906 0300	89,711	91,512	86,799	2,912	4,713
Social Security	011906 0802	14,078	14,216	13,316	762	900
Retirement	011906 0804	31,284	31,590	19,659	11,625	11,931
Medical/Prescription/Dental	011906 0807	68,543	71,366	17,646	50,897	53,720
Vision/Life Insurance	011906 0809	837	1,029	178	659	851
Contracted Services	011907 1000	14,500	219,000	175,674	(161,174)	43,326
Printing	011907 2600	500	1,000	674	(174)	326
Advertising	011907 2700	750	750	-	750	750
Materials and Supplies	011907 3000	1,176	1,176	1,123	53	53
Training and Staff Development	011907 4000	1,470	1,470	-	1,470	1,470
Travel and Transportation	011907 4100	1,750	1,750	5,905	(4,155)	(4,155)
Equipment Maintenance and Rental	011907 4500	1,800	1,800	1,732	68	68
Association Dues	011907 6100	700	700	413	287	287
Subtotal		321,414	531,674	415,281	(93,867)	116,393
<u>Safety Committee</u>						
Materials and Supplies	012017 3000	400	400	413	(13)	(13)
Training and Staff Development	012017 4000	450	450	365	85	85
Subtotal		850	850	778	72	72
<u>Grants Management</u>						
Department Head Salary	012106 0100	-	-	-	-	-
Staff Salary	012106 0300	-	-	-	-	-
Social Security	012106 0802	-	-	-	-	-
Retirement	012106 0804	-	-	-	-	-
Medical/Prescription/Dental	012106 0807	-	-	151	(151)	(151)
Vision/Life Insurance	012106 0809	-	-	2	(2)	(2)
Subtotal		-	-	153	(153)	(153)

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, 2019

(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	60,497	60,497	60,281	216	216
Staff Salary	012206 0300	469,572	510,042	522,105	(52,533)	(12,063)
On Call Pay	012206 0398	-	-	4,190	(4,190)	(4,190)
Overtime	012206 0399	10,000	10,000	5,269	4,731	4,731
Social Security	012206 0802	40,550	41,979	43,750	(3,200)	(1,771)
Uniform Allowance	012206 0803	3,300	3,500	3,733	(433)	(233)
Retirement	012206 0804	90,112	93,286	78,384	11,728	14,902
Medical/Prescription/Dental	012206 0807	160,159	172,970	170,170	(10,011)	2,800
Vision/Life Insurance	012206 0809	1,855	2,207	2,118	(263)	89
Contracted Services	012207 1000	9,181	9,181	8,563	618	618
Utilities	012207 2300	30,000	30,000	21,475	8,525	8,525
Materials and Supplies	012207 3000	29,615	29,615	18,672	10,943	10,943
Travel and Transportation	012207 4100	1,050	1,050	1,029	21	21
Inspection	012207 5035	6,442	6,442	-	6,442	6,442
Storage Costs	012207 6200	54,414	54,414	51,928	2,486	2,486
Unanticipated Damage	012207 8009	5,000	5,000	3,137	1,863	1,863
Subtotal		971,747	1,030,183	994,804	(23,057)	35,379
<u>Miscellaneous Maintenance</u>						
Contracted Services	012217 1000	1,856	1,856	1,229	627	627
Utilities - Barn #1	012217 2306	175	175	157	18	18
Utilities - Building #9	012217 2307	29,472	29,472	25,312	4,160	4,160
Materials and Supplies	012217 3000	13,653	13,653	8,721	4,932	4,932
Equipment Maintenance and Rental	012217 4500	5,000	5,000	850	4,150	4,150
Sunnyview Complex Maintenance	012217 4509	7,874	7,874	6,478	1,396	1,396
Unanticipated Damage	012217 8009	5,000	5,000	-	5,000	5,000
Subtotal		63,030	63,030	42,747	20,283	20,283

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Government Center Building</u>						
Contracted Services	012227 1000	55,000	55,000	66,965	(11,965)	(11,965)
Utilities	012227 2300	235,000	235,000	199,274	35,726	35,726
Telephone	012227 2400	757	757	663	94	94
Materials and Supplies	012227 3000	87,172	87,172	46,960	40,212	40,212
Equipment Maintenance and Rental	012227 4500	20,000	20,000	6,449	13,551	13,551
Materials and Supplies	012237 3000	7,955	7,955	3,882	4,073	4,073
Subtotal		405,884	405,884	324,193	81,691	81,691
<u>Government Center Annex</u>						
Contracted Services	012247 1000	15,000	15,000	14,185	815	815
Utilities	012247 2300	65,000	65,000	55,789	9,211	9,211
Material and Supplies	012247 3000	12,000	12,000	14,430	(2,430)	(2,430)
Inspection	012247 5035	1,000	1,000	-	1,000	1,000
Unanticipated Damage	012247 8009	5,000	5,000	-	5,000	5,000
Subtotal		98,000	98,000	84,404	13,596	13,596
<u>Construction</u>						
Department Head Salary	012306 0100	67,254	67,254	67,254	-	-
Staff Salary	012306 0300	490,542	506,268	455,636	34,906	50,632
On Call Pay	012306 0398	10,000	10,000	6,109	3,891	3,891
Overtime	012306 0399	15,000	15,000	9,086	5,914	5,914
Social Security	012306 0802	44,584	45,826	40,219	4,365	5,607
Uniform Benefits	012306 0803	3,000	3,500	3,150	(150)	350
Retirement	012306 0804	99,075	101,833	112,031	(12,956)	(10,198)
Medical/Prescription/Dental	012306 0807	212,149	226,910	203,442	8,707	23,468
Vision/Life Insurance	012306 0809	2,239	2,591	2,104	135	487
Utilities	012307 2300	550	550	365	185	185
Materials and Supplies	012307 3000	5,800	5,800	3,533	2,267	2,267
Inventory Supplies	012307 3005	2,375	2,375	553	1,822	1,822
Travel and Transportation	012307 4100	7,300	7,300	5,532	1,768	1,768
Equipment Maintenance and Rental	012307 4500	6,630	6,630	3,167	3,463	3,463
Subtotal		966,498	1,001,837	912,181	54,317	89,656

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, 2019

(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	29,640	30,778	29,197	443	1,581
Social Security	012406 0802	2,267	2,354	2,234	33	120
Postage	012407 2500	250,000	250,000	215,578	34,422	34,422
Materials and Supplies	012407 3000	45,000	45,000	31,854	13,146	13,146
Travel and Training	012407 4100	1,200	1,200	488	712	712
Equipment Maintenance and Rental	012407 4500	17,000	17,000	11,529	5,471	5,471
Subtotal		345,107	346,332	290,880	54,227	55,452
<u>Car Pool</u>						
Department Head Salary	012506 0100	17,500	17,500	17,569	(69)	(69)
Staff Salary	012506 0300	63,000	64,693	39,755	23,245	24,938
Social Security	012506 0802	6,084	6,213	5,477	607	736
Uniform Benefits	012506 0803	700	700	550	150	150
Retirement	012506 0804	13,521	13,809	9,121	4,400	4,688
Medical/Prescription/Dental	012506 0807	38,073	39,720	24,761	13,312	14,959
Vision/Life Insurance	012506 0809	407	471	291	116	180
Materials and Supplies	012507 3000	1,500	1,500	384	1,116	1,116
Gasoline	012507 3500	4,000	4,000	-	4,000	4,000
Vehicle Supplies	012507 3501	23,000	23,000	5,063	17,937	17,937
Outside Repairs	012507 3502	1,000	1,000	-	1,000	1,000
Travel and Transportation	012507 4100	1,000	1,000	550	450	450
Leased Vehicles	012507 4200	500	500	-	500	500
Equipment Maintenance and Rental	012507 4500	1,900	1,900	1,783	117	117
Subtotal		172,185	176,006	105,304	66,881	70,702

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Court Administration</u>						
Contingency	012706 0000	100,000	65,482	-	100,000	65,482
Legal Secretaries	012706 0312	309,637	309,637	311,370	(1,733)	(1,733)
Tipstaffs	012706 0332	184,456	184,456	109,634	74,822	74,822
Other Court Staff	012706 0336	442,922	471,784	447,508	(4,586)	24,276
Law Clerk Salaries	012706 0345	302,036	302,036	275,971	26,065	26,065
Court Stenographer Salaries	012706 0346	487,879	502,921	523,251	(35,372)	(20,330)
Overtime	012706 0399	12,000	12,000	9,134	2,866	2,866
Social Security	012706 0802	132,110	133,939	125,147	6,963	8,792
Retirement	012706 0804	293,578	297,641	259,666	33,912	37,975
Medical/Prescription/Dental	012706 0807	364,500	387,329	403,342	(38,842)	(16,013)
Vision/Life Insurance	012706 0809	4,500	5,362	4,840	(340)	522
Arbitrators	012707 1007	15,000	15,000	12,500	2,500	2,500
Adult Court Appointed Attorney	012707 1019	295,000	295,000	260,721	34,279	34,279
MH/MR Commitments	012707 1029	24,000	24,000	24,000	-	-
Arbitrators - Tax Appeals	012707 1048	3,000	3,000	450	2,550	2,550
Juvenile Court Appointed Attorney	012707 1053	200,000	200,000	197,097	2,903	2,903
Family Court Appointed Attorney	012707 1057	7,000	7,000	9,932	(2,932)	(2,932)
Telephone	012707 2400	500	500	-	500	500
Postage	012707 2500	600	600	285	315	315
Materials and Supplies	012707 3000	43,000	43,000	24,444	18,556	18,556
Legal Publications/Subscriptions	012707 3104	5,000	5,000	4,955	45	45
Travel and Training	012707 4100	9,000	9,000	12,463	(3,463)	(3,463)
Equipment Maintenance and Rental	012707 4500	40,000	40,000	43,253	(3,253)	(3,253)
Transcripts	012707 5013	27,000	7,000	6,499	20,501	501
Orphans Court Costs	012707 5033	25,000	25,000	50,059	(25,059)	(25,059)
Translators	012707 5038	9,300	9,300	11,968	(2,668)	(2,668)
Association Dues	012707 6100	5,360	5,360	4,930	430	430
Other Miscellaneous Costs	012707 8004	75,000	75,000	32,557	42,443	42,443
CJAB	012707 8024	1,500	2,500	2,615	(1,115)	(115)
Mental Health Evaluations	012707 8062	10,000	10,000	5,451	4,549	4,549
Subtotal		3,428,878	3,448,847	3,174,042	254,836	274,805

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, 2019

(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	254,193	258,550	204,642	49,551	53,908
Social Security	012716 0802	19,446	19,777	15,863	3,583	3,914
Retirement	012716 0804	50,839	51,575	34,880	15,959	16,695
Medical/Prescription/Dental	012716 0807	73,363	77,644	53,069	20,294	24,575
Vision/Life Insurance	012716 0809	1,018	1,146	911	107	235
Indigent Defense - DRS	012716 1020	9,600	9,600	9,108	492	492
Material and Supplies	012717 3000	1,960	1,960	712	1,248	1,248
Travel & Transportation	012717 4100	1,000	1,000	-	1,000	1,000
Medical and Other Exams	012717 5009	1,000	1,000	226	774	774
Subtotal		412,419	422,252	319,411	93,008	102,841
<u>Access and Visitation Grant</u>						
Family Pathways	012747 P003	-	-	-		
Subtotal		-	-	-	-	-
<u>Contributions to Domestic Relations</u>						
Transfer to DRO	012757 7202	963,715	963,715	940,827	22,888	22,888
Subtotal		963,715	963,715	940,827	22,888	22,888
<u>Jury Costs</u>						
Postage	012787 2500	6,700	6,700	3,441	3,259	3,259
Material and Supplies	012787 3000	950	950	944	6	6
Equipment Maintenance and Rental	012787 4500	5,000	5,000	4,943	57	57
Jury Expense	012787 5026	40,000	40,000	36,026	3,974	3,974
Other Miscellaneous Costs	012787 8004	5,000	23,000	3,067	1,933	19,933
Subtotal		57,650	75,650	48,421	9,229	27,229

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with	Variance with
		Original	Final		Original Budget	Final Budget
Expenditures: (Continued)						
District Judge - Evans City						
Staff Salary	012806 0300	188,610	193,080	183,246	5,364	9,834
Social Security	012806 0802	14,429	14,771	13,448	981	1,323
Retirement	012806 0804	32,064	32,824	28,268	3,796	4,556
Medical/Prescription/Dental	012806 0807	86,823	92,387	83,229	3,594	9,158
Vision/Life Insurance	012806 0809	700	828	843	(143)	(15)
Audit Contracts	012807 1001	1,200	1,200	1,307	(107)	(107)
Constables	012807 1046	12,500	12,500	7,497	5,003	5,003
Rent/Occupancy Costs	012807 2200	52,000	52,000	49,216	2,784	2,784
Telephone	012807 2400	2,500	2,500	2,016	484	484
Postage	012807 2500	16,500	16,500	10,000	6,500	6,500
Materials and Supplies	012807 3000	6,500	6,500	5,751	749	749
Travel and Transportation	012807 4100	900	900	717	183	183
Equipment Maintenance and Rental	012807 4500	4,500	4,500	4,595	(95)	(95)
Subtotal		419,226	430,490	390,133	29,093	40,357
District Judge - Cranberry Township						
Staff Salary	012856 0300	190,741	195,263	187,968	2,773	7,295
Social Security	012856 0802	14,592	14,938	14,119	473	819
Retirement	012856 0804	32,426	33,195	30,986	1,440	2,209
Medical/Prescription/Dental	012856 0807	56,614	60,592	53,129	3,485	7,463
Vision/Life Insurance	012856 0809	550	678	678	(128)	-
Audit Contracts	012857 1001	1,200	1,200	1,307	(107)	(107)
Constables	012857 1046	14,000	14,000	6,957	7,043	7,043
Rent/Occupancy Costs	012857 2200	10,500	10,500	11,216	(716)	(716)
Utilities	012857 2300	5,600	5,600	5,323	277	277
Telephone	012857 2400	5,000	5,000	4,518	482	482
Postage	012857 2500	11,000	11,000	10,000	1,000	1,000
Materials and Supplies	012857 3000	7,500	7,500	10,368	(2,868)	(2,868)
Travel and Transportation	012857 4100	950	950	-	950	950
Equipment Maintenance and Rental	012857 4500	5,200	5,200	5,078	122	122
Subtotal		355,873	365,616	341,647	14,226	23,969

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>District Judge - Saxonburg</u>						
Staff Salary	012906 0300	145,127	148,142	147,420	(2,293)	722
Social Security	012906 0802	11,103	11,334	11,023	80	311
Retirement	012906 0804	24,672	25,184	25,072	(400)	112
Medical/Prescription/Dental	012906 0807	23,957	26,582	42,391	(18,434)	(15,809)
Vision/Life Insurance	012906 0809	205	301	483	(278)	(182)
Audit Contracts	012907 1001	1,200	1,200	1,307	(107)	(107)
Constables	012907 1046	3,000	3,000	731	2,269	2,269
Rent/Occupancy Costs	012907 2200	37,000	37,000	35,549	1,451	1,451
Telephone	012907 2400	2,500	2,500	2,138	362	362
Postage	012907 2500	17,000	17,000	10,000	7,000	7,000
Materials and Supplies	012907 3000	6,500	6,500	4,360	2,140	2,140
Travel and Transportation	012907 4100	730	730	1,501	(771)	(771)
Equipment Maintenance and Rental	012907 4500	4,700	4,700	4,684	16	16
Subtotal		277,694	284,173	286,659	(8,965)	(2,486)
<u>District Judge - Chicora</u>						
Staff Salary	013006 0300	138,307	141,249	138,452	(145)	2,797
Social Security	013006 0802	10,581	10,806	10,150	431	656
Retirement	013006 0804	23,512	24,012	23,541	(29)	471
Medical/Prescription/Dental	013006 0807	56,177	60,828	48,095	8,082	12,733
Vision/Life Insurance	013006 0809	550	646	560	(10)	86
Audit Contracts	013007 1001	1,200	1,200	1,307	(107)	(107)
Constables	013007 1046	4,500	4,500	4,165	335	335
Rent/Occupancy Costs	013007 2200	24,500	24,500	22,147	2,353	2,353
Telephone	013007 2400	4,000	4,000	2,339	1,661	1,661
Postage	013007 2500	14,000	14,000	10,150	3,850	3,850
Materials and Supplies	013007 3000	9,000	9,000	6,647	2,353	2,353
Travel and Transportation	013007 4100	700	700	80	620	620
Equipment Maintenance and Rental	013007 4500	4,500	4,500	5,180	(680)	(680)
Subtotal		291,527	299,941	272,813	18,714	27,128

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, 2019

(Continued)

			Budgeted Amounts			Variance with	Variance with
			Original	Final	Actual	Original Budget	Final Budget
Expenditures: (Continued)							
District Judge - Butler Township							
Staff Salary	013106	0300	182,855	187,278	180,098	2,757	7,180
Social Security	013106	0802	13,989	14,327	13,472	517	855
Retirement	013060	0804	31,085	31,837	30,575	510	1,262
Medical/Prescription/Dental	013106	0807	75,179	80,322	64,848	10,331	15,474
Vision/Life Insurance	013106	0809	650	778	739	(89)	39
Audit Contracts	013107	1001	1,200	1,200	1,307	(107)	(107)
Constables	013107	1046	9,000	9,000	5,917	3,083	3,083
Utilities	013107	2300	12,000	12,000	9,487	2,513	2,513
Telephone	013107	2400	2,300	2,300	3,560	(1,260)	(1,260)
Postage	013107	2500	14,000	14,000	10,000	4,000	4,000
Materials and Supplies	013107	3000	7,500	7,500	6,302	1,198	1,198
Travel and Transportation	013107	4100	800	800	556	244	244
Equipment Maintenance and Rental	013107	4500	5,000	5,000	4,520	480	480
Subtotal			355,558	366,342	331,381	24,177	34,961
District Judge - Butler City							
Staff Salary	013156	0300	190,741	195,263	190,142	599	5,121
Social Security	013156	0802	14,592	14,938	14,115	477	823
Retirement	013156	0804	32,426	33,195	32,333	93	862
Medical/Prescription/Dental	013156	0807	64,127	69,785	63,111	1,016	6,674
Vision/Life Insurance	013156	0809	500	628	704	(204)	(76)
Audit Contracts	013157	1001	1,200	1,200	1,307	(107)	(107)
Constables	013157	1046	18,500	18,500	16,416	2,084	2,084
Rent/Occupancy Costs	013157	2200	1,200	1,200	1,150	50	50
Utilities	013157	2300	9,100	9,100	8,432	668	668
Telephone	013157	2400	2,000	2,000	3,133	(1,133)	(1,133)
Postage	013157	2500	16,000	16,000	10,013	5,987	5,987
Materials and Supplies	013157	3000	12,000	12,000	8,848	3,152	3,152
Travel and Transportation	013157	4100	500	500	702	(202)	(202)
Equipment Maintenance and Rental	013157	4500	5,000	5,000	5,178	(178)	(178)
Subtotal			367,886	379,309	355,584	12,302	23,725

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>District Judge - Slippery Rock</u>						
Staff Salary	013206 0300	232,964	238,941	234,363	(1,399)	4,578
Social Security	013206 0802	17,822	18,279	16,838	984	1,441
Retirement	013206 0804	39,604	40,620	39,850	(246)	770
Medical/Prescription/Dental	013206 0807	86,719	94,521	85,661	1,058	8,860
Vision/Life Insurance	013206 0809	850	1,010	1,085	(235)	(75)
Audit Contracts	013207 1001	1,200	1,200	1,307	(107)	(107)
Constables	013207 1046	1,500	1,500	1,961	(461)	(461)
Rent/Occupancy Costs	013207 2200	3,500	3,500	2,511	989	989
Utilities	013207 2300	8,200	8,200	7,989	211	211
Telephone	013207 2400	4,200	4,200	2,936	1,264	1,264
Postage	013207 2500	12,000	12,000	10,000	2,000	2,000
Materials and Supplies	013207 3000	8,100	8,100	7,262	838	838
Travel and Transportation	013207 4100	900	900	1,134	(234)	(234)
Equipment Maintenance and Rental	013207 4500	4,000	4,000	4,007	(7)	(7)
Subtotal		421,559	436,971	416,904	4,655	20,067
<u>Law Library</u>						
Department Head Salary	013306 0100	19,500	19,500	14,491	5,009	5,009
Social Security	013306 0802	1,492	1,492	1,109	383	383
Materials and Supplies	013307 3000	500	500	-	500	500
Electronic Legal Research	013307 3101	96,238	108,474	97,305	(1,067)	11,169
Publications/Subscriptions	013307 3104	18,120	21,402	30,322	(12,202)	(8,920)
Equipment Maintenance and Rental	013307 4500	132	132	969	(837)	(837)
Subtotal		135,982	151,500	144,195	(8,214)	7,304

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Clerk of Courts</u>						
Department Head Salary	013406 0100	85,347	85,347	85,313	34	34
Solicitor Salary	013406 0200	6,000	6,000	6,000	-	-
Staff Salary	013406 0300	555,723	571,266	570,612	(14,889)	654
Social Security	013406 0802	49,042	50,231	48,329	713	1,902
Retirement	013406 0804	108,982	111,624	105,723	3,259	5,901
Medical/Prescription/Dental	013406 0807	214,077	227,868	223,992	(9,915)	3,876
Vision/Life Insurance	013406 0809	2,343	2,758	2,546	(203)	212
Material and Supplies	013407 3000	15,680	15,680	12,300	3,380	3,380
Training and Staff Development	013407 4000	2,300	2,300	2,085	215	215
Equipment Maintenance and Rental	013407 4500	18,000	18,000	11,082	6,918	6,918
Association Dues	013407 6100	600	600	600	-	-
Bank Fees/Credit Card Costs	013407 8010	400	400	-	400	400
Subtotal		1,058,494	1,092,074	1,068,582	(10,088)	23,492
<u>Coroner</u>						
Department Head Salary	013506 0100	72,418	72,418	72,418	-	-
Solicitor Salary	013506 0200	6,000	6,000	6,000	-	-
Staff Salary	013506 0300	65,191	65,191	65,074	117	117
Chief Deputy Salary	013506 0347	24,094	24,094	26,494	(2,400)	(2,400)
Special Deputy Coroners	013506 0351	15,000	15,000	7,110	7,890	7,890
Overtime	013506 0399	14,000	14,000	10,335	3,665	3,665
Social Security	013506 0802	14,892	14,892	13,560	1,332	1,332
Retirement	013506 0804	33,094	33,094	26,467	6,627	6,627
Medical/Prescription/Dental	013506 0807	30,678	32,780	32,700	(2,022)	80
Vision/Life Insurance	013506 0809	429	557	522	(93)	35
Contracted Services	013507 1000	175,000	175,000	89,965	85,035	85,035
Materials and Supplies	013507 3000	11,760	11,760	7,805	3,955	3,955
Travel and Transportation	013507 4100	6,500	6,500	3,121	3,379	3,379
Equipment Maintenance and Rental	013507 4500	2,200	2,200	2,152	48	48
Post Mortem Exams	013507 5004	230,000	230,000	161,551	68,449	68,449
Association Dues	013507 6100	750	750	900	(150)	(150)
Subtotal		702,006	704,236	526,174	175,832	178,062

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>District Attorney</u>						
Department Head Salary	013606 0100	182,918	183,938	182,979	(61)	959
Staff Salary	013606 0300	186,447	190,349	183,982	2,465	6,367
Detectives	013606 0313	236,355	236,355	238,980	(2,625)	(2,625)
Assistant District Attorney	013606 0322	636,893	697,943	720,738	(83,845)	(22,795)
On Call Pay	013606 0398	48,000	48,000	52,200	(4,200)	(4,200)
Overtime	013606 0399	-	-	(31)	31	31
Social Security	013606 0802	98,732	103,787	100,458	(1,726)	3,329
Retirement	013606 0804	219,404	230,636	241,194	(21,790)	(10,558)
Medical/Prescription/Dental	013606 0807	213,049	242,339	240,227	(27,178)	2,112
Vision/Life Insurance	013606 0809	2,385	3,115	2,864	(479)	251
Telephone	013607 2400	13,500	13,500	12,060	1,440	1,440
Materials and Supplies	013607 3000	13,500	13,750	14,732	(1,232)	(982)
Clothing/Minor Equipment	013607 3015	2,000	2,000	544	1,456	1,456
Library Costs	013607 3102	17,500	17,500	22,352	(4,852)	(4,852)
Training and Staff Development	013607 4000	20,000	17,705	11,556	8,444	6,149
Travel and Transportation	013607 4100	16,500	16,500	15,865	635	635
Equipment Maintenance and Rental	013607 4500	20,000	20,000	18,613	1,387	1,387
Filing Fees	013607 5001	400	400	416	(16)	(16)
Interpreter Fees	013607 5005	250	250	280	(30)	(30)
Witness Fees	013607 5024	1,000	1,000	-	1,000	1,000
Bonds	013607 6000	200	200	-	200	200
Association Dues	013607 6100	12,000	12,000	12,787	(787)	(787)
Drug Task Force Contribution	013607 7040	50,000	50,000	50,000	-	-
Release of Forfeited Property	016307 8011	40,000	90,000	91,084	(51,084)	(1,084)
Prosecution Costs	013607 8055	20,000	20,000	23,880	(3,880)	(3,880)
DUI Enforcement Training	013607 8067	1,000	1,000	-	1,000	1,000
Travel Aid Costs	013607 8068	500	500	-	500	500
Release Forfeitures/Sex Crimes	013607 8075	10,000	10,000	-	10,000	10,000
Subtotal		2,062,533	2,222,767	2,237,760	(175,227)	(14,993)
<u>DUI Checkpoint</u>						
Staff Salary	013646 0300	25,000	25,000	13,729	11,271	11,271
Travel and Transportation	013647 4100	3,800	3,800	358	3,442	3,442
Subtotal		28,800	28,800	14,087	14,713	14,713

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, 2019

(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	85,313	85,313	85,313	-	-
Solicitor Salary	013706 0200	6,000	6,000	6,000	-	-
Staff Salary	013706 0300	382,241	391,443	336,541	45,700	54,902
Intern	013706 0700	5,000	5,000	-	5,000	5,000
Social Security	013706 0802	35,768	36,472	31,153	4,615	5,319
Retirement	013706 0804	79,484	81,048	72,099	7,385	8,949
Medical/Prescription/Dental	013706 0807	152,945	160,062	131,983	20,962	28,079
Vision/Life Insurance	013706 0809	1,732	2,020	1,645	87	375
Materials and Supplies	013707 3000	49,000	49,000	8,869	40,131	40,131
Training and Staff Development	013707 4000	1,960	1,960	108	1,852	1,852
Travel and Transportation	013707 4100	1,200	1,200	1,301	(101)	(101)
Equipment Maintenance and Rental	013707 4500	36,000	36,000	35,882	118	118
Association Dues	013707 6100	600	600	600	-	-
Subtotal		837,243	856,118	711,494	125,749	144,624
<u>Register of Wills</u>						
Department Head Salary	013806 0100	87,382	87,382	87,382	-	-
Solicitor Salary	013806 0200	6,000	6,000	6,000	-	-
Staff Salary	013806 0300	307,586	313,842	303,451	4,135	10,391
Social Security	013806 0802	30,215	30,694	29,117	1,098	1,577
Retirement	013806 0804	67,145	68,209	69,970	(2,825)	(1,761)
Medical/Prescription/Dental	013806 0807	120,649	128,510	129,885	(9,236)	(1,375)
Vision/Life Insurance	013806 0809	1,527	1,783	1,602	(75)	181
Advertising	013807 2700	6,000	5,500	3,967	2,033	1,533
Materials and Supplies	013807 3000	10,000	9,500	8,879	1,121	621
Training and Staff Development	013807 4000	3,000	4,000	3,035	(35)	965
Travel and Transportation	013807 4100	200	200	369	(169)	(169)
Equipment Maintenance and Rental	013807 4500	40,000	40,000	36,105	3,895	3,895
Association Dues	013807 6100	600	600	600	-	-
Subtotal		680,304	696,220	680,362	(58)	15,858

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, 2019

(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	85,313	85,313	85,313	-	-
Solicitor Salary	013906 0200	6,000	6,000	6,000	-	-
Staff Salary	013906 0300	1,395,891	1,429,722	1,404,394	(8,503)	25,328
Part-Time Clerical	013906 0700	10,000	10,000	5,640	4,360	4,360
Part-Time Deputies	013906 0314	96,220	98,067	46,647	49,573	51,420
On Call Pay	013906 0398	26,000	34,750	3,700	22,300	31,050
Overtime	013906 0399	110,000	110,000	142,864	(32,864)	(32,864)
Social Security	013906 0802	131,077	134,476	126,156	4,921	8,320
Uniform Benefits	013906 0803	13,000	13,000	12,777	223	223
Retirement	013906 0804	291,282	298,835	275,314	15,968	23,521
Medical/Prescription/Dental	013906 0807	393,381	416,690	392,260	1,121	24,430
Vision/Life Insurance	013906 0809	4,524	5,386	4,915	(391)	471
Contracted Services	013907 1000	25,000	25,000	23,014	1,986	1,986
Telephone	013907 2400	2,000	2,000	1,428	572	572
Materials and Supplies	013907 3000	25,000	25,000	23,088	1,912	1,912
DARE Supplies	013907 3008	8,500	8,500	6,897	1,603	1,603
Incidental Security Supplies	013907 3022	4,000	4,000	2,308	1,692	1,692
Training and Staff Development	013907 4000	16,000	16,000	18,239	(2,239)	(2,239)
Prisoner Transport Costs	013907 4100	25,000	25,000	22,630	2,370	2,370
Vehicle Operation	013907 4201	15,000	15,000	12,791	2,209	2,209
Fuel Costs	013907 4203	25,000	25,000	26,767	(1,767)	(1,767)
Equipment Maintenance and Rental	013907 4500	5,200	5,200	5,954	(754)	(754)
Association Dues	013907 6100	1,605	1,605	1,760	(155)	(155)
Donation Expenses	013907 8066	1,000	30,000	5,893	(4,893)	24,107
Subtotal		2,715,993	2,824,544	2,656,749	59,244	167,795

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, 2019

(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	100,603	100,603	101,003	(400)	(400)
Administration Salary	014026 0302	567,409	575,209	580,440	(13,031)	(5,231)
Guard Salaries	014026 0315	5,448,020	5,448,020	5,467,586	(19,566)	(19,566)
Overtime - Administrative	014026 0397	30,000	30,000	15,686	14,314	14,314
Overtime	014026 0399	325,000	325,000	272,928	52,072	52,072
Social Security	014026 0802	497,711	497,711	480,537	17,174	17,174
Uniform Benefits	014026 0803	58,100	58,100	52,087	6,013	6,013
Retirement	014026 0804	1,106,025	1,106,025	1,059,663	46,362	46,362
Medical/Prescription/Dental	014026 0807	1,319,014	1,398,385	1,361,570	(42,556)	36,815
Vision/Life Insurance	014026 0809	15,229	18,581	13,294	1,935	5,287
Contracted Services	014027 1000	192,000	192,000	144,847	47,153	47,153
Medical Services	014027 1051	1,200,000	1,200,000	1,382,714	(182,714)	(182,714)
Utilities	014027 2300	500,000	500,000	387,287	112,713	112,713
Telephone	014027 2400	30,000	30,000	29,927	73	73
Materials and Supplies	014027 3000	275,000	275,439	199,143	75,857	76,296
Bedding and Linen	014027 3006	10,000	10,000	9,994	6	6
Clothing	014027 3015	10,000	10,000	9,065	935	935
Office Supplies	014027 3021	10,000	10,000	6,597	3,403	3,403
Medical Services	014027 3203	6,000	6,000	(1,133)	7,133	7,133
Food	014027 3400	575,000	575,000	441,112	133,888	133,888
Training and Staff Development	014027 4000	20,000	20,000	19,056	944	944
Travel and Transportation	014027 4100	2,800	2,800	1,314	1,486	1,486
Vehicle Operation	014027 4201	3,500	3,500	1,998	1,502	1,502
Equipment Maintenance and Rental	014027 4500	27,500	27,500	23,351	4,149	4,149
Bonds	014027 6000	500	500	-	500	500
Association Dues	014027 6100	2,000	2,000	1,397	603	603
Transfer to MH/MR - In Custody	0140279 7219	50,000	50,000	-	50,000	50,000
Subtotal		12,381,411	12,472,373	12,061,463	319,948	410,910

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, 2019

(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	1,715,126	1,723,752	1,757,359	(42,233)	(33,607)
On Call Pay	014106 0398	28,600	28,600	12,320	16,280	16,280
Overtime	014106 0399	6,700	6,700	4,085	2,615	2,615
Social Security	014106 0802	131,208	131,868	132,690	(1,482)	(822)
Retirement	014106 0804	291,572	293,038	302,715	(11,143)	(9,677)
Medical/Prescription/Dental	014106 0807	484,627	513,122	455,753	28,874	57,369
Vision/Life Insurance	014106 0809	5,045	5,333	5,617	(572)	(284)
Contracted Services	014107 1000	65,000	113,656	111,965	(46,965)	1,691
Telephone	014107 2400	5,800	5,800	5,859	(59)	(59)
Materials and Supplies	014107 3000	27,440	34,190	33,815	(6,375)	375
Specialty Court Supplies	014107 3023	2,500	2,500	2,573	(73)	(73)
Training and Staff Development	014107 4000	10,000	14,500	9,583	417	4,917
Travel and Transportation	014107 4100	7,000	7,000	7,877	(877)	(877)
Equipment Maintenance and Rental	014107 4500	40,000	40,000	18,460	21,540	21,540
CRN Assessment	014107 4518	-	-	1,725	(1,725)	(1,725)
Association Dues	014107 6100	450	450	365	85	85
Electronic Monitoring	014107 P017	320,000	395,000	397,166	(77,166)	(2,166)
SCRAM Equipment Use	014107 P536	40,000	40,000	5,166	34,834	34,834
Transfer to Drug and Alcohol	0141079 7218	35,000	35,000	18,973	16,027	16,027
Subtotal		3,216,068	3,390,509	3,284,066	(67,998)	106,443
<u>Community Correction</u>						
Department Head Salary	014116 0100	88,065	88,065	91,370	(3,305)	(3,305)
Staff Salary	014116 0300	119,699	119,699	120,064	(365)	(365)
On Call Pay	014116 0398	2,750	2,750	1,650	1,100	1,100
Overtime	014116 0399	500	500	18	482	482
Social Security	014116 0802	15,894	15,894	15,867	27	27
Retirement	014116 0804	35,320	35,320	35,959	(639)	(639)
Medical/Prescription/Dental	014116 0807	42,209	46,349	41,903	306	4,446
Vision/Life Insurance	014116 0809	390	454	502	(112)	(48)
Materials and Supplies	014117 3000	4,000	650	511	3,489	139
Travel and Transportation	014117 4100	3,500	3,500	2,429	1,071	1,071
Subtotal		312,327	313,181	310,273	2,054	2,908

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, 2019

(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	87,234	37,766	37,766
Subtotal		125,000	125,000	87,234	37,766	37,766
<u>Juvenile Probation</u>						
Staff Salary	014206 0300	953,973	959,651	964,808	(10,835)	(5,157)
On Call Pay	014206 0398	28,600	28,600	18,975	9,625	9,625
Overtime	014206 0399	8,000	8,000	8,249	(249)	(249)
Social Security	014206 0802	72,979	73,413	74,655	(1,676)	(1,242)
Retirement	014206 0804	162,176	163,141	165,228	(3,052)	(2,087)
Medical/Prescription/Dental	014206 0807	246,626	259,043	238,577	8,049	20,466
Vision/Life Insurance	014206 0809	2,700	2,860	3,120	(420)	(260)
Telephone	014207 2400	1,200	1,200	1,114	86	86
Materials and Supplies	014207 3000	11,000	8,650	7,124	3,876	1,526
Drug Testing	014207 3201	1,000	1,000	283	717	717
Training and Staff Development	014207 4000	9,000	9,000	9,112	(112)	(112)
Travel and Transportation	014207 4100	14,000	14,000	9,298	4,702	4,702
Emergency Transportation	014207 4400	2,000	2,000	-	2,000	2,000
Equipment Maintenance and Rental	014207 4500	4,000	4,000	4,577	(577)	(577)
Subtotal		1,517,254	1,534,558	1,505,120	12,134	29,438
<u>Emergency Management</u>						
Department Head Salary	014406 0100	83,327	83,327	83,727	(400)	(400)
Staff Salary	014406 0300	69,099	69,772	67,486	1,613	2,286
Social Security	014406 0802	11,661	11,712	11,110	551	602
Retirement	014406 0804	24,912	25,026	22,756	2,156	2,270
Medical/Prescription/Dental	014406 0807	40,161	42,032	41,997	(1,836)	35
Vision/Life Insurance	014406 0809	407	471	434	(27)	37
Materials and Supplies	014407 3000	3,000	3,000	2,383	617	617
Travel and Transportation	014407 4100	1,000	1,000	1,321	(321)	(321)
Equipment Maintenance and Rental	014407 4500	850	850	875	(25)	(25)
Disaster Costs	014407 8054	10,000	10,000	-	10,000	10,000
Subtotal		244,417	247,190	232,089	12,328	15,101

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Water Rescue Team</u>						
Water Rescue Team Costs	014447 8004	18,000	18,000	17,263	737	737
Subtotal		18,000	18,000	17,263	737	737
<u>HazMat</u>						
Transfer to Hazmat	014457 7203	64,355	64,355	32,358	31,997	31,997
Subtotal		64,355	64,355	32,358	31,997	31,997
<u>Radiation Emergency</u>						
Telephone	014497 2400	3,300	3,300	1,921	1,379	1,379
Materials and Supplies	014497 3000	4,600	5,500	5,504	(904)	(4)
Training and Staff Development	014497 4000	1,500	600	-	1,500	600
Subtotal		9,400	9,400	7,425	1,975	1,975
<u>Communications</u>						
Transfer to 9-1-1	014507 7204	599,380	599,380	-	599,380	599,380
Subtotal		599,380	599,380	-	599,380	599,380
<u>Veterans Service</u>						
Department Head Salary	014706 0100	65,928	65,928	65,928	-	-
Staff Salary	014706 0300	83,118	83,118	81,958	1,160	1,160
Social Security	014706 0802	11,402	11,402	10,979	423	423
Retirement	014706 0804	25,338	25,338	25,136	202	202
Medical/Prescription/Dental	014706 0807	53,275	57,050	55,102	(1,827)	1,948
Vision/Life Insurance	014706 0809	611	707	651	(40)	56
Materials and Supplies	014707 3000	25,000	25,000	15,151	9,849	9,849
Travel and Transportation	014707 4100	4,500	4,500	2,240	2,260	2,260
Equipment Maintenance and Rental	014707 4500	6,700	6,700	4,572	2,128	2,128
Burials	014707 5006	50,000	50,000	43,990	6,010	6,010
Headstones	014707 5014	8,000	8,000	6,750	1,250	1,250
Veterans Organizations	014707 5021	12,000	12,000	5,358	6,642	6,642
Veterans Outreach	014707 5040	3,000	3,000	1,000	2,000	2,000
Association Dues	014707 6100	270	270	200	70	70
Subtotal		349,142	353,013	319,015	30,127	33,998

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Recreation</u>						
Transfer to Recreation Fund	015007 7246	323,274	323,274	294,549	28,725	28,725
Subtotal		323,274	323,274	294,549	28,725	28,725
<u>Alameda Park</u>						
Staff Salary	015106 0300	100,102	122,690	116,997	(16,895)	5,693
Social Security	015106 0802	7,658	8,312	8,955	(1,297)	(643)
Uniform Benefits	015106 0803	150	350	350	(200)	-
Retirement	015106 0804	17,017	17,051	13,199	3,818	3,852
Medical/Prescription/Dental	015106 0807	26,424	28,819	29,031	(2,607)	(212)
Vision/Life Insurance	015106 0809	265	329	343	(78)	(14)
Contracted Services	015107 1000	12,000	12,000	15,620	(3,620)	(3,620)
Utilities	015107 2300	14,000	14,000	12,764	1,236	1,236
Utilities - Diamond Park	015107 2301	3,500	3,500	1,534	1,966	1,966
Telephone	015107 2400	3,800	3,800	3,081	719	719
Materials and Supplies	015107 3000	34,300	43,800	36,485	(2,185)	7,315
DEK Hockey Expense	015107 3024	30,000	30,000	13,660	16,340	16,340
Travel and Transportation	015107 4100	3,000	3,000	1,949	1,051	1,051
Equipment Maintenance and Rental	015107 4500	4,000	4,000	2,467	1,533	1,533
Association Dues	015107 6100	2,500	2,500	2,079	421	421
Other Miscellaneous Costs	015107 8004	-	2,000	1,085	(1,085)	915
Unanticipated Damages	015107 8009	20,000	20,425	1,357	18,643	19,068
Subtotal		278,716	316,576	260,956	17,760	55,620

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, 2019

(Continued)

			Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
			Original	Final			
<u>Expenditures: (Continued)</u>							
<u>Alameda Pool</u>							
Staff Salary	015206	0300	125,000	125,000	87,693	37,307	37,307
Social Security	015206	0802	9,562	9,562	6,603	2,959	2,959
Retirement	015206	0804	5,531	5,531	6,984	(1,453)	(1,453)
Medical/Prescription/Dental	015206	0807	3,163	3,163	3,218	(55)	(55)
Vision/Life Insurance	015206	0809	92	124	64	28	60
Utilities	015207	2300	35,000	35,000	36,728	(1,728)	(1,728)
Telephone	015207	2400	625	1,125	813	(188)	312
Advertising	015207	2700	500	500	-	500	500
Materials and Supplies	015207	3000	25,000	29,845	25,700	(700)	4,145
Concession Stand Supplies	015207	3402	20,000	24,600	24,653	(4,653)	(53)
Equipment Maintenance and Rental	015207	4500	4,000	7,650	7,658	(3,658)	(8)
Pool Programs	015207	8017	1,600	1,600	662	938	938
Subtotal			230,073	243,700	200,776	29,297	42,924

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Interest</u>						
Interest Tax Anticipation Note	0161072 7601	40,000	40,000	-	40,000	40,000
Subtotal		40,000	40,000	-	40,000	40,000
<u>Sinking Fund</u>						
Principle - 2014 Bond Issue	016117 7502	3,075,000	3,075,000	3,075,000	-	-
Principle - 2016 Note Series A	016117 7507	348,000	348,000	348,000	-	-
Principle - 2016 Note Series B	016117 7516A	487,000	487,000	487,000	-	-
Principle 2017 Bond Issue	016117 7516B	711	711	711	-	-
Interest - 2014 Bond Issue	0161172 7602	1,111,850	1,111,850	1,111,850	-	-
Interest - 2016 Note Series A	0161172 7616A	56,776	56,776	56,776	-	-
Interest - 2016 Note Series B	0161172 7616B	123,956	123,956	123,956	-	-
Interest 2017 Bonds	0161172 7617	78,562	78,562	78,562	-	-
Subtotal		5,281,855	5,281,855	5,281,855	-	-
<u>Insurance</u>						
Multi-Peril Insurance	016157 5303	270,000	303,196	303,196	(33,196)	-
Subtotal		270,000	303,196	303,196	(33,196)	-
<u>Cost Allocation/Appraisal</u>						
Cost Plan	016207 5400	14,250	14,250	14,250	-	-
Fixed Asset Appraisal	016207 8028	3,500	3,500	-	3,500	3,500
Subtotal		17,750	17,750	14,250	3,500	3,500

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, 2019

(Continued)

			Budgeted Amounts			Variance with	Variance with
			Original	Final	Actual	Original Budget	Final Budget
Expenditures: (Continued)							
Contributions							
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	-	1,500	1,500	(1,500)	-
Airport Authority	01630480	7008	155,000	155,000	155,000	-	-
BC3 Contribution	01630490	7022	5,224,426	5,224,426	5,289,643	(65,217)	(65,217)
PA Army National Guard	01630490	7035	-	2,250	2,250	(2,250)	-
Federated Library	01630560	7024	250,000	287,000	287,000	(37,000)	-
Butler Historical Society	01630570	7029	10,000	10,000	10,000	-	-
Agricultural Extension (Utilities)	01630610	2300	5,400	5,400	4,810	590	590
Agricultural Extension	01630610	7013	247,000	247,000	247,000	-	-
S.P.R.P.C.	01630650	7025	81,777	81,777	81,777	-	-
Butler County CDC	01630650	7036	350,000	350,000	350,000	-	-
Glade Run Lake Conservancy	01630610	7045	10,000	10,000	10,000	-	-
Butler County Conservation	01630670	7049	120,000	120,000	120,000	-	-
Subtotal			6,479,603	6,520,353	6,584,980	(105,377)	(64,627)
Miscellaneous							
Contingency	016407	0000	587,670	256,054	-	587,670	256,054
Utilities	016407	2300	6,500	6,500	3,884	2,616	2,616
Indigent Burials	016407	8004	3,000	3,000	600	2,400	2,400
Subtotal			597,170	265,554	4,484	592,686	261,070
Refunds							
General Refunds	016417	8500	500	500	299	201	201
Tax Refunds	016417	8502	500	500	734	(234)	(234)
Subtotal			1,000	1,000	1,033	(33)	(33)

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, 2019

(Continued)

		Budgeted Amounts		Actual	Variance with Original Budget	Variance with Final Budget
		Original	Final			
<u>Expenditures: (Continued)</u>						
<u>Transfers</u>						
Transfer to GF Grant Fund	014837 7252	92,417	92,417	84,331	8,086	8,086
Transfer to Capital Reserve	016427 7208	60,000	62,295	-	60,000	62,295
Transfer to Operating Reserves	016437 7209	750,000	-	-	750,000	-
Transfer to Liquid Fuels	016457 7211	110,800	110,800	78,333	32,467	32,467
Transfer to AAA	016507 7212	20,000	20,000	20,000	-	-
Transfer to AAA NR	016507 7239	31,690	31,690	74,810	(43,120)	(43,120)
Transfer to Children & Youth	017007 7213	2,706,533	2,706,533	2,875,941	(169,408)	(169,408)
Transfer to Independent Living	017357 7236	49,984	49,984	59,315	(9,331)	(9,331)
Transfer to D&A	018807 7218	39,000	39,000	35,478	3,522	3,522
Transfer to D&A - DWI Match	018807 7240	305,400	305,400	(5,227)	310,627	310,627
Transfer to D&A - Act 198	018807 7243	261,300	261,300	-	261,300	261,300
Transfer to MH/MR	019007 7219	195,000	195,000	192,343	2,657	2,657
Transfer to HS Block Grant	019007 7253	230,000	230,000	208,665	21,335	21,335
Transfer to Agricultural Preservation	019717 7221	238,515	238,515	149,111	89,404	89,404
Subtotal		5,090,639	4,342,934	3,773,100	1,317,539	569,834
Grand Total of General Fund Expenditures		65,162,312	65,475,611	60,874,461	4,287,850	4,601,149

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, 2019

(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:	\$ 65,162,312	\$ 65,475,611	\$ 60,874,461	\$ 4,287,850	\$ 4,601,149
Operating Reserve	2,006,000	1,256,000	-	2,006,000	1,256,000
Workers' Compensation	1,054,620	1,054,620	-	1,054,620	1,054,620
Tax Claim	145,000	145,000	131,034	13,966	13,966
Agricultural Conservation	598,549	598,549	203,767	394,782	394,782
Less: Elimination of Interfund Transfers:					
Operating Reserve	750,000	-	-	750,000	-
Workers' Compensation	-	-	-	-	-
Tax Claim	-	-	-	-	-
Agricultural Conservation	238,515	238,515	149,111	89,404	89,404
Grand Total As Reported on page III-8	\$ 67,977,966	\$ 68,291,265	\$ 61,060,151	\$ 6,917,814	\$ 7,231,113

(Concluded)

STATISTICAL SECTION

STATISTICAL SECTION

This part of the County of Butler's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the 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, the property tax.

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 current levels of outstanding debt and the government's ability to issue additional debt in the future.

VI - 17

Demographic and Economic Information

These schedules offer demographic and economic indicators to improve the reader's understanding of the environment within which the government's financial activities take place.

VI - 23

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 - 26

Miscellaneous Statistics

These schedules contain a historical population chart.

VI - 31

SOURCES:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF BUTLER, PENNSYLVANIA

NET POSITION BY COMPONENT - LAST TEN YEARS

(Accrual basis of accounting)

(Unaudited)

	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities:										
Net investment in capital assets	\$ 34,884,432	\$ 42,144,526	\$ 39,595,530	\$ 39,387,664	\$ 35,892,941	\$ 30,212,176	\$ 25,313,445	\$ 23,599,674	\$ 23,913,294	\$ 22,906,434
Restricted	11,165,321	9,954,726	9,066,941	7,417,347	6,286,815	6,939,927	5,236,014	5,051,507	2,750,339	1,122,420
Unrestricted	<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>	<u>10,608,198</u>	<u>12,877,634</u>	<u>15,856,395</u>
Total governmental activities net position	<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>	<u>\$ 39,259,379</u>	<u>\$ 39,541,267</u>	<u>\$ 39,885,249</u>
Business-type activities:										
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ (64,947)	\$ (238,364)	\$ 6,440,992	\$ 6,409,688	\$ 6,884,377	\$ 7,188,717
Restricted	-	-	-	-	11,911	1,331,085	603,961	916,288	878,330	968,288
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(179,518)</u>	<u>-</u>	<u>(573,360)</u>	<u>(270,331)</u>	<u>(338,882)</u>	<u>(408,454)</u>
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (232,554)</u>	<u>\$ 1,092,721</u>	<u>\$ 6,471,593</u>	<u>\$ 7,055,645</u>	<u>\$ 7,423,825</u>	<u>\$ 7,748,551</u>
Primary government:										
Net investment in capital assets	\$ 34,884,432	\$ 42,144,526	\$ 39,595,530	\$ 39,387,664	\$ 35,827,994	\$ 29,973,812	\$ 31,754,437	\$ 30,009,362	\$ 30,797,671	\$ 30,095,151
Restricted	11,165,321	9,954,726	9,066,941	7,417,347	6,298,726	8,271,012	5,839,975	5,967,795	3,628,669	2,090,708
Unrestricted	<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>	<u>10,337,867</u>	<u>12,538,752</u>	<u>15,447,941</u>
Total primary government net position	<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>	<u>\$ 46,315,024</u>	<u>\$ 46,965,092</u>	<u>\$ 47,633,800</u>

COUNTY OF BUTLER, PENNSYLVANIA

CHANGES IN NET POSITION - LAST TEN YEARS

(Accrual Basis of Accounting)

(Unaudited)

	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses:										
Governmental activities:										
General government - administration	\$ 13,187,911	\$ 12,772,232	\$ 12,743,921	\$ 12,301,829	\$ 11,009,498	\$ 11,342,525	\$ 10,741,653	\$ 10,998,572	\$ 10,722,578	\$ 11,108,263
General government - judicial	16,418,326	17,814,826	16,587,066	17,729,710	15,361,068	15,849,028	15,260,808	14,675,698	14,286,291	13,792,135
Public safety	22,544,944	22,935,052	21,626,111	23,612,641	17,058,490	17,466,334	16,481,883	15,280,500	14,529,189	13,771,241
Public works and enterprises	1,623,945	2,084,309	1,589,701	2,142,095	1,485,108	1,954,895	2,045,812	1,706,037	1,671,912	1,709,646
Human services	43,866,467	43,576,946	42,289,104	43,016,935	39,365,687	39,465,829	37,065,928	70,340,797	71,619,452	70,739,280
Culture and recreation	2,009,964	1,624,502	1,991,489	1,741,609	2,569,623	1,572,486	1,237,488	1,495,817	1,204,152	1,191,478
Conservation and development	4,430,713	4,434,507	6,007,161	4,061,501	3,948,814	3,129,353	3,233,785	3,029,481	2,618,891	2,395,196
Interest, premiums, and discounts	1,660,769	1,708,009	1,873,370	1,566,788	1,668,624	1,642,188	2,162,448	2,286,154	2,395,659	2,540,990
Total governmental activities expenses	105,743,039	106,950,383	104,707,923	106,173,108	92,466,912	92,422,638	88,229,805	119,813,056	119,048,124	117,248,229
Business-type activities:										
Healthcare services	-	-	-	-	-	7,840,132	20,259,460	19,337,991	19,160,115	19,216,562
Health Choices	-	-	-	-	29,435,880	29,790,572	30,575,472	-	-	-
Emergency communications	-	-	-	-	3,290,783	3,136,999	3,059,184	2,961,617	2,943,513	2,807,231
Total business-type activities expenses	-	-	-	-	32,726,663	40,767,703	53,894,116	22,299,608	22,103,628	22,023,793
Total primary government expenses	\$ 105,743,039	\$ 106,950,383	\$ 104,707,923	\$ 106,173,108	\$ 125,193,575	\$ 133,190,341	\$ 142,123,921	\$ 142,112,664	\$ 141,151,752	\$ 139,272,022
Program Revenues:										
Governmental activities:										
Charges for services:										
General government - administration	\$ 2,492,215	\$ 2,427,800	\$ 2,502,997	\$ 2,489,623	\$ 2,420,280	\$ 2,405,908	\$ 2,531,181	\$ 2,694,515	\$ 2,466,045	\$ 2,398,778
General government - judicial	2,805,482	3,492,439	3,273,886	3,233,565	3,277,787	3,285,912	3,660,429	3,455,255	3,284,336	4,377,350
Public safety	2,940,789	1,943,667	1,769,898	2,210,605	2,651,470	3,144,256	2,841,068	1,988,196	1,290,786	1,147,825
Public works and enterprises	1,008,895	13,945	-	-	-	-	-	-	-	-
Human services	1,688,771	1,424,990	1,198,868	1,269,198	775,265	508,082	747,675	798,755	880,404	844,195
Culture and recreation	391,970	383,669	352,630	358,084	358,332	260,236	315,715	598,583	293,984	272,882
Conservation and development	545,951	700,896	1,162,407	905,851	673,344	624,103	470,357	708,076	290,125	219,626
Operating grants and contributions	41,600,104	41,170,013	40,973,179	40,344,751	37,520,039	36,606,177	33,403,679	65,305,946	66,053,392	64,498,232
Capital grants and contributions	2,701,927	2,719,645	4,469,850	1,943,591	1,803,901	1,803,901	4,144,241	2,150,141	2,597,010	2,491,940
Total governmental activities program revenues	56,176,104	54,277,064	55,703,715	52,755,268	49,517,034	48,638,575	48,114,345	77,699,467	77,156,082	76,250,828
Business-type activities:										
Healthcare services	-	-	-	-	-	7,487,180	18,796,441	18,113,511	18,371,188	19,045,208
Health Choices	-	-	-	-	29,435,880	29,790,572	30,575,472	-	-	-
Emergency communications	-	-	-	-	2,734,904	1,954,675	1,836,561	2,004,218	2,238,568	2,227,432
Total business-type activities revenues	-	-	-	-	32,170,784	39,232,427	51,208,474	20,117,729	20,609,756	21,272,640
Total primary government revenues	\$ 56,176,104	\$ 54,277,064	\$ 55,703,715	\$ 52,755,268	\$ 81,687,818	\$ 87,871,002	\$ 99,322,819	\$ 97,817,196	\$ 97,765,838	\$ 97,523,468
Net (Expenses)/Revenues:										
Governmental activities	\$ (49,566,935)	\$ (52,673,319)	\$ (49,004,208)	\$ (53,417,840)	\$ (42,949,878)	\$ (43,784,063)	\$ (40,115,460)	\$ (42,113,589)	\$ (41,892,042)	\$ (40,997,401)
Business-type activities	-	-	-	-	(555,879)	(1,535,276)	(2,685,642)	(2,181,879)	(1,493,872)	(751,153)
Total primary government net (expenses) revenues	\$ (49,566,935)	\$ (52,673,319)	\$ (49,004,208)	\$ (53,417,840)	\$ (43,505,757)	\$ (45,319,339)	\$ (42,801,102)	\$ (44,295,468)	\$ (43,385,914)	\$ (41,748,554)
General Revenues and other Changes in Net Position:										
Governmental activities:										
Real estate taxes	\$ 49,692,941	\$ 50,349,609	\$ 49,531,159	\$ 48,653,726	\$ 42,729,131	\$ 42,126,382	\$ 41,502,607	\$ 39,375,548	\$ 38,828,772	\$ 38,250,524
Hotel tax	2,418,046	2,377,470	2,321,249	1,879,933	1,517,098	1,464,849	1,364,156	1,259,592	1,062,312	958,332
Interest and investment income	982,871	734,693	359,766	272,769	77,104	103,723	52,534	99,018	163,821	255,534
Other income	1,888,999	2,074,348	1,831,203	2,066,887	2,183,684	2,520,007	2,284,241	2,910,391	2,660,106	3,508,032
Special item - disposal of operations	-	-	(1,303,000)	(232,554)	(331,291)	13,872,812	(2,130,039)	(1,812,848)	(1,166,951)	(413,465)
Total governmental activities	54,982,857	55,536,120	52,740,377	52,640,761	46,175,726	60,087,773	43,073,499	41,831,701	41,548,060	42,558,957
Business-type activities:										
Interest and investment income	-	-	-	-	222	592	164	851	2,195	6,041
Other income	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	232,554	331,291	(13,872,812)	2,130,039	1,812,848	1,166,951	413,465
Total business-type activities	-	-	-	232,554	331,513	(13,872,220)	2,130,203	1,813,699	1,169,146	419,506
Total primary government	\$ 54,982,857	\$ 55,536,120	\$ 52,740,377	\$ 52,873,315	\$ 46,507,239	\$ 46,215,553	\$ 45,203,702	\$ 43,645,400	\$ 42,717,206	\$ 42,978,463
Change in Net Position:										
Governmental activities	\$ 5,415,922	\$ 2,862,801	\$ 3,736,169	\$ (777,079)	\$ 3,225,848	\$ 16,303,710	\$ 2,958,039	\$ (281,888)	\$ (343,982)	\$ 1,561,556
Business-type activities	-	-	-	232,554	(224,366)	(15,407,496)	(555,439)	(368,180)	(324,726)	(331,647)
Total primary government change in net position	\$ 5,415,922	\$ 2,862,801	\$ 3,736,169	\$ (544,525)	\$ 3,001,482	\$ 896,214	\$ 2,402,600	\$ (650,068)	\$ (668,708)	\$ 1,229,909

COUNTY OF BUTLER, PENNSYLVANIA

FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN YEARS

(Modified Accrual Basis of Accounting)

(Unaudited)

	Year									
	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)	2013 (1)	2012 (1)	2011 (1)	2010
General Fund:										
Nonspendable	\$ 823,976	\$ 641,934	\$ 522,353	\$ 694,203	\$ 582,600	\$ 257,991	\$ 251,297	\$ 285,458	\$ 580,916	\$ -
Restricted	1,310,235	1,302,299	1,397,424	1,396,143	1,389,121	1,376,332	1,259,133	1,233,230	1,456,636	-
Committed	1,197,288	1,138,969	1,124,939	571,054	577,893	655,634	685,659	726,339	743,638	-
Assigned	6,744,980	4,445,406	3,820,000	3,841,054	4,250,138	5,389,990	6,153,177	6,492,677	8,181,467	-
Unassigned	8,243,722	8,846,728	7,106,548	5,044,438	2,160,243	-	664,489	-	708,364	-
Reserved	-	-	-	-	-	-	-	-	-	1,309,634
Unreserved:	-	-	-	-	-	-	-	-	-	-
Designated	-	-	-	-	-	-	-	-	-	7,486,591
Undesignated	-	-	-	-	-	-	-	-	-	2,751,493
Total General Fund	\$ 18,320,201	\$ 16,375,336	\$ 13,971,264	\$ 11,546,892	\$ 8,959,995	\$ 7,679,947	\$ 9,013,755	\$ 8,737,704	\$ 11,671,021	\$ 11,547,718
All Other Governmental Funds:										
Nonspendable	\$ 41,689	\$ 75,797	\$ 36,309	\$ 45,688	\$ 39,654	\$ 43,670	\$ 43,450	\$ 51,508	\$ 24,271	\$ -
Restricted	10,453,345	11,257,970	17,370,712	10,084,220	2,968,524	4,063,595	2,776,881	2,893,277	1,293,703	-
Committed	2,116,035	-	-	6,556	3,922,230	3,109,883	-	-	-	-
Assigned	1,639,494	2,196,505	3,319,358	3,248,481	2,126,425	8,126,180	211,935	292,918	166,463	-
Unassigned	(5,533)	(46,825)	(7,255)	(7,867)	(6,570)	(7,475)	(9,477)	(13,285)	(12,196)	-
Reserved	-	-	-	-	-	-	-	-	-	7,289
Unreserved:										
Designated:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-	-	-	-	-
Undesignated:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	2,679,370
Capital Project Funds	-	-	-	-	-	-	-	-	-	156,014
Total all Other Governmental Funds	\$ 14,245,030	\$ 13,483,447	\$ 20,719,124	\$ 13,377,078	\$ 9,050,263	\$ 15,335,853	\$ 3,022,789	\$ 3,224,418	\$ 1,472,241	\$ 2,842,673

NOTES:

(1) The County implemented GASB Statement No. 54 beginning in 2011.

COUNTY OF BUTLER, PENNSYLVANIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN YEARS

(Modified Accrual Basis of Accounting)

(Unaudited)

	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues:										
Taxes	\$ 53,478,119	\$ 52,529,566	\$ 51,801,239	\$ 50,520,042	\$ 44,097,479	\$ 43,431,240	\$ 42,772,400	\$ 40,566,799	\$ 39,952,764	\$ 39,315,897
Intergovernmental	44,783,471	43,333,644	44,967,981	42,519,702	38,895,758	38,055,079	37,272,922	66,531,089	68,650,401	66,990,169
Charges for services	11,376,966	9,017,680	9,237,995	9,224,707	8,699,749	9,165,554	9,091,712	8,935,969	7,322,284	8,050,587
Fines and forfeits	1,022,017	1,211,196	1,017,913	930,765	1,072,174	1,076,844	1,121,276	1,129,708	1,229,275	1,287,501
Interest	982,871	734,692	359,766	272,769	77,104	103,723	52,534	99,018	163,821	255,534
Other	1,921,293	2,052,002	1,891,784	2,075,378	2,188,740	2,515,394	2,305,588	2,903,167	2,650,298	3,366,705
Total revenues	113,564,737	108,878,780	109,276,678	105,543,363	95,031,004	94,347,834	92,616,432	120,165,750	119,968,843	119,266,393
Expenditures:										
General government - administration	11,527,198	11,250,038	10,749,174	10,433,753	10,345,603	10,250,444	9,830,002	9,765,746	9,628,864	9,577,124
General government - judicial	16,915,799	16,873,999	16,650,766	16,252,916	15,606,260	15,615,489	15,021,003	14,447,016	14,104,122	13,603,720
Public safety	21,517,743	20,505,605	20,036,370	19,938,669	16,146,436	16,060,375	15,049,900	13,820,772	13,161,066	12,369,990
Public works and enterprises	501,081	491,178	508,103	827,770	513,103	632,575	789,241	566,429	613,325	708,423
Human services	43,455,114	42,369,338	41,537,210	41,259,013	38,997,435	39,173,894	36,354,183	69,607,032	71,371,882	70,491,659
Culture and recreation	1,063,012	1,087,514	1,100,902	1,058,255	1,012,106	928,971	915,063	1,021,363	913,424	883,232
Conservation and development	3,813,331	4,008,868	5,608,161	3,356,165	3,380,650	2,786,574	2,980,745	2,836,419	2,170,014	2,026,229
Other	524,609	527,596	518,148	555,039	680,684	501,905	624,067	587,001	303,191	296,884
Debt service:										
Principal	3,940,430	3,805,875	3,400,826	9,997,748	2,007,962	39,192,423	2,144,930	2,375,029	2,223,607	1,601,536
Interest	1,953,539	2,055,697	1,944,247	1,873,325	1,852,335	2,621,753	2,133,955	2,256,239	2,362,026	2,493,227
Capital projects	6,891,961	10,757,023	11,480,640	2,999,500	9,563,459	9,437,425	4,581,183	2,307,584	3,341,176	3,510,937
Total expenditures	112,103,817	113,732,731	113,534,547	108,552,153	100,106,033	137,201,828	90,424,272	119,590,630	120,192,697	117,562,961
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,460,920	(4,853,951)	(4,257,869)	(3,008,790)	(5,075,029)	(42,853,994)	2,192,160	575,120	(223,854)	1,703,432
Other Financing Sources (Uses):										
Transfers in	10,015,790	6,360,654	6,529,405	9,107,445	8,694,597	25,688,869	6,241,311	5,926,326	5,341,563	8,607,172
Transfers out	(10,015,790)	(6,360,654)	(6,529,405)	(8,117,227)	(9,025,888)	(11,816,057)	(8,371,350)	(7,739,174)	(6,508,514)	(9,020,637)
Debt proceeds	118,611	-	15,121,814	8,970,000	-	39,947,149	-	49,364	115,621	-
Sinking fund reimbursement	12,491	-	-	-	-	-	-	-	-	-
Infrastructure Bank - proceeds	9,317,087	-	-	-	-	-	-	-	-	-
Infrastructure Bank - disbursements	(9,317,087)	-	-	-	-	-	-	-	-	-
Refund office furniture	-	-	-	130,238	329,712	-	-	-	-	-
Sale of capital assets	35,909	22,346	25,473	12,046	71,066	13,289	12,301	7,224	28,055	13,080
Other	-	-	-	-	-	-	-	-	-	140,097
Total other financing sources (uses)	167,011	22,346	15,147,287	10,102,502	69,487	53,833,250	(2,117,738)	(1,756,260)	(1,023,275)	(260,288)
Special Item - disposal of operations	-	-	(1,303,000)	-	-	-	-	-	-	-
Net change in fund balance	\$ 1,627,931	\$ (4,831,605)	\$ 9,586,418	\$ 7,093,712	\$ (5,005,542)	\$ 10,979,256	\$ 74,422	\$ (1,181,140)	\$ (1,247,129)	\$ 1,443,144
Debt service as a percentage of noncapital expenditures	5.51%	5.62%	5.17%	11.05%	4.17%	32.31%	4.92%	3.91%	3.89%	3.55%

COUNTY OF BUTLER, PENNSYLVANIA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION - LAST TEN YEARS

ALL GOVERNMENTAL FUND TYPES 2010-2019

(Unaudited)

Fiscal Year	General Government Administration	General Government Judicial	Public Safety (3)	Public Works and Enterprises (1)	Human Services (2)	Culture and Recreation	Conservation and Development	Other	Debt Service	Capital Projects	Total
2010	\$ 9,577,124	\$ 13,603,720	\$ 12,369,990	\$ 708,423	\$ 70,491,659	\$ 883,232	\$ 2,026,229	\$ 296,884	\$ 4,094,763	\$ 3,510,937	\$ 117,562,961
2011	9,628,864	14,104,122	13,161,066	613,325	71,371,882	913,424	2,170,014	303,191	4,585,633	3,341,176	120,192,697
2012	9,765,746	14,447,016	13,820,772	566,429	69,607,032	1,021,363	2,836,419	587,001	4,631,268	2,307,584	119,590,630
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	5,893,969	6,891,961	112,103,817

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 2010-2019

(Unaudited)

Fiscal Year	Property Taxes	Inter-governmental	Charges for Services	Fines and Forfeits	Interest	Other	Total
2010	\$ 39,315,897	\$ 66,990,169	\$ 8,050,587	\$ 1,287,501	\$ 255,534	\$ 3,366,705	\$ 119,266,393
2011	39,952,764	68,650,401	7,322,284	1,229,275	163,821	2,650,298	119,968,843
2012	40,566,799	66,531,089	8,935,969	1,129,708	99,018	2,903,167	120,165,750
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

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.

NOTE: Taxes includes Current, Delinquent and Hotel Taxes

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS 2010-2019
(Unaudited)

Fiscal Year	A	B (2) Adjustments	C (A+B) Total Adjusted Levy	D	(D/A)	E Collections in Subsequent Years	F	(F/C) Percentage of Adjusted Levy
	(1) Taxes Levied for the Fiscal Year (Original Levy)			Collected Within the Fiscal Year of the Levy	(D+E) Total Collections to Date			
					(4)			
	Amount			Percentage of Original Levy	Amount			
2010	\$ 38,623,639	\$ (69,053)	\$ 38,554,586	\$ 37,400,349	96.83%	\$ 1,123,147	\$ 38,523,496	99.92%
2011	39,284,071	(9,438)	39,274,633	38,125,369	97.05%	1,115,336	39,240,705	99.91%
2012	39,794,128	(13,874)	39,780,254	38,636,151	97.09%	1,107,480	39,743,631	99.91%
2013	42,026,464	(107,061)	41,919,403	40,827,137	97.15%	1,050,329	41,877,466	99.90%
2014	42,580,754	(14,627)	42,566,127	41,447,122	97.34%	1,069,443	42,516,565	99.88%
2015	43,139,297	(17,898)	43,121,399	42,052,177	97.48%	1,010,946	43,063,123	99.86%
2016	49,044,872	(20,350)	49,024,522	47,864,484	97.59%	1,089,692	48,954,176	99.86%
2017	49,865,284	(4,403)	49,860,881	48,731,336	97.73%	1,048,212	49,779,548	99.84%
2018	50,692,454	(10,015)	50,682,438	49,538,963	97.72%	624,815	50,163,778	98.98%
2019	51,562,828	(28,111)	51,534,717	50,460,209	97.86%	-	50,460,209	97.91%

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

2010-2019
(Unaudited)

Fiscal Year							(D/E)	
	A Residential & Other Property	B Commerical & Industrial Property	C Less Tax-Exempt Property	D (A+B-C) Total Taxable Assessed Value	E 1969 Estimated Actual Value	Current Year Estimated Actual Value (1)	Taxable Assessed Value As a Percentage of 1969 Estimated Actual Value	Total Direct Millage Rate (2)
2010	\$ 1,376,938,039	\$ 499,515,505	\$ 247,708,450	\$ 1,628,745,094	\$ 1,628,745,094	\$ 11,889,839,186	100%	23.63
2011	1,392,941,289	507,200,000	244,202,456	1,655,938,833	1,655,938,833	8,677,119,485	100%	23.63
2012	1,416,681,113	509,248,507	248,472,873	1,677,456,747	1,677,456,747	9,863,445,672	100%	23.63
2013	1,444,142,050	511,531,067	254,910,067	1,700,763,050	1,700,763,050	12,602,654,201	100%	24.63
2014	1,464,580,959	513,611,229	257,484,755	1,720,707,433	1,720,707,433	15,090,604,187	100%	24.63
2015	1,490,248,822	517,266,994	255,879,742	1,751,636,074	1,751,636,074	16,517,928,178	100%	24.63
2016	1,512,680,708	520,050,742	257,544,208	1,775,187,242	1,775,187,242	16,278,467,009	100%	27.63
2017	1,540,533,542	522,847,394	258,368,420	1,805,012,516	1,805,012,516	16,714,415,898	100%	27.63
2018	1,594,494,416	526,140,478	285,680,352	1,834,954,542	1,834,954,542	17,303,621,331	100%	27.63
2019 *	1,780,203,585	371,811,431	285,552,927	1,866,462,089	1,866,462,089	20,064,467,457	100%	27.63

NOTES:

(1) Current year estimated actual value is calculated as the total taxable assessed value multiplied by the current year common level ratio factor of 9.26%.

(2) Tax rates are expressed in millage, and the tax rate is applied per thousand dollars (\$1,000) of the 1969 estimated actual values.

* In 2019, The County implemented new assessment software, and correctly classified properties previously reported as commercial & industrial.

SOURCE:

Butler County Assessment Office

COUNTY OF BUTLER, PENNSYLVANIA

ASSESSED VALUE OF PROPERTY TAXES BY MUNICIPALITY - LAST TEN YEARS

2010-2019
(Unaudited)

Municipality	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Adams Township	\$ 198,738,060	\$ 195,304,178	\$ 188,892,873	\$ 182,035,456	\$ 176,048,289	\$ 170,651,199	\$ 164,259,143	\$ 158,462,886	\$ 152,393,540	\$ 146,840,113
Allegheny Township	7,324,325	7,274,704	7,256,745	7,743,285	7,672,304	7,652,942	7,581,132	7,490,995	7,459,955	5,325,371
Brady Township	8,740,052	8,644,655	8,524,883	8,473,033	8,395,051	8,379,169	8,332,155	8,346,810	8,349,355	8,240,943
Bruin Borough	2,266,044	2,163,254	2,162,529	2,151,079	2,133,672	2,134,732	2,120,012	2,125,372	2,133,651	2,121,681
Buffalo Township	75,561,514	74,003,688	72,913,365	70,893,835	70,032,829	69,485,898	68,848,084	68,314,917	67,782,619	67,154,810
Butler City	68,528,345	67,858,653	68,064,108	68,253,347	68,921,971	69,084,242	68,952,575	69,304,666	69,339,806	69,542,326
Butler Township	162,414,985	161,945,453	161,536,079	160,663,187	161,534,265	157,609,694	157,316,494	156,941,363	156,310,153	154,916,081
Callery Borough	4,026,676	3,857,256	3,863,366	3,852,536	3,433,266	3,426,096	3,425,696	3,371,226	3,364,872	3,361,740
Center Township	83,638,388	83,650,942	80,333,093	80,804,953	82,926,536	82,503,901	81,958,109	81,664,684	81,287,888	81,009,786
Cherry Township	10,947,117	10,874,791	10,716,850	10,587,271	10,454,674	10,421,868	9,455,240	9,429,119	9,380,250	9,290,599
Cherry Valley Borough	776,360	746,600	742,060	718,940	716,250	709,850	709,350	710,363	710,363	698,213
Chicora Borough	5,377,699	5,351,341	5,351,321	5,345,474	5,385,257	5,376,337	5,395,920	5,383,316	5,330,272	5,260,742
Clay Township	18,841,721	18,699,361	18,716,092	18,533,399	18,455,965	18,294,322	18,115,347	17,907,306	17,851,175	17,695,786
Clearfield Township	18,119,223	17,920,763	17,803,123	17,703,801	17,620,146	17,509,209	17,430,328	17,149,078	17,071,396	16,930,368
Clinton Township	39,462,260	39,168,587	39,009,082	39,255,385	38,092,775	37,841,152	37,368,506	36,775,759	36,228,833	28,202,010
Concord Township	10,500,505	10,461,643	10,430,296	10,423,542	10,382,148	10,319,247	10,322,442	10,237,901	10,167,367	10,157,836
Connoquenessing Borough	5,698,553	5,534,913	5,235,153	4,804,198	4,541,258	4,310,138	4,075,548	3,801,838	3,608,058	3,420,948
Connoquenessing Township	43,835,313	43,122,610	42,581,704	42,201,574	40,970,366	40,124,825	39,881,478	39,528,080	38,970,432	38,386,881
Cranberry Township	419,898,079	408,828,437	400,264,215	392,140,274	383,639,148	375,489,276	367,969,462	358,341,979	351,336,401	346,132,136
Donegal Township	15,015,674	14,844,684	14,760,173	14,704,322	14,603,118	14,510,033	14,361,807	14,100,904	13,962,844	13,730,619
East Butler Borough	6,143,443	6,156,105	6,297,457	6,265,162	6,368,981	6,365,057	6,369,677	6,333,687	6,314,372	6,272,785
Eau Claire Borough	2,062,410	1,982,510	1,979,200	1,981,850	1,989,863	2,007,743	2,004,133	2,041,433	2,049,532	2,029,012
Evans City Borough	10,162,096	10,162,756	10,171,096	10,157,356	10,140,616	10,068,016	10,024,896	10,009,656	9,966,108	9,956,631
Fairview Borough	731,269	728,769	727,939	727,779	723,489	723,489	723,489	712,319	703,299	705,789
Fairview Township	15,032,508	14,878,179	14,715,494	14,612,469	14,596,154	14,406,062	14,322,958	14,270,834	14,146,424	14,091,111
Forward Township	31,069,895	29,643,531	28,432,019	27,743,723	26,523,457	25,459,724	24,530,044	24,390,306	24,209,481	23,781,884
Franklin Township	26,361,985	26,055,976	25,603,983	25,179,343	24,758,372	24,393,489	24,067,549	23,800,536	23,613,291	23,336,470
Harmony Borough	7,407,242	7,397,812	7,395,852	7,335,182	7,319,082	7,290,782	7,180,672	7,164,162	7,119,262	7,260,432
Harrisville Borough	5,304,924	5,204,394	5,209,244	5,215,944	5,179,520	5,149,176	5,142,321	5,150,721	5,179,071	5,137,011
Jackson Township	58,894,750	56,264,300	54,110,703	47,602,899	44,910,184	42,126,152	41,054,202	40,713,131	40,441,413	40,033,137
Jefferson Township	43,464,368	43,126,681	42,727,470	42,387,360	41,974,834	41,745,999	41,563,117	41,394,272	41,174,263	41,875,724
Karns City Borough	1,449,404	1,376,484	1,371,344	1,369,574	1,372,744	1,374,854	1,369,994	1,377,404	1,374,464	1,360,895
Lancaster Township	28,856,503	27,517,265	26,394,717	25,958,683	25,728,547	25,420,252	25,095,832	24,806,152	24,576,862	24,269,482
Marion Township	8,309,943	8,284,125	8,255,985	8,198,239	8,181,055	8,140,995	8,010,577	7,945,797	7,889,415	7,848,362
Mars Borough	8,431,117	8,423,057	8,345,227	8,310,107	8,233,767	8,220,347	8,211,467	8,167,207	8,160,747	8,197,627
Mercer Township	8,108,684	8,003,424	7,987,524	7,939,274	7,859,194	7,811,117	7,750,837	7,656,407	7,614,177	7,543,657
Middlesex Township	64,057,926	60,387,116	58,444,513	56,905,666	55,886,798	54,163,087	52,584,723	51,437,528	50,451,102	49,935,642
Muddy Creek Township	18,137,589	17,995,059	17,894,506	17,825,380	17,635,282	17,538,412	17,493,095	17,356,660	17,219,257	17,075,399
Oakland Township	22,492,387	22,373,387	22,221,135	22,177,960	21,916,149	21,804,136	21,677,981	21,517,485	21,301,746	21,216,205
Parker Township	5,298,375	5,260,295	5,182,628	5,040,558	5,007,158	4,966,248	4,956,788	4,905,848	4,898,538	4,867,648
Penn Township	55,945,152	55,603,925	55,440,551	54,900,392	54,610,222	54,382,535	54,126,505	53,676,617	53,355,109	53,106,939
Petrolia Borough	1,430,882	1,430,882	1,436,492	1,436,492	1,439,352	1,443,912	1,454,422	1,454,422	1,466,782	1,538,951
Portersville Borough	2,134,850	2,135,810	2,195,080	2,117,520	2,117,520	2,116,620	2,124,600	2,124,600	2,124,600	2,143,489
Prospect Borough	7,748,604	7,666,579	7,682,296	7,659,142	7,672,299	7,660,370	7,638,964	7,637,739	7,601,693	7,562,117
Saxonburg Borough	13,041,916	13,049,286	13,027,349	12,998,767	12,827,267	12,805,613	12,820,435	12,759,377	12,390,630	12,363,212
Seven Fields Borough	33,455,982	33,429,432	33,417,502	33,365,032	33,366,372	33,361,672	33,253,022	32,945,222	32,723,832	32,653,172
Slippery Rock Borough	20,282,710	20,160,323	20,074,003	20,032,433	19,897,079	19,678,763	19,531,373	19,401,783	18,993,973	18,097,049
Slippery Rock Township	36,364,210	36,202,575	35,950,958	36,254,481	35,965,018	33,227,943	33,190,333	33,032,653	32,471,277	32,043,357
Summit Township	34,663,312	34,180,553	34,043,376	33,781,138	33,364,552	33,489,171	33,498,545	33,400,611	33,808,004	33,597,916
Valencia Borough	1,155,663	1,152,462	1,152,112	1,150,751	1,127,431	1,099,519	5,160,739	5,009,429	4,826,173	4,657,673
Venango Township	6,338,946	6,337,337	6,309,907	6,247,714	6,194,043	6,192,933	6,098,551	6,033,441	5,945,238	5,827,233
Washington Township	9,142,633	9,160,577	9,107,977	9,021,797	8,965,256	8,916,666	8,823,058	8,784,490	8,697,995	8,590,451
West Liberty Borough	2,594,505	2,556,105	2,468,885	2,451,492	2,413,012	2,413,012	2,391,192	2,385,422	2,381,672	2,376,442
West Sunbury Borough	937,529	937,529	943,589	943,589	943,589	943,969	942,109	909,249	909,439	907,159
Winfield Township	28,054,591	27,946,967	27,723,655	27,421,379	27,343,433	27,106,545	27,001,935	26,825,268	26,327,613	27,850,612
Worth Township	12,530,281	12,443,091	12,333,321	12,276,501	12,205,468	11,985,528	11,873,222	11,716,282	11,695,325	11,534,136
Zelenople Borough	29,152,612	29,083,371	29,080,317	28,905,223	28,921,627	28,873,395	28,820,865	28,820,035	28,777,424	28,681,294
	<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>	<u>\$ 1,677,456,747</u>	<u>\$ 1,655,938,833</u>	<u>\$ 1,628,745,094</u>

SOURCE:
Butler County Assessment Office

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2010-2019
(Unaudited)

REAL ESTATE TAX RATE (MILLS)

Municipality and School District	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
BUTLER COUNTY										
Operating Millage	21.45	21.40	21.59	21.98	20.69	20.69	20.69	19.69	19.69	19.69
Debt Service Millage	3.24	3.29	3.10	2.71	3.94	3.94	3.94	3.94	3.94	3.94
Butler County Community College Millage	2.94	2.94	2.94	2.94	-	-	-	-	-	-
Total County Millage	27.63	27.63	27.63	27.63	24.63	24.63	24.63	23.63	23.63	23.63
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	99.00	99.00	99.00	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.	66.14	68.56	65.20	64.43	62.38	60.40	63.81	46.74	55.34	73.88
Brady Township										
Municipal	10.15	8.15	8.15	8.15	8.15	6.15	3.15	3.15	3.15	3.15
Slippery Rock Area S.D.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
Bruin Borough										
Municipal (1)	16.88	16.88	13.88	13.88	13.88	13.88	13.85	13.88	13.88	13.88
Karns City Area S.D.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
Buffalo Township										
Municipal	5.50	4.38	4.38	4.38	4.38	4.38	3.38	3.38	3.38	3.38
Freeport Area S.D.	148.90	145.60	142.60	142.60	134.70	130.30	125.90	122.10	121.60	119.00
Butler City										
Municipal (1)	43.25	43.25	43.25	42.50	42.50	40.00	38.75	38.75	41.50	41.50
Butler Area S.D.	104.03	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
Butler Township										
Municipal (1)	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	8.25	8.25
Butler Area S.D.	104.03	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
Callery Borough										
Municipal (1)	24.63	24.63	24.63	24.63	24.63	24.63	24.63	24.63	24.63	17.63
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2010-2019
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Center Township										
Municipal (1)	7.05	7.05	7.05	7.05	7.05	7.05	7.05	7.05	4.41	4.41
Butler Area S.D.	104.03	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
Chicora Borough										
Municipal (1)	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75
Karns City Area S.D.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
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	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
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	93.28	93.28	93.28	93.28	91.28	89.68
Concord Township										
Municipal (1)	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	7.00	5.00
Moniteau S.D.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
Connoquenessing Borough										
Municipal (1)	5.55	5.55	5.55	5.55	5.55	5.55	3.15	3.15	3.15	3.15
Butler Area S.D.	104.03	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2010-2019
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Connoquenessing Township										
Municipal (1)	3.20	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Butler Area S.D.	104.03	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
Cranberry Township										
Municipal (1)	13.25	13.25	13.25	13.25	13.25	13.00	13.00	13.00	10.65	10.65
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00
Donegal Township										
Municipal (1)	4.50	4.50	4.50	4.50	4.50	2.25	2.25	2.25	2.25	2.25
Karns City Area S.D.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
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	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
Evans City Borough										
Municipal	25.00	25.00	20.00	20.00	20.00	20.00	22.88	19.88	19.88	19.88
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00
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.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
Fairview Township										
Municipal	6.25	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
Karns City Area S.D.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
Forward Township										
Municipal	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78	2.78
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2010-2019
(Unaudited)

REAL ESTATE TAX RATE (MILLS) (Continued)

Municipality and School District	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Franklin Township										
Municipal (1)	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Slippery Rock Area S.D.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
Harmony Borough										
Municipal	12.59	12.59	12.59	12.59	12.59	12.21	12.21	12.21	12.21	12.21
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00
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.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
Jackson Township										
Municipal (1)	8.25	8.25	8.25	7.88	7.88	7.88	7.88	7.88	7.88	7.88
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00
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	93.28	93.28	93.28	93.28	91.28	89.68
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.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
Lancaster Township										
Municipal	9.00	9.00	9.00	9.00	9.00	9.00	8.72	8.72	8.72	8.72
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00
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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
Mars Borough										
Municipal (1)	19.88	19.88	16.88	16.88	16.88	16.88	16.88	16.88	16.88	16.88
Mars Area School S.D.	101.38	101.38	99.00	99.00	99.00	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

2010-2019
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
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.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
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	99.00	99.00	99.00	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	3.00
Slippery Rock Area S.D.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
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	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
Parker Township										
Municipal	11.13	11.13	8.13	8.13	8.13	8.13	7.13	7.13	7.13	7.13
Karns City Area S.D.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
Penn Township										
Municipal (1)	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	6.47	6.47
South Butler S.D.	94.28	94.28	94.28	94.28	93.28	93.28	93.28	93.28	91.28	89.68
Petrolia Borough										
Municipal	15.00	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50
Karns City Area S.D.	92.97	91.24	91.95	89.12	87.10	84.66	82.48	80.80	77.24	77.26
Portersville Borough										
Municipal (1)	5.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	3.00
Slippery Rock Area S.D.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
Prospect Borough										
Municipal (1)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	1.69	1.69
Slippery Rock Area S.D.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2010-2019
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Saxonburg Borough										
Municipal	22.66	22.66	22.66	22.66	22.66	22.66	22.66	18.66	18.66	18.66
South Butler S.D.	94.28	94.28	94.28	94.28	93.28	93.28	93.28	93.28	91.28	89.68
Seven Fields Borough										
Municipal	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00
Slippery Rock Borough										
Municipal (1)	24.38	24.38	24.38	21.88	21.88	21.88	21.88	19.88	19.88	19.88
Slippery Rock Area S.D.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
Slippery Rock Township										
Municipal	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25	2.25
Slippery Rock Area S.D.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
Summit Township										
Municipal (1)	6.13	6.13	6.13	6.13	6.13	6.13	6.13	6.13	6.13	5.63
Butler Area S.D.	104.03	101.00	101.00	97.80	94.80	94.80	93.80	91.80	89.80	88.13
Valencia Borough										
Municipal (1)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.75	7.75	7.50
Mars Area School S.D.	101.38	101.38	99.00	99.00	99.00	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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
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.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS - LAST TEN YEARS

2010-2019
(Unaudited)

REAL ESTATE TAX RATE (MILLS)
(Continued)

Municipality and School District	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
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.	90.62	90.62	88.62	87.62	86.92	84.64	84.64	83.64	81.60	81.60
Winfield Township										
Municipal	5.00	5.00	5.00	5.00	5.00	3.00	3.00	3.00	2.00	2.00
South Butler S.D.	94.28	94.28	94.28	94.28	93.28	93.28	93.28	93.28	91.28	89.68
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.	99.77	97.81	97.81	96.81	95.66	92.77	89.15	89.15	89.15	86.72
Zelienople Borough										
Municipal (1)	5.81	5.81	5.31	5.31	5.31	5.31	4.56	4.56	4.56	4.56
Seneca Valley S.D.	127.89	126.00	126.00	123.00	119.90	116.45	112.75	110.00	105.60	100.00

(Concluded)

NOTE:

(1) Includes fire tax, library tax, and/or debt service.

SOURCE:

Butler County Assessment Office

COUNTY OF BUTLER, PENNSYLVANIA

RATIO OF OUTSTANDING DEBT BY TYPE - LAST TEN YEARS

2010-2019
(Unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities	(1)	(2) Percentage of	(2)
	General Obligation Bonds	Capital Reserve Note/ Leases	General Obligation Bonds	Total Primary Government	Personal Income	Per Capita
2010	\$ 53,240,000	\$ -	\$ 4,115,000	\$ 57,355,000	0.75%	312
2011	51,055,000	77,014	3,635,000	54,767,014	0.68%	296
2012	48,735,000	71,350	3,155,000	51,961,350	0.60%	281
2013	46,645,000	16,422	2,300,000	48,961,422	0.53%	264
2014	43,775,000	203,520	2,155,000	46,133,520	0.51%	248
2015	41,815,000	155,558	1,645,000	43,615,558	0.45%	233
2016	42,548,000	105,700	-	42,653,700	0.43%	228
2017	53,209,000	53,874	-	53,262,874	0.51%	285
2018	49,457,000	-	-	49,457,000	0.45%	263
2019	54,859,087	93,181	-	54,952,268	*	293

* 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

2010-2019
(Unaudited)

FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS AMOUNTS AVAILABLE IN DEBT SERVICE FUND	TOTAL	(1) PERCENTAGE OF ESTIMATED ACTUAL TAXABLE VALUE OF PROPERTY	(2) PER CAPITA
2010	\$ 57,355,000	\$ -	\$ 57,355,000	0.46%	312
2011	54,690,000	-	54,690,000	0.63%	296
2012	51,890,000	-	51,890,000	0.53%	281
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

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, 2019

(Unaudited)

Governmental Unit (1)	Debt Outstanding	(1) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
School Districts: (2)			
Allegheny-Clarion	\$ 3,665,000	11.14%	\$ 408,213
Butler Area	87,243,825	100.00%	87,243,825
Butler County Area Vo-Tech	-	100.00%	-
Freeport Area	37,395,000	62.16%	23,243,047
Karns City Area	582,755	64.88%	378,067
Mars Area	91,486,232	100.00%	91,486,232
Moniteau	8,300,028	100.00%	8,300,028
Seneca Valley	91,780,000	100.00%	91,780,000
Slippery Rock Area	-	100.00%	-
South Butler County	6,856,339	100.00%	6,856,339
Total School Districts	\$ 327,309,179		\$ 309,695,751
Cities: (3)			
Butler	\$ 7,555,000	100.00%	\$ 7,555,000
Total Cities	\$ 7,555,000		\$ 7,555,000
Townships: (3)			
Adams Township	\$ -	100.00%	\$ -
Allegheny Township	-	100.00%	-
Brady Township	-	100.00%	-
Buffalo Township	193,166	100.00%	193,166
Butler Township	2,540,000	100.00%	2,540,000
Center Township	361,360	100.00%	361,360
Cherry Township	65,548	100.00%	65,548
Clay Township	66,480	100.00%	66,480
Clearfield Township	28,116	100.00%	28,116
Clinton Township	-	100.00%	-
Concord Township	185,262	100.00%	185,262
Connoquenessing Township	-	100.00%	-
Cranberry Township	78,867,121	100.00%	78,867,121
Donegal Township	86,764	100.00%	86,764
Fairview Township	-	100.00%	-
Forward Township	314,117	100.00%	314,117
Franklin Township	-	100.00%	-
Jackson Township	1,805,564	100.00%	1,805,564
Jefferson Township	-	100.00%	-
Lancaster Township	-	100.00%	-
Marion Township	59,256	100.00%	59,256
Mercer Township	353,237	100.00%	353,237
Middlesex Township	12,112,100	100.00%	12,112,100

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2019

(Unaudited)

(Continued)

Governmental Unit (1)	Debt Outstanding	(1) Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Muddycreek Township	146,000	100.00%	146,000
Oakland Township	85,826	100.00%	85,826
Parker Township	103,368	100.00%	103,368
Penn Township	11,768,726	100.00%	11,768,726
Slippery Rock Township	-	100.00%	-
Summit Township	61,775	100.00%	61,775
Venango Township	10,918	100.00%	10,918
Washington Township	337,480	100.00%	337,480
Winfield Township	346,000	100.00%	346,000
Worth Township	80,926	100.00%	80,926
Total Townships	\$ 109,979,110		\$ 109,979,110
Boroughs: (3)			
Bruin Borough	\$ -	100.00%	\$ -
Callery Borough	-	100.00%	-
Cherry Valley Borough	-	100.00%	-
Chicora Borough	-	100.00%	-
Connoquenessing Borough	176,514	100.00%	176,514
East Butler Borough	46,705	100.00%	46,705
Eau Claire Borough	-	100.00%	-
Evans City Borough	79,227	100.00%	79,227
Fairview Borough	-	100.00%	-
Harmony Borough	10,636	100.00%	10,636
Harrisville Borough	77,651	100.00%	77,651
Karns City Borough	-	100.00%	-
Mars Borough	57,119	100.00%	57,119
Petrolia Borough	-	100.00%	-
Portersville Borough	-	100.00%	-
Prospect Borough	1,610,639	100.00%	1,610,639
Saxonburg Borough	70,234	100.00%	70,234
Seven Fields Borough	890,000	100.00%	890,000
Slippery Rock Borough	427,656	100.00%	427,656
Valencia Borough	-	100.00%	-
West Liberty Borough	-	100.00%	-
West Sunbury Borough	-	100.00%	-
Zelienople Borough	8,565,538	100.00%	8,565,538
Total Boroughs	\$ 12,011,919		\$ 12,011,919

(Continued)

COUNTY OF BUTLER, PENNSYLVANIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2019

(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			\$ 439,241,780
Total Direct Debt			54,952,268
Total Direct and Overlapping Debt			<u>\$ 494,194,048</u>

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, 2019.

(3) Municipal Debt is as of December 31, 2018. Information for 2019 was unavailable.

SOURCES:

Annual audited financial reports for the School Districts.

Pennsylvania Department of Community and Economic Development.

(Concluded)

COUNTY OF BUTLER, PENNSYLVANIA

LEGAL DEBT MARGIN INFORMATION - LAST TEN YEARS

2010-2019
(Unaudited)

Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Borrowing Base Revenues:										
Two years prior	\$ 46,849,506	\$ 48,293,150	\$ 50,314,237	\$ 50,793,601	\$ 51,806,554	\$ 54,863,179	\$ 55,807,050	\$ 55,660,790	\$ 61,893,953	\$ 62,449,992
Prior year	48,293,150	50,314,237	50,793,601	51,806,554	54,863,179	55,807,050	55,660,790	61,893,953	62,449,992	63,645,501
Current year	50,314,237	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
Total Borrowing Base Revenues	<u>\$ 145,456,893</u>	<u>\$ 149,400,988</u>	<u>\$ 152,914,392</u>	<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>
Average Borrowing Base Revenues	<u>\$ 48,485,631</u>	<u>\$ 49,800,329</u>	<u>\$ 50,971,464</u>	<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>
Limit for Non-Electoral Debt:										
Average Borrowing Base Revenues	\$ 48,485,631	\$ 49,800,329	\$ 50,971,464	\$ 52,487,778	\$ 54,158,928	\$ 55,443,673	\$ 57,787,264	\$ 60,001,578	\$ 62,663,149	\$ 63,671,883
Debt Limit Percent	300%	300%	300%	300%	300%	300%	300%	300%	300%	300%
Debt Limit	<u>145,456,893</u>	<u>149,400,988</u>	<u>152,914,392</u>	<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>187,989,447</u>	<u>191,015,649</u>
Total Amount of Debt Applicable to Debt Limit Percent	<u>57,355,000</u>	<u>54,690,000</u>	<u>51,890,000</u>	<u>48,945,000</u>	<u>45,930,000</u>	<u>43,460,000</u>	<u>42,548,000</u>	<u>53,209,000</u>	<u>49,457,000</u>	<u>54,859,087</u>
Legal Debt Margin	<u>\$ 88,101,893</u>	<u>\$ 94,710,988</u>	<u>\$ 101,024,392</u>	<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>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	39.43%	36.61%	33.93%	31.08%	28.27%	26.13%	24.54%	29.56%	26.31%	28.72%
Limit for Non-Electoral and Lease Rental Debt:										
Average Borrowing Base Revenues	\$ 48,485,631	\$ 49,800,329	\$ 50,971,464	\$ 52,487,778	\$ 54,158,928	\$ 55,443,673	\$ 57,787,264	\$ 60,001,578	\$ 62,663,149	\$ 63,671,883
Debt Limit Percent	400%	400%	400%	400%	400%	400%	400%	400%	400%	400%
Debt Limit	<u>193,942,524</u>	<u>199,201,317</u>	<u>203,885,856</u>	<u>209,951,112</u>	<u>216,635,711</u>	<u>221,774,692</u>	<u>231,149,057</u>	<u>240,006,313</u>	<u>250,652,596</u>	<u>254,687,532</u>
Total Amount of Debt Applicable to Debt Limit Percent	<u>57,355,000</u>	<u>54,767,014</u>	<u>51,961,350</u>	<u>48,961,422</u>	<u>46,133,520</u>	<u>43,615,558</u>	<u>42,653,700</u>	<u>53,262,874</u>	<u>49,457,000</u>	<u>54,952,268</u>
Legal Debt Margin	<u>\$ 136,587,524</u>	<u>\$ 144,434,303</u>	<u>\$ 151,924,506</u>	<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>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	29.57%	27.49%	25.49%	23.32%	21.30%	19.67%	18.45%	22.19%	19.73%	21.58%

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 Revenue, and Permanent Funds' revenue.

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

2010-2019
(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
2010	183,862	\$ 7,677,026	\$ 41,715	13,151	26,216	2,712	7.7%
2011	184,848	8,110,383	43,876	12,875	26,218	2,756	6.4%
2012	184,970	8,707,724	47,076	12,423	25,918	3,000	6.8%
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	24,703	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	*	*	11,982	23,700	3,265	3.9%

* 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)	
	2019	2010
U.S. Government (1)	1	1
Butler Health System (1)	2	2
Westinghouse Electric Company, LLC (1)	3	3
AK Steel Corporation (formerly Armco Steel) (1)	4	4
Walmart Associates Inc (1)	5	7
Slippery Rock University (1)	6	8
Seneca Valley School District (1)	7	6
Butler Area School District (1)	8	5
Next Tier Concepts Inc. (1)	9	-
Oberg Industries LLC (1)	10	-
Cellco Partnership	-	9
County of Butler	-	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)

	Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government - Administration:										
Commissioners	11.00	10.00	9.00	10.00	10.00	10.00	11.00	10.00	10.00	10.00
Election	4.00	4.00	3.00	3.00	3.00	3.50	3.50	3.50	3.50	3.50
Controller	8.50	8.50	8.50	8.50	8.50	8.50	10.00	10.00	10.00	10.00
Property and revenue	15.00	16.00	16.00	16.00	16.00	14.50	15.00	15.00	15.00	15.00
Treasurer	6.00	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	1.00	1.00	1.00	1.00
Public defender	9.00	9.00	9.00	9.00	8.50	7.50	7.50	7.50	7.50	7.50
Recorder of Deeds	7.50	7.50	7.00	8.00	8.00	8.00	8.00	8.50	8.50	8.50
Personnel	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Information technology	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.00
Planning commission	5.00	4.00	5.00	5.00	6.00	6.00	6.00	6.00	5.00	5.00
Facilities and operation	25.00	25.00	25.00	26.50	26.50	24.50	24.50	24.50	25.50	25.00
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	2.00	2.00	2.00	2.00	2.00	2.00	2.00
General Government Administration Sub-total	105.50	104.50	103.00	108.50	109.00	105.00	108.50	108.00	108.00	106.50
General Government - Judicial:										
Court administration	36.00	35.00	35.00	35.50	35.00	34.50	35.50	35.50	35.00	34.00
Jury commissioners	-	-	-	-	-	-	2.00	2.00	2.00	2.00
District Justices	27.00	28.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00
Law library	0.50	0.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Clerk of Courts	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50	13.50
Coroner	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
District Attorney	21.25	19.25	21.25	22.80	22.80	21.75	21.25	21.75	22.25	21.25
Prothonotary	10.00	10.00	11.00	11.00	11.00	11.00	11.00	11.00	10.00	10.00
Register of Wills	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.50	7.50	8.50
Sheriff	31.90	30.60	30.40	35.50	33.20	31.00	29.25	30.50	25.50	23.25
Domestic relations	36.00	37.00	37.00	37.00	37.00	36.00	36.00	36.00	36.00	35.00
General Government - Judicial Sub-total	187.15	184.85	187.15	194.30	191.50	186.75	187.50	188.75	182.75	178.50
Public Safety:										
Prison	114.00	114.00	114.00	114.00	114.00	114.00	114.00	114.00	106.00	98.50
Adult probation	31.25	31.25	31.00	31.00	29.80	29.50	29.50	29.50	28.50	26.50
Juvenile probation	20.25	20.25	20.00	20.00	19.80	20.50	20.50	20.50	20.50	20.50
Emergency communication	34.00	34.00	34.00	32.50	30.00	29.50	29.50	29.50	29.50	28.00
Public Safety Sub-total	199.50	199.50	199.00	197.50	193.60	193.50	193.50	193.50	184.50	173.50
Public Works:										
Bridge Crew	5.00	5.00	5.00	7.00	7.00	8.00	8.00	8.00	8.00	7.00
Public Works Sub-total	5.00	5.00	5.00	7.00	7.00	8.00	8.00	8.00	8.00	7.00
Human Services:										
Human services administration	15.00	15.00	15.00	15.00	13.00	12.00	12.00	12.00	6.00	6.00
MH/ID, Drug and Alcohol	18.00	18.00	18.00	18.00	20.00	20.00	20.00	20.00	23.00	23.00
Area Agency on Aging	25.00	25.00	25.50	28.00	27.00	30.00	28.00	28.00	27.00	27.00
Children and Youth	51.00	46.00	45.50	46.00	46.00	47.00	45.00	45.00	48.00	46.00
Sunnyview Nursing and Rehabilitation Center *	-	-	-	-	-	278.75	277.75	277.20	275.75	283.30
Veterans Services	3.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00	2.00
Human Services Sub-total	112.00	107.00	107.00	110.00	109.00	389.75	384.75	384.20	381.75	387.30
Culture and Recreation:										
Parks and Recreation	11.70	12.80	12.60	13.00	10.70	10.95	11.25	11.50	10.00	9.50
Culture and Recreation Sub-total	11.70	12.80	12.60	13.00	10.70	11.00	11.25	11.50	10.00	9.50
Conservation and Development:										
Community Action	-	2.80	2.80	2.80	2.80	2.75	2.50	3.00	3.00	3.00
Conservation District **	-	-	5.25	5.25	5.00	5.00	5.00	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	8.00	8.00	8.00
TOTAL	620.85	616.45	621.80	638.35	628.60	901.75	901.00	901.95	883.00	870.30

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	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government - Administration:										
General election information: (1)										
Registered voters	126,962	128,457	125,042	127,832	119,692	122,109	120,469	122,762	117,986	118,198
Votes cast	39,552	80,127	29,510	98,554	34,580	56,562	23,895	90,278	29,643	66,102
Percent of votes cast	31.15%	62.38%	23.60%	77.10%	28.89%	46.32%	19.83%	73.54%	25.12%	55.92%
Anterless Deer Licenses (2)	23,701	23,477	21,183	20,277	21,971	22,491	22,959	22,561	22,358	19,985
Dog Licenses (2)	27,067	26,429	26,456	27,038	26,713	26,606	25,758	27,273	29,283	28,762
Checks/ACH Payments (3)	12,071	11,957	12,019	13,082	12,835	13,692	13,278	13,587	13,770	14,427
Instruments recorded (4)	26,605	26,370	28,313	27,690	28,521	30,958	36,490	37,650	32,689	31,183
General Government - Judicial:										
Autopsies performed (5)	102	92	143	120	89	93	76	71	65	56
Deaths investigated (5)	214	206	244	219	196	177	169	172	177	137
Civil cases filed (6)	1,176	1,143	1,153	1,051	1,086	1,098	1,206	1,419	1,603	2,200
Executions (6)**	320	313	329	333	333	358	397	410	442	480
Family court cases (6)	810	775	833	834	853	834	852	829	913	871
Judgments (6)	2,500	2,651	2,247	2,130	2,231	2,240	2,385	2,385	2,827	2,790
Liens - Federal Tax (6)	155	150	127	129	160	145	163	215	349	363
Liens - Municipal (6)	98	92	136	180	200	68	178	143	194	142
Miscellaneous civil cases (6)	438	360	321	330	348	368	341	338	317	358
No lien agreements (6)	185	261	202	197	202	217	246	195	244	204
Adoptions/Parental terminations (7)*	85	96	114	87	73	87	84	74	113	105
Adoptions/Petitions (7)*	87	76	93	58	61	53	53	52	51	83
Court accounts (7)*	52	67	72	55	77	258	118	104	68	104
Estates (7)*	816	835	863	834	815	824	869	907	1,002	995
Guardianships (7)*	16	21	17	49	49	43	48	45	45	60
Marriage licenses issued (7)*	918	979	902	974	882	942	913	890	861	942
Marriage licenses recorded (7)*	894	937	879	944	865	937	892	871	861	942
Warrants Served (8)	2,279	2,477	2,255	2,165	2,165	1,791	1,507	1,629	1,615	1,648
Warrants Attempted (8)	986	594	711	714	714	997	1,622	1,551	1,747	915
Human Services:										
Veteran Death Benefits (9)	451	405	408	430	490	547	461	500	515	455
Public Safety:										
Prison inmates (10)	2,645	2,845	2,990	2,908	2,520	2,591	2,591	2,514	2,516	2,423
Prison average daily population (10)***	309	328	379	401	371	375	354	358	358	317
911 Emergency Calls (11)***	101,771	100,748	114,637	96,360	97,322	77,402	72,941	73,814	71,204	71,072
Public Works:										
Tons of Asphalt - Road Maintenance (12)	6	5	3,069	7	9	6	11	9	9	15
Tons of Salt - Snow Removal (12)	22	70	22	89	90	137	136	100	100	67
Culture & Recreation:										
Park/Shelter reservations (13)	435	425	430	433	396	413	442	429	446	402
Pool Patrons (13)	32,581	32,052	28,709	48,324	38,397	22,469	38,934	46,412	36,215	30,809
Conservation & Development:										
Tons of waste produced (14)	159,558	152,913	144,343	146,376	148,278	146,197	150,001	286,112	132,953	126,202
Tons of waste recycled (14)	140,984	127,643	130,580	136,460	116,403	119,659	123,402	140,773	132,393	130,174

SOURCES:

- | | |
|---|---|
| (1) Butler County Bureau of Elections | (8) Butler County Sheriff |
| (2) Butler County Treasurer | (9) Butler County Veterans Services |
| (3) Butler County Controllor | (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	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General Government - Administration: (1) (2)										
Buildings	7	7	7	7	7	7	7	7	7	7
Vehicles	12	12	12	12	12	12	12	12	12	12
General Government - Judicial: (1) (2)										
Buildings	5	5	5	5	5	4	4	4	4	4
Vehicles	12	11	10	10	10	10	10	12	10	10
Vehicles - Coroner	1	1	1	1	1	1	1	1	1	1
Vehicles - Sheriff	11	11	11	11	11	11	11	11	10	10
Vehicles - Sheriff (Transport)	2	2	2	2	2	2	2	2	2	2
Vehicles - Sheriff (K-9 Unit)	1	1	1	1	1	1	1	1	0	0
Public Safety: (1) (2) (3) (4)										
Emergency Center	1	1	1	1	1	1	1	1	1	1
9-1-1 Antennas	10	10	4	4	4	9	9	9	9	9
9-1-1 Towers	4	4	4	4	4	9	9	9	9	9
Hazmat Trailers	24	24	24	24	24	24	23	23	22	10
Prisons	1	1	1	1	1	1	1	1	1	1
Prison beds	572	572	572	564	564	564	564	561	561	561
Vehicles	2	2	2	2	2	1	1	1	1	1
Vehicles - Emergency Management	1	1	1	1	1	1	1	1	1	1
Vehicles - Hazmat	3	3	3	3	2	3	3	3	3	3
Vehicles - Probation	13	14	14	14	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 (< 08 feet in length)	1	1	1	1	1	1	1	0	0	0
Bridges (< 20 feet in length)	16	10	10	10	10	10	10	7	7	7
Bridges (> 21 feet in length)	117	123	123	123	123	123	123	126	126	126
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	4	4	4	4	5
Trailers	1	1	1	1	1	1	1	1	1	1
Human Services: (1) (6) (7) (8)										
Buildings	3	3	2	2	2	1	1	1	1	1
Buildings - Veteran's Administration	1	1	1	1	1	1	1	1	1	1
Group Homes	1	1	3	3	3	3	3	3	3	3
Memorials	5	5	5	5	5	5	5	5	5	5
Senior Centers	8	8	8	9	9	10	10	11	11	11
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	408.757	408.757	408.757	408.757	407.5
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	19	23	17	17	19	19	20	18	16	18

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

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

(Unaudited)

Taxpayer	December 31, 2019			December 31, 2010		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation
Oxford Development Co Moraine	\$ 4,101,020	1	0.22%	\$ 4,101,020	2	0.24%
Aldi Inc	3,461,260	2	0.19%	-	-	-
Clearview Mall Association	3,427,775	3	0.18%	6,496,000	1	0.38%
Cranberry Woods Apartments LLC	3,412,480	4	0.18%	-	-	-
Northwestern Mutual	3,294,580	5	0.18%	3,294,580	3	0.19%
DSSTE LLC	2,917,150	6	0.16%			
Cambridge Healthcare Solutions PA	2,897,720	7	0.16%			
OCG Slippery Rock LP	2,856,500	8	0.15%	-	-	-
Campus Crest Slippery Rock LLC	2,754,110	9	0.15%	-	-	-
Buncher Co	2,737,500	10	0.15%			
AK Steel (formerly Armco)	-	-	-	2,915,733	4	0.17%
Kiebler Slippery Rock LLC	-	-	-	2,832,420	5	0.17%
Mine Safety Appliances	-	-	-	2,666,000	6	0.16%
Gumberg Associates				2,524,250	7	0.15%
Berkley Manor Apartments	-	-	-	2,179,250	8	0.13%
North PGH Hotel LLC	-	-	-	2,156,970	9	0.13%
Deakto-Sysco Food Services	-	-	-	2,127,818	10	0.13%
	<u>\$ 31,860,095</u>		<u>1.71%</u>			<u>1.84%</u>
Year-End Total Taxable Assessed Valuation	<u>\$ 1,866,462,089</u>			<u>\$ 1,698,287,420</u>		

SOURCE:

Butler County Assessment Office

NOTE:

Assessed valuation based on the valuation of property for taxes collected in 2019 and 2010, respectively, and a review of the ten largest taxpayers for the County.

COUNTY OF BUTLER, PENNSYLVANIA

BUTLER COUNTY EMPLOYEES' RETIREMENT SYSTEM SELECTED DATA

LAST TEN YEARS 2010-2019
(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		
2010	814	\$ 3,211,924	\$ 6,095,561	\$ 9,307,485	412	\$ 6,525,681
2011	838	3,371,565	6,564,903	9,936,468	420	5,975,115
2012	842	3,558,739	6,860,358	10,419,097	447	7,856,332
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	663	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	670	3,568,120	5,428,088	8,996,208	624	13,283,650

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 2019

\$250,000 OR MORE

(Unaudited)

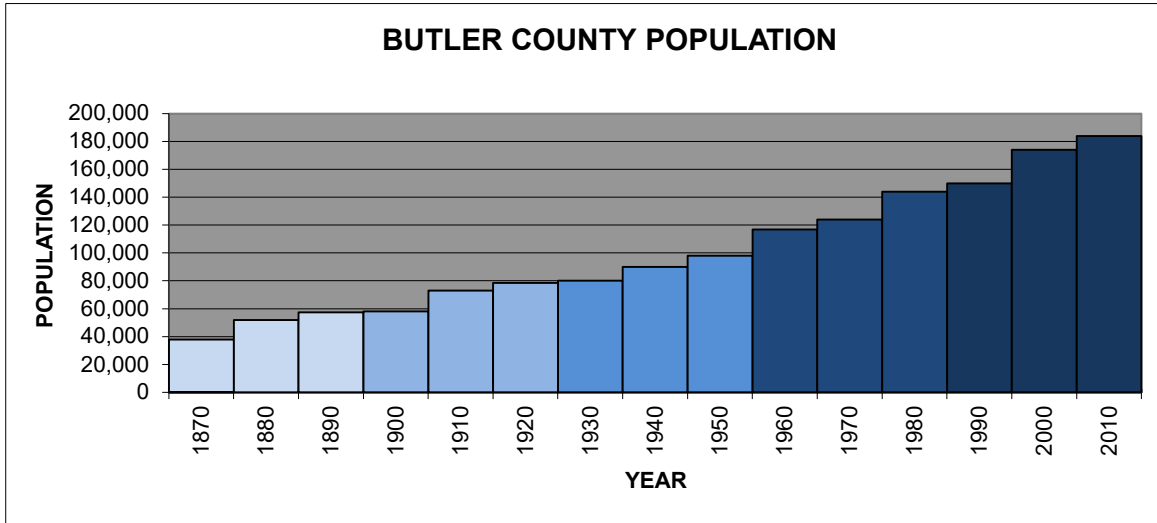
ORGANIZATION	LOCATION	AMOUNT
Adelphoi Village Inc	Latrobe	\$ 940,899
Alliance for Nonprofit Resources	Butler	2,958,999
Aqua Pool Inc.	East Pittsburgh	655,985
Arc Human Services Inc.	Washington	308,590
Arc of Butler County	Butler	339,512
Bair Foundation of PA	North Wilmington	386,651
Butler County Community College	Butler	5,430,955
Butler County Federated Library System	Butler	287,000
Butler County Tourism	Zelienople	2,264,925
Butler Healthcare Providers	Butler	282,356
Care Center	Charleroi	1,139,575
Catholic Charities	Pittsburgh	871,341
CDW Government Inc.	Vernon Hills, IL	308,100
Center for Community Resources	Butler	2,703,614
Community Care Connections	Butler	416,619
Community Development Corp	Butler	375,350
Consolidated Communications	St. Louis, MO	315,540
Crown Benefits Administration	Indiana	7,691,875
Delta Development Group Inc.	Mechanicsburg	252,914
Election Systems & Software Inc.	Omaha, NE	989,189
Family Pathways	Butler	1,407,849
Grapevine Center	Butler	386,817
JG Contracting Company Inc.	Carnegie	447,206
JusticeWorks Youthcare Inc.	Pittsburgh	751,660
Keystone Adolescent Center	Pittsburgh	369,542
Mars Home for Youth	Mars	686,530
Mental Health Association	Butler	443,218
Microwave Networks Inc.	Stafford, TX	596,295
Milestone Centers, Inc.	Pittsburgh	1,243,631
Motorola Solutions Inc.	Schaumburg, IL	1,085,154
Pathways Adolescent Center Inc.	Oil City	321,480
Pennsylvania Counties Risk Pool	Harrisburg	333,985
Pittsburgh Companies North (PCN)	Irwin	726,318
Pediatric Therapy	New Castle	258,889
Pitney Bowes Credit Corporation	Louisville, KY	267,556
Redevelopment Authority	Butler	844,333
Rohrer Enterprises Inc.	Duncannon	275,764
Specialty Outreach Service Inc.	Butler	410,142
Totin Family Services	Worthington	387,789
Trinity Services LLC	Oldmar, FL	428,051
Tyler Technologies Inc.	Dallas, TX	325,019
United Telephone Company	Monroe, LA	265,916
Valley Special Needs Programs Inc.	Mt. Pleasant	251,679
West Penn Power Company	Greensburg	460,030
Wexford Health Sources	Pittsburgh	1,382,714

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:

Butler County Planning Commission 2010 census

