

County of Venango, Pennsylvania

Single Audit

December 31, 2023

MaherDuessel

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COUNTY OF VENANGO, PENNSYLVANIA

YEAR ENDED DECEMBER 31, 2023

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Independent Auditor's Report

**Board of County Commissioners
County of Venango, Pennsylvania**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Venango, Pennsylvania (County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Maher Duessel

Pittsburgh, Pennsylvania
September 26, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The management of the County of Venango, Pennsylvania (County) is pleased to present to the readers of the County's financial statements this narrative overview and analysis of the financial activities of the County as of and for the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements (pages 1 - 8) and the notes to financial statements (pages 9 - 47).

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources by \$70.5 million at December 31, 2023.
- As of December 31, 2023, unrestricted net position was approximately \$9.2 million.
- The total fund balance of the General Fund at December 31, 2023 was \$16.5 million or 71% of the total fund balance.
- The County's real property tax rate was 6.000 mills for 2023.
- In 2018, the Venango County Economic Development Authority (Authority) began operations. Due to the financial accountability and the nature and significance of the relationship between the County and the Authority, it has been determined that the Authority will be reported as a discretely presented component unit by the County.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

A detailed explanation of all three components follows:

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

- The *statement of net position* presents information on all of the County's assets and 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

MANAGEMENT'S DISCUSSION AND ANALYSIS

decreases in net position may serve as a useful indicator of whether or not the financial position of the County is improving or deteriorating.

- The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The statement of activities distinguishes functions of the County that are principally supported by real estate taxes, charges for services, and intergovernmental revenues as *governmental 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. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the component unit of the Authority, over which the County exercises some degree of control. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The Authority issues separate financial statements.

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

2. Fund Financial Statements – The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the County can be divided into two categories: (1) governmental funds and (2) fiduciary funds.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The County reports five major governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for these five *major* funds (General, Capital Projects, Human Services, Workforce Development, and 911). Data from the other *non-major* governmental funds are combined into a single, aggregated presentation (other governmental funds). Individual fund data for the other governmental funds is provided as supplementary information in the form of combining statements elsewhere in this report.

The governmental funds financial statements can be found on pages 3 to 6 of this report.

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

The fiduciary funds financial statements can be found on pages 7 and 8 of this report. They include the Pension Trust Fund and the Custodial Funds. The Custodial Funds are used to account for cash collected by elected County Row Officers and Tax Claim that are subsequently disbursed to the County, other governments, or individuals for whom it was collected.

3. Notes to Financial Statements – The notes provide additional information that are essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 9 to 47 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. The County also adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. Required supplementary information can be found on pages 48 to 52 of this report.

The statement of expenditures by program identifier – budget to actual, combining and individual fund statements, and combining custodial fund statements are presented as

MANAGEMENT'S DISCUSSION AND ANALYSIS

supplementary information immediately following the required supplementary information on pages 53 to 61 of this report.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The County presents its financial statements using the reporting model required by GASB Statement No. 34, *“Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.”*

MANAGEMENT’S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The County’s net position at December 31, 2023 and 2022 is presented below:

Summary Statements of Net Position December 31, 2023 and 2022

	Governmental Activities	
	2023	2022
Assets		
Current and other assets	\$ 38,994,356	\$ 42,067,793
Net pension asset	1,989,846	-
Capital assets	38,578,105	36,619,181
Total Assets	79,562,307	78,686,974
Deferred Outflows of Resources		
Deferred outflows of resources for pension	3,957,153	9,565,624
Liabilities		
Current and other liabilities	11,157,355	23,543,322
Net pension liability	-	3,726,894
Non-current liabilities	1,037,410	1,418,511
Total Liabilities	12,194,765	28,688,727
Deferred Inflows of Resources		
Deferred inflows of resources for pension	861,205	63,506
Net Position		
Net investment in capital assets	37,885,462	35,699,139
Restricted	23,376,509	14,246,957
Unrestricted	9,201,519	9,554,269
Total Net Position	\$ 70,463,490	\$ 59,500,365

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. The County’s assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$70.5 million at December 31, 2023, an increase from December 31, 2022 of approximately \$11 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table presents the change in net position for the years ended December 31, 2023 and 2022:

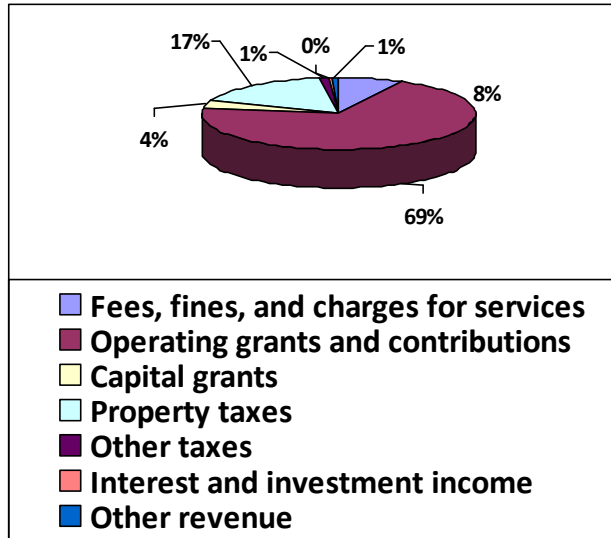
Change in Net Position		
Years Ended December 31, 2023 and 2022		
	Governmental Activities	
	2023	2022
Program revenues:		
Fees, fines, and charges for services	\$ 5,138,129	\$ 5,752,694
Operating grants and contributions	46,483,203	35,380,218
Capital grants	2,342,620	3,697,540
General revenues:		
Property taxes	11,249,990	11,382,224
Other taxes	651,730	51,864
Interest and investment income	257,339	63,948
Other	572,932	432,787
Gain on disposal of capital assets	406,424	26,669
Total revenues	<u>67,102,367</u>	<u>56,787,944</u>
Program expenses:		
General government - administration	9,268,916	7,847,877
General government - judicial	4,253,236	4,164,563
Public safety	6,653,210	7,069,696
Public works	2,609,307	2,229,661
Human services	31,779,586	32,314,087
Conservation and development	1,162,363	1,676,893
Culture and recreation	407,909	424,178
Interest	4,715	9,218
Total expenses	<u>56,139,242</u>	<u>55,736,173</u>
Change in Net Position	10,963,125	1,051,771
Net position, beginning	<u>59,500,365</u>	<u>58,448,594</u>
Net position, ending	<u><u>\$ 70,463,490</u></u>	<u><u>\$ 59,500,365</u></u>

MANAGEMENT’S DISCUSSION AND ANALYSIS

SOURCES OF REVENUES

The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2023:

Government-Wide Sources of Revenues
Total Revenue \$67,102,367

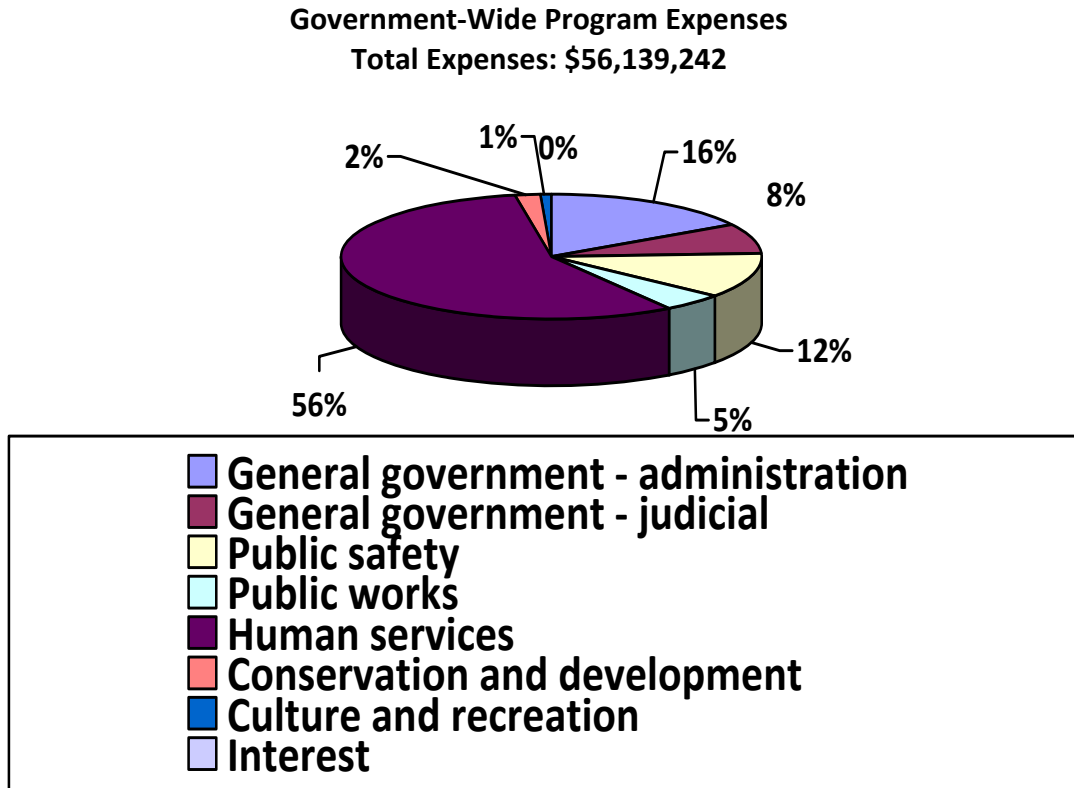


Total government-wide revenues for 2023 were \$67.1 million, which was approximately \$10.3 million higher than the 2022 year. Operating grants and contributions account for 69% of the total revenues, amounting to \$46.5 million, compared to \$35.4 million in 2022. The increase of approximately \$11.1 million is mainly attributable to the recognition of deferred federal funds related to American Rescue Plan Act dollars. The second largest source of revenue for the County was property taxes, which made up 17% of the total revenues, amounting to \$11.3 million, compared to \$11.4 million in 2022.

MANAGEMENT’S DISCUSSION AND ANALYSIS

PROGRAM EXPENSES

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2023:



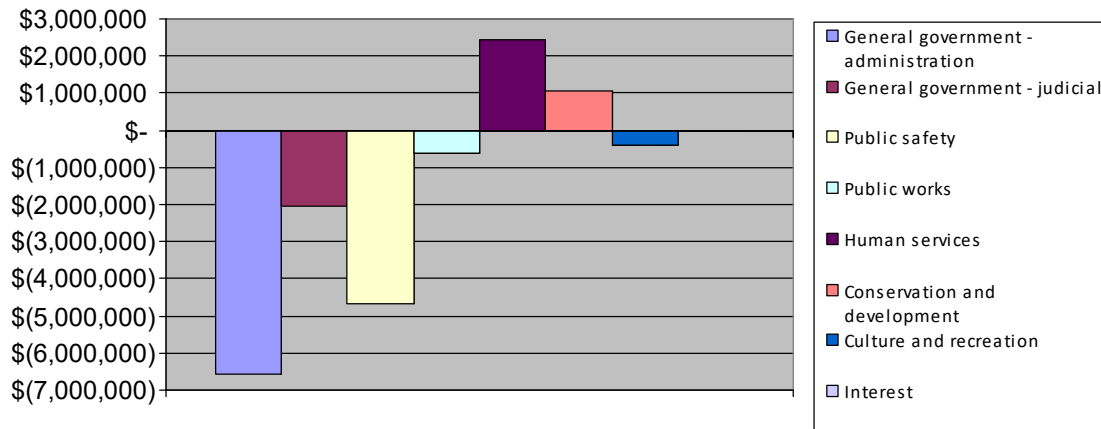
Total government-wide program expenses for 2023 were \$56.1 million, which was approximately \$0.4 higher than the 2022 year. The largest area of expenses was Human Services, which accounts for 56% of total expenses, amounting to \$32.3 million, remaining consistent with spending in 2022. The second largest source of expense for the County was General Government - Administration, which made up 16% of the total expenses, amounting to \$7.8 million, remaining consistent with spending in 2022. Additionally, Public Safety, which made up 12% of the total expenses, amounted to approximately \$7.1 million, remaining consistent with spending in 2022.

MANAGEMENT’S DISCUSSION AND ANALYSIS

NET PROGRAM EXPENSES/REVENUES

Net program expenses/revenues indicate the amount of support required from taxes and other general revenues for the year. The following chart graphically depicts the net program expenses/revenues by function/program for the year ended December 31, 2023.

Government-Wide Net Program Revenues/Expenses



General government - administration required the most general revenue for support, needing \$6.6 million, followed by Public Safety, needing \$4.7 million, and General Government - Judicial, needing \$2.1 million during 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

The County reports five major governmental funds (General, Capital Projects, Human Services, Workforce Development, and 911). The Human Services Fund consists of six programs: Older Adult Services; Retired Senior Volunteer Program; Children and Youth Services; Substance Abuse; Mental Health; and Developmental Services. Combining statements are found on pages 54 and 55.

The County also reports other governmental funds. The largest of these include: Liquid Fuels, OEO – Other, Domestic Relations Incentives, and Infrastructure Bank. The combining statements of the other governmental funds can be found on pages 56 through 59.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

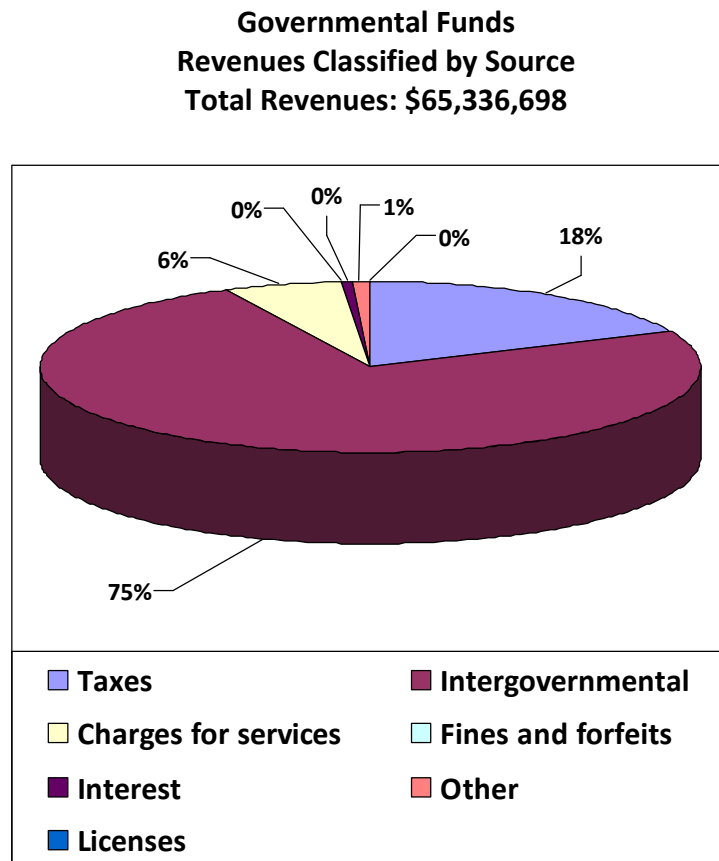
The following table presents the statements of revenues, expenditures, and changes in fund balance for the years ended December 31, 2023 and 2022:

Statements of Revenues, Expenditures, and Changes in Fund Balance Years Ended December 31, 2023 and 2022

	Governmental Funds	
	2023	2022
Revenues:		
Taxes	\$ 11,824,511	\$ 11,634,127
Licenses	38,119	53,945
Intergovernmental	48,825,823	39,077,758
Charges for services	3,728,760	3,386,156
Fines and forfeits	89,214	99,149
Interest	257,339	63,948
Other	572,932	432,787
Total revenues	65,336,698	54,747,870
Expenditures:		
General government - administration	9,043,689	6,542,342
General government - judicial	4,374,982	4,102,664
Public safety	7,810,282	5,905,081
Public works	3,162,034	1,481,394
Human services	31,849,663	33,017,597
Conservation and development	1,162,363	1,676,893
Culture and recreation	398,470	369,132
Debt service	133,643	145,882
Total expenditures	57,935,126	53,240,985
Excess (Deficiency) of Revenues Over Expenditures	7,401,572	1,506,885
Other Financing Sources (Uses):		
Sale of capital assets	401,754	26,669
Transfers in	5,264,726	3,668,017
Transfers out	(5,264,726)	(3,668,017)
Proceeds from capital leases	46,211	-
Total other financing sources (uses)	447,965	26,669
Net Change in Fund Balance	7,849,537	1,533,554
Fund balance, beginning	15,487,655	13,954,101
Fund balance, ending	\$ 23,337,192	\$ 15,487,655

MANAGEMENT’S DISCUSSION AND ANALYSIS

Governmental funds revenues, by source, for the year ended December 31, 2023 were:

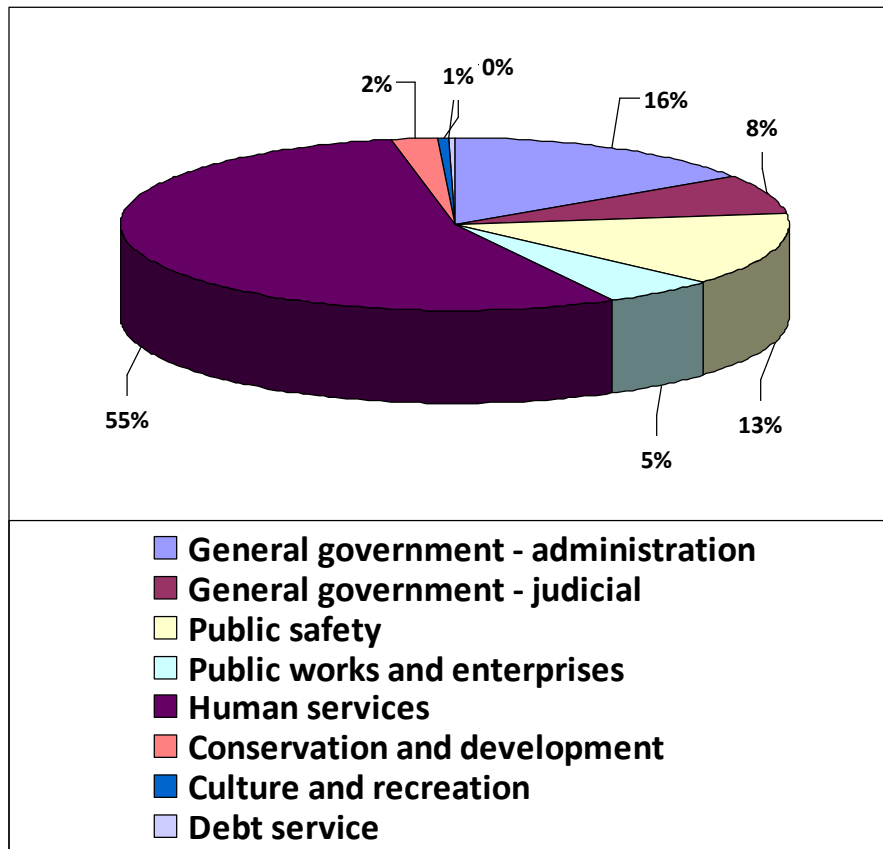


Governmental fund revenues totaled \$65.3 million for the year ended December 31, 2023, of which \$48.8 million (75%) came from Intergovernmental (Federal and State) Revenue. Taxes accounted for \$11.8 million (18%) in revenue. Charges for services reached \$3.7 million (6%) in revenue. Other revenue was approximately 1% of total revenues. Licenses, fines and forfeits, and interest were less than 1% of total revenues.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Governmental funds expenditures, by function, for the year ended December 31, 2023 were:

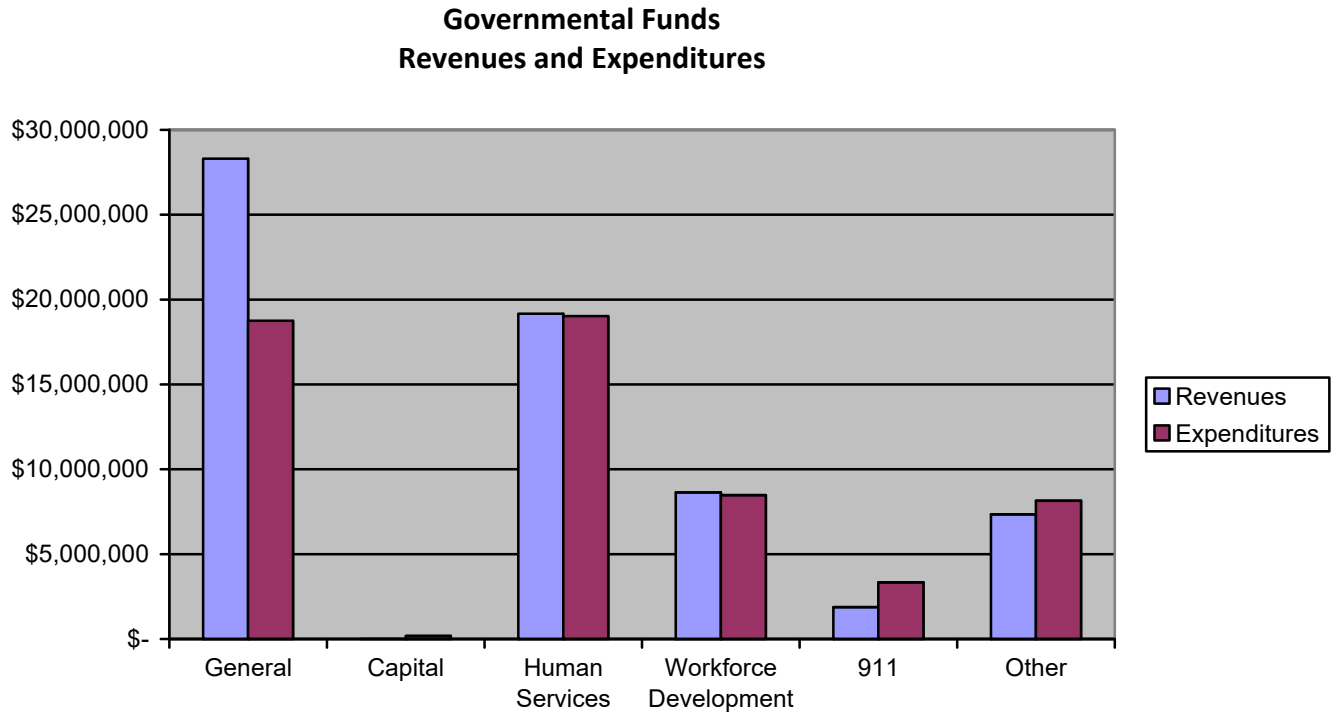
**Governmental Funds
Expenditures Classified by Function
Total Expenditures: \$57,935,126**



Governmental funds expenditures totaled \$57.9 million for the year ended December 31, 2023, of which \$32 million (55%) were Human Services expenditures. General Government – Administration, Public Safety, and General Government – Judicial, make up the next largest pieces, with expenditures of \$9 million (16%), \$7.8 million (13%), and \$4.4 million (8%), respectively.

MANAGEMENT’S DISCUSSION AND ANALYSIS

The following chart graphically depicts the total revenues received and expenditures incurred for the governmental funds for the year ended December 31, 2023:



GENERAL FUND BUDGETARY HIGHLIGHTS

The statement of revenues, expenditures, and changes in fund balance – budget to actual – General Fund for the year ended December 31, 2023 is found on page 52 of the financial statements.

Overall, the County had a favorable variance between the final budget and the actual net change in fund balance of approximately \$7,746,000.

The County had a favorable variance between the final budget and actual revenues of approximately \$9.4 million. The favorable variance relates to timing of American Rescue Plan Act dollars being recognized.

The County had a favorable variance between the final budget and actual expenditures of approximately \$2.9 million. The majority of this variance occurred in the Public Safety function, which shows approximately \$1.5 million of favorable variance, mainly attributed to expenses associated with funding of the pandemic relief and other projects. Additionally, there were favorable variances in the General government – judicial function of approximately \$1.2 million, due to less spending in for staffing due to the inability to hire qualified employees as well as some projects and programs that did not begin when planned.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS

The County's investment in capital assets including infrastructure as of December 31, 2023 amounts to \$38,578,105, net of accumulated depreciation/amortization. This investment includes land and land improvements, buildings and building improvements, roads and bridges, machinery, vehicles, and equipment.

LONG-TERM DEBT

As of December 31, 2023, the County has no outstanding bonds.

BOND RATING

The County was given an AA- bond rating from Standard & Poor's Rating Services in March 2014. In the opinion of the rating service, the County currently maintains a low debt burden with manageable near-term capital needs.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

Office of the County Commissioners
County of Venango, Pennsylvania
1174 Elk Street
P.O. Box 831
Franklin, PA 16323

FINANCIAL STATEMENTS

COUNTY OF VENANGO, PENNSYLVANIA

STATEMENT OF NET POSITION

DECEMBER 31, 2023

	Primary Government Governmental Activities	Component Unit Venango County Economic Development Authority
Assets		
Cash and cash equivalents - pooled	\$ 17,724,006	\$ -
Cash and cash equivalents	-	1,216,856
Taxes receivable, net	1,037,894	-
Accounts receivable, at estimated realizable value	5,936,961	5,101,912
Accounts receivable - fiduciary funds	595,164	-
Accounts receivable - component unit	6,654,773	-
Loan receivable	452,170	-
Due from other governments	6,523,935	-
Other assets	69,453	-
Net pension asset	1,989,846	-
Land held for sale	-	18,370
Capital assets, not being depreciated/amortization	2,144,078	6,028,524
Capital assets, net of accumulated depreciation/amortization	36,434,027	2,097,854
Total Assets	79,562,307	14,463,516
Deferred Outflows of Resources		
Deferred outflows of resources for pension	3,957,153	-
Liabilities		
Accounts payable	3,595,116	445,173
Accrued payroll	292,750	6,495
Advance from primary government	-	5,654,773
Matching grant payable to primary government	-	1,000,000
Escrow liabilities	789,597	-
Unearned revenue	6,306,310	714,305
Compensated absences, non-current	518,349	-
Leases payable:		
Current	149,757	-
Non-current	476,072	-
Financed purchases:		
Current	23,825	-
Non-current	42,989	-
Total Liabilities	12,194,765	7,820,746
Deferred Inflows of Resources		
Deferred inflows of resources for pension	861,205	-
Net Position		
Net investment in capital assets	37,885,462	7,716,564
Restricted for:		
Pension	1,989,846	-
Operating reserve	13,871,512	-
Human services	84,285	-
Roads and bridges	1,881,635	-
Hazardous material	149,164	-
911	53,964	-
Act 13	443,958	-
Constable server fees	176,335	-
Offender identification	506,340	-
Records improvement/automation	56,907	-
Sugar Valley Lodge	181,756	-
Domestic relations	980,512	-
Demolitions	46,795	-
Infrastructure bank	1,180,786	-
Opioid expenses	1,676,135	-
Other purposes	96,579	-
Unrestricted	9,201,519	(1,073,794)
Total Net Position	\$ 70,463,490	\$ 6,642,770

See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants	Primary Government	Component Unit
					Governmental Activities	Venango County Economic Development Authority
Primary Government:						
Governmental activities:						
General government - administration	\$ 9,268,916	\$ 1,128,802	\$ 12,656,129	\$ -	\$ 4,516,015	\$ -
General government - judicial	4,253,236	1,379,138	456,105	-	(2,417,993)	-
Public safety	6,653,210	320,766	2,427,270	-	(3,905,174)	-
Public works	2,609,307	525,351	-	1,622,061	(461,895)	-
Human services	31,779,586	1,784,072	30,943,699	-	948,185	-
Conservation and development	1,162,363	-	-	720,559	(441,804)	-
Culture and recreation	407,909	-	-	-	(407,909)	-
Interest	4,715	-	-	-	(4,715)	-
Total governmental activities	<u>\$ 56,139,242</u>	<u>\$ 5,138,129</u>	<u>\$ 46,483,203</u>	<u>\$ 2,342,620</u>	<u>(2,175,290)</u>	<u>-</u>
Component Unit:						
Venango County Economic Development Authority	<u>\$ 362,303</u>	<u>\$ 764</u>	<u>\$ 205,060</u>	<u>\$ 2,056,617</u>	<u>-</u>	<u>1,900,138</u>
General revenues:						
Property taxes					11,249,990	-
Other taxes					651,730	-
Interest and investment income					257,339	-
Other					572,932	27,125
Gain on sale of capital assets					406,424	-
Total general revenues					<u>13,138,415</u>	<u>27,125</u>
Change in Net Position					10,963,125	1,927,263
Net Position:						
Beginning of year					<u>59,500,365</u>	<u>4,715,507</u>
End of year					<u>\$ 70,463,490</u>	<u>\$ 6,642,770</u>

See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA

BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2023

	General Fund	Capital Projects Fund	Human Services Fund	Workforce Development Fund	911	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents - pooled	\$ 10,578,235	\$ -	\$ 205,299	\$ (1,019,475)	\$ 1,351,430	\$ 6,608,517	\$ 17,724,006
Taxes receivable, net	737,625	-	-	-	300,269	-	1,037,894
Accounts receivable	603,947	-	1,753,648	4,962	-	3,574,404	5,936,961
Accounts receivable - Component Unit	6,654,773	-	-	-	-	-	6,654,773
Loan receivable	-	-	-	-	-	452,170	452,170
Due from other funds	737,319	-	126,022	-	-	31,644	894,985
Due from other governments	114,970	-	3,467,092	2,009,892	-	931,981	6,523,935
Other assets	-	-	-	-	-	69,453	69,453
Total Assets	\$ 19,426,869	\$ -	\$ 5,552,061	\$ 995,379	\$ 1,651,699	\$ 11,668,169	\$ 39,294,177
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities:							
Accounts payable	\$ 630,903	\$ -	\$ 1,212,211	\$ 870,359	\$ 170,255	\$ 711,388	\$ 3,595,116
Accrued payroll	146,363	-	108,765	20,218	10,088	7,316	292,750
Due to other funds	139,466	-	160,355	-	-	-	299,821
Due to other governments	-	-	-	-	-	-	-
Escrow liabilities	789,597	-	-	-	-	-	789,597
Unearned revenue	170,225	-	3,637,249	104,802	1,417,392	1,039,477	6,369,145
Total Liabilities	1,876,554	-	5,118,580	995,379	1,597,735	1,758,181	11,346,429
Deferred Inflows of Resources:							
Unavailable revenue - taxes/fees	1,089,973	-	-	-	-	-	1,089,973
Unavailable revenue - opioid abatement	-	-	-	-	-	3,515,913	3,515,913
Total Deferred Inflows of Resources	1,089,973	-	-	-	-	3,515,913	4,605,886
Fund Balance:							
Nonspendable	-	-	-	-	-	452,170	452,170
Restricted:							
Operating reserve	13,871,512	-	-	-	-	-	13,871,512
Human services	-	-	43,807	-	-	40,478	84,285
Roads and bridges	-	-	-	-	-	1,881,635	1,881,635
Hazardous material	-	-	-	-	-	149,164	149,164
911	-	-	-	-	53,964	-	53,964
Act 13	-	-	-	-	-	443,958	443,958
Constable server fees	-	-	-	-	-	176,335	176,335
Offender identification	-	-	-	-	-	506,340	506,340
Records improvement/automation	-	-	-	-	-	56,907	56,907
Sugar Valley Lodge	-	-	-	-	-	181,756	181,756
Domestic relations	-	-	-	-	-	980,512	980,512
Demolitions	-	-	-	-	-	46,795	46,795
Infrastructure bank	-	-	-	-	-	1,180,786	1,180,786
Opioid expenses	-	-	-	-	-	396,064	396,064
Other purposes	-	-	-	-	-	96,579	96,579
Assigned:							
Substance abuse	-	-	389,674	-	-	-	389,674
Community action	-	-	-	-	-	24,843	24,843
Unassigned	2,588,830	-	-	-	-	(220,247)	2,368,583
Total Fund Balance	16,460,342	-	433,481	-	53,964	6,394,075	23,341,862
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 19,426,869	\$ -	\$ 5,552,061	\$ 995,379	\$ 1,651,699	\$ 11,668,169	\$ 39,294,177

See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA

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

DECEMBER 31, 2023

Total Fund Balance - Governmental Funds	\$ 23,341,862
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.	38,578,105
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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 fund statements.	4,668,721
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The net pension asset (liability) is reflected on the statement of net position, but is not considered an available resource and, therefore, is not reported in the fund statements.	1,989,846
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Deferred outflows of resources and deferred 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.	3,095,948
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Long-term liabilities 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:

Compensated absences	\$ (518,349)	
Lease payable	(625,829)	
Financed purchase obligation payable	(66,814)	
		<u>(1,210,992)</u>

Total Net Position - Governmental Activities	\$ 70,463,490
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See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General Fund	Capital Projects Fund	Human Services Fund	Workforce Development Fund	911	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 11,824,511	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,824,511
Licenses	38,119	-	-	-	-	-	38,119
Intergovernmental	13,341,859	-	18,575,251	8,570,884	1,821,520	6,516,309	48,825,823
Charges for services	2,564,254	-	318,030	635	50,455	795,386	3,728,760
Fines and forfeits	89,214	-	-	-	-	-	89,214
Interest	217,010	-	7,240	-	5,232	27,857	257,339
Other	230,149	-	267,963	70,185	-	4,635	572,932
Total revenues	28,305,116	-	19,168,484	8,641,704	1,877,207	7,344,187	65,336,698
Expenditures:							
General government - administration	8,944,884	46,211	-	-	-	52,594	9,043,689
General government - judicial	3,610,989	-	-	-	-	763,993	4,374,982
Public safety	4,389,332	-	-	-	3,345,510	75,440	7,810,282
Public works	428,977	-	-	-	-	2,733,057	3,162,034
Human services	160,791	-	19,023,799	8,484,204	-	4,180,869	31,849,663
Conservation and development	819,920	-	-	-	-	342,443	1,162,363
Culture and recreation	398,470	-	-	-	-	-	398,470
Debt service	-	133,643	-	-	-	-	133,643
Total expenditures	18,753,363	179,854	19,023,799	8,484,204	3,345,510	8,148,396	57,935,126
Excess (Deficiency) of Revenues Over Expenditures	9,551,753	(179,854)	144,685	157,500	(1,468,303)	(804,209)	7,401,572
Other Financing Sources (Uses):							
Sale of capital assets	268,035	-	-	-	-	138,389	406,424
Proceeds from capital leases	-	46,211	-	-	-	-	46,211
Transfers in	1,408,592	133,643	1,351,236	-	1,514,795	856,460	5,264,726
Transfers out	(3,482,008)	-	(1,474,740)	(157,500)	-	(150,478)	(5,264,726)
Total other financing sources (uses)	(1,805,381)	179,854	(123,504)	(157,500)	1,514,795	844,371	452,635
Net Change in Fund Balance	7,746,372	-	21,181	-	46,492	40,162	7,854,207
Fund Balance:							
Beginning of year	8,713,970	-	412,300	-	7,472	6,353,913	15,487,655
End of year	\$ 16,460,342	\$ -	\$ 433,481	\$ -	\$ 53,964	\$ 6,394,075	\$ 23,341,862

See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2023

Net Change in Fund Balance - Governmental Funds

\$ 7,854,207

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/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization and loss on disposal in the current period:

Capital outlays	\$ 4,437,439	
Depreciation/amortization expense	(2,458,467)	
Loss on disposal of assets	<u>(20,048)</u>	1,958,924

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

(689,430)

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.

1,359,245

The issuance of long-term obligations (e.g., bonds, leases or finance purchase agreements) 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.

227,399

In the statement of activities, certain operating expenses - accumulated employee benefits (workers' 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.

252,780

Change in Net Position of Governmental Activities

\$ 10,963,125

See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

DECEMBER 31, 2023

	Pension Trust Fund	Custodial Funds
Assets		
Cash and cash equivalents	\$ 947,839	\$ 1,398,427
Investments:		
U.S. government securities	194,881	-
Corporate bonds	16,724,402	-
Equity mutual funds	39,123,801	-
Equities	7,317,173	-
Certificates of deposit	198,914	-
Accounts receivable and fines, at estimated realizable value	-	253,754
Total Assets	64,507,010	1,652,181
Liabilities		
Due to other funds	-	595,164
Due to other governments	-	639,609
Escrow liability and interest	-	417,408
Total Liabilities	-	1,652,181
Net Position		
Net Position Restricted for Fiduciary Funds	<u>\$ 64,507,010</u>	<u>\$ -</u>

See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2023

	Pension Trust Fund	Custodial Funds
Additions:		
Contributions:		
Employee	\$ 1,336,187	\$ -
Employer	102,855	-
Total contributions	1,439,042	-
Investment income (loss):		
Net increase (decrease) in fair value of investments	7,832,622	-
Interest and dividends	1,371,063	-
Total investment income (loss)	9,203,685	-
Less investment expense	189,817	-
Net investment income (loss)	9,013,868	-
Receipts:		
Treasurer	-	81,070
Register of Wills and Recorder of Deeds	-	1,768,487
Prothonotary and Clerk of Courts	-	1,749,116
Sheriff	-	409,462
Tax Claim	-	3,452,553
Total receipts	-	7,460,688
Total additions	10,452,910	7,460,688
Deductions:		
Benefits and refunds paid to plan members and beneficiaries	3,854,802	-
Administrative expense	47,515	-
Payments to other governments	-	5,116,543
Escrow payments	-	1,526,941
Other disbursements	-	817,204
Total deductions	3,902,317	7,460,688
Increase (Decrease) in Fiduciary Net Position	6,550,593	-
Net Position:		
Beginning of year	57,956,417	-
End of year	\$ 64,507,010	\$ -

See accompanying notes to financial statements.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

A. Venango County - Primary Government

1. Reporting Entity

The County of Venango (County), located in western Pennsylvania, is a sixth class County, originally chartered in 1800 by an act of the Legislature. The County operates under an elected three-member Board of Commissioners (Commissioners). The County provides services in many areas to its residents, including various general government services, public safety, human services, and culture and recreation. These programs are financed mainly through the assessment of taxes, charges for services, and federal and state grants.

The accompanying financial statements present the government and its component unit entity for which the government is considered to be financially accountable. The 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.

Northwest Workforce Development Area

In January 2014, the County became the fiscal agent for the Northwest Workforce Development Area. The Northwest Workforce Development Area administers and provides job training and workforce development activities to residents of the Counties of Clarion, Crawford, Erie, Forest, Venango, and Warren. In addition, CareerLink® sites in each County are designed to create one-stop shopping for job seekers by locating multiple agencies under one roof. As fiscal agent, the County pays for shared expenses and then bills each of the participating CareerLink® members for reimbursement, as well as accounting for all Workforce Development Area (WDA) dollars and any other funding assigned to the area for job development and retention.

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 situation, the County reviews the applicability of the following criteria:

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

The County is financially accountable for:

1. Organizations that make up the legal County entity.
2. Legally separate organizations if the 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 financial 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.
 - b. Financial Benefit or Burden - Exists 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 budget, levy taxes or set rates or charges, or issue bonded debt without approval by the County.

The following organizations meet the criteria for inclusion in the County's reporting entity:

Venango County Land Bank

Venango County Land Bank (Land Bank) was established on August 12, 2014. The purpose of the Land Bank is to use available resources to facilitate the return of vacant, blighted, abandoned, and tax-delinquent properties to productive use, thereby combating community deterioration, creating economic growth, and stabilizing the housing and job market. Activity for the Land Bank has been immaterial since it was established and was immaterial for 2023, and therefore no amounts for the Land Bank were reported in the financial statements.

Venango County Economic Development Authority

Venango County Economic Development Authority (Authority) was established on January 1, 2018. The purpose of the Authority is to seek to improve the economic well-being and

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

quality of life for the County community by creating and retaining jobs and supporting or growing incomes for County residents as well as the County tax base. The Authority's Board of Directors (Board) is appointed by the County Commissioners and all three Commissioners serve as members of the Board. There is a financial burden in that the County funds the majority of the Authority's operations. Separately issued audited financial statements are available through the Authority's administrative office: 1174 Elk Street, Franklin, PA 16323. Following are related organizations, which, with the exception of the Oil Region Alliance, have the majority of their governing Board appointed by the Commissioners, without the County being financially accountable for the organization:

Oil Region Alliance (ORA)

The ORA is a private non-profit incorporated for the purpose of increasing the prosperity and population of the Oil Region through the preservation, promotion, development, and support of historical, educational, natural, recreational, residential, commercial, and industrial destinations. The County appoints one of twenty-five Board members. The ORA does not meet the criteria for inclusion in the County's financial reporting entity. Although a financial relationship exists, the County does not appoint a majority of the board, and no control is exercised over the ORA.

Venango County Industrial Development Authority

The Venango County Industrial Development Authority (Development Authority) issues low interest, tax-exempt bonds, and uses the proceeds to finance projects intended to stimulate economic growth in the County. The Development Authority's Board is appointed by the County. The County must approve the concept of any major bond issue of the Development Authority but only in relation to the benefit to the County of the projects that will be funded through the debt proceeds. The approval is considered to be ministerial, and the County cannot exercise its will over the Development Authority. The County has no responsibility for the Development Authority debt payments.

Venango County Conservation District

The Venango County Conservation District (Conservation District), whose Board is appointed by the County, provides services and programs intended to address the conservation of the County's natural resources. The Conservation District operates independently of any ongoing involvement of the County and no financial benefit or burden exists between the two entities.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

2. **Summary of Significant Accounting Policies**

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental grants, are reported separately from business-type activities, (of which the County has none) which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers for 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.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Custodial funds are also reported on the accrual basis; however, they have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of receivables due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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 resources not accounted for in other funds.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The *Human Services Fund* is used to account for the proceeds of revenue received from various federal, state, and county sources. This fund provides social services to eligible recipients.

The *Workforce Development Fund* is used to account for financial resources the County receives as the fiscal agent for the Northwest Workforce Development Area. The Northwest Workforce Development Area administers and provides job training and workforce development activities.

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

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Additionally, the government reports the following fiduciary funds:

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 (Register of Wills and Recorder of Deeds, Sheriff, Prothonotary and Clerk of Courts, Treasurer, and Tax Claim) that are subsequently disbursed to the County, other governments, or individuals for whom it was collected.

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 contributions made to the component unit from the County's governmental funds. Elimination of these contributions would distort the direct costs and program revenues reported for the various functions concerned.

Cash and Cash Equivalents

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

Investments

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

The County 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 other observable inputs; and Level 3 inputs are significant unobservable inputs.

Interfund Receivables and Payables

Activities between governmental funds that are representative of temporary lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). Any residual

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

balances outstanding between the governmental activities and fiduciary funds are reported in the government-wide financial statements as “accounts receivable – fiduciary funds.”

Inventories and Prepaid Items

Inventories used in governmental funds, principally supplies, are accounted for as expenditures when purchased. The amount of inventory at December 31, 2023 is not significant.

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

Capital Assets

Capital assets, which include land and land improvements, building and improvements, machinery and equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the County as assets with initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are valued at historical cost or estimated historical cost if purchased or constructed (except for the intangible right-to-use lease assets, the measurement of which is discussed under Leases below). Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. These costs are charged to operations when incurred.

Property, plant, and equipment of the County is depreciated using the straight-line method over the following estimated useful lives:

Land improvements	20 years
Buildings and improvements	5 - 40 years
Machinery and equipment	5 - 20 years
Right-of-use leased asset	5 - 20 years
Infrastructure	10 - 40 years

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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 is accrued when incurred in the government-wide 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.

Leases

The County is a lessee for noncancellable leases for office space and a residential shelter. The County recognizes a lease liability and an intangible right-of-use lease asset (lease asset) in the financial statements.

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

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

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

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

COUNTY OF VENANGO, PENNSYLVANIA

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Lease assets are reported with capital assets, and lease liabilities are reported as a leases payable on the statement of net position.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The following items qualify for reporting in this category: Certain amounts determined in connection with pension accounting are recorded as deferred outflows of resources for pensions on the government-wide financial statements. These amounts are determined based on actuarial valuations performed for the pension plans. See Note 8 for additional information about the pension plan.

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

Unavailable revenue is reported only on the balance sheet and represents property taxes, other taxes, and opioid abatement settlement payments which will not be collected within the available period. This amount will be recognized as an inflow of resources in the period the amounts become available.

Certain amounts determined in connection with pension accounting are recorded as deferred inflows of resources for pensions on the government-wide financial statements. These amounts are determined based on actuarial valuations performed for the pension plans. See Note 8 for additional information about the pension plan.

Unearned Revenues

Unearned revenues are reported in the government-wide financial statements and fund financial statements. The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the applicable basis of accounting. Unearned revenues represent grant monies received but not yet earned as qualifying expenses/expenditures have not been incurred.

COUNTY OF VENANGO, PENNSYLVANIA

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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 and loan receivables.
- 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. This category includes funds that are legally restricted for operating reserve, human services, roads and bridges, hazardous materials, Act 13 of 2012 Marcellus Shale Legacy funds, constable server fees, offender identification, records improvement and automation, Sugar Valley Lodge, domestic relations, demolitions, infrastructure bank, opioid expenses, and other purposes.
- 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. The County Commissioners are the highest level of decision-making authority for the County and can make such commitment via 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. There was no committed fund balance at December 31, 2023.
- 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 the authority to assign amounts to be used for specific purposes. This category includes amounts set aside for substance abuse, and community action.
- Unassigned – This category includes the residual classification for the County's General Fund and includes all spendable amounts not contained in other classifications.

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

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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Net Position

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

- Net investment in capital assets – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation/amortization, 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 presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- 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.

Budgets and Budgetary Accounting

Annual budgets are required to be adopted on a basis consistent with cash basis for the General Fund. The budgetary controls for the Human Services Fund, Workforce Development Fund, and other governmental funds are maintained through enforcement of related grant provisions or debt indentures.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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

1. Starting in August, a budget package is prepared and sent to each department and row officer. The department or agency heads use this budget package to develop financial projections for their programs for the ensuing year.
2. The budget is presented in preliminary form to the Commissioners in September. The Commissioners can interview department or agency heads to discuss their budgets if deemed necessary.
3. Upon consolidation of the department and agency expenditure projections, the Commissioners ascertain the most viable method of financing them.
4. Subsequently, the preliminary projections of revenues and expenditures are incorporated into a final budget including any revisions or adjustments resulting from the aforementioned Commissioners' review.
5. By December, the final budget is presented to the 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.
6. After the 20-day inspection period, but no later than December 31, the County Commissioners adopt the final budget by enacting an appropriate resolution.

Legally, management of the County including department heads may make budgetary transfers between departments as long as overall fund expenditures are not affected. However, as a matter of control all transfers between departmental budgets are ratified by the Commissioners. The 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 Commissioners may authorize the transfer of any unencumbered balance of any appropriation item or any portion thereof. The 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 supplemental appropriations enacted. Budget transfers did occur between accounts. The statement of revenues, expenditures, and changes in fund balance - budget and actual – General Fund, reflects the originally adopted budget and the

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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originally adopted budget adjusted for supplemental appropriations and transfers. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended.

For the year ended December 31, 2023, expenditures in the General Fund exceeded appropriations in conservation and development. This overage was funded by excess revenues, transfers in from other funds, and, to the extent available, fund balance.

Estimates

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

Adopted Pronouncements

The following GASB Statements were adopted for the year ended December 31, 2023: Statement Nos. 94 (Public-Private and Public-Public Partnerships and Availability Payment Arrangements) and 96 (Subscription-Based Information Technology Arrangements). These statements had no significant impact on the County's financial statements for the year ended December 31, 2023.

Pending Pronouncements

GASB has issued statements that will become effective in future years including 100 (Accounting Changes and Error Corrections), 101 (Compensated Absences), 102 (Certain Risk Disclosures), and 103 (Financial Reporting Model Improvements). 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. 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 the pooling of governmental funds for investment purposes.

COUNTY OF VENANGO, PENNSYLVANIA

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

The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The County's current deposit and investment policy limits its investment choices based on credit ratings by nationally recognized statistical rating organizations to the following:

- United States Treasury bills.
- 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 Commonwealth 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.
- Certificates of deposit purchased from institutions having their principal place of business in the Commonwealth 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.

The deposit and investment policy of the County adheres to state statutes. Deposits of the governmental funds are either maintained in demand deposits, savings accounts, or certificates of deposit.

Deposits

The following is a description of the County's deposit risk:

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's formal policy for custodial credit risk is described above. Of the bank balance of \$19,330,886 at December 31, 2023, \$882,808 was covered by federal depository insurance. The remaining balance was collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and has the collateral held by an approved custodian in the institution's name.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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These deposits, with carrying amounts of \$17,724,006 as of December 31, 2023, are reported as cash and cash equivalents in the statement of net position.

Custodial Funds

The County maintains bank accounts for the elected row officers and other County offices. The balance of these accounts is reflected in the statement of fiduciary net position. The carrying amount of deposits for the row offices and other County offices was \$1,398,427 and the bank balance was \$1,524,267. None of the bank balance was covered by federal depository insurance. The entire 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

As of December 31, 2023, the County Pension Trust Fund held the following investments:

Cash or Investment Type	Fair Value	Investment Maturities (In Years) from December 31, 2023			
		Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
U.S. government securities	\$ 194,881	\$ 194,881	\$ -	\$ -	\$ -
Certificates of deposit	198,914	198,914	-	-	-
Corporate bonds	16,724,402	364,156	10,351,083	4,840,396	1,168,767
Total debt securities	17,118,197	\$ 757,951	\$ 10,351,083	\$ 4,840,396	\$ 1,168,767
Cash and cash equivalents	947,839				
Equity mutual funds	39,123,801				
Equities	7,317,173				
Total Pension Trust Fund cash, cash equivalents, and investments reported on statement of fiduciary net position	\$ 64,507,010				

COUNTY OF VENANGO, 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, 2023:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Fixed income:				
U.S. government securities	\$ 194,881	\$ 194,881	\$ -	\$ -
Corporate bonds	16,724,402	-	16,724,402	-
Total fixed income	16,919,283	194,881	16,724,402	-
Equity mutual funds:				
Mid cap blend	2,096,441	2,096,441	-	-
Large blend	16,668,553	16,668,553	-	-
Small Growth	625,577	625,577	-	-
Mid cap growth	1,010,310	1,010,310	-	-
Large growth	6,831,541	6,831,541	-	-
Mid cap value	922,039	922,039	-	-
Large value	6,051,426	6,051,426	-	-
Foreign large growth	1,226,645	1,226,645	-	-
Foreign large blend	3,073,844	3,073,844	-	-
Diversified emerging market	617,425	617,425	-	-
Total equity mutual funds	39,123,801	39,123,801	-	-
Equities	7,317,173	7,317,173	-	-
Total investments by fair value level	63,360,257	\$ 46,635,855	\$ 16,724,402	\$ -
Money market funds	947,839			
Certificates of deposit	198,914			
Total Pension Trust Fund cash, cash equivalents, and investments reported on statement of fiduciary net position	\$ 64,507,010			

U.S. Government Securities, equity mutual funds, and equities classified in Level 1 are valued using prices quoted in active markets for those securities. The County's investments in money market funds and certificates of deposit are reported at amortized cost, which approximates market. Corporate bonds classified in Level 2 are valued using a matrix pricing model.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The County's Pension Trust Fund current investment policy has no qualitative guidelines suggested with regard to ratings, rankings, etc., except that high risk investments, such as those characterized by high volatility or by low quality ratings, be avoided. The assumption of some risk is warranted and encouraged, to allow achievements of satisfactory long-term results. In addition, all assets selected for the portfolio must have a readily ascertainable market value and must be marketable. The pension investment policy limits its deposit and investment choices to the following:

Equities: Common stock, convertible securities, including debentures and American depository receipts.

Fixed-income Investments: U.S. Government securities notes and bonds, commercial paper, certificates of deposit, corporate bonds, preferred stock, insured unit investment trusts, and laddered bond portfolio.

Short Term Cash: Funds must be deposited in a money market fund, an interest-bearing account, or in 30-day treasuries. No more than \$100,000 is to be on deposit with any single institution, and no instrument of deposit will carry a maturity greater than 180 days, and the institution must be FDIC insured. Rarely, based on the timing of receipts and disbursements, does the County maintain greater than \$100,000 in their Pension Trust Fund checking account. The Pension Trust Fund Board does not have concerns at this time.

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As of December 31, 2023, the County's Pension Trust Fund have received the following ratings from Moody's and had the following credit quality distribution for fixed income investments with credit exposure:

Rating	Fair Value	Percentage of Total Fixed Income Investments with Credit Exposure
Aaa	\$ 495,136	3%
Aa3	199,205	1%
A1	1,263,312	7%
A2	4,053,629	24%
A3	4,003,661	24%
Baa1	1,198,864	7%
Baa2	3,864,304	23%
Baa3	1,839,692	11%
Subtotal	16,917,803	100%
Not rated	1,480	
Total fixed income investments	<u>\$ 16,919,283</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 County's Pension Trust Fund does not have a formal investment policy for custodial credit risk. The County's Pension Trust Fund investments in mutual funds cannot be classified by risk category because they are not evidenced by securities that exist in physical or book entry form. As of December 31, 2023, the County's Pension Trust Fund cash and cash equivalents bank and investment balance was \$958,897 and the carrying amount was \$947,839. Of the bank and investment balance, \$958,897 was exposed to custodial credit risk. All of the County's Pension Trust Fund investments were uninsured and held by the counterparty, or by the counterparty's trust department or agent but not in the County's name. The counterparties are members of the Securities Investor Protection Corporation (SIPC), which provides insurance coverage up to \$500,000 of the net equity balance, including up to \$250,000 in cash, in the event the counterparty fails, owing the County cash and securities that are missing from their accounts. This coverage does not extend to losses incurred due to fraud, misrepresentation, or investment decisions.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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

Risks and Uncertainties

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

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

4. Capital Assets

Capital asset activity for the year ended 2023 was as follows:

	Balance at January 1, 2023	Transfers/ Additions	Transfers/ Deletions	Balance at December 31, 2023
Governmental Activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 2,138,928	\$ 5,150	\$ -	\$ 2,144,078
Total capital assets, not being depreciated/ amortized	2,138,928	5,150	-	2,144,078
Capital assets, being depreciated/amortized:				
Land improvements	1,851,347	40,254	-	1,891,601
Buildings and improvements	35,658,976	1,064,553	(40,095)	36,683,434
Machinery and equipment	16,914,231	3,327,482	(104,232)	20,137,481
Infrastructure	25,302,258	-	-	25,302,258
Right-of-use lease space	1,234,583	-	-	1,234,583
Total capital assets, being depreciated/ amortized	80,961,395	4,432,289	(144,327)	85,249,357
Less: accumulated depreciation/amortization for:				
Land improvements	(793,037)	(81,090)	-	(874,127)
Buildings and improvements	(12,449,199)	(949,005)	20,047	(13,378,157)
Machinery and equipment	(12,823,240)	(755,474)	104,232	(13,474,482)
Infrastructure	(19,922,573)	(522,873)	-	(20,445,446)
Right-of-use lease space	(493,093)	(150,025)	-	(643,118)
Total accumulated depreciation/amortization	(46,481,142)	(2,458,467)	124,279	(48,815,330)
Total capital assets, being depreciated/ amortization, net	34,480,253	\$ 1,973,822	\$ (20,048)	36,434,027
Governmental activities, capital assets, net	\$ 36,619,181			\$ 38,578,105

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Depreciation/amortization expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 569,282
Judicial	90,246
Public safety	353,707
Public works	663,457
Human services	707,296
Culture and recreation	<u>74,479</u>
Total depreciation/amortization expense - governmental activities	<u><u>\$ 2,458,467</u></u>

5. Real Estate Taxes

Real estate taxes attach as an enforceable lien on property as of January 1 and are levied on March 1. These taxes are billed by the County and collected by elected tax collectors. Taxes paid through April 30 are reduced by a 2% discount. Amounts paid after June 30 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. For 2023, County real estate taxes were levied at the rate of 6.000 mills on assessed valuation. Total assessed valuation for non-exempt properties in 2023 was approximately \$2,064,050,220.

COUNTY OF VENANGO, PENNSYLVANIA

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6. Allowance for Uncollectible Accounts

All trade and taxes receivables are shown net of an allowance for uncollectibles. The County estimates the allowance for uncollectibles using historical collection data and in certain cases, specific account analysis. The allowance for uncollectible accounts at December 31, 2023 is as follows:

	Gross Receivable	Allowance for Uncollectibles	Net Receivable
Governmental activities:			
Property taxes receivable	\$ 1,175,736	\$ 438,111	\$ 737,625
Court-related receivables (portion of accounts receivable - fiduciary funds)	\$ 4,052,928	\$ 3,799,174	\$ 253,754

7. Interfund Receivables, Payables, and Transfers

Individual fund receivable and payable balances at December 31, 2023, as well as interfund transfers for the year ended December 31, 2023, were as follows:

Funds	Interfund Receivables	Interfund Payables	Transfers In	Transfers Out
Governmental activities:				
General	\$ 737,319	\$ 139,466	\$ 1,408,592	\$ 3,482,008
Capital Projects	-	-	133,643	-
Human Services	126,022	160,355	1,351,236	1,474,740
Workforce Development	-	-	-	157,500
911	-	-	1,514,795	-
Other governmental funds	31,644	-	856,460	150,478
Fiduciary Fund:				
Custodial Funds	-	595,164	-	-
	\$ 894,985	\$ 894,985	\$ 5,264,726	\$ 5,264,726

A large portion of the General Fund interfund transfers out and Human Service Fund transfers in represents the County's required contribution to various programs based upon

COUNTY OF VENANGO, PENNSYLVANIA

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Pennsylvania Department of Human Services requirements. Additionally, a portion of the General Fund interfund transfers out and 911 fund transfers in represents funding of 911 projects. The majority of the interfund receivable balance in the General Fund represents amounts due from various Custodial Funds.

8. Loan Receivable

The County has a loan receivable recorded in the amount of \$452,170, which represents the amounts distributed to a local municipality as a result of the Infrastructure Bank Fund established.

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

Year Ending December 31,	Principal	Interest
2024	\$ 30,000	\$ 15,260
2025	36,000	9,025
2026	37,000	8,125
2027	38,000	7,200
2028	39,000	6,250
2029 - 2033	211,000	15,310
	<u>\$ 391,000</u>	<u>\$ 61,170</u>

9. Venango County Employees' Retirement System

Plan Description

The Venango County Employees' Retirement System (Plan), as administered by the County Retirement Board, is a single-employer defined benefit pension plan governed by the County Pension Law Act 96 (Act) of 1971, as amended, enacted by the General Assembly of the Commonwealth of Pennsylvania. Management of the Plan is vested in the Retirement Board, which consists of five members – three elected County Commissioners, the Chief Clerk/Secretary, 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. Separate Plan financial statements are not available.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

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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.

For the 2023 measurement period, Plan membership consisted of the following:

Inactive Plan members or beneficiaries currently receiving benefits	338
Inactive Plan members entitled to but not yet receiving benefits	65
Active Plan members	<u>303</u>
Total Plan members	<u><u>706</u></u>

Summary of Significant Accounting Policies

Financial information of the Plan is presented on the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. 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 applicable law. 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. Real estate assets are reported at fair value utilizing an income approach to valuation.

Benefits Provided

Retirement Benefit - Retirement benefits for plan members are calculated as a percent of the member's highest three-year average salary times the member's years of service depending on class basis. Plan members with 20 years of service are eligible to retire at age 55. Plan members who have attained age 60 are eligible to retire. A plan member who leaves County service with less than five years of service may withdraw his or her contributions, plus any accumulated interest.

Disability Benefit - All plan members are eligible for disability benefits after five years of service if disabled while in service and unable to continue as a County employee. Disability benefits are equal to 25% of highest average salary at time of retirement.

Death Benefit - Death benefits for a member who dies with 10 years of service prior to retirement is the total present value of member's retirement paid in a lump sum.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Cost-of-Living Adjustments – On an ad hoc basis, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once every three years subsequent to the member's retirement date. The adjustment, should the County elect to give one, is 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.

Contributions

The Plan provides for periodic employer contributions at actuarially determined rates. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance an unfunded accrued liability. For 2023, the active member contribution rate was 9% of annual pay and the County average contribution rate was 0.81% of annual payroll.

In 2023, the County's annual required contribution to the Plan was \$102,855 as determined by the January 1, 2023 actuarial valuation. The 2023 employee contributions were \$1,336,187.

Net Pension Liability (Asset)

The components of the net pension liability (asset) of the Plan at December 31, 2023 were as follows:

Total pension liability	\$ 62,517,164
Plan fiduciary net position	<u>64,507,010</u>
Net pension liability (asset)	<u>\$ (1,989,846)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>-103.18%</u>

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Changes in the Net Pension Liability (Asset)

The changes in the net pension liability (asset) of the County for the year ended 2023 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (asset)
Balances at December 31, 2022	\$ 61,683,311	\$ 57,956,417	\$ 3,726,894
Changes for the year:			
Service cost	1,639,301	-	1,639,301
Interest	4,218,132	-	4,218,132
Differences between expected and actual experience	(1,168,778)	-	(1,168,778)
Changes of assumptions	-	-	-
Contributions - employer	-	102,855	(102,855)
Contributions - employee	-	1,336,187	(1,336,187)
Net investment income	-	9,013,868	(9,013,868)
Benefit payments, including refunds	(3,854,802)	(3,854,802)	-
Administrative expense	-	(47,515)	47,515
Net changes	833,853	6,550,593	(5,716,740)
Balances at December 31, 2023	\$ 62,517,164	\$ 64,507,010	\$ (1,989,846)
Plan fiduciary net position as a percentage of the total pension liability			103.18%

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation performed on January 1, 2023 and rolled forward to December 31, 2023, using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial Assumptions:

Underlying inflation rate	3.0%
Projected salary increases	4.5% average, including inflation
Investment rate of return	7.0%, net of pension plan investment expense, including inflation
Retirement age	Age 60 or 55 with 20 years' service
Cost-of-living adjustments	N/A

Mortality rates were based on PubG-2010 Mortality Table for males and females with generational mortality improvement using MP19.

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. An experience study was performed during 2016; however, no modifications to assumptions were made as a result.

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 through the prudent diversification of the portfolio across a broad selection of distinct 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 VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2023:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	50-70%	5.4-6.4%
International equity	0.0%	5.5-6.5%
Fixed income	24-45%	1.3-3.3%
Real estate/alternative	0.0%	4.5-5.5%
Cash	5-10%	0.0-1.0%

Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of investment expense, was 20.82%.

Concentrations – At December 31, 2023, there were no individual investments that are required to be disclosed that constituted more than 5% of any of the Plan net position available for benefits.

Discount Rate – The discount rate used to measure the total pension liability was 7.0%. 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 County contributions will be made at rates equal to the actuarially determined contribution 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability (asset) of the Plan, calculated using the discount rate described above, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
<u>\$ 4,890,306</u>	<u>\$ (1,989,846)</u>	<u>\$ (7,811,240)</u>

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

For the year ended December 31, 2023, the County recognized pension expense of \$792,285. At December 31, 2023, the County reported deferred outflows and inflows of resources related to pensions from the following sources:

<u>Deferred Outflows of Resources:</u>	
Differences between expected and actual experience	\$ 376,054
Changes in assumption	561,578
Net difference between projected and actual earnings on pension plan investments	<u>3,019,521</u>
Total Deferred Outflows of Resources	<u>\$ 3,957,153</u>
<u>Deferred Inflows of Resources:</u>	
Differences between expected and actual experience	<u>\$ 861,205</u>
Total Deferred Inflows of Resources	<u>\$ 861,205</u>

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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

<u>Year Ending December 31,</u>	
2024	\$ 989,655
2025	1,046,544
2026	2,068,084
2027	<u>(1,008,335)</u>
Total	<u>\$ 3,095,948</u>

Deferred Compensation Plan

Employees of the County may participate in a deferred compensation plan (plan) adopted under the provisions of the Internal Revenue Code Section 457 (Deferred compensation plans with respect to service for State and Local Governments).

The plan is available to all full-time employees of the County. As part of its fiduciary role, the County has an obligation of due care in selecting the third-party administrator. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. The County does not contribute to this plan.

10. Long-Term Liabilities

Financed Purchases

During 2018, the County entered into a financed purchase agreement for two vehicles. The agreement qualifies as a financed purchase obligation and stipulates a total minimum annual lease payment of approximately \$12,500, including interest, for a term of five years. These obligations were fully paid off as of December 31, 2023.

During 2019, the County entered into financed purchase agreements for three vehicles and voting machines. The vehicle agreement qualifies as a financed purchase obligation and stipulates a total minimum annual payment of approximately \$20,800, including interest, for a term of five years. \$4,164 is included in capital assets – machinery and equipment.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

The voting machine agreement qualifies as a financed purchase obligation, and the agreement stipulates a total minimum annual payment of approximately \$99,000, including interest, for a term of five years. The voting machine was fully paid off as of December 31, 2023.

During 2021, the County entered into a financed purchase agreement for two vehicles. The agreement qualifies as a financed purchase obligation and stipulates a total minimum annual payment of approximately \$8,300, including interest, for a term of five years. \$17,385 is included in capital assets – machinery and equipment as a capital lease.

During 2023, the County entered into a financed purchase agreement for a vehicle. The agreement qualifies as a financed purchase obligation and stipulates a total minimum annual payment of approximately \$11,300, including interest, for a term of five years. \$45,265 is included in capital assets – machinery and equipment as a capital lease.

The future minimum obligations on financed purchases, including interest are as follows as of December 31, 2023:

For The Year Ending December 31,	Total
2024	\$ 23,825
2025	19,662
2026	12,012
2027	11,315
	<u>\$ 66,814</u>

Leases Payable

The County entered into various leases for buildings. The following leases are recognized as a lease liability and lease asset at the commencement of the lease term:

In June 2016, the County, acting as fiscal agent for the Northwest Workforce Development Area, entered into a lease agreement for CareerLink® office space. The terms of the lease began June 30, 2016 for 10 years through July 31, 2026. The lease liability was initially recorded in the amount of \$718,940. As of December 31, 2023, the value of the lease liability was \$199,064. The County is required to make annual principal and interest payments of \$73,760 for the first five years and \$81,136 for years six through ten. The lease

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

has an interest rate of 1.46%. The value of the net right-of-use asset, net of accumulated amortization as of December 31, 2023 was \$179,734.

In July 2022, the County entered into a lease agreement for District Judge office space. The terms of the lease began July 1, 2022 for 10 years through June 30, 2032. The lease liability was initially recorded in the amount of \$249,980. As of December 31, 2023, the value of the lease liability was \$216,909. The County is required to make annual principal and interest payments of \$28,800 through the life of the lease. The lease has an interest rate of 2.88%. The value of the net right-of-use asset, net of accumulated amortization as of December 31, 2023 was \$212,483.

In October 2022, the County entered into a lease agreement for office and residential shelter housing. The terms of the lease began October 1, 2022 for five years through September 30, 2027. The lease liability was initially recorded in the amount of \$265,664. As of December 31, 2023, the value of the lease liability was \$209,856. The County is required to make monthly principal and interest payments of \$4,500 from October 2022 through September 2024, \$5,000 from October 2024 through September 2026, and \$5,500 from October 2026 through September 2027. The lease has an interest rate of 3.90%. The value of the net right-of-use asset, net of accumulated amortization as of December 31, 2023 was \$199,248.

The future principal and interest lease payments as of December 31, 2023 were as follows:

For The Year Ending December 31,	Principal	Interest	Total
2024	\$ 149,757	\$ 15,679	\$ 165,436
2025	158,097	11,839	169,936
2026	122,941	7,927	130,868
2027	73,618	4,682	78,300
2028	25,640	3,160	28,800
2029-2032	95,776	5,023	100,799
	<u>\$ 625,829</u>	<u>\$ 48,310</u>	<u>\$ 674,139</u>

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Due Within One Year
Compensated absences	\$ 771,129	\$ -	\$ (252,780)	\$ 518,349	\$ -
Leases payable	770,511	-	(144,682)	625,829	149,757
Financed purchases	149,531	46,211	(128,928)	66,814	23,825
Long-term liabilities	<u>\$ 1,691,171</u>	<u>\$ 46,211</u>	<u>\$ (526,390)</u>	<u>\$ 1,210,992</u>	<u>\$ 173,582</u>

11. Commitments and Contingencies

The County has been named in various cases and complaints. There are numerous matters involving prisoners at the Venango County Jail and various items that have occurred in the normal course of business. These matters are currently being reviewed by the County, as well as the County's insurance carrier and legal counsel. No determination as to the likelihood of loss or the range of loss can be determined at this time; therefore, no loss provisions have been included in the accompanying financial statements.

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

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

B. Venango County Economic Development Authority

1. Organization

The Venango County Economic Development Authority (Authority) was incorporated January 1, 2018 under the provision of the Municipality Authorities Act (Title 53 of the General Assembly of the Commonwealth of Pennsylvania, as amended) pursuant to a resolution enacted by the County of Venango, Pennsylvania (County). The Authority was created for the purpose of improving the economic well-being and quality of life for the County community by creating and retaining jobs and supporting or growing incomes for County residents as well as the County tax base.

The Authority is a component unit of the County. The County Commissioners appoint the Authority's Board of Directors (Board) and there is a financial burden in that the County funds the majority of the Authority's operations.

2. Summary of Significant Accounting Policies

Basis of Accounting

The Authority uses the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when the liability is incurred. The activities of the Authority are presented as an Enterprise Fund because the operations are financed and managed in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of the Authority. Operating revenues consist primarily of government grants. Non-operating revenues and expenses consist of those revenues and expenses that are related to capital grants and donations and other financing types of activities.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Use of Estimates

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

Cash and Cash Equivalents

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

Accounts Receivable

Accounts receivable represent amounts due from funding sources for eligible expenditures incurred prior to reimbursement. Management has determined that no allowances were considered necessary at December 31, 2023.

Land Held for Sale

Land held for sale project costs are capitalized up to the point the asset reaches the estimated market value.

Capital Assets

Capital assets are defined by the Authority as assets with initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Property, plant, and equipment of the Authority are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	20 years
Buildings and improvements	5 - 40 years
Machinery and equipment	5 - 20 years
Infrastructure	10 - 40 years

Unearned Revenues

Unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting.

Concentration Risk

The Authority receives a substantial amount of its support from local and state grants which are dependent on the economy of Venango County. A significant reduction in the level of this support, if this were to occur, could negatively affect the programs and activities of the Authority.

Classification of Net Position

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

- Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted - This component of net position consists of constraints placed on asset use through external restrictions. The Authority had no restricted assets at December 31, 2023.
- Unrestricted - This component of net position consists of assets that do not meet the definition of "restricted" or "net investment in capital assets."

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

Adoption of Accounting Standards

The following GASB Statements were adopted for the year ended December 31, 2023: Statement Nos. 94 (Public-Private and Public-Public Partnerships and Availability Payment Arrangements) and 96 (Subscription-Based Information Technology Arrangements). These statements had no significant impact on the Authority's financial statements for the year ended December 31, 2023.

Pending Pronouncements

GASB has issued statements that will become effective in future years including 100 (Accounting Changes and Error Corrections), 101 (Compensated Absences), and 102 (Certain Risk Disclosures), and 103 (Financial Reporting Model Improvements). Management has not yet determined the impact of these statements on the financial statements.

3. Cash and Cash Equivalents

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 allow pooling of governmental funds for investment. The deposit policy of the Authority adheres to state statutes and related trust indentures. There were no deposits or investment transactions during the year that were in violation of either the state statutes or the policy of the Authority.

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

Custodial Credit Risk

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, 2023, \$966,856 of the Authority's bank balance of \$1,216,856 was exposed to custodial credit risk. These deposits have a carrying amount of \$1,216,856 at December 31, 2023.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

4. Capital Assets

Capital asset activity for the year ended December 31, 2023 is as follows:

	Balance at January 1, 2023	Additions/ Transfers	Disposals/ Transfers	Balance at December 31, 2023
Capital assets not being depreciated				
Construction in progress	\$ 4,252,766	\$ 1,775,758	\$ -	\$ 6,028,524
Total capital assets not being depreciated	4,252,766	1,775,758	-	6,028,524
Capital assets being depreciated				
Buildings	2,282,130	-	-	2,282,130
Equipment	19,063	32,188	-	51,251
Total capital assets being depreciated	2,301,193	32,188	-	2,333,381
Less: accumulated depreciation	(173,940)	(61,587)	-	(235,527)
Total capital assets being depreciated, net	2,127,253	(29,399)	-	2,097,854
Total capital assets	\$ 6,380,019	\$ 1,746,359	\$ -	\$ 8,126,378

5. Capital Commitments

As of December 31, 2023, the Authority has commitments of \$1,817,000 related to construction and renovation contracts that are funded through grant monies.

6. Related Party Transactions

The Commissioner Board and the Fiscal Agent of the Authority serve in the same capacity for the County. In 2023, the County contributed \$175,251 to the Authority for the operation of the Authority. As of December 31, 2023, the Authority owes the County \$1,000,000 related to construction matching expenses. In addition, the County supplied some fiscal and administrative services to the Authority, which were valued at \$1,949 during 2023, and is payable to the County at year-end. Lastly, the Authority owes the County \$5,637,281 at December 31, 2023 for operating expenses.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

7. Contingencies

The Authority is economically dependent on receiving grant funding. The Authority's ability to maintain or improve operations would be severely impacted by a material reduction in such grants.

8. Subsequent Event

Subsequent to year-end, the Authority entered into a five-year lease agreement for the use of their building for food and beverage preparation and sales. Monthly rental payments are \$2,000, which will commence after written notice that the leased premises are ready for occupancy.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF VENANGO, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

YEARS ENDED DECEMBER 31
LAST TEN YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Pension Liability:										
Service cost	\$ 684,262	\$ 764,366	\$ 2,047,722	\$ 1,983,285	\$ 1,625,821	\$ 1,680,494	\$ 1,680,947	\$ 1,730,883	\$ 1,692,153	\$ 1,639,301
Interest	3,135,186	3,219,777	3,261,837	3,372,726	3,522,742	3,617,566	3,901,437	4,042,942	4,171,785	4,218,132
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	550,349	1,287,218	(2,065,421)	(504,306)	(382,794)	(571,554)	801,410	457,544	283,846	(1,168,778)
Changes of assumptions	-	-	-	-	-	-	5,054,190	-	-	-
Benefit payments, including refunds of member contributions	(3,428,522)	(3,211,581)	(3,362,514)	(3,181,043)	(3,315,850)	(3,420,780)	(3,890,192)	(4,252,663)	(4,101,439)	(3,854,802)
Net Changes in Total Pension Liability	941,275	2,059,780	(118,376)	1,670,662	1,449,919	1,305,726	7,547,792	1,978,706	2,046,345	833,853
Total Pension Liability - Beginning	42,801,482	43,742,757	45,802,537	45,684,161	47,354,823	48,804,742	50,110,468	57,658,260	59,636,966	61,683,311
Total Pension Liability - Ending (a)	\$ 43,742,757	\$ 45,802,537	\$ 45,684,161	\$ 47,354,823	\$ 48,804,742	\$ 50,110,468	\$ 57,658,260	\$ 59,636,966	\$ 61,683,311	\$ 62,517,164
Plan Fiduciary Net Position:										
Contributions - employer	\$ 308,015	\$ -	\$ 315,826	\$ 521,262	\$ 468,850	\$ 552,137	\$ 546,496	\$ 381,213	\$ 114,188	\$ 102,855
Contributions - member	1,197,982	1,332,932	1,262,808	1,240,886	1,244,366	1,273,928	1,345,731	1,277,541	1,294,913	1,336,187
Net investment income	3,085,470	(587,761)	3,624,690	7,037,037	(2,290,995)	10,615,363	7,991,581	9,703,517	(11,579,964)	9,013,868
Benefit payments, including refunds of member contributions	(3,434,184)	(3,211,581)	(3,362,514)	(3,181,043)	(3,315,850)	(3,420,780)	(3,890,192)	(4,252,663)	(4,101,439)	(3,854,802)
Administrative expense	(53,950)	(37,964)	(39,920)	(47,418)	(40,342)	(38,957)	(38,102)	(42,425)	(41,128)	(47,515)
Other	-	8,262	(1,945)	(5,993)	(7,996)	(4,760)	-	-	-	-
Net Change in Plan Fiduciary Net Position	1,103,333	(2,496,112)	1,798,945	5,564,731	(3,941,967)	8,976,931	5,955,514	7,067,183	(14,313,430)	6,550,593
Plan Fiduciary Net Position - Beginning	48,241,289	49,344,622	46,848,510	48,647,455	54,212,186	50,270,219	59,247,150	65,202,664	72,269,847	57,956,417
Plan Fiduciary Net Position - Ending (b)	\$ 49,344,622	\$ 46,848,510	\$ 48,647,455	\$ 54,212,186	\$ 50,270,219	\$ 59,247,150	\$ 65,202,664	\$ 72,269,847	\$ 57,956,417	\$ 64,507,010
Net Pension Liability (Asset) - Ending (a-b)	\$ (5,601,865)	\$ (1,045,973)	\$ (2,963,294)	\$ (6,857,363)	\$ (1,465,477)	\$ (9,136,682)	\$ (7,544,404)	\$ (12,632,881)	\$ 3,726,894	\$ (1,989,846)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	112.81%	102.28%	106.49%	114.48%	103.00%	118.23%	113.08%	121.18%	93.96%	103.18%
Covered Payroll	\$ 12,419,947	\$ 13,022,708	\$ 13,554,768	\$ 13,299,408	\$ 13,244,345	\$ 13,566,010	\$ 13,674,574	\$ 14,226,426	\$ 13,536,915	\$ 12,750,633
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-45.10%	-8.03%	-21.86%	-51.56%	-11.06%	-67.35%	-55.17%	-88.80%	27.53%	-15.61%

See accompanying note to schedules of required supplementary information - pension plan.

COUNTY OF VENANGO, PENNSYLVANIA

SCHEDULE OF COUNTY CONTRIBUTIONS

YEARS ENDED DECEMBER 31
LAST TEN YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 308,015	\$ -	\$ 315,826	\$ 520,007	\$ 468,850	\$ 552,137	\$ 546,496	\$ 381,213	\$ 114,188	\$ 102,855
Contributions in relation to the actuarially determined contribution	308,015	-	315,826	521,262	468,850	552,137	546,496	381,213	114,188	102,855
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (1,255)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 12,419,947	\$ 13,022,708	\$ 13,554,768	\$ 13,299,408	\$ 13,244,345	\$ 13,566,010	\$ 13,674,574	\$ 14,226,426	\$ 13,536,915	\$ 12,750,633
Contributions as a percentage of covered payroll	2.48%	0.00%	2.33%	3.92%	3.54%	4.07%	4.00%	2.68%	0.84%	0.81%

See accompanying note to schedules of required supplementary information - pension plan.

COUNTY OF VENANGO, PENNSYLVANIA

SCHEDULE OF COUNTY INVESTMENT RETURNS

YEARS ENDED DECEMBER 31
LAST TEN YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual money-weighted rate of return, net of investment expense	5.52%	-1.15%	9.39%	15.80%	-3.69%	18.09%	11.90%	9.86%	-16.33%	20.82%

See accompanying note to schedules of required supplementary information - pension plan.

COUNTY OF VENANGO, PENNSYLVANIA

NOTE TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION - PENSION PLAN

YEAR ENDED DECEMBER 31, 2023

Actuarial Methods and Assumptions Used in Determining the Contribution Rate

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarial valuation date	1/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar
Remaining amortization period	N/A	N/A	N/A	N/A	N/A	N/A	15 years	15 years	15 years	15 years
Asset valuation method	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market	5-Year Smoothed Market	Market adjusted for unrecognized gains and losses from prior years	Market adjusted for unrecognized gains and losses from prior years	Market adjusted for unrecognized gains and losses from prior years	Market adjusted for unrecognized gains and losses from prior years
Actuarial assumptions:										
Investment rate of return	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.0%	7.0%	7.0%	7.0%
Projected salary increases	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Underlying inflation rate	3.0%	3.0%	3.0%	3.0%	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	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	Pub G - 2010	Pub G - 2010	Pub G - 2010	Pub G - 2010

Benefit Changes

There were no changes in the Plan benefits from 2014 to 2023.

Changes in Actuarial Assumptions

Effective January 1, 2020, the mortality table has been changed from the 2013 RP Annuitant and non-Annuitant Mortality Tables to the PubG-2010 Mortality Table for males and females with generational mortality improvement using MP19.

COUNTY OF VENANGO, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts		Actual amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 11,600,000	\$ 11,600,000	\$ 11,824,511	\$ 224,511
Licenses	38,600	38,600	38,119	(481)
Intergovernmental	2,877,777	4,541,057	13,341,859	8,800,803
Charges for services	2,493,867	2,510,281	2,564,254	53,973
Fines and forfeits	109,750	109,750	89,214	(20,536)
Interest	3,500	3,500	217,010	213,510
Other	82,600	93,903	230,149	136,246
Total revenues	17,206,094	18,897,090	28,305,116	9,408,026
Expenditures:				
General government - administration	7,695,929	9,336,446	8,944,884	391,562
General government - judicial	4,785,375	4,811,789	3,610,989	1,200,800
Public safety	5,868,713	5,892,778	4,389,332	1,503,446
Public works	537,603	537,603	428,977	108,626
Human services	153,574	153,574	160,791	(7,217)
Conservation and development	403,505	403,505	819,920	(416,415)
Culture and recreation	491,372	491,372	398,470	92,902
Total expenditures	19,936,071	21,627,066	18,753,363	2,873,703
Excess (Deficiency) of Revenues Over Expenditures	(2,729,977)	(2,729,977)	9,551,753	12,281,730
Other Financing Sources (Uses):				
Sale of capital assets	-	-	268,035	268,035
Transfers in	4,264,383	4,264,383	1,408,592	(2,855,791)
Transfers out	(1,534,406)	(1,534,406)	(3,482,008)	(1,947,602)
Total other financing sources (uses)	2,729,977	2,729,977	(1,805,381)	(4,535,358)
Net Change in Fund Balance	\$ -	\$ -	\$ 7,746,372	\$ 7,746,372

SUPPLEMENTARY INFORMATION

COUNTY OF VENANGO, PENNSYLVANIA

STATEMENT OF EXPENDITURES BY PROGRAM IDENTIFIER - BUDGET TO ACTUAL

YEAR ENDED DECEMBER 31, 2023

Contract Title	Federal ALN	Contract Number	Contract Period	*	**	Actual FSR Expenditures Prior to 1/1/23	Actual FSR Expenditures 1/1/23 - 6/30/23	*** Authorized Budget	**** (Over) Under
				Actual FSR Expenditures 1/1/23-12/31/23	Cumulative FSR Expenditures through 12/31/23				
23 - Adult Local 1st	17.258	170-23-3001	7/1/23-6/30/25	\$ 272,593	\$ 272,593	\$ -	\$ -	\$ 302,881	\$ 302,881
22 - Adult Local 1st	17.258	170-22-3001	7/1/22-6/30/24	22,531	225,313	202,782	3,092	225,313	19,439
23 - Adult Local 2nd	17.258	170-23-3011	10/1/23-6/30/24	63,919	63,919	-	-	1,245,733	1,245,733
22 - Adult Local 2nd	17.258	170-22-3011	10/1/22-6/30/24	688,720	1,006,888	318,168	588,031	1,006,888	100,689
21 - Adult Local 2nd	17.258	170-21-3011	10/1/21-6/30/23	87,501	1,189,108	1,101,607	87,501	1,189,108	-
21 - Youth SW	17.259	170-21-3341	7/1/23-6/30/24	-	-	-	-	28,000	28,000
20 - Youth SW 10%	17.259	170-20-3341	7/1/22-6/30/23	12,389	12,389	-	12,389	12,389	-
22 - PY22 Youth Local	17.259	170-22-3342	7/1/23-6/30/24	2,490	2,490	-	-	2,490	2,490
21 - PY21 Youth SW	17.259	170-21-3347	7/1/23-6/30/24	14,266	14,266	-	-	32,620	32,620
23 - Youth Local	17.259	170-23-3301	4/1/23-6/30/24	436,401	436,401	-	-	1,712,888	1,712,888
22 - Youth Local	17.259	170-22-3301	4/1/22-6/30/24	1,361,576	1,361,576	-	1,078,077	1,361,576	283,499
21 - Youth Local	17.259	170-21-3301	4/1/21-6/30/23	118,634	1,612,976	1,494,342	118,634	1,612,976	-
23 - DW Local 1st	17.278	170-23-4001	10/1/23-6/30/24	307,503	307,503	-	-	354,756	354,756
22 - DW Local 1st	17.278	170-22-4001	7/1/22-6/30/24	83,704	262,681	178,977	76,765	262,681	6,939
23 - DW 2nd Local	17.278	170-23-4011	11/7/23-6/30/24	-	-	-	-	1,290,255	1,290,255
22 - DW 2nd Local	17.278	170-22-4011	10/1/22-6/30/24	451,011	451,011	-	373,589	451,011	77,422
21 - DW 2nd Local	17.278	170-21-4011	10/1/21-6/30/23	50,830	861,020	810,190	50,830	861,020	-
20 - DW 1st SW	17.278	170-20-4033	7/1/22-6/30/23	2,932	2,932	-	2,932	2,932	-
22 - BEP DW 2nd SW	17.278	170-22-4132	6/1/23-6/30/24	-	-	-	-	150,000	150,000
21 - BEP Funds JB	17.278	170-21-4132	2/1/22-12/31/23	93,724	104,993	11,269	23,947	104,993	69,777
21 - DW 2nd RR	17.278	170-21-4153	3/1/23-8/31/23	8,785	8,785	-	8,785	8,785	-
22 - Reob Transfer	17.278	170-22-3013	10/1/22-6/30/24	559,625	559,625	-	214,648	600,000	385,352
21 - Reob Transfer	17.278	170-21-3013	10/1/21-6/30/23	25,000	250,000	225,000	25,000	250,000	-
22 - Apprenticeship Accelerator Grant	17.285	170-22-2206	1/1/23-6/30/24	12,267	12,267	-	-	183,333	183,333
23 - PA TANF	93.558	170-23-3361	7/1/23-6/30/24	228,475	228,475	-	-	913,509	913,509
22 - PA TANF	93.558	170-22-3361	7/1/22-6/30/24	747,514	913,170	165,656	640,856	913,170	106,658
21 - PA TANF	93.558	170-21-3361	7/1/21-6/30/22	12,933	896,073	883,140	12,933	896,073	-
Total FSR contract expenses					<u>\$ 11,056,454</u>		<u>\$ 3,318,009</u>		

* Calendar year contract encumbrances

** Cumulative encumbrances for the life of the grant up to the audit period end date 12/31/2023.

*** Total authorized budget for contract.

**** Over/Under is the difference between the authorized budget minus the fiscal year contract encumbrances (7/1/2022-6/30/2023) minus expenditures prior to 7/1/2022.

HUMAN SERVICES FUND

These accounts are used to account for the expenditure of a combination of revenues received from various federal, state, and County sources. These accounts are restricted for the provision of specified social services to eligible recipients. The Human Services Fund is comprised of the following accounts:

The **Older Adult Services** account is used to account for various funds received from and through the Pennsylvania Department of Aging to provide services to eligible older Pennsylvanians based on the local Area Plan.

The **Retired Senior Volunteer Program (RSVP)** account includes federal funds received from the Corporation for National and Community Service through the Older Adult Services sponsorship. These funds are used to help Americans age 55 or older find opportunities to address community needs through volunteer service. The RSVP locally is also supported in part by the Older Adult Services and community contributions.

The **Children and Youth Services** account is used to account for the proceeds of revenue received from various federal, state, and County sources. This revenue is restricted for the provision of specified social services to eligible children and youths within the County.

The **Substance Abuse** account is used for the control, prevention, intervention, treatment, rehabilitation, research, education, and training aspects of drug and alcohol abuse and dependence problems. It is funded by various state, federal, and County funds.

The **Mental Health and Developmental Services** accounts are used to account for the proceeds of revenue received from various federal, state, and county sources. The account is restricted for the provision of specified social services provided to eligible recipients with a mental health diagnosis or developmental services.

COUNTY OF VENANGO, PENNSYLVANIA

HUMAN SERVICES FUND COMBINING BALANCE SHEET

DECEMBER 31, 2023

	Older Adult Services	Retired Senior Volunteer Program	Children and Youth Services	Substance Abuse	Mental Health	Developmental Services	Total Human Services Fund
Assets							
Cash and cash equivalents - pooled	\$ (41,374)	\$ 19,107	\$ (3,232,338)	\$ 971,500	\$ 59,577	\$ 2,428,827	\$ 205,299
Accounts receivable	403,351	-	939,964	197,289	110,155	102,889	1,753,648
Due from other funds	21,470	-	45,437	16,737	26,413	15,965	126,022
Due from other governments	84,063	-	3,141,581	-	184,962	56,486	3,467,092
Other assets	-	-	-	-	-	-	-
Total Assets	\$ 467,510	\$ 19,107	\$ 894,644	\$ 1,185,526	\$ 381,107	\$ 2,604,167	\$ 5,552,061
Liabilities and Fund Balance							
Liabilities:							
Accounts payable	\$ 157,769	\$ -	\$ 658,893	\$ 23,441	\$ 272,172	\$ 99,936	\$ 1,212,211
Accrued payroll	14,728	-	50,369	11,307	19,061	13,300	108,765
Due to other funds	-	-	160,355	-	-	-	160,355
Unearned revenue	295,013	327	-	761,104	89,874	2,490,931	3,637,249
Total Liabilities	467,510	327	869,617	795,852	381,107	2,604,167	5,118,580
Fund Balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted:							
Human services	-	18,780	25,027	-	-	-	43,807
Assigned:							
Substance abuse	-	-	-	389,674	-	-	389,674
Unassigned	-	-	-	-	-	-	-
Total Fund Balance	-	18,780	25,027	389,674	-	-	433,481
Total Liabilities and Fund Balance	\$ 467,510	\$ 19,107	\$ 894,644	\$ 1,185,526	\$ 381,107	\$ 2,604,167	\$ 5,552,061

COUNTY OF VENANGO, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2023

	Older Adult Services	Retired Senior Volunteer Program	Children and Youth Services	Substance Abuse	Mental Health	Developmental Services	Total Human Services Fund
Revenues:							
Intergovernmental	\$ 2,189,321	\$ -	\$ 9,769,715	\$ 922,281	\$ 3,663,214	\$ 2,030,720	\$ 18,575,251
Charges for services	-	-	203,237	95,291	-	19,502	318,030
Interest	642	30	38	1,353	729	4,448	7,240
Other	-	-	228,820	754	38,389	-	267,963
Total revenues	2,189,963	30	10,201,810	1,019,679	3,702,332	2,054,670	19,168,484
Expenditures:							
Human services	2,083,017	-	11,012,228	953,327	3,368,945	1,606,282	19,023,799
Excess (Deficiency) of Revenues Over Expenditures	106,946	30	(810,418)	66,352	333,387	448,388	144,685
Other Financing Sources (Uses):							
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	1,299,996	17,628	-	33,612	1,351,236
Transfers out	(106,946)	-	(490,377)	(62,030)	(333,387)	(482,000)	(1,474,740)
Total other financing sources (uses)	(106,946)	-	809,619	(44,402)	(333,387)	(448,388)	(123,504)
Net Change in Fund Balance	-	30	(799)	21,950	-	-	21,181
Fund Balance:							
Beginning of year	-	18,750	25,826	367,724	-	-	412,300
End of year	\$ -	\$ 18,780	\$ 25,027	\$ 389,674	\$ -	\$ -	\$ 433,481

OTHER GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

The **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 providing housing services to low to moderate income families.

The **Airport Fund** accounts for the monies earned from the sale of fuel at the Venango County Airport and monies received from the state to fund major airport projects. The fund is also used to account for the activity related to the airshow held yearly at Venango County Airport.

The **Hazardous Materials Fund** accounts for monies received from companies who have hazardous waste removed from their premises. These funds are to be used in the event of a hazardous waste accident.

The **Marcellus Legacy Fund** is used to account for state revenue to be used per Act 13 of 2012 Impact Fee guidelines.

The **Court Constable Fund** accounts for fees imposed by the district justice offices and pays court and constable expenses consistent with the court order establishing the fund.

The **Offender ID Fund** accounts for fees imposed and offender identification charges consistent with the court order establishing the fund.

The **Juvenile Court Restitution Fund** accounts for fees imposed by the district justice offices and courts for all juvenile cases in the County. The money will be used for expenses relating to juvenile probation.

The **County Records Improvement Fund** is used to account for a recording fee surcharge. The money is to be expended 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 **Prothonotary Automation Fund** is used to account for fee surcharges collected by the Prothonotary to be used solely for the purpose of automation and continued automation updates for the office.

The **Register and Recorder Fund** is used to account for fees imposed by the Commissioner and Counties with a Land Bank to be used solely for demolitions.

The **Infrastructure Bank Fund** accounts for the revenue and expenditures related to projects fostering economic development for municipalities and authorities.

The **Opioid Settlement Fund** accounts for the revenue and expenditures authorized by the opioid settlement dollars for remediation of the opioid epidemic.

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

The **Community Services Block Grant Fund** accounts for federal funds used to provide housing, transportation, utility assistance, and other services to low income clients in Crawford and Venango County.

The **Office of Economic Opportunity – Other Funds** are used to account for various activities providing services to County residents.

The **Medical Assistance Transportation Program Fund** is used to account for the expenditure of a combination of federal, state, and County monies designated for the purpose of providing and improving public transportation throughout the County.

The **Special Purpose Gifts Fund** is used to account for the receipt of private grant funds that are restricted for use as determined by the grantee.

The **Adoption Counseling Fund** accounts for adoption filing fees and the cost of adoption counseling for individuals unable to pay for these services.

The **Domestic Relations Operation 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 funds.

The **Domestic Relations Incentives Fund** is used to account for revenue received to supplant the County's child support enforcement section and the resulting expenses.

COUNTY OF VENANGO, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2023

	Special Revenue Funds											
	Liquid Fuels	Affordable Housing Program	Airport	Hazardous Materials	Marcellus Legacy	Court Constable	Offender ID	Juvenile Court Restitution	County Records Improvement	Prothonotary Automation	Register & Recorder	Infrastructure Bank
Assets												
Cash and cash equivalents - pooled	\$ 1,854,973	\$ 479,244	\$ (446,793)	\$ 142,413	\$ 443,958	\$ 180,901	\$ 504,096	\$ 11,909	\$ 33,461	\$ 22,081	\$ 66,472	\$ 1,235,923
Accounts receivable	-	29,770	3,621	6,751	-	-	-	-	-	-	-	-
Loan receivable	-	-	-	-	-	-	-	-	-	-	-	452,170
Due from other funds	-	2,582	-	-	-	714	9,351	-	790	575	2,145	-
Due from other governments	81,217	-	322,994	-	-	-	-	-	-	-	-	-
Other assets	-	-	66,453	-	-	-	-	-	-	-	-	-
Total Assets	\$ 1,936,190	\$ 511,596	\$ (53,725)	\$ 149,164	\$ 443,958	\$ 181,615	\$ 513,447	\$ 11,909	\$ 34,251	\$ 22,656	\$ 68,617	\$ 1,688,093
Liabilities, Deferred Inflows of Resources and Fund Balance												
Liabilities:												
Accounts payable	\$ 54,555	\$ -	\$ 166,522	\$ -	\$ -	\$ 5,280	\$ 7,107	\$ -	\$ -	\$ -	\$ 21,822	\$ 5,000
Accrued payroll	-	-	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	440,526	-	-	-	-	-	-	-	-	-	50,137
Total Liabilities	54,555	440,526	166,522	-	-	5,280	7,107	-	-	-	21,822	55,137
Deferred Inflows of Resources:												
Unavailable revenue - opioid abatement	-	-	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance:												
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	452,170
Restricted:												
Human services	-	-	-	-	-	-	-	-	-	-	-	-
Roads and bridges	1,881,635	-	-	-	-	-	-	-	-	-	-	-
Affordable housing	-	71,070	-	-	-	-	-	-	-	-	-	-
Hazardous materials	-	-	-	149,164	-	-	-	-	-	-	-	-
Act 13	-	-	-	-	443,958	-	-	-	-	-	-	-
Constable server fees	-	-	-	-	-	176,335	-	-	-	-	-	-
Offender identification	-	-	-	-	-	-	506,340	-	-	-	-	-
Juvenile court restitution	-	-	-	-	-	-	-	11,909	-	-	-	-
Records improvement/automation	-	-	-	-	-	-	-	-	34,251	22,656	-	-
Sugar Valley Lodge	-	-	-	-	-	-	-	-	-	-	-	-
Adoption counseling	-	-	-	-	-	-	-	-	-	-	-	-
Domestic Relations	-	-	-	-	-	-	-	-	-	-	-	-
Demolitions	-	-	-	-	-	-	-	-	-	-	46,795	-
Infrastructure bank	-	-	-	-	-	-	-	-	-	-	-	1,180,786
Opioid expenses	-	-	-	-	-	-	-	-	-	-	-	-
Assigned:												
Community action	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(220,247)	-	-	-	-	-	-	-	-	-
Total Fund Balance	1,881,635	71,070	(220,247)	149,164	443,958	176,335	506,340	11,909	34,251	22,656	46,795	1,632,956
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 1,936,190	\$ 511,596	\$ (53,725)	\$ 149,164	\$ 443,958	\$ 181,615	\$ 513,447	\$ 11,909	\$ 34,251	\$ 22,656	\$ 68,617	\$ 1,688,093

(Continued)

COUNTY OF VENANGO, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS COMBINING BALANCE SHEET (Continued)

DECEMBER 31, 2023

	Special Revenue Funds								Total Other Governmental Funds	
	Opioid Settlement	Community Development Block Grant	Community Services Block Grant	OEO - Other	MATP	Special Purpose Gifts	Adoption Counseling	Domestic Relations Operation	Domestic Relations Incentives	
Assets										
Cash and cash equivalents - pooled	\$ 396,132	\$ 14,894	\$ 13,869	\$ 505,591	\$ 99,568	\$ 219,234	\$ 13,600	\$ (145,172)	\$ 962,163	\$ 6,608,517
Accounts receivable	3,515,913	-	-	-	-	-	-	-	18,349	3,574,404
Loan receivable	-	-	-	-	-	-	-	-	-	452,170
Due from other funds	-	-	4,366	9,223	1,898	-	-	-	-	31,644
Due from other governments	-	106,840	64,493	-	211,265	-	-	145,172	-	931,981
Other assets	-	-	-	-	-	3,000	-	-	-	69,453
Total Assets	\$ 3,912,045	\$ 121,734	\$ 82,728	\$ 514,814	\$ 312,731	\$ 222,234	\$ 13,600	\$ -	\$ 980,512	\$ 11,668,169
Liabilities, Deferred Inflows of Resources and Fund Balance										
Liabilities:										
Accounts payable	\$ 68	\$ 121,734	\$ 23,923	\$ 54,152	\$ 251,225	\$ -	\$ -	\$ -	\$ -	\$ 711,388
Accrued payroll	-	-	2,216	4,139	961	-	-	-	-	7,316
Due to other funds	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	56,589	431,680	60,545	-	-	-	-	1,039,477
Total Liabilities	68	121,734	82,728	489,971	312,731	-	-	-	-	1,758,181
Deferred Inflows of Resources:										
Unavailable revenue - opioid abatement	3,515,913	-	-	-	-	-	-	-	-	3,515,913
Total Deferred Inflows of Resources	3,515,913	-	-	-	-	-	-	-	-	3,515,913
Fund Balance:										
Nonspendable	-	-	-	-	-	-	-	-	-	452,170
Restricted:										
Human services	-	-	-	-	-	40,478	-	-	-	40,478
Roads and bridges	-	-	-	-	-	-	-	-	-	1,881,635
Affordable housing	-	-	-	-	-	-	-	-	-	71,070
Hazardous materials	-	-	-	-	-	-	-	-	-	149,164
Act 13	-	-	-	-	-	-	-	-	-	443,958
Constable server fees	-	-	-	-	-	-	-	-	-	176,335
Offender identification	-	-	-	-	-	-	-	-	-	506,340
Juvenile court restitution	-	-	-	-	-	-	-	-	-	11,909
Records improvement/automation	-	-	-	-	-	-	-	-	-	56,907
Sugar Valley Lodge	-	-	-	-	-	181,756	-	-	-	181,756
Adoption counseling	-	-	-	-	-	-	13,600	-	-	13,600
Domestic Relations	-	-	-	-	-	-	-	-	980,512	980,512
Demolitions	-	-	-	-	-	-	-	-	-	46,795
Infrastructure bank	-	-	-	-	-	-	-	-	-	1,180,786
Opioid expenses	396,064	-	-	-	-	-	-	-	-	396,064
Assigned:										
Community action	-	-	-	24,843	-	-	-	-	-	24,843
Unassigned	-	-	-	-	-	-	-	-	-	(220,247)
Total Fund Balance	396,064	-	-	24,843	-	222,234	13,600	-	980,512	6,394,075
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 3,912,045	\$ 121,734	\$ 82,728	\$ 514,814	\$ 312,731	\$ 222,234	\$ 13,600	\$ -	\$ 980,512	\$ 11,668,169

(Concluded)

COUNTY OF VENANGO, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds											
	Liquid Fuels	Affordable Housing Program	Airport	Hazardous Materials	Marcellus Legacy	Court Constable	Offender ID	Juvenile Court Restitution	County Records Improvement	Prothonotary Automation	Register & Recorder	Infrastructure Bank
Revenues:												
Intergovernmental	\$ 567,268	\$ 359,946	\$ 886,717	\$ -	\$ 168,076	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	28,655	306,985	32,250	-	49,673	82,162	943	10,056	7,104	25,905	-
Interest	2,158	538	191	234	580	317	788	18	78	34	111	1
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	569,426	389,139	1,193,893	32,484	168,656	49,990	82,950	961	10,134	7,138	26,016	1
Expenditures:												
General government - administration	-	-	-	-	-	-	-	-	18,550	-	34,044	-
General government - judicial	-	-	-	-	-	136,423	79,233	-	-	-	-	-
Public safety	-	-	-	26,734	-	-	33,126	-	15,580	-	-	-
Public works	462,509	326,344	1,444,066	-	-	-	-	-	-	-	-	-
Human services	-	54,373	-	-	-	-	-	-	-	-	-	-
Conservation and development	-	-	-	-	60,000	-	-	-	-	-	-	62,000
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	462,509	380,717	1,444,066	26,734	60,000	136,423	112,359	-	34,130	-	34,044	62,000
Excess (Deficiency) of Revenues Over Expenditures	106,917	8,422	(250,173)	5,750	108,656	(86,433)	(29,409)	961	(23,996)	7,138	(8,028)	(61,999)
Other Financing Sources (Uses):												
Sale of capital assets	-	-	3,550	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(4,000)	-	-
Total other financing sources (uses)	-	-	3,550	-	-	-	-	-	-	(4,000)	-	-
Net Change in Fund Balance	106,917	8,422	(246,623)	5,750	108,656	(86,433)	(29,409)	961	(23,996)	3,138	(8,028)	(61,999)
Fund Balance:												
Beginning of year	1,774,718	62,648	26,376	143,414	335,302	262,768	535,749	10,948	58,247	19,518	54,823	1,694,955
End of year	\$ 1,881,635	\$ 71,070	\$ (220,247)	\$ 149,164	\$ 443,958	\$ 176,335	\$ 506,340	\$ 11,909	\$ 34,251	\$ 22,656	\$ 46,795	\$ 1,632,956

(Continued)

COUNTY OF VENANGO, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (Continued)

YEAR ENDED DECEMBER 31, 2023

	Special Revenue Funds								Total Other Governmental Funds	
	Opioid Settlement	Community Development Block Grant	Community Services Block Grant	OEO - Other	MATP	Special Purpose Gifts	Adoption Counseling	Domestic Relations Operation	Domestic Relations Incentives	
Revenues:										
Intergovernmental	\$ -	\$ 720,559	\$ 348,701	\$ 1,264,430	\$ 1,824,487	\$ -	\$ -	\$ 376,125	\$ -	\$ 6,516,309
Charges for services	156,156	-	-	-	-	-	525	(26,215)	121,187	795,386
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Interest	382	22	2	2,162	22	18,925	21	1,273	-	27,857
Other	-	-	1,599	3,031	-	-	-	5	-	4,635
Total revenues	156,538	720,581	350,302	1,269,623	1,824,509	18,925	546	351,188	121,187	7,344,187
Expenditures:										
General government - administration	-	-	-	-	-	-	-	-	-	52,594
General government - judicial	-	-	-	-	-	-	-	514,299	34,038	763,993
Public safety	-	-	-	-	-	-	-	-	-	75,440
Public works	-	500,138	-	-	-	-	-	-	-	2,733,057
Human services	412	-	341,914	1,972,539	1,811,631	-	-	-	-	4,180,869
Conservation and development	-	220,443	-	-	-	-	-	-	-	342,443
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Total expenditures	412	720,581	341,914	1,972,539	1,811,631	-	-	514,299	34,038	8,148,396
Excess (Deficiency) of Revenues Over Expenditures	156,126	-	8,388	(702,916)	12,878	18,925	546	(163,111)	87,149	(804,209)
Other Financing Sources (Uses):										
Sale of capital assets	-	-	4,670	130,169	-	-	-	-	-	138,389
Transfers in	-	-	-	693,349	-	-	-	163,111	-	856,460
Transfers out	-	-	(13,058)	(120,542)	(12,878)	-	-	-	-	(150,478)
Total other financing sources (uses)	-	-	(8,388)	702,976	(12,878)	-	-	163,111	-	844,371
Net Change in Fund Balance	156,126	-	-	60	-	18,925	546	-	87,149	40,162
Fund Balance:										
Beginning of year	239,938	-	-	24,783	-	203,309	13,054	-	893,363	6,353,913
End of year	\$ 396,064	\$ -	\$ -	\$ 24,843	\$ -	\$ 222,234	\$ 13,600	\$ -	\$ 980,512	\$ 6,394,075

(Concluded)

CUSTODIAL FUNDS

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

COUNTY OF VENANGO, PENNSYLVANIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION CUSTODIAL FUNDS

DECEMBER 31, 2023

	Treasurer	Register of Wills and Recorder of Deeds	Prothonotary and Clerk of Courts	Sheriff	Tax Claim Delinquent	Total
Assets						
Cash and cash equivalents	\$ 9,996	\$ 341,165	\$ 461,780	\$ 39,674	\$ 545,812	\$ 1,398,427
Accounts receivable and fines, at estimated realizable value	-	-	253,754	-	-	253,754
Total Assets	<u>\$ 9,996</u>	<u>\$ 341,165</u>	<u>\$ 715,534</u>	<u>\$ 39,674</u>	<u>\$ 545,812</u>	<u>\$ 1,652,181</u>
Liabilities						
Due to other funds	\$ -	\$ 275,072	\$ 304,318	\$ 15,774	\$ -	\$ 595,164
Due to other governments	9,996	64,782	19,019	-	545,812	639,609
Escrow liability and interest	-	1,311	392,197	23,900	-	417,408
Total Liabilities	<u>\$ 9,996</u>	<u>\$ 341,165</u>	<u>\$ 715,534</u>	<u>\$ 39,674</u>	<u>\$ 545,812</u>	<u>\$ 1,652,181</u>

COUNTY OF VENANGO, PENNSYLVANIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION CUSTODIAL FUNDS

YEAR ENDED DECEMBER 31, 2023

	Treasurer	Register of Wills and Recorder of Deeds	Prothonotary and Clerk of Courts	Sheriff	Tax Claim Delinquent	Total
Additions:						
Receipts:						
Treasurer	\$ 81,070	\$ -	\$ -	\$ -	\$ -	\$ 81,070
Register of Wills and Recorder of Deeds	-	1,768,487	-	-	-	1,768,487
Prothonotary and Clerk of Courts	-	-	1,749,116	-	-	1,749,116
Sheriff	-	-	-	409,462	-	409,462
Tax Claim	-	-	-	-	3,452,553	3,452,553
Total receipts	81,070	1,768,487	1,749,116	409,462	3,452,553	7,460,688
Total additions	81,070	1,768,487	1,749,116	409,462	3,452,553	7,460,688
Deductions:						
Payments to other governments	70,368	1,366,971	208,592	18,059	3,452,553	5,116,543
Escrow payments	569	3,374	1,176,174	346,824	-	1,526,941
Other disbursements	10,133	398,142	364,350	44,579	-	817,204
Total deductions	81,070	1,768,487	1,749,116	409,462	3,452,553	7,460,688
Increase (Decrease) in Fiduciary Net Position	-	-	-	-	-	-
Net Position:						
Beginning of year	-	-	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

COUNTY OF VENANGO, PENNSYLVANIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2023

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Payments Received</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>U.S. Department of Agriculture</u>					
Passed Through the Pennsylvania Department of Education:					
Child Nutrition Cluster:					
Summer Food Service Program for Children	10.559	8765500790	\$ 34,564	\$ 34,564	\$ -
Child Nutrition Cluster Subtotal				34,564	-
Food Distribution Cluster:					
Emergency Food Assistance Program (Administrative Costs)	10.568	N/A	12,402	5,992	-
Emergency Food Assistance Program (Food Commodities)	10.569	N/A	90,963	104,865	-
Food Distribution Cluster Subtotal				110,857	-
Passed through the Pennsylvania Department of Human Services:					
SNAP Cluster:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	4100077194	65,388	65,388	-
SNAP Cluster Subtotal				65,388	-
Total U.S. Department of Agriculture				210,809	-
<u>U.S. Department of Housing and Urban Development</u>					
Passed Through the Pennsylvania Department of Community and Economic Development:					
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	N/A	720,580	720,580	-
Home Investment Partnerships Program	14.239	N/A	354,556	354,627	-
Total U.S. Department of Housing and Urban Development				1,075,207	-
<u>U.S. Department of Justice</u>					
Passed Through the Pennsylvania Commission on Crime and Delinquency:					
Violence Against Women Formula Grants	16.588	35991	122,472	117,209	30,618
Total U.S. Department of Justice				117,209	30,618
<u>U.S. Department of Labor</u>					
Passed Through the Pennsylvania Department of Labor and Industry:					
Registered Apprenticeship	17.285	170234152	-	12,267	12,267
WIOA Cluster:					
WIOA Adult Program	17.258	170223001/170233001	1,068,675	1,135,264	1,021,738
WIOA Youth Activities	17.259	170213301/170223301	1,902,879	1,945,757	1,592,602
WIOA Dislocated Worker Formula Grants	17.278	170224001/170234001	1,813,741	1,583,114	1,425,115
WIOA Cluster Subtotal				4,664,135	4,039,455
Total U.S. Department of Labor				4,676,402	4,051,722
<u>U.S. Department of the Treasury</u>					
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	9,841,665	-
Passed through the Pennsylvania Department of Human Services:					
COVID-19 - Emergency Rental Assistance Program	21.023	N/A	-	825,114	-
Total U.S. Department of the Treasury				10,666,779	-
<u>U.S. Department of Transportation</u>					
Passed Through the Pennsylvania Department of Transportation:					
Airport Improvement Program	20.106	N/A	24,857	46,740	-
Highway Safety Cluster:					
State and Community Highway Safety	20.600	N/A	4,375	4,375	-
National Priority Safety Programs	20.616	N/A	2,702	2,702	-
Highway Safety Cluster Subtotal				7,077	-
Total U.S. Department of Transportation				53,817	-
<u>Appalachian Regional Commission (ARC)</u>					
Passed Through the Keystone Community Education Council:					
Appalachian Area Development	23.002	PW-21478-IM	-	4,962	-
<u>U.S. Department of Education</u>					
Passed Through Pennsylvania Department of Human Services:					
Special Education - Grants for Infants and Families	84.181	N/A	34,888	34,889	34,889
<u>U.S. Election Assistance Commission:</u>					
Passed Through Pennsylvania Department of State:					
HAVA Election Security Grants	90.404	N/A	7,076	7,076	-
<u>U.S. Department of Health and Human Services</u>					
Passed Through the Pennsylvania Department of Human Services:					
Guardianship Assistance	93.090	N/A	134,753	129,755	-
Temporary Assistance for Needy Families	93.558	N/A	438,781	413,882	-
Temporary Assistance for Needy Families	93.558	170223361/170233361	1,152,001	988,922	911,134
Temporary Assistance for Needy Families	93.558	4100077194	1,975,938	2,169,249	1,998,434
93.558 Subtotal				3,572,053	2,909,568

(Continued)

COUNTY OF VENANGO, PENNSYLVANIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2023

(Continued)

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Payments Received</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>U.S. Department of Health and Human Services (continued)</u>					
Passed Through the Pennsylvania Department of Human Services:					
MaryLee Allen Promoting Safe and Stable Families Program	93.556	N/A	5,923	-	-
Child Support Services	93.563	N/A	323,987	348,484	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	312,289	634,481	-
Foster Care - Title IV-E	93.658	N/A	590,158	709,112	709,112
Adoption Assistance	93.659	N/A	272,629	185,652	185,652
Social Services Block Grant	93.667	N/A	48,107	30,028	30,028
Social Services Block Grant	93.667	N/A	57,930	57,929	-
93.667 Subtotal				87,957	30,028
Child Abuse and Neglect State Grants	93.669	N/A	27,755	27,755	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	N/A	32,266	136,640	-
Medicaid Cluster:					
Medical Assistance Program	93.778	N/A	50,342	53,891	-
Medical Assistance Program	93.778	N/A	249,364	283,414	-
Medical Assistance Program	93.778	N/A	906,668	912,244	702,642
Medical Assistance Program	93.778	N/A	69,122	116,848	-
Passed Through the Pennsylvania Department of Aging:					
Medical Assistance Program	93.778	N/A	8,463	8,463	-
Medicaid Cluster Subtotal				1,374,860	702,642
Passed Through the Pennsylvania Department of Human Services:					
Block Grants for Community Mental Health Services	93.958	N/A	100,406	100,406	95,925
Passed Through the Pennsylvania Department of Aging:					
Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	N/A	1,085	1,206	-
Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	93.042	N/A	2,459	-	-
COVID-19 - Special Programs for the Aging - Title III, Part D					
Disease Prevention And Health Promotion Services	93.043	N/A	6,653	595	-
National Family Caregiver Support, Title III, Part E	93.052	N/A	61,467	42,307	-
Medicare Enrollment Assistance Program	93.071	N/A	3,253	2,396	-
State Health Insurance Assistance Program	93.324	N/A	5,974	6,001	-
Aging Cluster:					
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	N/A	206,458	137,152	-
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	N/A	142,105	139,803	-
Nutrition Services Incentive Program	93.053	N/A	47,552	54,137	54,137
Aging Cluster Subtotal				331,092	54,137
Passed Through the Pennsylvania Department of Community and Economic Development:					
Community Services Block Grant	93.569	C000082096	393,110	348,701	74,168
Head Start Cluster:					
Head Start	93.600	03CH011416	1,107,397	1,107,397	1,107,397
Head Start Cluster Subtotal				1,107,397	1,107,397
Passed Through the Pennsylvania Department of Drug and Alcohol Programs:					
Opioid (STR)	93.788	410007077 SAF5	80,171	105,022	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	213,790	234,654	118,074
COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	19,818	19,818	-
93.959 Subtotal				254,472	118,074
Total U.S. Department of Health and Human Services				9,506,344	5,986,703
<u>U.S. Department of Homeland Security</u>					
Passed Through the Pennsylvania Emergency Management Agency:					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	1,828	1,828	-
Emergency Management Performance Grants	97.042	N/A	47,225	47,225	-
Homeland Security Grant Program	97.067	N/A	231,660	201,177	-
Homeland Security Grant Program (Equipment)	97.067	N/A	-	2,462	-
97.067 Subtotal				203,639	-
Total U.S. Department of Homeland Security				252,692	-
				\$ 26,606,186	\$ 10,103,932

(Concluded)

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2023

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the County of Venango, Pennsylvania (County) under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position or changes in net position of the County.

Component Unit

The County's financial statements include the operations of the Venango Country Economic Development Authority (Authority), which expended \$2,056,574, in federal awards, which are not included in the accompanying Schedule for the year ended December 31, 2023. This Schedule does not include the expenditures of the Authority because they completed a separate audit in accordance with the Uniform Guidance.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Cash receipts are shown on the Schedule on the cash basis of accounting as required by the Pennsylvania Department of Human Services and the Department of Community and Economic Development.

The County has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

COUNTY OF VENANGO, PENNSYLVANIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2023

3. Emergency Food Assistance Program

In-kind values are reported in the Schedule at the fair value of the commodities received and disbursed.

4. PCCD

The Schedule reporting for the year ending December 31, 2020 reported expenditures incorrectly for the following Pennsylvania Commission on Crime and Delinquency (PCCD) grants: 33342 and 28781. The grant expenditures for PCCD should have been reported as follows:

Grant 33342	ALN 16.034	\$56,593
Grant 28781	ALN 16.588	\$97,090

The Schedule reporting for the year ending December 31, 2021 reported expenditures incorrectly for the following PCCD grants: 33342, 28781, and 34469. The grant expenditures for PCCD should have been reported as follows:

Grant 33342	ALN 16.034	\$34,015
Grant 28781	ALN 16.588	\$0
Grant 34469	ALN 16.588	\$107,663

The Schedule reporting for the year ending December 31, 2022 reported expenditures incorrectly for the following PCCD grants: 33342, 34469, 35991, and 37881. The grant expenditures for PCCD should have been reported as follows:

Grant 33342	ALN 16.034	\$0
Grant 34469	ALN 16.588	\$2,578
Grant 35991	ALN 16.588	\$109,318
Grant 37881	ALN 16.588	\$0

County of Venango, Pennsylvania

Independent Auditor's Reports
Required by the Uniform Guidance

Year Ended December 31, 2023

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

**Board of County Commissioners
County of Venango, Pennsylvania**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Venango, Pennsylvania (County), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 26, 2024.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material

Board of County Commissioners
County of Venango, Pennsylvania
Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters

weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Maher Duessel

Pittsburgh, Pennsylvania
September 26, 2024

**Independent Auditor's Report on Compliance for Each Major Program
and on Internal Control over Compliance Required by the Uniform Guidance
and the DHS Single Audit Supplement**

**Board of County Commissioners
County of Venango, Pennsylvania**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the County of Venango, Pennsylvania's (County)'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the Pennsylvania Department of Human Services (DHS) *Single Audit Supplement* that could have a direct and material effect on each of the County's major federal and DHS programs for the year ended December 31, 2023. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal or DHS programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and DHS Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards, the Uniform Guidance and the DHS *Single Audit Supplement*, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and DHS Program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal and DHS programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the DHS *Single Audit Supplement* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal and DHS program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the DHS *Single Audit Supplement*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Board of County Commissioners
Venango County, Pennsylvania
Independent Auditor's Report on Compliance for Each
Major Program and on Internal Control over Compliance

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program and DHS program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and DHS program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program and DHS program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and DHS *Single Audit Supplement*. Accordingly, this report is not suitable for any other purpose.

Maher Duessel

Pittsburgh, Pennsylvania
September 26, 2024

COUNTY OF VENANGO, PENNSYLVANIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2023

I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified, prepared in accordance with Generally Accepted Accounting Principles

2. Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no

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

☐ yes ☒ none reported

3. Noncompliance material to financial statements noted? ☐ yes ☒ no

4. Internal control over major programs:

Material weakness(es) identified? ☐ yes ☒ no

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

☐ yes ☒ none reported

5. Type of auditor's report issued on compliance for major programs: Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? ☐ yes ☒ no

7. Major Programs:

Federal Assistance Listing Number(s)

17.258, 17.259, and 17.278

21.023

21.027

93.558

93.658

93.778

Name of Federal Program or Cluster

WIOA Cluster

COVID-19 - Emergency Rental Assistance Program

COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Temporary Assistance for Needy Families (TANF)

Foster Care – Title IV-E

Medicaid Cluster

8. Dollar threshold used to distinguish between type A and type B programs: \$798,186

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

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

No matters were reported.

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

No matters were reported.

COUNTY OF VENANGO, PENNSYLVANIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2023

NONE

County of Venango, Pennsylvania

DHS and DDAP – Funded Financial Assistance
Program Exhibits

Years Ended June 30, 2023, September 30, 2023,
and December 31, 2023
with Independent Accountant's Report

Independent Accountant's Report on Applying Agreed-Upon Procedures to the Financial Schedules and Exhibits Required by the Commonwealth of Pennsylvania Department of Human Services and Commonwealth of Pennsylvania Department of Drug and Alcohol

**Board of Commissioners
County of Venango, Pennsylvania**

We have performed the procedures enumerated below on the financial schedules and exhibits of the County of Venango (County) required by the Commonwealth of Pennsylvania Department of Human Services (DHS) *Single Audit Supplement* and the Commonwealth of Pennsylvania Department of Drug and Alcohol (DDAP) *Fiscal Manual* for the fiscal year ended June 30, 2023, September 30, 2023, and December 31, 2023. The County's management is responsible for the financial schedules and exhibits required by the DHS *Single Audit Supplement* and DDAP *Fiscal Manual*.

The County has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting DHS and DDAP in determining whether the County complied with the reporting requirements as specified by the procedures in the DHS *Single Audit Supplement* and the DDAP *Fiscal Manual*. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purpose.

The procedures and associated findings are as follows:

- a. We have verified by comparison the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DHS for the fiscal years ended June 30, 2023, September 30, 2023, and December 31, 2023, have been accurately compiled based on the audited books and records of the County. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DHS *Single Audit Supplement* pertaining to this period.

Program Name

Child Support Enforcement
Medical Assistance Transportation
Early Intervention Services
Human Service Block Grant
Employment Advancement and Retention Network (EARN) Program

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

- b. We have inquired of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DHS for the period in question.
- c. The processes detailed in paragraphs (a) through (b) above disclosed no adjustments and/or findings.
- d. In regard to the reconciliation schedule included as Exhibits XX and XXI, we have performed the following procedures:
 - 1. Agreed the expenditure amounts listed on the Reconciliation Schedule under the Federal Expenditures per the SEFA Column to the audited Schedule of Expenditures of Federal Awards (SEFA).
 - 2. Agreed the receipt amounts listed on the reconciliation schedule under the Federal Awards Received per the Audit Confirmation Reply from Pennsylvania Column to the subrecipient Federal amounts that were reflected in the audit confirmation reply from the Commonwealth of Pennsylvania Office of Budget, Comptroller Operations.
 - 3. Recalculated the amounts listed under the Difference Column and the % Difference Column.
 - 4. Agreed the amounts listed under the Difference Column to the audited books and records of the County.
 - 5. Agreed the Detailed Explanation of the Differences to the audited books and records of the County.
 - 6. Based on the procedures detailed in paragraphs (1) through (5) above, disclose any adjustments and/or findings which have not been reflected on the corresponding schedules (list each separately).
- e. In regard to the Children and Youth Agency Child Protective Services Law (CPSL) Monitoring of In-House Purchased Services Provider Schedule included as Exhibit XXX, we have performed the following procedures:
 - 1. Reconciled the list of providers under Provider Name Column A to the providers who were paid for In-Home Purchased Services during the year according to the County's general ledger, cash disbursements journal, or similar record.
 - 2. Agreed the response in Column B to the appropriate Provider contract.
 - 3. Agreed the information in Columns C through I to the County's monitoring records for In-Home Purchased Service Providers.

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

4. Based on the procedures detailed in paragraphs (1) through (3) above, disclose any exceptions or findings which have not been reflected on the corresponding schedule (list each separately).

We were engaged by the County to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the financial schedules and exhibits required by the DHS *Single Audit Supplement* and DDAP *Fiscal Manual*. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Commonwealth of Pennsylvania DHS and DDAP, Board of Commissioners, and the County's management and is not intended to be, and should not be, used by anyone other than these specified parties.

Maher Duessel

Pittsburgh, Pennsylvania
September 26, 2024

COUNTY OF VENANGO, PENNSYLVANIA

CHILD SUPPORT ENFORCEMENT COMPARISON OF SINGLE AUDIT EXPENDITURES WITH REPORTED EXPENDITURES FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Exhibit A-1 (a)

	Single Audit Expenditures					Reported Expenditures					Single Audit Over (Under) Reported				
	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid	A. Total	B. Unallowable	C. Incentive Paid Costs	Net (A-B-C)	Amt Paid
Quarter Ending: 12/31/22															
1. Salary & Overhead	\$ 146,449	\$ 5,229	\$ -	\$ 141,220	\$ 93,207	\$ 146,449	\$ 5,229	\$ -	\$ 141,220	\$ 93,207	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	394	14	-	380	252	394	14	-	380	252	-	-	-	-	-
4. Genetic Testing Fees	274	-	-	274	180	274	-	-	274	180	-	-	-	-	-
5. Genetic Testing Costs	392	-	-	392	259	392	-	-	392	259	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 146,173	\$ 5,215	\$ -	\$ 140,958	\$ 93,034	\$ 146,173	\$ 5,215	\$ -	\$ 140,958	\$ 93,034	\$ -	\$ -	\$ -	\$ -	\$ -
Quarter Ending: 03/31/23															
1. Salary & Overhead	\$ 138,415	\$ 4,907	\$ 4,740	\$ 128,768	\$ 84,987	\$ 138,415	\$ 4,907	\$ 4,740	\$ 128,768	\$ 84,987	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	1,316	46	-	1,270	839	1,316	46	-	1,270	839	-	-	-	-	-
4. Genetic Testing Fees	178	-	-	178	117	178	-	-	178	117	-	-	-	-	-
5. Genetic Testing Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 136,921	\$ 4,861	\$ 4,740	\$ 132,060	\$ 84,031	\$ 136,921	\$ 4,861	\$ 4,740	\$ 132,060	\$ 84,031	\$ -	\$ -	\$ -	\$ -	\$ -
Quarter Ending: 06/30/23															
1. Salary & Overhead	\$ 153,560	\$ 5,440	\$ 12,612	\$ 135,508	\$ 89,435	\$ 153,560	\$ 5,440	\$ 12,612	\$ 135,508	\$ 89,435	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	248	9	-	239	158	248	9	-	239	158	-	-	-	-	-
4. Genetic Testing Fees	76	-	-	76	50	76	-	-	76	50	-	-	-	-	-
5. Genetic Testing Costs	162	-	-	162	107	162	-	-	162	107	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 153,398	\$ 5,431	\$ 12,612	\$ 147,967	\$ 89,334	\$ 153,398	\$ 5,431	\$ 12,612	\$ 147,967	\$ 89,334	\$ -	\$ -	\$ -	\$ -	\$ -
Quarter Ending: 09/30/23															
1. Salary & Overhead	\$ 139,042	\$ 4,517	\$ 4,595	\$ 129,930	\$ 85,753	\$ 139,042	\$ 4,517	\$ 4,595	\$ 129,930	\$ 85,753	\$ -	\$ -	\$ -	\$ -	\$ -
2. Fees & Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Interest & Program Income	228	8	-	220	145	228	8	-	220	145	-	-	-	-	-
4. Genetic Testing Fees	9	-	-	9	6	9	-	-	9	6	-	-	-	-	-
5. Genetic Testing Costs	68	-	-	68	45	68	-	-	68	45	-	-	-	-	-
6. ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (1-2-3-4+5+6)	\$ 138,873	\$ 4,509	\$ 4,595	\$ 134,364	\$ 85,647	\$ 138,873	\$ 4,509	\$ 4,595	\$ 134,364	\$ 85,647	\$ -	\$ -	\$ -	\$ -	\$ -

COUNTY OF VENANGO, PENNSYLVANIA

CHILD SUPPORT ENFORCEMENT COMPARISON OF REPORTED INCENTIVES TO INCENTIVES ON DEPOSIT

FOR THE TWELVE-MONTH PERIOD ENDED DECEMBER 31, 2023

Exhibit A-1 (c)

Month	MSE Incentive Paid Cost Worksheet Ending Incentive Balance	Title IV-D Account Incentive Balance	Type of Account Structure
January 1	\$ 905,981	\$ 905,981	(x) Separate Bank Account () Restricted Fund - General Ledger () Other:
March 31	917,537	917,537	
June 30	943,188	943,188	
September 30	956,562	956,562	
December 31	962,162	962,162	

COUNTY OF VENANGO, PENNSYLVANIA

CHILD SUPPORT ENFORCEMENT COMPARISON OF SINGLE AUDIT TITLE IV-D ACCOUNT WITH REPORTED TITLE IV-D ACCOUNT

FOR THE TWELVE-MONTH PERIOD ENDED DECEMBER 31, 2023

Exhibit A-1 (d)

	Single Audit Title IV-D Account	Reported Title IV-D Account	Single Audit Over (Under) Reported
Balance at January 1	<u>\$ 1,009,436</u>	<u>\$ 1,009,436</u>	<u>\$ -</u>
Receipts:			
Reimbursements	323,987	323,987	-
Incentives	90,310	90,310	-
Title XIX incentives	-	-	-
Interest	1,152	1,152	-
Program income	2,272	2,272	-
Genetic testing costs	427	427	-
Maintenance of effort (MOE)	-	-	-
Other	-	-	-
Total receipts	<u>418,148</u>	<u>418,148</u>	<u>-</u>
Intrafund Transfers - In	<u>-</u>	<u>-</u>	<u>-</u>
Funds Available	<u>1,427,584</u>	<u>1,427,584</u>	<u>-</u>
Disbursements:			
Performance incentive paid costs	34,039	34,039	-
Transfers to General Fund	431,383	431,383	-
Vendor payments	-	-	-
Bank charges	-	-	-
Other - Indirects and depreciation	-	-	-
Total disbursements	<u>465,422</u>	<u>465,422</u>	<u>-</u>
Intrafund Transfers - Out	<u>-</u>	<u>-</u>	<u>-</u>
Balance at December 31	<u>\$ 962,162</u>	<u>\$ 962,162</u>	<u>\$ -</u>

The Title IV-D account consists of one checking account.

COUNTY OF VENANGO, PENNSYLVANIA

MEDICAL ASSISTANCE TRANSPORTATION PROGRAM SCHEDULE OF REVENUES AND EXPENDITURES

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2023

Exhibit III

	<u>Reported</u>	<u>Actual</u>
Service Data:		
Expenditures:		
Group I clients	\$ 1,607,320	\$ 1,607,320
Group II clients	-	-
Total expenditures	<u>\$ 1,607,320</u>	<u>\$ 1,607,320</u>
Allocation Data:		
Revenues:		
Department of Human Services	\$ 1,607,296	\$ 1,607,296
Interest income	24	24
Total revenues	<u>1,607,320</u>	<u>1,607,320</u>
Funds expended:		
Operating costs	1,542,376	1,542,376
Administrative costs	64,944	64,944
Excess of Revenues over Expenditures	<u>\$ -</u>	<u>\$ -</u>

Indirect Cost Rate: 10%

COUNTY OF VENANGO, PENNSYLVANIA

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

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2023

Exhibit V(a) EI

Sources of DHS Funding	Appropriation	DHS Funds Available			Cost Eligible for DHS Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
A. Early Intervention Services								
1. Early Intervention Services	10235	\$ 5,444	\$ 210,212	\$ 215,656	\$ 180,910	\$ 34,746	\$ -	\$ 34,746
2. Early Intervention Training	10235	-	2,360	2,360	2,360	-	-	-
3. Early Intervention Administration	10235	-	3,416	3,416	3,416	-	-	-
4. Infant & Toddlers w/Disabilities (Part C)	70170	-	34,944	34,944	34,944	-	-	-
5. Medicaid Administration-State	10235	60,175	50,342	110,517	50,342	60,175	-	60,175
6. Reserved	00001	-	-	-	-	-	-	-
Total Early Intervention Services		\$ 65,619	\$ 301,274	\$ 366,893	\$ 271,972	\$ 94,921	\$ -	\$ 94,921

*As submitted on July 2, 2024

COUNTY OF VENANGO, PENNSYLVANIA

EARLY INTERVENTION SERVICES REPORT OF INCOME AND EXPENDITURES*

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2023

Exhibit V(b) EI

		Admin Office	Early Intervention	Service Coordination	Totals
I.	TOTAL ALLOCATION				\$ 366,893
II.	TOTAL EXPENDITURES	\$ 175,196	\$ 203,919	\$ 144,926	524,041
III.	COSTS OVER ALLOCATION				
	A. County Funded Eligible	-	-	-	-
	B. County Funded Ineligible	-	-	-	-
	C. Other Eligible	70,108	-	-	70,108
	D. Other Ineligible	-	-	-	-
	Subtotal Costs Over Allocation	70,108	-	-	70,108
IV.	REVENUES				
	A. Program Service Fees	-	-	-	-
	B. Private Insurance	-	-	-	-
	C. Medical Assistance	-	-	106,395	106,395
	D. Medical Assistance Admin Claims - EI Waiver	26,794	-	-	26,794
	E. Medical Assistance Admin Claims - EI Other	23,548	-	-	23,548
	F. Earned Interest	608	-	-	608
	G. Other	-	-	-	-
	Subtotal Revenues	50,950	-	106,395	157,345
V.	DHS REIMBURSEMENT				
	A. DHS Categorical Funding 90%	3,416	183,536	34,678	221,630
	B. DHS Categorical Funding 100%	50,342	-	-	50,342
	Subtotal DHS Reimbursement	53,758	183,536	34,678	271,972
VI.	COUNTY MATCH				
	10% County Match	380	20,393	3,853	24,626
VII.	TOTAL DHS REIMBURSEMENT AND COUNTY MATCH	\$ 54,138	\$ 203,929	\$ 38,531	296,598
VIII.	TOTAL CARRYOVER				\$ 94,921

*As submitted on July 2, 2024

COUNTY OF VENANGO, PENNSYLVANIA

COUNTY HUMAN SERVICES BLOCK GRANT SCHEDULE OF FUND BALANCES - SUMMARY REPORT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2023

Exhibit VI (a) BG-S

County Match	5.89%
Actual County Match (\$)	\$ 230,846
Actual County Match (%)	6.12%

Block Grant Reporting			Costs Eligible for DHS Participation								
	Appropriation	DHS Allocation	Mental Health	Intellectual Disability	Homeless Assistance	HSS	D&A	Total	Balance of Funds	Adjustments	Total Fund Balance
Sources of Funding											
1. State Human Services Block Grant	Multiple	\$ 3,770,504	\$ 2,112,311	\$ 573,317	\$ 123,727	\$ 544,024	\$ 228,600	\$ 3,581,979	\$ 188,525	\$ -	\$ 188,525
2. SSBG	Multiple	57,929	12,264	45,665	-	-	-	57,929	-	-	-
3. Reserved		-	-	-	-	-	-	-	-	-	-
4. CMHSBG	70167	90,406	90,406	-	-	-	-	90,406	-	-	-
5. Reserved		-	-	-	-	-	-	-	-	-	-
Total for Block Grant		\$ 3,918,839	\$ 2,214,981	\$ 618,982	\$ 123,727	\$ 544,024	\$ 228,600	\$ 3,730,314	\$ 188,525	\$ -	\$ 188,525

Retained Earnings	
I. Unexpended Allocation	\$ 188,525
II. Maximum Retained Earnings (5%)	\$ 188,525
III. Amount to be Returned to DHS	\$ -
IV. Total Requested Retained Earnings	\$ 188,525

Prior Year Retained Earnings	
I. FY 21-22 Retained Earnings	\$ 188,547
II. Total Expended Retained Earnings- 5%	\$ 188,547
III. Amount to be Returned to DHS	\$ -

COUNTY OF VENANGO, PENNSYLVANIA

COUNTY HUMAN SERVICES BLOCK GRANT SCHEDULE OF FUND BALANCES - SUMMARY REPORT

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2023

Exhibit VI (b) BG-5

Sources of Funding	Appropriation	Total Carryover	Allotment	DHS Allocation	Costs Eligible for DHS Participation	Balance of Funds	Adjustments	Total Fund Balance
A. Mental Health Services								
1. State - Employment	10248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Federal - Peer Specialist	70127	-	-	-	-	-	-	-
3. Federal - PATH Homeless Grant	70154	-	-	-	-	-	-	-
4. Federal - CMHSBG - First Episode Psychosis	70167	-	-	-	-	-	-	-
5. Federal - CMHSBG - IECMH Endorsement	70167	14,000	5,000	19,000	7,770	11,230	-	11,230
6. Federal - CMHSBG - Housing Training Scholarships	70167	5,000	5,000	10,000	-	10,000	-	10,000
7. Federal - CMHSBG - TCM On-Line Training	70167	-	-	-	-	-	-	-
8. Federal - CMHSBG - Miscellaneous Training	70167	-	-	-	-	-	-	-
9. Federal - CMHSBG - Supported Education	70167	-	-	-	-	-	-	-
10. Federal - 988 Planning Initiative	70651	-	-	-	-	-	-	-
11. Federal - Youth Suicide Prevention	70651	-	-	-	-	-	-	-
12. Federal - PA System of Care Grant	70976	-	-	-	-	-	-	-
13. Federal - Covid-19 CMHSBG	87410	-	-	-	-	-	-	-
14. Federal - Covid-19 ARPA	87410	-	-	-	-	-	-	-
15. Reserved		-	-	-	-	-	-	-
Subtotal Mental Health Services		19,000	10,000	29,000	7,770	21,230	-	21,230
B. Intellectual Disabilities Services								
1. Elwyn	10236	-	-	-	-	-	-	-
2. ARPA Respite	10255	2,000	-	2,000	-	2,000	-	2,000
3. ARPA Base-Rate Increase	10255	29,636	29,636	59,272	-	59,272	-	59,272
4. Temporary MFP-Start Model	70175	-	-	-	-	-	-	-
5. Temporary-DOH	87442	-	-	-	-	-	-	-
6. ARPA Administration-State & Federal	10255/70175	47,026	2,974	50,000	-	50,000	-	50,000
7. Reserved		-	-	-	-	-	-	-
Subtotal Intellectual Disabilities Services		78,662	32,610	111,272	-	111,272	-	111,272
C. Total for Non-Block Grant Reporting		\$ 97,662	\$ 42,610	\$ 140,272	\$ 7,770	\$ 132,502	\$ -	\$ 132,502

COUNTY OF VENANGO, PENNSYLVANIA

EARN PROGRAM

CONTRACT #4100077194

SCHEDULE OF REVENUE, EXPENSES, AND COMPARISON WITH BUDGET

YEAR ENDED JUNE 30, 2023

	Budget	Actual	(Over) Under Actual
Revenue:			
Grant revenue	\$ 2,220,483	\$ 2,220,483	\$ -
Expenses:			
Administration costs:			
Personnel:			
Staff salaries	106,000	106,000	-
Staff fringe benefits	69,515	69,515	-
Total personnel	175,515	175,515	-
Equipment and supplies	11,800	11,800	-
Operating expenses	34,732	34,732	-
Total administration costs	222,047	222,047	-
Direct training costs:			
Personnel:			
Staff salaries	-	-	-
Staff fringe benefits	-	-	-
Total personnel	-	-	-
Equipment and supplies	-	-	-
Operating expenses	-	-	-
Other program expenses	-	-	-
Total direct training costs	-	-	-
Subcontracted expenses	1,998,436	1,998,436	-
Total expenses	2,220,483	2,220,483	-
Excess of revenue over (under) expenses	\$ -	\$ -	\$ -

COUNTY OF VENANGO, PENNSYLVANIA

RECONCILIATION - FEDERAL AWARDS PASSED THROUGH THE PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES EXPENDITURES PER THE SEFA TO REVENUE RECEIVED PER THE PENNSYLVANIA AUDIT CONFIRMATION REPLY

YEAR ENDED DECEMBER 31, 2023

Exhibit XX

Program Name	Federal Assistance Listing Number	Federal Expenditures per the SEFA	Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	Difference	% Difference	Detailed Explanation of the Differences
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 65,388	\$ 65,388	\$ -	0%	n/a
COVID - Emergency Rental Assistance Program	21.023	825,114	-	825,114	100%	1
Special Education - Grants for Infants and Families	84.181	34,889	34,889	-	0%	n/a
Guardianship Assistance	93.090	129,755	134,753	(4,998)	-4%	1
Temporary Assistance for Needy Families	93.558	3,572,053	3,566,720	5,333	0%	1
MaryLee Allen Promoting Safe and Stable Families Program	93.556	-	5,923	(5,923)	-100%	1
Child Support Services	93.563	348,484	323,987	24,497	8%	1
Stephanie Tubbs Jones Child Welfare Services Program	93.645	634,481	312,289	322,192	103%	1
Foster Care - Title IV-E	93.658	709,112	590,158	118,954	20%	1
Adoption Assistance	93.659	185,652	272,629	(86,977)	-32%	1
Social Services Block Grant	93.667	87,957	106,037	(18,080)	-17%	1
Child Abuse Prevention and Neglect State Grants	93.669	27,755	27,755	-	0%	n/a
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	136,640	32,266	104,374	323%	1
Medical Assistance Program	93.778	462,616	377,290	85,326	23%	1
Block Grants for Community Mental Health Services	93.958	100,406	100,406	-	0%	n/a

n/a - Amounts are in agreement.

1. The difference is due to timing based on the audit confirmation reflecting cash payments versus the modified accrual accounting of federal expenditures on the schedule of expenditures of federal awards. Management believes this calculation represents federal expenditures.

COUNTY OF VENANGO, PENNSYLVANIA

RECONCILIATION - FEDERAL AWARDS PASSED THROUGH THE PENNSYLVANIA DEPARTMENT OF DRUG AND ALCOHOL EXPENDITURES PER THE SEFA TO REVENUE RECEIVED PER THE PENNSYLVANIA AUDIT CONFIRMATION REPLY

YEAR ENDED DECEMBER 31, 2023

Exhibit XXI

ALN Name	Federal Assistance Listing Number	Federal Expenditures per the SEFA	Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	Difference	% Difference	Detailed Explanation of the Differences
Block Grants for Prevention and Treatment of Substance Abuse	93.959	\$ 254,472	\$ 233,608	\$ 20,864	9%	1
Opioid STR	93.788	105,022	80,171	24,851	31%	1

n/a - Amounts are in agreement.

1. The difference is due to timing based on the audit confirmation reflecting cash payments versus the modified accrual accounting of federal expenditures on the schedule of federal expenditures. Management believes this calculation represents federal expenditures.

COUNTY OF VENANGO, PENNSYLVANIA

CHILD PROTECTIVE SERVICES LAW (CPSL) MONITORING OF IN-HOME PURCHASED SERVICE PROVIDERS

FOR THE TWELVE-MONTH PERIOD ENDED JUNE 30, 2023

EXHIBIT XXX

A	B	C	D	If Column D is Yes			H	I
				E	F	G		
Provider Name	Does Provider Contract Include CPSL Requirements	Most Recent Monitoring Date	Monitored During the Current Year (Yes/No)	List Any Exceptions Noted During Current Year Monitoring	If Applicable Was CAP Submitted	Is CAP Acceptable to County	Date Follow-Up Was Done On Prior Year Monitoring	Has Provider Implemented the CAP
Bethesda	Yes	3/1/2023	Yes	N/A	N/A	N/A	N/A	N/A
Center for Family Services	Yes	3/16/2023	Yes	N/A	N/A	N/A	8/11/2022	N/A
Child to Family Connections	Yes	3/15/2023	Yes	N/A	N/A	N/A	N/A	N/A
Community Services	Yes	5/3/2023	Yes	N/A	N/A	N/A	N/A	N/A
Family Service & Children Aid Society	Yes	3/7/2023	Yes	N/A	N/A	N/A	8/22/2022	N/A
Family Service of Northwestern PA	Yes	4/4/2022	No	Contract ended 1/9/23	N/A	N/A	N/A	N/A
Grace Learning Center	Yes	4/22/2023	Yes	N/A	N/A	N/A	N/A	N/A
Keystone Adolescent Center	Yes	3/8/2023	Yes	N/A	N/A	N/A	N/A	N/A
Mars Home for Youth Family Services	Yes	3/16/2023	Yes	N/A	N/A	N/A	N/A	N/A
Merakey	Yes	3/29/2023	Yes	N/A	N/A	N/A	N/A	N/A
Pathways	Yes	3/10/2023	Yes	N/A	N/A	N/A	N/A	N/A
Perseus House	Yes	3/28/2023	Yes	N/A	N/A	N/A	N/A	N/A
Youth Alternatives	Yes	3/10/2023	Yes	N/A	N/A	N/A	N/A	N/A